

**Minutes of a meeting of the Audit Committee held on
Thursday, 11th April 2019 at 9.30 a.m. in the Boardroom,
Trust Headquarters**

PRESENT:

Mrs H McCartan, Non-Executive Director (Chair)
Mr M McDonald, Non-Executive Director
Ms E Mullan, Non-Executive Director
Mrs S Rooney, Non-Executive Director
Mr J Wilkinson, Non-Executive Director

IN ATTENDANCE:

Ms H O'Neill, Director of Finance, Procurement and Estates
Mrs C Cassells, Assistant Director of Finance, Financial Management, SHSCT
Mrs A Rutherford, Assistant Director of Finance, SHSCT
Mrs F Jones, Corporate Financial Accountant/Fraud Liaison Officer, SHSCT
Mrs M McClements, Director of Older People and Primary Care, SHSCT *(Item 6i only)*
Dr M O'Kane, Medical Director, SHSCT *(Item 6i only)*
Mr S Gibson, Assistant Director – Medical Directorate, SHSCT *(Item 6i only)*
Mrs V Toal, Director of Human Resources and Organisational Development *(Item 6i only)*
Mrs H Trouton, Interim Executive Director of Nursing & Allied Health
Professionals, SHSCT *(Item 6i only)*
Ms L Kelly, Grant Thornton
Ms J McCaw, Assistant Head of Internal Audit, BSO
Mr J Murray, Internal Audit
Mr D Lynn, Northern Ireland Audit Office
Mrs S Judt, Board Assurance Manager, SHSCT
Mrs S McCormick, Committee Secretary, SHSCT (Minutes)

APOLOGIES

None

1) **CHAIR'S WELCOME**

Mrs McCartan welcomed everyone to the meeting and reminded members of their responsibilities in keeping with Board etiquette. She asked that mobile phones are turned to silent and laptops are to be used for accessing Audit papers only during the meeting.

2) **DECLARATION OF INTERESTS**

Mrs McCartan asked members to declare any potential conflict of interests in relation to items on the agenda. None were received and the business of the meeting proceeded.

3) **CHAIR'S BUSINESS**

None.

4) **MINUTES OF MEETING HELD ON 14th FEBRUARY 2019**

The minutes of the meeting held on 14th February 2019 were agreed as an accurate record and duly signed by the Chair.

5) **MATTERS ARISING FROM PREVIOUS MINUTES**

Members noted the progress updates from the relevant Directors to issues raised at the previous meeting. The Chair advised that following the last Audit Committee meeting, the issue of regular meetings between the ALBs Audit Committee Chairs and the DoH Audit Committee Chair was raised with the DoH to which Trust was advised that work on this has been halted in light of other pressing priorities and that DoH will be touch with Audit Committee Chairs when the situation changes. Mr Lynn advised that the issue of Departmental/ALB Audit Committee liaison was raised by Departmental Audit Committee members at their meeting of 20 March 2019. DoH officials were to progress how this liaison would take shape. Mr Lynn undertook to raise at the next Departmental Audit Committee meeting.

Mr McDonald stated that he would welcome the opportunity of a joint session with other Audit Committee members regionally in terms of shared learning.

6i) INTERNAL AUDIT PROGRESS REPORT (5 REPORTS)

Ms McCaw reported on progress to date against the 2018/19 Internal Audit (IA) Plan and a summary of the 5 audit reports finalized since the last meeting.

Trust Homecare (OPPC Directorate Finance Audit) – Unacceptable

Ms McCaw advised that an Unacceptable level of assurance was provided in relation to the Management of Trust Homecare within the Older People and Primary Care Directorate on the basis that significant variances were identified between actual care times delivered by Trust Homecare compared to commissioned and paid for time. Furthermore, completion of daily record sheets was poor by domiciliary care workers and monitoring of service users along with supervision of care workers was weak. Two Priority 1 and eleven Priority 2 recommendations were identified.

At this point, Mrs McCartan welcomed Mrs McClements to the meeting to provide an update on progress post audit. Mrs McClements acknowledged the disappointing position, however she emphasized that on a daily basis there is evidence that high quality domiciliary care is being delivered by the Trust to service users across the locality. Mrs McClements referred to ongoing challenges in terms of the completion of daily record sheets in the absence of a live monitoring system. Capacity issues across the 3 Homecare offices have had a further impact.

