Approved Minutes
Audit and Risk Committee Meeting
Tuesday 19 May 2026, 1.30pm

Members

Lindsay Macdonald	Non-Executive Director (Chair)
David McClelland	Non-Executive Director
Linda Semple	Non-Executive Director
Rebecca Maxwell	Non-Executive Director
Stephen McAllister	Non-Executive Director
Stuart Burnside	Employee Director, Non-Executive Director

Core Attendees

Carolynne O'Connor	Chief Executive
Jonny Gamble	Executive Director of Finance

In attendance

Alasdair MacLaren	Deputy Head of Procurement (Item 4.1)
David Eardley	Internal Auditor, Azets
Gordon Smith	Associate Director of Finance (Governance and Financial Accounting)
Kevin McMahon	Head of Risk and Clinical Governance (Item 7.1)
Nicki Hamer	Head of Corporate Governance and Board Secretary
Paul Kelly	Internal Auditor, Azets (Item 5.1)
Rachael Weir	Internal Auditor, Azets
Rashpal Khangura	External Auditor, KPMG
Susan Douglas-Scott	Board Chair
Taimoor Alam	External Auditor. KPMG

Apologies

Laura Smith	Deputy Chief Executive and Executive Director of People and Culture

Minutes

Shannon Curran	Corporate Administrator

1 Opening Remarks

1.1 Wellbeing Pause and Chair's Introductory Remarks

The Chair opened the meeting with a short moment of reflection following the recent passing of Morag Brown and recognised her long-standing contribution to governance within NHS Golden Jubilee.

1.2 Apologies

Apologies were noted as listed above.

1.3 Declaration of Interests

There were no declarations of interest to note.

2 Consent Agenda Items

The Committee approved the following consent agenda items:

NHS Golden Jubilee (GJ) Standing Orders
Audit and Risk Committee (ARC) Terms of Reference

3 Updates from last meeting 17 February 2026

3.1 Unapproved Minutes

Minutes from the meeting held 17 February 2026 were approved as an accurate record.

3.2 Action Log

The Committee reviewed the Action Log and agreed the updates as set out below.

Action Ref	Action	Action Lead	Update
ARC250819/02	**Internal Audit Follow up Report Q2** – Develop an achievable plan for Clinical Governance to ensure risks have control measures in place.	Mark MacGregor	Closed -with responsibility delegated to the Clinical Governance Committee.
ARC251118/01	**Counter Fraud Quarterly Report Absence Detail –** Present further detail on absence figures across the organisation	Laura Smith	Closed - following Deep Dive on absence through the Staff Governance and Person Centred Committee with an update being presented to Board Private on 28 May 2026.
ARC251118/02	**Change and Project Management Report** – Report to be shared at the November SPGC 2026 meeting and feedback to be presented at the subsequent ARC meeting.	Nicki Hamer	Deferred to November 2026 agenda to allow presentation to Strategic Portfolio Governance Committee.

3.3 Matters Arising

There were no matters arising.

4 Effective

4.1 Counter Fraud Quarterly Report

Gordon Smith presented the Counter Fraud Report for Quarter 4 on behalf of Alasdair McLaren, the new Counter Fraud Liaison Officer which noted details of the national referrals during the quarter.

The Committed noted that two NHS Golden Jubilee related fraud reports were being managed with Counter Fraud Services.

The Committee noted that fraud awareness training was now mandatory for all staff and will support stronger prevention and detection arrangements.

Audit and Risk Committee noted the Counter Fraud Quarterly Update.

4.2 NHS GJ National Fraud Policy and Response Plan

Nicki Hamer presented the National Fraud Policy and Response Plan, which supported a consistent approach to preventing, detecting and responding to fraud, bribery, corruption and theft.

The Committee welcomed the strengthened governance arrangements and the emphasis on communication, training and clear escalation routes.

Audit and Risk Committee approved the NHS GJ National Fraud Policy and Response Plan.

