

BHSCT AUDIT COMMITTEE

15 April 2025 at 10am in the Meeting Room,
Trust Headquarters, Non Clinical Support Building, Royal Hospitals

MINUTES

Present:

Mr David Small, Non-Executive Director (Chair)
Professor Catherine Ross, Non-Executive Director (*via Ms Teams*)
Prof Carmel Hughes, Non-Executive Director

In Attendance:

Mrs Fiona Cotter, Interim Director of Finance
Mr Jason McCallion, Sumer NI
Mrs Catherine McKeown, Head of Internal Audit (BSO)
Mrs Nicola Williams, Acting Co-Director of Finance (*via Ms Teams*)
Mrs Isabel Fraser, Sponsorship Branch (*via Ms Teams*)
Mrs Carol Blee, Sponsorship Branch (*via Ms Teams*)
Mr Owen Lambert, Senior Manager Medical Education, Appraisal and Revalidation
(*via Ms Teams*)
Ms Meave Morgan, Senior Auditor, NIAO (*via Ms Teams*)
Mrs Kerrylee Weatherall, Interim Director, Children's Community Services
Mr Paul Jameson, Auditor, BSO IT

Apologies:

Mrs Ellen Finlay, Non-Executive Director
Mr Joe McVey, Non-Executive Director
Mr Chris Hagan, Medical Director
Mr Brian Clerkin, Somer NI
Mr Peter Watson, Head of Office of the Chief Executive
Ms Collette Kane, Northern Ireland Audit Office
Mrs Karen Costly, Audit Manager, NIAO

No	Item	Presenter	Action
1	<p>Chairman's Business</p> <p>Mr Small welcomed all to the meeting. Mr Small noted that papers had been circulated both on Convene and via PDF.</p> <p>Apologies</p> <p>Apologies were noted as above.</p> <p>Conflicts of Interest</p> <p>No conflicts of interest were declared.</p> <p>Minutes of Previous Meeting :- 4 February 2025</p> <p>The minutes of the previous meeting were agreed.</p>	Chairman	Note
2	<p>Action Log</p> <p>The Audit Committee reviewed the tabled action log.</p> <p>It was agreed that those items already coloured green could be considered as Closed and removed from the Action Log.</p> <p>AC007 - It was agreed that this item on the log could be coloured Green and considered closed.</p> <p>In relation to AC017 pertaining to DAC data, Mrs Cotter updated the committee that the information had been issued but there was no feedback as yet. Mrs Cotter advised that the trend data was included in the meeting papers for today.</p> <p><u>Revenue Business Case and PPE Test Drilling Results 2023/24</u></p> <p>Mr Small referred to the Test Drilling business case outcome. Discussion took place regarding the results from the exercise and Mr Small communicated his observations and request to have this shared at the next meeting when made available.</p> <p><i>Mrs Weatherall joined the meeting at 1012hrs</i></p>	Chairman	Review
3	<p>Report of Internal Auditor</p> <p>Progress Report</p>	Internal auditor	Discussion/approval

Mrs McKeown referenced the tabled reports, please see attached:-

- Progress Report 2024-25
- Year-End Follow Up Report 2024-25
- Shared Services Paper

Mrs McKeown referred to this report where she noted that performance has improved. It was her opinion that progress against the annual audit plan was good. Substantive follow up had taken place on the Children's Assurance report, and whilst it remained at limited assurance it was evident that some improvement had taken place. There remain 4 significant findings; 1 fully implemented and 3 partially implemented.

Mr Small asked if there were resourcing challenges and Mrs Weatherall advised that there were demand and workforce challenges. She went on to explain that the Chief Social Worker is holding meetings with NIPSA and it is hopeful that negotiations are productive; the next few months will be critical. Mrs Weatherall advised that securing an adequate supply of Social Workers will not resolve for approximately another 3 years.

It was recognised among the group that action short of strike has been prevalent and challenging for the service. Mrs Weatherall advised that the service business continuity plan (BCP) has been in place since 2022 and a regional BCP will hopefully be signed off in the near future. The current situation suggests that BHSCCT will experience a further 12 months of working within BCP protocols.

Mr Small acknowledged that whilst this is a frustrating time for Mrs Weatherall's directorate, he can see everything is being done that can be done, at this stage.

Mrs McKeown referred to the Business Continuity Audit; this was deemed unacceptable last year. A heat map has been developed and was detailed in the meeting papers. This showed limited assurance but improvement has been noted. The performance against KPI's needs to be monitored and implemented.

Mr Lambert provided an update to the group regarding Emergency Planning team business, QMS data and the Business Continuity Plan. Mr Small acknowledged that this was moving in the right direction. Further assurance was sought by Mr Small on 4 significant findings which are to be fully implemented by Mr Lambert's team. Mr Small was assured that these would be implemented by the target date of August 2025.