In terms of Transformation and future working, Mrs McClements advised members that the Trust envisage a more person centered approach and advised regarding the implementation of a new model of working with a focus on quality independent outcomes. The roll out of the model has been well received by GPs and client groups to date. Mrs McCartan asked if the new operational model will be fully embedded before IA conducts their review exercise. In response, Mrs McClements updated members on next steps in terms of rolling out the new model to further localities as well as work around housekeeping issues. Members noted a time frame of 6-9 months before the Trust could evidence improvement.

Mr Wilkinson welcomed the assurance that safe, high quality domiciliary care is being delivered to service users across the Trust,

however he emphasized the importance of addressing the findings identified through the audit and asked if staffing issues referenced by Mrs McClements have been resolved. Mrs McClements advised that seven domiciliary care supervisors have been replaced, however further work is required in terms of strengthening admin staff across the 3 Homecare offices.

On behalf of Audit Committee members, Mrs McCartan thanked Mrs McClements for attending the meeting to provide a clear update on progress and welcomed the progress achieved.

Payments to Staff – Limited

Ms McCaw advised that a Limited level of assurance was provided in relation to Payments to Staff on the basis that work to prevent and manage overpayments and ensure accuracy of payments across the Trust requires further embedding. The assignment focused on the Children and Young Peoples Services (CYPS) Directorate and also follow up of previous recommendations made in the 2017/18 audit report, when Limited assurance was also provided.

Ms McCaw acknowledged that controls specifically with CYPS Directorate overpayments to staff were generally operating effectively however a number of issues were raised; furthermore some prior recommendations remain outstanding. Nine Priority 2 recommendations were identified in this audit report.

On behalf of members, Mrs McCartan recorded disappointment at the audit outcome and referred in particular to gaps in respect of the prevention and management of overpayments across the Trust. At this point Mrs McCartan welcomed Mrs Toal to provide a progress update.

At the outset Mrs Toal stated that whilst the level of assurance provided was disappointing, considerable work has been undertaken across the Trust to address gaps in the systems for paying staff since the prior audit exercise in 2017/18, which had been duly acknowledged in the report. In relation to overpayments, Mrs Toal advised that work continues around strengthening internal housekeeping arrangements and she updated members in regards to ongoing work with line managers and team leaders, particularly around their responsibilities in terms of the timely administration of the HRPTS system to ensure the avoidance of inaccuracies.

In response to a number of questions around those managers who repeatedly fail to comply with the process, Mrs Toal and Ms O'Neill highlighted the complexity and challenges around the issue. Mrs Toal advised that some repeat offenders could face disciplinary action.

In response to a question from Mrs Rooney on the overtime payments received by Band 8A Social Workers within CYPS Directorate, Mrs Toal advised that the enhancements paid for September 2018 were based on an Agenda for Change Circular and were a long standing interim arrangement put in place by the Department of Health.

In conclusion, Mrs McCartan thanked Mrs Toal for providing a clear update on progress and reminded members of the Trust's obligation to ensure the prudent administration of public funds.

The following report was discussed next on the agenda.

Assurance Processes Post Controls Assurance Standards (CAS) 2018/19

Ms McCaw advised that in accordance with the 2018/19 Annual Internal Audit Plan, BSO IA carried out a review of the assurance arrangements post CAS in March 2019. The scope of the exercise was to conduct a high level review of the processes established within the Trust to monitor compliance with the required standards, policies and legislation previously contained within the prior CAS and the process for providing assurance on this to the Chief Executive and the Board (and onwards to DOH in the tailored format they have requested).

Members welcomed the findings of the review, noting that the processes adopted by the Trust during 2018/19 are adequate to provide appropriate assurance both internally and onwards to the DOH in the areas previously covered by the former CAS.

Ms O'Neill stated it was important to note the significant progress achieved internally within the transition year 2018/19 and updated members in terms of work to establish a centralized SharePoint site and the peer review process. Ms O'Neill recorded thanks to all staff involved with the Controls Assurance Group.

Morbidity & Mortality (M&M) – Limited

Ms McCaw presented the findings of the audit exercise which covered the implementation of the Regional M&M processes within the Trust. She advised that a Limited level of assurance was provided on the basis that whilst M&M processes are in place the required timescales for Consultant review and discussion at M&M groups is not consistently followed and some deaths have not been reviewed or discussed at M&M meetings as required. Furthermore, the process is not yet capturing learning in a consistent and effective manner. Ten Priority 2 recommendations, including 1 regional recommendation and Six Priority 3 recommendations were identified. Ms McCaw highlighted in particular the limited learning generated by the M&M groups.