4.3 Standing Financial Instructions

Jonny Gamble and Gordon Smith presented the renewed Standing Financial Instructions (SFI) and Scheme of Delegation. These had been developed using best practice from other NHS Health Boards, internal audit recommendations, and input from Finance, HR and the Executive Leadership Team.

The Committee acknowledged the substantial work undertaken and welcomed the improved clarity, robustness and consistency of the proposed framework. The Committee discussed plans to produce a staff-friendly version of SFI's and to provide training to ensure staff understood their financial responsibility and approval limits.

Linda Semple raised the issue of allocations of research and clinical trials approval to the Clinical Governance Committee, suggesting the need for clearer governance processes and possibly a formal subcommittee for research ethics. Nicki Hamer and Jonny Gamble agreed to review and clarify this in the SFI's.

The Chair requested confirmation that the SFI's description of ARC's role aligns with the Term of Reference approved earlier in the meeting.

Action Ref	Action	Action Lead	Date
ARC260519/01	Standing Financial Instructions: Review and clarify the allocations of research and clinical trials approval in the SFIs	Nicki Hamer/Jonny Gamble	August 2026
ARC260519/02	Standing Financial Instructions: Check the SFI's description of ARC's role aligns with the Terms of Reference	Nicki Hamer	August 2026

Audit and Risk Committee approved the Standing Financial Instructions, subject to clarification of research governance responsibilities and confirmation that the description of the Committee's role aligns with its Terms of Reference.

4.4 Tender Waivers Quarter 4 Report

Jonny Gamble presented the Tender Waivers Quarter 4 Report, highlighting a reduction in both the number and value of waivers.

The Committee recognised the reduction in tender waivers as a positive indication of strengthened procurement governance. The Committee thanked the Finance and Procurement teams on the work carried to improve compliance with expected processes.

Audit and Risk Committee noted the Tender Waivers Quarter Four Report.

4.5 External Audit Recommendations – Annual Accounts

Gordon Smith provided a brief overview of the External Audit Recommendations – Annual Accounts update noting progress with 20 out of 21 recommendations reported as complete and under review with KPMG, External Auditors.

The Committee welcomed the progress made and recognised and commended the contribution of the Finance team and external auditors in strengthening year-end governance and control arrangements.

Audit and Risk Committee noted the External Audit Recommendations – Annual Accounts.

5. Internal Audit

5.1 Cyber Security

The Committee welcomed Paul Kelly, Internal Auditor, who presented the findings of the Cyber Security Internal Audit and noted that 17 improvement actions had been identified.

The Committee recognised the importance of these actions for organisational resilience, particularly in relation to backup policy, backup monitoring and vendor management.

Linda Semple raised the need to distinguish between cyber security and cyber hygiene in the Strategic Risk Register, suggesting a more nuanced risk capture. Jonny Gamble agreed to review this risk.

The Committee discussed resource prioritisation for digital management of the Cyber Security Improvement Plan and agreed that progress should be overseen through the Digital Steering Group, with updates reported back to the Committee.

Action Ref	Action	Action Lead	Completion Date
ARC260519/03	**Cyber Security** Jonny Gamble to review the difference between cyber security and cyber hygiene in the Strategic Risk Register.	Jonny Gamble	August 2026

Audit and Risk Committee noted the Cyber Security Update.

5.2 Progress Report, Follow Up Report, Internal Audit Annual Report.

Progress Report

David Eardley, Internal Auditor from Azets, provided an overview of the Internal Audit Progress Report and noted completion of the 2025/2026 Internal Audit Plan and that the 2026/2027 plan was progressing as expected.

David Eardley introduced Rachael Weir as the new lead for Internal Audit

The Chair thanked David Eardley for building a positive relationship between the teams and the Committee wished him well in his new post.

Follow Up Report

The Committee welcomed the follow-up report, which showed positive progress in closing audit actions, and noted that the remaining outstanding action related to staff training and development.

Internal Audit Annual Report 2025/2026

David Eardley presented the updated Internal Audit Annual Report 2025/2026.

The Committee noted the overall assurance provided and welcomed confirmation that no significant issues had been identified that would affect the overall assurance level

and noted the continued improvement in internal control and governance arrangements.

