

# Agenda

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**B/21/01b**

**NHS National Services Scotland Board**  
**Wednesday 24<sup>th</sup> March 2021**  
**Commencing at 0930 hours, TEAMS platform**

1. **Apologies for Absence**  
Deryck Mitchelson, Director DaS
  
2. **In Attendance**  
Mary Morgan Director,  
Matthew Neilson, Associate Director Strategy, Performance & Communications  
Jacqui Jones, HRD  
Gordon Young, Head of NHS Scotland Counter Fraud Services  
Scott Fraser, National Counter Fraud Manager  
Scott Barnett, Head of Information & Cyber Security, Cyber Resilience Team  
Craig Spalding, Director SNBTS [CIC Item 16]  
Jacqui Reilly, Nurse Director  
Karen Nicholls, Committee Services Manager (Minutes)
  
3. **Welcome and Introductions** Keith Redpath
  
- 3.1 Board Fraud Awareness Training – CFS Gordon Young/  
Scott Fraser

**ITEMS FOR APPROVAL**

4. **Minutes of meeting held on 21<sup>st</sup> December 2020 and Matters Arising** Keith Redpath **B/21/02**  
**B/21/03**

**ITEMS FOR SCRUTINY**

5. **Chair's Update** Keith Redpath **Verbal**
  
6. **Chief Executive's Update** Colin Sinclair/  
Mary Morgan **Verbal**
  
7. **Board Assurance Framework** Matthew Neilson **B/21/05**
  
8. **People Report** Jacqui Jones **B/21/06**
  
9. **NSS Standing Financial Instructions** Carolyn Low **B/21/08**
  
10. **Finance Report** Carolyn Low **B/21/09**
  
11. **Forward Programme** **B/21/12**

Chair Keith Redpath  
Chief Executive Colin Sinclair

*NHS National Services Scotland is the common name of the  
Common Services Agency for the Scottish Health Service*

**12. Items for Information Only**

12.1 **Digital & Security Update** Scott Barnett **B/21/10**

12.2 NSS Cyber Security Excellence Centre Scott Barnett **B/21/11**

12.3 Whistleblowing Update Jacqui Reilly **B/21/07**

**12.4 Approved/Draft Committee Minutes**

NSS Clinical Governance and Quality Improvement Committee 2<sup>nd</sup> December 2020 Approved Minutes **B/21/13**

NSS Clinical Governance and Quality Improvement Committee 24<sup>th</sup> February 2021 Draft Minutes **B/21/14**

NSS Audit & Risk Committee 2<sup>nd</sup> December 2020 Approved Minutes **B/21/15**

NSS Audit & Risk Committee 2<sup>nd</sup> March 2021 Draft Minutes **B/21/16**

NSS Staff Governance Committee 19<sup>th</sup> November 2020 Approved Minutes **B/21/17**

NSS Staff Governance Committee 23<sup>rd</sup> February Draft Minutes **B/21/18**

NSS Finance, Procurement and Performance Committee 19<sup>th</sup> November 2020 Approved Minutes **B/21/19**

NSS Finance, Procurement and Performance Committee 3<sup>rd</sup> February 2021 Draft Minutes **B/21/20**

***IN PRIVATE SESSION (Papers to Members Only)***

14. **NSS Remobilisation Plan** Mary Morgan/  
Matthew Neilson **CICB/21/01  
Presentation**

15. **Legal Professional Privilege** Craig Spalding **CICB/21/02**

16. **Date of Next Formal Meeting – Friday 25<sup>th</sup> June 2021**

Blue means paper available

# Minutes Approved

## NHS NATIONAL SERVICES SCOTLAND BOARD

### MINUTES OF MEETING HELD ON 21 DECEMBER 2020 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

- Present:** Mr Keith Redpath, NSS Chair  
 Ms Lisa Blackett Non-Executive Director  
 Ms Julie Burgess, Non-Executive Director  
 Mr Ian Cant, Employee Director  
 Mr John Deffenbaugh, Non-Executive Director  
 Mrs Kate Dunlop, Non-Executive Director  
 Mr Gordon Greenhill, Non-Executive Director  
 Professor Arturo Langa, Non-Executive Director  
 Mrs Carolyn Low, Director of Finance  
 Dr Lorna Ramsay, Medical Director  
 Ms Alison Rooney, Non-Executive Director  
 Mr Colin Sinclair, Chief Executive
- In Attendance:** Mrs Jacqui Jones, Director of HR and Workforce Development  
 Mr Deryck Mitchelson, Director of Digital and Security (DaS)  
 Mrs Mary Morgan, Director of Strategy, Performance and Service Transformation (SPST)  
 Mr Matthew Neilson, Associate Director – Strategy, Performance and Communications  
 Mrs Norma Shippin, Head of Central Legal Office [Items 1-7]  
 Mrs Lynsey Bailey, Committee Secretary [Minutes]
- Apologies:** Ms Rachel Browne, Audit Scotland  
 Mr Mark McDavid, Non-Executive Director  
 Professor Jacqueline Reilly, Nurse Director  
 Mr Mark Taylor, Audit Scotland
- Observing:** Mr Asim Ali, Audit Scotland  
 Ms Stephanie Knight, Scottish Government

## ACTION

### 1. INTRODUCTION

- 1.1 Mr Redpath welcomed all to the meeting which was being held virtually via the TEAMS platform.
- 1.2 Before starting the formal business of the meeting, Mr Redpath asked the Board Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

### 2. MINUTES AND MATTERS ARISING [Papers B/20/73 and B/20/74 refer]

- 2.1 Members noted the minutes from 23 September 2020 and following a brief discussion, approved them in full.



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Chair Keith Redpath  
 Chief Executive Colin Sinclair

- 2.2 In respect of the action list, Mr Deffenbaugh confirmed that he and Mr Neilson were still to liaise but would make arrangements soon. Members noted that all other actions were either complete, or would be covered by the agenda.

### **3. REGISTER OF INTERESTS [Paper B/20/75 refers]**

- 3.1 Members noted the updated Register of Interests, which included the new Non-Executives who had taken up post since the last meeting. Mr Redpath reminded Members to advise the Board Services Team of any changes required to their entries as and when necessary.

### **4. CHAIRS UPDATE [Paper B/20/83 refers]**

- 4.1 Mr Redpath spoke to his report which provided a summary of key activities since the September 2020 Board meeting. In particular, Members noted the appointment of Mrs Morgan to succeed Mr Sinclair as NSS Chief Executive, and the appointment of Mr Jim Miller, currently the Director of Procurement, Commissioning, and Facilities, as the new Chief Executive of NHS 24. Mr Redpath also sought Members' views on his suggested updates to the committee memberships and following a brief discussion, Members approved the changes to committee memberships as set out in the Chairs Report.

### **5. CHIEF EXECUTIVE'S UPDATE**

- 5.1 Mr Sinclair spoke to the following key highlights:
- The most immediate challenges currently facing the NHS were understanding the impact of the emergent new strain of COVID-19 as well as looking at the impact of the channel port closures on supplies;
  - In respect of the port closures, because of Brexit preparations, there was a good supply of stock already in Scotland and a number of essential deliveries were using alternative routes which were not currently impacted. However, there was work to be done to understand and mitigate the impact of this disruption on a longer term basis if it was not resolved quickly. EMT would be monitoring the situation and would provide updates as necessary;
  - Chief Executives had increasing concerns about the impact of the current work pressures on staff. Members received a brief overview of the steps Territorial Boards had been empowered to take to mitigate this but, there had been no mention of the measures including scaling back screening services as yet;
  - Handover plans were in place for the Chief Executive, and being made for the appointment of a successor to the Director of Procurement, Commissioning and Facilities;
  - The vaccination programme was progressing well. Members were provided with an overview of the current numbers vaccinated, the vaccine supply position and noted that there was a need to understand the impact of the new strain on vaccine effectiveness;
  - The recent virtual Recognising Excellence Event had been a great success and had reached a huge number of staff. Members acknowledged the benefits of making the event more widely accessible and noted this would be considered again for future years;
  - There had been very productive partnership discussions on organisational change and future ways of working, which would be factored into the plans being developed;
  - Work was being done around building more consistency into Board papers and it was hoped to see the benefits of this over the coming months;

- The National Contact Tracing Centre had been very effective and operating well within its current capacity. In recognition that this may need to be stepped up in the coming months, a meeting had been scheduled to discuss the planning assumptions for increasing its capacity as necessary;
- No confirmed final decision had been made about extending the timescales for decommissioning the Louisa Jordan Hospital yet but negotiations had commenced and an extension was likely.

5.2 Mr Sinclair then updated Members on the request made to participants in the UK Infected Blood Inquiry to waive legal privilege. Mrs Shippin explained the concept of legal privilege, the implications of waiving or retaining it, and the alternative options available to achieve similar outcomes. As an answer was not required imminently, Members were content to leave this for now and come back to it if any specific requests were received. They thanked Mr Sinclair and Mrs Shippin for the update and explanation.

## **6. RISK APPETITE AND RISK MANAGEMENT**

6.1 Mr Neilson spoke to the Risk Appetite Paper [paper **B/20/77** refers] which outlined the review of the risk appetite. Members noted that the position remained unchanged from previous years and, following a brief discussion and some minor points of clarification, they agreed that they were content to approve it.

6.2 Members then discussed the Risk Management Update [paper **B/20/77a** refers]. Members noted that the shift in the number of corporate risks was primarily due to transference of some former Public Health and Intelligence risks to Public Health Scotland, as well as completion of a review/closure exercise. The overall risk profile however remained the same. There were some gaps in the risk register, mainly around programmes/projects in the COVID-19 response, but Members were assured that plans were in place to discuss that at an upcoming EMT development session. Members expressed concerns over the figures for the Risk Management mandatory training and received an overview of the reasons impacting on the areas with the lowest figures (mainly the rapid influx of new staff) and the plans in place to improve that quickly. Members briefly discussed the Information Governance Breach risk (4577) and were assured that this was on track to be managed down.

## **7. PEOPLE REPORT [Paper B/20/78 refers]**

7.1 Members discussed the paper, which provided updates on a range of workforce issues such as sickness absence, case management, training, staff turnover, appraisals, recruitment, and occupational health, safety and wellbeing. They were pleased to note that NSS was in a positive position. Sickness absence continued to be low, and a deep dive review into that had indicated that this was a genuine reduction rather than due to under-reporting.

The flu vaccination programme had unfortunately not quite made its target for frontline staff but, overall, more staff had been vaccinated this year than ever before. In respect of COVID-19 vaccinations, NSS's 40 patient facing staff were to be vaccinated in territorial boards, with plans to prioritise the rest of the workforce starting in the new year. Staff numbers had been fluctuating but were expected to stabilise over the next few months.

7.2 Members asked whether the case management workload was expected to reduce and were advised that, in respect of cases relating to long-term sickness absence, it was. However, this work was not paused at present but a process had been put in place which was about to be reviewed by a Short-Life Working Group in order to move forward cases which had not been able to progress. Following a query about

the impact of remote working on identifying cases, Members were assured cases were still being picked up although it was difficult to say whether this was at a much lower or higher rate than before. In respect of sickness absence, Members were keen to hear how NSS's position compared with other Boards and what savings have been made through sickness absence reductions. They were advised that NSS was not performing significantly better or worse than most of the relatively similar Boards although it was difficult to get a true like-for-like comparison. Members were also advised that, while the figure for sickness absence costs had reduced significantly, this was purely indicative of salary costs and did not factor in any other associated costs.

- 7.3 Members discussed the figures of staff who had their objectives formally set and were advised that this was always a rolling position. 100% was not achievable due to new starts, people on leave etc, although it was acknowledged that the figure could be improved. Members asked about the level of detail that could be provided in the reasons for absence to ensure appropriate support for staff and were advised that as the reasons had to be grouped, that would not be visible at this level. However, it was expected that line managers would be aware of the specific reasons for their staff so would have appropriate discussions and plans in place to address them. In situations when Occupational Health needed to be involved, they provided an additional level of support as well.

Members discussed the level of support being provided to Public Health Scotland and the impact of that on the work for NSS. They were advised that this had been at a higher level than expected and, while it had not impacted detrimentally, more resource had been needed for Public Health Scotland than anticipated. In respect of meeting the Service Level Agreement, Members were assured that incremental improvement would be made over the coming year, but due to the various challenges faced at the moment, it was likely to take the full year to get there.

## **8. FINANCE REPORT [Paper B/20/79 refers]**

- 8.1 Members discussed the report in full, which updated on NSS's financial performance for the period ending 30 November 2020.

In particular, Members were pleased to note the positive position that NSS was on track to meet its financial targets at financial year-end. Members were content that, in respect of financial risks, the risk that NSS would not receive full funding for its COVID-19 support work continued to be low.

Members noted that NSS had been successful in lobbying around National Board collaboration contributions and securing the return of NSS's unplanned contributions. This meant there was a potential in-year surplus and Members were given an overview of plans in place to manage that.

NSS's COVID-19 activity spend had exceeded £330m and was expected to reach just over £600m by year-end. NSS was on track to achieve the required Cash Releasing Efficiency Savings but recurring savings was becoming a challenge. Capital funds were over committed although there were options to cover this as necessary. Following a query, Members received clarification that the figure noted for convalescent plasma was an anticipated spend should it need to go into full production but it had not yet been spent. Members also sought clarity on the underspend and where it would go and were advised that £5.5m would be returned to Boards, with the remainder retained by Scottish Government to help with the position for the next year. Members thanked Ms Low for her reassuring report.

**9. DIGITAL AND SECURITY UPDATE [Paper B/20/80 refers]**

- 9.1 Mr Mitchelson spoke to his report, which provided an update primarily in relation to the current focus on COVID-19 activities, but also provided an overview of the work across the National programmes and other key Digital and Security updates.

Members noted the updates provided and were pleased to note the overall positive position and good progress which continued to be made, in spite of challenges created by the pandemic response. Members were advised that the next phase of the Office365 programme would focus on Sharepoint. Members then asked about any potential licensing issues around this and were advised that clarification on this would come back in January 2021.

Members discussed the challenges which had lengthened timescales for delivering some of the projects and were assured that the Scottish Government and Cabinet Secretary were content with the new timescales. Members were also advised that a paper on the Cyber Centre of Excellence would be coming to the next NSS Board meeting on 24 March 2021.

**10. UPDATES FROM GOVERNANCE COMMITTEES [Paper B/20/81 refers]**

- 10.1 Members noted the updates provided from each of the Committees as provided.

Members discussed further the update from the Audit and Risk Committee regarding the Service Audit position. Mrs Low advised Members that the majority of testing had now been carried out and everything had gone to plan. There was still some work to be done but Mrs Low expected an update on that before the end of the week. Some of the frameworks were still being finalised but Members were assured that this had not impacted on timescales. Members were given an overview of the options the other Boards had if they were not happy with the Service Audit findings, noting that this potentially created reputational issues for NSS since the findings were to provide assurance to the other Boards' external auditors.

**11. FORWARD PROGRAMME [Paper B/20/82 refers]**

- 11.1 Members considered the Forward Programme as presented and were content with it. Members discussed the date for the development session and were advised this would be confirmed soon. Members were also updated on the recent discussions around the timescales for paper deadlines and the paper review process. Members agreed that it would be beneficial to include update items on the Forward Programme, covering areas that the Board had recently been discussing as major themes (e.g. ways of working and cyber security) and were assured this would be factored in.

**12. APPROVED COMMITTEE MINUTES**

- 12.1 Members noted the following approved minutes:
- NSS Audit & Risk Committee held on 28 May 2020 [paper **B/20/84** refers]
  - NSS Audit & Risk Committee held on 17 June 2020 [paper **B/20/85** refers]
  - NSS Audit & Risk Committee held on 10 August 2020 [paper **B/20/86** refers]
  - NSS Finance, Procurement & Performance Committee held on 26 August 2020 [paper **B/20/87** refers]
  - NSS Staff Governance Committee held on 27 August 2020 [paper **B/20/88** refers]
  - NSS Clinical Governance & Quality Improvement Committee held on 4 September 2020 [paper **B/20/89** refers]
  - NSS Audit and Risk Committee held on 15 September 2020 [paper **B/20/90** refers]

**13. ANY OTHER BUSINESS**

13.1 Members had no further business to raise at this point.

**14. DATE OF NEXT MEETING**

14.1 The next ordinary meeting of the Board was scheduled to take place on Monday, 24 March 2021, most likely to still be held via the Teams digital platform although it was hoped a return to NSS sites would be possible later on in the year.

There being no further business the meeting was closed at 1205 hrs



B/21/03

## NSS FORMAL BOARD ACTION LIST 2020-21



CLOSED

Ref Item	Action	Responsible	Deadline	Status
<b>FROM 21 DECEMBER 2020 – NO ACTIONS RECORDED FOR THIS MEETING</b>				
<b>FROM 23 SEPTEMBER 2020</b>				
2020-09-23 Item: 5	<b>NSS Feedback and Complaints Annual Report 2019-20</b> M Neilson and J Deffenbaugh to discuss use of statistical Process Control to present data in future versions of the feedback report.	M Neilson/ J Deffenbaugh	Outwith meeting	Complete.
2020-09-23 Item: 11.1	<b>Updates from Governance Committees</b> C Low to provide monthly updates to Board Members on progress towards finding a solution in respect of Service Audit challenges.	C Low	Outwith meeting	Complete. Actioned via the NSS Audit & Risk Committee.
<b>FROM 14 AUGUST 2020 – NO ACTIONS RECORDED FOR THIS MEETING</b>				
<b>FROM 26 MAY 2020</b>				
2020-05-26 Item: 4.1	<b>Chair's Update</b> K Redpath to draft letter to Mr Malcolm Wright to record NSS thanks on his support over the years.	K Redpath	Outwith meeting	Complete.
2020-05-26 Item: 5.5	<b>CEO's Update</b> K Nicholls to add PPE/ventilators and associated consumables stock to the forward programme for the NSS Clinical Governance and Quality Improvement Committee and discuss with Committee Chair.	K Nicholls	Outwith meeting	Complete added to CGQIC forward programme.
2020-05-26 Item:	<b>NSS Recovery Plan</b> K Nicholls to draft a training plan on digital workplace solutions for all Non-Executives.	K Nicholls	Outwith meeting	All existing NEDs now supplied with equipment. In progress – waiting on delivery of new tablets for all NEDs. Items currently in Gyle Square, sourcing way to get them to the relevant people. 8.6.20
2020-05-26 Item: 9	<u>Digital and Security Update</u>			
2020-05-26 Item: 9.1	D Mitchelson and L Ramsay to provide further update on the implications of a further delay in the GP-IT system.	D Mitchelson/ L Ramsay	26.6.20	
2020-05-26 Item: 9.2	D Mitchelson to provide a description of what 'modelling' means in the context of his future reports.	D Mitchelson	26.6.20	
2020-05-26 Item: 10.3	<b>Finance Update</b> C Low and C Sinclair to review PPE spend in more detail for future reporting.	C Low/ C Sinclair	Future meeting.	Closed.

Ref Item	Action	Responsible	Deadline	Status
<b>FROM 26 MARCH 2020 – NO OUTSTANDING ITEMS</b>				
Items outstanding from previous year.				
2020-01-30: Item 7.4	M Morgan to discuss NSS position and offering around the climate emergency and update the slide for the next Board Development session.	M Morgan		Added to forward programme for 2021 development session. On-hold due to COVID-19 outbreak.
2019-11-01 Item: 9.2	<u>Risk Review</u> M Neilson to liaise with M Walker re Risk Management including review of residual risk status, and Board Assurance Framework.	M Neilson	30.1.20	Agenda item for 21.12.20. On-hold due to COVID-19 outbreak.
2019-11-01 Item: 10.3	E McLaughlin/K Nicholls and K Redpath to work to implement recommendations and improvements to Board processes	K Redpath/ E McLaughlin/ K Nicholls	On-going	In progress. KN 9.6.20

<b>Meeting:</b>	<b>NSS Board</b>	<b>B/21/05</b>
<b>Meeting date:</b>	<b>Wednesday, 24 March 2021</b>	
<b>Title:</b>	<b>Proposal for a Board Assurance Framework</b>	
<b>Responsible Executive/Non-Executive:</b>	<b>Mary Morgan, Chief Executive Designate</b>	
<b>Report Author:</b>	<b>Matthew Neilson, Associate Director Strategy, Performance &amp; Communications</b>	

## 1 Purpose

The proposal sets out a framework for further improving NSS board assurance and seeks agreement for an NSS assurance goal and a board assurance framework, including new board reporting principles, for achieving it.

### **This is presented to the Board for:**

- Decision

### **This report relates to a:**

- Annual Operation Plan
- Government policy/directive
- Legal requirement

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

- Safe
- Effective

## 2 Report summary

### 2.1 Situation

The NSS Board wishes to adopt a Board Assurance Framework that enables a more consistent approach to performance reporting and helps NSS achieve higher levels of assurance. Doing so ensures NSS is meeting requirements set out in the NHS Scotland Blueprint for Good Governance<sup>1</sup> and aligns reporting with Scottish Government's Active Governance programme<sup>2</sup>, announced in July 2020.

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<sup>1</sup> NHSScotland – A Blueprint for Good Governance. January 2019.

<sup>2</sup> Active Governance – Letter to NHS Board Chairs. 17 July 2020.

## 2.2 Background

The NHS Scotland Blueprint for Good Governance advises that “corporate governance involves setting strategic aims; holding the executive to account for the delivery of those aims; determining the level of risk the Board is willing to accept; influencing the organisation’s culture; and reporting to stakeholders on their stewardship.”

NSS assessed itself against the blueprint in March 2019 and identified reporting as an area of improvement<sup>3</sup>. Since the assessment, board members have continued to provide feedback in meetings and development sessions on the need for an assurance framework along with improvements in the presentation and quality of information and reports.

The development and implementation of a NSS Board Assurance Framework was planned for FY21, but was delayed when the organisation was put on an emergency footing and refocused its resources on responding to COVID-19. The activity recommenced in January 2021 following a commitment from the NSS Chief Executive to ensure a framework was developed before the end of the FY21 financial year.

## 2.3 Assessment

NSS generally has good levels of assurance. Information and evidence is provided to the board and its committees on a regular basis. Much of the information is subject to independent audit and/or regulatory assessment and there is some use of external benchmarks. However, NSS would benefit from having a formally stated assurance goal and implementing a board assurance framework that helps it achieve that goal.

The framework has been developed in line with Board feedback, public sector best practice and Scottish Government governance requirements.

### Board feedback

As part of the board’s self-assessment against the NHSScotland Blueprint for Good Governance it identified the need for the Board and its committees to move to digitised reporting through the use of dashboards. The new framework supports the implementation of the NSS Data Strategy. Corporate reporting is the pilot activity and work has started on building new dashboards that can be used by the Board and to support public reporting. A performance framework is also being produced that will ensure all Board level reporting follows a clear set of standards and rules. This will deliver a more uniform and consistent approach to Board reports and improve the quality of how information is presented and interpreted by board members.

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<sup>3</sup> NSS Review of Corporate Governance. March 2019.

## Public sector best practice

The framework has been developed with consideration to health sector best practice on board assurance. These include:

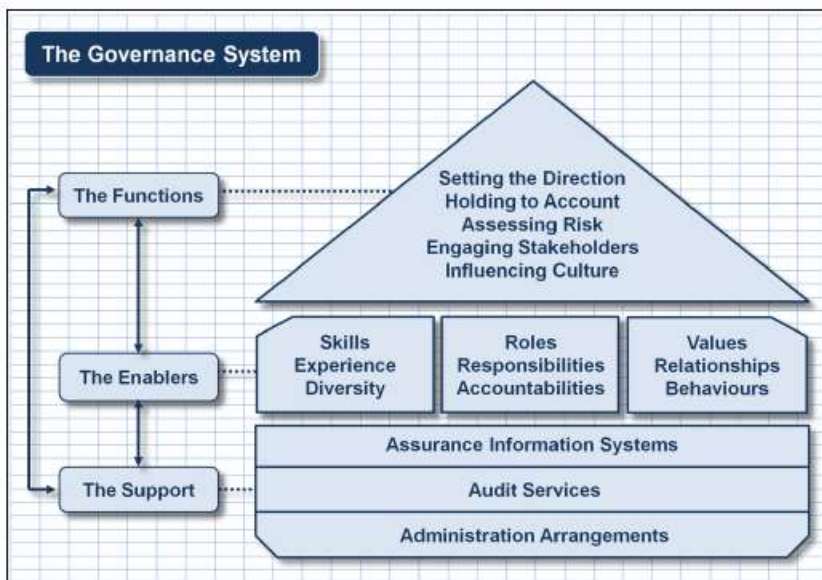
- Quality governance: How does a board know that its organisation is working effectively to improve patient care? Monitor, April 2013.
- Board Assurance: A toolkit for health sector organisations. Baker Tilly & NHS Providers, November 2015.
- Building Effective Assurance Frameworks. Amberwing ALARM workshop, March 2018.
- Making Data Count programme. NHS Improvement.

Best practice examples, as advised by NHS Improvement and board members, have helped inform our thinking and approach. They include NHS Kettering, NHS Sherwood Forests, NHS Maidstone & Tunbridge Wells and the Scottish Ambulance Service.

## Scottish Government governance requirements

The framework will improve our approach to Assurance Information Systems, enabling the Board to better meet its functions (see figure 1).

**Figure 1: The NHS Scotland Blueprint Governance System**



Additionally, it is aligned to Scottish Government's Active Governance programme which seeks to support boards with improving assurance information systems so they "have the necessary information to assist them in obtaining assurance on the delivery of the organisation's strategic, operational and financial plans and that it is possible to measure the organisation's performance by benchmarking results against those of similar organisations."

### **2.3.1 Quality/ Patient Care**

Implementing the framework will ensure NSS continues to meet its obligations in relation to quality improvement and patient care.

### **2.3.2 Workforce**

Changes and improvements to how information is presented will enable the board to better understand and assure all areas of performance, including workforce measures.

### **2.3.3 Financial**

The framework leverages existing projects, such as the NSS Data Strategy and the performance dashboard and risk register system developments. NHS Improvement have also granted us access to their NHS Futures knowledge hub enabling us to access a wide range of tools, information and software code that support the development of a board assurance framework. Management and delivery of the framework will be the responsibility of the NSS Planning and Performance team and will involve the NSS Senior Planning Group and SBU planning leads.

### **2.3.4 Risk Assessment/Management**

The framework will improve how risk is managed across NSS, by supporting the implementation of a new risk register, accounting for all programme risks and refocusing and realigning board and committee scrutiny on principal risks. There is no anticipated risk associated with the implementation of the new framework.

### **2.3.5 Equality and Diversity, including health inequalities**

New reporting approaches will be designed to meet equality requirements and equality impact assessments will be undertaken against each of the projects accounted for in the action plan.

### **2.3.6 Other impacts**

None identified.

### **2.3.7 Communication, involvement, engagement and consultation**

The Board has carried out its duties to involve and engage external stakeholders where appropriate:

- NHS Improvement, 25 January 2021.
- Step 1: Making Data Count, 16 February 2021.

### 2.3.8 Route to the Meeting

The framework has been considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- NSS Board Development Session, October 2020.
- NSS Audit and Risk Committee, December 2020.
- NSS Executive Management Team Workshop, December 2020.
- NSS Senior Planning Group, January 2021.

## 2.4 Recommendation

The Board is asked to make a **decision** and to agree, subject to any requested changes, the following:

- The adoption of the proposed NSS assurance goal.
- The application of the proposed Board reporting principles.
- The implementation of the proposed NSS Board Assurance Framework.

## 3 List of appendices

The following appendices are included with this report:

- NSS Board Assurance Framework.

The following references have been added to the Board's Teams channel.

- NHSScotland – A Blueprint for Good Governance. January 2019.
- Active Governance – Letter to NHS Board Chairs. 17 July 2020.
- NSS Review of Corporate Governance. March 2019.

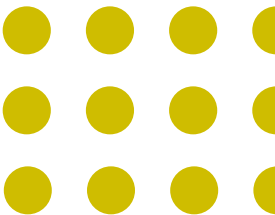


# Board Assurance Framework

**Matthew Neilson**

Associate Director Strategy, Performance & Communications

January 2021





# Our assurance goal

To provide directors, non-executive directors and senior managers with the confidence, evidence and certainty that what needs to be done is actually happening in practice.

# Current situation

NSS is close to achieving assurance, but would benefit from having a more consistent and clearly understood approach.



management say it is	management have responded to questions that give me confidence	I have reviewed various reliable sources of information
<ul style="list-style-type: none"> <li>• Track record of success</li> <li>• Professional background or expertise</li> <li>• No contradictory evidence</li> </ul>	<ul style="list-style-type: none"> <li>• Clear and logical explanations</li> <li>• What has happened, why it happened, how we're responding</li> <li>• Consistent explanations</li> </ul>	<ul style="list-style-type: none"> <li>• Independent information source</li> <li>• Evidence of historic progress and outcomes</li> <li>• Triangulation with other information</li> </ul>

# Proposed framework



The framework aligns with the traditional risk based approach used across the NHS.

It also follows public sector best practice as identified by Amberwing for ALARM, the public risk management association.

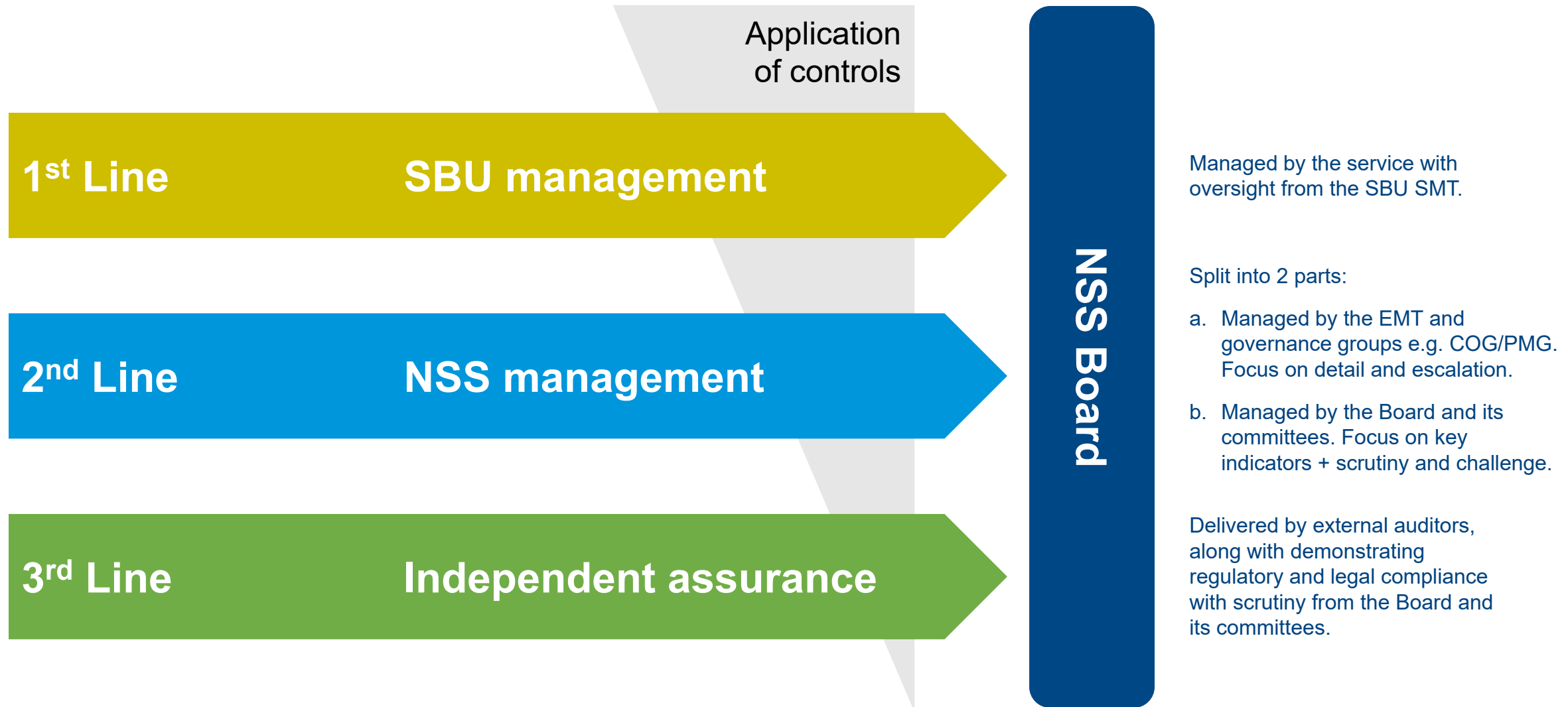
# Proposed framework



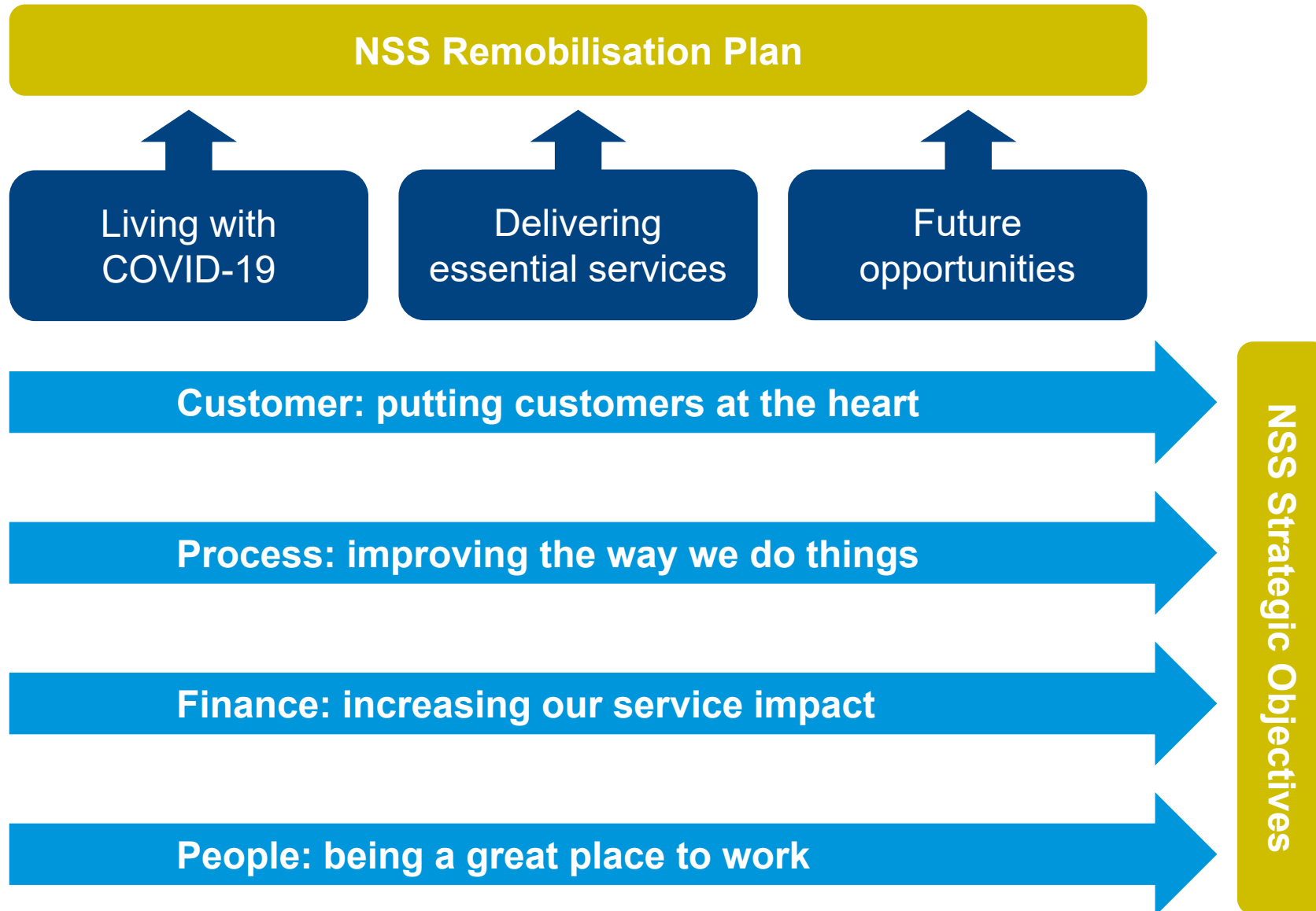
The framework will enable the Board to determine if the right controls (e.g. policy, procedure, devices, systems, reports) are in place to achieve objectives.

