



Meeting: NHS Highland Board
Meeting date: 29 March 2022
Title: Suspension of Standing Orders –
 Extension of Co-option Arrangement for
 NHS Highland Audit Committee
Responsible Executive/Non-Executive: Pam Dudek, Chief Executive
Report Author: Ruth Daly, Board Secretary

1 Purpose

This is presented to the Board for:

- Decision

This report relates to a:

- Local policy

This aligns to the following NHSScotland quality ambition(s):

- Effective

This report relates to the following Corporate Objective(s)

| | | |
|---|--|--------|
| Clinical and Care Excellence <ul style="list-style-type: none"> • Improving health • Keeping you safe • Innovating our care | Partners in Care <ul style="list-style-type: none"> • Working in partnership • Listening and responding • Communicating well | |
| A Great Place to Work <ul style="list-style-type: none"> • Growing talent • Leading by example • Being inclusive • Learning from experience • Improving wellbeing | Safe and Sustainable <ul style="list-style-type: none"> • Protecting our environment • In control • Well run | X X |

2 Report summary

2.1 Situation

This report seeks the Board’s agreement to suspend Standing Orders to permit an extension to the current one-year co-option of an individual with appropriate skills and experience to the Board’s Audit Committee.

2.2 Background

In November 2020 the Board agreed to initiate a process to co-opt a suitably experienced individual to the Audit Committee for a period of one year on a non-remunerated basis. This arrangement is consistent with the provisions of the Audit Handbook of 2018 and the Board's Standing Orders, both of which state a one-year limit should apply to any co-option arrangement.

Following a recruitment exercise in January 2021, a suitably qualified individual was appointed to the Audit Committee for a one-year period with effect from 1 April 2021. In accordance with the Audit Handbook and Standing Orders, this arrangement therefore concludes at the end of March 2022.

2.3 Assessment

The co-option arrangement represents an example of good practice in accessing particular knowledge and skills to enhance the scrutiny role of the Audit Committee. The skillset brought by the appointed individual to the work of the Committee has been particularly valued. The appointment was made in accordance with the Board's Standing Orders 9.7 which states:

*'The Board may authorise committees to co-opt members **for a period up to one year**, subject to the approval of both the Board and the Accountable Officer....'*

The appointee has made a significant contribution early in his tenure in a specialist role and the Board has been particularly fortunate to be able to appoint someone of this calibre. It must be acknowledged that co-optees undergo a rapid period of learning to build the necessary knowledge when joining an organisation such as an NHS Board to enable them to make a meaningful contribution. Both the Board and Committee Chairs have requested that this arrangement be extended for a further two-year period, subject to the necessary agreements being in place and with the consent of the co-optee.

In recognition of the existing controls to the timeframe for co-options arrangements discussions have been held with External and Internal Audit colleagues. While support has been received, Internal Audit advised seeking the consent of Scottish Government to ensure the way forward is documented and agreed. Scottish Government have confirmed they are comfortable with the extension, noting that the post is unremunerated, it provides consistency for the Audit Committee and helps ensure effective succession planning and oversight.

On this basis therefore, the Board is asked to agree to suspend Standing Orders 9.7 and to extend this particular co-option arrangement for a further two-year period with effect from 1 April 2022. This recommendation is made in acknowledgement that the course of action overrides national direction, and that Scottish Government agreement has been given in this particular case for the reasons stated above.

2.4 Proposed level of Assurance

This report proposes the following level of assurance:

Substantial
Limited

| |
|---|
| X |
| |

Moderate
None

| |
|--|
| |
| |

3 Impact Analysis

3.1 Quality/ Patient Care

3.2 Workforce

3.3 Financial

The Board's governance framework defines the business principles of the NHS Board and the organisation in support of the delivery of safe, effective, person-centred care and Quality Outcomes. The provision of robust governance arrangements is key to NHS Highland delivering on its principal objectives and to improving workforce, clinical and financial governance.

3.4 Risk Assessment/Management

A risk assessment has not been carried out for this paper, however specific advice has been received from Internal Audit colleagues on the governance implications and agreement reached with Scottish Government for the proposal.

3.5 Data Protection

This report does not involve personally identifiable information.

3.6 Equality and Diversity, including health inequalities

There are no equality or diversity implications arising from this paper.

3.7 Other impacts

No other impacts

3.8 Communication, involvement, engagement and consultation

The individual who is currently co-opted to the Audit Committee has confirmed their willingness to continue in the role. There has been engagement with External and Internal Audit colleagues and Scottish Government.

3.9 Route to the Meeting

The contents of this report have been considered by the Board Chair, Scottish Government, Chief Executive and Director of Finance, Audit Committee Chair, and External and Internal Audit colleagues.

4 Recommendation

In relation to the co-option arrangement currently in operation supporting the Board's Audit Committee, the Board is invited to:

- (a) **suspend** Standing Order 9.7 relating to duration of the co-option arrangement, and
- (b) **extend** the timeframe of the co-option arrangement for a period of two years with effect from 1 April 2022, subject to annual reviews.