FTF Internal Audit Service

Annual Internal Audit Report 2020/21

Report No. B06/22

Issued To: Carol Potter, Chief Executive
Margo McGurk, Director of Finance and Strategy
NHS Fife Executive Directors Group

Gillian MacIntosh, Head of Corporate Governance and Board Secretary

Audit & Risk Committee
External Audit

Contents

Draft Report Issued	30 August 2021
Management Responses Received	08 September 2021
Target Audit & Risk Committee Date	16 September 2021
Final Report Issued	09 September 2021

INTRODUCTION AND CONCLUSION

1. This annual report to the Audit and Risk Committee provides details on the outcomes of the 2020/21 internal audit and my opinion on the Board's internal control framework for the financial year 2020/21.

2. Based on work undertaken throughout the year we have concluded that:

- The Board has adequate and effective internal controls in place.
- The 2020/21 internal audit plan has been delivered in line with Public Sector Internal Audit Standards.

3. In addition, we have not advised management of any concerns around the following:

- Consistency of the Governance Statement with information that we are aware of from our work.
- The description of the processes adopted in reviewing the effectiveness of the system of internal control and how these are reflected.
- The format and content of the Governance Statement in relation to the relevant guidance.
- The disclosure of all relevant issues.

ACTION

4. The Audit and Risk Committee is asked to **note** this report in evaluating the internal control environment and **report** accordingly to the Board.

AUDIT SCOPE & OBJECTIVES

5. The Strategic and Annual Internal Audit Plans for 2020/21 incorporated the requirements of the NHSScotland Governance Statement and were based on a joint risk assessment by Internal Audit and the Director of Finance. The resultant audits range from risk based reviews of individual systems and controls through to the strategic governance and control environment.

6. The authority, role and objectives for Internal Audit are set out in Appendix 3 of the Board's Standing Financial Instructions and are consistent with Public Sector Internal Audit Standards.

7. Internal Audit is also required to provide the Audit and Risk Committee with an annual assurance statement on the adequacy and effectiveness of internal controls. The Audit & Assurance Committee Handbook states:

The Audit & Risk Committee should support the Accountable Officer and the Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of the financial statements and the annual report. The scope of the Committee's work should encompass all the assurance needs of the Accountable Officer and the Board. Within this the Committee should have particular engagement with the work of Internal Audit, risk management, the External Auditor, and financial management and reporting issues.

INTERNAL CONTROL

8. The Internal Control Evaluation (ICE), issued January 2021, was informed by detailed review of formal evidence sources including Board, Standing Committees, Executive Directors Group (EDG), and other papers. The ICE noted actions to enhance risk reporting and clinical governance arrangements, with progress in improvements in Information Governance arrangements. Internal Audit concluded that NHS Fife's assurance structures were adequate and effective and made 6 recommendations for improvement by year end. The status of previous recommendations is summarised in table 1 below.

9. During the year we worked with management to review and update outstanding internal audit recommendations to take account of Covid19, including those arising from the previous ICE report.

10. Throughout the year, our audits have provided assurance and made recommendations for improvements. Of these, the ICE was the most significant. We have undertaken detailed follow up of the agreed actions arising from that report as well as testing to identify any material changes to the control environment in the period from the issue of the ICE to the year-end. We have reflected on the impact of Covid19 and the governance arrangements in place during the year, taking into account developments since year-end where relevant. Some areas for further development were identified and will be followed up in the 2021/22 ICE and, where applicable, our detailed findings have been included in the NHS Fife 2020/21 Governance Statement.

11. Our assessment of the progress taken to address ICE recommendations is detailed in table 1 on page 11. NHS Fife has demonstrated good progress with only minor slippage on some actions, despite the continuing difficulties caused by Covid. Several of the more strategic actions are not yet due for completion but are progressing well. We will comment on the effectiveness of the action taken in the 2021/22 ICE.

12. For 2020/21, the Governance Statement format and guidance were included within the NHSScotland Annual Accounts Manual. Whilst Health and Social Care Integration is not specifically referenced, the guidance does make it clear that the Governance Statement applies to the consolidated financial statements as whole, which would therefore include activities under the direction of IJBs.

13. The Board has produced a Governance Statement which states that:

    'During the 2020/21 financial year, no other significant control weaknesses or issues have arisen, in the expected standards for good governance, risk management and control'.

14. Our audit work has provided evidence of compliance with the requirements of the Accountable Officer Memorandum and this, combined with a sound corporate governance framework in place within the Board throughout 2020/21, provides assurance for the Chief Executive as Accountable Officer.

15. Therefore, **it is my opinion** that:

    - The Board has adequate and effective internal controls in place.
    - The Accountable Officer has implemented a governance framework in line with required guidance sufficient to discharge the responsibilities of this role.

16. All Executive Directors and Senior Managers were required to provide a statement confirming that adequate and effective internal controls and risk management arrangements were in place throughout the year across all areas of responsibility and, this process has been enhanced with guidance on content provided by the Director of Finance and Strategy. These assurances have been reviewed and no control issues, breaches of Standing Orders / Standing Financial Instructions were identified.

17. The Governance Statement reflects the necessary changes to Board governance and operating arrangements due to Covid19 and the work to remobilise. The Governance Statement includes details of the Board performance and risk profile and future changes to Strategy Development and Strategic Planning and Resource Allocation. The risk management section of the Governance Statement is particularly helpful in describing the enhancements required to the risk arrangements and profile of the organisation. All elements of the Governance Statement have been considered by Internal Audit.

Key Themes

18. As noted in the ICE, during the first part of the year the Board maintained and improved its governance arrangements and has performed well in exceptionally difficult circumstances, facing the unprecedented challenges created by Covid19. We welcome the progress with the Strategic Allocation and Resource Process which has informed the annual plan (RMP3).

19. We are pleased to note that new Health and Wellbeing Strategy, which will supersede the current Clinical Strategy, is under development and due to be presented to the Board for approval in March 2022.

20. We highlight the strong communication within the Board, in these challenging times, with Staff Link providing a constant feed of news and a Weekly News Roundup via email, which provides Operational, Clinical, Workforce, Staff Health & Wellbeing and Research & Development updates, as well as a useful links and updates from the Health & Social Care Partnership (HSCP) Director.

21. This report contains a number of recommendations that reflect the changes to the risk environment in which the Board operates. There are opportunities now to enhance governance further through the application of assurance mapping principles and our report contains recommendations aimed at ensuring coherence between Governance Structures, Performance Management, Risk Management and Assurance. We note the progress with the update of the Digital and Information, Strategic Planning and Financial Sustainability BAFs. The Quality and Safety BAF is planned for review as part of the work ongoing with the Assurance Mapping Group.

22. Whilst there have been positive improvements in a number of areas, we would highlight in particular Information Security and Information Governance, where the Board's own systems have identified issues in addition to those highlighted by Internal Audit and made the improvements necessary to achieve minimum standards.

Key developments since the issue of the ICE included:

- The third iteration of the Remobilisation Plan, RMP3 covering the period April 2021 – March 2022, was submitted to the Scottish Government on 26 February 2021 and presented to the Board, as soon as possible, in May 2021.
- Corporate Objectives have been developed and were approved at the 27 July 2021 Board Meeting.

- Overall, there has been good progress on recommendations from the ICE. Where action is still to be concluded, the Board has been informed of the planned approach and timescales, as well as associated improvement plans.
- The development of the Health and Wellbeing Strategy and timetable agreed.

23. During 2020/21 we delivered 28 audit products to the NHS Fife Audit and Risk Committee (May 2020 to June 2021 meetings). These audits reviewed the systems of financial and management control operating within the Board and provided opinions on the adequacy of controls in these areas. Summarised findings or the full report for each review were presented to the Audit and Risk Committee throughout the year.

24. A number of our reports, including the ICE and Sustainability work, have been wide ranging and complex audits which have relevance to a wide range of areas within Fife. These should provide the basis for discussion around how NHS Fife can best build on the very good work already being done to improve and sustain service provision.