Critically, it more clearly links assurance with operational management and builds in a review layer to ensure organisational learning, service development and continuous improvement.

# Supports all 3 lines of defence



# FY22 strategic goals and objectives



Our FY22 focus is on delivering the NSS Remobilisation Plan and achieving a balanced scorecard across our strategic objectives.

Board reporting will focus on these 2 areas.

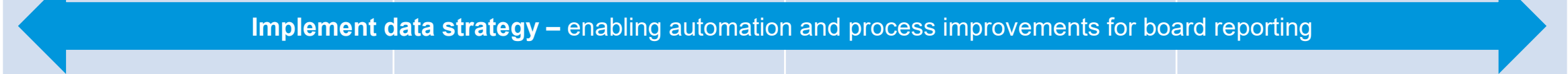
# Formal board reporting principles

Our goal is to deliver a single reporting approach where one report can be used multiple times (once and for all). We have identified a number of principles to support the achievement of this goal.

- Reports will focus on key indicators and exceptions (under performance or by request from the Board or committee).
- Reports will generally cover the latest quarter, with more detailed performance reporting at mid-year and full-year.
- Reports will be available through an online dashboard and in offline formats for the public record.
- Reports will follow a new performance framework which will improve quality, uniformity and consistency of reporting.
- Statistical Process Control (SPC) charts will be used for reporting non-financial performance information.
- Alternative reporting methods will be used where SPC is not viable; and in line with the performance framework.

# Delivering the framework

Activities being delivered in FY22 will help to establish the mechanisms for full board assurance. The Board will start to see these changes from the end of quarter 1 and a board development session will be used to support its introduction.

April-June 2021	July-September 2021	October-December 2021	January-March 2022
<ul style="list-style-type: none"> <li>• <b>Approve Remobilisation Plan</b> Formal approval from Scottish Government and the NSS Board.</li> <li>• <b>Audit strategic objectives</b> Review of management, progress and reporting against two of the objectives.</li> <li>• <b>Launch performance dashboard</b> New set of online and offline reports aligned to assurance goal.</li> <li>• <b>Introduce performance framework and training</b> Creation of rules and standards for clear and consistent reporting, e.g. use of SPC, supported by training.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Undertake assurance mapping</b> Confirm assurance approach for each goal/objective by lines of defence.</li> <li>• <b>Launch risk register</b> Migration to Service Now and extended to cover all NSS risks.</li> <li>• <b>Extend use of framework</b> Roll out to 2 sub-committees (FPPC &amp; ARC) and EMT.</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Deliver integrated reporting</b> Agree an NSS approach for single reporting covering all aspects of performance reported to the Board and implement by Q3.</li> <li>• <b>Extend use of framework</b> Roll out to 2 sub-committees (SGC &amp; CGC) and EMT governance groups (COG &amp; PMG).</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Fully implemented</b></li> </ul>
			





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Dear Colleague

## **NHS SCOTLAND HEALTH BOARDS AND SPECIAL HEALTH BOARDS - BLUEPRINT FOR GOOD GOVERNANCE**

1. I am writing to provide you with the Blueprint for Good Governance that has been developed for NHS Scotland and to set out the range of work now being undertaken to address the recommendations.

### **Background**

2. The Blueprint for Good Governance draws on current best practice to ensure all boards assess and develop their corporate governance systems. The matters considered by the Blueprint are consistent with the governance reviews undertaken in both NHS Highland and NHS Tayside as well as the work of Audit Scotland and the Scottish Parliament's Health and Sport Committee. The Blueprint is attached separately to this circular.

3. Additional work to underpin improvements in governance is also being progressed through the Corporate Governance Steering Group (set out in Annex A). This work will look at: board governance; attraction and recruitment of board members; and retention and development of board members.

4. A self assessment tool has also been developed to allow all boards to evaluate their current governance arrangements against the Blueprint. Access to this for all NHS Boards will be available in early February along with details on how the output of the assessment can be used locally.

### **Action**

5. All boards should make themselves familiar with the Blueprint and the range of work that is underway to develop corporate governance in NHS Scotland. Boards should also prepare to undertake a self assessment using an on-line tool being developed by NSS.

Yours sincerely

**Christine McLaughlin**  
Director of Health Finance, Corporate Governance and Value

**DL (2019) 02**

1 February 2019

### **Addresses**

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For information  
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## Corporate Governance Steering Group

### Introduction

It is necessary to ensure that the governance arrangements in NHS Scotland reflect good practice.

The Blueprint for Good Governance emphasises the importance of good corporate governance and describes how its adoption will help NHS Boards improve their corporate governance system. This means delivery of a consistent, effective and transparent governance approach across NHS Scotland.

### Steering Group

To oversee the development and introduction of the Blueprint for Good Governance, a joint steering group has been established to provide the leadership, support and guidance necessary to take this initiative forward.

The Steering Group is jointly chaired by Christine McLaughlin, Director of Finance, Governance and Sustainability, Scottish Government and John Brown. Chair of NHS Greater Glasgow and Clyde.

The membership is as follows:

- John Brown, NHS Greater Glasgow and Clyde (Co-Chair)
- Christine McLaughlin, Scottish Government (Co-Chair)
- David Crichton, NHS Health Scotland
- Susan Douglas-Scott, Golden Jubilee Foundation Board
- Neena Mahal, NHS Lanarkshire
- Tricia Marwick, NHS Fife
- Tom Steele, Scottish Ambulance Service
- Robbie Pearson, Healthcare Improvement Scotland
- Mark White, NHS Greater Glasgow and Clyde
- Alan Payne, NHS Lothian
- Della Thomas, NHS Health Scotland
- Karen Kelly, Golden Jubilee Foundation Board
- Sharon Millar, NHS Education for Scotland
- Colin Brown, Scottish Government
- Jo Brown, Scottish Government
- Robert Kirkwood, Scottish Government

The Chair of the IJB Chairs Group is also being invited to join the Group.

### Progress to Date

The Steering Group has prioritised determining the baseline position for the Boards' current governance systems. To take this forward a self-assessment survey is being prepared, which reflects the NHS Scotland Blueprint for Good Governance.

A prototype of the self-assessment survey was initially undertaken in NHS Greater Glasgow and Clyde in October 2018 and has been further refined following a pilot in NHS Lanarkshire. This will issue to all Boards in February 2019.

In addition to completing the survey, Boards will be expected to hold a development session to discuss the survey results and identify actions that they will take forward in accordance with the Blueprint for Good Governance. This will then form the basis of a report to their Board on the effectiveness of the existing corporate governance system.

The following timetable should be followed:

- Following receipt of the final version of the survey tool, all Boards will be asked to complete the baseline survey in February 2019.
- Boards will hold their development event on the survey output and develop an appropriate action plan by the end of March 2019.
- This should enable a report on the outcome of the self-assessment to be published and discussed by the Boards at their meetings in April 2019.

This local self-assessment work will also be incorporated into the broader range of tasks being taken forward by the joint steering group. This work will be progressed under 3 related streams:

**Governance** – looking at the governance systems that are currently in place across all NHS Boards, including committee structures, production of Board papers and the approach to the management of risk.

**Attraction and Recruitment** – how the NHS can attract high quality, diverse, candidates to the role of a non-executive director and the importance of values around the board table.

**Retention and Development** – looking at the package of induction, development and appraisal of those on NHS Boards and how we ensure Boards have the right mix of ability, skills and experience around the Board table both now and for the future.



# **A Blueprint for Good Governance**

## Foreword

NHS Boards across the UK operate in an increasingly demanding environment. The impact of demographic change and the growth in long term health conditions bring their own challenges at a time of financial constraint.

Good governance is essential in addressing the challenges the public sector faces and providing high quality, safe, sustainable health and social care services depends on NHS Boards developing robust, accountable and transparent corporate governance systems.

Governance issues are increasing in the public sector, as is the public interest in governance problems being experienced by public bodies.

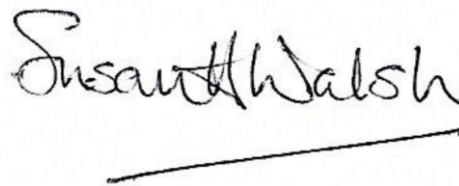
The Scottish Government and the NHS Chairs Group have recognised the need to ensure that the governance arrangements in NHS Scotland keep pace with the changing policy and financial environment. The changes in how services are delivered and who is responsible for delivery as a result of health and social care integration also need to be considered. In response to this challenge, the Scottish Government commissioned a review of best practice in corporate governance with the aim of providing a blueprint for an effective corporate governance system that could be adopted across NHS Scotland.

This document emphasises the importance of good corporate governance, introduces a refreshed corporate governance blueprint and describes how adopting this blueprint can help NHS Boards improve their corporate governance system and deliver a consistent and transparent governance approach.

We would like to thank all those in the Scottish Government, NHS Scotland and the other public and private sector organisations who have contributed to this review into best practice in corporate governance. We are also grateful to NHS Highland and NHS Tayside for providing an opportunity to test the application of the corporate governance blueprint in a live environment. This has given us confidence that the approach described in this report has the potential to improve corporate governance across NHS Scotland.



**John Brown CBE**  
NHS Greater Glasgow and Clyde  
NHS Tayside



**Susan Walsh OBE**  
Health Improvement Scotland

## Foreward

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## 1. Introduction

### The Review

- 1.1 The purpose of this report is to provide the Scottish Government and the NHS Chairs Group with the findings of the latest review of best practice in corporate governance and includes details of a refreshed corporate governance blueprint for NHS Scotland.
- 1.2 The scope of this review did not include the governance arrangements of the integrated health and social care system or the delivery of the national and regional planning initiatives being developed to deliver the NHS Scotland Health and Social Care Delivery Plan. These issues are key to the success of the Delivery Plan and are the subject of other initiatives currently being taken forward by NHS Scotland, working in partnership with COSLA as appropriate.
- 1.3 As the principles and framework that the governance blueprint offers can equally be applied to the Integration Joint Boards and the arrangement currently being developed to implement regional service planning, this report will be shared with colleagues considering those challenges.

### Describing Corporate Governance

- 1.4 The UK Corporate Governance Code defines corporate governance as the system by which organisations are directed and controlled.
- 1.5 While this definition remains relevant today, the Independent Commission on Good Governance in Public Services emphasised that effective governance also leads to good management, good performance, good stewardship of public money, good public engagement and ultimately good outcomes.
- 1.6 The Commission also stated that weak or ineffective governance fosters low morale and adversarial relationships that lead to poor performance or even, ultimately, to dysfunctional organisations. Therefore, effective governance is essential in addressing the challenges the NHS faces in Scotland.
- 1.7 The purpose of corporate governance is to facilitate effective, innovative and prudent management that can deliver the long-term success of the organisation.
- 1.8 In the NHS corporate governance includes not only financial, staff and information governance but also clinical and care governance and the governance of clinical education and training.
- 1.9 Corporate governance is about what the Board does and should be distinguished from the day-to-day operational management of the organisation by the Executive Leadership Team. A good governance system helps individuals avoid the tension and conflict that can arise in an organisation where these boundaries are not clear.

- 1.10 Corporate governance involves setting strategic aims; holding the executive to account for the delivery of those aims; determining the level of risk the Board is willing to accept; influencing the organisation's culture; and reporting to stakeholders on their stewardship.

### **Leadership and Corporate Governance**

- 1.11 When considering the importance of good governance, and the place of the Board in achieving this, it is important to acknowledge that securing high quality, effective and efficient organisational performance also relies on the leadership skills of Board Members and members of the Executive Team.
- 1.12 If the NHS is to achieve the ambitions of the Scottish Government, then work on developing leadership capability and capacity must be carried out in parallel to work on enhancing governance. This work is being taken forward by NHS Education Scotland and includes initiatives on Board leadership, executive leadership and clinical leadership.



## 2. The Corporate Governance Blueprint

### Constructing the Blueprint

- 2.1 To construct a blueprint that clearly defines an effective corporate governance system, the review team considered multiple sources of evidence, including governance frameworks, models and codes of conduct, such as that of the Care Inspectorate, CIPFA and the UK Corporate Governance Code.
- 2.2 The NHS Chairs Group's Quality Portfolio Committee's work and publications on improving Board effectiveness were also considered in the construction of the blueprint. As was the Scottish Parliament Health and Sport Committee's review of the governance of the NHS in Scotland.
- 2.3 The review team also systematically sourced academic literature and grey literature, for example, Parliamentary Audit Committee Reports from both the UK and Scottish Parliaments and other governance codes. A list of the research material examined by the review team is included as **Appendix One**.
- 2.4 Finally, the team also looked at other lessons learned from positive governance initiatives and failures across the UK public sector.

### Using the Blueprint

- 2.5 By creating a corporate governance blueprint for NHS Scotland, the review team expect to not only create a shared vision of what a good governance system looks like but also to support the following activities:
  - Setting standards for corporate governance in NHS Scotland by defining the functions, enablers and support required of an effective governance system.
  - Contributing to the development of the policies and processes required by the Scottish Government's Public Appointments Team by describing the skills, experience and diversity required by NHS Board Members to deliver the corporate governance functions.
  - Improving the induction training, targeted education and the development activities available to Board Members by highlighting the skills required to deliver their roles and responsibilities.
  - Supporting the Board in holding the NHS executive leadership to account by providing a template for the design of assurance information systems.
  - Ensuring administration arrangements effectively support the operation of the governance system by describing the Board's expectations of the Board Administrator and their support team.
  - Facilitating the performance appraisal of Board Members by clearly describing their roles and responsibilities and the values and standard of behaviours expected of them, individually and collectively.

## Ownership of the Blueprint

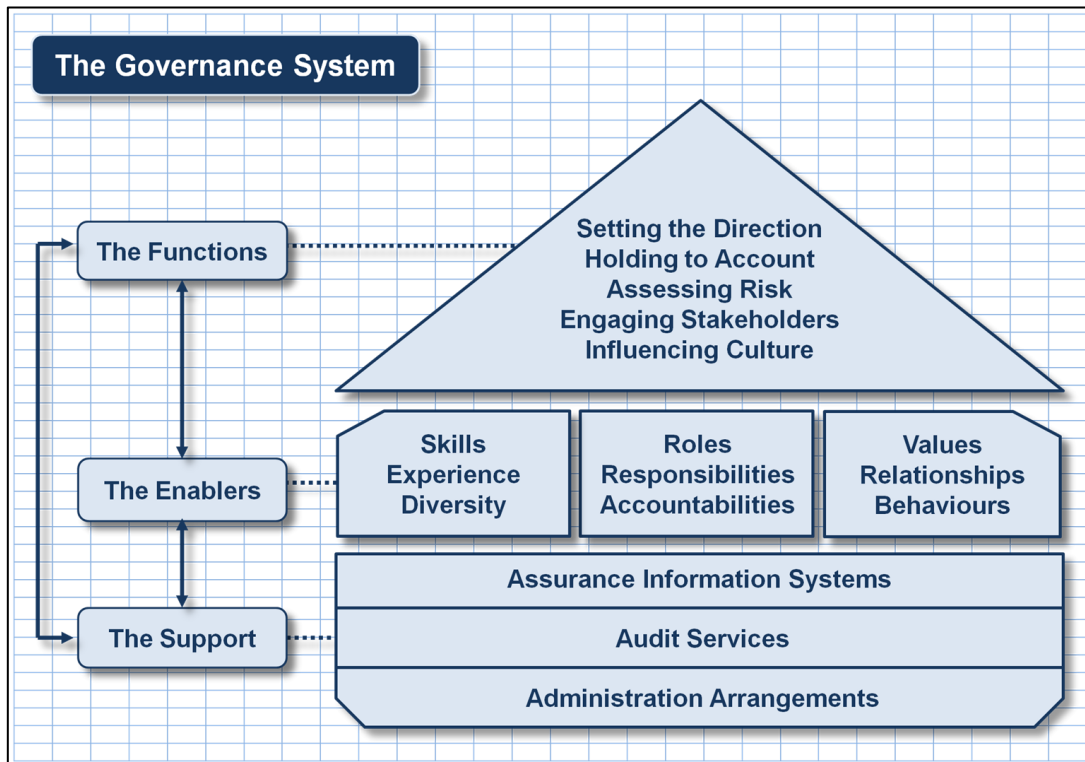
2.6 Ownership of the corporate governance blueprint rests with the Cabinet Secretary for Health & Sport, the Scottish Government and the NHS Scotland Chairs Group. To discharge this responsibility, a forum is required to provide the necessary leadership, support and guidance to the development of NHS Scotland's approach to corporate governance. The terms of reference and membership of this steering group have still to be finalised but they should include the following remit:

- To set the standards for corporate governance in NHS Scotland by approving the framework and blueprint to be applied across all 22 NHS Boards. The blueprint will define the functions, enablers and support required of an effective governance system.
- To input to the development of the policies and processes required by the Scottish Government's Public Appointments Team to ensure NHS Boards have the appropriate skills, experience and diversity to deliver their functions.
- To commission and approve the induction and skills training and the development activities required to support Board Members in delivering their roles and responsibilities.
- To commission and approve an appropriate assurance information system to support Boards in holding the NHS executive leadership to account. This to include introducing national systems to report on service delivery, human resources, finance and risk.
- To oversee the arrangements for the procurement, delivery and evaluation of the Internal and External Audit services being delivered to NHS Boards.
- To commission and approve effective administration arrangements for NHS Boards, including templates for Standing Instructions, Schemes of Delegation, Sub-Committee Terms of Reference, etc.
- To agree the Non-Executive resources required to deliver the governance functions and recommend the appropriate level of remuneration for the variety of Non-Executive roles across NHS Scotland.
- To determine and roll out an effective performance appraisal system for Board Members that reflects the functions and roles described in the governance blueprint.
- To determine and roll out an appropriate system for reviewing Board effectiveness, including annual self-assessments by Boards and external validation of these assessments at regular intervals.
- To commission and approve written guidance on corporate governance arrangements in NHS Scotland.

- To advise and support NHS Scotland colleagues in discussions with COSLA concerning the development of more effective governance arrangements for the integrated health and social care system in Scotland.
- To oversee the conduct of any external, ad-hoc reviews of NHS Boards; ensuring lessons learned are shared across other Boards as appropriate.
- To engage with key stakeholders to ensure that NHS Scotland arrangements continuously improve and reflect best practice in corporate governance in the public sector.
- To promote and share the NHS Scotland approach to colleagues in other parts of the public sector.

## The Model

2.7 The corporate governance blueprint developed by the review team describes a three-tiered model that defines the functions of a governance system, the enablers and the support required to effectively deliver those functions.



2.8 What distinguishes this model from other governance models is its clear acknowledgement of the importance of how the Board approaches the achievement of its strategic aims and objectives as well as its focus on performance and outcomes. Although the model is presented as three distinct sections, they are in reality inter-dependent.

2.9 As the values, attitudes and behaviours that individuals demonstrate through their work as Board Members and Executive Team members play a major part in influencing the organisation's culture and ethos, we contend that having positive values, attitudes and behaviours underpin Board success.

### The Functions

2.10 The detailed version of the blueprint defines the functions of a corporate governance system as:

- Setting the direction, clarifying priorities and defining expectations.
- Holding the Executive Leadership Team to account and seeking assurance that the organisation is being effectively managed.
- Managing risks to the quality, delivery and sustainability of services.
- Engaging with stakeholders.
- Influencing the Board's and the organisation's culture.

### The Enablers

2.11 The enablers identified in the blueprint are:

- Acquiring and retaining the necessary skills, experience and diversity at Board level.
- Defining clear roles, responsibilities and accountabilities for the Board Members and the Executive Leadership Team.
- Creating relationships and conducting business in line with agreed values and standards of behaviour.

### The Support

2.12 The blueprint also identifies three categories of the support required for effective governance:

- Assurance information systems that help the Board to hold the Executive Leadership Team to account.
- Audit services that provide the Board with independent assurance.
- Administration arrangements that ensure the smooth operation of the Board and its sub-committees.

## 3. Delivering the Functions

### Setting the Direction

3.1 To set the direction the NHS Board should:

- Provide leadership, support and guidance to the organisation, including determining the organisation's purpose and ambition.
- Approve the strategies and plans to deliver the policies and priorities of the Cabinet Secretary for Health and Sport and the Scottish Government.
- Allocate the budgets and approve the capital investments required to deliver strategic and operational plans.
- Agree aims, objectives, standards and targets for service delivery in line with the Scottish Government's priorities.

### Holding to Account

3.2 In order to hold the Executive Leadership Team to account the Board should:

- Monitor, scrutinise, challenge and then, if satisfied, support the Executive Leadership Team's management of the organisation's activities in order to ensure that the organisation's aims, objectives, performance standards and targets are met.
- Safeguard and account for public money to ensure resources are used in accordance with Best Value principles.
- Ensure compliance with the requirements of relevant regulations or regulators.
- Ensure the application and implementation of fair and equitable systems of pay and performance management for the Executive Leadership Team.
- Ensure continuous improvement is embedded in all aspects of service delivery, identifying system failures and receiving assurances of remediation action.

### Assessing Risk

3.3 Assessing risk requires that the Board should:

- Agree the organisation's risk appetite.
- Approve risk management strategies and ensure they are communicated to the organisation's staff.

- Identify current and future corporate, clinical, legislative, financial and reputational risks.
- Oversee an effective risk management system that assesses level of risk, identifies mitigation and provides assurance that risk is being effectively treated, tolerated or eliminated.

### Engaging Stakeholders

3.4 To effectively engage with its stakeholders the Board should:

- Involve stakeholders in the development of policies and the setting of priorities.
- Take into account the views of stakeholders when designing services.
- Ensure priorities are clear, well communicated and understood by all stakeholders, including staff, service users and the general public.
- Establish and maintain public confidence in the organisation as a public body.
- Report on stewardship and performance and publish an Annual Report and Accounts.
- Contribute to the development of Scottish Government policies.

### Influencing Culture

3.5 To influence the organisation's culture the Board should:

- Determine and promote shared values that underpin policy and behaviours throughout the organisation.
- Demonstrate the organisation's values and exemplify effective governance through Board Members' individual behaviours.
- Develop a cultural blueprint consistent with the organisation's purpose and ambition that describes an organisation where:
  - People are treated fairly, with respect and valued for their individual differences.
  - People are clear about their objectives and are sufficiently challenged.
  - People have an input to how they deliver their responsibilities and are involved in relevant decisions that affect their work.

- People are well informed and get the right information, at the right time, delivered in the right way.
- People receive the right training at the right time.
- Encourage a leadership approach where:
  - Leaders are sufficiently visible and give a clear sense of purpose and ambition.
  - Leaders help people understand how they contribute to achieving the Board's purpose and ambition.
  - Leaders recognise good performance and deal with poor performance.
  - Leaders encourage people to challenge and look for ways to improve performance.
  - Leaders help people identify and make best use of development and career opportunities.

## 4. Describing the Enablers

### Skills, Experience and Diversity

- 4.1 Research has shown that Boards require a common set of competences and experience in order to discharge the minimum level of their responsibilities. Clearly having a highly skilled and diverse Board membership, with rich life and work experience would be preferable and beneficial; however, not every member of the Board will require every skill or experience. It is the responsibility of the Chair to ensure across the Board, all necessary skills, experience and diversity are present. This includes determining the Board's requirements during recruitment and the on-going development of the skills of existing Board Members.
- 4.2 The principles and personal attributes that individuals bring to the Board are as important as their skills and knowledge. These qualities enable Board Members to use their skills and knowledge to function well as part of a team and to make an active contribution to effective governance. The personal attributes that are required to ensure Board Members add value to the Board include being:
- **Committed** - able to devote the required time and energy to the role and being ambitious to achieve best possible outcomes for patients and service users.
  - **Confident** - demonstrating an independence of mind, be able to lead and contribute to constructive conversations, to express their opinion and to play an active role on the Board.
  - **Critical** - valuing their role as critical friend which enables challenge and support, self-reflection and the pursuit of learning and development opportunities to improve their own and whole Board effectiveness.
  - **Creative** - able to challenge conventional wisdom and be open-minded about new approaches to problem-solving; recognising the value of innovation and creative thinking to organisational development and success.

### Skills

- 4.3 To effectively operate an effective governance system Board Members should have the following skills:
- The insight into the organisation and an awareness of its operating environment.
  - The capacity to question and challenge constructively.
  - The ability to analyse and review complex issues, weighing up conflicting opinions and making evidence-based, well-informed and risk-assessed decisions.
  - The interpersonal skills to communicate and engage with a wide range of organisations and individuals.



- The confidence and self-awareness to Chair, or participate as a member of, key committees that support corporate governance.

Board Membership should collectively cover all of these areas and where there are gaps these should be filled by alternative means.

## **Experience**

4.4 Board Members should have experience gained in the public, private, third or voluntary sectors of some of the following:

- Leadership
- Strategic planning
- Change management
- Operations management
- Financial management
- Risk management
- Patient/service user experience
- Procurement
- Capital investment
- Human Resources management
- Customer relationship management
- Digital/Information Technology
- Media and communications
- Legal issues
- Equality and diversity issues

## Diversity

- 4.5 Whilst Board Members do not represent any particular group, it is advantageous to secure a diverse range of people to join Boards. Diversity has been demonstrated as bringing many benefits to Boards. Boards should therefore actively pursue widening access and inclusion initiatives to bring greater diversity to their membership and encourage applications from a wide range of talented people irrespective of their religion or belief, gender, age, gender identity, disability, sexual orientation, ethnic origin, political belief, relationship status or caring responsibilities.
- 4.6 Applications should be particularly welcomed from groups currently under-represented on Scotland's public bodies, such as women, disabled people, those from minority ethnic communities, and people aged under 50. Boards should also be mindful of the Gender Representation on Public Boards (Scotland) Act 2018 which describes the 'gender representation objective' for a public board as having 50% of Non-Executive members who are women.

## Roles, Responsibilities and Accountabilities

- 4.7 There should be clarity and a common understanding of the roles and responsibilities and accountability of the groups and individuals involved in the corporate governance system, namely:

### *The Chair*

- 4.8 The Chair is personally responsible for:
- Leadership of the Board, ensuring that it effectively delivers its functions in accordance with the organisation's corporate governance arrangements.
  - Appointing Board Members to Standing Committees, Integration Joint Boards and other roles within the NHS Board and partner organisations.
  - Keeping the organisation's governance arrangements and the Board's effectiveness under review.
  - Setting the agenda, format and tone of Board activities to promote effective decision making and constructive debate.
  - Developing the capability and capacity of the Board by advising on the appointment of Board Members; appraisal and reporting on their performance; identifying appropriate training and development opportunities; and ensuring effective succession planning is in place.
  - Providing performance management and development opportunities for the Chief Executive.
  - Representing the organisation in links with Ministers, the Scottish Parliament and other key stakeholders. (Dual responsibility with the Chief Executive.)

### **The Vice Chair**

4.9 In addition to that of a normal Board Member, the role of the Vice Chair to:

- Deputise for the Chair as required in any of his/her duties.
- Chair key Committees.
- Provide support and assistance to the Chair in carrying out his/her responsibilities.
- Act as a 'sounding board' and 'critical friend' to the Chair, Board Members and members of the Executive Team.
- Provide an alternative route for other Board Members to raise issues or concerns if they are unable to do so with the Chair. This is an important part of the checks and balances within governance and accountability and is analogous to the role of Senior Independent Governor recommended in the UK Code of Corporate Governance.

### **The Board Members**

4.10 Board Members are personally responsible for:

- Ensuring the Board keeps focus on developing and maintaining its strategic direction in order to deliver the Scottish Government's policies and priorities.
- Providing effective scrutiny, challenge, support and advice to the Executive Leadership Team on the delivery of the organisation's aims, objectives, standards and targets.
- Contributing to the identification and management of strategic and operational risks.
- Bringing independence, external perspectives and impartial judgement to the business of the Board to support evidence-based, well-informed and risk-assessed decision making at Board meetings.
- Upholding the highest standards of integrity and probity and acting in accordance with the principle of collective and corporate responsibility for Board decisions. (No member is appointed on a representative basis for any body or group.)
- Undertaking ongoing personal development activities.
- Understanding and promoting diversity and equality.
- Engaging with stakeholders, including service users, the public, managers and staff.

In addition to discharging the above responsibilities, Board Members may also be required to support the business of the Board by chairing committees and meetings.

These responsibilities apply to all Board Members, including Non-Executive, Executive and Stakeholder Members.

### ***The Chief Executive***

4.11 In addition to their responsibilities as a Board Member, the Chief Executive is personally responsible for:

- Developing the policies, strategies and plans required to deliver the organisation's purpose and ambition.
- Building the organisational capability and capacity necessary to deliver the agreed outcomes and objectives.
- Leadership of change where required to improve services, including development of joint working with other organisation involved in the delivery of health and social care on a local, regional and national basis.
- Leadership and day-to-day management of the organisation and its staff, ensuring the Board's decisions are implemented and the organisation's aims, objectives, standards and targets are met.
- Proper management of public funds and for ensuring the regularity, propriety and value for money in the management of the organisation. Accountability for this function is directly to the Scottish Parliament under Section 15 of the Public Finance and Accountability (Scotland) Act 2000.
- Introducing an appropriate management structure and recruiting, training and developing an Executive Leadership Team that will deliver an appropriate and effective leadership and management approach for the organisation.
- Representing the organisation in links with Ministers, the Scottish Parliament and other key stakeholders. (Dual responsibility with the Chair.)

### ***The Executive Leadership Team***

4.12 Members of the Executive Leadership Team are personally responsible for:

- Providing advice and support to the Board to assist in the development of strategies and policies to deliver the Scottish Government's priorities.
- Developing strategic and operational delivery plans and processes to implement the Board's decisions.

- Monitoring progress towards aims, objectives, performance standards and targets for service delivery and providing the Board with appropriate information on performance, expenditure, issues, risks and successes.
- Developing the organisation's capability and capacity to meet the Board's current and future expectations.

### **The Board Secretary**

4.13 The Board Secretary is personally responsible for:

- Leading the continuous development and implementation of the Board's corporate governance system, providing expert advice and support to the Chair, Chief Executive, Board Members and other stakeholders on governance matters as required.
- Providing advice and guidance to ensure the Board acts within its legal authority and statutory powers and that its Members comply with the Ethical Standards in Public Life (Scotland) Act (2000) and the Model Code of Conduct for Members of Devolved Public Bodies (2014).
- Ensuring that Board business is conducted in a spirit of openness and transparency.
- Managing the administrative and secretarial support to the Board and other appropriate governance Committees to deliver effective administration support to Board business.
- Providing personal support and guidance to the Chair and Chief Executive and managing the business of their private office, including the handling of Parliamentary Questions and enquiries from Ministers and other elected representatives.

### **Values, Relationships and Behaviours**

4.14 Board Members should consider what is expected of them individually and collectively in terms of demonstrating the values, conducting the relationships and demonstrating the behaviours expected of a NHS Board.

#### **Values**

4.15 Board Members are expected to demonstrate and uphold the core values of NHS Scotland, as published in the 2020 Workforce Vision Everyone Matters in June 2013. These values are:

- Care and compassion.
- Dignity and respect.

- Openness, honesty and responsibility.
- Quality and teamwork.

### **Behaviours**

4.16 The standards of behaviour expected from Board Members are laid down in the Model Code of Conduct for Members of Devolved Public Bodies (2014). This document describes the key principles underpinning public life in Scotland as:

- Duty.
- Selflessness.
- Integrity.
- Objectivity.
- Accountability and stewardship.
- Openness.
- Honesty.
- Leadership.
- Respect.

4.17 Board Members must also comply with the Board's rules regarding remuneration; allowances; expenses; gifts and hospitality; lobbying; registration of interests; and the confidentiality of information.

### **Relationships**

4.18 Board Members should apply the values of NHS Scotland and the principles of the Model Code of Conduct for Members of Devolved Public Bodies to their dealings with fellow members of the Board, its employees and other stakeholders.

4.19 Board Members should also observe the principles of this Model Code in dealings with the public when performing duties as a member of the Board.

4.20 Board Members must respect the Chair, colleagues and management and staff in meetings and comply with rulings from the Chair in the conduct of the business of Board meetings.

## 5. Providing the Support

- 5.1 To support the Board in delivering good governance, the organisation needs to provide suitable assurance information systems, effective audit services and efficient administrative arrangements.

### Assurance Information Systems

- 5.2 The Board should commission assurance information systems that deliver the necessary information to assist them in obtaining assurance on the delivery of the organisation's strategic, operational and financial plans.
- 5.3 The assurance information systems should be designed to provide frequent and informative performance and financial reports to assure the Board that it is delivering safe, accessible, quality, affordable and sustainable services. These systems should deliver relevant, accurate and timely information on:
- Performance Management.
  - Quality Management.
  - Financial Management.
  - Human Resource Management.
  - Change Management.
  - Risk Management.
  - Information Management.
- 5.4 The assurance information systems should also measure the organisation's performance by benchmarking results against those of similar organisations.