Linda Semple asked if future audit plans were aligned with recurring themes from previous audits. David Eardley confirmed that the audit planning incorporated past findings, risk registers and topical issues to ensure coherence and ongoing improvement.

Audit and Risk Committee approved the Internal Audit Annual Report 2025/2026.

6. External Audit

6.1 External Audit Plan Year End

Rashpal Khangura and Taimoor Alam presented the External Audit Plan, detailing significant risks, including expenditure recognition and management override of controls, and the approach to asset valuation. The proposed materiality levels were outlined and were consistent with prior years, reflecting the scale and nature of the organisation's activities.

The Committee considered the key audit risks, wider scope audit areas and planned timetable and noted the early positive feedback on the quality of the draft accounts and the continued engagement between management and external audit.

The Committee noted the report and the planned approach to meeting the statutory deadline.

Audit and Risk Committee noted the External Audit Plan Year End Report.

7. Corporate Governance

7.1 Strategic Risk Register

The Committee welcomed Kevin McMahon to the meeting to present the Strategic Risk Register, noting that the Executive Risk Group met regularly to discuss all the risks presented to the Committee.

The Committee noted changes to the risk profile, including a new risk relating to staff attendance, closure of risks linked to the 2025/2026 financial position and staff absence, and de-escalation of the Clinical Service Risk.

The Chair welcomed the more streamlined register and requested further assurance on risk S10, particularly prevention and recovery arrangements and requested an update be provided to the next meeting.

Action Ref	Action	Action Lead	Completion Date
ARC260519/04	**Strategic Risk Register**	Jonny Gamble	August 2026

	To review risk S10 and provide an update to the next meeting.		

Audit and Risk Committee approved the Strategic Risk Register.

7.2 Audit and Risk Committee Annual Governance Report for 2025/2026

Nicki Hamer presented the Audit and Risk Committee Governance Annual Report for 2025/2026.

The Committee noted that the report demonstrated how the Committee had discharged its remit during the year, including oversight of risk, audit, counter fraud, cyber security, tender waivers and financial governance.

The Chair thanked Nicki Hamer for the work around organising and preparing reports to keep track of governance. The Chair thanked each member of the Committee for the work carried out and determination throughout.

Audit and Risk Committee approved the Audit and Risk Committee Annual Governance Report 2025-2026.

8. Consent Agenda Items – for Awareness Only

There were no Consent Agenda Items presented for awareness.

9. Update to the Board

No issues or concerns were raised.

Item	Details
Effective	The Committee approved the Standing Orders and Audit and Risk Committee Terms of Reference. The Committee approved the Counter Fraud Policy and Response Plan. The Committee discussed and approved the Standing Financial Instructions. The Committee noted the Counter Fraud Quarterly Update, including that fraud awareness training is now mandatory for all staff. The Committee was introduced to the new Fraud Liaison Officer, Alasdair McLaren. The Committee noted the Tender Waiver update, including a reduction in the number and value of waivers compared with the previous year, and welcomed the strengthened procurement governance approach.

Item	Details
Internal Audit	The Committee received the internal audit report on Cyber Security – Backups, which gave an overall rating of Substantial Improvement Required. The Committee was assured that daily backups are in place and recovery arrangements have been demonstrated and agreed that the identified actions should be progressed through the appropriate governance route with updates returned to the Committee. The Committee also received the Internal Audit Annual Report and annual opinion of reasonable assurance.
External Audit	The Committee received the External Audit Plan, including key audit risks and the approach to wider scope work, and noted the planned timetable to conclude the audit ahead of statutory deadlines. The Committee also noted progress against prior-year external audit recommendations, with 20 of 21 actions reported as complete, subject to year-end audit confirmation.
Corporate Governance	The Committee approved the Strategic Risk Register. The Committee also approved the Annual Governance Report for 2025/2026 for onward submission.

10. Any Other Competent Business

None.

11. Date and Time of Next Meeting

The next meeting was scheduled for Thursday 18 June 2026, 10:00.