25. Board management continue to respond positively to our findings and action plans have been agreed to improve the systems of control. Internal Audit have maintained a system for the follow-up of audit recommendations and reporting of results to the Audit and Risk Committee. In March 2021, Internal Audit carried out a review of outstanding recommendations and removing from the Audit Follow Up system actions which had been completed, or were consolidated and superseded by recent audit products. As reported to the 17 June 2021 Audit and Risk Committee, of the 49 audit actions remaining, 33 had date extensions, 6 were overdue and 10 were not yet due.

ADDED VALUE

26. The Internal Audit Service has been responsive to the needs of the Board and has assisted the Board and added value by:

    - Examining a wide range of controls in place across the organisation.
    - In conjunction with Local Authority Internal Auditors, providing advice and support during 2020/21.
    - Providing opinion on and evidence in support of the Governance Statement at year-end and conducting an extensive Internal Control Evaluation which permitted remedial action to be taken in-year. This review made recommendations focused on enhancements to ensure NHS Fife has in place appropriate and proportionate governance, which supports and monitors the delivery of objectives and is commensurate with the challenging environment within which it is operating.
    - Continuing to liaise with management and providing ad-hoc advice on a wide-range of governance and control issues.
    - Provision of Committee Assurance principles and risk guidance which were considered and endorsed by the Audit and Risk Committee for adoption by Standing Committees. We continue to engage with national groups to ensure that our approach is congruent with forthcoming SGHSCD developments.
    - Assurance mapping and risk advice, in particular on Digital and Information risks.
    - Consideration of how best to provide Directors' assurances required under the Scottish Public Finance Manual and production of a potential template for use in future years.

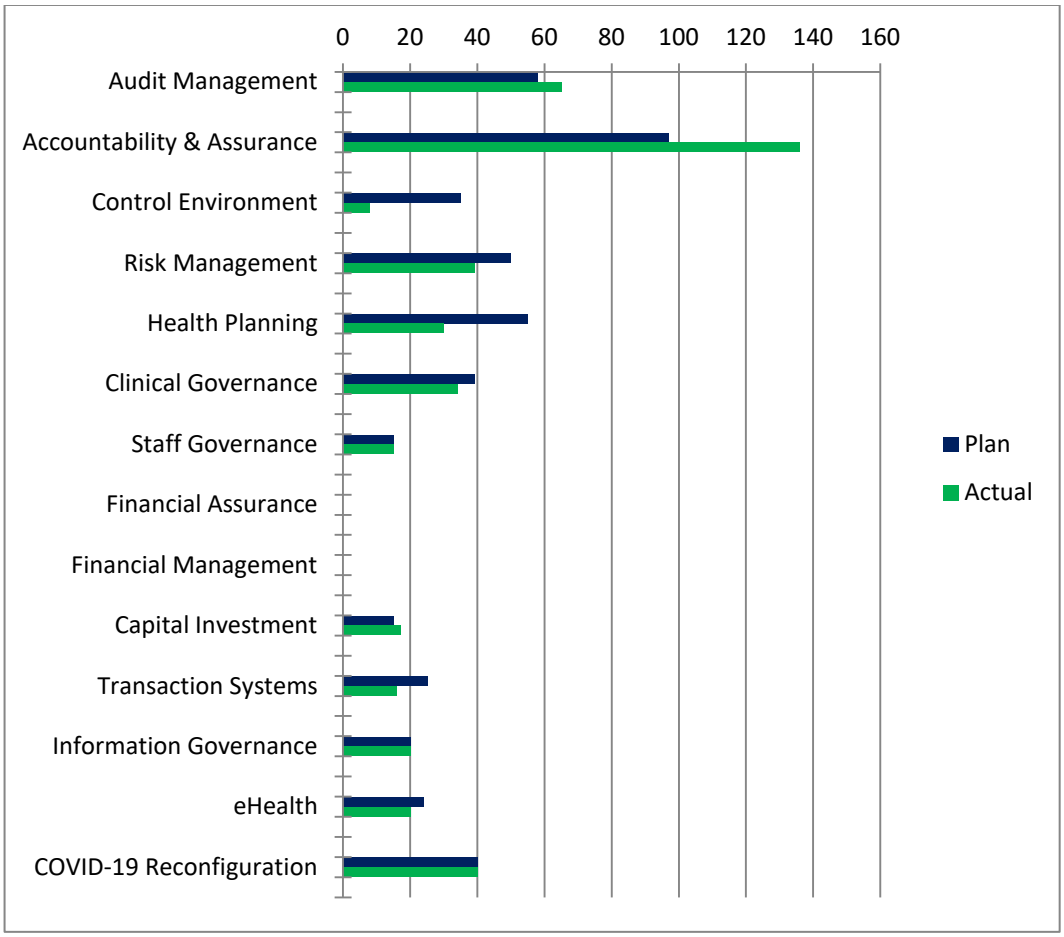
- Advice provided to the process maps for agency nurses and authorisation of invoices, etc.
- Initial review of NHS Fife's proposed approach to strategic planning and resource allocation.
- Advice on the revised Terms of Reference for the Digital Information Board, Information Governance and Security Steering and Operational Groups and attendance at their meetings.
- Suggested amendments to the draft Integration Scheme and preparation for assumption of the Chief Internal Auditor role for Fife IJB from April 2021 onwards.

27. Internal Audit have also used any time made available by necessary senior management prioritisation of Covid19 duties to reflect on our working practices, both to build on action taken in response to previous External Quality Reviews and to adapt to a post Covid19 environment. This has included:

- Revision of the internal audit reporting protocol and flowchart.
- Development of a revised client quality questionnaire.
- Update and enhancement of the FTF Intelligence Library.
- Review of internal documentation and processes including analytical review and performance review, again to ensure we add value wherever possible.
- Review and update of our risk assessment categorisation.
- Ongoing development of the FTF website.
- Review and update of the FTF self assessment against the Public Sector Internal Audit Standards.

INTERNAL AUDIT COVER

28. **Figure 1: Internal Audit Cover 2020/21**



29. Figure 1 summarises the 2020/21 outturn position against the planned internal audit cover. The initial Annual Internal Audit Plan was approved by the Audit and Risk Committee at its meeting on 13 July 2020. It was agreed at that time that the plan would be revised as changes to the risk profile and other factors became better known, and the Audit and Risk Committee approved amendments in March 2021. We have delivered 439 days against the available 473 days.

30. Following a recommendation from the External Quality Assessment (EQA) carried out on Internal Audit in 2018/19, we continue with the agreed process of risk assessing outstanding 2020/21 audits for inclusion in the 2021/22 plan.

31. A summary of 2020/21 performance is shown in Section 3.

PERFORMANCE AGAINST THE SERVICE SPECIFICATION AND PUBLIC SECTOR INTERNAL AUDIT STANDARDS (PSIAS)

32. Due to prioritisation of Covid19 duties, the FTF Partnership Board met only once in 2020/21. The Partnership Board is chaired by the NHS Tayside Director of Finance and the FTF Client Directors of Finance are members. The FTF Management Team attends all meetings. During the year the Partnership Board reviewed the Internal Audit Shared Service Agreement 2018-2023 and the Internal Audit Service Specification, as well as approving the 2020/21 budget. The Partnership Board also approved revised risk assessment definitions for internal audit reporting.

33. We have designed protocols for the proper conduct of the audit work at the Board to ensure compliance with the specification and the Public Sector Internal Audit Standards (PSIAS).

34. Internal Audit is compliant with PSIAS, and has organisational independence as defined by PSIAS, except that, in common with many NHSScotland bodies, the Chief Internal Auditor reports through the Director of Finance rather than the Accountable Officer. There are no impairments to independence or objectivity.

