

MINUTES

**The 58th Meeting of the NHSBT Governance and Audit Committee Meeting
Held on Friday 23 June 2017
West End Donor Centre, Board Room, 26 Margaret Street, London, W1W 8NB**

Present:	Roy Griffins (RG)	NED Chairman
	Jonny Oates (JO)	NED
	Keith Rigg (KR)	NED
	Charles St John (CSJ)	NED
Apologies:	Aaron Powell (AP)	NHSBT
	In Attendance:	
	Ian Bateman (IB)	NHSBT
	Rob Bradburn (RB)	NHSBT
	Gareth Davies (GD)	Mazars
	Kay Ellis (KE)	DH
	David Evans (DE)	NHSBT
	Karen Finlayson (KF)	PwC
	David Hakin (DH)	NAO
	Linda Haigh (LH)	NHSBT
	Sally Johnson (SJ)	NHSBT
	Dave Metcalf (DM)	NHSBT (Observing)
	Gail Miflin (GM)	NHSBT
	Neal Murray (NM)	PwC
	Ella Poppitt (EP)	NHSBT (Secretariat)
	Richard Rackham (RR)	NHSBT
	Katherine Robinson (KRo)	NHSBT
	Mark Rodgers (MR)	NHSBT
	Ann Smith (AS)	NHSBT (Minutes)

Action

Declarations of Conflict of Interest

Members confirmed that they had no conflicts of interest.

Risk Presentation – Manufacturing and Logistics (M&L)

An overview was given of the risks and processes within M&L. Risks will move onto the Covalent Risk Management system by November 2017. RG noted that it was the GAC's role to monitor the process. **Action:** RB to build a summary of high level risks in the Board report. EP confirmed the next phase of transition to the Covalent software was to review risk themes. **Action:** AS to send the M&L risk presentation to all attendees of the June 2017 meeting.

RB

AS

Chairman's Introduction

RG welcomed all to the meeting, including Dave Metcalf observing and Katherine Robinson, who will replace DE as Director of Workforce. RG noted that the meeting would be the final meeting for EP and DE and thanked them for their contributions to the GAC meetings.

Minutes of the 57th Meeting Held on Friday 17 March 2017

The minutes were signed as a true and accurate record.

14-43

Matters Arising

The outstanding actions were updated and closed to the GAC.

1 2016/17 Annual Report and AccountsIntroduction

Part of the GAC's function at the June 2017 meeting is to approve the annual reports and accounts for the NHSBT Board, following a meeting held with the Non-Executive Directors (NEDs), Mazars and the National Audit Office (NAO) on 12 June 2017.

17-44

Internal Audit Report and Opinion on Internal Controls

The audit is complete; no changes were made from the first draft of the audit noting that there were no impact or audit risks. There were two outstanding control issues identified but it was noted there was no consequence to the financials as a result. **Action:** RB/LH to report the progress of the control weaknesses back to the September 2017 GAC meeting. CSJ noted there were very few points of note and thanked all those involved with the report.

RB/LH

Formal Review and Approval by GAC

On behalf of GAC, RG approved the accounts and thanked PwC, Mazars, and National Audit Office (NAO) for their high-quality work. The accounts will be formally signed by Ian Trenholm, Chief Executive and Accounting Officer on 26 June 2017.

2 Clinical GovernanceClinical Governance Report and Serious Incident (SI) update – Oral

There are currently five open SI's.

- ODT INC2293 – The information communicated to a Transplant Centre incident resulted in an aborted liver transplant surgery. The investigation remains ongoing and a Root Cause Analysis (RCA) has been conducted. ODT are waiting completion of the RCA report and an action plan will be produced for shared learning. GM noted the Specialist Nurses Organ Donation (SN-ODs) communications at the time of the incident was good.
- ODT INC2306 - Two kidneys were accepted for transplantation. The histology showed lymphoma in the lymph nodes. Following discussion with both recipients at the transplant centre the two recipients elected to have their grafts removed. The investigation is ongoing. This case may go through the legal process.
- ODT INC2495 – Organ Donation Register (ODR) - organ donation opt out issue. Processes will be reviewed and action points will be followed up.
- ODT INC2669 – Information incorrectly recorded. Tissues/organs failed processing. An RCA has taken place and actions have been agreed. DTS will lead on the investigation.
- QI2408: DTS - The death of a fêtes, of a mother who had red cell antibodies against the K antigen following a false negative non-invasive test in the International Blood Group Reference Laboratory (IBGRL). There had been no error on the part of NHSBT.

The Safety of Blood, Tissues and Organs Committee (SaBTO) Donor Selection report was agreed at June 2017 meeting and had been now passed to Ministers for consideration. A communications plan is required internally and externally. Implementation is expected during 2018.

Serious incident review

The GAC considered which closed incident would be suitable for the GAC to perform a Serious incident review (deep dive) at its September meeting. ODT INC2293 was considered the most suitable incident to review as it will need to be on a closed incident. The serious incident review might then go for presentation to the September Board meeting.

