

To brief the Board on key issues, discussed on 19 March 2019, which the Audit Committee consider should be of interest to all Board members.

Recommendations

It is recommended that Board Members:

- Note the issues outlined below.
- Review the proposed Internal Audit Plan for 2019/20 and respond with comments where appropriate.

Key Issues

1. Annual Internal Audit Plan 2019/20

The Committee considered the draft Internal Audit Programme for 2019/20 and would welcome comments from other Board members before finalising arrangements. A summary of the draft plan is attached to this note and any comments should be forwarded to Garry Kidd, Assistant Director of Finance, at garry.kidd@nhs.net by Friday 19th April.

2. Electronic Patient Record (EPR)

The Committee considered the recent internal audit review which assessed the design and operating effectiveness of the key controls in place relating to management of the paperless clinic project, one of the most challenging projects within the overall EPR programme. Members noted that although the review had identified a number of areas of weakness in the project management arrangements including formal definition of objectives, documentation, progress monitoring and arrangements to evidence achievement and user acceptance, management had welcomed the findings of the review and committed to an action plan that will ensure this learning is built in to establishment of more robust project management arrangements for future stages of the project.

3. Cyber Security

The Committee received a report from the Board's ICT Technical Services Manager detailing progress against the agreed actions arising from recent internal audit reports relating to Cyber Security, IT Disaster Recovery arrangements and other IT risks. The Committee noted the complexities in this area, in particular the evolving nature of cyber threats and welcomed the ongoing initiatives being progressed by management which include revised business processes to ensure effective planning and co-ordination of system wide issues, enhanced training for staff, improvements to system access controls, penetration testing and "upstream" checks on security and controls as part of the procurement process for key suppliers. The Committee requested a further report on progress at the next meeting in March 2018.

4. Brexit

The Committee received an update from Mr Alan Gray, Director of Finance, on the current status regarding planning for the UK's withdrawal from the EU. Local efforts are focused on making use of existing resilience planning arrangements led by a Brexit co-ordination group comprising the Director of Finance, Director of Facilities and Estates, Interim Director of Human Resources and Director of Pharmacy. Key issues highlighted included the current uncertainty over the nature and timing of withdrawal and the risk mitigation measures in place at UK Government, Scottish Government and local NHS Grampian level with regard to availability and supply of medicines, procurement and availability of other essential supplies and the availability of workforce.

Rhona Atkinson
Audit Committee Chair
20 March 2019

Proposed Annual plan and indicative timeline – Year 3 - 2019/20

The following table sets out the internal audit work proposed for April 2019 to March 2020, together with indicative quarters for each audit.

NB: This list of proposed audits for 2019/20 was prepared for discussion at an SLT meeting on 12 March 2019. A full plan document including links to the NHS Grampian audit universe, strategic risks and corporate objectives will be presented to the June meeting of the Audit Committee for approval and will take into account views and inputs from the SLT and Audit Committee members.

Ref	Auditable Unit	Proposed review	Exec Sponsor	Q1	Q2	Q3	Q4	Proposed scope of review (high level)
A Corporate Systems								
A.1	Finance	Key Financial Controls	Garry Kidd				✓	Review of key financial controls: purchase & payables, income & debtors, payroll, bank & cash and asset management.
A.1	Finance	Property Transaction Monitoring	Gerry Donald		✓			Review of disposal and acquisition of property undertaken during 2018/19 in accordance with the Scottish Government Health Directorate's Property Transaction Manual.
A.4	ICT	User Lifecycle Management	Paul Allen/Scott Sim			✓		The 2016/17 cyber maturity review identified potential weaknesses within the management of the user lifecycle. This review would perform a deep dive into a critical system (office 365) to assess IT controls.
A.4	ICT	Cyber Security (Mobile Devices)	Paul Bachoo/Steve McCallum	✓				Review of how patient data on medical devices (e.g. CT or MRI scanners) is kept up to date and secure, taking into account any third party access.
A.5	Estates	Backlog Maintenance	Gavin Payne			✓		A review of how backlog maintenance is managed and prioritised across NHS Grampian.
B Corporate Governance								
B.3	Board Governance	Governance Statement	Garry Kidd				✓	Review Governance arrangements in support of the Accountable Officer's completion of the Governance Statement.

Ref	Auditable Unit	Proposed review	Exec Sponsor	Q1	Q2	Q3	Q4	Proposed scope of review (high level)
B.1	Risk Management	Follow up	Nick Fluck		✓			A follow-up to the 2017/18 IA review to assess the Board's progress in implementing its new Risk Management Framework. We will also assess the Risk Management Policy, which is currently work in progress, and the means by which compliance with the policy is ensured. We will also review the Training and Communication plans for promulgating understanding and awareness of the policy.
C	Operational Governance							
C.1	Clinical Standards	Records Management Planning	Paul Allen/ Scott Sim		✓			Review of procedures to ensure compliance with the new records management planning requirements.
D	Acute Services							
D.5	Waiting Times	Improvement plan	Fiona Francey		✓			A review of NHS Grampian's local plans for meeting the objectives of the Scottish Government's Waiting Times Improvement Plan (October 2018) including a review of the management information/performance reporting on progress against plan both internally and externally to the Waiting Times Improvement Plan Oversight Board.
E	Partnership Working							
E.1 E.2 E.3	Integration Joint Board: • Aberdeen City • Aberdeenshire Moray	Business Continuity Management within IJBs and GP services	IJB Chief Officers		✓			A review to consider the design and operating effectiveness of the Business Continuity Management arrangements within the IJBs and GP services. This will focus on business continuity plans at both a strategic and operational level, and consider how roles and responsibilities have been split between NHS Grampian, Local Authorities, IJBs and GPs. NB: Being discussed with Aberdeenshire Council Internal Audit who have a similar review planned in order to avoid unnecessary duplication of effort.
	GMS Contract	GP Sustainability loans					✓	Review of processes for management of the GP sustainability loan scheme in NHS Grampian

Ref	Auditable Unit	Proposed review	Exec Sponsor	Q1	Q2	Q3	Q4	Proposed scope of review (high level)
F.	Change							
F.1	Modernisation and on-going change programmes	Digital Health and Social Care Strategy	Paul Allen/ Scott Sim				✓	This review will assess the Board's IT and digital strategy in relation to the integrated national Digital Health and Social Care Strategy launched in summer 2017.