At this point, Mrs McCartan welcomed Dr O’Kane and Mr Gibson to the meeting to provide an update on progress post audit. At the outset Dr O’Kane pointed out guidance on the regional M&M review was only issued very recently in 2016. She stated that feedback from Clinicians would indicate M&M processes are extremely useful however create an extra tier of work. Members noted the low compliance against the 48 hour target to review patient deaths. Mr Gibson referred to the challenges in meeting the timeframe and stated the need for review. In terms of developing learning outcomes to ensure similar incidents do not reoccur, Dr O’Kane acknowledged further work was required and was underway through a targeted approach and also through the recently established Learning Lessons Forum.

Members noted the difficulties in terms of accurate recording of information by reviewing Consultants on the Northern Ireland Electronic Care Record (NIECR) system. Mr Gibson referred to the challenges with NIECR and advised the Trust are currently collaborating with BSO to introduce a reporting function within the Regional M&M system. At this point Ms McCaw drew member’s attention to pages 42-43 of the report detailing the regional issues identified through the audit exercise and referred in particular to the significant investment required to ensure M&M regional processes are fit for purpose, especially in terms of learning lessons. Ms McCaw advised graphs demonstrating regional comparisons had been omitted from the progress report and stated she would email same to Audit Committee members following the meeting via the Committee Secretary.

Discussion took place around the grading of deaths reviewed through M&M and the indication that in only 1% of cases there was some form of learning to be achieved. Mr Lynn emphasized the need for progress in this area. Members went on to consider the various forums discussing M&M and Mrs McCartan asked if there was merit in refining this area. Dr O’Kane acknowledged the large number of established M&M groups, however she point out this was typical across all Trusts. Mrs Rooney referred to the Strategic Oversight Group on which she sits, which focuses on recommendations made in response to a number of Inquiry reports. She also commended as extremely useful a piece of work undertaken by Mr Gibson and the former Medical Director, Dr Wright on supporting learning from Morbidity and Mortality and stated it would be helpful to share the report with the Trust Governance Committee.

Mrs McCartan suggested it would be beneficial to include the IA report on the agenda for discussion at the next Trust Governance Committee along with an associated action plan. Ms Mullan, Chair of the Governance Committee welcomed this and agreed to progress. Ms Mullan stated it was important to note that in light of the Hyponatraemia Inquiry the regional M&M Oversight Group must work at developing lessons learned.

Action – Ms Mullan

In concluding discussion Mrs McCartan thanked Dr O’Kane and Mr Gibson for providing an excellent update on progress and stated she looked forward to further discussion on the matter through the remit of Governance Committee.

Specific Elements of Infection Prevention and Control (IPC) Governance including Anti-Microbial Stewardship – Limited

Ms McCaw was please to advise a Satisfactory level of assurance in relation to specific elements of IPC governance, namely (oversight of compliance with policies and procedures, IPC Audit and training). She stated that the audit exercise had identified generally good compliance with the sampled elements of IPC policies and procedures. Furthermore audit practices were well established in terms of IPC training and timely communication of audit results to staff and regular reporting to the Trust Board evidenced. However, members noted a Limited level of assurance was provided in

relation to Antimicrobial Stewardship (AMS), on the basis that AMS monitoring of practice requires further development and embedding across the Trust. Currently the Organization is meeting two of the four targets for AMS set by the Public Health Agency (PHA). Eighteen Priority 2 and two Priority 3 recommendations were identified. Ms McCaw advised that all recommendations have been accepted by Trust management.

At this point, Mrs McCartan welcomed Mrs Trouton to the meeting to provide an update on progress alongside, Dr O’Kane and Mr Gibson. Dr O’Kane acknowledged it was disappointing to see Limited assurance in terms of AMS however, she assured members the Trust have taken a collective leadership approach to the issues raised. Dr O’Kane referred to a number of issues including, the recently publicized overuse of antibiotics and workforce challenges. She stated that the Trust currently has two Microbiologists in post however further Microbiologists have been recruited and all envisaged to be in post by the end of 2019 and this will assist higher AMS at ward level. Dr O’Kane referred to Anti-Microbial Team meetings and advised that in order to improve clinical engagement, Mrs Trouton and herself have undertaken some work around reporting structures along with Mrs Gishkori.

Members welcomed the proactive work undertaken post audit. Mrs McCartan suggested the matter required further discussion through the remit of the Trust Governance Committee. Ms Mullan agreed to take this forward.

Action – Ms Mullan

Mrs Rooney referred to page 60, AMS training and suggested there would be benefit in including this under mandatory training for F1 doctors. Dr O’Kane agreed to liaise with Queens University and the Northern Ireland Medical and Dental Training Agency (NIMDTA) on the matter to ascertain at what stage training/teaching on Antimicrobial Stewardship is provided. Members were advised that Mr Martin Brown, Consultant Microbiologist speaks to junior doctors on AMS as part of their induction training.

