

## Minutes

**Meeting:** Audit and Risk Committee

**Date:** 13 March 2025

**Time:** 10.30 am

**Venue:** Teams

**Committee** Bill Maxwell (Convener)

**Members** Ronnie Johnson

**Present:** Rona Fraser

Maria McGill

Paul Gray

**In Attendance:** Jackie Irvine, Chief Executive (CE)  
 Jackie Mackenzie, Executive Director of Corporate Services (EDoCS)  
 Gordon Mackie, Executive Director of Digital and Data (EDoDD)  
 Edith Macintosh, Executive Director of Assurance and Improvement,  
 Adults Regulated Care, Complaints, Registration and Quality  
 Improvement (EDoAI) (items 1 – 10)  
 Kevin Mitchell, Executive Director of Assurance and Improvement,  
 Children's Regulated Care and Strategic Scrutiny (EDoAI)  
 Kenny Dick, Head of Finance and Corporate Governance (HoFCG)  
 David Archibald, Internal Auditor (IA)  
 Sandy Denholm, External Auditor (EA)  
 Hannah Cloherty, External Auditor (EA) (items 1 – 9)  
 Martha Dalton, Head of Digital Delivery and Change (MD) (for item 12)  
 Anne Campbell, Executive Support Officer (ESO) (representing Claire  
 Brown)

**Apologies:** Claire Brown, Executive Support Officer  
 Sarah McGavin, External Auditor (EA)

### Item

### Action

#### 1.0 WELCOME

The Convener welcomed everyone to the meeting and in particular, the internal and external auditors.

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## 2.0 APOLOGIES FOR ABSENCE

Apologies received, as noted above.

## 3.0 DECLARATIONS OF INTEREST

There were no declarations of interest.

## 4.0 MINUTE OF MEETING HELD ON 19 DECEMBER 2024

The minute of the meeting held on 19 December 2024 was **approved** as an accurate record, subject to amendment.

## 5.0 ACTION RECORD OF MEETING HELD 19 DECEMBER 2024

The Committee **reviewed** and **noted** the updated action record.

ESO

## 6.0 MATTERS ARISING

It was noted that two of the Internal Audits which had previously been scheduled to report to this meeting, namely, Travel Expenses and Inspector Workforce and Operational Planning, had been carried forward and were now scheduled to report to the Committee's meeting on 15 May 2025.

## 7.0 INTERNAL AUDIT REPORT: FOLLOW-UP REVIEWS REPORT NO: ARC-24-2024/25

The Internal Auditor presented his routine report updating the Committee on the progress made in addressing outstanding recommendations from previous internal audit reports. Six recommendations were outstanding. All the following points in particular were noted:

- That there had been limited progress overall in taking forward the recommendations follow-up as part of the review, with one recommendation being fully implemented, four partially implemented and one rated as little or no progress.
- That in terms of the Fraud Prevention, Detection and Response action plan, the Employee Code of Conduct had not been progressed due to capacity in the Human Resources department. It was hoped that this would be submitted to the Finance and Resources Committee's meeting to be held on 12 August 2025.

JM

The Committee:

- **Accepted** the Internal Audit report on Follow-Up Reviews as at March 2025.

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- **Noted** that there were no further revisions to implementation dates to be approved.

## 8.0 INTERNAL AUDIT REVIEW: IT ASSET MANAGEMENT REPORT NO: ARC-25-2024/25

The Internal Auditor presented the report which provided the Committee with the findings of the internal audit on IT Asset Management. The following points were noted:

- That there were eight internal audit objectives and the assurance of 'good' was provided against all, with the overall assurance provided as 'good'.
- That there were no recommendations identified throughout the review.
- That the IT department continued to progress work in respect of manual databases, the automation of which, would be progressed as part of the IT workplan for 2025/26.
- That the Executive Director of Digital and Data welcomed the Committee's engagement in taking forward the Care Inspectorate's cyber security work and the challenges being faced.

The Committee:

- **Accepted** the Internal Auditor's report on IT Asset Management and recorded its appreciation of the hard work of the staff who managed this area of work and had delivered such a positive outcome.

## 9.0 ANNUAL AUDIT PLAN 2025/26 – ANNUAL ACCOUNTS

The External Auditors updated the Committee on the changes within the audit team, particularly around the decision to assign a director based in Aberdeen. The planning report on the 2024/25 was presented, with the following points noted:

- That the key messages were supported.
- That the examination of the pension balances was assumed and then benchmarked across similar organisations.
- That the migration to Oracle Fusion had not been without issue and the Care Inspectorate was in a difficult situation with the reporting section of Fusion not yet being available.

The Committee:

- **Thanked** the External Auditors, **noted** the Annual Audit Plan 2025/26 and looked forward to receiving the output at its September 2025 meeting, noting that there may be a delay in respect of the pension balances.