### Audit Services

- 5.5 The corporate governance system includes the audit services required to provide the Board and key stakeholders with assurance that the system of internal controls is functioning as intended.

### Internal Audit

- 5.6 The role of the internal audit team should include:
- Reviewing accounting and internal control systems.
  - Reviewing the economy efficiency and effectiveness of operations.
  - Assisting with the identification of significant risks.

- Examining financial and operating information.
- Special investigations.
- Reviewing compliance with legislation and other external regulations.

To ensure that internal audit is an independent objective assurance activity, the Board should ensure that the internal auditors are independent of executive management and should not have any involvement in the operations or systems they audit. The Head of Internal Audit should report directly to the Audit Committee and the Chief Executive, but also have direct access to the Board Chair.

### External Audit

- 5.7 Boards employ external auditors primarily to give an independent opinion on the annual report and accounts. The role of the external auditors also includes reviewing and reporting on the arrangements within NHS Boards to manage their performance, regularity and use of resources such as money, staff and assets. In doing this, external auditors add value by supporting improvement and accountability

### Audit Committee

- 5.8 The Board's Audit Committee has a key role in ensuring the effectiveness of the internal audit functions including:
- Overseeing the selection process for new internal auditors.
  - Reviewing and agreeing the annual internal audit work plan.
  - Ensuring recommendations are actioned by the Executive Leadership Team.
  - Disseminating audit reports to the relevant Board Committees.
  - Encouraging the use of audit reports as improvement tools.
  - Monitoring and assessing the effectiveness of the audit team.
  - Approving the appointment and termination of the Head of Internal Audit.

The Audit Committee is also responsible for oversight of the Board's relations with the external auditors, including reviewing the scope of the annual audit plan.



## Administration Arrangements

5.9 The administration arrangements required to support the Boards consist of:

- Development of a strategic planning cycle that clearly indicates where the Board is involved in considering options, debating risk, giving approval and thereafter in monitoring delivery of the Board's strategic plans.
- An integrated annual work programme and coordinated timetable for Board meetings, Board seminars and Committee meetings. This programme should not only ensure that strategic planning is co-ordinated and the appropriate level of scrutiny is delivered, but also that decisions are taken in a logical sequence.
- A standard template and guidance on writing papers and reports, including setting the requirements for financial assessment and risk assessment of the impact of options presented to the Board.
- Secretariat support for meetings.

## 6. Assessing Effectiveness

- 6.1 In order to assess the effectiveness of a corporate governance system and report appropriately, it is important to have a consistent and systematic approach to assessing the Board's current arrangements.
- 6.2 Using the corporate governance blueprint to support the systematic audit of the current status of the functions, enablers and systems that make up the governance system will ensure that the criteria against which an assessment is being made is valid, reliable and transparent and that it represents best practice in corporate governance.

### Self-assessment

- 6.3 The Board should annually assess the effectiveness of the corporate governance system, conducting a self-assessment to review progress with the development plan and identify any new and emerging issues or concerns.
- 6.4 Therefore the self-assessment questionnaire used by NHS Boards should be drafted to include questions on the delivery of the functions, enablers and support described in the corporate governance blueprint.

### Independent Reviews

- 6.5 The self-assessment should be validated and enhanced by the Board commissioning a tri-annual independent review of their corporate governance system.
- 6.6 The approach recommended for independent reviews involves using the governance blueprint to structure and facilitate the external review, is qualitative in nature and involves three strands:
  - Initial desk research exercise to consider relevant NHS Board documents.
  - Face-to-face interviews with Board Members and members of the Executive Leadership Team using a semi-structured interview technique based on the corporate governance blueprint described above. These interviews should be conducted under Chatham House Rules and ensure all aspects of the governance system are discussed whilst still allowing interviewees to contribute their personal insights into the effectiveness of corporate governance.
  - Observation of Board and Standing Committee meetings.
- 6.7 This approach not only allows the external review to triangulate data and strengthen the validity of findings but also is designed to not place undue pressures on busy NHS Boards and Executive Leadership Teams, nor require duplication of activity with other assurance frameworks.

- 6.8 Once all the evidence gathering and assessment stages have been completed, any recommendations for improvement in the delivery of the governance functions can then be described in terms of developments to the enablers and systems in the governance blueprint. A development plan can then be agreed to prioritise and deliver any actions necessary to meet these development needs, with scheduled reporting on progress to the NHS Board and the Scottish Government.
- 6.9 Recognising that governance is a system which extends beyond the immediate corporate Board, the views of key stakeholders (including the Scottish Government) should also be gathered by the review team.
- 6.10 Self-evaluation and tri-annual independent review should be supported by ad hoc thematic reviews of areas identified by the Board, for example, where governance issues have been identified in other sectors.

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NHS Board Chairs

cc NHS Board Chief Executives  
cc Corporate Governance Steering Group

via email

17<sup>th</sup> July, 2020

Dear Colleague

## Active Governance

Further to recent discussions at the NHS Board Chairs and Chief Executives Groups (respectively), we are writing to inform you of the work now formally underway to develop 'active governance' in NHS Boards in Scotland. The Cabinet Secretary has made clear that she expects this work to proceed with pace. She asked that it be led from the NHS Scotland Corporate Governance Steering Group. In doing this work, we want to link to the broader work currently underway to re-commence full governance arrangements following the recent need to run lighter governance structures in support of our response to Covid.

The work on Active Governance will comprise two substantive and linked components. Firstly, the development of an assurance information system which was described at paragraphs 5.2 to 5.4 in the NHS Scotland Blueprint for Good Governance issued under DL(2019)02 on 1 February 2019. Such an approach is described as ensuring NHS Boards have the necessary information to assist them in obtaining assurance on the delivery of the organisation's strategic, operational and financial plans and that it is possible to measure the organisation's performance by benchmarking results against those of similar organisations.

Secondly, to design and deliver a development programme for Board members to ensure that they can engage with the information, make informed assessments for assurance purposes and anticipate and identify substantive issues which could detrimentally affect the organisation's culture, performance and reputation. This requires NHS Boards to have not only a clear and accurate picture of what is happening within the organisation at a given point in time, but also have regard to the wider strategic and policy context in which the Board operates. A key driver behind this approach is that Boards are able to develop earlier and more acute awareness and understanding of information from a range of sources such that Boards can rapidly identify, escalate and manage issues which otherwise might not be seen or understood.



Accordingly, this work should be seen as part of the implementation of the NHS Scotland Blueprint for Good Governance and in complete alignment with the expectations of DL(2019)02 rather than work which is separate or additional to that. On this basis it is appropriate that it is overseen by the Corporate Governance Steering Group and planned and delivered by a small project board and delivery team comprising colleagues from HIS, NES and ISD and led by a project manager.

It is our intention to now lead Boards to a “Once for Scotland” governance model that will deliver a consistent, coherent and cohesive approach on governance across all Boards, an approach which was endorsed in the recent letter on Re-mobilisation which was sent to Boards by Christine McLaughlin. This will cover areas such as procedures, templates and committee structures. Much of that work has already been carried out, or is underway, by the Corporate Governance Steering Group.

It is expected that NHS Boards recognise the imperative which comes from the Cabinet Secretary for an ‘active governance’ approach and the importance of incorporating this into work to align governance structures and processes across NHS Scotland. Further information is provided in the Project Initiation Document which will be agreed by the Corporate Governance Steering Group at its meeting on 10<sup>th</sup> July.

Yours sincerely



**Richard McCallum**

Co-Chair, Corporate Governance Steering Group  
Interim Director, Health Finance and Governance, Health and Social Care Directorates



**John Brown**

Co-Chair, Corporate Governance Steering Group  
Chair, NHS Greater Glasgow and Clyde



# **NHS NATIONAL SERVICES SCOTLAND**

## **CORPORATE GOVERNANCE BLUEPRINT**

### **REVIEW OF NSS GOVERNANCE 2019**

**Author: Karen Nicholls, Acting Board Secretary, March 2019**

**Version: 1.0**

## **NSS GOVERNANCE SELF-ASSESSMENT AND DESKTOP RESEARCH REPORT 2019**

### **1. Introduction**

Corporate Governance is the system by which organisations are directed and controlled. In the public sector, the Government's role in governance is to appoint the Board and to satisfy themselves that an appropriate governance structure and audit regime is in place. As a result of a review carried out by NHS Highland in 2018, all NHS Boards must now carry out a self-assessment on their governance structures and provide an action plan for improvement to government by 31 March 2019.

It is essential that all Boards provide high quality, safe and sustainable health and social care services and that NSS ensures that all services provide the best value and full transparency of their actions, to the people of Scotland.

The purpose of this report, and self-assessment, is to identify any potential actions which the Chair of NSS could take to strengthen the Board's governance system.

### **2. Methodology**

NSS carried out a desktop based review of Governance, and took into account the results of the Board diagnostic tool carried out in 2018, as well as a qualitative self-assessment questionnaire completed by both Non-Executive Directors and the NSS Executive Management Team. Further research was carried out to identify current governance of NSS Board and Sub-Committees and Appendix A references the documents and templates on which the review was based. A further Corporate Governance on-line questionnaire was completed by Board Members and the results included in the research.

The '*Blueprint for Good Governance*' (Appendix B) detailed the areas that the review should focus on and the research was therefore carried out against the following criteria:

#### The Functions

- Setting the direction, clarifying priorities and defining expectations.
- Holding the Executive Leadership Team to account and seeking assurance that the organisation is being effectively managed.
- Managing risks to the quality, delivery and sustainability of services.
- Engaging with stakeholders.
- Influencing the Board's and the organisation's culture.

## The Enablers

- Acquiring and retaining the necessary skills, experience and diversity at Board level.
- Defining clear roles, responsibilities and accountabilities for the Board Members and the Executive Management Team.
- Creating relationships and conducting business in line with agreed values and standards of behaviour.

## The Support

- Assurance information systems that help the Board to hold the Executive Management Team to account.
- Audit services that provide the Board with independent assurance.
- Administration arrangements that ensure the smooth operation of the Board and its sub-committees.

### 3. **Data Gathering (desktop research)**

A review of templates and reporting standards for all items provided to the Board and Executive Management Team were collated and reviewed (Appendix A) and recommendations for improvement were identified and detailed in *Section 5* of this report. It was recognised that an improvement action plan had already been completed based on the results of the NSS Board Diagnostic Tool findings from 2018 (Appendix B).

A full Board development session was held on 1<sup>st</sup> March 2019 and focused on the following three areas that had been identified through the desktop research. These were:

- Corporate Governance Blueprint – *focusing on ensuring NSS aligns with the requirements of the blueprint and what should be included in the Action Plan.*
- The flow of data in NSS – *the lifecycle of reporting to Board and Sub-Committees – what, when and how information is generated.*
- Options for a Digital Future – how the Board could work differently and reduce reliance on paper reports.

The outcomes from this session are available in Appendix C.

It should also be noted that since the original Board diagnostic tool assessment, the relationships between NSS and a variety of stakeholders have changed significantly. NSS has moved from being a supplier to individual Boards to an organisation of choice to provide national solutions, especially in times of difficulty, for example the issues of clinical waste, Brexit. This change should be part of the focus of any action plan designed around the results of all the research carried out.

#### 4. **Self-Assessment**

A short questionnaire was provided to the Board and Executive Management Team for completion (Appendix D) during January 2019, to establish a baseline for future reporting, and a draft action plan for any improvements to the governance process in NSS. This was complementary to the findings of the Board Diagnostic Tool carried out by the Board in 2017-18 [Appendix B] and a review of Best Value in NSS [Appendix E]. In addition the results of the Corporate Governance Blueprint survey [Appendix F] influenced the action plan for NSS. The recommendations of this report are therefore based on these three methods of research, taking into account the changed stakeholder relationships mentioned previously. [Note: The self-assessment was started, not only in NSS, but other Health Boards, before the final version of the tool was available from Scottish Government in order to meet the reporting timelines.]

#### 5. **Recommendations**

By comparing and cross referencing the outcomes of each area of research NSS was able to identify three common areas/themes for improvement.

1. Engagement with stakeholders – both externally and internally.
2. Review of information coming to the Board/Sub-Committees [content, timing, quality]
3. Understanding and communication of Risk.

It is therefore recommended that the NSS Board focus on these specific areas to form the Corporate Governance Action Plan. [It was also noted that the existing action plan for the period 2018-19 had similar areas for improvement and it was recommended that the Board should now review the action plan every 6 months to ensure progress was being made.]

A draft action plan was circulated to the Board members outwith the normal meeting cycle to enable NSS to meet the deadlines for reporting. The Action Plan would then be formally approved at the full board meeting to be held on 5<sup>th</sup> April 2019.

A copy of the action plan can be found below. In addition a further review of the NSS Induction programme for Non-Executive Directors would also be carried out to ensure the best possible introduction to the Organisation was available to underpin the recommendations above.

## NSS BOARD DEVELOPMENT PLAN

NHS National Services Scotland Board Development Plan 2019-2020						
<b>Development Identified</b> <i>(what you are focusing on, ensuring it is specific, realistic and achievable)</i>	<b>Action required to support improvement</b>	<b>Measure</b> <i>(how will you know if you have achieved success)</i>	<b>Timescale</b> <i>(when will you have completed this action)</i>	<b>Resource</b> <i>(are there any additional resources required to complete this action)</i>	<b>Responsible</b> <i>(who is responsible for completing this action)</i>	<b>Review</b> <i>(indicate when you intend to review progress against this action)</i>
<b>Action 1: Improved stakeholder engagement</b> – Internal/External stakeholders						
1.1 Increase exposure of Non-Execs to NSS Staff via a variety of communications channels.	NSS Non-Execs to have recorded video biographies and these made available via intranet.	Video biography for every Board Member.	30.9.19	Involvement with the internal communications team to raise profile of NEDs via video biographies.	Board Secretary/Associate Director SPST	Board meeting on 6.9.19
	Publicise formal board meetings on geNSS and via Pulse to encourage staff to attend.	Number of staff attending meetings.	Immediately	Involvement with the internal communications team and Board Secretary.	Board Secretary/Associate Director SPST	Board meeting on 6.9.19
	Review Non-Exec induction programme to build profile of any new Non-Execs as soon as they join NSS.	Feedback questionnaire on induction programme.	By end Q2 2019-20	Liaison with OD and HR Learning and Development team to review and update induction programme as necessary		Board meeting on 1.11.19

1.2 Develop a whole system map of stakeholders across NHS Scotland, highlighting current and future desired state in terms of the relationships with NSS Non-Execs	Customer engagement team to provide initial mapping exercise and link with Non-Execs to establish crossovers.	Stakeholder map produced. Taking into account the different stakeholder relationships.	By end Q1 2019-20	Involvement with customer engagement team.	Associate Director SPST	Board meeting on 6.9.19
<b>Development Area 2: Review of information provided to the Board to enable appropriate challenge</b>						
2.1 Improve quality and timing of reporting to the Board and sub-committees	Ensure all future meeting dates are identified in line with formal reporting structures within NSS.	Calendar of meeting dates provided to all.	Q1 2019-20	Board team to work with teams across NSS to identify flow of reporting.	Board Secretary.	30.6.19
	Review front cover templates	Front-covers provide appropriate information and focus for Non-Execs	Q1 2019-20	Board team to complete.	Board Secretary	30.4.19
	Look at opportunities to digitise reporting e.g. dashboard real time reports for Sub-Committees	Number of opportunities identified actually used at meetings.	Q4 2019-20	Board team to liaise with IT and authors to look at opportunities for digital options.	Board team to liaise with IT and authors to look at opportunities for digital options.	

<b>Development Area 3: Understanding and communicating risk</b>						
3.1 How we identify risks - Identifying current and future corporate, clinical, legislative, financial and reputational risks.	Run risk workshop specifically for Board members.	NSS Risk Manager Lead to set up workshop looking at how NSS identify and label risks.	By end Q2 2019-20	Board team to work with Risk Manager Lead to identify potential dates/times for workshop.	NSS Risk Manager Lead	Board meeting 1.11.19
<b>Additional areas for review/development</b>						
Non-Executive Induction Programme	Review programme and link into overarching NSS Induction programme		By end Q2 2019-20	Liaison with OD and HR Learning and Development team to review and update as necessary.	Board Secretary/HR	Board meeting 1.11.19



**NHS NATIONAL SERVICES SCOTLAND**

**APPENDICES**

**CORPORATE GOVERNANCE BLUEPRINT**

**REVIEW OF NSS GOVERNANCE 2019**



NSS Governance/Board Templates - Evidence list

APPENDIX A

Item	Description	Relates to Function	Link
1	2015 Risk benchmarking report CIPFA		<a href="#">2015 Risk benchmarking Report CIPFA_Final.pdf</a>
2	Risk Appetite Board Paper		<a href="#">Board Paper Seeking Approval 2018_NSS Risk Appetite.doc</a>
3	Integrated Risk Management Approach		<a href="#">Integrated Risk Management Approach v1.7 2018_Final.doc</a>
4	Non-Exec Appraisal Master		<a href="#">..\Templates\NSS Templates\Non-Exec Appraisal - Master.docx</a>
5	Record of training (Non-Execs)		<a href="#">..\Templates\NSS Templates\00 Record of Training_Master.xls</a>
6	Format Minutes - template		<a href="#">..\Templates\NSS Templates\Template_Formal Minutes.docx</a>
7	Non-Executive Expenses		<a href="#">..\Templates\NSS Templates\Expenses Q1 - Financial Year 18-19_SAMPLE.xlsx</a>
8	Meeting dates template		<a href="#">..\Templates\NSS Templates\Meeting dates 2019 master checklist_SAMPLE.xlsx</a>
9	Membership lists showing changes during year		<a href="#">..\Templates\NSS Templates\00 Membership Lists_2018-19 showing changes during year.doc</a>
10	Draft Skills Matrix - sample		<a href="#">..\Templates\NSS Templates\00 Draft Skills Matrix_Example.docx</a>
11	Board/SubCommittee paper - front cover template		<a href="#">..\Templates\NSS Templates\Template_Board Front Cover Layout.doc</a>
12	Template for welcome pack (contents)		<a href="#">..\Templates\NSS Templates\00 TEMPLATE for Welcome Pack Updated 2017.docx</a>
13	Internal Audit Annual Plan (sample)		<a href="#">..\Templates\NSS Templates\A2-12 Internal Audit Annual Plan 2017-2018.pdf</a>
14	Best Value project Aug 2018		<a href="#">2019-01-07 copy of 2018 08 13 Best Value to FPP.docx</a>
15	Best Value Guidance for Accountable Officers 2011		<a href="#">Best value Guidance for Accountable Offs Mar 11.pdf</a>
16	Duty of Candour Guidance NSS		<a href="#">..\..\Feedback\Duty of Candour\DOC Resources</a>
17	NSS Standing Orders (2018)		<a href="#">..\Templates\NSS Templates\01 NSS Standing Orders_June 2017_Final Version 08.0.pdf</a>
18	Scottish Government/NSS Framework		<a href="#">..\Templates\NSS Templates\A1-1 SG NSS Framework Document - Final.pdf</a>
19	NSS Board Diagnostic Tool 17/18		<a href="#">BDS1802 NHSS Board Development Diagnostic Tool NSS Results.pdf</a>
20	Board/SubCommittee forward programmes		<a href="#">..\Templates\NSS Templates\NSS Board and Sub-Committee Forward Programmes.pdf</a>

## **APPENDIX B**

### **NSS BOARD DIAGNOSTICS TOOL OUTCOMES**

**MANAGEMENT IN CONFIDENCE**

BDS/18/02

# NHS Scotland Board Development - Diagnostic Tool 2017/18

Report for:

## NHS National Services Scotland

**MANAGEMENT IN CONFIDENCE**

**February 2018**

Produced by ISD, NHS National Services Scotland

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# Background Information

## Introduction

In January 2018 NHS National Services Scotland completed the NHS Scotland Board Development Diagnostic Tool. This report presents the results of this assessment. Notes to aid interpretation of the information presented within this report can be found in Appendix B. Further notes are available within the NHS Scotland Board Diagnostic Tool Good Practice Guide.

## Methodology

All Executive and Non-Executive members of the NHS National Services Scotland Board were invited to complete an online version of the NHS Scotland Board Development Diagnostic Tool. The tool is organised into five sections, each exploring a different domain:

- (A) Engaging with Stakeholders: The Board is clear who its stakeholders are (including patients, public, carers, staff, Public Service Partners, Third and Independent Sector, and Scottish Government) and proactively engages with all of them to ensure that their interests are taken into account in developing and delivering services.
- (B) Strategic Intent: The Board's vision for the organisation reflects the needs and priorities of the population it serves, national policies and strategies, most notably strategies for Quality Improvement. This vision is communicated widely to all staff through a clear set of pan-Board objectives and the Board is confident it has sufficient resources to support this vision.
- (C) Holding to Account: The Board assures itself that it will deliver its strategic priorities, objectives and manage all associated risks.
- (D) Board Dynamics: The Board comprises motivated individuals who have the right blend of skills and experience to help deliver its strategic intent. Board members work constructively together in a climate characterised by informed trust, involvement and robust dialogue.
- (E) Board Leadership: The Board has an effective Chair who has a significant positive impact on the performance of the Board and its members, demonstrating effective leadership. The Board Chair maintains effective focus on its agenda; is visible and well respected both within and outside the organisation and routinely reviews its performance.

Each section of the tool presents a number of **positive** statements; Board members were asked to indicate the extent to which they agreed or disagreed with each statement based upon their experience of the Board during the past six months. Response options were on a six-point scale between (1) "Strongly disagree" and (6) "Strongly agree":

- (1) Strongly disagree
  - (2) Disagree
  - (3) Slightly disagree
  - (4) Slightly agree
  - (5) Agree
  - (6) Strongly agree
- } Negative response
- } Positive response

Board members were also given the option to respond "Cannot say"; please note that all "Cannot say" responses have been excluded from the analyses within this report.

At the end of each section Board members were invited to provide further comments by answering a list of specified, but open, questions.

Finally, Board members were asked to rank each domain between one and five in terms of the level of development required by the Board (1 = "Most development required", 5 = "Least development required").

## Participation and Response

### Participation and Response within NHS National Services Scotland

All members of the NHS National Services Scotland Board were invited to complete the Diagnostic Tool. The table below shows the number of Board members who were invited to participate in January 2018 and the number (and total percentage) of members who responded:

Designation	Description	Members Invited to Participate	Members who Responded
Board Chair	Non-executive appointed as the Chair of the NHS Board.	1	1
Chief Executive	Individual undertaking the role of Chief Executive and Accountable Officer of the NHS Board.	1	1
Executive Director <sup>1</sup>	Individual appointed to the NHS Board by Scottish Ministers as a result of the executive position they hold with the Board.	1	1
Non-Executive Director	Individual appointed to the NHS Board by Scottish Ministers following an open public appointment process.	5	5
Director Other <sup>1</sup>	A Director who participates in Board meetings who is not an Executive Board member.	2	1
Non-Executive Stakeholder <sup>1</sup>	Individual appointed to the NHS Board by Scottish Ministers as a result of the position they hold with a stakeholder group. Includes University, Area Clinical Forum or Area Partnership Forum Member, Employee Director, Care Inspectorate Chair, Scottish NHS Council Chair and Chair of former CHP.	2	1
Local Authority Member	Individual nominated by their local authority to serve on the NHS Board in a non-executive capacity.	0	0
<b>Total Number</b>		<b>12</b>	<b>10</b>

(83%)

<sup>1</sup> There were three respondents who selected either "Executive Director", "Director Other" or "Non-Executive Stakeholder" as their designation. Following discussion with NHS National Service Scotland's key contact for this assessment it was agreed that responses given by these participants should be reported as part of the "Executive Director" group.

### Comparison with previous Board results

NHS National Services Scotland previously completed the Diagnostic Tool in 2015/16, and this report shows comparisons of the results between the previous assessment and the current one.

## Statements with Highest Median Response

**Table 1: Statements with the highest median response.<sup>1</sup>**

Domain	Statement	Median Score	% Positive	% S.Agree / Agree
(E) Board Leadership	E1: The Chair has a significant positive impact on the performance of the Board.	6.0	100%	100%
(B) Strategic Intent	B5: The Board regularly reviews its risks and planning contingencies.	6.0	100%	100%
(D) Board Dynamics	D7: Board members are able to express their opinions openly and challenge constructively.	6.0	100%	100%
(E) Board Leadership	E5: The Chair consistently models the behaviours expected of others in the Board and wider organisation.	6.0	100%	100%
(E) Board Leadership	E6: The Chair is visible within the organisation and is regarded as approachable by staff, patients and the public.	6.0	100%	89%

<sup>1</sup> Where statements returned the same median score, the highest percent positive result and the strength of that positive result have been used to further select the statements that were most positive.



## Statements with Lowest Median Response

Table 2: Statements with the lowest median response.<sup>1</sup>

Domain	Statement	Median Score	% Positive	% S. Agree / Agree
(A) Engaging with Stakeholders	A3: The Board has effective feedback loops and systems which encourage stakeholders to comment and influence the organisation's performance in delivering person centred, safe and effective healthcare.	4.0	67%	33%
(A) Engaging with Stakeholders	A2: The Board has a clear engagement and communication framework which covers all of its stakeholders.	4.0	70%	40%
(A) Engaging with Stakeholders	A6: In defining health needs and influencing priorities, the Board particularly ensures that people who live with long term conditions, health inequalities and /or other life limiting situations are involved.	4.0	83%	33%
(A) Engaging with Stakeholders	A9: Board members actively seek practical opportunities to engage with patients, carers and staff in the system and are generally seen as approachable.	4.0	100%	44%
(A) Engaging with Stakeholders	A8: The Board proactively promotes its identity and reputation in the media and works positively to influence and manage its public image to secure and maintain public confidence in its services.	4.5	100%	50%

<sup>1</sup> Where statements returned the same median score, the lowest percent positive result and the strength of that positive result have been used to further select the statements that were least positive.

## (A) Engaging with Stakeholders - Overall Response to Statements

**Table 3: Response to statements relating to the "Engaging with Stakeholders" domain.**

(Statements ordered from lowest median score to highest median score)

**Note:** Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.

<sup>1</sup> The "Diff. previous S. Agree / Agree" result is a percentage point change.

Statement	N Responses	Response (%)						Median Score	Diff. previous result (Med)	% Positive	% Strongly Agree / Agree	Diff. previous <sup>1</sup> S. Agree/Agree	Trend (%)	
		(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree							
A3: Board has effective feedback loops / systems which encourage stakeholders to comment / influence performance in delivering person centred, safe, effective care.	9			22	11	33	22	11	4.0	-1.0	67%	33%	-53	↓
A2: Board has a clear engagement and communication framework which covers all of its stakeholders.	10			10	20	30	40		4.0	-1.0	70%	40%	-48	↓
A6: In defining health needs / influencing priorities, Board ensures that people living with long term conditions, health inequalities, life limiting situations are involved.	6			17	50	33			4.0	-1.0	83%	33%	-42	↓
A9: Board members actively seek practical opportunities to engage with patients, carers and staff in the system and are generally seen as approachable.	9				56	44			4.0	-0.5	100%	44%	-6	↓
A8: Board promotes identity / reputation in media and works positively to influence / manage public image to secure / maintain public confidence in services.	10				50	40	10		4.5	-0.5	100%	50%	-13	↓
A4: Board can evidence how it actively engages to consider, discuss and influence national policy developments and potential impacts with stakeholders.	10			10	10	20	60		5.0	0	80%	60%	-15	↓
A5: Board responsive to the needs of its stakeholders, ensuring its plans, priorities and actions are informed by robust and regular discussions.	10			10	30	50	10		5.0	0	90%	60%	-26	↓
A1: Board clear who its stakeholders are and how each contributes to the health and well-being of the population they serve.	10			10	20	40	30		5.0	0	90%	70%	-30	↓
A7: All staff understand the vision, aims and objectives of the organisation and support Board in delivering commitments to the public they serve.	10				10	80	10		5.0	0	100%	90%	-10	↓

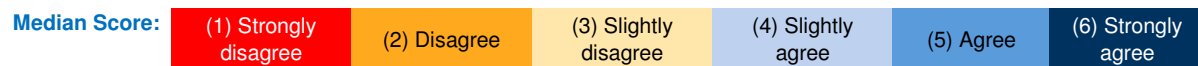
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## (A) Engaging with Stakeholders - Median Scores by Respondent Type

**Table 4: Median score for each statement relating to the "Engaging with Stakeholders" domain, by respondent type.**

(Statements ordered from lowest overall median score to highest overall median score)

Statement	Board Chair (N=1)*	Chief Exec (N=1)*	Exec Director (N=3)*	Non-Exec Director (N=5)*	Director: Other (N=0)*	Non-Exec Stakeholder (N=0)*	Local Auth. Member (N=0)*	Overall (N=10)*
A3: Board has effective feedback loops / systems which encourage stakeholders to comment / influence performance in delivering person centred, safe, effective care.	3.0	6.0	4.0	4.0				4.0
A2: Board has a clear engagement and communication framework which covers all of its stakeholders.	3.0	5.0	4.0	4.0				4.0
A6: In defining health needs / influencing priorities, Board ensures that people living with long term conditions, health inequalities, life limiting situations are involved.		4.0	5.0	4.0				4.0
A9: Board members actively seek practical opportunities to engage with patients, carers and staff in the system and are generally seen as approachable.		5.0	4.0	4.0				4.0
A8: Board promotes identity / reputation in media and works positively to influence / manage public image to secure / maintain public confidence in services.	4.0	5.0	5.0	4.0				4.5
A4: Board can evidence how it actively engages to consider, discuss and influence national policy developments and potential impacts with stakeholders.	5.0	4.0	5.0	5.0				5.0
A5: Board responsive to the needs of its stakeholders, ensuring its plans, priorities and actions are informed by robust and regular discussions.	4.0	5.0	5.0	4.0				5.0
A1: Board clear who its stakeholders are and how each contributes to the health and well-being of the population they serve.	3.0	6.0	5.0	5.0				5.0
A7: All staff understand the vision, aims and objectives of the organisation and support Board in delivering commitments to the public they serve.	5.0	5.0	5.0	5.0				5.0



**Range of scores:**  
(Highest - Lowest) I

\* Participants may not have provided a response to every question.

### A10: Who do you consider as key stakeholders?

- Territorial boards, Emerging regional constructs, Government, Local Government, IJBs
- SG/Politicians/HB colleagues/ key Social Care groups
- Scottish Government - directors of all groups in SGHSCD - note lead sponsor for NSS is finance, ALL NHS Boards - at every level from front line teams to Board members, Some IJBs/ Local Authorities
- other boards, other service delivery patients, families, tax payers, elected representatives,civil servants
- NHS Boards, patients, suppliers, donors, Government, employees
- NHS Boards, citizens of Scotland, our staff, Government, IJBs and wider public sector.
- Health Boards, wider public sector, GPs, Dentists
- Corporate NSS..stakeholders Scottish government, HBs and IJBs. Little contact with people accessing service. Each SBU have clearer stakeholders. This is something we come back to regularly at Board
- At issue is defining and shaping our authorising environment. The extent to which we are proactive and view Scotland as a system rather than just the NHS.
- As listed above

### A11: Please give an example of how you have successfully engaged with some/one of your stakeholders?

- Very good engagement with directorate of population health around the development of thinking of the new public health body. Key people came to board. CEO, MD and employee director all engaged in formula grouping
- The creation of a new Public Health Body for Scotland has led to discussions and engagement with Government and other impacted parties on what this will be and how it will look to deliver the greatest benefit for the people of Scotland while remaining mindful of staff implications. I have been involved in many discussions and will continue to influence as much as possible.
- SWAN, Central Procurement,
- Plenty of historic stuff, rather the issue is future engagement.
- On-going engagement with Regional Implementation Leads and their lead planners to ensure work underway "once for Scotland" in radiology and laboratories transformation (shared services) remains aligned to and supports emerging operating plans at a regional level. This ensures our efforts are timely and supportive to the efforts underway locally and regionally and that there is buy-in to change.
- ongoing and regular engagement, meetings, presentations
- Impact on National Board plans. Engagement on PHB. Shared Services engagement across range of stakeholders
- I have been on walkarounds within the service, meeting staff at the front line and talking to them about service provision and the board. I have engaged with the Chair of the QPG with regards to setting up clinical governance networks for NEDs, but progress is very slow.
- Cyber attack
- CMO /DCMO /NHS Board Medical Directors- - involved in discussion re access to medicines and offered NSS as resource to facilitate work between all stakeholders to identify a solution.

### A12: What are some examples of improvements the Board has made as a result of feedback from patients and the public?

- We have limited direct engagement with patients and the public given our role as a national shared services provider.
- Service specific re NSBTS, and in other support logic model shows downstream impact.
- Improved patient network, wider engagement with patients/public. Improved website.
- I find this difficult to answer as at board and committee we see feedback from complaints, incidents. We see the learning that has taken place in the organisation but we don't necessarily have access to the impact that it has made on the public and patients
- Handling of blood donor patients in the event that their blood is not wanted
- External web site; off site board discussions: focus on customer engagement
- clearer signposting, better plainer language, more data.
- BTS donor booking system, Infected Blood Payment Scheme
- Because NSS function is to support the delivery of care from others the direct liaison with public at a Board level limited. Several examples of where the commitment to public engagement has influenced work in SBUs can be offered through managed networks, national screening and in SNBTS

### A13: What are some examples of improvements the Board has made as a result of feedback from staff?

- We have made board business more accessible - annual review was recorded and made available to all staff.
- Very effective partnership working and transition, e.g. JCC, now PHI
- The 'great place to work' priority led to offering staff a direct line of communication with Chief Executive 'ask Colin?' - this has encouraged staff to suggest improvements including use of green space at Gyle, and need to further improve facilities for those who choose to cycle to work (showers etc well received).
- People report and SGC
- Improved communications,
- Different use of office space
- changed communication protocols
- Better communication and updates for staff via regular comms, pulse and 'Ask Colin' and the plasma screens where available.