Action – Dr O’Kane

In conclusion, Mrs McCartan thanked Dr O’Kane, Mrs Trouton and Mr Gibson for attending the meeting. She emphasized this was an

important area of Governance for the Organisation and stated further discussion on the issue would be taken forward via the Trust Governance Committee.

6ii) UPDATE ON INTERNAL AUDIT RECOMMENDATIONS

Ms McCaw presented the year-end follow up on outstanding IA recommendations. Members noted that of the 336 accepted Priority 1 and Priority 2 audit recommendations; 270 (80%) were fully implemented, compared with 68% in the prior year, 62 (19%) were partially implemented, compared with 24% in the prior year and 4 (1%) were not yet implemented at the time of review, compared with (8%) in the prior year.

Ms McCaw advised that of the 49 IA assignments undertaken during 2018/19, 21 IA reports achieved 100% fully implemented IA recommendations. Members welcomed the work of the Internal Audit Forum in driving forward the timely implementation of accepted IA recommendations and the impact of lessons learned, which is reflected in the improved year end position. A short discussion ensued on Patient Flow Acute Discharges which had the lowest percentage of fully implemented recommendations. Members were advised that the 2019/20 mid-year position will demonstrate improvement in this area.

6iii) BSO SHARED SERVICES SUMMARY REPORT

Payroll Shared Services, Follow-up Review September 2018

Members noted the written update on progress provided by the Head of HSC Shared Services and the Interim Head of Payroll Shared Services (PSC). The paper demonstrates progress achieved against previous audit findings (September 2018) when Limited assurance was provided, along with an update on the findings that will be issued in April 2019 following the latest review.

Members considered the detail reported on the 21 recommendations identified from previous audits. In terms of the most recent review, IA have identified an additional 4 Priority One and 8 Priority Two recommendations. Members acknowledged the effort undertaken to date by PSC to achieve fully implemented status against significant recommendations and in particular welcomed the recruitment of a Head of Governance and Head of

Transformation, alongside increased management capacity which will assist in further progress into the future. Ms McCaw advised that the final IA report on Payroll Shared Services will be presented at the next Audit Committee meeting on 9th May 2019.

In conclusion Mrs McCartan stated the update provides the Committee with a form of assurance that work is being progressed to implement significant issues raised. Mrs McCartan undertook to write to the Head of Shared Services and Interim Head of Payroll Services Centre thanking them for providing a comprehensive written update.

Action – Mrs McCartan/Mrs Judt

Mrs Judt and Ms Bourke left the meeting at this point.

6iv) INTERNAL AUDIT CHARTER

Ms McCaw presented the Internal Audit Charter and reminded members the document is presented to the Audit Committee for approval every 2 years. She stated that the Charter was a formalized set of standards and guidelines which defines Internal Audit activities, purpose, authority and responsibility. Ms McCaw pointed out that the recent External Quality Assessment exercise undertaken by the Chartered Institute of Internal Auditors identified a number of recommendations for improvement and these have been incorporated into the document.

Members welcomed the comprehensive detail included within the IA Charter.

The Committee approved the Internal Audit Charter

6v) INTERNAL AUDIT STRATEGY INCORPORATING INTERNAL AUDIT PLAN 2019/20 – 2021/22

Ms McCaw spoke to the above named document presented to Audit Committee for approval. She explained that the 3 year strategy was developed as part of a 3 year Audit plan and will be refreshed annually in line with the Organisation's risks and assurance needs. Members noted that as part of the planning process the Head of Internal Audit had met with the Audit Committee Chair, the Trust Chief Executive and various other Trust Directors to discuss the

planned audit work schedule for the next 3 years. Ms McCaw advised that the Service Level Agreement (SLA) with BSO includes provision of 990 IA days each year, allocated between individual planned assignments, management time, follow up time and contingency days.

Members considered the audit plan for 2019/20 and welcomed the scope of topics to be audited within the framework. Ms McCaw reminded members that the audit exercise on Incidents Management which was a regional audit deferred from 2018/19 will be taken forward in 2019/20.

Discussion ensued around assignments scheduled for 2020/21 and 2021/22. Ms Mullan and Mrs Rooney asked a number of questions around the proposed audit of the Management of Urology waiting lists. Members felt there may be added value in undertaking a more general audit of waiting lists. Ms O'Neill explained the rationale behind the proposed exercise in terms of scoping specific issues and lessons learned. Ms Mullan acknowledged this, however pointed out the recurring challenges around patient waits and stated there may be benefit in undertaking an earlier piece of work to assist the Trust in progressing the issue. Mrs Rooney highlighted the proposed Quality Improvement/Lessons Learned audit on page 20 of the document and stated in light of the Trust's current review of Governance she felt it would be timely to examine how lessons learned flow from a Governance perspective in the first instance. Ms O'Neill noted members' comments.

