



**MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE
(ARAC) HELD ON THURSDAY 6 FEBRUARY 2025 AT 9.30AM IN
THE BOARDROOM, NIAS HQ**

PRESENT:

Dr P Graham	Committee Chair
Mr D Ashford	Non-Executive Director
Mr P Corrigan	Non-Executive Director

IN

ATTENDANCE:

Ms R Byrne	Director of Operations
Mr S Christie	Strategic Financial Support
Ms M Paterson	Director Planning, Performance & Corporate Services
Ms B McAuley	Assistant Director of Finance
Ms C Hagan	External Audit ASM
Ms C Kane	Northern Ireland Audit Office
Mr D Charles	Internal Audit, BSO
Ms S Beggs	Temp Board Secretary
Mr N Henry	Assistant Director Planning, Performance & Corporate Services

APOLOGIES:

Welcome, introduction and format of meeting

The Chair welcomed everyone to the meeting.

It was noted that Mr Nick Henry would attend the meeting until 11.00am.

1 Apologies

Apologies were noted. It was noted that Ms Paterson would be joining the meeting late.

2 Declaration of Potential Conflict of Interest & Confirmation of Quorum

The Chair asked those present to declare any conflicts of interest now or as the meeting progressed.

The Chair stressed the confidentiality of information presented.

3 **Previous Minutes (AC06/02/25/01)**

The minutes of the previous meeting held on 10 October 2024 were **APPROVED** on a proposal from Mr Ashford and seconded by the Committee Chair.

The Committee noted some cosmetic changes required to names.

4 **Matters Arising (AC06/02/25/02)**

Item 6.1 – Mr Christie provided a paper under matters arising with an explanation on hire or buy of specialist training vehicles. The Committee were content with this explanation.

Mr Sinclair will provide an education update at the next Safety Committee.

ACTION: Mr Sinclair

The Committee **NOTED** the Matters Arising.

5 **Chairman's Business**

There were no matters discussed.

6 **Standing Items**

6.1 NIAS Direct Award Contract Register (AC06/02/25/03)

Mr Christie highlighted there are two new DACs added since the last meeting and that there are a small number of pending DACs which are in progress.

The Committee **NOTED** the NIAS Direct Award Contract Register.

6.2 (1) Fraud Update – Written Update (AC06/02/25/04)

Ms McAuley provided an update on active fraud investigations. The Committee discussed an on-going investigation.

The Committee were satisfied that the appropriate process has been followed.

Mr Corrigan asked if there are any internal communications that could be issued to remind staff of their obligations. Ms McAuley confirmed that there are, and before a case is closed, the Fraud Department request to see the outcome of action taken.

The Committee **NOTED** the Fraud Update.

(2) DoF Annual Theft and Fraud Report 2021/22 (AC06/02/25/05) (3) The National Fraud Initiative NI (AC06/02/25/06)

This paper was tabled to inform the Committee that the Annual Theft and Fraud Report for 2021-22 was released in October 2024 and has been published on the DoF website.

The Committee **NOTED** the initiative and that NIAS are in line with the plan, which is predominantly completed by BSO, through engagement with NIAS.

6.3 Emergency Preparedness, Resilience & Response - verbal update

Ms Byrne advised there has been good progress on implementing the AACE recommendations.

The Committee discussed the related issue of HART capacity and ongoing discussions with the DOH in respect of potential investment.

Mr Ashford is continuing to attend the extra EPRR meetings until the business case is complete.

The Committee agreed to stand down the enhanced focus on EPRR at the Committee given the progress that has been made, and because EPRR is also reported at the Safety, Quality, Performance and Patient Experience Committee.

7 Internal Audit

7.1 Progress Report (AC06/02/25/07)

Mr Charles advised the year end follow up is continually ongoing and NIAS are on track to deliver by 31 March 2025.

There has been a lot of progress this year with a significant amount of evidence to close a number of recommendations.

The Chair thanked Directors present and asked them to convey the Committee's thanks to teams for all their work involved.

Mr Corrigan sought clarity on the progress of the resource and rota management audit. Ms Byrne is meeting with her team on Friday: the report has been issued to management and should be ready for the next Committee meeting.