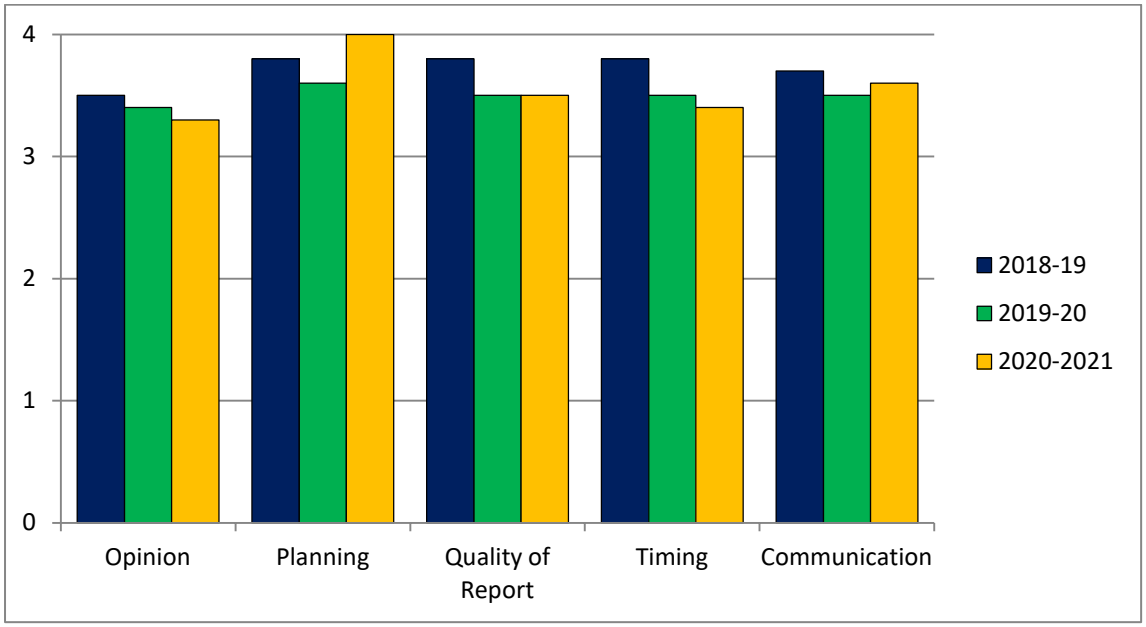
35. Internal and External Audit liaise closely to ensure that the audit work undertaken in the Board fulfils both regulatory and legislative requirements. Both sets of auditors are committed to avoiding duplication and securing the maximum value from the Board's investment in audit.

36. Public Sector Internal Audit Standards (PSIAS) require an independent external assessment of internal audit functions once every five years. The most recent External Quality Assessment (EQA) of the NHS Fife Internal Audit Service in 2018/19, concluded that *'it is my opinion that the FTF Internal Audit service for Fife and Forth Valley generally conforms with the PSIAS.'* FTF has updated its self assessment and this will be reported to the NHS Fife Audit and Risk Committee in early 2021/22.

37. A key measure of the quality and effectiveness of the audits is the Board responses to our client satisfaction surveys, which are sent to line managers following the issue of each audit report. Figure 2 shows that, overall, our audits have been perceived as good or very good by the report recipients.

38. **Figure 2: Summary of Client Satisfaction Surveys**

Scoring: 1 = poor, 2 = fair, 3= good, 4 = very good.



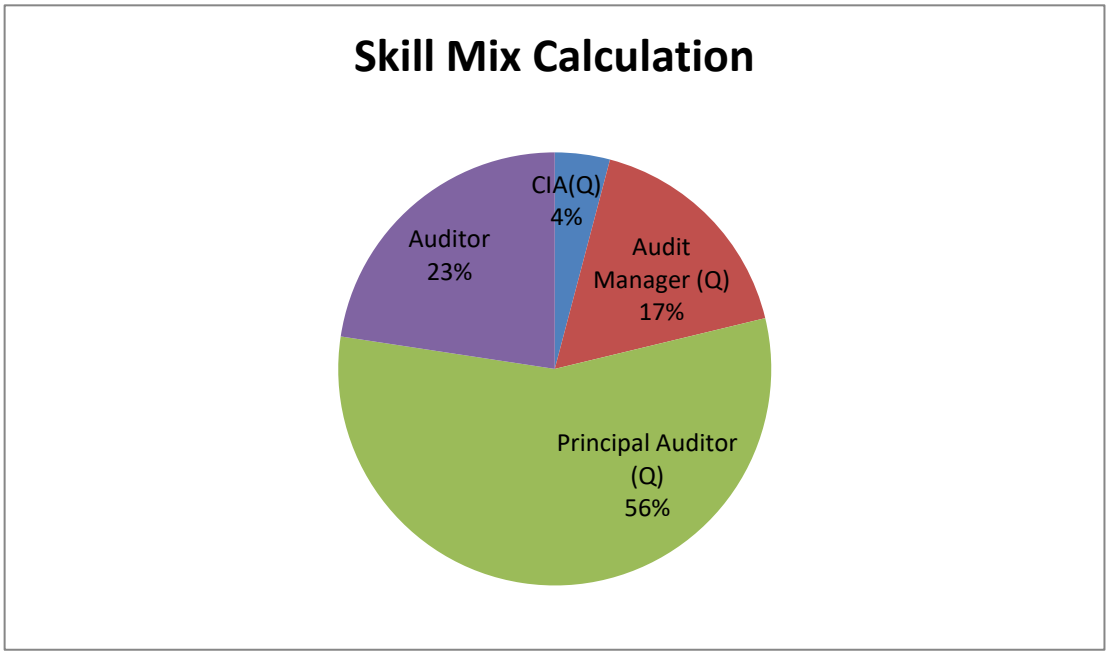
39. Other detailed performance statistics are shown in Section 3.

STAFFING AND SKILL MIX

40. Figure 3 below provides an analysis, by staff grade and qualification, of our time. In 2020/21 the audit was delivered with a skill mix of 77%, which substantially exceeds the minimum service specification requirement of 50% and reflects the complexities of the work undertaken during the year.

41. **Figure 3: Audit Staff Skill Mix 2020/21**

Audit Staff Inputs in 2020/21 [days] Q= qualified input.



ACKNOWLEDGEMENT

42. On behalf of the Internal Audit Service I would like to take this opportunity to thank all members of staff within the Board for the help and co-operation extended to Internal Audit.

43. My team and I have greatly appreciated the positive support of the Chief Executive, Director of Finance and Strategy, the Board Secretary, EDG and the Audit and Risk Committee.

A Gaskin, BSc. ACA
Chief Internal Auditor

TABLE 1 - ICE 2020/21 (B08/21) - Update of Progress Against Actions		
Agreed Management Actions with Dates	**Management Actions Updates with Dates**	**Assurance Against Progress**
1. Long term Strategy • The EDG should jointly agree how the various strands of work to inform and deliver the long term strategy for NHS Fife will be analysed and translated into a co-ordinated programme, building on the progress already made through the SPRA as well as remobilisation planning, considering how best use can be made of existing expertise and data and understanding constraints on resources. • This review should also consider how best to ensure effective governance and oversight of this key area in advance of the Board Development Session • A timetable for development of the new Strategy and supporting strategies should be reported to the NHS Board. Reporting on progress should be clearly assigned to an Assurance Committee or the NHS Board and should include a broad overview of whether Recovery, Remobilisation and strategy development is on track, key achievements, challenges and risks and any significant implications for strategy and priorities. ***Action Owner: Chief Executive***	• The Board noted and approved the RMP 3 at the May 2021 Board meeting. • The Board has been kept informed of the development of the Strategy through a number of updates including a Board Development Session on the progress of the Population Wellbeing Strategy for Fife on 27 April and an update on Strategy Development on 29 June 2021. • An update on the Strategic Planning & Resource Allocation Process (SPRA) was presented to the 12 January 2021 meeting of the Finance Performance & Resources Committee (FP&RC). The SPRA process was planned to support the development of an organisational strategy and 3 year financial and strategic plan. However, disruption caused by Covid has necessitated a more fluid and agile approach to planning this year. The Remobilisation plan RMP3 has been informed by the SPRA process and was approved by the Board in May 2021. A Remobilisation Forum has been established to update the tracker for the RMP3. This will also be used to track progress with RMP4, which is due to be submitted to the Scottish Government in September 2021. • The update on SPRA presented to the 12 January 2021 FP&RC meeting included a timetable the submission of directorate templates by 31 March 2021. • The SBAR to the FP&RC meeting held on 16 March 2021 stated 'the *output from the SPRA process will*	 **On track**