Subject to the comments noted, Mrs McCartan asked if members were content to approve the document.

Members approved the Internal Audit Strategy incorporating Internal Audit Plan 2019/20 – 2021/22

6vi) EXTERNAL QUALITY ASSESSMENT SELF-ASSESSMENT VALIDATION REPORT FOR BSO

Ms McCaw presented for information purposes the External Quality Assessment Self-Assessment Validation Report prepared by the Chartered Institute of Internal Auditors in line with good practice and provided an overview of the scope and objectives of the review. Ms McCaw stated IA had performed well in the exercise, advising that of the 64 fundamental principles the organization generally

conforms in 60 and partially conforms in 2. The remaining 2 principles were not applicable. The assessment identified 3 recommendations for improvement.

Mr Lynn commended the excellent IA assessment which evidenced a high quality and consistent service. Audit Committee members welcomed the assurance provided in that the assessment had found no aspects of non-conformance throughout the exercise.

7i) FRAUD UPDATE

Mrs Jones presented her written paper detailing 26 fraud cases reported to date within the SHSCT for the financial period 2018/19. Nine cases are now closed. Mrs Jones referred in particular to a number of cases reported via the 24 hour Fraud reporting Hotline. Mrs McCartan recorded thanks to Mrs Jones for her ongoing work and vigilance in investigating cases of Fraud across Trust locality. Ms Mullan asked for some further detail on case 2318 to which Mrs Jones responded.

7ii) TRUST ANNUAL COUNTER FRAUD ACTION PLAN 2018/19

Mrs Jones presented the Trust Annual Counter Fraud Action Plan 2018/19 and reminded members the document had formed part of the Trust's formal response to the Department of Health's Circular, in relation to the low volume of fraud reports logged with Counter Fraud Services and subsequent referrals for investigation.

Mrs McCartan welcomed the summary of lessons learned from 2017/18 reported fraud cases. In terms of the Action template, Mrs McCartan asked if any feedback had been received from Senior Managers. Ms O'Neill advised that Trust Directors have been encouraged to discuss the Counter Fraud Action Plan at their Directorate Senior Management Team (SMT) meetings to reinforce the importance of ensuring staff awareness is embedded across teams. Mrs Jones has also attended a number of Directorate SMT meetings to reinforce the issue.

In concluding discussion, Mrs McCartan asked when the Action Plan would be reviewed. In responding Ms O'Neill advised the Action Plan would be maintained as a live document.

7iii) ANNUAL THEFT & FRAUD REPORT 2017/18

Mrs Jones highlighted the key aspects of the above-named report. The total number of general Fraud cases reported for the period 2017/18 was 236. This is a decline of 35 cases from those reported in the prior year. Of the 236 cases reported, 105 were recorded as 'actual' cases; 88 as 'suspected' cases; and 43 'attempted but prevented'. The value of the cases reported amounted to £787k approximately.

Members noted the detail on the 26 health service specific cases. These were predominantly cases where individuals attempted to obtain prescription medication fraudulently. Other cases involved those individuals who abuse health service schemes.

Members welcomed the content of the report in terms of scoping to assist in the prevention and detection of cases in the future.

8) FINANCE CIRCULARS:

i) HSC(F) 07-2019 – Timetable for 2018/19 Annual Accounts

Ms O'Neill presented the above named Finance Circular. Members noted the challenging timetable for the submission of the Annual Accounts 2018/19. Mrs McCartan recorded thanks to the Finance team for their work to date in preparation of the draft accounts.

8) TRAINING AND DEVELOPMENT

Mrs McCartan reminded Committee members to keep informed of ongoing learning opportunities and development in order to maximize their potential. She stated the forthcoming Northern Ireland Confederation Conference in May 2019 and the SHSCT Directors' Workshop fall under the umbrella of ongoing training.

10) ANY OTHER BUSINESS

Mrs McCartan reminded members that in keeping with good practice procedures, Audit Committee would review the draft accounts for year ended 31 March 2019 at the next meeting on 9th May 2019. Members noted the meeting will commence at 9.45 a.m. following the Endowments & Gifts Committee.

The meeting concluded at 12.20 p.m.

SIGNED: _____

DATED: _____