Mrs McKeown referred to the Information Governance Audit

Page 22 of the report refers to a satisfactory outcome. One asset owner was identified who has not completed IAR (Information Asset Register). There were no significant findings to report

6 key findings were identified relating to mandatory training, compliance with training, Encompass, and Break the Glass events up to 2025. It was highlighted that processes and procedures need to be improved.

ACOPS IAR reported as incomplete and delays responding to SAI's and FOI's were noted. The findings have been accepted by the relevant BHSCT colleagues. Mrs McKeown advised that a review will take place in September 2025 regarding the findings.

Mr Small queried how Priority 3 audit findings are tracked and Mrs Cotter responded that they are not routinely followed up.

Mrs McKeown added that there are much fewer P3's than P2's and some trusts do carry out self-assessment of P3's. Mrs Cotter suggested that this approach could be scoped for BHSCT. Mr Small expressed that this would be quite valuable if a simple sense check could take place within a self-assessment exercise. Mrs Cotter to report back to the Committee at next meeting.

ACTION: Mrs Cotter

Mrs McKeown referred to the Risk Management audit, noting the assurance was satisfactory. There have been 4 key findings and 51 corporate level risks. She noted that the high number of risks could in itself be a potential risk to the effectiveness of risk management. Mrs McKeown went on to discuss the report findings:

- Delay in the New Maternity building – considered on corporate risk register.
- Concerns regarding corporate risks and the volume of same
- Work on Business Assurance Framework and Risk Register – in progress.

Some discussion took place between Professor Hughes and Professor Ross regarding the organisation's risk appetite and management of same.

Mrs McKeown referenced the Stock Take audits. 5 were attended and each achieved a satisfactory outcome.

Mr Jameson joined the meeting at 1023hrs

A Supply Chain Supply Audit had been undertaken by Mr Paul Jameson and he presented this report to the Committee. (Appended to the meeting papers).

Mr Jameson referred to two systems - Trust has own network and cloud based systems, i.e. suppliers hosting a system. These would be considered two risk priorities.

Page 5 of the report highlights satisfactory assurances as follows

- Strong technical controls by the Trust digital team.
- Embedded governance arrangements.
- All systems sampled had a contract provider in place
- Service users acknowledged role.
- Trust asset gaps & own work plan in place.
- Cloud based systems, first to bring in own formal risk assessment controls and info governance arrangements.
- 1 finding - Security Clauses - absent for system owners. Contract reviewed, but unsure of security clauses.
- On premise staff no formal approach when new systems brought on.

Areas that were flagged:

- Cloud assessment
- Multi-factor authentication

Management have accepted these as recommendations.

Mr Small acknowledged this was a good outcome and that it was for the most part for Trust Digital Services to lead on (4 out of 5). It was emphasised that implementation and follow up is important.

It was suggested that follow up should take place with regards to Priority 2 findings.

Professor Hughes queried the supply chain cybersecurity in relation to the introduction of USA tariffs. Mr Jameson advised whilst this was a large geo political risk it was recommended to carry on addressing the basics, and manage the Trust's own supply chain and enhance the report recommendations.

Professor Ross highlighted that implementation dates were noted quite late in the year and queried if they should be brought forward. Mr Small requested the dates were as soon as reasonably possible.

Mr Jameson advised the group that the dates were agreed following liaison with the Trust's Digital Services team who suggested them. Practicalities had been considered, and

timeframes taken into account in terms of the resources involved to inform the implementation dates.

Mrs McKeown referred to the Year End follow up report. She reported, that of the P1 and P2 findings, 81% of 354 were now fully implemented. A further comprehensive breakdown is available in the form of a report, attached within the meeting papers.

In summary, Mrs McKeown reported that the mid-year picture had improved compared to the previous year, but she would like to see further improvement. Mrs Cotter added that over the last year, recommendations of significant findings were being focused on and BHSC have been happy with the improvements being made thus far. Mrs McKeown informed the group that two thirds of all significant outstanding findings are from years 2023-2024 and 2024-2025.

Mr Small referred to implementation dates spanning from 2019 to 2025 and queried the level of intent and focus to address these matters. It was suggested by Mr Small that this should be communicated to the Executive Team regarding the level of focus required. However, overall it represented a good position and he is hopeful it continues in this way.

A short briefing paper was shared by Mrs McKeown in relation to Shared Service reporting. There was nothing in particular relevant to BHSC business.

4 **Draft Governance Statement**

Mrs Williams

Discussion/approval

Mrs Williams presented the Draft Governance Statement to the group. It was noted that there are some further updates and figures yet to be added for completeness. Mrs Williams informed the group that the purpose of the document is to provide assurance of sound systems of internal control within the financial year. The document has not yet been considered for Executive Team approval. An Internal Audit Assurance opinion is to be finalised as part of Mrs McKeown's Annual Audit report.