	be part of the development of the new Health and Wellbeing Strategy following on from the Clinical Strategy. This is due to be presented to the Board in March 2022'. The reporting on progress of the RMP3, is through a Tracker which will be monitored by the EDG and Remobilisation Forum. The FP&R Committee receive updates on the SPRA. The RMP3 is also monitored through the ESIPQR performance reporting to the Board.	
2. Governance and Year end Assurances Coordination of the year-end governance reports and statements of assurance is well underway. This will conclude in the normal timeframes – **June 2021,** specifically • Adoption of Assurance Mapping principles **– June 2021** *Action Owner: Director of Finance and Strategy*	• Templates were produced for year end assurances and governance reports and statements have been provided. • Year End Review shows significant progress, with workplans for Standing Committees being reviewed, to ensure that they are fit for purpose in a covid related environment. • Year-end governance reports and statements were comprehensive and meaningful. • Significant progress has been made with the implementation of Assurance Mapping principles. The Committee Assurance Principles for best practice, produced by Internal Audit were presented to the March 2021 meeting of the Audit and Risk Committee and were considered and endorsed. The Environmental Sustainability & IJB BAFs require an update on narrative and Covid risks.	 **On track**
3. Clinical Governance Framework Development of the Clinical Governance Strategy and Clinical Governance Assurance Framework with a focus on risk, informed by Committee Assurance and Integration Principles. ***Action Owner: Medical Director***	• As per internal audit report B19/21 the Clinical Governance Strategy and Framework are being revised. A consultation process, including evaluation of the current governance reporting lines, is underway and an outline timetable is in place with a final version of the revised strategy scheduled to be presented to the CGC and Fife NHS	 **On track**

	Board towards the end of 2021/22. • The approach to presentation of the BAFs and corporate risks are currently being reviewed by the Director of Finance & Strategy (Executive Lead for RM) with full involvement of EDG.	
4. Whistle Blowing • An annual report from the Whistleblowing Champion (WBC) cannot be provided until a WBC is appointed to NHS Fife. In the absence of a WBC a report is being presented to the Board which includes whistleblowing data. The SGC action plan 2021/22 will include the reporting requirement from the Whistleblowing Champion – **March 2021** ***Action Owner: Director of Human Resources***	• The Whistleblowing Champion Non-Executive resigned from Fife NHS Board during 2020/21 and their replacement attended their first Staff Governance meeting as a member on 1 July 2021 and provided an update to the Staff Governance Committee on the role of the Whistleblowing Champion at the September meeting. • Fife NHS Board was updated, on 31 March 2021, regarding the new Whistleblowing Standards, which came into effect on 1 April 2021 and provided the 2020/21 annual report. The update stated that that no Whistleblowing concerns had been raised in the financial year to 31 March 2021. Future reports will facilitate discussion around whether this indicates whether staff are sufficiently encouraged/facilitated staff to raise concerns. • The SGC Workplan for 2021/22 includes 'Whistleblowing – Reporting of Incidents/Data' will be reported quarterly to the SGC which started September 2021 with the first quarter 1 April to 30 June 2021. • The report template of annual and quarterly assurance reports is being further developed to include the statistical information, analysis and conclusions required by the standard in order to allow a conclusion on the adequacy and effectiveness of whistleblowing arrangements.	 On track

5. Property Management Strategy • Property and Asset Management Strategy (PAMS) is on the Agenda for the NHS Board in March 2021. • We anticipate that there will be a requirement for an East Regional PAMS report in the near future. The data in this document represents NHS Fife position as at 1 April 2020. • The 2020 PAMS document is largely retrospective and represents the pre-Covid19 landscape, the Impact of Covid19 will be further considered as part of the 2021 full PAMS which will be compiled between April and July 2021 by NHS Fife and likely submitted as part of an East Regional PAMS report – August 2021 ***Action Owner: Director of Property and Asset Management***	• The interim PAMS for 2020 was presented to the FP&RC in March 2021 and reflected the position from 1 April 2020 to March 2021. Currently the target for approval of the NHS Fife PAMS document by the NHS Board is November 2021 following scrutiny by EDG, FCIG and FP&RC. NHS Fife is currently reviewing any requirement for a regional component of PAMS going forward.	 On track
6. Information Governance and Security • Establishment of IG&S Operational Group and Steering Group ToR • Digital and Information Board to provide additional support and assurance to IG&S and its alignment to strategy and operational performance **– April 2021** • IG&S Assurance Report and Framework – **March 2021** • Assurance report will be made available for consideration at the next Clinical Governance Meeting, following the IG&S Steering Group meeting on 23 March 2021. • Risk associated with resources and requirement for business cases when delivering the Digital and	• Annual Assurances were received by the CGC from the Information Governance & Security Steering Group and the Digital and Information Board. The IG&SSG statement recognised the requirement to '*further enhance and develop suitable controls in some areas*'. This is consistent with our report on D&I Governance Arrangements (B28/21) which followed up this ICE recommendation. • Additional assurance reporting has been included in the Clinical Governance Committee Annual Workplan with IG&S reporting to the Committee in July 2021 with a follow up to be agreed later in the year. • The risk regarding affordability of the NHS Fife D&I Strategy was reflected in the most recent iteration of the D&I BAF and	 On track

Information Strategy will be documented within the related BAF – **April 2021** ***Action Owner: Associate Director of Digital***	included in the D&I Strategy Update provided to the June Clinical Governance Committee meeting.	

Corporate Governance

Strategy

The ICE report highlighted the opportunity to build on the strong foundation of existing reconfiguration and remobilisation processes, in order to produce an overarching strategy which allows effective prioritisation and creates sustainable services allowing for the changes to demand, resources and modes of operation created by Covid19.

The Strategic Planning Resource Allocation (SPRA) Framework was created to inform both a medium term strategy and support the development of a longer term organisational strategy. The Directors discussed and agreed the output of the SPRA process on 22 February 2021, where three key objectives were identified. The output of the SPRA process was presented to the March 2021 meeting of the Finance, Performance and Resources Committee:

- Minimise transmission of Covid19 and support health protection
- Improve whole system capacity and flow to ensure timely and appropriate access to health care when required
- Support the actions required to reduce health inequalities

The SPRA process also informed the key objectives for NHS Fife for 2021/22. An EDG workshop was held in March 2021 where key Strategic Priorities for the organisation were agreed, prior to Board approval on 27 July 2021 and represent the key objectives for delivery in 2021/22. These priorities, each aligned to a Executive Director, will be used as the framework to provide assurance to the Board on delivery of the Corporate Objectives:

1. To Improve Health and Wellbeing
2. To Improve the Quality of Health and Care Services
3. To Improve Staff Experience and Wellbeing
4. To Deliver Value and Sustainability

The SBAR presented to the July 2021 meeting of the CGC provided assurance that the objectives for 2021/22 are aligned to NHS Fife Strategic Priorities and will be aligned to the 'in development' Population and Wellbeing Strategy which is due to be presented to the Board in March 2022, with progress monitored by the EDG and the recently established Population Health and Wellbeing Committee.

Covid19 & Governance

NHS Fife has continued to monitor and adapt governance arrangements whilst taking account of the pressures on management and the need to free operational staff to prioritise the response to Covid19. Covid reporting to the Board has continued and covers: Covid19

Vaccination, Test and Protect and Covid19 Testing in Fife.