### A14: How might the Board improve its performance in this domain and what are the priorities for action?

- Who NSS are and what we do is still a mystery to many, we are made up of apparently disparate Business Units who deliver specific services to NHS boards and the public. A strategy to outline not only the individual services we offer but the packages of service or the synergies between our services would be helpful, I know we have done a bit in this area but more may be necessary.
- Unfortunately first step will be to raise public awareness of what NSS does - this is still a mystery to many within the NHS. Perhaps the focus should return to encouraging engagement with NSS public facing teams eg SNBTS, HPS, Aroma coffee, etc; rather than seek to engage at a Board level - other than offering assurance that services with the NSS 'brand' come as a quality assured product?
- sustained activity,focused effort,improve public understanding
- Stakeholders Mapping with support of CEAD and NED's marking key stakeholders.
- Some work is underway to develop an engagement plan for board members. this needs to be completed and clear actions and targets assigned to each member of the board to take forward.
- Priority is to align engagement to be comprehensive across all stakeholder groups, particularly emphasising benefits to stakeholders through such engagement
- Placing its poker chips
- NSS needs to be proactive in offering help and assistance that reduces cost and improves clinical care WITHOUT appearing to be on a land grab.
- I understand that work goes on lead by CEAD but strategic feedback from CEAD does not come back to the board with priorities for action by the board (unlike another organisation that I am involved with).
- At time of turbulence across Health and social care ...ensure regular review,



### A15: Any other comments?

- there is work to do generally to increase NSS profile. particularly in uncertain times. Much of what we do is very effective but not always visible to stakeholders
- The board is aware that stakeholder engagement needs to improve and is working to rectify this deficiency as a matter of priority
- the board is actively committed to not just engaging with stakeholders but to improving collective performance
- Mandate will be earned, not given
- As NEDs we are ambassadors for NSS and ideally we could have an agreed ambassadors agenda that we can share when networking.

## (B) Strategic Intent - Overall Response to Statements

**Table 5: Response to statements relating to the "Strategic Intent" domain.**

(Statements ordered from lowest median score to highest median score)

**Note:** Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.

<sup>1</sup> The "Diff. previous S. Agree / Agree" result is a percentage point change.

Statement	N Responses	Response (%)						Median Score	Diff. previous result (Med)	% Positive	% Strongly Agree / Agree	Diff. previous <sup>1</sup> S. Agree/Agree	Trend
		(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree						
B6: Staff and stakeholders would agree that Board articulates its strategic priorities clearly and consistently.	9				22	78		5.0	0	100%	78%	-8	↓
B10: Stakeholders would describe Board's strategic plan as clear, innovative, ambitious and meeting the needs of its communities in a sustainable way.	9				11	78	11	5.0	-1.0	100%	89%	+3	↑
B2: Board's health-related strategic priorities are based upon the evidence-based needs of the communities it serves.	10				10	70	20	5.0	0	100%	90%	-10	↓
B8: Board confident strategic priorities are adequately resourced with progress reviewed and refreshed during course of each planning / performance cycle.	10				10	70	20	5.0	0	100%	90%	+15	↑
B3: Board members actively influence and drive policy and strategy to encourage continuous improvement.	10				20	50	30	5.0	0	100%	80%	-6	↓
B9: Board discusses and makes decisions about areas for investment and disinvestment and implements these.	10				10	60	30	5.0	0	100%	90%	-10	↓
B4: Board clear about priority to deliver safe, effective, person centred care; has skills, capability, systems to deliver priorities / support org. to continually improve.	10				30	20	50	5.5	+0.5	100%	70%	-30	↓
B7: Every member of Board can articulate the key challenges facing the organisation.	10				50	50		5.5	+0.5	100%	100%	0	→
B1: Board has a collective vision underpinned by a set of strategic priorities and objectives that can be evidenced.	10				30	70		6.0	0	100%	100%	0	→
B5: Board regularly reviews its risks and planning contingencies.	10				10	90		6.0	0	100%	100%	0	→

100 80 60 40 20 0 20 40 60 80 100  
 ← Negative Positive →

## (B) Strategic Intent - Median Scores by Respondent Type

**Table 6: Median score for each statement relating to the "Strategic Intent" domain, by respondent type.**

(Statements ordered from lowest overall median score to highest overall median score)

Statement	Board Chair (N=1)*	Chief Exec (N=1)*	Exec Director (N=3)*	Non-Exec Director (N=5)*	Director: Other (N=0)*	Non-Exec Stakeholder (N=0)*	Local Auth. Member (N=0)*	Overall (N=10)*
B6: Staff and stakeholders would agree that Board articulates its strategic priorities clearly and consistently.	5.0	5.0	5.0	4.5				5.0
B10: Stakeholders would describe Board's strategic plan as clear, innovative, ambitious and meeting the needs of its communities in a sustainable way.	4.0	5.0	5.0	5.0				5.0
B2: Board's health-related strategic priorities are based upon the evidence-based needs of the communities it serves.	5.0	5.0	6.0	5.0				5.0
B8: Board confident strategic priorities are adequately resourced with progress reviewed and refreshed during course of each planning / performance cycle.	6.0	6.0	5.0	5.0				5.0
B3: Board members actively influence and drive policy and strategy to encourage continuous improvement.	4.0	5.0	5.0	5.0				5.0
B9: Board discusses and makes decisions about areas for investment and disinvestment and implements these.	6.0	5.0	5.0	5.0				5.0
B4: Board clear about priority to deliver safe, effective, person centred care; has skills, capability, systems to deliver priorities / support org. to continually improve.	4.0	6.0	6.0	5.0				5.5
B7: Every member of Board can articulate the key challenges facing the organisation.	6.0	6.0	6.0	5.0				5.5
B1: Board has a collective vision underpinned by a set of strategic priorities and objectives that can be evidenced.	5.0	6.0	6.0	6.0				6.0
B5: Board regularly reviews its risks and planning contingencies.	6.0	6.0	6.0	6.0				6.0

**Median Score:** (1) Strongly disagree (2) Disagree (3) Slightly disagree (4) Slightly agree (5) Agree (6) Strongly agree

**Range of scores:** (Highest - Lowest) I

\* Participants may not have provided a response to every question.

### B11: What are the organisation's top three strategic priorities?

- Underpin - deliver our services with increasing effectiveness and efficiency, Enable - support NHSS and Social Care Transformation, Assist - Support wider public sector
- To enable the transformation of health and social care to help improve the health and wellbeing of the people of Scotland. To underpin a sustainable and resilient NHSScotland by providing excellent support services and expertise. To assist other public sector organisations where there is value in doing so and without compromising our health and care focus
- Service improvement, Great place to work, Customer at the heart, Innovation
- Saving money, Improving patient care and citizen welfare, Motivating and developing employees
- Once for Scotland; bang for the bucks; building capacity
- Maintaining financial health, Ensuring the provision of high quality and safe services, Supporting (and leading some aspects of) Once for Scotland agenda
- improve the health and well being of citizens, deliver once for Scotland, manage set up of new blood service
- Efficient and effective services to NHS, Support transformational change in delivery of healthcare services through proactive collaboration, Advance the digital agenda, particularly across NHS but also to wider public sector
- 1 identifying opportunities for, and supporting delivery of, transformation in the delivery of care, 2 supporting work across Scotland to implement the Health and Social care delivery plan (and associated policies eg Realistic medicine and national Clinical Strategy), 3 provide commercial solutions to maximise the benefit accrued from public funding - in terms of workforce, equipment, & buildings

### B12: What are the top three strategic risks?

- Reputation risk, Financial sustainability Digital
- Reputation as a result of a high profile IT issue, The impact of the new PH body on NSS and its remaining services, Appropriate strategic leadership following recent announcements
- PACS backups insufficient to provide resilience, Insufficient internal resources to support JCC transition, Workforce plan does not support strategic direction of organisation
- Non delivery of financial objective savings, Tolerance for strategic risk, Delivery of various critical projects eg CHI and Jack Copeland Centre.
- No mandate; poor performance; internal orientation
- No buy in from stakeholders who prefer to go it alone, Overstretch within the organisation -both capability and capacity Maintaining delivery while enabling and developing new services - patient risk and reputational damage
- lack of political vision, failure to deliver key priorities, inspire and motivate all employees
- Imbalance between national, regional and local transformation, Magnitude of 'ask' but uncertain future environment, Authority and Investment
- 1 Financial pressures lead to cost cutting / failure to invest in modernisation / new ways of working, 2 workforce - NSS depends on a level of technical expertise that is competing with service industry / private sector, 3 capacity - as Scotland seeks solutions to improve and innovate NSS needs to target its limited resource to ensure we exceed expectation in the areas we agree to take forward

### B13: What are the key challenges facing the organisation at this point in time?

- turbulence in the system, finance, resources
- Senior leadership, Maintaining financial health going forwards, The establishment of the new PH body and its impact on the remaining NSS services
- Restructure post Public Health Body, Health boards being willing to support centralisation, Continuing to deliver savings
- Resistance to change both internally and externally, Perceptions of our Board amongst our customers, particularly view that we will take over, National Board collaboration and formation of new Public Health Body
- Planned by for and managing the 'loss' of a substantial part of the existing organisation to public health, Determining the future shape and resorting accordingly, Engaging stakeholders with a view to collaborating to realise the vision and benefit stakeholder and hence Scottish population
- Mirror of the risks
- External turbulence across public sector, Ensure that NSS supports transformation across HSC, Lack of understanding of expertise from stakeholders
- Ability to influence, Uncertain Environment, Available resources and finance to drive change
- 1 people - public sector needs to encourage a new generation to join, 2 managing expectations - ensuring that other do know what it is that NSS can offer, 3 finance - external inflation, including pay award, against a static / falling core budget

### B14: Please give an example of good practice which you have experienced in your Board in relation to the development and articulation of your strategic intent?

- Recent cyclical review of mission, vision, strategy with clear strategic objectives
- Progress on the shared services agenda, e.g radiology, Opening of the new JCC
- ongoing horizon scanning, analysis of strengths and weaknesses
- Improvements and response to partnership working
- Excellent engagement on development of vision and strategic intent.
- engagement at Board level in the work that SG is taking forward in the field of health innovation - the importance of recognising this is being driven at a policy level has required NSS to develop a range of solutions including planning for the major impact of genomics in healthcare
- Direct engagement between Board members and EMT to shape and articulate the vision and strategic priorities. Board offsite discussions to understand operational issues more fully and to further shape direction of travel.
- Comprehensive board engagement
- Active involvement of the Board and management team collectively in discussing and developing the strategy

### B15: How might the Board improve its performance in this area and what are the priorities for action?

- Use of plain English and proratise communication of the strategy such that everyone can understand it and know how it relates to their day to day work
- review how workstreams are being managed with PgMS and CeAD both increasing their contact with INTERNAL groups as well as working to an external stakeholder.
- Perhaps shorten the overall process marginally
- I think that the Board does this very well.
- Eyes up while keeping grip on operational effectiveness, e.g. Napoleonic Leadership
- definition and focus, agree priority activity
- At times we need to have sight of the financial implications of challenges earlier in the day, for example, new PH body.



### B16: Any other comments?

- the board operates in a challenging and uncertain place with competing pressures on scarce resource
- NSS needs to be central in the discussions about how the future delivery of national / all Scotland support for care delivery is organised
- No
- Going forward strategic planning at National Boards level will become increasingly important and there is little alignment or consistency of approach across the 8 national boards and there is a risk that our good practice will be lost in the harmonisation process.

## (C) Holding to Account - Overall Response to Statements

**Table 7: Response to statements relating to the "Holding to Account" domain.**

(Statements ordered from lowest median score to highest median score)

**Note:** Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.

<sup>1</sup> The "Diff. previous S. Agree / Agree" result is a percentage point change.

Statement	N Responses	Response (%)						Median Score	Diff. previous result (Med)	% Positive	% Strongly Agree / Agree	Diff. previous <sup>1</sup> S. Agree/Agree	Trend
		(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree						
C5: Board has clear sight of current financial performance and is able to make adjustment to medium and long term projections.	10				10	70	20	5.0	0	100%	90%	-10	↓
C6: Board has a regular and active process to develop and review plans for medium to long term investment choices.	9					67	33	5.0	-1.0	100%	100%	0	→
C1: Board receives sufficient high quality information to enable it to make effective decisions, assess risks, hold Directors to account for organisation's performance.	10					60	40	5.0	-0.5	100%	100%	0	→
C2: Board members are skilled and confident in reviewing and challenging a range of data including improvement data	10					50	50	5.5	+0.5	100%	100%	0	→
C4: Board decision making processes are robust, ethical and evidence based recognising, where appropriate, social diversity and cultural needs.	10					50	50	5.5	+0.5	100%	100%	+14	↑
C9: The agenda for Board meetings clearly reflects the organisation's priorities and places emphasis on person centredness, safety, effectiveness and productivity.	9				11	33	56	6.0	+1.0	100%	89%	+1	↑
C11: Board can publicly evidence the justification for difficult decisions.	9					44	56	6.0	+1.0	100%	100%	0	→
C8: Board regularly and formally reviews progress towards the achievement of the organisation's strategic priorities.	10				10	30	60	6.0	0	100%	90%	-10	↓
C10: The remit and agendas of Board's standing committees clearly reflect Board's objectives.	10					40	60	6.0	+1.0	100%	100%	0	→
C3: Board provides constructive challenge and advice to define and agree clear improvement targets.	10					40	60	6.0	+1.0	100%	100%	+14	↑
C12: Board routinely and collectively reviews its effectiveness as a Board, including its governance arrangements.	9					33	67	6.0	0	100%	100%	0	→
C7: Board collectively and regularly reviews its governance system and associated leadership arrangements to ensure these are robust and fit for purpose.	9					22	78	6.0	0	100%	100%	0	→

100 80 60 40 20 0 20 40 60 80 100  
← Negative Positive →

## (C) Holding to Account - Median Scores by Respondent Type

**Table 8: Median score for each statement relating to the "Holding to Account" domain, by respondent type.**

(Statements ordered from lowest overall median score to highest overall median score)

Statement	Board Chair (N=1)*	Chief Exec (N=1)*	Exec Director (N=3)*	Non-Exec Director (N=5)*	Director: Other (N=0)*	Non-Exec Stakeholder (N=0)*	Local Auth. Member (N=0)*	Overall (N=10)*
C5: Board has clear sight of current financial performance and is able to make adjustment to medium and long term projections.	5.0	6.0	5.0	5.0				5.0
C6: Board has a regular and active process to develop and review plans for medium to long term investment choices.	6.0	5.0	5.0	5.5				5.0
C1: Board receives sufficient high quality information to enable it to make effective decisions, assess risks, hold Directors to account for organisation's performance.	6.0	6.0	5.0	5.0				5.0
C2: Board members are skilled and confident in reviewing and challenging a range of data including improvement data	6.0	5.0	6.0	5.0				5.5
C4: Board decision making processes are robust, ethical and evidence based recognising, where appropriate, social diversity and cultural needs.	6.0	6.0	5.0	5.0				5.5
C9: The agenda for Board meetings clearly reflects the organisation's priorities and places emphasis on person centredness, safety, effectiveness and productivity.		6.0	6.0	5.0				6.0
C11: Board can publicly evidence the justification for difficult decisions.	6.0	5.0	5.0	6.0				6.0
C8: Board regularly and formally reviews progress towards the achievement of the organisation's strategic priorities.	6.0	6.0	6.0	5.0				6.0
C10: The remit and agendas of Board's standing committees clearly reflect Board's objectives.	6.0	6.0	6.0	5.0				6.0
C3: Board provides constructive challenge and advice to define and agree clear improvement targets.	6.0	6.0	6.0	5.0				6.0
C12: Board routinely and collectively reviews its effectiveness as a Board, including its governance arrangements.	6.0	6.0	6.0	5.5				6.0
C7: Board collectively and regularly reviews its governance system and associated leadership arrangements to ensure these are robust and fit for purpose.	6.0	6.0	5.0	6.0				6.0

Median Score:

(1) Strongly disagree

(2) Disagree

(3) Slightly disagree

(4) Slightly agree

(5) Agree

(6) Strongly agree

Range of scores:  
(Highest - Lowest)



\* Participants may not have provided a response to every question.

### C13: How effective are roles and relationships between the full Boards and the Board's committees of governance?

- Very effective
- They are increasingly effective. The committees are also cross referring items which makes the governance more robust at board level as there is better cross referencing.
- the board actively established the roles and relationships and monitors governance on a regular basis
- Strong and revealed regularity.
- Strong and considered join up between board and committees and across committees as well, relationships should be further developed to ensure that items are covered by the appropriate committee with less duplication across committees.
- Strong alignment and mechanisms to ensure read across exist
- good understanding of delegated authority and the need to report progress (BAU) and escalate issues of concern
- Good and feedback process in place
- Effective. Committees all report at the board meeting. Attention has been given to items that overlap committees such that nothing goes down the cracks.
- Appear to be very effective with evidence of both individual committees discharging remits but also cross-Committee discussions/reassurance where appropriate

### C14: If there are any areas for further improvement in relation to Holding to Account, what are they and what do you suggest is done to address them?

- with maturity can come complacency-regular reviews counter this issue
- Too soon to make that judgement
- Papers could now be shorter but would need better cover pages to support this.
- Ongoing sharing of information across committees..not just by secretariat but by non execs too.
- no suggestion
- Much improved, and opps via changes in exec team to build intellectual firepower and strategic perspective
- more visibility of national programmes procured and delivered by board on behalf of NHSS

### C15: Give an example of where the Board has used improvement data to inform decision making.

- with every decision-evidence based
- The wording of this question is a bit narrow. the use of the clinical flag on the risk register has ensured that risks are considered in the round and clinical risks are clearly identified, or not.
- PHB/JCC/PACs/Discovery
- KPIS for mandatory training and staff absence were red and key remedial actions were required by the board, with progress monitored in key committees. both KPIs are now in line with target.
- Information presented is now more effective via dashboards and summary sheets at the forefront of papers. This enables high level understanding of the paper as well as highlighting particular areas to drill into and interrogate.
- DST
- Donor care in Blood Donor service via customer complaints recording and trending
- Development of cases for shared services, and challenge is to package the message in an impactful influencing style within a mandate that is receptive

### C16: Any other comments?

- NSS Board, and subcommittees do need to realise that NSS touches all parts of care in Scotland but that the formal governance of clinical activity lies with the provider of that care. NSS may have an interest / legitimate need to know but must not seek to run a parallel investigation / report
- no
- Board operates effectively in this area

## (D) Board Dynamics - Overall Response to Statements

**Table 9: Response to statements relating to the "Board Dynamics" domain.**

(Statements ordered from lowest median score to highest median score)

**Note:** Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.

<sup>1</sup> The "Diff. previous S. Agree / Agree" result is a percentage point change.

Statement	N Responses	Response (%)						Median Score	Diff. previous result (Med)	% Positive	% Strongly Agree / Agree	Diff. previous <sup>1</sup> S. Agree/Agree	Trend
		(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree						
D8: Board members have had an effective role related local and national induction.	8				25	75	5.0	0	100%	75%	-13	↓	
D11: Board regularly evaluates the impact of its improvements and shares the learning with others.	9				33	44	22	5.0	0	100%	67%	+10	↑
D4: Executives and Non-Executives work effectively together respecting role boundaries and promoting organisational values.	10				70	30	5.0	-1.0	100%	100%	0	→	
D1: Sufficient time is spent clarifying Board's understanding of issues and openly discussing/debating the information presented before reaching a clear decision.	10				60	40	5.0	-1.0	100%	100%	+14	↑	
D6: Directors go beyond their respective functional specialisms to adopt a broad role as corporate directors.	9				56	44	5.0	0	100%	100%	0	→	
D5: Non-Executive Directors recognise the need for, and are skilled in, asking questions and challenging to ensure good governance.	10				50	50	5.5	+0.5	100%	100%	0	→	
D3: All Board members are clear about their role and accountability and how this is delivered in line with Board Members' Code of Conduct.	9				44	56	6.0	0	100%	100%	0	→	
D12: The culture within Board could be described as a learning culture.	10				10	30	60	6.0	+1.0	100%	90%	+19	↑
D2: Board members consistently uphold the principle of collective and corporate responsibility for all Board decisions and their execution.	10				40	60	6.0	0	100%	100%	0	→	
D9: The Chair appraises all Board members on their contribution and ensures development plans are in place and supported.	8				38	63	6.0	+1.0	100%	100%	+14	↑	
D10: Stakeholders would agree that Board Members behave in a way consistent with the values of the NHS.	9				22	78	6.0	+1.0	100%	100%	0	→	
D7: Board members are able to express their opinions openly and challenge constructively.	10				10	90	6.0	0	100%	100%	0	→	

100 80 60 40 20 0 20 40 60 80 100  
← Negative Positive →



## (D) Board Dynamics - Median Scores by Respondent Type

**Table 10: Median score for each statement relating to the "Board Dynamics" domain, by respondent type.**

(Statements ordered from lowest overall median score to highest overall median score)

Statement	Board Chair (N=1)*	Chief Exec (N=1)*	Exec Director (N=3)*	Non-Exec Director (N=5)*	Director: Other (N=0)*	Non-Exec Stakeholder (N=0)*	Local Auth. Member (N=0)*	Overall (N=10)*
D8: Board members have had an effective role related local and national induction.	5.0	4.0	5.0	5.0				5.0
D11: Board regularly evaluates the impact of its improvements and shares the learning with others.	6.0	4.0	5.0	5.0				5.0
D4: Executives and Non-Executives work effectively together respecting role boundaries and promoting organisational values.	5.0	6.0	5.0	5.0				5.0
D1: Sufficient time is spent clarifying Board's understanding of issues and openly discussing/debating the information presented before reaching a clear decision.	5.0	5.0	5.0	6.0				5.0
D6: Directors go beyond their respective functional specialisms to adopt a broad role as corporate directors.	6.0	6.0	6.0	5.0				5.0
D5: Non-Executive Directors recognise the need for, and are skilled in, asking questions and challenging to ensure good governance.	6.0	5.0	6.0	5.0				5.5
D3: All Board members are clear about their role and accountability and how this is delivered in line with Board Members' Code of Conduct.	6.0	6.0	5.0	5.5				6.0
D12: The culture within Board could be described as a learning culture.	5.0	6.0	5.0	6.0				6.0
D2: Board members consistently uphold the principle of collective and corporate responsibility for all Board decisions and their execution.	6.0	6.0	5.0	6.0				6.0
D9: The Chair appraises all Board members on their contribution and ensures development plans are in place and supported.	5.0	6.0	6.0	5.5				6.0
D10: Stakeholders would agree that Board Members behave in a way consistent with the values of the NHS.	6.0	6.0	6.0	5.5				6.0
D7: Board members are able to express their opinions openly and challenge constructively.	6.0	6.0	6.0	6.0				6.0

Median Score:

(1) Strongly disagree

(2) Disagree

(3) Slightly disagree

(4) Slightly agree

(5) Agree

(6) Strongly agree

Range of scores:  
(Highest - Lowest)



\* Participants may not have provided a response to every question.

### D13: What do you consider are the key ingredients of effective challenge in a Board setting?

- trust, mutual respect, expertise
- Trust and respect, Inclusivity Listening to each voice
- Relationships with support of information and perspective
- questions that seek to draw out issues not directly stated in paper - this to be used to improve content in future papers - importance of staff who make presentation felt valued even if more is needed
- Preparation, politeness, conciseness, depersonalised, persistent but not dogmatic, de-personalisation, avoid repetition, conclusion.
- Key ingredients are access to information, access to specialists for advice and greater understanding, openness from colleagues, trust in each other. This enables an environment in which challenge is the norm and comes from an informed position and with the Board's strategic interest at heart.
- Good papers which set out issues, good engagement with stakeholders and good preparation. Strong relationships between staff and Board
- Ensuring sufficient transparency for effective review, Board members having sufficient insight into challenges / risks to ensure robust challenge, culture of continuous improvement with no defensiveness
- Clear information/ Board papers in the first instance, Respect for the person whose contribution is being challenged, Challenge constructively with a view to advancing/enhancing the discussion in question, having listened to what has gone before Not being afraid to ask for further explanation if eg concept is new
- Appropriate relationships between board members, Objective and appropriate questioning that is not personal, Understanding the roles and boundaries around the board table

### D14: In relation to Board Dynamics, what are your recommendations for things to keep, strengthen and/or do differently?

- Treat everyone equally, and be willing to embrace new thinking and perspectives
- The introduction of the NED meetings is a good development
- Keep- enhancing board capability, rotating committee membership, Strengthen- non exec relationships, more time for non exec information sharing and discussion, collaboration with colleague boards. Different- consider more rotation of board and committee venues to improve visibility and access and also increase exposure of what we do and why.
- keep dialogue with EMT open in between formal meetings
- keep challenge, strengthen expertise encourage greater diversity.
- increase visibility of Board discussion and decision, increase visibility of Board members across organisation (only chair present at staff awards ceremony!)
- Execs further develop balcony perspective
- Discussions could be more concise. Not everyone has to comment on everything.
- continue to build relationships and ensure Board get good high level information to both provide governance and challenge

### D15: Any other comments?

- Proud to be part of this Board, the Board has evolved in my time as a member with the challenges changing over this time but I feel we are equipped to meet these head on.
- not an issue- a mature board with sound governance, high expectations and a track record of delivery- sometimes frustrated that it is not permitted to do more.
- BTW some of the questions are pretty sloppy, re wording and apostrophes - assume this is a pilot as would have expected an ace version for roll-out

## (E) Board Leadership - Overall Response to Statements

**Table 11: Response to statements relating to the "Board Leadership" domain.**

(Statements ordered from lowest median score to highest median score)

**Note:** Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.

<sup>1</sup> The "Diff. previous S. Agree / Agree" result is a percentage point change.

Statement	N Responses	Response (%)						Median Score	Diff. previous result (Med)	% Positive	% Strongly Agree / Agree <sup>1</sup>	Diff. previous S. Agree/Agree	Trend
		(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree						
E10: Board has a programme of development in place and this is reviewed regularly.	9				78	22	5.0	0	100%	100%	0	→	
E8: The Chair is regularly appraised against clear objectives and is open to making changes to how he/she behaves in the light of feedback from others.	6				67	33	5.0	0	100%	100%	+20	↑	
E9: The Chair works continuously to improve the performance of Board, leading on the work necessary to encourage team working.	9				33	67	6.0	0	100%	100%	0	→	
E7: The Chair is active, well respected by other Boards, stakeholders and partner organisations.	9				22	78	6.0	+1.0	100%	100%	0	→	
E2: The Chair and the Chief Executive work effectively together and respect one another's roles.	10				20	80	6.0	0	100%	100%	0	→	
E3: The Chair sets the agenda for effective, well managed meetings that maintain Board's focus on strategy and performance.	10				20	80	6.0	+0.5	100%	100%	0	→	
E4: The Chair sets the style and tone of Board discussions to promote constructive debate and effective decision making.	10				20	80	6.0	0	100%	100%	0	→	
E6: The Chair is visible within the organisation and is regarded as approachable by staff, patients and the public.	9				11	89	6.0	0	100%	89%	-11	↓	
E5: The Chair consistently models the behaviours expected of others in Board and wider organisation.	10				10	90	6.0	0	100%	100%	0	→	
E1: The Chair has a significant positive impact on the performance of Board.	9					100	6.0	0	100%	100%	0	→	

100 80 60 40 20 0 20 40 60 80 100  
 ← Negative Positive →

## (E) Board Leadership - Median Scores by Respondent Type

**Table 12: Median score for each statement relating to the "Board Leadership" domain, by respondent type.**

(Statements ordered from lowest overall median score to highest overall median score)

Statement	Board Chair (N=1)*	Chief Exec (N=1)*	Exec Director (N=3)*	Non-Exec Director (N=5)*	Director: Other (N=0)*	Non-Exec Stakeholder (N=0)*	Local Auth. Member (N=0)*	Overall (N=10)*
E10: Board has a programme of development in place and this is reviewed regularly.	5.0	5.0	5.0	5.0				5.0
E8: The Chair is regularly appraised against clear objectives and is open to making changes to how he/she behaves in the light of feedback from others.	5.0	5.0	5.0	6.0				5.0
E9: The Chair works continuously to improve the performance of Board, leading on the work necessary to encourage team working.	5.0	6.0	6.0	5.5				6.0
E7: The Chair is active, well respected by other Boards, stakeholders and partner organisations.		6.0	6.0	6.0				6.0
E2: The Chair and the Chief Executive work effectively together and respect one another's roles.	5.0	6.0	6.0	6.0				6.0
E3: The Chair sets the agenda for effective, well managed meetings that maintain Board's focus on strategy and performance.	5.0	6.0	6.0	6.0				6.0
E4: The Chair sets the style and tone of Board discussions to promote constructive debate and effective decision making.	5.0	6.0	6.0	6.0				6.0
E6: The Chair is visible within the organisation and is regarded as approachable by staff, patients and the public.	4.0	6.0	6.0	6.0				6.0
E5: The Chair consistently models the behaviours expected of others in Board and wider organisation.	5.0	6.0	6.0	6.0				6.0
E1: The Chair has a significant positive impact on the performance of Board.		6.0	6.0	6.0				6.0

**Median Score:** (1) Strongly disagree (2) Disagree (3) Slightly disagree (4) Slightly agree (5) Agree (6) Strongly agree

**Range of scores:** (Highest - Lowest) I

\* Participants may not have provided a response to every question.

### E11: In relation to Board Leadership, what are your recommendations for things to keep, strengthen and/or do differently?

- the chair is to be commended for her style of 'walking around' rather than asking others to meet with her. Commend practice of an 'open' diary even when pressured
- The Chair is a great role model and is always open to feedback and suggestions to improve the board. I think she personally reflects on her own performance and behaviours and I see this playing out on a regular basis.
- Retain positive culture to encourage contributions and buy-in
- Opportunity to go up stream in building capacity of middle leaders enable execs to shape our environment
- Keep openness and respect, Encourage conciseness in discussions and reports, Make the link between projects and strategic objectives clearer. Make language simple and avoid acronyms and fancy names
- keep level of activity, strengthen board representation at political level
- I am the Chair...I would like to be more visible within the organisation.
- Continue to be as open and engaging, Ensure greater focus on transformation with less focus on operational performance
- Board leadership is strong and fosters an environment in which members feel safe, enabled to challenge and question and this must remain. Succession planning may be an area that needs some strengthening and consideration.
- Board Chair is very effective and has built strong personal relationships with colleagues while ensuring focus on Board performance

### E12: What do you see as your own development priorities for the coming year?

- to more fully understand the values and priorities of fellow directors - both non-exec and exec
- More exposure to our colleague boards to understand collaboration opportunities and get a feel for their areas of expertise and consider any potential synergies.
- Improve engagement with non execs in between meeting cycles
- Greater understanding of info for decision making
- Get better at moulding meeting agenda (ARC in particular) to be more clearly linked to strategic objectives and to reduce the attendees to those with as really active role to play.
- Further my understanding of the organisation and engagement with staff generally Deeper understanding of aspects around the strategic objectives, once agreed, Get out and about within NHSS and our stakeholder groups in collaboration with Executive/management to support the drive for visibility and relevance going forward
- Further develop the Board's clinical governance agenda and increase the focus on the improvement agenda, Further develop my chairing skills, Make an effective contribution to strategy development
- Developing experience of working with Board.
- become more involved in PR -stakeholder activity.

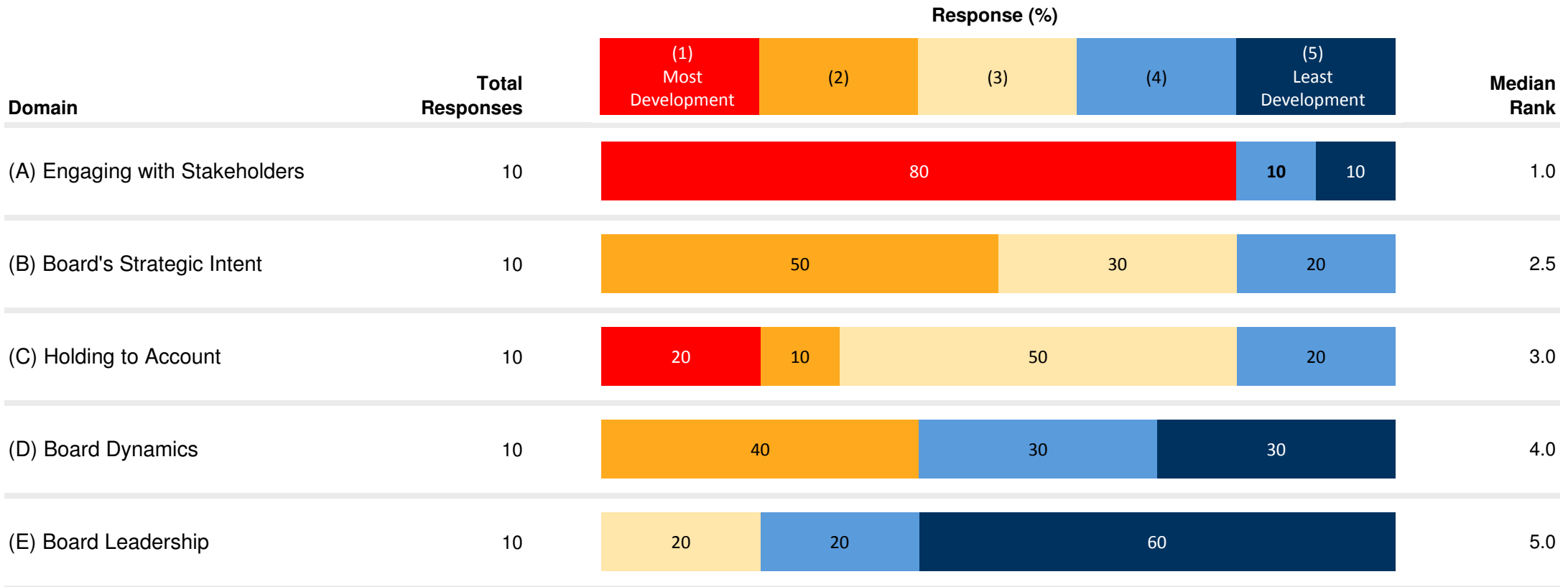
### E13: Any other comments?

- NSS is a good board to work in and I can see how I have developed as a NED as a result of this positive experience.
- no
- Excellent leadership, the Board is a safe place to ask, debate and challenge and that comes from the Chair and the way they conduct both themselves and the way they encourage and develop others.
- Ace chair

## Consolidated Domain Rankings

**Table 13: Overall ranking of domains, in terms of the level of development required by the Board.<sup>1</sup>**

(Domains ordered from lowest median rank to highest median rank)



<sup>1</sup> Respondents were asked to rank all five domains, relative to one another, in terms of the level of development required by the Board. Respondents could not rank domains equally and all domains had to be given a rank (1 = "Most development required"; 5 = "Least development required"). Note: Results have been rounded to the nearest whole percentage; this occasionally results in the sum of the percentages not adding up to exactly 100%.



## Further Information

Further information files will be provided to support the analysis of this report.