- 17-49 Serious Incident annual report
The total number of Serious Incidents (SI's) confirmed and managed as such during the financial year 2016/17 was five. No new SI's have been reported.

3 Quality Assurance

- 17-50 Management Quality Review (MQR)
were seventeen regulatory and accreditation inspections during 2016/17 and no Critical non-compliances raised. However, there were two Major non-compliances raised, both by the Medicines and Healthcare products Regulatory Agency (MHRA).

Critical and Major Events: There have been no internal events categorised as Critical during 2016/17.

Serious Adverse Events of Donation (SAED): there were 53 events in 2016/17, a significant increase on the 33 reported in 2015/16. The increase will be reviewed. More resource will be given to QA to complete legacy issues.

The percentage of overdue documents has slightly decreased at the end of 2016/17. The number of overdue items has remained one of the main Quality Management System (QMS) issues this year. Although there have been some improvements in the age profile of the overdues, the numbers are still too high. Management will focus on this issue, which has been agreed by ET.

- 17-51 Non-Executive Director Site Visit
Sites visits are arranged for 2017. JO to inform IB of a suitable date for a site visit.

4 Business Continuity

- 17-52 Business Continuity Update Report
A paper was taken to the Executive Team (ET) regarding mass casualty events, which included learning points from exercise Tardigrade, the Westminster Bridge event and the management of blood stocks. RG asked if NHSBT have enough blood stock during mass casualty events. RR assured the GAC that there has not been any issue with the amount of available blood during such events and requirements had been met.

Westminster Bridge Incident – On the 22 March an individual drove a car into a crowd on Westminster Bridge and fatally stabbed a police officer. Six people were killed. An NHSBT driver was inside Guys and St Thomas Hospital grounds, but couldn't get into the building as it was locked down. There were no issues with the vehicle passing the cordon and Tooting Hospital Services were able to facilitate access.

Cyber-attack - On 12 May several NHS organisations were affected by malware known as 'WannaCry', which is ransomware that encrypts data and demands a ransom for the key. The incident will be led by a Quality Assurance RCA. NHSBT was unaffected.

Gas main rupture - On 15 May it was reported that the roadworks near to the Filton, Bristol Centre had caused a rupture of both the gas and water main. There was concern for some time that the Filton Centre may have needed to be evacuated. Severe

congestion occurred around the Filton site which had potential for disrupting the delivery or receipt of blood.

World War II bomb - On the same day as the gas main rupture, workmen discovered an unexploded World War II bomb close to the Aston Expressway in Birmingham. This was not close to our centres, but did cause traffic congestion and made delivery to some hospitals difficult. Neither incident resulted in a disruption, but clearly could have escalated and created problems.

Manchester Bomb – On 22 May a suicide bombing was carried out at the Manchester Arena. As this event involved significant numbers of young people, there was unprecedented pressure on methylene blue treated plasma products. A preliminary report will be issued, although NHSBT coped well with this unusual demographic.

There have been changes in circumstances and predicted resource available to the BC team. The workload will be prioritised.

5 Transformation Programme

17-53

Transformation Programme Risk summary report

Desktop Modernisation Programme - The programme has moved back to Amber status from Red status. The main source of challenge for the programme has been resource. Because of security surrounding existing laptops, the roll out of the new Hybrid devices was brought forward.

ODT Hub Programme – The programme remains at Amber status. The Urgent Lung Allocation Scheme went live and the Go live of Super Urgent Liver List to the Liver Community is planned for July 2017.

Core Systems Modernisation (CSM) – The programme remains at Amber status, with delivery of the first two “flagship” releases on track for the end of June and the end of July. The team are continuing to drive delivery of the remaining Transition State 1 (Blood Donor Management) functionality, targeting the end of 2017, although there remains a risk that the timing falls into early 2018.

17-54

PWC report on CSM / ODT Hub programmes

NM spoke to the findings of the report, which focused on; review and evaluation of internal controls and processes, advice to support management in making improvements in risk management, control, governance, analysis of policies, procedures and operations against good practice. There are some areas that need to be improved; for example, a key shared risk to both programmes remain NHSBT’s difficulty in attracting and retaining talent within the ICT organisation. Undertaking a deep dive into the specific areas of concern was suggested by KF to understand why NHSBT are unable to retain talent and also to understand the cost implication of this. JO noted further clarity is needed to understand this concern. The action plan was noted, and a monthly report to the Board to update the nine recommendations which concerned the Committee was considered. The report will be updated and put to the July 2017 Board meeting.

The next tranche of work is currently in development and will be mapped and brought to the September 2017 GAC meeting.

6 Internal Audit

17-55

Internal Audit Progress Report (2017/18 work plan)

The report was taken as read, noting that the opinion remained moderate. The dates of the 2017/18 workplan were agreed.