A revised Code of Corporate Governance was approved by the Board in May 2021, which includes the recently revised remits of the Board Committees. The SBAR presented to the Board noted that further changes to the Code are likely to be required to reflect the work underway for the implementation of the NHS Scotland Blueprint for Good Governance.

Assurance Mapping

The Chief Internal Auditor, working with officers from NHS Fife and other Client Health Boards, developed a set of Committee Assurance Principles, together with a series of questions which would help Standing Committees assess the assurances they receive on risks delegated to them. These were recommended for use by Standing Committees at the May 2021 Audit and Risk Committee. B12/21 Assurance Framework, provided assistance to the Board in developing an assurance map for key aspects of the Digital and Information Governance BAF.

Remobilisation

The draft NHS Fife Remobilisation Plan - April 2021 to March 2022 (RMP3) was submitted to Scottish Government (SG) on 26 February 2021. Feedback and sign off from SG was received on 2 April 2021 and the RMP3 was presented to the Board for formal approval at the May 2021 Board Meeting which was the earliest opportunity following the Scottish elections.

The ICE 2020/21 report recommended establishing greater formality of reporting of remobilisation progress through governance structures. An action tracker has been developed by the Executive Directors Team (EDG). A Remobilisation Plan Forum has been re-established to review the Action Tracker, which will be updated every 2 months, in preparation for presentation to the EDG. The update on RMP3 due in July was not taken through the EDG and Standing Committees but we have been informed that subsequent updates will be presented to the EDG and on to the Standing Committees of the Board. The RMP3 activity template is an integral part of the performance reporting to the Board and is included within the Fife Integrated Performance & Quality Report Executive Summary. The Associate Director of Strategic Planning has advised that the Remobilisation Plan Forum will meet every two weeks in preparation for the submission of the RMP4 to the Scottish Government for 30 September 2021. The RMP4 is planned for presentation to the Board in November 2021. We note the extremely challenging ambition within Fife's response to RMP4 guidance and the intention to increase elective output above pre-covid levels.

Risk Management

As reported within the B08/21 ICE 2020/21 report, a number of BAFs have been updated for Covid19; however the Board has not received an overall Covid19 risk or been informed on how these will be incorporated into the BAF. The Quality and Safety BAF will be reviewed as part of B11/22 Assurance Framework. As noted previously, the IJB BAF and the Environmental Sustainability BAF still require review and update to reflect the current risks and mitigating actions.

The risk profile remained largely static throughout the year, again as noted within the ICE, with the exception of both the Financial Sustainability and Strategic Planning BAFs risk ratings which were updated appropriately.

During the year, a high level covid risk register of the highest organisational risks was developed via the Emergency Command structures which were considered by the EDG, although they were not presented to the Board or a Standing Committee nor were they incorporated into the BAF. Standing Committees and the full Board were however presented with regular updates on the activities and risks included in the ongoing response to the

Covid pandemic.

The SBAR presented to the June 2021 Audit and Risk Committee advised that the Corporate Risk Register (CRR) will be presented to the EDG, where all escalated active high risks or operational risks will be considered for inclusion on the CRR and/or as a linked risk on the BAF; this is still ongoing. Draft Internal Audit report B13/21 - Risk Management Strategy Standards and Operations Phase 1 identified key areas for improvement for the revised Risk Management Framework. We were pleased to note that the Executive Lead for Risk Management has agreed to secure a short-term resource to undertake a risk maturity assessment of the organisation and review and improve risk management arrangements, priorities and risk structures including the development of detailed improvement plans and focussed reporting.

Performance

The Board was presented with the Integrated Performance Quality Report Executive Summary (ESIPQR) at the July 2021 meeting.

Highlights include that NHS Fife has continued to exceed the Cancer 31-day Diagnostic Decision to first Treatment (DTT) target and inpatient falls with harm. Drug and Alcohol Treatment Waiting Times are also above target performance.

The Patient Treatment Time Guarantee (TTG), New Outpatients and Diagnostics are all performing below target, although they are all well above the Scotland average.

There are continued challenges with meeting targets for the following key indicators: 4 Hour Emergency Access, where current performance is 3.1% under the target of 91.9% although over the Scotland average of 88.7%; Complaints (stage 2 closure rate) where current performance is 21.6% with a target of 65%; 18 weeks RTT where current level is 69.2%, slightly below the Scotland average of 75.9%; the Sickness Absence rate is currently 5.07% with a target of 4.0%. It was noted that Covid19 related absence affected approximately 1.52% of the NHS Fife workforce in March and 0.62% in May.

NHS Fife are successfully delivering against the remobilisation plan for TTG Inpatient/Daycase Activity; New OP Activity; Elective Imaging Activity; A&E Attendance; Emergency Admissions; Urgent Suspicion of Cancer; CAMHS and Psychological Therapies. The Board has been less successful meeting the projected targets for Elective Scope Activity and 31 Day Cancer – First Treatment and the challenges are likely to increase given the ambitions around elective activity and the likely backlog of unrecognised need and higher case mix in relation to both targets.

Integration

An update on the review of the Integration Scheme was presented to the March 2021 Board meeting. The Scottish Government indicated that due to the constraints placed on Boards caused by the Pandemic, they are content that local reviews are concluded with an indicative timescale provided on the planned conclusion. The revised Scheme will be considered for approval by the Board in September 2021, before being submitted to Scottish Government for final sign-off.

Clinical Governance

BAF Risks:

- **Risk 1674 – Quality and Safety - There is a risk that due to failure of clinical governance, performance and management systems (including information & information systems), NHS Fife may be unable to provide safe, effective, person centred care.**

Annual Report

The Clinical Governance Committee (CGC) annual report provided a reflective and nuanced conclusion that the Committee had fulfilled its remit and that adequate and effective clinical governance arrangements were in place throughout NHS Fife during the year. The narrative in the report includes detailed reflection on key areas including nosocomial covid infection, the risk based approach taken to service pause during the pandemic and mitigating action taken to minimise the impact of this on patient treatment and diagnosis.

Pandemic

The CGC received reports on Shielding, Testing, Care Homes, PPE, Medicines Availability, Remobilisation of Clinical Services, Nosocomial Related infections and the Covid Vaccination Programme during 2020/21.

During the year, the Board experienced significant challenges initially in delivering the seasonal flu programme. The Chief Executive commissioned an independent review which made 9 recommendations. The CGC in January 2021 was informed that 4 actions had been completed and the remainder were on track, although no subsequent reports were produced to provide assurance that the remaining actions were complete.

An external review of all immunisation programmes in NHS Fife subsequently made recommendations to allow NHS Fife to meet the increasing demands and expectations for childhood and adult immunisation programmes. Recommendations were approved by the EDG at their 6 May 2021 meeting and are due to be presented to an extraordinary meeting of CGC in September 2021, which will consider the forthcoming flu and Covid19 booster immunisation programmes.

Clinical and Care Governance Strategy and Framework

A revised Clinical Governance Strategy, now to be referred to as the Clinical Governance Framework, is in development. This will contain reference to the integration framework which is also in development. An engagement process has been established with the finalised strategy scheduled to be presented to the NHS Fife Clinical Governance Committee and Fife NHS Board by January 2022. There are also a number of contributing Workstreams underway which will enable and inform the Framework development including:

- Adverse Event Process and Policy Review
- Development of an Organisational Learning Group
- Review of Internal Audit Findings
- Review of the Risk Management Framework.

Internal audit report B19/21 followed up previous internal audit reports on Clinical Governance Strategy and Assurance. Most recommendations had been implemented or superseded although there is still a need to ensure that the revised strategy and framework provide a clear vision of responsibility for clinical governance across NHS Fife's span of

responsibility including clinical areas delegated to the Integration Joint Board. Clearly, the Clinical Governance Framework will need to align with the development of other NHS Fife strategies including the Population Health and Wellbeing Strategy for NHS Fife.

CGC Governance and Assurance

The workplan is reviewed following each meeting to assure the committee that key business has been covered and to track any delayed items.