If you have any queries or require assistance, please contact

[NSS.BoardDevelopment@nhs.net](mailto:NSS.BoardDevelopment@nhs.net)

## Appendix A: Full Breakdown of Responses

**Table 14: Responses to statements relating to the "Engaging with Stakeholders" domain, by respondent type.**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
A1: The Board is clear who its stakeholders are and how each contributes to the health and well-being of the population they serve.	Board Chair	1	0	0	1	0	0	0	3	-
	Chief Executive	1	0	0	0	0	0	1	6	-
	Executive Director	3	0	0	0	0	3	0	5	0
	Non-Exec Director	5	0	0	0	2	1	2	5	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>4</b>	<b>3</b>	<b>5</b>	<b>3</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>20%</b>	<b>40%</b>	<b>30%</b>		
A2: The Board has a clear engagement and communication framework which covers all of its stakeholders.	Board Chair	1	0	0	1	0	0	0	3	-
	Chief Executive	1	0	0	0	0	1	0	5	-
	Executive Director	3	0	1	0	1	1	0	4	3
	Non-Exec Director	5	0	0	1	2	2	0	4	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>0</b>	<b>4</b>	<b>3</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>10%</b>	<b>20%</b>	<b>30%</b>	<b>40%</b>	<b>0%</b>		
A3: The Board has effective feedback loops and systems which encourage stakeholders to comment and influence the organisation's performance in delivering person centred, safe and effective healthcare.	Board Chair	1	0	0	1	0	0	0	3	-
	Chief Executive	1	0	0	0	0	0	1	6	-
	Executive Director	3	0	1	0	1	1	0	4	3
	Non-Exec Director	4	0	1	0	2	1	0	4	3
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>2</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>1</b>	<b>4</b>	<b>4</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>22%</b>	<b>11%</b>	<b>33%</b>	<b>22%</b>	<b>11%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 14: Responses to statements relating to the "Engaging with Stakeholders" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
A4: The Board can evidence how it actively engages to consider, discuss and influence national policy developments and potential impacts with stakeholders.	Board Chair	1	0	0	0	0	1	0	5	-
	Chief Executive	1	0	0	0	1	0	0	4	-
	Executive Director	3	0	0	0	1	2	0	5	1
	Non-Exec Director	5	0	1	1	0	3	0	5	3
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>1</b>	<b>1</b>	<b>2</b>	<b>6</b>	<b>0</b>	<b>5</b>	<b>3</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>10%</b>	<b>10%</b>	<b>20%</b>	<b>60%</b>	<b>0%</b>		
A5: The Board is responsive to the needs of its stakeholders, ensuring its plans, priorities and actions are informed by robust and regular discussions.	Board Chair	1	0	0	0	1	0	0	4.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	5	0	0	1	2	1	1	4.0	3
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>1</b>	<b>5.0</b>	<b>3</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>30%</b>	<b>50%</b>	<b>10%</b>		
A6: In defining health needs and influencing priorities, the Board particularly ensures that people who live with long term conditions, health inequalities and /or other life limiting situations are involved.	Board Chair	0	-	-	-	-	-	-	-	-
	Chief Executive	1	0	0	0	1	0	0	4.0	-
	Executive Director	2	0	0	0	0	2	0	5.0	0
	Non-Exec Director	3	0	0	1	2	0	0	4.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>2</b>	<b>0</b>	<b>4.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>17%</b>	<b>50%</b>	<b>33%</b>	<b>0%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 14: Responses to statements relating to the "Engaging with Stakeholders" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
A7: All staff understand the vision, aims and objectives of the organisation and support the Board in delivering commitments to the public they serve.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	1	1	1	5.0	2
	Non-Exec Director	5	0	0	0	0	5	0	5.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>8</b>	<b>1</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>80%</b>	<b>10%</b>		
A8: The Board proactively promotes its identity and reputation in the media and works positively to influence and manage its public image to secure and maintain public confidence in its services.	Board Chair	1	0	0	0	1	0	0	4.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	1	1	1	5.0	2
	Non-Exec Director	5	0	0	0	3	2	0	4.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>1</b>	<b>4.5</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>50%</b>	<b>40%</b>	<b>10%</b>		
A9: Board members actively seek practical opportunities to engage with patients, carers and staff in the system and are generally seen as approachable.	Board Chair	0	-	-	-	-	-	-	-	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	2	1	0	4.0	1
	Non-Exec Director	5	0	0	0	3	2	0	4.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>0</b>	<b>4.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>56%</b>	<b>44%</b>	<b>0%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 15: Responses to statements relating to the "Strategic Intent" domain, by respondent type.**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
B1: The Board has a collective vision underpinned by a set of strategic priorities and objectives that can be evidenced.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	2	3	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>7</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>30%</b>	<b>70%</b>		
B2: The Board's health-related strategic priorities are based upon the evidence-based needs of the communities it serves.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	1	4	0	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>2</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>70%</b>	<b>20%</b>		
B3: Board members actively influence and drive policy and strategy to encourage continuous improvement.	Board Chair	1	0	0	0	1	0	0	4.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	1	2	2	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>5</b>	<b>3</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>20%</b>	<b>50%</b>	<b>30%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

Table 15: Responses to statements relating to the "Strategic Intent" domain, by respondent type (cont.).

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
B4: The Board is clear about its priority to deliver safe, effective person centred care and has the skills, capability and organisational systems to deliver strategic priorities and support the organisation to continually improve.	Board Chair	1	0	0	0	1	0	0	4.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	1	0	2	6.0	2
	Non-Exec Director	5	0	0	0	1	2	2	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>2</b>	<b>5</b>	<b>5.5</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>30%</b>	<b>20%</b>	<b>50%</b>		
B5: The Board regularly reviews its risks and planning contingencies.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	1	4	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
B6: Staff and stakeholders would agree that the Board articulates its strategic priorities clearly and consistently.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	4	0	0	0	2	2	0	4.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>0</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>22%</b>	<b>78%</b>	<b>0%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 15: Responses to statements relating to the "Strategic Intent" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
B7: Every member of the Board can articulate the key challenges facing the organisation.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	0	4	1	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5.5</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>50%</b>	<b>50%</b>		
B8: The Board is confident that strategic priorities are adequately resourced with progress reviewed and refreshed during the course of each planning and performance cycle.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	5	0	0	0	1	4	0	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>2</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>70%</b>	<b>20%</b>		
B9: The Board discusses and makes decisions about areas for investment and disinvestment and implements these.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	5	0	0	0	1	2	2	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>6</b>	<b>3</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>60%</b>	<b>30%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 15: Responses to statements relating to the "Strategic Intent" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range	
B10: Stakeholders would describe the Boards strategic plan as being clear, innovative, ambitious and meeting the needs of its communities in a sustainable way.	Board Chair	1	0	0	0	1	0	0	4.0	-	
	Chief Executive	1	0	0	0	0	1	0	5.0	-	
	Executive Director	3	0	0	0	0	3	0	5.0	0	
	Non-Exec Director	4	0	0	0	0	3	1	5.0	1	
	Director Other	0	-	-	-	-	-	-	-	-	
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-	
	Local Authority Member	0	-	-	-	-	-	-	-	-	
	<b>Overall</b>		<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>1</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>			<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>11%</b>	<b>78%</b>	<b>11%</b>		



## Appendix A: Full Breakdown of Responses (cont.)

**Table 16: Responses to statements relating to the "Holding to Account" domain, by respondent type.**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
C1: The Board receives sufficient high quality information to enable the Board to make effective decisions, assess risks and hold Directors to account for the organisation's performance.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	0	4	1	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>4</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>60%</b>	<b>40%</b>		
C2: Board members are skilled and confident in reviewing and challenging a range of data including improvement data.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	4	1	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5.5</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>50%</b>	<b>50%</b>		
C3: The Board provides constructive challenge and advice to define and agree clear improvement targets.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	0	3	2	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>6</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>40%</b>	<b>60%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 16: Responses to statements relating to the "Holding to Account" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
C4: Board decision making processes are robust, ethical and evidence based recognising, where appropriate, social diversity and cultural needs.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	0	3	2	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5.5</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>50%</b>	<b>50%</b>		
C5: The Board has clear sight of current financial performance and is able to make adjustment to medium and long term projections.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	1	4	0	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>7</b>	<b>2</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>70%</b>	<b>20%</b>		
C6: The Board has a regular and active process to develop and review plans for medium to long term investment choices.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>3</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>67%</b>	<b>33%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 16: Responses to statements relating to the "Holding to Account" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
C7: The Board collectively and regularly reviews its governance system and associated leadership arrangements to ensure these are robust and fit for purpose.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	4	0	0	0	0	0	4	6.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>22%</b>	<b>78%</b>		
C8: The Board regularly and formally reviews progress towards the achievement of the organisation's strategic priorities.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	1	2	2	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>6.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>30%</b>	<b>60%</b>		
C9: The agenda for Board meetings clearly reflects the organisation's priorities and places emphasis on person centredness, safety, effectiveness and productivity.	Board Chair	0	-	-	-	-	-	-	-	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	1	2	2	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>5</b>	<b>6.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>11%</b>	<b>33%</b>	<b>56%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 16: Responses to statements relating to the "Holding to Account" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
C10: The remit and agendas of the Board's standing committees clearly reflect the Board's objectives.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	0	3	2	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>6</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>40%</b>	<b>60%</b>		
C11: The Board can publicly evidence the justification for difficult decisions.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	4	0	0	0	0	1	3	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>44%</b>	<b>56%</b>		
C12: The Board routinely and collectively reviews its effectiveness as a Board, including its governance arrangements.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 17: Responses to statements relating to the "Board Dynamics" domain, by respondent type.**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
D1: Sufficient time is spent clarifying the Board's understanding of issues and openly discussing/debating the information presented before reaching a clear decision.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	0	2	3	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>6</b>	<b>4</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>60%</b>	<b>40%</b>		
D2: Board members consistently uphold the principle of collective and corporate responsibility for all Board decisions and their execution.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	5	0	0	0	0	2	3	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>6</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>40%</b>	<b>60%</b>		
D3: All Board members are clear about their role and accountability and how this is delivered in line with the Board Members' Code of Conduct.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>5</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>44%</b>	<b>56%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

Table 17: Responses to statements relating to the "Board Dynamics" domain, by respondent type (cont.).

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
D4: Executives and Non-Executives work effectively together respecting role boundaries and promoting organisational values.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	3	0	5.0	0
	Non-Exec Director	5	0	0	0	0	3	2	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>3</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>70%</b>	<b>30%</b>		
D5: Non-Executive Directors recognise the need for, and are skilled in, asking questions and challenging to ensure good governance.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	4	1	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>5</b>	<b>5.5</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>50%</b>	<b>50%</b>		
D6: Directors go beyond their respective functional specialisms to adopt a broad role as corporate directors.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	4	0	0	0	0	4	0	5.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>5</b>	<b>4</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>56%</b>	<b>44%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 17: Responses to statements relating to the "Board Dynamics" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
D7: Board members are able to express their opinions openly and challenge constructively.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	1	4	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
D8: Board members have had an effective role related local and national induction.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	1	0	0	4.0	-
	Executive Director	2	0	0	0	0	2	0	5.0	0
	Non-Exec Director	4	0	0	0	1	3	0	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>6</b>	<b>0</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>25%</b>	<b>75%</b>	<b>0%</b>		
D9: The Chair appraises all Board members on their contribution and ensures development plans are in place and supported.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	2	0	0	0	0	0	2	6.0	0
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>8</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>5</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>38%</b>	<b>63%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 17: Responses to statements relating to the "Board Dynamics" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
D10: Stakeholders would agree that Board Members behave in a way consistent with the values of the NHS.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>22%</b>	<b>78%</b>		
D11: The Board regularly evaluates the impact of its improvements and shares the learning with others.	Board Chair	1	0	0	0	0	0	1	6.0	-
	Chief Executive	1	0	0	0	1	0	0	4.0	-
	Executive Director	3	0	0	0	1	2	0	5.0	1
	Non-Exec Director	4	0	0	0	1	2	1	5.0	2
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>4</b>	<b>2</b>	<b>5.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>33%</b>	<b>44%</b>	<b>22%</b>		
D12: The culture within the Board could be described as a learning culture.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	1	1	1	5.0	2
	Non-Exec Director	5	0	0	0	0	1	4	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>3</b>	<b>6</b>	<b>6.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>30%</b>	<b>60%</b>		



## Appendix A: Full Breakdown of Responses (cont.)

**Table 18: Responses to statements relating to the "Board Leadership" domain, by respondent type.**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
E1: The Chair has a significant positive impact on the performance of the Board.	Board Chair	0	-	-	-	-	-	-	-	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	0	5	6.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>9</b>	<b>6.0</b>	<b>0</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>100%</b>		
E2: The Chair and the Chief Executive work effectively together and respect one another's roles.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	1	4	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>20%</b>	<b>80%</b>		
E3: The Chair sets the agenda for effective, well managed meetings that maintain the Board's focus on strategy and performance.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	1	4	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>20%</b>	<b>80%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 18: Responses to statements relating to the "Board Leadership" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
E4: The Chair sets the style and tone of the Board discussions to promote constructive debate and effective decision making.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	1	2	6.0	1
	Non-Exec Director	5	0	0	0	0	0	5	6.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>8</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>20%</b>	<b>80%</b>		
E5: The Chair consistently models the behaviours expected of others in the Board and wider organisation.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	0	5	6.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>10</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>9</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>10%</b>	<b>90%</b>		
E6: The Chair is visible within the organisation and is regarded as approachable by staff, patients and the public.	Board Chair	1	0	0	0	1	0	0	4.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	4	0	0	0	0	0	4	6.0	0
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1</b>	<b>0</b>	<b>8</b>	<b>6.0</b>	<b>2</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>11%</b>	<b>0%</b>	<b>89%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 18: Responses to statements relating to the "Board Leadership" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
E7: The Chair is active, well respected by other Boards, stakeholders and partner organisations.	Board Chair	0	-	-	-	-	-	-	-	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	5	0	0	0	0	2	3	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>2</b>	<b>7</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>22%</b>	<b>78%</b>		
E8: The Chair is regularly appraised against clear objectives and is open to making changes to how he/she behaves in the light of feedback from others.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	1	0	0	0	0	1	0	5.0	0
	Non-Exec Director	3	0	0	0	0	1	2	6.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>6</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4</b>	<b>2</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>67%</b>	<b>33%</b>		
E9: The Chair works continuously to improve the performance of the Board, leading on the work necessary to encourage team working.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	0	1	6.0	-
	Executive Director	3	0	0	0	0	0	3	6.0	0
	Non-Exec Director	4	0	0	0	0	2	2	5.5	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>3</b>	<b>6</b>	<b>6.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>33%</b>	<b>67%</b>		

## Appendix A: Full Breakdown of Responses (cont.)

**Table 18: Responses to statements relating to the "Board Leadership" domain, by respondent type (cont.).**

Statement	Respondent Type	Total Respondents	(1) Strongly disagree	(2) Disagree	(3) Slightly disagree	(4) Slightly agree	(5) Agree	(6) Strongly agree	Median Score	Range
E10: The Board has a programme of development in place and this is reviewed regularly.	Board Chair	1	0	0	0	0	1	0	5.0	-
	Chief Executive	1	0	0	0	0	1	0	5.0	-
	Executive Director	3	0	0	0	0	2	1	5.0	1
	Non-Exec Director	4	0	0	0	0	3	1	5.0	1
	Director Other	0	-	-	-	-	-	-	-	-
	Non-Exec Stakeholder	0	-	-	-	-	-	-	-	-
	Local Authority Member	0	-	-	-	-	-	-	-	-
	<b>Overall</b>	<b>9</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>7</b>	<b>2</b>	<b>5.0</b>	<b>1</b>
	<b>Overall (%)</b>		<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>0%</b>	<b>78%</b>	<b>22%</b>		

## Appendix B: Notes to Aid Interpretation

The results for the assessment are presented in a number of structured formats within this report. The notes below describe how to interpret these results.

### (1) Consolidated Domain Ranking

Board members were asked to rank the five domains, relative to one another, in terms of the level of development required by the Board (1 = "Most development required", 5 = "Least development required"). A table showing the results of this exercise for this Board is presented. The following information is given within this table:

**Domain:** the name of the domain being ranked.

**Total Responses:** the total number of respondents within this Board who ranked this domain.

**Response (%):** the percentage of respondents within this Board who selected each ranking option in relation to the domain. Ranking options are shown on a coloured five-point scale between 1 (most development; red) and 5 (least development; dark blue). Note that results have been rounded to the nearest whole percentage and this occasionally results in the sum of the percentages not adding up to exactly 100%.

**Median Rank:** a summary score indicating the "mid-point" ranking for this domain within this Board. To calculate the median rank all rankings are listed in numerical order; the median rank is the middle ranking within that list, with half the rankings lying above the median and half below. Where there are an even number of rankings in the list, the median rank is calculated by taking the arithmetic mean of the two middle ranks. In the NHS Scotland Board Diagnostic Tool the five ranking options were assigned values between 1 and 5 (most development = 1; least development = 5); therefore, the lower the median rank the more development respondents indicated is required for this domain within this Board.

Note that the domains within this table have been ordered from the lowest median rank to the highest median rank. Where two domains returned the same median rank the domains have been further ordered from the highest percentage of "most development" responses to the lowest percentage of "most development" responses.

### (2) Statements with Highest / Lowest Median Response

Summary tables listing the statements that drew the highest / lowest median response, across all the domains, are presented. Where two statements returned the same median score, the highest / lowest percent positive result and the strength of that positive result have been used to further select the statements that were most / least positive. The following information is given within these tables:

**Domain:** the domain that the statement relates to.

**Statement:** the statement that the response relates to.

**Median Score:** a summary score indicating the "mid-point" response to this statement by respondents within this Board. To calculate the median score all responses are listed in numerical order; the median score is the middle value within that list, with half the responses equal to or above the median and half equal to or below the median. Where there are an even number of responses in the list, the median score is calculated by taking the arithmetic mean of the two middle values. In the NHS Scotland Board Diagnostic Tool the six response options were assigned values between 1 and 6 (strongly disagree = 1; disagree = 2; slightly disagree = 3; slightly agree = 4; agree = 5; strongly agree = 6); therefore, the higher the median score the stronger the agreement with the statement.

**% Positive:** the percent positive result; defined as the total percentage of respondents who responded positively to this statement within this Board (% strongly agree + % agree + % slightly agree).

## Appendix B: Notes to Aid Interpretation (cont.)

### (3) Overall Response to Statements

For each of the five domains within the assessment, a table showing the response to each statement within that domain is presented. The purpose of these tables is to show the balance and strength of positive / negative response to each statement and the variation in response across the Board. The following information is given within these tables:

**Statement:** the statement that the response relates to.

**N Responses:** the total number of respondents within this Board who provided a valid response to the statement. Note that "Cannot say" responders have been excluded.

**Response (%):** the percentage of respondents within this Board who selected each response option in relation to the statement. Response options are shown on a coloured six-point scale between 1 (strongly disagree; red) and 6 (strongly agree; dark blue). Blue sections of the scale represent responses that are positive, whereas red/orange/yellow sections represent responses that are negative. Note that results have been rounded to the nearest whole percentage and this occasionally results in the sum of the percentages not adding up to exactly 100%.

**Median Score:** a summary score indicating the "mid-point" response to this statement by respondents within this Board. For an explanation of how the median score is calculated, please see above. In the NHS Scotland Board Diagnostic Tool the six response options were assigned values between 1 and 6 (strongly disagree = 1; disagree = 2; slightly disagree = 3; slightly agree = 4; agree = 5; strongly agree = 6); therefore, the higher the median score the stronger the agreement with the statement.

**Diff. previous survey (Med):** the difference between this Board's median score and the median score in a previous assessment. For example, a difference of -1.0 indicates that the median score for this Board is 1 point lower than the equivalent score for the Board in the previous assessment.

**% Positive:** the percent positive result; defined as the total percentage of respondents who responded positively to this statement within this Board (% strongly agree + % agree + % slightly agree).

**Diff. previous S. Agree/Agree (%):** the difference between this Board's percent positive result and the percent positive result in a previous assessment. For example, a difference of +1% indicates that the percent positive result for this Board is 1 percentage point higher than the equivalent result for the Board in the previous assessment.

Note that the statements within these tables have been ordered from the lowest median score to the highest median score. Where two statements returned the same median score the statements have been further ordered from the lowest percent positive result to the highest percent positive result.

### (4) Median Scores by Respondent Type

For each of the five domains, a table showing the median score for each statement by respondent type is presented. The purpose of these tables is to highlight any differences in response patterns amongst the various respondent types. The number of respondents within each respondent type group is shown in brackets below the name of the group (e.g. N=5).

Each median score is accompanied by a coloured column that helps to indicate how positive / negative the score is; the higher the score / taller the column the more positive the median score. Blue columns represent median scores at the positive end of the scale; Red/orange/yellow columns represent median scores at the negative end of the scale. In both cases, the stronger the colour, the stronger the strength of the response. For an explanation of how the median score is calculated, please see above.

Median scores can be difficult to interpret in isolation. For example a score of 3.5 could indicate consistent responses around slight agreement / slight disagreement, or it could be generated from a mixture of strong opinions in either direction. To aid interpretation, a thin grey bar showing the spread of values around the median score is also shown; the top of the bar indicates the highest score that was recorded for the statement by a respondent(s) within this group, whereas the bottom of the bar indicates the lowest score recorded for the statement by a respondent(s) within this group; the longer the bar the greater the spread of responses. For respondent type groups with only one respondent (e.g. Board Chair, Chief Executive) no grey bar is shown.

Note that the statements within these tables have been ordered from the lowest median score to the highest median score. Where two statements returned the same median score the statements have been further ordered from the lowest percent positive result to the highest percent positive result.

## Appendix B: Notes to Aid Interpretation (cont.)

### (5) Further Comments

For each of the five domains, Board members were invited to provide further comments by answering a list of open questions. The comments that were made by respondents within this Board have been reported verbatim. Responses to these questions have not been altered or classified in any way; they are simply listed under each related question.

### (6) Appendix A: Full Breakdown of Responses

Appendix A presents a full breakdown of the responses that were received for each statement within each domain by respondent type. The following information is given within these tables:

**Statement:** the statement that the response relates to.

**Respondent Type:** the type of respondent who gave the response (e.g. Board Chair, Executive Director).

**Total Responses:** the total number of respondents within this respondent type group / NHS Board who provided a valid response to the statement. Note that "Cannot say" responders have been excluded.

**(1) Strongly disagree; (2) Disagree; (3) Slightly disagree; (4) Slightly agree; (5) Agree; (6) Strongly agree:** the total number of respondents within this respondent type group / NHS Board who selected each response option in relation to the statement.

**Median Score:** a summary score indicating the "mid-point" response to this statement by respondents within this respondent type group / NHS Board. To calculate the median score all responses are listed in numerical order; the median score is the middle value within that list. Where there are an even number of responses in the list, the median score is calculated by taking the arithmetic mean of the two middle values. In the NHS Scotland Board Diagnostic Tool the six response options were assigned values between 1 and 6 (strongly disagree = 1; disagree = 2; slightly disagree = 3; slightly agree = 4; agree = 5; strongly agree = 6); therefore, the higher the median score the stronger the agreement with the statement.

**Range:** the numerical difference between the highest score that was recorded by a respondent(s) within this group and the lowest score recorded by a respondent(s) within this group. The larger the range, the greater the spread of responses. For respondent type groups with only one respondent (e.g. Board Chair, Chief Executive) the range is not reported.

**Note:** the symbol "-" denotes cases where there is no value to display (for example, where no response was given to a particular question or by a particular respondent type).

## APPENDIX C

CORPORATE GOVERNANCE BLUEPRINT	Sub-set			Action	Responsible	Additional Comments
Non-Execs need enough understanding of what NSS does to enable meaningful discussions with their own networks/peers.				Stakeholder engagement - links with other Boards/EMTs		
Do the Board influence culture enough - need the right kind of conversations at the board meetings						
	Define our culture?				Kirstie Brady	
	How we react					
	How we discuss					
	How we focus					
	How do we measure (culture)			Cause/Effect i.e. Sickness absence/staff engagement	Jacqui Jones	
	Inquisitive Piece/Focus Piece					
How does change happen in NS?						
	Board understanding of this			Possible item for next development session?	Mary M/Jacqui J?	
	Cause and effect info.					
How do we answer the points above?						
What would inform these answers?	What reporting etc			Review of forward programmes to ensure most appropriate data is being provided i.e. Timings or reports etc	Karen Nicholls with Exec Leads	
Understanding our stakeholders						
	Attend other Boards meetings?			Explore Further	Matthew Neilson	
	Attend other Boards annual reviews?			Explore Further	Matthew Neilson	
Clear close off of previous year's Board Action Plan				Review and sign off of completed actions at June and November Board meetings. Board Sec to add to forward programme	Karen Nicholls	
Update/change Non-Execs induction Programme				Part of a national initiative being overseen by Sharon Millar, NES	Karen Nicholls	Board Secretary's group involved in updating the Induction programme.
	Meet staff?			Possibility of 'Non-Exec Video Blog' to be discussed with comms.	Karen Nicholls/Matthew Neilson	
	IG Opportunities					
	How would you consider other areas?			Finance		
				Venues		
				SBU's		
Skill Sets						
	Review skill sets in terms of new strategic direction and objectives			Update Skills Gap Matrix		
We are a learning organisation						
	Continuous improvement including Board			Board members training and development programme	Kirstie Brady/Karen Nicholls	
Relationships	Across the whole Board			Relationships between Exec leads and Committee Chairs	ALL	Board Secretary to reinstate 1-1 meetings. In progress as at 15.3.19
Time	allow time in meetings for more Board engagement			Also came across from the Data Flow discussions.		
Focus on HOW the Board works				Send article from JFD to Board	Karen Nicholls	



FLOW OF DATA IN NSS	Sub-set		Action	Responsible	Additional Comments
Systems					
	What systems do we have now		Further work with the IT Business Intelligence Team		
	What is coming in the near future		Use of dashboards etc. See above.		
Types of information					
	What do we need to talk about		Review of forward programmes and more detailed overarching programme of work for Board and sub-committees		
	How do we receive the information		See item 2.1.1		
What conversations should we be having as a Board?					
	Front cover review?		Update/review front cover - IN PROGRESS	Karen Nicholls	
Take time					
	Ensure there is time in the agenda for the Board to actually challenge/reflect		Look at agendas/timings	Board Team	Board Team meeting 21.3.19 to begin this process
	"Did we meet our objectives for this Board/Sub-Committee meeting?"		Look at agendas/timings	Board Team	Board Team meeting 21.3.19 to begin this process
	Stand back at look at what information is actually needed to provide assurance to the Board		Look at agendas/timings. This will also be reviewed as part of the Governance Blueprint where we are looking at synergies across all Boards to make sure the most appropriate and accurate information is being received/produced at the right times.	Board Team	Board Team meeting 21.3.19 to begin this process
How we present information					
	Summary points for Committee should look at the "10 Questions" which come from the TORs		Look at agendas/timings	Board Team/Exec Leads/Sub Committee Chairs	
			Detailed information to be provided via Tableau with two page update/guidance/additions/exceptions to Board prior to the meeting.	Board Team/Exec Leads/Sub Committee Chairs	
	Provide and exec summary and guide to what the committee is being asked to do		Update/review front cover	Karen Nicholls	
	Information tailored to audience/requirements		Update/review front cover	Karen Nicholls	
	Automate information where possible to free up time to have the 'so what' conversations.		Summary points for Committee should look at the "10 Questions" which come from the TORs		
			Update/review front cover		
	Timeliness of data/information/papers		Review of when NSS reporting times are then co-ordinate with meetings schedule.	Karen Nicholls	Board Team meeting 21.3.19 to begin this process
	Report by exception		Detailed information to be provided via Tableau with two page update/guidance/additions/exceptions to Board prior to the meeting.		
Consider provision of just one report					
	This would include Finance/Risk/Feedback/HR etc to provide the BIG PICTURE		EMT to discuss possibilities - KN to add to future meeting of EMT	Karen Nicholls	
	Be in the shoes of the person you are writing the report for		Possible article for Pulse? A day in the life of style?	Sub-Committee Chairs/Matthew Neilson/Board Team	
Relationship between Sub-Committee Chair and relevant Exec Lead	Set-up meetings between Sub-Com Chair, Exec Lead and Board Secretary		Meeting dates to be set up now.	Karen Nicholls	In progress as at 15.3.19

The Functions	Ref	Where does the key responsibility sit for this?	What are we doing well?	What are we doing less well?	How could we improve?
<b>F1 - Setting the direction</b>					
Provide leadership, support and guidance to the organisation, including determining the organisation's purpose and ambition	F1.1				
Approve the strategies and plans to deliver the policies and the priorities of the Cabinet Secretary for Health and Sport and the Scottish Government	F1.2				
Agree aims, objectives, standards and targets for service delivery in line with the Scottish Government's priorities	F1.3				
<b>F2 - Holding to Account</b>					
Monitor, scrutinise, challenge and then, if satisfied, support the Executive Leadership Team's management of the organisation's activities, in order to ensure that the organisation's aims, objectives, performance standards and targets are met.	F2.1				
Safeguard and account for public money to ensure resources are	F2.2				

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used in accordance with Best Value principles					
Ensure compliance with the requirements of relevant regulations or regulators	F2.3				
Ensure the application and implementation of fair and equitable systems of performance management for the Executive Leadership Team. Ensure continuous improvement is embedded in all aspects of service delivery, identifying system failures and receiving assurances of remediation action.	F2.4 F2.5				
<b>F3 - Assessing Risk</b>					
Agree the organisation's risk appetite Approve risk management strategies and ensure they are communicated to the organisation's staff	F3.1 F3.2				
Identify current and future corporate, clinical, legislative, financial and reputational risks Oversee an effective risk management system that assesses level of risk, identifies mitigation and provides assurance that risk is being effectively treated, tolerated or eliminated.	F3.3 F3.4				

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<b>F4 - Stakeholder Engagement</b>					
Involvement of stakeholders in the development of policies and the setting of priorities	F4.1				
Take into account the views of stakeholders when designing services. Ensure priorities are clear, well communicated and understood by all stakeholders, including staff, service users and the general public	F4.2				
	F3.7				
Establish and maintain public confidence in the organisation as a public body Report on stewardship and performance and publish an Annual Report and Accounts Contribute to the development of Scottish Government policies	F3.8				
	F3.9				
	F3.10				
<b>F5 - Influencing Culture</b>					
Determine and promote shared values that underpin policy and behaviours throughout the organisation Demonstrate the organisation's values and exemplify effective governance through Board Members'	F5.1				
	F5.2				

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<p>individual behaviours.</p> <p>Develop a cultural blueprint consistent with the organisation’s purpose and ambition that describes an organisation where:</p> <ul style="list-style-type: none"> <li>• People are treated fairly, with respect and valued for their individual differences</li> <li>• People are clear about their objectives and are sufficiently challenged</li> <li>• People have an input into how they deliver their responsibilities and are involved in relevant decisions that affect their work.</li> <li>• People are well informed and get the right information, at the right time, delivered in the right way.</li> <li>• People receive the right training at the right time.</li> </ul>	<p>F5.3</p> <p><input type="checkbox"/> F <input type="checkbox"/> <input type="checkbox"/></p> <p>F5.5</p> <p>F5.6</p> <p>F5.7</p> <p>F5.8</p>				
<p>Encourage a leadership approach where:</p> <ul style="list-style-type: none"> <li>• Leaders are sufficiently visible and give a clear sense of purpose and ambition</li> <li>• Leaders help people understand how they contribute to achieving the Board’s</li> </ul>	<p>F5.8</p> <p>F5.10</p> <p>F5.11</p>				

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<p>purpose and ambition.</p> <ul style="list-style-type: none"> <li>• Leaders recognise good performance and deal with poor performance.</li> <li>• Leaders encourage people to challenge and look for ways to improve performance.</li> <li>• Leaders help people identify and make the best use of development and career opportunities.</li> </ul>	F5.12				
	F5.13				
	F5.14				
<p><b>F6 - Providing Support: Assurance Information Systems</b></p>					
<p>Assurance information/systems provide relevant, accurate, timely information on:</p> <ul style="list-style-type: none"> <li>• Performance management</li> <li>• Quality management</li> <li>• Financial management</li> <li>• Human Resources management</li> <li>• Change management</li> <li>• Risk management</li> <li>• Information management</li> </ul>	F6.1				
<p>Benchmarking the</p>	F6.2				<p>In progress 10.1.19</p>

organisation/s  
performance against  
those of similar  
organisations?

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DRAFT

**Meeting:** NSS Finance, Procurement and Performance Committee Wednesday,  
5<sup>th</sup> September 2018

**Paper Number:** *(will be added by Committee Services)*

**Title of Paper:** Review of NSS Activity against Scottish Government Best Value Guidance

**Paper Type:** The purpose of this paper is to give the biennial update on progress against the Best Value Guidance for Accountable Officers since the last summarised review in October 16 and from a full review in 2013.

**Decisions Required:**

The paper is for information.

**Analysis:**

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## 1. Introduction

This paper builds upon previous formal reviews against Best Value guidance, which took place in October 2013, 2015 and in 2016. Rather than repeating a full blown review, this paper provides a further update on major changes in the position since 2016.

### Overview

Across the 5 key themes within the Best Value Assessment, all are graded green. This level of performance is as expected and remains in line with the previous report. The 5 themes are:

- Vision and leadership
- Effective partnerships
- Governance and accountability
- Use of resources and
- Performance management.

There are 2 cross cutting themes, 'Equality' and 'Sustainability,' which are also graded green.

This paper gives examples of performance within each area and highlighting changes since the last report. In summary, NSS has built upon work previously shown to demonstrate our performance against the Best Value standards.

### Results

Theme	RAG
Vision and leadership	Green
Effective partnerships	Green
Governance and accountability	Green
Use of resources	Green
Performance management	Green
Equality	Green
Sustainability	Green

### Examples of Achievement

#### Vision and Leadership

The achievements outlined in the previous report still stand, i.e.:

- NSS has a clear strategic plan with objectives, reviewed on a regular basis by our Board and SBUs through our annual Strategic Planning / Resource Allocation process. Our strategic planning and resource allocation / budgeting process is mature and assured for quality as evidenced by the KPMG Audit findings (Aug 16) and Audit Scotland Report (Jun 18). Work is ongoing to develop a 2 to 5 year strategy as we now review the strategic direction of NSS, particularly given financial challenges ahead and the planned move of PHI to Public Health Scotland.
- Performance relates to strategy and is managed at all levels in the organisation from individual performance reviews to strategic performance management at Board level. Performance is reported to our Scottish Government Sponsor quarterly and to various stakeholder groups, including the public, through our Annual Review. There is also more routine accountability through various pan-NHSScotland operational groups.
- We have a systematic risk management process which has been benchmarked in the top quartile of wider public bodies across Scotland. We also review our risk appetite on an

annual basis. The Board regularly review those risks identified as being strategic and the EMT review monthly the corporate risks across the organisation.