Action

At the beginning of June 2017, PWC were made aware that there had been a data security breach on a 3rd party website which included NHSBT information. Management has requested that internal audit undertake a review to understand the nature of breach and that appropriate controls are put in place to prevent any similar reoccurrences. At the time of preparing this report this work is currently ongoing.

- 17-56 NHSBT Cyber Governance report
This review was commissioned as part of the 2016/17 Internal Audit plan to assess the extent to which current cyber security governance structure and processes are sufficient to help mitigate the risk of a data breach and support overall maintenance of confidentiality, integrity and availability of data. The opinion remains unchanged, as limited and areas of improvement need to be made. CSJ asked if PWC were happy that the Actions would resolve the issues. KF replied that they would like to look at this again and refine the conclusions. **Action:** PWC to submit a follow up report to the September 2017 GAC meeting. AS to add the cyber-attack follow-up review report to the foreword planner.
It was noted that all NHSBT staff should be made aware of General Data Protection Regulations (GDPR). New GDPRs rule come into place in May 2018. **PWC/AS**
- 17-57 General Data Protection Regulation Audit report
An overview of the GDPR audit report will be submitted to the September 2017 GAC meeting. **Action:** AS to add the GDPR audit update to the September 2017 agenda. **AS**
- 17-58 Review Outstanding and Overdue Internal Audit Action
The Contracts team require an extension to review the International Blood Group Reference Laboratory (IBGRL) contracts templates. An extension was requested and the GAC agreed to the extension. The outcome will be submitted to the September 2017.
- 7** **Risk Management Update**
- 17-59 NHSBT Risk Management update
Following a recent Risk Lead meeting the group agreed that Excel spreadsheets will no longer be used to deliver risk updates. All NHSBT risks, from the end of July 2017 will be review/added/updated using the Covalent risk management system. There are currently 153 organisational risks and the next step for the risk leads, will be to review the risks, in their business unit, by themes.
- 8** **Information Technology Governance**
- Information Technology (IT) Update - Oral
Update deferred to September 2017.
- EU General Data Protection Regulation(GDPR) update – Oral
Update deferred to September 2017.
- 9** **Integrated Governance**
- 17-60 Board Performance Report
The report was noted and taken as read with no further comments.
- 17-61 Review Insurance Arrangements
Work is ongoing with the DH, to revise the current contingent liability note, with regard to clinical trials and research projects. The intention is to update the indemnity to closely reflect activity. The insurance arrangements will be reviewed before submission to

ministers for review. The GAC were happy with the ongoing work.

The GAC considered the endorsement of areas of NHSBT's core business activity/business as usual that fall outside of current NHSLA arrangements. The GAC noted it was difficult to endorse at present. **Action:** RB to discuss further and bring findings to the September GAC.

RB

17-62 Review Counter Fraud annual report
LH outlined the key risks to the GAC, which included Procurement, expenses, fuel and timesheets. LH noted the 2017/18 plan was not considered high risk. NHSBT remains relatively low risk and is not subject to the "traditional" risks encountered by other NHS bodies. The counter Fraud plan is assessed annually and the current review is set as Amber.

17-63 Health and Safety annual report
An excellent year was recorded for Health & Safety performance with all corporate accident and near miss targets exceeded and the number of accidents decreasing to the lowest ever recorded.

Challenges have been experienced during the year, for example, Occupational Health. Performance, positive and robust action has brought it back to service level requirements. The incomplete file transfer from Capita to OH Assist has been reviewed and a project to replace these records is planned for this financial year.

17-64 Intellectual Property annual report
The report was noted and taken as read with no further comments.

10 Committee Business

Self-assess GAC's effectiveness - Oral

Further comments were requested. **Action:** EP to send the GAC Self-assessment to all regular attendees. The outcome of the comments will be discussed / reviewed at the September 2017 GAC. **Action:** AS to add to the GAC Self-assessment to the September agenda for review.

EP

AS

17-65 Review draft GAC annual report
Integrated Governance Framework came to the GAC last September 2016. **Action:** AS to amend the report as directed. The report GAC annual report will be submitted to the July 2017 Board meeting.

AS

11 Chair's Action (for discussion only as required)

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12 Papers for information

17-66 Losses and Special Payments
17-68 Waivers
17-69 Information Governance report
17-70 Assurance Map
17-71 DH /ALB Risk Leads report
17-47 Clinical Governance report Jan – March 2017

13 Any Other Business

- Assurance map – **Action:** AS to add to the September agenda as part of the Integrated Governance report.
- Papers to be submitted to the attendees via Convene.

AS

14 Review the effectiveness of the meeting

The following points were noted:

- The attendees had no points of note to add.

Dates of Meetings in 2017

Date/Time	Venue	GAC Papers for submission
Friday 15 September 2017 09.30 hrs – 13.00 hrs	West End Donor Centre Board Room	Monday 4 September 2017
Friday 24 November 2017 09.30 hrs – 13.00 hrs	West End Donor Centre Board Room	Monday 13 November 2017

AGREED