The work being undertaken to develop the new Clinical Governance Framework will consider all groups and committees in the framework to ensure that appropriate assurance reporting and scrutiny is provided as efficiently as possible. The committee and integration assurance principles prepared by Internal Audit will be used as a guide in this process.

Risk Management

The scoring and information on the 3 BAFs considered by the CGC (Strategic planning, Quality and Safety, and Digital and Information) did not significantly change during 2020/21, despite enormous changes to the risk environment and to the application of a number of key controls. A complete review of all BAFs and corporate risks is underway being led by the Executive Director for Risk Management (Director of Finance and Strategy) and will include integrating risk management in the strategic planning process. A commitment was made at CGC to specifically consider combining remobilisation, transformation and strategic planning into one BAF and responsibility for this BAF has transferred from the Medical Director to the Director of Finance and Strategy.

Our work in internal audit B11/22 will include providing guidance regarding assurance mapping and will specifically consider the Quality and Safety BAF.

Risk management arrangements are continuing to evolve, with dedicated senior Leadership from the Risk Manager and Adverse Events now managed separately.

Pandemic related risks were considered via the Bronze, Silver and Gold command structure. However the risk associated with interruptions to treatment and diagnostic services and resultant patient harm were not recorded overtly even though it has the potential to be one of, if not the most significant threat to the wellbeing of patients. Whilst we are aware that some controls are in place, it is of concern that this key risk has not been included within the risk register nor discussed with the CGC, which would provide the opportunity to assess and assure the adequacy and effectiveness of these key controls.

We recommend the development of a specific risk, delegated to the CGC, to capture the clinical implications of Covid19 on waiting times and the associated impact on patient safety, clinical effectiveness and strategic prioritisation. This would allow the CGC to understand the quantum of the risk and also to monitor the controls already in place to mitigate it, for example, the clinical prioritisation and remobilisation framework developed in line with Scottish Government guidance.

External Review

The NHS Fife CGC Annual Assurance Report now includes reference to the External Reports related to NHS Fife Clinical Governance that have been published during the year and high level assurances on action being taken to address issues identified. We previously highlighted the need to triangulate data and information from different sources in order to assess the reliability of internal assurances; this has not yet been implemented but will be considered as part of the revised internal control framework for Clinical Governance and developed further through the Organisational Learning Group.

Significant Adverse Events

A full review is currently being undertaken of the processes associated with recording and investigating adverse events and for ensuring the required actions are implemented in all areas of the organisation they apply to. A Short Life Working Group (SLWG) is being established to take this forward and will consider the overall process, the triggers for LAERs and SAERs and the education, learning and communication required related to the process. The SLWG is to commence its work in September 2021 and will report to the Adverse Events & Duty of Candour Group and the Clinical Governance Oversight Group with a paper detailing the outcome to be presented to the Clinical Governance Committee when the work is complete.

Organisational Duty of Candour

The Organisational Duty of Candour Annual Report for 2020/21 is on the Clinical Governance Workplan for November 2021. In future a short summary report should be provided to the CGC at year-end for consideration when concluding on its Annual Assurance Report and Statement.

Clinical Policies and Procedures

The latest report to the Clinical Governance Oversight Group in April 2021 indicated that 100% of Clinical Policies and Procedures had been reviewed by their scheduled review date.

Other Areas

Inpatient falls with harm have increased during the pandemic. Improvement work has been undertaken in those areas that have seen the largest spike in numbers and the Inpatient Falls Steering group are refreshing their workplan to include learning from experiences during Covid and how care needs to adapt.

Efforts are underway to address the backlog of complaints caused by the pandemic and to bring response timescales back in line with legislative timescales.

Action Point Reference 1 Increased Risk of Harm

Finding:

Pandemic related risks were considered via the Bronze, Silver and Gold command structure. However there are major risks associated with SGHSCD mandated interruptions to treatment and diagnostic services. These have the potential for significant resultant patient harm which have not been recorded overtly even though they have the potential to be one of, if not the most significant threats to the wellbeing of patients. Whilst we are aware that some controls are in place, it is of concern that this key risk has not been included within the risk register nor discussed overtly as a risk with the CGC, which would provide the opportunity to assess and assure the adequacy and effectiveness of these key controls.

Audit Recommendation:

A specific risk should be recorded, delegated to the CGC, to capture the clinical implications of Covid19 on waiting times and the associated impact on patient safety, clinical effectiveness and strategic prioritisation. This would allow the CGC to understand the quantum of the risk and also to monitor the controls already in place to mitigate it, for example, the clinical prioritisation and remobilisation framework developed in line with Scottish Government guidance.

The risk should include clear controls and assurance sources looking at reducing avoidable harm caused by delays in diagnoses and treatment and should reflect:

- The key priorities and aims for 2021/22 within the current remobilisation plan.
- Other relevant controls, such as implementation of RCS guidelines
- A description of controls to address the current pressure on scheduled care as a result of imbalance in demand and capacity; additional pressures due to Covid19; possible pent up demand due to reduction in referral rates.
- Identified requirements to redesign services.

Assessment of Risk:

Significant		Weaknesses in control or design in some areas of established controls. **Requires action to avoid exposure to significant risks in achieving the objectives for area under review.**

Management Response/Action:

The development of a risk as recommended above will form part of the review and update of the Quality & Safety BAF. This review will take account of the short, medium and longer term impact of the pandemic on service provision and consider the corresponding controls and assurances that require to be in place, linking to the evolving Population Health and wellbeing Strategy.

Action by:	Date of expected completion:
Head of Quality and Clinical Governance	**November 2021**

Staff Governance

BAF Risks:

- **Risk 1673 - Workforce sustainability - There is a risk that failure to ensure the right composition of workforce, with the right skills and competencies deployed in the right place at the right time will adversely affect the provision of services and quality patient care and impact on organisational capability to implement the new clinical and care models and service delivery set out in the Clinical Strategy.**

Governance

The April 2021 Staff Governance Committee (SGC) received a self-assessment by members of the operation of the committee together with improvement actions including number of attendees, role and contribution; agenda management; and report content and related actions.

The SGC Annual Statement of Assurance concluded that the Staff Governance Committee fulfilled its remit and that adequate planning and monitoring arrangements were in place.

Pandemic

Regular updates on Staff Health and Wellbeing were presented to SGC in 2020/21 which included assurances regarding staff resourcing, induction and learning, communications & guidance, staff wellbeing hubs and psychological support for staff but no information on PPE, Social Distancing or Home Working, which were key risks at that time. The HSE issued a 'Notice of Contravention' following their spotcheck of Covid Management at Victoria Hospital in November 2020. This was considered by the December 2020 Health and Safety Sub Committee (and reported to the January 2021 SGC) with assurance that an official response would be provided to HSE by the end of January 2021 by which time most actions would have been implemented. The HSE closed the Contravention Notice on 31 March 2021. It is not clear that the committee received comprehensive, overt internal assurances on the impact of Covid19 on staff throughout the year.

Risk Management

The Workforce Sustainability BAF was considered at SGC meetings other than 4 March 2021.

The content of the Workforce Sustainability BAF has not altered significantly during 2020/21 and the current risk rating remains high. The Director of Workforce informed the July 2021 SGC that the development of the Workforce Strategy 2022-2025 will provide the opportunity for a thorough review of the BAF.

Staff Governance Action Plan

No specific year-end assurance provided to SGC on the Staff Governance Action Plan as work on this was paused due to the pandemic. The SGC Annual Statement of Assurance states that '*A particular strand of the Staff Governance standards is reviewed at each meeting, ensuring full coverage over the year's meeting schedule'.* Although papers relating to each strand of the Staff Governance were discussed throughout the year, their strand to which they relate was not always highlighted in the papers, agenda or minutes and there was no year-end summary to demonstrate coverage achieved. However, it is included in the 2021/22 workplan going forward and will be made overt in future papers.