ACTION: Ms Byrne

7.2 IA Definitions and terminologies used in BSO internal audit reports (AC06/02/25/08)

Ms McAuley advised that this paper has been issued to all clients due to new members joining Audit Committees across the Trusts.

The Committee **NOTED** the briefing.

8 External Audit

8.1 Draft Audit Strategy (AC06/02/25/08)

Ms Kane advised that this strategy presents the outline approach to the 24/25 audit, Trust and Charitable Trust funds. She reminded Committee members what they should be considering in terms of strategy, which is detailed on page 2 of the document.

Ms Hagan referred to the key assessments and that if any errors arise over £62K they will be brought to the Committee's attention.

The Committee noted there are three significant audit risks: Management override of controls, internal control environment and PSNI holiday provision.

Section 4 (Audit timetable, fees and staffing) is subject to DoH issuing their timetable.

The ability to meet the 2 May 2025 deadline was discussed, given the proximity to the Easter holidays. It was advised that additional flexibility to the deadline will be requested with the DoH, however this is not guaranteed.

The Committee discussed the importance of aligning future Committee dates around progression of the audit strategy and approval of same.

Mr Ashford queried if the ongoing compound interest in relation to the PSNI Holiday provision would have an impact. Mr Christie advised that whilst this will have an impact HSC wide in the future, at this time it would not impact NIAS year end forecast financial position.

Mr Corrigan highlighted that the main risk for the Committee is the internal control environment as that is where they have the most influence and control. The Chair agreed and said the team have made a significant difference and focus is required to keep this on the same trajectory.

Ms Hagan reminded Committee members to notify her of any declarations of interest.

The Committee **NOTED** the draft Audit Strategy

9 Standing Financial Instructions (SFIs)

A review of the Trust's Standing Financial Instructions has been carried out as the SFIs have not been updated since December 2019.

The review included benchmarking with other HSC Trust SFIs and consideration of current DOH policies, financial circulars, and legislation and minor amendments have been made.

On approval by the Committee, the intention is for the SFIs to be presented to Trust Board in March prior to dissemination to staff.

It should be noted that a further review will be carried out prior to the Committee meeting scheduled for October 2025 as additional updates are expected to ensure that the SFIs are compliant with

new procurement legislation and changes to the Trust's planning and monitoring process.

The Committee **APPROVED** the changes.

10 Review of Corporate Risk Register – progress update

Mr Nick Henry advised that the Corporate Risk register was last presented in October 2024 and discussed the proposed changes as set out in the tabled papers.

The Corporate Risk Register Summary report has been updated to reflect the changes with controls and actions, and Mr Henry advised that there will be 14 open risks on the register, should the changes be approved.

Mr Ashford suggested slight revisions to the scoring for risks 833 and 761, and Mr Henry agreed to review and liaise directly with Mr Ashford on this.

ACTION: Mr Henry

Mr Corrigan queried why the issue of HART capacity was being presented for entry on the corporate risk register now, given that it has been a longstanding issue. Mr Henry advised that the opportunity for escalation was identified through a recent review of all risks on Directorate risk registers.

Ms Kane added that the layout and information is very concise and easy to look at to see what the risks are, and commented that 14 Corporate risks seems like a reasonable number for the size and scope of the organisation.

Mr Henry highlighted that Ms Laura Hill has done a huge amount of work on the Risk Register Summary Report. The Chair suggested she attends one of the future meetings.

ACTION: Mr Henry

The Committee **APPROVED** the Risk Register pending the changes discussed.

11 Updated Adverse Incident Management Policy

Mr Henry advised that the Trust's Reporting and Management of Adverse Incidents Policy has been updated. The content in the main reflects a regionally agreed policy template from 2016 and minor amendments have been made to reflect current practice and to reinforce responsibilities of staff groups.

Mr Henry explained that the policy covers the management of adverse incidents which do not meet the threshold for a Serious Adverse Incident (SAI).

It will be disseminated to staff along with a toolkit, for managers at station level, explaining some of the key things to provide additional support while investigating incidents.

Mr Corrigan queried how this policy relates to the impending changes to the SAI process. Mr Henry advised that the adverse incident process will remain unchanged – this policy will be complementary to the post-SAI regime.