One area highlighted within the standards is that leaders and managers should have a vision of how Best Value contributes to achieving effective outcomes for the organisation and that this is communicated clearly.

- We communicate our outcomes in terms of Health, Financial and Environmental Impact. These were used for example in our public Annual Reviews to explain our achievements. Our New and Improved Services (NISE) tool will link with our Decision Support Tool to identify performance indicators to measure benefits of newly introduced or improved services.

### **Effective Partnerships**

- Each SBU identifies customer needs within the strategic planning process.
- Our Customer Engagement and Development Directorate (CEAD) support a structured approach, ensuring the organisation continuously improves its management of customer engagement. We measure our engagement in terms of satisfaction and net promoter scores.
- There is ongoing working with public bodies outside of health and we maintain and develop a number of partnerships where we can support public bodies.
- Stakeholders are involved through a range of meetings, project and programme Boards where outcomes are identified and progress is monitored and reported.
- Regular reports on customer engagement activities are provided to EMT.

### **Governance and Accountability**

- Our Operational Delivery Plan, agreed with SG and wider stakeholders, sets out the targets and milestones associated incorporated into our corporate 5-year plan.
- We have held successful public Annual Reviews with positive feedback from customers, partners and the public.
- NSS worked with the Scottish Public Services Ombudsman, Scottish Government and NHS Boards to deliver the new Model Complaints Handling Procedure for the NHS in Scotland. This is successfully implemented across NSS.
- There was one area of weakness related to the management of the SG eHealth portfolio. Internal and external audits were conducted to ensure all lessons that could be learnt were captured and an action plan has been put in place to ensure these lessons are delivered. This issue while serious was addressed appropriately and in a timely manner, hence there is no associated reduction in the grading of this measure.

### **Use of Resources**

- We have agreed that all new and improved service developments go through the agreed, electronic New and Improved Services (NISE) process before being considered as a business case, therefore all considerations are treated in the same manner. We are reviewing this system to ascertain improvements and link with the Decision Support Tool to generate performance information aligned to benefits.
- The annual planning /resource allocation process is being reviewed in light of the review of 2 – 5 year planning mentioned above to ensure that planning remains genuinely strategic.

- An Information Governance Strategy has been developed setting out our future approach to improving information governance and an Information Asset Register is in place.

### **Performance Management**

- A wide range of performance measures are incorporated in the Decision Support Tool at corporate, SBU and lower levels.
- Measures are discussed and performance managed at Executive Management Team and senior management teams, project groups and stakeholder meetings.
- Regular reports are provided on performance and risk to enable informed decision making.

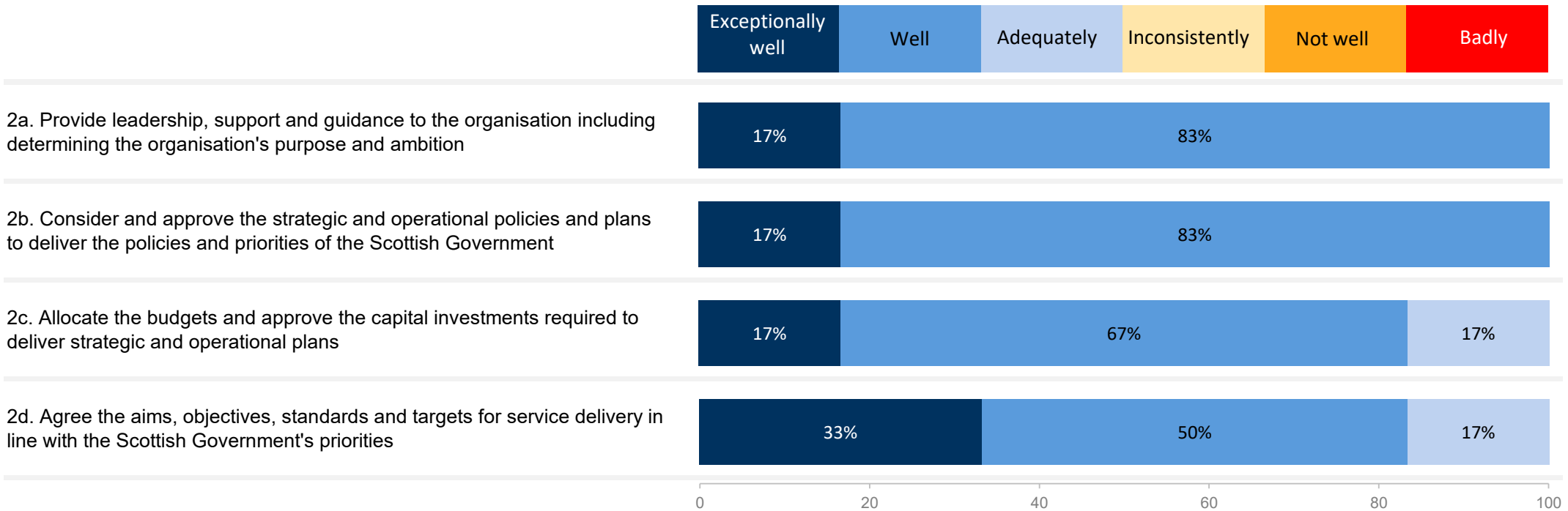
### **Equality**

- All HR policies clearly define a commitment to equal opportunities.
- The Equality and Diversity Leads produce a monthly Equality newsletter for staff. This group shares good practice; provides guidance to the business and promotes equality, diversity and inclusion. A disAbility network is in place offering support to staff with a disability .NSS has received the status of Disability Confident employer, which means we are committed to supporting our staff, whether they become disabled throughout their working life or are new recruits to NSS. A LGBTI+ group is in place which offers support to staff. Online equality and diversity training is mandatory for all staff.
- We are reviewing what actions we need to take for people who use British Sign Language and in line with the national British Sign Language Plan.

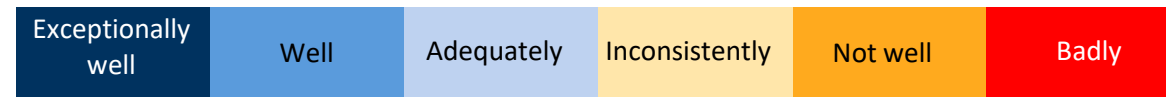
### **Sustainability**

The Finance, Procurement and Performance Committee are updated on a regular basis with separate papers on Sustainability. This paper will therefore not go into any detail on that area. The Sustainability Strategy and associated work programmes are ongoing with responsible officers for implementation identified. The work is overseen by a Sustainability Governance Board. We are on track to meet our targets for Good Corporate Citizenship.

Section 2: Setting the Direction - How well do we do this currently?



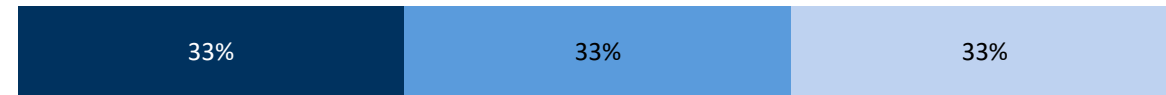
Section 3: Holding to Account - How well do we do this currently?



3a. Non Executive Directors are able to monitor, scrutinise, challenge and then, if satisfied support the Executive Leadership Team's day-to-day management of the organisation's activities.



3b. Safeguard and account for public money to ensure resources are used in accordance with Best Value principles.



3c. Ensure compliance with the requirements of relevant regulations or regulators.



3d. Ensure oversight of the application and implementation of fair and equitable systems of pay and performance management, including determining the pay arrangements for the Executive Leadership Team.



3e. Ensure continuous improvement is embedded in all aspects of service delivery.



Section 4: Assessing Risk - How well do we do this currently?



4a. Consider and agree the organisation's risk tolerance.



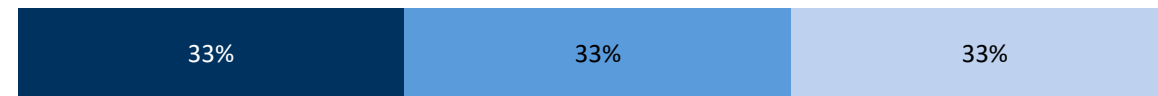
4b. Consider and approve risk management strategies and ensure they are communicated to the organisation's staff.



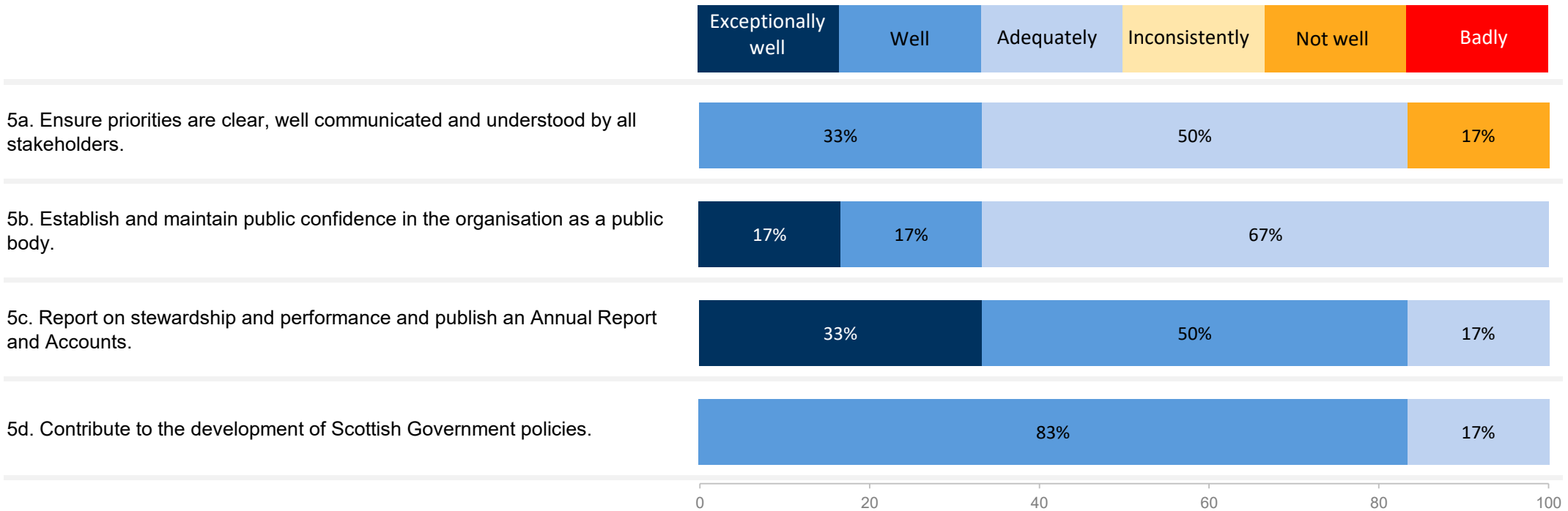
4c. Identify current and future corporate, clinical, legislative, financial and reputational risks.



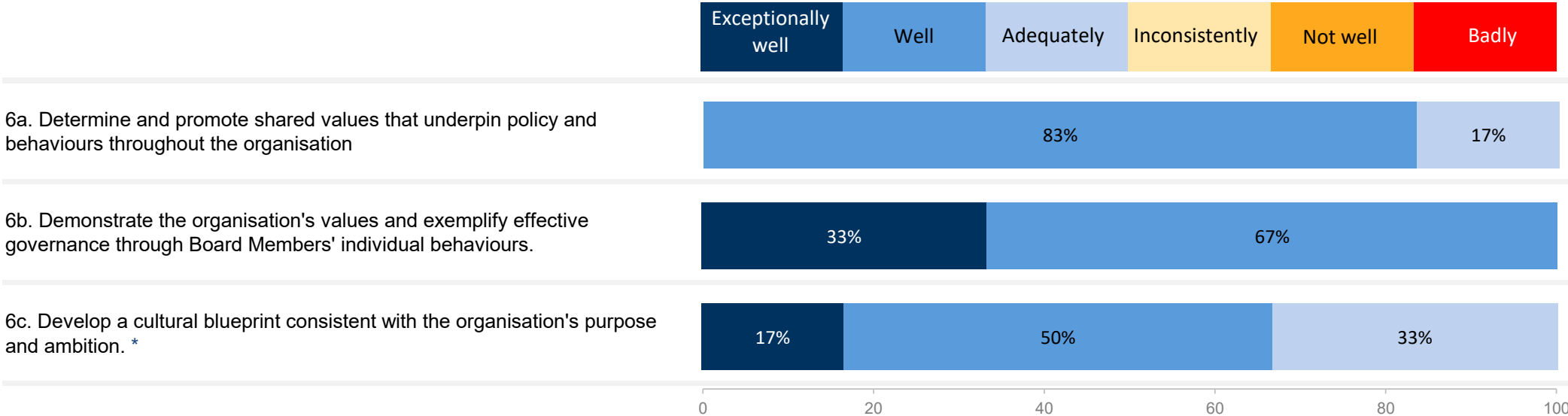
4d. Oversee an effective risk management system that assesses level of risk, identifies mitigation and provides assurance that risk is being considered effectively.



Section 5: Engaging Stakeholders - How well do we do this currently?



Section 6: Influencing Culture - How well do we do this currently?



\* Full Text: 6c. Develop a cultural blueprint consistent with the organisation's purpose and ambition (e.g. visible and supportive leadership, creating the right environment and working practices such as open and transparent decision making, empowering staff and supporting a psychologically safe environment).



Please select a survey section:

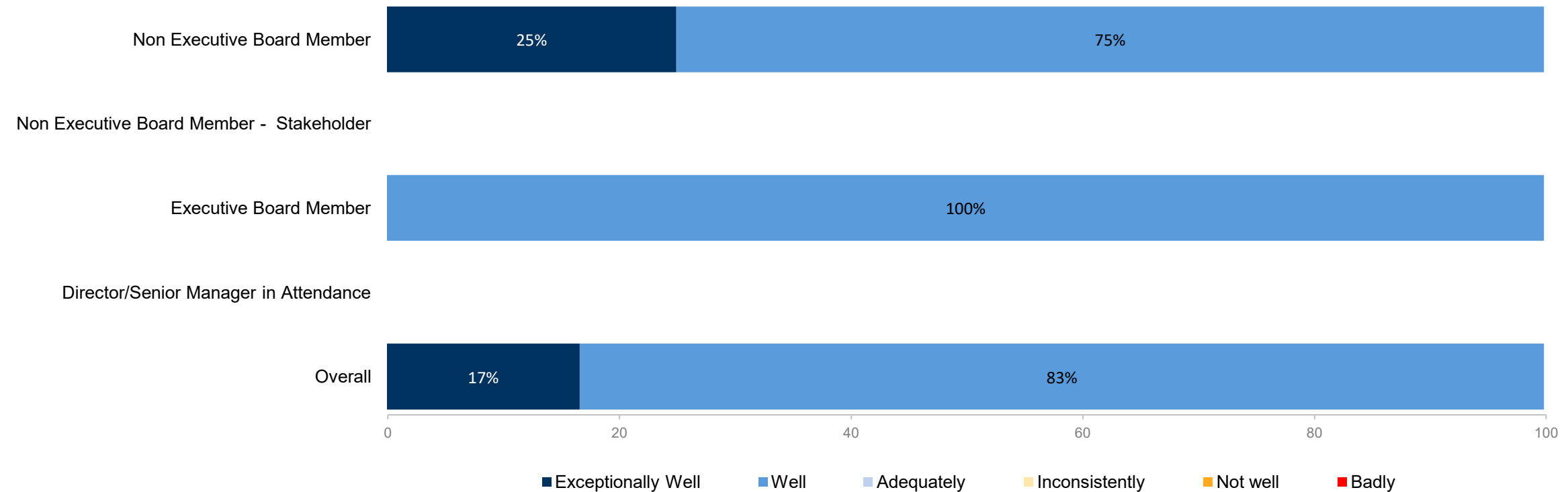
Section 2: Setting the Direction - How well do we do this currently?

Please select a question:

2a. Provide leadership, support and guidance to the organisation including determining the organisation's purpose and ambition

	Response	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly	
		N	%	N	%	N	%	N	%	N	%	N	%
2a. Provide leadership, support and guidance to the organisation including determining the organisation's purpose and ambition	Non Executive Board Member	1	25	3	75	0	0	0	0	0	0	0	0
	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0
	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0
	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0
	<b>Overall</b>	<b>1</b>	<b>17</b>	<b>5</b>	<b>83</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

2a. Provide leadership, support and guidance to the organisation including determining the organisation's purpose and ambition



## APPENDIX F

### Blueprint for Good Governance

Note: All free-text comments have been reported verbatim.

#### Q7: Your Views - What 3 areas of governance are working well in our Board?

Q7a	Culture
Q7a	Challenge
Q7a	Board and committee organisation, including accuracy of minutes
Q7a	Risk management
Q7a	Performance Management
Q7a	setting direction, esp around finances/ capital investment, performance and targets
Q7b	Risk
Q7b	Holding to account
Q7b	Risk management
Q7b	Strategic review
Q7b	Strategy Development
Q7b	holding to account in generally done well, in particular around regulatory compliance
Q7c	Service
Q7c	Devolved leadership
Q7c	Ensuring issues/risks are considered across the different agendas and not silo based
Q7c	Operational performance review
Q7c	Committee Governance
Q7c	influencing culture

## Blueprint for Good Governance

Note: All free-text comments have been reported verbatim.

### Q8: Your Views - What areas of governance need improvement?

Q8	Stakeholder.... Best value across whole organisation
Q8	Getting across the message of public value
Q8	1) Better and consistent challenge of the financial reports, with some deep dives. 2) stakeholder engagement and the plans thereof need to be imbedded from frontline ro board room. 3) better balance between process and outcomes - too process focused at present
Q8	The flow of monies is complex eg source of funds - SG, Territorial Boards etc etc. Sometimes this can be time consuming to untangle so as to ensure close governance. Sometimes it can be difficult to track back spend and initiatives to SG objectives. It can be difficult to relate the scale of the spend to the scae of the result.
Q8	Approach to Risk. Challenge to raise our level of ambition
Q8	clarity of strategic direction and level of ambition. Focus on value and on continuous improvement. Clear communication with stakeholders/ taking their views into account in designing services. Effective risk management system

## APPENDIX F

### Blueprint for Good Governance

Note: All free-text comments have been reported verbatim.

#### Q9: Your Views - What suggestions do you have to make improvements?

Q9	See development session
Q9	Development further of middle management
Q9	See above - as in 8
Q9	A more standardised presentation of spend proposals which indicates the scale of the results versus the spend against each of the SG priorities/objectives. This will assist in the proposers thought process and allow the governors to get more quickly to the key issues AND most importantly identify best value for money and also assist in the inevitable decision (given the current financial situation) as to what NOT to spend.
Q9	Governance generally works effectively and is robust. Good structures in place and process
Q9	Clarity of strategic direction and level of ambition: good work underway needs to be completed, well disseminated and then consistently applied in informing our decisions on priorities, resource allocation, etc. Clarity of roles and responsibilities for NSS/ SBUs can often be challenging when there are complex arrangements involving multiple organisations. Important we ensure clarity in order to appropriately discharge our duties. Focus on value and on continuous improvement: need to review our articulation of value and how we apply that in our governance/ decision-making processes to align with Triple Value. Seek evidence of continuous improvement being embedded in ways of working across the organisation - less obvious in some areas. Clear communication with stakeholders/ taking their views into account in designing services: improve how we articulate what we do and how we add value in ways which are meaningful to our stakeholders. Consolidate and extend our initial work around user research and user centred design approaches and experience. Effective risk management system: complete work to make our systems easier to use and to provide meaningful reports to support assurance and challenge. Also need to reinforce the importance of good risk management with managers in some areas.

**Table 1. Table showing counts (N) and percentages (%) by job designation of responses to the Blueprint for Good Governance survey**

Question	Designation	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly		Total N
		N	%	N	%	N	%	N	%	N	%	N	%	
Q2a	Non Executive Board Member	1	25	3	75	0	0	0	0	0	0	0	0	4
Q2a	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2a	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q2a	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2a	Overall	1	17	5	83	0	0	0	0	0	0	0	0	6
Q2b	Non Executive Board Member	1	25	3	75	0	0	0	0	0	0	0	0	4
Q2b	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2b	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q2b	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2b	Overall	1	17	5	83	0	0	0	0	0	0	0	0	6
Q2c	Non Executive Board Member	1	25	2	50	1	25	0	0	0	0	0	0	4
Q2c	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2c	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q2c	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2c	Overall	1	17	4	67	1	17	0	0	0	0	0	0	6
Q2d	Non Executive Board Member	2	50	2	50	0	0	0	0	0	0	0	0	4
Q2d	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2d	Executive Board Member	0	0	1	50	1	50	0	0	0	0	0	0	2
Q2d	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q2d	Overall	2	33	3	50	1	17	0	0	0	0	0	0	6

APPENDIX F

**Table 1. Table showing counts (N) and percentages (%) by job designation of responses to the Blueprint for Good Governance survey**

Question	Designation	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly		Total N
		N	%	N	%	N	%	N	%	N	%	N	%	
Q3a	Non Executive Board Member	2	50	2	50	0	0	0	0	0	0	0	0	4
Q3a	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3a	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q3a	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3a	Overall	2	33	4	67	0	0	0	0	0	0	0	0	6
Q3b	Non Executive Board Member	2	50	0	0	2	50	0	0	0	0	0	0	4
Q3b	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3b	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q3b	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3b	Overall	2	33	2	33	2	33	0	0	0	0	0	0	6
Q3c	Non Executive Board Member	3	75	1	25	0	0	0	0	0	0	0	0	4
Q3c	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3c	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q3c	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3c	Overall	3	50	3	50	0	0	0	0	0	0	0	0	6
Q3d	Non Executive Board Member	1	25	3	75	0	0	0	0	0	0	0	0	4
Q3d	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3d	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q3d	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3d	Overall	1	17	5	83	0	0	0	0	0	0	0	0	6
Q3e	Non Executive Board Member	0	0	2	50	2	50	0	0	0	0	0	0	4
Q3e	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3e	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q3e	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q3e	Overall	0	0	2	33	4	67	0	0	0	0	0	0	6

**Table 1. Table showing counts (N) and percentages (%) by job designation of responses to the Blueprint for Good Governance survey**

Question	Designation	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly		Total N
		N	%	N	%	N	%	N	%	N	%	N	%	
Q4a	Non Executive Board Member	3	75	1	25	0	0	0	0	0	0	0	0	4
Q4a	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4a	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q4a	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4a	Overall	3	50	3	50	0	0	0	0	0	0	0	0	6
Q4b	Non Executive Board Member	1	25	2	50	1	25	0	0	0	0	0	0	4
Q4b	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4b	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q4b	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4b	Overall	1	17	2	33	3	50	0	0	0	0	0	0	6
Q4c	Non Executive Board Member	1	25	2	50	0	0	1	25	0	0	0	0	4
Q4c	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4c	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q4c	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4c	Overall	1	17	2	33	2	33	1	17	0	0	0	0	6
Q4d	Non Executive Board Member	2	50	2	50	0	0	0	0	0	0	0	0	4
Q4d	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4d	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q4d	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q4d	Overall	2	33	2	33	2	33	0	0	0	0	0	0	6

**Table 1. Table showing counts (N) and percentages (%) by job designation of responses to the Blueprint for Good Governance survey**

Question	Designation	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly		Total N
		N	%	N	%	N	%	N	%	N	%	N	%	
Q5a	Non Executive Board Member	0	0	2	50	1	25	0	0	1	25	0	0	4
Q5a	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5a	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q5a	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5a	Overall	0	0	2	33	3	50	0	0	1	17	0	0	6
Q5b	Non Executive Board Member	0	0	1	25	3	75	0	0	0	0	0	0	4
Q5b	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5b	Executive Board Member	1	50	0	0	1	50	0	0	0	0	0	0	2
Q5b	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5b	Overall	1	17	1	17	4	67	0	0	0	0	0	0	6
Q5c	Non Executive Board Member	2	50	1	25	1	25	0	0	0	0	0	0	4
Q5c	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5c	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q5c	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5c	Overall	2	33	3	50	1	17	0	0	0	0	0	0	6
Q5d	Non Executive Board Member	0	0	3	75	1	25	0	0	0	0	0	0	4
Q5d	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5d	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q5d	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q5d	Overall	0	0	5	83	1	17	0	0	0	0	0	0	6



**Table 1. Table showing counts (N) and percentages (%) by job designation of responses to the Blueprint for Good Governance survey**

Question	Designation	Exceptionally Well		Well		Adequately		Inconsistently		Not well		Badly		Total N
		N	%	N	%	N	%	N	%	N	%	N	%	
Q6a	Non Executive Board Member	0	0	4	100	0	0	0	0	0	0	0	0	4
Q6a	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6a	Executive Board Member	0	0	1	50	1	50	0	0	0	0	0	0	2
Q6a	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6a	Overall	0	0	5	83	1	17	0	0	0	0	0	0	6
Q6b	Non Executive Board Member	2	50	2	50	0	0	0	0	0	0	0	0	4
Q6b	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6b	Executive Board Member	0	0	2	100	0	0	0	0	0	0	0	0	2
Q6b	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6b	Overall	2	33	4	67	0	0	0	0	0	0	0	0	6
Q6c	Non Executive Board Member	1	25	3	75	0	0	0	0	0	0	0	0	4
Q6c	Non Executive Board Member - Stakeholder	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6c	Executive Board Member	0	0	0	0	2	100	0	0	0	0	0	0	2
Q6c	Director/Senior Manager in Attendance	0	0	0	0	0	0	0	0	0	0	0	0	0
Q6c	Overall	1	17	3	50	2	33	0	0	0	0	0	0	6

APPENDIX F

ID	Q1a	Q1b	Q2a	Q2b	Q2c	Q2d	Q3a	Q3b	Q3c	Q3d	Q3e	Q4a	Q4b	Q4c	Q4d	Q5a	Q5b	Q5c	Q5d	Q6a	Q6b	Q6c
61	NHS National Services Scotland	Non Executive Board Member	2	2	2	2	2	1	1	2	3	2	2	2	2	3	3	2	2	2	2	2
73	NHS National Services Scotland	Non Executive Board Member	1	1	1	1	1	1	1	1	2	1	1	1	1	2	2	1	2	2	1	1
94	NHS National Services Scotland	Non Executive Board Member	2	2	2	2	2	3	2	2	3	1	3	4	2	5	3	3	3	2	2	2
237	NHS National Services Scotland	Non Executive Board Member	2	2	3	1	1	3	1	2	2	1	2	2	1	2	3	1	2	2	1	2
269	NHS National Services Scotland	Executive Board Member	2	2	2	3	2	2	2	2	3	2	3	3	3	3	1	2	2	2	2	3
288	NHS National Services Scotland	Executive Board Member	2	2	2	2	2	2	2	2	3	2	3	3	3	3	3	2	2	3	2	3

## APPENDIX F

Variable	Description	
id	generic unique ID given to each responder	
Q1a	The NHS Board to which the record belongs	
Q1b	Job designation of the responder	
Q2a		
Q2b		
Q2c		
Q2d		
Q3a		
Q3b		
Q3c		
Q3d		1 = Exceptionally Well
Q3e		2 = Well
Q4a		3 = Adequately
Q4b		4 = Inconsistently
Q4c		5 = Not Well
Q4d		6 = Badly
Q5a		
Q5b		
Q5c		
Q5d		
Q6a		
Q6b		
Q6c		

<b>Meeting:</b>	<b>NSS Board</b>	<b>B/21/06</b>
<b>Meeting date:</b>	<b>Wednesday, 24 March 2021</b>	
<b>Title:</b>	<b>People Report – February 2021</b>	
<b>Responsible Executive/Non-Executive:</b>	<b>Jacqui Jones, Director of HR and Workforce Development</b>	
<b>Report Author:</b>	<b>Jacqui Jones, Director of HR and Workforce Development</b>	

## 1 Purpose

**This is presented to the Board for:**

- Scrutiny

**This report relates to a:**

- Annual Operation Plan

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

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The purpose of this paper is to provide the Board with a range of workforce data and information to allow discussion and agreement on issues of concern, covering the period ending 28 February 2021.

### 2.2 Background

The People Report is presented to the Executive Management Team each month as well as the NSS Partnership Forum for discussion and consideration. A version of this report is also presented to each Staff Governance Committee and also the NSS Board. The paper

provides a short narrative and is accompanied by a presentation which sets out more detail.

## 2.3 Assessment

NSS remains in a positive position on the range of workforce issues which are shown in detail in the attached presentation with some being highlighted below.

There are some issues of concern which are being addressed by the Executive Management Team. The first of these is a significant concern and that is RIDDORS. Six accidents have been reported to the Health and Safety Executive and a further four accidents are currently under investigation and are potential RIDDORS. All are within either PCF or SNBTS. Each accident is fully investigated within the SBU where it occurred supported by and with scrutiny from the Specialist Health and Safety Advisors from HR. An overview is then taken by the Head of Healthy Working Lives and finally the Director of HR.

Each of the SBU Directors has provided an assessment from their own perspective around the potential underlying causes which include workload, culture and behavioural issues. A number of actions have already been taken to prevent further occurrences and action plans are in place or being developed with mitigating activities and interventions being put in place. We are further reviewing investigation outcomes from a human factors perspective and will then implement actions to address any further issues that are identified.

The second issue of concern is around the data which indicates whether appraisal, PDP or objectives have been completed and this is the focus of attention in the Executive Management Team. The other area of concern is around the completion of statutory and mandatory training. However, there is assurance from SBU Directors that there are plans in place to address the levels of compliance.

Sickness absence continues to reduce with the YTD position in February at 2.63%. There has been a slight increase in the number of employees on Special Leave due to a COVID-19 related absence, with a total of 13 employees currently on special leave (as at 8 March). The majority of these are in SNBTS and PCF - eight are due to an Underlying Health Condition. There are now 57 employees who have tested positive for COVID-19, with one current case in SPST.

All individuals identified within Priority Groups 1, 2 & 3 for COVID-19 Vaccination have been personally invited to make an appointment within the occupational health system (672 staff). Of these staff 42% have booked with 309 vaccinated, and a further 245 advising that they have received their vaccination externally. Planning is underway for Vaccine Dose 2 Clinics.

HR continue to support SBUs on a wide range of people issues, including improving performance on statutory training and mandatory training, along with completion of appraisals, PDPs and objectives.

**There also continues to be a focus on workforce support measures relating directly to the COVID-19 pandemic, including:**

- **NSS National Contact Tracing Centre** – the ongoing development of the NSS National Contact Tracing Centre (NCTC) as part of the Test and Protect programme

led by Public Health Scotland, continues with a range of corporate support provisions in place including HR:

- **Learning and Development (L&D)** – the focus is on consolidating and handing over the delivery of the education programme for future on boarding requirements to the NCTC as the cross-Board L&D resources return to their substantive roles. The focus for NSS L&D is now developing the management capability and working with the NCTC Operations Team to focus on the culture and values within the organisation.
- **Recruitment** – whilst the volume recruitment into the NCTC has concluded, recruitment is underway for both Team Leader and Team Manager posts. The NCTC through its workforce planning programme are finalising additional resourcing requirements as it balances the resource model between Core and Bank workforce and third party providers. The intent is to continue to use the Bank workforce as a pipeline into the Core workforce.
- **Reporting (Workforce Information and Systems)** – with the establishment of the NCTC a robust reporting tool has been created to report on the flow of candidates from offer to live through the different streams of recruitment. This provides a timely (hourly) tool to track the movement of new starts through the process on a WTE and heads basis.
- **Workforce Planning** – there is an established Workforce Planning Group in the NCTC. The planning is short term to enable the NCTC to deliver against the quick succession of changes and addition to services for Test and Trace. The workforce planning will tie into the NSS Test, Trace & Vaccinate workforce review and the wider National workforce planning programme, led by Scottish Government.

#### **Further points of note as below:-**

- **Once for Scotland (OfS) Workforce Policies** – this programme of work is scheduled to restart in August 2021. It has been agreed by the Programme Board that the formal restart of the programme will commence in August 2021. A small group reconvening to draft a Once for Scotland Homeworking Policy from April.
- **iMatter** – the questionnaire will run from 13 September - 4 October 2021.
- **Social Security Scotland** – the original scope of this project has been amended due to decisions made by Social Security Scotland EMT and input from Trade Unions. A full scope of the new option is being investigated; it will likely include aspects of support from Payroll, Recruitment and potentially Learning and Development. This will be discussed at the next Project oversight board on 26 March 2021.

#### **2.3.1 Quality/ Patient Care**

N/A

#### **2.3.2 Workforce**

Workforce issues are highlighted within the detailed presentation. Any issues of concern are raised with SBU Directors and discussed at the Executive Management Team and the NSS Partnership Forum.

#### **2.3.3 Financial**

Through the application of best employment practice, and good people management there should be a positive impact on the finance of the organisation.

#### **2.3.4 Risk Assessment/Management**

All issues which are of concern and which represent a risk to NSS are reviewed and discussed at EMT and Partnership Forum.

#### **2.3.5 Equality and Diversity, including health inequalities**

The whole concept of the Staff Governance Standard is about the fair and consistent treatment of staff, how they are managed and they feel they are managed. By ensuring compliance with the Staff Governance Standard and the application of best employment practice should ensure that NSS is an exemplary employer.

#### **2.3.6 Other impacts**

N/A

#### **2.3.7 Communication, involvement, engagement and consultation**

Workforce Data is made available in real time form via the Tableau system to all SBU Directors and Managers across NSS. The HR Business Partners engage with the SBUs to provide additional information breakdowns for fuller discussion. The information is also available to our Trade Union colleagues for their considerations as appropriate.

#### **2.3.8 Route to the Meeting**

This has been previously considered by the following groups as part of its development.

- NSS Partnership Forum at the meeting on 16 March 2021
- EMT on 22 March 2021

### **2.4 Recommendation**

The Board are asked to examine and discuss the report and consider and raise any concerns.

## **3 List of appendices**

The following appendices are included with this report:

Appendix No 1, NSS People Report – February 2021 (slide deck)

**Jacqui Jones**  
**Director of HR and Workforce Development**  
**12 March 2021**

# NSS People Report

February 2021



# Summary

## **COVID-19**

There are currently 13 employees (8 March) on COVID-19 related Special Leave. There have been a total of 100 employee requests to be tested for COVID-19 with 69 being eligible for testing. Employee groups identified as requiring to undertake Lateral Flow Testing are being managed within the Staff Covid Vaccination Programme.