The action lists from SGC meetings held in 2020/21 record the pausing of the Staff

Governance Action Plan.

Staff Governance Standard Annual Monitoring Return 2020/21

Scottish Government has requested returns from all Boards by 24 September 2021. The NHS Fife return, which focuses on the five individual strands of Staff Governance as well as staff experience and culture, has been developed and presented to Executive Directors Group, Area Partnership Forum, and the Staff Governance Committee. The Return will be signed by the Chair of Staff Governance Committee and the Employee Director will endorse the Return in September 2021 prior to being submitted to Scottish Government.

Workforce Strategy, Planning and Delivery

SGC were updated at their 1 July 2021 meeting that the NHS Fife Workforce strategy refresh will be completed in conjunction with the development NHS Fife Population Health & Wellbeing strategy. Consultation and engagement timescales for the Workforce Strategy development will therefore progress in parallel.

The Operational Workforce Planning Group, with oversight from the Strategic Workforce Planning Group, is in the process of reviewing the extant Workforce Strategy and associated action plans prior to March 2022. Service leads have been asked to update action plans produced as part of the 2019-2022 Workforce Strategy, confirming the status of each commitment, the results of which will be summarised at a future Staff Governance Committee. The review is being led by the development of the new NHS Fife Population and Wellbeing Strategy and is considering short term issues such as current capacity and staffing requirements as well as longer term prognoses for need and provision.

A draft Interim Joint Workforce Plan 2021/2022 was presented to SGC on 29 April 2021 prior to submission to the Scottish Government. The plan includes an emphasis on the staff wellbeing agenda, focusing on the ongoing implications of Covid delivery in terms of test and protect, staff and patient testing, vaccination, occupational health and infection control.

Whistleblowing

The Whistleblowing Champion Non-Executive resigned from Fife NHS Board during 2020/21 and the newly appointed Whistleblowing Champion attended her first Staff Governance meeting as a member on 1 July 2021.

The March 2021 Board was informed of the implementation of the Whistleblowing Standards, which came into effect on 1 April 2021 and the June Audit and Risk Committee was informed that regular Whistleblowing reports would be provided in future. No Whistleblowing concerns were raised in first quarter of 2021/22. A report on implementation of the standards has been presented to the SGC and future reports will contain the data required by the new national standards as they evolve.

Performance Development Plans

The SGC was updated regarding the completion of Performance Development Plan Reviews at its September 2020 and January 2021 meetings. To reflect the impact of the pandemic, the target was reduced from 80% completion target to 55%. However, year-end completion was only 36% as noted in the Staff Governance Annual Report.

Medical Revalidation and Appraisal

The General Medical Council deferred revalidation for a year for all those due 16 March 2020 - 31 March 2021 and medical appraisal was paused across Scotland from 16 March 2020 - 1 October 2020. In Fife there was an additional pause at the beginning of January 2021 for 6 weeks. Many medical staff were given exemptions for 2020/21 as a result. It is

anticipated that 2021-22 will see a partial return to normal practice, although there are likely to be some technical difficulties with some aspects of required experience.

Attendance Management

Papers to SGC in 2020/21 indicate that efforts continue to be made to reduce staff absences including staff wellbeing activity such as mindfulness sessions, staff wellbeing hubs and access to psychological support.

The average percentage of staff absent in 2020/21 was 5.06% which is an improvement on the 2019/20 figure of 5.85% but still significantly higher than the notional national target of 4%.

Covid19 related absences are not included in the absence data quoted above and for 2020/21; the average percentage of hours lost due to Covid19 related absences within NHS Fife was 2.27%.

Remuneration Committee

The Remuneration Committee met on 5 occasions in 2020/21. The self assessment also considered that the operation of the committee during the pandemic had continued without interruption and that assurance could continue to be given to the Board on the areas under its remit.

Staff Governance

Governance

The April 2021 Staff Governance Committee (SGC) received a self-assessment by members of the operation of the committee together with improvement actions including number of attendees, role and contribution; agenda management; and report content and related actions.

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Risk Management

The Workforce Sustainability BAF was considered at SGC meetings other than 4 March 2021. The content of the Workforce Sustainability BAF has not altered significantly during 2020/21 and the current risk rating remains high. The paper presented to the 1 July 2021 SGC indicated that the development of the Workforce Strategy 2022-2025 will provide the opportunity for a thorough review of the BAF.

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No specific year-end assurance provided to SGC on the Staff Governance Action Plan as work on this was paused due to the pandemic. The SGC Annual Statement of Assurance states that '*A particular strand of the Staff Governance standards is reviewed at each meeting, ensuring full coverage over the year's meeting schedule'.* The agenda and minutes of the SGC do not specifically highlight the papers presented relevant to each strand of the Scottish Government standards and no table illustrating this was included in its annual statement of assurance but a review of the papers indicates that papers relevant to each strand were discussed at the meetings. The action lists from SGC meetings held in 2020/21 record the pausing of updating the Staff Governance Action Plan.

Staff Governance Monitoring Return 2020/21

Scottish Government has requested returns from all Boards by 24 September 2021. The NHS Fife return, which focuses on the five individual strands of Staff Governance as well as staff experience and culture, will be completed and presented to Area Partnership Forum for approval in September 2021 prior to being submitted to Scottish Government.

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An action plan to underpin the strategy is being developed by the Operational Workforce Planning Group which will include commitments within the Joint Interim Workforce Plan for 2021/2022, the Remobilisation Plan and other service review programmes.

Workforce Planning

A draft Interim Joint Workforce Plan 2021/2022 was presented to SGC on 29 April 2021 prior to submission to the Scottish Government. The plan includes an emphasis on the staff wellbeing agenda, focusing on the ongoing implications of Covid delivery in terms of test and protect, staff and patient testing, vaccination, occupational health and infection control.

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The Whistleblowing Champion Non-Executive resigned from Fife NHS Board during 2020/21 and their replacement attended their first Staff Governance meeting as a member on 1 July

2021.

The March 2021 Board was informed of Whistleblowing standards, which came into effect on 1 April 2021 and the June Audit and Risk Committee was informed that regular whistleblowing reports would be provided to the NHS Fife Board in future. No whistleblowing concerns were raised in first quarter of 2021/22 and no report was provided to the Board. A draft quarterly whistleblowing report template was presented to the EDG on 5 August 2021 but Internal Audit have noted that it did not contain provision for recording much of the information required by the new standards.

Performance Development Plans

The SGC was updated regarding the completion of Performance Development Plan Reviews at its September 2020 and January 2021 meetings. To reflect the impact of the pandemic, the target was reduced from 80% completion target to 55%. However, year-end completion was only 36% as noted in the Staff Governance Annual Report.

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Remuneration Committee

The Remuneration Committee met on 5 occasions in 2020/21. The self assessment also considered that the operation of the committee during the pandemic had continued without interruption and that assurance could continue to be given to the Board on the areas under its remit.

Financial Governance

BAF Risk:

- **Risk 1671 – Financial Sustainability - There is a risk that the funding required to deliver the current and anticipated future service models, particularly in the context of the COVID 19 pandemic, will not match costs incurred. Thereafter there is a risk that failure to implement, monitor and review an effective financial planning, management and performance framework would result in the Board being unable to deliver on its required financial targets.**
- **Risk 1672 – Environmental sustainability - There is a risk that Environmental & Sustainability legislation is breached which impacts negatively on the safety and health of patients, staff and the public and the organisation's reputation**

Financial Targets and Savings

As reported to the 27 July 2021 Board, the draft financial outturn position to 31 March 2021 subject to external audit review, was:

- A surplus of £0.377m against a Revenue Resource Limit of £870.979m.
- 99.98% of total capital allocation spent against Capital Resources of £17.315m.
- 2020/21 savings delivered of £11.766m, of which £5.430m (46%) are recurring. Also received £8.3m support from Scottish Government in relation to Covid19 savings delays.