Mr Charles said the regional SAI redesign initiative has been ongoing for a significant period of time and agrees with Mr Henry that this Policy will dovetail and easily reflect the SAI redesign Process.

Mr Ashford suggested adding a specific paragraph on “near misses.” Mr Henry to liaise directly with Mr Ashford to agree wording.

ACTION: Mr Henry

The Committee **APPROVED** the Policy subject to an additional paragraph being added regarding near misses.

12 Revised Committee Terms of Reference

The Committee was asked to approve the revised terms of reference (ToR) for subsequent approval at Trust Board in March.

Dr Graham is satisfied with the GARAC ToR.

Mr Ashford is content and took on board what that Chair advised, that if something comes up in the meantime, before the next review, they can be reviewed and updated if required.

Mr Corrigan advised that there has been really good work involved in this review and that the new Committee ToRs provide clarity as to how the Committee structure will be realigned. Each Committee will be responsible for reviewing its ToR annually, but ARAC should have overall oversight of how the Committees operate from a governance perspective.

It was suggested that a bullet point on page 7 of the GARAC ToR should refer to internal audit rather than external.

Ms Kane suggested further minor amendments to the ToR which were agreed by the Committee.

ACTION: Mr Henry

The Committee further discussed attendance of the Chief Executive at future Committee meetings. It was agreed that the ToR should be updated to reflect the fact that the Chief Executive should attend meetings of the Committee regularly.

ACTION: Mr Henry

The Committee **APPROVED** the revised Committee ToR in principle, subject to the agreed amendments being made.

13 Revised Standing Orders

The Trust's Standing Orders have been reviewed (last review date was September 2023). Several amendments have been suggested, which in the main are minor, to reflect the proposed updated Board Committee structure and to simplify wording and approach in some areas.

Mr Henry advised that the Belfast, Western and Southern HSC Trust Standing Orders were used to help inform the review.

Mr Henry drew the Committee's attention to the suggested wording changes in section 3.9 to cover the arrangements for whenever the Chair of Trust Board is unavailable.

The Committee **APPROVED** the proposed changes to the Standing Orders.

14 Revised Risk Management Policy with Risk Appetite Statement

Mr Henry explained the background to the review and update of the Risk Management Policy, which is an Internal Audit Recommendation. Mr Henry summarised the main changes to the policy as set out in the tabled papers.

Mr Henry discussed the proposed risk appetite statement, which is included in the policy and advised that, if approved, the appetite statement will be used to inform the target scores of risks on the Corporate and Directorate risk registers.

The Committee discussed the Policy and the risk appetite statement and were content to approve it. The Chair discussed that an option of facilitating a separate NED workshop on risk appetite was considered, but given that the Committee were in agreement with the proposal, this is not necessary and the risk appetite can be reviewed and updated, as necessary, once it is used in practice.

Mr Charles said that this Policy and statement confirms what level of risk an organisation is prepared to accept. He commented that Internal Audit recognise the significant progress that has been made in respect of risk management practice at NIAS in recent months.

The Committee **APPROVED** the Revised Risk Management Policy with Risk Appetite Statement

15 DoH correspondence

15.1 DAO (DoF) 03 24 Guidance on responding to NIAO Reports

On 24 October 2024 the Department of Health issued a circular to all HSC Bodies containing recently published DoF guidance on responding to Northern Ireland Audit Office (NIAO) public reports with a request that the circular was brought to attention of appropriate staff.

This guidance is intended to support departments and ALBs in preparation of responses to NIAO recommendations in their public reports and provides advice on implementing recommendations including monitoring and reporting processes.

Mr Corrigan sought an update on the Audit office report on ambulance handover delays. Ms Kane advised that the DoH are currently reviewing the report and are due to provide feedback to NIAO.

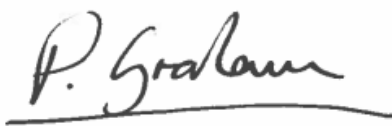
16 Any Other Business

No matters discussed.

17 Date, Time and Venue of Next Meeting:

12 May 2025, 9.30am

THIS BEING ALL THE BUSINESS, THE CHAIR CLOSED THE MEETING AT 11.15AM.



SIGNED: _____

DATE: _____ 12/5/25 _____