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## 10.0 LEARNING AND IMPROVEMENT ACTIONS DRAWN FROM THE EXPERIENCE OF A RECENT CHILDMINDING CASE

The Chief Executive presented an improvement plan which was the product of a 'lessons learned' exercise conducted to reflect on the Care Inspectorate's engagement in a challenging childminding case dating back to August 2024. The Committee had a full and extensive discussion on the improvement plan and the following points in particular were noted:

- That there were a further two meetings arranged for 27 March and 23 April 2025 with parents and Ministers respectively.
- That the complaint headings and outcomes would be added as an appendix to the plan and recirculated to the Committee and Board members. JI
- That a further Internal Audit in respect of complaints handling would be commissioned, at Ministerial request, the terms of reference for which, would be circulated to the Committee when the separate engagement letter was confirmed with the Internal Auditors. JM
- That the safeguarding training was well underway, prioritising the Early Learning and Childcare staff, which would be included in the plan. JI
- That the Care Inspectorate was in discussion with Scottish Government in respect of the frequency of inspections in various sectors. The Board was to be updated at its meeting to be held on 27 March 2025, where any decision required, would be made in respect of reputational risk and the strategic risk register.
- That the Committee would receive an update on progress in implementing the Improvement Plan at its next meeting.

The Committee:

- **Welcomed** and was provided with **assurance** of the steps underway and planned.
- **Thanked** officers for their extensive work.

## 11.0 STRATEGIC RISK REGISTER AND ASSURANCE MAPPING

### 11.1 Strategic Risk Monitoring Report No: ARC-26-2024/25

The Head of Finance and Corporate Governance presented the report which provided the Committee with the monitoring position in relation to the Strategic Risk Register. The following points in particular were noted:

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- That there had been no changes since the previous meeting of the Committee.
- That in relation to Operation Koper, the phase of Fatal Accident Inquiries had commenced which was a further demand in relation to capacity.

The Committee:

- **Considered** the risk monitoring position, **noting** that there were no issues that required to be brought to the attention of the Board at its meeting to be held on 27 March 2025.

## 11.2 Assurance Mapping

There were no updates provided.

## 12.0 DIGITAL DELIVERY AND CHANGE UPDATE REPORT NO: ARC-27-2024/25

The Executive Director of Digital and Data introduced and the Head of Digital Delivery and Change presented the report which provided the Committee with an update on progress on the digital delivery and change programme. The following points were noted:

- That in respect of the registration application, the data readiness assessment revealed critical risks in regard of it serving as a source for care service and service provider master data and a new two-stage approach had been adopted.
- That Capgemini (with StormID) had been selected as the preferred supplier for next phase of stage 2.
- That design from Capgemini was ambitious and would require strong input from the new Communication and Engagement Lead post.
- That a digital skills maturity assessment, conducted by Hable would identify technology usage, workforce readiness and areas for improvement.
- That more focus was being given to service design and the complaints application until an output was received.

The Committee:

- **Noted** the progress to date.
- **Thanked** the Head of Digital Delivery and Change for a thorough and reassuring report.

## 13.0 DRAFT REVISED COUNTER FRAUD, BRIBERY AND CORRUPTION FRAMEWORK REPORT NO: ARC-28-2024/25

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The Head of Finance and Corporate Governance presented the report which highlighted changes to the Care Inspectorate's Counter Fraud, Bribery and Corruption Framework. These changes had mainly come about as a result of the NHS National Shared Services Counter Fraud Service deciding that they could not continue to offer a partnership agreement to the Care Inspectorate (or any other agencies outwith core Health Boards).

The Committee:

- **Approved** the Counter Fraud, Bribery and Corruption Framework as amended.

#### 14.0 HORIZON SCANNING

None.

#### 15.0 AUDIT AND RISK COMMITTEE HIGHLIGHTS FOR THE BOARD

The Committee **agreed** that the following should be included in the update to the Board at its meeting to be held on 5 June 2025: **ESO**

- Internal Audit Review: IT Asset Management
- Annual Audit Plan 2025/26 – Annual Accounts
- Learning and Improvement Actions from Childminding Case

#### 16.0 SCHEDULE OF COMMITTEE BUSINESS 2024/25

The Committee **reviewed** and **agreed** the schedule of business. **ESO**

#### 17.0 ANY OTHER COMPETENT BUSINESS

There was no other competent business.

#### 18.0 CLOSE AND DATE OF NEXT MEETING:

The Convener closed the meeting and thanked everyone for their participation and the rich and challenging discussions that had resulted.

The date of the next meeting was noted as 15 May 2025.

Signed:



Bill Maxwell  
Convener

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