Financial Planning 2020/21

NHS Fife considered the Financial Plan as part of its draft Annual Operational Plan for 2020/21 – 2022/23 at the March 2020 meeting of the FP&RC, noting that plans will be subject to constant review. The Plan set out a position to deliver financial balance, and the savings requirements, over the next 3 year period. The plan was based on NHS Fife's continuing response to the pandemic, recovery and remobilisation priorities.

The Financial Plan for 2021/22 is a part of the RMP3 for Health and Care services delivered by NHS Fife and Fife Health and Social Care Partnership, with this plan to be the Annual Operational Plan for 2021/22. Key financial assumptions were included as part of the overall financial plan.

Savings

Initial savings targets were set out in the 2020/21 financial plan. Savings in 2020/21 have come largely from unsustainable non-recurring sources which will increase the financial gap in future years. The gap in plan before efficiencies for 2021/22 is £21.837m with planned savings of £8.181m, which will make achieving financial balance in 2021/22 extremely difficult. In the longer term, financial sustainability will only be achieved through a combination of securing full NRAC parity, review of external commissioning costs and levels and the redesign of services with very clear priorities, which should arise from the new Health and well-being Strategy and the SPRA process.

Financial Reporting

Finance reporting to Board and FP&RC has been transparent and the Director of Finance has consistently and clearly articulated financial challenges, including the need for confirmation

of allocations to cover Covid19 costs and the delay in delivering anticipated savings in 2020/21. We are aware of the ongoing discussions on potential IJB risk share options with Scottish Government and respective partners.

Capital Plan and Property Strategy

An Interim Property & Asset Management Strategy (PAMS) update for 2020 was provided to the March 2021 PRC. This followed Scottish Government reporting requirements and forms part of a 'state of the nation' report. An update was also provided to the July 2021 PRC around the production of the PAMS report for the year to 31 March 2021. This report is not mandatory but NHS Fife have decided to produce. Delays have been experienced due to the late release of the templates by the Scottish Government with the target for approval of the NHS Fife PAMS document by the NHS Fife Board in November 2021. It would be beneficial for the PAMS produced to have clear links to the Health and Wellbeing Strategy development.

The FP&RC receive regular updates on current major capital projects and property transactions including the impact of Covid19. The Business Case for the Orthopaedic Centre was approved by the FP&RC in November 2020.

Best Value

Internal Audit has previously recommended application of the Audit Scotland Best Value Tool Kit. However, given the pressures on officers due to Covid19 response, we do not consider this a priority for the Board at this time, especially as best value and effective allocation of resources are a key element of the new SPRA process.

BAF – Financial Sustainability

The Financial Sustainability BAF, as reported to the FP&RC during 2020/21, recognised the ongoing financial challenges facing Acute Services, the pressures within Health & Social Care Partnership, specifically in relation to social care budgets and the ongoing work to review the risk share arrangement and the impact of Covid19 in delivering savings.

Information Governance

Governance Arrangements and Assurance Reporting

During 2020/21 the governance arrangements for Digital and Information Governance have been reviewed and revised with newly formed Information Governance & Security Steering and Operational Groups and the evolvement of the eHealth Board into the Digital and Information Board. Annual Assurance reports from Digital and Information Board and the Information Governance & Security Steering Group were presented to the CGC and included assurance on the key activities of both groups.

Recently issued audit report B28/21 - Digital and Information Governance Arrangements concluded that '*although the IG&S Operational Group has only recently started to meet, and much of the time at the meetings of the IG&S Steering Group held to date has necessarily been taken up with agreeing the new governance arrangements, assurance reporting has begun and is anticipated to evolve in 2021/22*'. The most recent report presented to IG&SSG on 1 June 2021 (IG&S Activity Tracker 2021-22) and the update provided to the Clinical Governance Committee on 7 July 2021 show an improving position regarding the quality of assurance provided with plans to further enhance.

B08/21 ICE 2020/21 notes that the work plan for the Clinical Governance Committee presented to its 30 April 2021 meeting, did not include provision for regular assurance reporting on Information Governance.

Pandemic

Several projects and programmes of work were accelerated to allow remote working and new projects added regarding the management of Covid19. All work was undertaken at pace with high level risk assessments taking the place of documented Data Protection Impact Assessments, Information Sharing Agreements and System Security Policies which are now being addressed retrospectively.

Digital and Information Strategy

The Digital and Information Strategy 2019-24 was approved by Fife NHS Board on 30 September 2020 and updates on the impact of the pandemic on the Digital and Information Strategy Delivery Plan were provided to CGC on 7 September 2020 and 7 July 2021. The later update considered the strategy's robustness and highlighted areas of reprioritisation.

The latest Digital and Information BAF presented to CGC on 7 July 2021 includes a revised risk description which recognises the risk to D&I Strategy implementation posed by lack of financial investment. This addresses a previous internal audit recommendation on this topic.

A paper on the funding challenges facing Digital and Information was presented to the Digital and Information Board on 21 July 2021 and highlighted areas of operating costs that require further consideration by NHS Fife. A financial plan is in development to address the significant challenges and we will consider this as part of our 2021/22 Internal Control

Evaluation work.

Risk Management

Internal Audit have continued to work with the lead for eHealth around improvements to the Digital and Information BAF. Initial changes were made and a full risk review within Digital and Information was undertaken and an improved Digital and Information BAF was presented to CGC on 7 July 2021.

Improvement to risk reporting to IG&SSG and Digital and Information Board have been made progressively throughout 2020/21 with the latest Risk Report presented to Digital and Information Board on 21 July 2021 including a new risk categorisation model and a new format of reporting including detailed analysis of one high risk and introducing the concept of 'risk velocity'.

The CGC Annual Assurance Report recognises that further work is required on Digital and Information risks and those related to transformation programmes noting that work on strategy development will bring an overall focus and direction to individual strands of work.

External Review

The Competent Authority NISR Audit Report was published 26 April 2021, with Compliance in 2021 audit at 69% (compared to 53% in 2020) which was recognised as 'a significant achievement especially in the midst of a pandemic'.

Internal Audit note the commitment made within the Medical Director's Annual Assurance letter that states *'the outcome and subsequent action plan will be considered by the IG&SSG in 2021/22, with intention to share, where appropriate, updates on the delivery of this plan with the Clinical Governance Committee*'.

Information Governance Incidents

During the financial year 2020/2021, 11 incidents were reported to the Information Commissioner's Office (ICO), with no further action required for 9 of the incidents. The ICO has since responded regarding the other 2 incidents reported in March 2021 indicating that no further action is required.

Key Performance Indicators – Performance against Service Specification

	Planning	Target	2019/20	2020/21
1	Strategic/Annual Plan presented to Audit & Risk Committee by April 30th	Yes	No (June 20)	No (July 21)
2	Annual Internal Audit Report presented to Audit & Risk Committee by June	Yes	Yes	No
3	Audit assignment plans for planned audits issued to the responsible Director at least 2 weeks before commencement of audit	75%	95%	79%
4	Draft reports issued by target date	75%	76%	59%
5	Responses received from client within timescale defined in reporting protocol	75%	57%	68%
6	Final reports presented to target Audit & Risk Committee	75%	76%	47%
7	Number of days delivered against plan	100% at year-end	101% at year-end	93%
8	Number of audits delivered to planned number of days (within 10%)	75%	76%	77%
9	Skill mix	50%	72%	77%
10	Staff provision by category	As per SSA/Spec	Pie chart	
	Effectiveness			
11	Client satisfaction surveys	Average score of 3	Bar chart	

Assessment of Risk

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

Fundamental		Non Compliance with key controls or evidence of material loss or error. **Action is imperative to ensure that the objectives for the area under review are met.**	None
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. **Requires action to avoid exposure to significant risks to achieving the objectives for area under review.**	One
Moderate		Weaknesses in design or implementation of controls which contribute to risk mitigation. **Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.**	None
Merits attention		There are generally areas of good practice. **Action may be advised to enhance control or improve operational efficiency.**	None