## **Headcount**

The current Headcount for NSS is 3,345 and the total WTE is 3,007.61. Work is currently underway to remove the NCTC from the SBU SPST figures and show these separately as the workforce numbers distort the overall SPST position. This has already been removed from Recruitment, Turas and Learning & Development data for SPST SBU and is indicated where appropriate in this report.

## **Absence**

Sickness absence is at 2.63% at the end of February which is a slight increase from January. The cost of sickness absence attributable to anxiety/stress/depression has reduced by 18.5% when compared to the same period as last year.

## **Statutory Training**

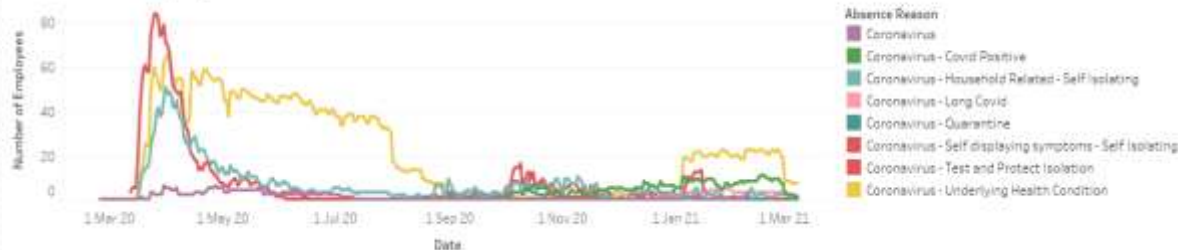
Compliance with 3 Year mandatory training is currently above 90%. 2 Year mandatory training and Statutory Training compliance are close to the agreed targets.

## **Recruitment**

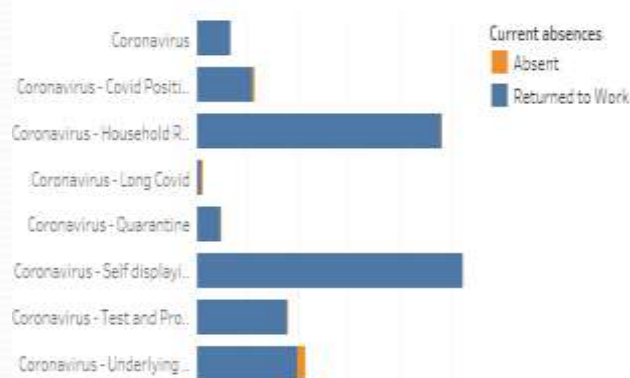
Recruitment continues to work with an increased volume with e-rafs numbers averaging 70 e-rafs per month. Recruitment are reviewing how to improve response to the continued demand for recruitment services and this will include the prioritisation of e-rafs for posts related to Covid response. While the NCTC recruitment is coming to a close we are aware of some significant recruitment campaigns coming up for other SBUs over the course of the next few months.

# COVID-19 Special Leave

Total Absent Employees



COVID-19 Absence Reasons



As of 8 March, there have been a total of 57 employees who have tested positive for COVID-19. There are currently 13 employees on Special Leave for Coronavirus :

- 8 due to Underlying Health Condition (6 in SNBTS, 2 in PCF)
- 1 COVID-19 Positive cases (SPST)
- 1 Long Covid case (SNBTS)
- 1 due to a member of the household showing symptoms (PCF)
- 1 due to be contacted by NHS Test & Protect (PCF)
- 1 due to Quarantine after travelling (PCF)

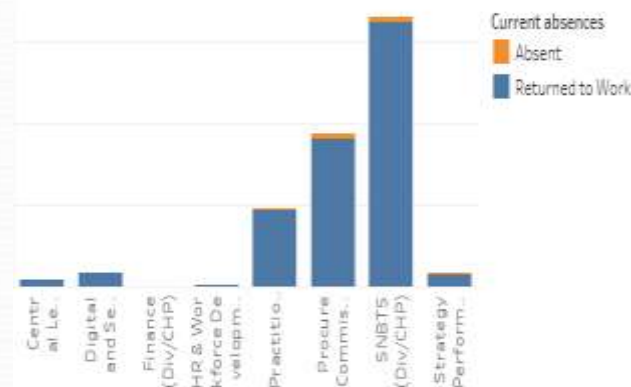
There has been a total of 822 Special Leave Absence requests due to COVID-19.

A total of 100 tests have been requested for employees (10 of which have been previously tested). Of these, 69 have been deemed eligible for testing, the majority of which are in SNBTS.

Employees tested:

- SNBTS – 63
- PCF – 5
- Clinical – 1

SBU Breakdown



A total of 57 tests have also been requested for household members.

# Statistical Process Control



The NSS sickness absence has seen a significant reduction across this FY, with a small increase from the month of January (2.56%) to February (2.63%).

The YTD figure is sitting just above the Lower Control Limit (LCL) which has been calculated at 2.47%. Sickness Absence SPC trend has seen very little movement month to month from the beginning of this FY (2.82%).

All SBUs are currently sitting above their respective LCLs, but are noticeably lower than pre-lockdown.

There has been no change to Clinical SBU which has seen a 0.00% Sickness Absence rate for the eleventh consecutive month.

NSS sickness absence has remained around the Lower Control Limit since employees have been advised to work from home in March 2020.

# Sickness Absence

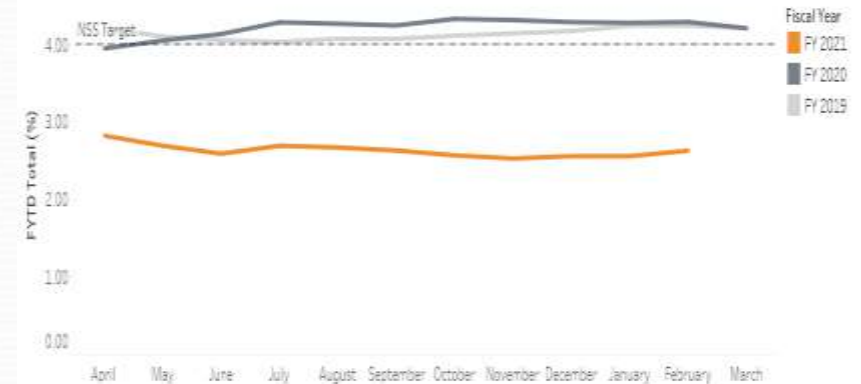
NSS Sickness Absence rate has increased from January (2.56%) to 2.63% in February.

LT sickness is at 1.82% in February (an increase from the previous month at 1.74%). ST absence rate has remained the same as the previous month at 0.82%.

There has been a 33.25% decrease in absences when compared to the same month in the previous FY – 391 absences recorded in February of 2020, and 261 recorded in 2021.

PCF continues to be the SBU with the highest SA rate (4.64% YTD) and Clinical the lowest (0% YTD). PCF is the only SBU above the 4% target.

SA Trend



## Highlights

There has been a 1.26% increase in hours lost from the previous month (12,907 in Jan and 13,070 in Feb) and a 27.93% decrease when compared to the same period in the previous year.

- **Anxiety/Depression/Stress** – continues to be the most common reason for absences. The number of hours lost has increased from the previous month (4,044 in January, 5,164 in February). When compared to the previous FY, the number of hours lost has reduced by 9.95% (55,084 hours in current FY, 61,170 hours lost in FY 2020). The cost when compared to previous FY has reduced by 18.5%. PCF and CLO are the only SBUs to have seen an increase in hours lost due to this absence reason, with a 21.60% and a 16.85% increase respectively when compared to the previous FY.
- **Other Known Causes- Not Otherwise Classified** – the second most common reason for absence with 1,452 hours lost, a decrease of just over 300 hours from January (1,799 hours lost), and a decrease of almost £8,000.
- **Chest & Respiratory Problems** – the third most common reason for absence in February with 1,066 hours lost, this was the sixth most common reason for absence in January with 731 hours lost. There has been a 55.11% increase in cost from previous month.
- **Cold, Cough, Flu- Influenza** – this was the fifth most common absence reason in January 2020 and the eighth most common in January 2021. There has been a 67.57% decrease in hours lost and a 71.40% decrease in cost when compared to the previous FY. When compared to February 2020 alone, there has been a decrease of 83.3% in hours lost, and 84.73% in cost.

# Return to Work Update

There have been 253 LT absences processed in the YTD, of which 31 were still ongoing. Out of the remaining 222 absences, there have been 134 Return to Work interviews completed, which gives a completion rate of 60.3% - this is a 13% increase from the previous analysis in August 2020.

**PCF** and **SNBTS** SBUs continue to have the highest number of LT absences, PCF has a completion rate of 68% of RtW interviews, while SNBTS has a rate of 53%. The SBU Senior Management Teams are aware of this and HR are supporting the further work required.

**HR & DaS** have completed 50% of their RtW interviews, however this amounts to only two employees per SBU.

**SPST** is at 43% completion, but there are only a total of seven absences so this can be updated quickly.

SBU	No RtW Interview	RtW Interview Completed	SBU Total
CLO	1	3	4
DaS	2	2	4
Finance	1	3	4
HR	2	2	4
P&CF	16	24	40
PCF	28	59	87
SNBTS	34	38	72
SPST	4	3	7
Total	88	134	222

# Case Management

There are 120 employees with an Active Trigger in February, of which 41 (34.17%) are currently being supported through HR.

The number of new triggers has increased from the previous month (34 in February, up from 30 in January).

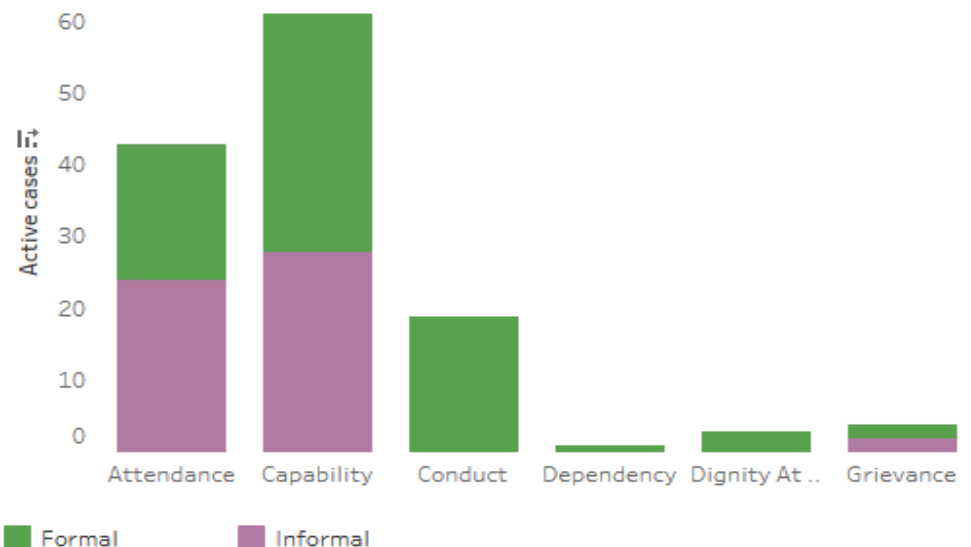
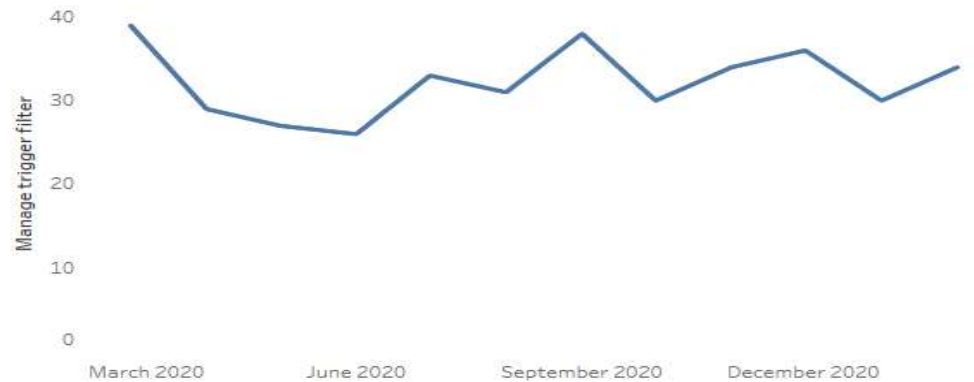
Whilst NSS continues to work in line with the agreed case management protocol, there is an expectation that the demand for HR assistance will increase and the number of formal cases submitted to the panel on a weekly basis will also increase in the coming weeks.

A total of two employees were dismissed in February 2021, and 14 employees are currently under review due to poor performance.

## Breakdown of Active Cases

Attendance = 43 active cases (-1)  
 Capability = 61 active cases (+4)  
 Conduct = 19 active cases (-1)  
 Dependency = 1 active case (+1)  
 Dignity at Work = 3 active cases (+1)  
 Grievances = 4 active cases (-1)

New Triggers



# Turnover

NSS turnover rate is at 7.27% YTD, and forecasted to end the FY at 6.37%.

**New Starts** – 23 employees started in February, a total of 560 YTD.

- PCF – 8
- SNBTS – 7
- SPST – 3
- HR – 3
- DaS – 2

**Leavers** – 7 employees left in February, a total of 198 YTD.

- SPST – 3 (all within NCTC)
- PCF – 2
- P&CF – 1
- DaS – 1

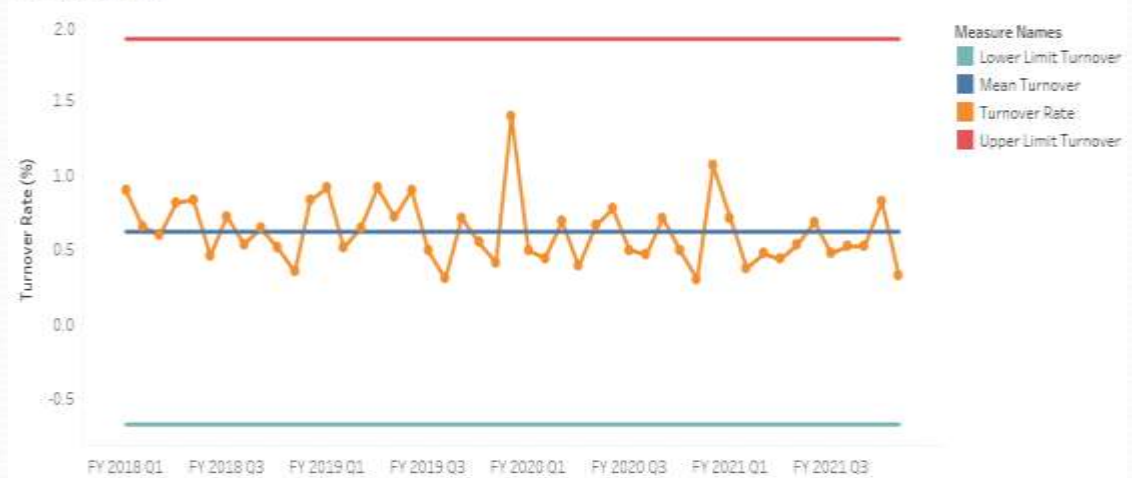
## Leaving reason

- Vol. Resignation – Other – 3
- Other – 2
- New Employment with NHS Scotland – 1
- New Employment with NHS outwith Scotland – 1

Turnover trend

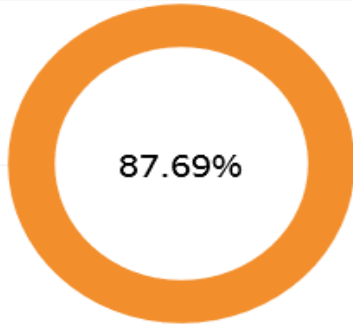


Turnover SPC

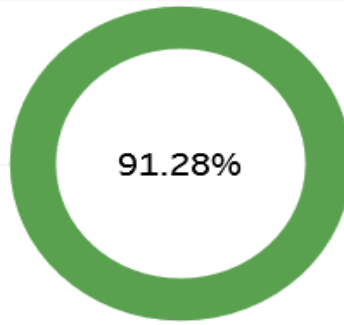


# Mandatory/Statutory Training

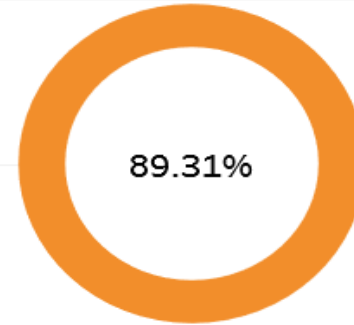
2 Year Compliance



3 Year Compliance



Statutory Compliance



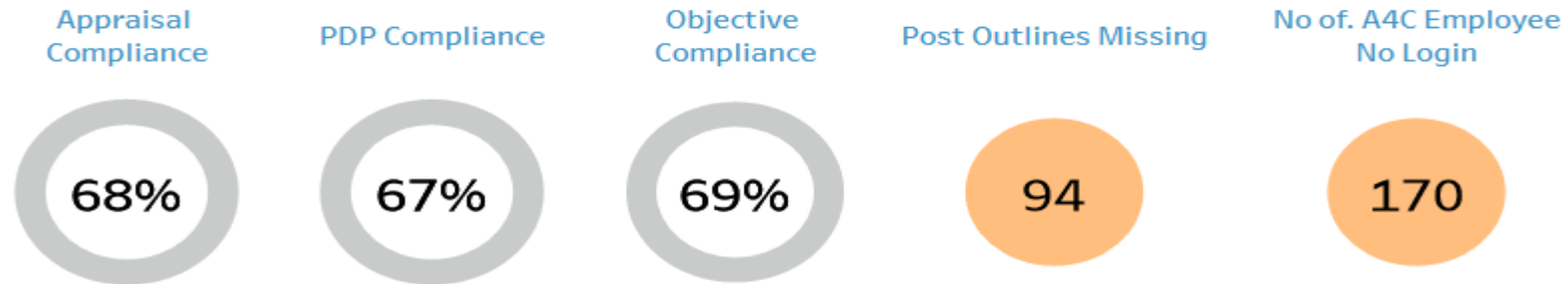
**The NCTC has been removed from reporting for Learning & Development.**

At NSS level, there has been little change to Compliances - 2 Year Compliance has decreased from 88.46%, 3 Year Compliance has increased from 91.21% to 91.28% and Statutory Compliance has increased from 87.90% to 89.31%. Only 3 Year Compliance is above the 10% threshold.

Currently three courses do not meet the 10% Compliance Threshold, NSS: Fire Safety (89.31% - up from 87.90% in January), NSS: Information Governance (87.69%, down from 88.46% in January). NSS: Manual Handling is now just below the 10% threshold at 89.99%, down from 90.07% in January.



# Turas Appraisal

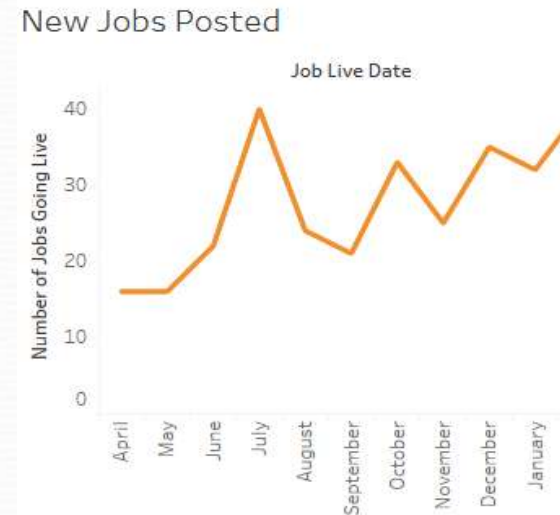


**The NCTC has been removed for reporting for Turas.**

As expected, with the removal of NCTC there has been an increase in Compliance at NSS level. Appraisal Compliance is currently at 68% (+9%), PDP Compliance is at 67% (+8%) and Objective Compliance is at 69% (+10%). SPST has also seen a large increase in figures due to the removal of NCTC.

The majority of SBUs have seen an increase this month, or have seen no change from the previous month.

# Recruitment



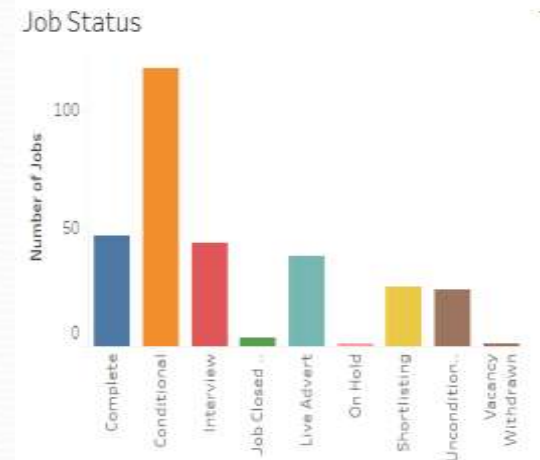
**The NCTC has been removed from reporting for Recruitment.**

There have been 302 jobs advertised within the 2020/2021 FY. There are currently 38 live posts. There have been 728 applicants in February, an decrease from 1,051 applicants in January. Application Completion rate is currently at 37.05%, with Offer Acceptance rate at 94.87% (63.71% internal applicants).

YTD, there have been 481 vacancies advertised 72.14% are Permanent Contracts, 26.92% Fixed Term or Secondment.

The Medical and Dental Job Family continues to have the longest Time to Hire- an average of 91.45 days, with Allied Health Professions the shortest at 37.94 days.

The e-raf numbers into Recruitment continue at high volume with an average of 70 e-rafs per month, since July 2020. Recruitment are continuing to prioritise e-rafs based on COVID requirements of the role and date of e-raf. The Hiring Manager is contacted directly by Recruitment on receipt of the e-raf to inform them of the planned date for advertising and to open up dialogue around this date. Recruitment are reviewing their set up to improve response to the continued demand for recruitment services and to enable an increase in the number of e-rafs being managed on a weekly basis.



# Health & Safety

## Health & Safety Update:

Accident / Incident Reporting and Investigation module was launched across NSS in December,. Modifications for both the Accident / Incident and Risk Assessment modules have been identified and these are currently with the HR Systems Team and Service Now Team within Digital & Security to identify resource and timeframe.

No RIDDORs have been submitted to the Health and Safety Executive during February. However to date NSS have submitted six RIDDOR reports to the Health and Safety Executive:

- 3 within PCF (1x contact with moving equipment, 1x slip, trip and fall, 1x entrapment) and
- 3 within SNBTS (2 x fractures, 1x contact with moving equipment).

There are a further four accidents currently being investigated and supported by the NSS H&S Advisors:

PCF National Distribution Centre - **25 January** the incident involved a collision of two LLOPs one of which was moving and one which was stationary, with the colleague on the stationary LLOP injuring their shoulder.

PCF National Distribution Centre - **2 February** involved two individuals unloading cages from a double decker trailer and another staff member re-entered the vehicle and sustained an injury to the front of their left ankle.

SNBTS, Jack Copland Centre - **2 March** where a member of staff slipped and fell on the wet floor in the main lab and have dislocated a knee. The cleaning staff had been performing the routine floor cleaning at the time and had placed wet floor signs in the area.

SNBTS, Jack Copland Centre - **7 March** where a member of staff stepped over the footwear changing bench and went over their ankle which has now been confirmed that the individual has a fracture injury.

Note if the investigations identify that these are required to be reported to the Health and Safety Executive, NSS will have submitted **ten RIDDORs** to date:

Five within PCF at National Distribution Centre

Five within SNBTS - Jack Copland Centre and Donor Services External Sessions

# Occupational Health & Wellbeing

## Occupational Health Update:

Occupational health delivery of self and management referrals has been delayed due to the organisational priority of delivery of the Seasonal Flu and COVID-19 Vaccination programme. Appointments are being arranged as soon as possible.

## COVID-19 Vaccination Clinics:

- All individuals identified within priority Group 1,2 &3 have been personally invited to make an appointment within MyCohort;

	Identified as P1-3	Invited	Booked	% Invited who have booked	Vaccinated	Appointment Pending	Total staff vaccinated inc External	Externally Vaccinated
National Services Scotland	672	672	320	48%	309	11	554	245

- Clinic administration and planning is underway currently to deliver a few additional clinics for Vaccine Dose 1 to those identified; and for Vaccine Dose 2 clinics;
- Audit of information within the NHS Vax App system and Cohort OH system to ensure that records are current.
- Note that any staff who received their 1<sup>st</sup> Dose through another source out with NSS COVID-19 Clinics are required to contact that source to ensure that they receive their 2<sup>nd</sup> does within the required timeframe.

## Wellbeing Update:

The Wellbeing Group has submitted the Group Terms of Reference and an outline Wellbeing Plan for discussion to OHSAC. Further discussions will take place on how this is incorporated into the Great Place to Work Plan so that there is one overarching plan for NSS which is related to the Workforce Strategy.

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>Wednesday, 24 March 2021</b>
<b>Title:</b>	<b>Whistleblowing Report</b>
<b>Responsible Executives:</b>	<b>Jacqui Reilly and Jacqui Jones</b>
<b>Report Author:</b>	<b>Professor Jacqui Reilly</b>

**B/21/07**

## 1 Purpose

### **This is presented to the NSS Board for:**

- **Information** - This report provides an update on the NSS plans for implementation of the new National Whistleblowing Standards with effect from 1<sup>st</sup> April 2021.

### **This report relates to a:**

- National policy for Local adoption (national whistleblowing standards and national policy)
- Part of Staff Governance Process

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

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The National Whistleblowing Standards have a new process and procedure for handling whistleblowing concerns raised by staff and others delivering NHS services. These will be formally published when the INWO goes live on 1 April 2021. For NHSScotland staff, these will form the 'Once for Scotland' Whistleblowing Policy that will go-live at the same time. The national policy and guidance was published on 5 February 2021. A RAG status Compliance Self-Assessment Checklist is attached at Appendix 1 for information.

### 2.2 Background

The Whistleblowing National Policy was subject to a soft launch on 5 February 2021 and there is an expected implementation date of 1 April 2021.

The scope for this policy within NSS is inclusive of its current (and former) employees, bank and agency workers, contractors (including third sector providers), trainees and students, volunteers, non-executive directors, and anyone working alongside NSS staff.

In line with our strategic intent, we must also continue to learn from all feedback the organisation can gain through whistleblowing, in order to improve the way we do things. We are required to continue to report annually on the whistleblowing cases our organisation receives. Evidence of our organisational learning to date has been previously presented to the Staff Governance Committee.

NSS has an established whistleblowing implementation group who have been working to make the organisation ready for the implementation to a plan approved by EMT in December 2020.

SPSO have worked with NHS Education Scotland (NES) to develop training materials that are now available through the TURAS Learn website. There are two training modules - one for raising staff awareness of whistleblowing and one for managers and people who receive concerns. The NSS partnership forum and staff governance committees in February approved that this training would be mandatory for NSS staff and require review every 3 years.

## **2.3 Assessment**

### **2.3.1 Quality/ Patient Care**

Whistleblowing is an important policy and process for staff to enable them to speak up about any concerns they may have in the organisation with respect to quality and safety in patient care. The information in this report has no direct impact on patient care, except in those circumstances when the whistleblowing process is used to highlight patient safety concerns or other quality matters in the organisation. Any recommendations or actions that come out of future whistleblowing cases will help to improve quality of NSS services and patient care. This will be reported at NSS management level and any escalations would then be via the staff governance routes and EMT to the board.

### **2.3.2 Workforce**

There is no more likely impact on workforce than the existing policy, with the exception of defining more specific roles and responsibilities defined in the SPSO WB standards for existing post holders and a decision with respect to the training requirements of staff in NSS with respect to the requirement to undertake the training and frequency of this (this is not defined in the standards specifically). There is staff related impact to complete the new training in the next financial year and the refresh every 3 years, as well as for induction of new staff.

### **2.3.3 Financial**

It is not anticipated that there will be any significant financial impact for NSS in implementing the national WB standards or national policy.

### **2.3.4 Risk Assessment/Management**

All necessary risk relating to this report and any outcomes will be managed through the NSS Integrated Risk Management framework and reported to relevant NSS Committees. The risks are articulated in the context of the Data Protection and Equality and Fairer Scotland Impact Assessments approvals completed as part of the implementation process.

The NSS delivery in terms of the national policy and alignment to our processes and publication on GeNSS, templates and reporting being in place with a communications strategy for launch is on track for delivery by April 2021, this is in line with the requirements of us as a board. There is a dependency on HR services for this delivery, to date this has been reported as on track.

It should be recognised that the current pandemic response will impact the ability of NSS staff (and the wider scope of all this policy applies to) to be able to engage with additional requests regarding implementation of the policy, thus implementation planning inclusive of additional communications and training, and the timing of this, will be considered for year one (2021/22) and the annual requirements thereafter. This annual planning will also consider any required indicators and actions to ensure this policy is well embedded in the organisation and that we continue to learn from cases when they arise.

### **2.3.5 Equality and Diversity and Data protection**

An Equality Impact Assessment and Data Protection Impact Assessment have been undertaken in respect of the new planned Whistleblowing policy implementation.

The Whistleblowing Operational Delivery Group have considered whether it is necessary to record equality information at this time and have agreed that the numbers of individuals raising concerns under whistleblowing are currently too small to make any captured data meaningful. The group also noted that any Whistleblowing concerns which related to these matters would be examined under themes emerging from reports and organisational learning enabled therein. This will, however, be kept under review.

### **2.3.6 Other impacts**

### **2.3.7 Communication, involvement, engagement and consultation**

The draft standards for whistleblowing were nationally consulted on and NSS contributed to this in 2019.

NSS established an internal working group to consider the required actions in support of implementing the new standards. This group are leading the implementation from January to March 2021 and include membership from CG/ governance, E&D, HR, corporate

governance and communications, staff side and the WB ambassador. The first meeting was attended by the WB champion/ NED. The group has an action plan and tasks for HR, E&D, IG/CD and communications. These are all on track for delivery and the communications actions have commenced to plan.

The scope for this policy within NSS is inclusive of its current (and former) employees, bank and agency workers, contractors (including third sector providers), trainees and students, volunteers, non-executive directors, and anyone working alongside NSS staff. All primary care providers and contracted services are required to have a procedure that meets with the requirements of these Standards. This means that any organisation delivering NHS services, whether it is a private company, a third sector organisation or a primary care provider, has the same requirement to ensure access to a procedure in line with these Standards. This includes third sectors organizations providing services on behalf of NHS Scotland and private companies under contract with NHS Scotland, including maintenance and domiciliary services. It is not clear to what extent NSS is required to ensure these are in place for all those services we do business. The standards do indicate we are required to engage with primary care and other contract managers to ensure they are aware of the requirements, develop effective reporting arrangements (from them to us) and include these requirements into contractual agreements. We therefore must ensure all those in scope are aware of our policy and process and know who to contact to raise a concern, in the same way our staff should. Our communication plans take account of this scope and can be flexed to meet any additional need. In addition a number of additional actions to mitigate the risk associated with the potential scope of this for NSS detailed in the attached risk jotter (available at Appendix 2).

### **2.3.8 Route to the Meeting**

A more detailed version of this paper has previously been considered by the Partnership Forum and Staff Governance Committee and approved.

## **2.4 Recommendation**

- **To note progress made.**

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1 Compliance Self-Assessment Checklist for NHS Providers
- Appendix No 2 Risk Jotter in respect of third parties
- Appendix No3 Roles and Responsibilities



**Whistleblowing Policy – Compliance Self-Assessment Checklist for NHS Providers**

The National Whistleblowing Standards (the Standards) come into force on the 1st April 2021. From that date onwards, all NHS providers delivering services on behalf of the NHS in Scotland must have a whistleblowing policy and procedure in place that complies with the Standards. This must be accessible to all staff, students and volunteers providing services on their behalf.

This self-assessment sheet includes a comprehensive list of the key requirements from the Standards and enables providers to check that their policy and procedures are compliant.

Parts 2, 3 and 5 of the Standards can be easily adapted for used as a template for the local policy. If a different approach is used, the content of the local policy and procedures must match the requirements of the Standards.

An alternative approach would be to have a summarised policy, including reference to all the elements below, but with links to the Standards for more detail on how it will be implemented.

The procedure and when to use it – the policy must			
Define whistleblowing and whistleblower to match the definitions in the Standards		Signpost to external sources of information and advice	
Define and explain what constitutes a whistleblowing concern		Explain what should be discussed when deciding if a concern can be handled under the procedure (the 'initial discussion')	
Clarify who can raise a concern		Explain the difference between confidentiality and anonymity	
Include the requirement to provide support to anyone raising a concern		Include confidentiality and data protection (including details of what should be discussed with the whistleblower)	
Allow for whistleblowers to be accompanied at meetings by a trade union representative, friend or colleague		Protect the identity of the whistleblower during investigations	
Refer to the employer's duty of care to the person raising the concern		Guidance on handling anonymous and unnamed concerns	
Refer to the legal protections available to whistleblowers		Explain the difference between a whistleblowing concern and a grievance	
Explain how to raise a concern through existing processes (business as usual)		Include information on how to deal with claims of unfair treatment	
Explain who to raise a concern with		Explain how the organisation will handle concerns raised maliciously	
Provide a confidential contact (e.g. contact within the local Health Board)	See Note 1	Provide a brief overview of the procedure for raising a concern (e.g. a flowchart) for sharing with staff and others covered by the Standards.	

The two stage procedure – the policy must			
Include a descriptor of the early resolution stage of the procedure		Explain the action to take in closing the concern at Stage 1	
Explain that the person raising the concern must want it to be handled under the procedure, and explain what to do if they do not want to		Explain when to escalate a concern to Stage 2	
Set a time limit of six months for accepting a concern, unless there is good reason for considering complaints beyond this time		Include a description of Stage 2 of the procedure	
Include the correct timeline at stage 1 – five working days		Explain the requirement to acknowledge the concern within three working days at Stage 2	
Explain the basis for an extension to the timeline at Stage 1		Explain the requirement to provide a full response to concerns within 20 working days at the investigation stage.	
Explain the issues to be covered and agreed with the whistleblower during the Stage 1 discussion		Specify the information to be provided when acknowledging a concern	

The two stage procedure (cont) – the policy must			
Explain the basis for an extension to the timeline at Stage 2		Explain the organisation's responsibilities to other staff involved in the concern.	
Include an outline of what should be considered when a concern is received at Stage 2		Explain the required action when responding to the concern at Stage 2	
Cover the need to tell the person who has raised the concern how the investigation will be carried out and what their role will be		Include detail of recording concerns at Stage 2	
State that investigations should be kept independent of any other procedures, including HR		Include guidance in relation to meetings and post decision correspondence with the person who raised the concern	
Outline what is expected of investigators and decisions makers in Stage 2 (paragraph 49 of the standards)		Explain the requirement to provide information about the INWO at the conclusion of the Stage 2 Investigation.	