It was highlighted that the Trust are required to disclose commentary on 8 no. Divergences from last year's Governance Statement (see attached paper):

The following matters were proposed for additional inclusion, subject to Executive Team approval:

- Delay in New Maternity Hospital
- Cardiac Surgery
- RMJH Service

- Cervical Screening waiting times
- AMHIC – building maintenance (no form of words received as yet for AMHIC Water Damage).

In addition, attendance at Trust Board, Audit Committee and other key assurance groups is included in the template provided by Department of Health colleagues.

Mr Small raised the matter of divergences that have remained from previous reporting years. Mrs Cotter confirmed that significant divergences are defined as such as they are outside of Trust internal controls, for example, those with media attention or have been at the request of Department of Health.

Mr Small queried if the AMHIC matters were a result of internal control failures. Mrs Cotter reported that there is an ongoing investigation in progress.

Potential suggestions were noted in relation to divergences;

- An exercise to comprehensively review and categorise them and consider reporting elsewhere at another committee
- Interpersonal issues rather than divergence i.e. Cardiac Surgery

Mrs Cotter added that these are something Executive Team should consider and some of the current divergences may stay or go as a result. This will be communicated to Department of Health and their feedback to be awaited.

ACTION: Mrs Cotter

Mr Small expressed his satisfaction with the paper and its high level of detail.

Mrs Williams provided an overview to the group on the Audit Committee Effectiveness exercise. Thanks was given to everyone who completed this and returned their submissions. This was the first time using the template. The recommendations will be reviewed on an annual basis.

An overall picture of the scores was provided but Mrs Williams added that the assessment of the Audit Committee members having the relevant skills and experience was difficult to establish as a skills matrix was not completed.

Mrs Williams referred to the associated Action Plan and noted that as it was the first time that the template was completed, there was no comparison with the previous year.

Mr Small queried how it is decided how the recommendations are taken forward. It was agreed that the following items would be accepted to take forward:

- Initial Training
- Further work to take place on Skills Matrix
- Appointments Process (Chair of Board sitting with Audit Committee Chair)
- Consider Feedback
- **ACTION: Mrs Cotter and Mrs Williams to firm up wording.**
- Governance Statement to be shared with Trust Board.

ACTION: Mrs Williams to firm up wording

Items for further consideration

- Deep Dive on Cyber Security and IT (Perhaps Assurance Committee business – Mr Small to liaise with Mr Joe McVey. (Mrs Williams to craft a short email to Mr McVey). Professor Ross also agreed with this approach.
ACTION: Mr Small & Mrs Williams
- A written report from the Committee Chair to the BHSCT Board in the form of a one page report is recommended and the minutes to be presented.

Mrs McKeown advised the group that Mr Watson had already contacted her and she had shared a template for all Chairs to the Board. So either reporting method would be acceptable.

Mr Small added that Trust Board should decide if a verbal or written update is required and if the minutes are also to be presented. This is being considered by the Trust Board.

- Terms of Reference to be benchmarked. A query was raised regarding meeting ARAC standards and latest guidance already adhered to. Mrs Cotter and Mrs Williams to firm up a form of words.

ACTION: Mrs Cotter and Mrs Williams

5 **Fraud Update**

Mrs Williams provided an overview to the Committee on open cases;
6 reported, 5 no evidence and 1 closed – (conviction of fraud and given 200 hrs of community service)
11 new cases added (highlighted in yellow within attached paper).
3 cases related to Recruitment Agency staff and have been referred to PSNI via Counter Fraud team. £200k alleged fraud across 3 cases.

Mrs Williams

Noting and Questions

Counter Fraud team has carried out an exercise across the E-Roster and 40 cases have been highlighted for further investigation.

Further cases involving 28 PC's going missing from BCH Tower, and over claiming of mileage.

Discussion took place regarding means to identify common causes, and instances of particular lessons learned. Professor Hughes highlighted long standing but complex cases noted at the beginning of the attached relevant paper. One case in particular was raised, involving dismissal of a staff member. The case was not taken forward by PSNI as it was not a criminal case but was considered through Trust internal disciplinary processes. Mr McCallion queried a data breach in the unauthorised removal of 28no. PCs from BCH Tower. Mrs Williams confirmed there was no loss of data/data secured.

6 **Direct Award Contracts**

Mrs Williams

Noting and Questions

Mrs Williams referred to the report of Direct Award Contracts from 1 January 2025 to 31 March 2025.

Mrs Williams detailed the reasons for changes in trends contained within the report, to the group.

Mr Small commented that the information presented was helpful and that it was important to maintain the trend data and highlight any alarming spikes to the Committee.

Mrs Finlay [Aine – Ellen is listed as an apology – I don't think she attended. Was this something from an earlier meeting? If so, we can probably remove this point] put forward a suggestion to pick one or two instances where a case study can be carried out. Mrs Williams confirmed it can be recorded as an action to take forward to the next committee meeting.

ACTION:-Mrs Williams

7 **Date of Next meeting 10 am 19 June 2025**

Chairman