Governance Arrangements – the policy must			
Explain the roles and responsibilities of staff involved in handling whistleblowing concerns, including a confidential contact		Include the requirement for senior management to review the information gathered from concerns regularly, and consider how services could be improved or internal policies and procedures updated	
Explain how to handle concerns about senior staff	See Note 2	Commit to reporting concerns to the relevant NHS Board on a quarterly basis (if there have been concerns raised)	See Note 3
Where relevant, include information on working with other organisations (including higher education providers and voluntary sector providers)		Commit to reporting concerns to the relevant NHS board on an annual basis, even if it is to report that no concerns have been raised	See Note 4
Cover confidentiality and data protection in relation to recording concerns (including reference the data Protection Act 1998)	See Note 5	Include the requirement to learn from concerns and make improvements following investigations at stage 1 and stage 2	
Include a list of the essential information to be recorded in relation to the concern		Include the requirement to discuss the concern with the relevant NHS Board? (For small organisations, if an investigation within the organisation is not possible.)	
Include arrangements to monitor concerns (including the key performance indicators in the Standards) Include the requirement for senior management to review the information gathered from concerns regularly, and consider how services could be improved or internal policies and procedures updated	See Note 6		

NSS will be using the Once for Scotland policy which is based on the National Whistleblowing Standards.

Note 1 – there is one confidential contact identified (LM). The role of the confidential contact, and how it will work in NSS beyond this single role, has still to be agreed. If approved, NSS will recruit up to five confidential contacts over the coming year. These roles will not be limited to supporting staff with whistleblowing concerns but also Grievances, Bullying and Harassment and other services which may be necessary to support individuals.

Note 2 – NSS documentation previously had detail on how to raise a concern about the chief executive and this should be referred to the board chair, the same will apply re all board members and in the case of the chair having a concern raised about them, the deputy chair will be the contact for investigations. For other EMT level staff the chief executive will be the contact.

Note 3 – Quarterly updates will be provided to the Partnership Forum and Staff Governance Committee.

Note 4 – An annual Report will be provided to the NSS Board in June of each year.

Note 5 – A detailed Data Protection Impact Assessment has been undertaken and reviewed by the NSS DPO to ensure confidentiality is maintained at all times.

Note 6 – Regular updates will be provided to the Executive Management Team to enable them to review and learn from concerns raised.

## APPENDIX 2

### Risk Jotter

<b>Risk Description:</b>	<p>New Whistleblowing standards require any organisation delivering NHS services, whether it is a private company, a third sector organisation or a primary care provider, to have a procedure in line with these Standards. This includes third sector organisations providing services on behalf of NHS Scotland and private companies under contract with NHS Scotland, including maintenance and domiciliary services. All boards, including <b>NSS, are required to</b> 'Engage with primary care and other contract managers to ensure they are aware of the requirements, develop effective reporting arrangements and include these requirements into contracts' and to ensure they have systems in place for recording in the same way the NHS boards do. Reporting of concerns need to be passed onto the board in relation to concerns raised about the services provided for that board. Boards can then use this information to inform their contract management.</p> <p>The scope of engagement with all contract managers and providers for NSS is very broad due to the nature of our business. There is a risk that NSS is unable to secure individual assurance around whistleblowing with each individual provider, contracted service or other stakeholders. This may result in not all staff, past and present (i.e. agency workers, contractors (including third sector providers), trainees and students, volunteers, non-executive directors, and anyone working alongside NSS staff) being supported by the whistleblowing standards</p>	<b>Proximity Date:</b>
		31/03/2021

Impact Description:	Impact (1-5)	Likelihood (1-5)	RAG (I x L)
<b>Clinical</b>	Negligible impact on the delivery of services given current whistle blowing activity in NSS, but unknown for providers to NSS currently.	2	1 2
<b>Business</b>	Where there is a case of whistleblowing it could lead to minor impact on contract management	2	3 6
<b>Staff</b>	Not all staff (as detailed in the scope for WB standards above in risk description) are fully supported by the whistleblowing standards	3	1 3
<b>Reputation</b>	NSS does not complete its due diligence around the implementation of the whistleblowing standards in relation to contract management and with all relevant providers/contractors/stakeholders.	3	3 9

Primary Category:	Residual Risk for Primary:	Secondary Category:	Mitigating Strategy:						
Clinical <input type="checkbox"/> Business <input type="checkbox"/> Staff <input type="checkbox"/> Reputation <input checked="" type="checkbox"/>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">Impact (1-5)</td> <td style="width: 50%; text-align: center;">1</td> </tr> <tr> <td>Likelihood (1-5)</td> <td style="text-align: center;">1</td> </tr> <tr> <td>RAG (I x L)</td> <td style="text-align: center;">1</td> </tr> </table>	Impact (1-5)	1	Likelihood (1-5)	1	RAG (I x L)	1	Clinical <input type="checkbox"/> Business <input checked="" type="checkbox"/> Staff <input type="checkbox"/> Reputation <input type="checkbox"/>	Acceptance <input type="checkbox"/> Contingency <input type="checkbox"/> Prevention (<likelihood) <input checked="" type="checkbox"/> Reduction (<impact) <input type="checkbox"/> Transference <input type="checkbox"/>
Impact (1-5)	1								
Likelihood (1-5)	1								
RAG (I x L)	1								

## APPENDIX 2

### Risk Jotter

Mitigating Actions:	
1	Inclusion of whistleblowing requirements for process and reporting assurance within all contracts and communications with NHS providers and HCSP's in scope.
2	Agree a standard form of words to be used in contracts. CLO will draft a form of words for NSS for inclusion of this in all prospective work, which should include new and any planned review of existing contracts NSS has in place.
3	Agree a corporate communication for all SBUs to use in proactive communications with all contractors and providers to raise awareness of the requirements and include in NSS web content for wider audience purposes.
4	Include audits of whistle blowing processes and reporting to NSS as part of annual service audits by KPMG.
5	HR to consider the wider policy impacts of this requirement for contracts and SLA/ MOUs
6	As part of our quality management system agenda ensure all whistleblowing cases reported to SBUs from provider/ contractor organisations are reviewed with lessons identified and improvement plan completed and reviewed as part of the contractual process. This will be reported quarterly to the Staff Governance Committee and included in summary annual reporting.

Strategic Objective (Select 1)				
Customer at Heart of everything we do		Improving the way we do things	x	N/A
Increase service Impact		Be a great place to work		

Health Impact (Select 1):	
No. people potentially affected	
Zero	
<5K	x
5-50K	
50K – 500K	
500K – 5M	
>5M	

Health Impact (Select 1):	
Potential adverse Health Impact	
Nil (no clinical impact)	
Realisation of minor adverse event ( <i>aligned to clinical impact 2 "minor"</i> )	x
Disruption to provision of clinical services ( <i>aligned to clinical impact 3 "moderate"</i> )	
Moderate reversible effect on health ( <i>aligned to clinical impact 3 "moderate"</i> )	
Irreversible effect on health status ( <i>aligned to clinical impact 4 "major"</i> )	
Severe adverse event occurs ( <i>aligned to clinical impact 5 "catastrophic"</i> )	

## Whistleblowing – proposed roles in NSS

Role	Responsibility	Named Person	SBU/Directorate
<b>Chief Executive</b>	Overall responsibility and accountability for the management of whistleblowing concerns lies with the organisation's chief executive, executive directors and appropriate senior management	Colin Sinclair (until 31/3/31) Mary Morgan (from 1/4/21)	
<b>Whistleblowing Champion</b>	Monitors and supports the effective delivery of the organisation's whistleblowing policy. Provides critical oversight ensures managers are responding to whistleblowing concerns appropriately, in accordance with the Standards. Expected to raise any issues of concern with the board as appropriate, either in relation to the implementation of the Standards, patterns in reporting of concerns or in relation to specific cases.	Professor Arturo Langa	NSS Non-Executive Director
<b>Executive directors (NSS EMT)</b>	Managing whistleblowing concerns and the way the organisation learns from them Overseeing the implementation of actions required as a result of a concern being raised.  Investigating concerns, and/or Deputising for the chief executive on occasion		All SBU/Directorate Leads
<b>HR Director or Workforce Lead</b>	HR Director are responsible for ensuring all staff have access to this procedure, as well as the support they need if they raise a concern. Responsible for ensuring that anything raised within HR procedures which could amount to a whistleblowing concern is appropriately signposted to this procedure for full consideration. HR functions should not be involved in investigating whistleblowing concerns, unless the concern directly relates to staff conduct issues	Jacqui Jones	HR
<b>Investigators</b>	Investigations appropriately skilled, senior member of staff from another directorate (where possible), and in particular, with no conflict of interest or perceived conflict of interest with the issue of concern. Draft recommendations and improvements	Existing trained NSS management investigations	All SBU/Directorates
<b>The 'confidential contact supporting the whistleblowing ambassador' or whistleblowing ambassador</b>	Work with the whistleblowing champion to ensure staff are aware of the arrangements for raising concerns Promote a culture of trust, which values the raising of concerns as a route to learning and improvement Direct contact with frontline staff, ensure they are aware of and have access to the support services available to them when they raise concerns Assist managers in using concerns as opportunities for learning and improvement Work with the chief executive and those they have identified to oversee application of the Standards, to ensure the Standards are functioning at all levels of the organisation.	Professor Jacqui Reilly (Ambassador) Lynn Morrow (Confidential Contact supporting the ambassador)	Clinical Directorate SPST
<b>INWO liaison officer</b>	Main point of contact between the INWO and the organisation, particularly in relation to any concerns that are raised with the INWO. Overall responsibility for providing the INWO with whistleblowing concern information in an orderly, structured way within requested timescales. They may also provide comments on factual accuracy on behalf of the organisation in response to INWO investigation reports. They are also expected to confirm and provide evidence that INWO recommendations have been implemented	Lynn Morrow	SPST
<b>Fraud Liaison Officer</b>	Any issues of fraud, the board's fraud liaison officer should be contacted for advice. Liaise with NHS Counter Fraud Services, for consideration and potential investigation. They will also be able to provide updates on the status of any investigation – whether it is ongoing, closed, or has been passed to the procurator fiscal. The fraud liaison officer will be responsible for sharing any updates with the appropriate case contact.	Laura Howard	Finance

<b>Managers (All Line Managers)</b>	All managers must be aware of the whistleblowing procedure and how to handle and record concerns that are raised with them. Managers must be trained and empowered to make decisions on concerns at stage 1 of this procedure. They should also be aware of who to refer a concern to if they are not able to personally handle it.		All SBUs and Directorates
<b>Union representatives</b>	Union representatives can provide helpful insights into the functioning of systems for raising concerns. They should be involved in implementation and monitoring of these systems where possible		All SBUs and Directorates and NSS partnership forum
<b>Confidential Contacts (supporting role for wider HR policy implementation organisationally)</b>	<p>This is not a specific requirement of the WB standards, however NSS is currently considering this based on the NHS Lothian model, to support signposting staff to Grievance, B&amp;H and other services which may be necessary to support the individual. The aim of these roles would be to offer help beyond HR and managerial routes and to offer another person to be able to speak to help build confidence in the employee that concerns will be listened to and addressed.</p> <p>The roles would be voluntary and work across the organisation to offer impartial support and guidance to staff who wish to raise concerns. Signpost staff to suitable routes for raising concerns, advising them of the options available under the relevant policies. Support staff to understand their responsibility to pursue their issue through existing channels, especially in cases of bullying and harassment.</p> <p>Identify which policy the issue that the individual is raising falls under and tailor their advice and support, for example if it is clear it is a whistleblowing concerns then individual should be signposted to dedicated whistleblowing reporting contact.</p> <p>The contacts could also feed back to the Confidential contacts lead/Ambassador any instances where people have had difficulties in raising concerns</p>		Five Contacts across NSS



**Meeting:** NSS BOARD  
**Meeting date:** Wednesday 24<sup>th</sup> March 2021  
**Title:** SFI Refresh **B/21/08**  
**Responsible Executive/Non-Executive:** Carolyn Low, Director of Finance  
**Report Author:** Carolyn Low, Director of Finance

## 1 Purpose

**This is presented to the Board for:**

- Approval

**This report relates to:**

- The Board's Governance arrangements

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

- Effective

## 2 Report summary

### 2.1 Situation

This report outlines the work carried out to review and amend the Standing Financial Instructions (SFIs) for the financial year 2021/22, and provides a detailed communications plan and handy guides to help staff understand their responsibilities. The handy guides are aimed at staff groups whose responsibilities are limited to a small number of sections. Directors and budget holders are required to read and comply with the full document.

The SFIs have been reviewed by the EMT and the FPPC and is presented to the NSS Board for approval.

### 2.2 Background

The SFIs were last updated in June 2019. The update at that time was substantial and addressed recommendations in respect of the financial government of services provided by NSS on behalf of NHS Scotland following the review of governance of eHealth monies.

A comprehensive eLearning programme was introduced to accompany the changes to SFIs at that time, and SFI training is now mandatory for all staff, with tailored additional training in place for requisitioners and budget holders.

Amendments were made to procurement approval limits in April 2020 specifically relating to COVID-19 response expenditure arising as a result of the pandemic. This reflected the extraordinary circumstances at play as a result of operating on an emergency footing.

This update will remove these emergency provisions and reflects lessons learned from the pandemic response. It also ensures the SFIs reflect the growing scope and scale of the organisation and its services.

## **2.3 Assessment**

### **2.3.1 Quality/ Patient Care**

None

### **2.3.2 Workforce**

The SFIs set out the code of conduct for our staff and outline arrangements for managing the cost of the funded establishment, and making any extra-ordinary payments under terms and conditions of contract.

### **2.3.3 Financial**

The SFIs set out the financial governance arrangements for the organisation and are an essential component of the system of financial control for the organisation

### **2.3.4 Risk Assessment/Management**

The SFIs set out the expectations roles and responsibilities in respect of risk management for the organisation

### **2.3.5 Equality and Diversity, including health inequalities**

None

### **2.3.6 Other impacts**

None.

### **2.3.7 Communication, involvement, engagement and consultation**

In preparing this draft document involvement, engagement and consultation has been sought from:

- Director of SPST in the context of her responsibility for Board governance arrangements and as Chief Executive and Accountable Officer for NSS from 1 April 2021
- Director of PCF and Director of National Procurement re procurement governance arrangements
- Head of Governance in NP and Head of NSS Procurement in respect of procurement and contracting arrangements
- Associate Director of HR in respect of Workforce aspects
- Associate Director, Information Security and Governance – in respect of Information Governance aspects
- The Executive Management Team – for overall review
- The Finance, Procurement and Performance Committee – for overall review and recommending approval to the Board

### **2.3.8 Route to the Meeting**

The Draft SFIs have been reviewed by the EMT and FPP Committee at the meetings in February and a final review out with the meeting cycle in March. The final document presented today reflects the feedback from all members. This timeframe enables the SFIs to be introduced from 1 April 2021.

## **2.4 Recommendation**

The Board is asked to approve the SFIs for the financial year 2021/22.

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1: Revisions to the SFIs
- Appendix No 2: Communications Plan
- Appendix No 2: Handy guides for all staff, requisitioners and line managers
- Appendix No 3: Standing Financial Instructions for approval

## Appendix 1 – Table of Revisions

Section	Revisions
General	<ul style="list-style-type: none"> <li>• Use of plain English,</li> <li>• Update structure and flow of document</li> <li>• All sections reviewed to ensure compliance with the Scottish Public Finance Manual (SPFM)</li> <li>• links to relevant policy's and guidance</li> </ul>
Contents	<ul style="list-style-type: none"> <li>• Embedded links to the appropriate section</li> </ul>
Section 2 - Responsibilities	<p>Clearly defined responsibilities for:</p> <ul style="list-style-type: none"> <li>• Accountable Officer</li> <li>• Director of Finance</li> <li>• Board and Committees</li> <li>• SBU Directors and Staff</li> </ul>
Section 6 – Financial Planning and Budget Control	<ul style="list-style-type: none"> <li>• Strengthen governance for all new funding requests and use of Service Now Demand to improve decision making and transparency</li> <li>• Clearly defined reporting requirements for funds managed on behalf of NHSScotland</li> <li>• Formal sign off of agreed budget by SBU Director on annual basis</li> <li>• Requirements to monitor and report any variances on the funded establishment of NSS</li> <li>• Virements approval requirements updated to improve financial control</li> </ul>
Section 7 – Staff Appointments, Remuneration and related matters	<ul style="list-style-type: none"> <li>• Threshold for staff appointments approved by the remuneration committee have changed from a monetary value of £75k to AfC band 8d, 9 and Executive grades.</li> <li>• Organisation change programmes require a full financial appraisal which will be submitted to the Change Oversight Group (COG) for approval</li> <li>• Added Extension to pay during periods of absence.</li> </ul>
Section 9 – Tenders, Quotations and contracting requirements	<ul style="list-style-type: none"> <li>• Previously 2 separate sections, combined to reduce any duplication and confusion</li> <li>• Updated to reflect the change in procurement legislation</li> <li>• Clear links to the procurement journeys for different thresholds</li> <li>• Strengthen the role of NSS procurement, CLO and Finance for NSS contracts</li> <li>• Clearer defined roles for the sign off of contracts</li> </ul>
Section 10 – Appointment of adviser and non-permanent staff	<ul style="list-style-type: none"> <li>• Alignment of contracts to established job descriptions and pay grades, any departure to be approved by Director of HR and workforce Development and Director of Finance</li> </ul>
Section 12 – Capital Investment, Private Financing and Fixed Asset Registers	<ul style="list-style-type: none"> <li>• Strengthen governance for all new funding requests and use of Service Now Demand to improve decision making and transparency</li> <li>• Role of the Property Asset Management board and approval process through RAM and EMT</li> </ul>

Section 13 – Banking arrangements	<ul style="list-style-type: none"> <li>• Added specific responsibilities for the SBU directors on the use of corporate purchasing cards</li> </ul>
Section 14 – Stocks and Stores	<ul style="list-style-type: none"> <li>• New section on stocks held on behalf of Scottish Government (pandemic stock) covers delegation of authority, reporting and escalation</li> </ul>
Appendix 1	<ul style="list-style-type: none"> <li>• Authorisation levels consistent across the SBUs and different categories of income and expenditure</li> </ul>

Date	Channel	Audience	Action / topic	Key messages / details
01 April 2021	geNSS	All NSS Staff	SFIs uploaded to geNSS	
01 April 2021	ServiceNow	All NSS Staff	SFIs uploaded to ServiceNow Knowledge Base	This should be just be visible to NSS staff if possible
01 April 2021	new NSS website	Available to public	SFIs uploaded to NSS website	
01 April 2021	All Staff Email	All NSS Staff	21/22 SFIs now available - the importance SFIs and how they apply to you in your role	<p>*SFIs identify and outline the financial responsibilities that everyone working for our organisation need to adhere to, depending on the role you have. It's very important that all staff understand and comply with the SFIs to ensure they act in accordance with the law and NSS policies.</p> <p>* NSS SFIs for 21/22 have now been reviewed and signed off by the NSS Board and are now available</p> <p>* Depending on your role, take a look at these summaries so you know what sections are relevant to your role</p> <p>* Mandatory training</p>
01 April 2021	LearnPro	All NSS Staff	Launch of updated SFI module (tbc)	Updated with the latest SFI requirements
09 April 2021	Teams channel - NSS Budget Holders	Budget Holders	Budget Holders - SFI Responsibilities	* As a budget holder you need to be familiar with SFIs
10 April 2021	Teams channel - Management Hub	Line Managers	Line Managers - SFI Responsibilities	<p>* link to line managers one pager</p> <p>* ensure you staff are familiar with SFIs relating to them</p>
11 April 2021	Teams channel - Requisitioners	Requisitioners	Requisitioners - SFI Responsibilities	* link to requisitioners one pager
May 21 - March 22	Monthly Finance Reports / SBU SMT meetings	SBU SMTs	Spotlights or certain sections of SFIs	<p>Timely spotlight topics</p> <p>- Leads to write content for monthly reports</p>
May 21 - March 22	geNSS	All NSS Staff	Add spotlights to geNSS	
May 21 - March 22	Teams channel - Budget Holders	Budget Holders	Spotlights (relevant to Budget Holders)	
May 21 - March 22	Teams channel - Management Hub	Line Managers	Spotlights (relevant to Line Managers)	
May 21 - March 22	Teams channel - Requisitioners	Requisitioners	Spotlights (relevant to Requisitioners)	
tbc	TURAs	All Staff	Updated SFI learning module / moving to TURAs	* waiting on update as to when this will be happening

# A guide to our Standing Financial Instructions - for all NSS staff



## What are our Standing Financial Instructions (SFIs)?

The Standing Financial Instructions (SFIs) detail our financial management arrangements and are designed to ensure that business is carried out in accordance with the law and Scottish Government requirements. They're reviewed, updated and agreed by our Board each year.

## Why are they important?

They identify the financial responsibilities that apply to everyone working for our organisation. It's very important that all staff understand and comply with the SFIs to ensure they act in accordance with the law and NSS policies.

## What sections of the SFIs are most relevant to me?

It's important that the SFIs clearly outline the way in which we manage public funds and detail the financial governance arrangements for our organisation. But we understand they're quite lengthy and not everything is relevant to every role, so to help break it down we've outlined the sections, that are most relevant to all staff in NSS, below:

### Section 1 **General**



This section provides you with some background on our SFIs. It includes the purpose of them, how we exercise financial supervision and control within NSS, and also the compliance around them. There is also a 'Terminology' section which is helpful when reading other sections within the document.

### Section 2 **Responsibilities of Chief Executive, Director of Finance, Directors of Strategic Business Units and Employees**



This section outlines the specific responsibilities of management and staff across the organisation.

### Section 3 **Code of Conduct**



This section helps outline what is an acceptable way to behave as an employee of NSS. This includes areas such as confidentiality, the use of NSS contracts and official information, the acceptance of gift and hospitality, and the requirements of the Bribery Act 2010.

## Section 4 Suspected Theft, Fraud and Other Irregularities



NSS has a zero tolerance approach to fraud committed by any person working at NSS and any person providing services for, or on, behalf of NSS.

We all have responsibility in preventing fraud in our organisation and it's essential we all know how to spot and report it.

### Handy links

Standing Financial Instructions (SFI) [\(link to SFIs on ServiceNow\)](#)

[Finance geNSS pages](#) (VPN required to access)





# A guide to our Standing Financial Instructions - for requisitioners



## What are our Standing Financial Instructions (SFIs)?

The Standing Financial Instructions (SFIs) detail our financial management arrangements and are designed to ensure that business is carried out in accordance with the law and Scottish Government requirements. They're reviewed, updated and agreed by our Board each year.

## Why are they important?

They identify the financial responsibilities that apply to everyone working for our organisation. It's very important that all staff understand and comply with the SFIs to ensure they act in accordance with the law and NSS policies.

## What sections of the SFIs are most relevant to me as a requisitioner?

It's important that the SFIs clearly outline the way in which we manage public funds and detail the financial governance arrangements for our organisation. But we understand they're quite lengthy and not everything is relevant to every role, so to help break it down we've outlined the sections, that are most relevant to all requisitioners in NSS, below:

### Section 1 **General**



This section provides you with some background on our SFIs. It includes the purpose of them, how we exercise financial supervision and control within NSS, and also the compliance around them. There is also a 'Terminology' section which is helpful when reading other sections within the document.

### Section 2 **Responsibilities of Chief Executive, Director of Finance, Directors of Strategic Business Units and Employees**



This section outlines the specific responsibilities of management and staff across the organisation.

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We all have responsibility in preventing fraud in our organisation and it's essential we all know how to spot and report it.

## Section 8 Non Pay Expenditure



This section looks at obtaining goods, works or services solely for NSS' own use. It outlines the delegation of authority for non-pay expenditure along with the associated responsibilities for specific roles and the requisitioning of goods and services to ensure best value.

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## Handy links

Standing Financial Instructions (SFI) [\(link to SFIs on ServiceNow\)](#)

[Finance geNSS pages](#) (VPN required to access)



# A guide to our Standing Financial Instructions - for line managers

## What are our Standing Financial Instructions (SFIs)?

The Standing Financial Instructions (SFIs) detail our financial management arrangements and are designed to ensure that business is carried out in accordance with the law and Scottish Government requirements. They're reviewed, updated and agreed by our Board each year.

## Why are they important?

They identify the financial responsibilities that apply to everyone working for our organisation. It's very important that all staff understand and comply with the SFIs to ensure they act in accordance with the law and NSS policies.

## What sections of the SFIs are most relevant to me as a line manager?

It's important that the SFIs clearly outline the way in which we manage public funds and detail the financial governance arrangements for our organisation. But we understand they're quite lengthy and not everything is relevant to every role, so to help break it down we've outlined the sections, that are most relevant to line managers in NSS, below:

### Section 1 **General**



This section provides you with some background on our SFIs. It includes the purpose of them, how we exercise financial supervision and control within NSS, and also the compliance around them. There is also a 'Terminology' section which is helpful when reading other sections within the document.

### Section 2 **Responsibilities of Chief Executive, Director of Finance, Directors of Strategic Business Units and Employees**



This section outlines the specific responsibilities of management and staff across the organisation.

### Section 3 **Code of Conduct**



This section helps outline what is an acceptable way to behave as an employee of NSS. This includes areas such as confidentiality, the use of NSS contracts and official information, the acceptance of gift and hospitality and the requirements of the Bribery Act 2010.

## Section 4 Suspected Theft, Fraud and Other Irregularities



NSS has a zero tolerance approach to fraud committed by any person working at NSS and any person providing services for, or on, behalf of NSS.

We all have responsibility in preventing fraud in our organisation and it's essential we all know how to spot and report it.

## Section 7 Staff Appointments, Remuneration and related matters



This section outlines the responsibilities of the Board, Executive Management Teams, the Director of Finance, the Remuneration Committee, and managers in NSS in relation to permanent and fixed term staff appointments, pay and other related matters.

## Section 10 Appointment of advisers and non-permanent staff



This section details the procedures that need to be followed when selecting and appointing advisers and non-permanent staff (ie agency staff, contractors and secondees)

## Handy links

Standing Financial Instructions (SFI) [\(link to SFIs on ServiceNow\)](#)

[Finance geNSS pages](#) (VPN required to access)



# **Standing Financial Instructions**

**1 April 2021**

**March 2021  
for Board  
Approval**

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# Section 1: Introduction

## General

### 1.01 Background

These Standing Financial Instructions (“SFIs”) replace all previous instructions and are issued for compliance by all officers of the Common Services Agency, more commonly known as NHS National Services Scotland (and referred to as NHS National Services Scotland or NSS throughout these Standing Financial Instructions) from 1 April 2021.

These SFIs and supporting policies and procedures detail the financial responsibilities adopted by NHS National Services Scotland. Their purpose is to provide sound control of NHS National Services Scotland's financial and related activities and are carried out in accordance with the law and Scottish Government policy. They should be used in conjunction with the Standing Orders and in particular the Schedule of Decisions Reserved to the Board and the Scheme of Delegation therein.

All NSS policies referred to in this document can be found on geNSS or the ServiceNow portal.

### 1.02 The purpose of the scheme of control is:

- To ensure the NSS acts within the law and that financial transactions are in accordance with the appropriate authority;
- To ensure that proper accounting records, which are accurate and complete, are maintained;
- To ensure that financial statements, which give a true and fair view of the financial position of NSS and its expenditure and income, are prepared timeously;
- To protect NSS against the risk of fraud and irregularity;
- To safeguard NSS assets;
- To ensure proper standards of financial conduct are maintained;
- To enable the provision of appropriate management information;
- To ensure that NSS seeks best value from its resources by making proper arrangements to pursue continuous improvement, having regard to economy, efficiency and effectiveness in NSS operations; and
- To ensure that any delegation of responsibility is accompanied by clear lines of control and accountability, together with reporting arrangements

NSS shall exercise financial supervision and control by:

- Formulating the financial strategy;

- Requiring the submission and approval of financial plans and budgets within approved allocations/overall income;
- Defining and approving essential features of financial arrangements in respect of procedures and financial systems (including the need to obtain value for money);
- Defining specific responsibilities placed on directors and officers as indicated in the Scheme of Delegation.

## **1.02 Responsibilities & Application of the SFIs**

These SFIs identify the financial responsibilities that apply to everyone working for NSS. They do not provide detailed procedural advice and should be read in conjunction with the detailed departmental and financial procedure notes. All financial procedures and any consequent amendments must be approved by the Director of Finance.

Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Finance must be sought before you act.

## **1.04 Compliance**

The Director of Finance is responsible for assisting the Chief Executive as Accountable Officer and therefore has ultimate responsibility ensuring that SFIs are in place, up to date and observed in NSS. The responsibilities of the Director of Finance are specified in the SFIs may be carried out by such other senior finance officers as he or she might specify.

Members and officers of NSS shall observe these SFIs. Directors of strategic business units shall be responsible for ensuring that the SFIs are made known within the services for which they are responsible and shall ensure they are adhered to.

Any breach or non-compliance with these SFIs must, on discovery, be reported immediately to the Director of Finance who will discuss the matter with the Chief Executive and/or Director of Strategic Business Unit in order to determine the proper action to be taken. The views of internal audit and/or Counter Fraud Services may also be taken depending on circumstances. All breaches will be reported to the Finance, Procurement and Performance Committee.

Failure to comply with the SFIs shall be a disciplinary matter.

## **1.05 Variation and Revocation**

These SFIs may only be varied or revoked in accordance with the Standing Orders.

## 1.06 Terminology

The following terminology applies throughout these Standing Financial Instructions:

- (a) “Accountable Officer” means the Scottish NHS Officer responsible and accountable for funds entrusted to NSS. The Accountable Officer will be responsible for ensuring the proper stewardship of public funds and assets. For NHS National Services Scotland it will be the Chief Executive;
- (b) “Board” means the Board of NHS National Services Scotland;
- (c) “Budget” means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all of the functions of NSS;
- (d) “Budget Holder” means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation;
- (e) “Chief Executive” means the chief officer of NSS;
- (f) “Contract” means any arrangement giving rise to right and obligations between NSS and any one or more third parties whether legally enforceable or otherwise;
- (g) “Director of Finance” means the chief financial officer of NSS;
- (h) “Executive Management Team (EMT)” means the committee of executive officers of NSS appointed by the Board and given authority by the Board to act in accordance with its remit;
- (i) “Financial Services” means the central finance function of NSS;
- (j) “Framework Agreement” means a framework agreement in terms of the Public Contracts (Scotland) Regulations 2015;
- (k) “Director of Strategic Business Unit” means the chief officer of a Strategic or Support Business Unit or Directorate of NSS; “Legal Advisor” means the properly qualified person appointed by NSS to provide legal advice;
- (l) “Officer” means employee of NSS or any other person holding a paid appointment or office with NSS;
- (m) “NSS” means NHS National Services Scotland, the common name of the “Common Services Agency for the Scottish Health Service”; and
- (n) “SGHSC” means the Scottish Government Health and Social Care Directorates.
- (o) Virement – the reallocation of budget authority

Wherever the title Chief Executive, Director of Finance, and Director of Strategic Business Unit is used in these instructions, it will be deemed to include such other directors or employees who have been duly authorised to represent NSS.

Wherever the term "employee" is used and where the context permits it will be deemed to include employees of third parties contracted to NSS when acting on behalf of NSS.

All references in these Instructions to the singular form will be read as equally applicable to the plural. Similarly, all references in these Instructions to the masculine gender will be read as equally applicable to the feminine gender.

## **Section 2: Responsibilities of Chief Executive, Director of Finance, Directors of Strategic Business Units and Employees**

### **2.01 Responsibilities of Chief Executive as Accountable Officer**

Under the terms of Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer for the Scottish Government has designated the Chief Executive of NSS as Accountable Officer.

Accountable Officers must comply with the terms of the Memorandum to National Health Service Accountable officers, and any updates issued to them by the Principal Accountable Officer for the Scottish Government. The memorandum was updated in April 2006.

#### **2.01 (a) General Responsibilities**

The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finance for NSS.

The Accountable Officer must ensure that the Board takes account of all relevant financial considerations, including any issues of propriety, regularity or value for money, in considering policy proposals relating to expenditure, or income.

It is incumbent upon the Accountable Officer to combine his or her duties as Accountable Officer with their duty to the Board to whom he or she is responsible and from whom he or she derives his/her authority. The Board is in turn responsible to the Scottish Parliament in respect of its policies, actions and conduct.

The Accountable Officer has a personal duty of signing the Annual Report and Accounts for NSS. Consequently, he or she may also have the further duty of being a witness before the Audit Committee of the Scottish Parliament and be expected to deal with questions arising from the Accounts, or, more commonly from reports made to Parliament by the Auditor General for Scotland.

The Accountable Officer must ensure that any arrangements for delegation promote good management, and that he or she is supported by the necessary staff with an appropriate balance of skills. This requires careful selection and development of staff and the sufficient provision of special skills and services.

#### **2.01 (b) Specific Responsibilities**

Ensure that from the outset proper financial systems are in place and applied, and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes.

Ensure that the Board's financial obligations and targets are met. The Chief Executive shall be responsible for the implementation of the Boards financial policies and for co-ordinating any corrective action necessary to further these policies. In fulfilling this responsibility, the Chief Executive shall take account of advice given by the Director of Finance on all such matters. The Director of Finance shall be accountable to the Board for this advice.

Sign the Accounts assigned to him or her, and in doing so, accept personal responsibility for ensuring that they are prepared under the principles and in the format directed by the Scottish Ministers

Ensure that proper financial procedures are followed incorporating the principles of separation of duties and internal check, and that accounting records are maintained in a form suited to the requirements of the relevant Accounting Manual, as well as in the form prescribed by the published Accounts.

Ensure that public funds, and assets such as land, buildings or other property including stores and equipment for which he or she is responsible are properly managed and safeguarded, with the appropriate checks in place.

Ensure that, In the consideration of policy proposals relating to expenditure, or income, for which he or she has responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where necessary brought to the attention of the Board.

Ensure that effective management systems appropriate for the achievement of the organisation's objectives, including financial monitoring and control systems have been put in place.

Ensure that risks, whether to achievement of business objectives, regularity, propriety or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them.

Ensure that best value from resources is sought, by making proper arrangements to pursue continuous improvement having regard for economy, efficiency and effectiveness, and in a manner which encourages the observance of equal opportunities requirements.

Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs for performance in relation to those objectives.

Ensure that managers at all levels are assigned well defined responsibilities for making best use of resources, including a critical scrutiny of output and value for money.

Ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

## **2.01 (c) Regularity and Propriety of Expenditure**

The Accountable Officer has a particular responsibility for ensuring compliance with Parliamentary requirements in the control of expenditure. A fundamental requirement is that funds should be applied only to the extent and for the purposes authorised by Parliament in the Budget Acts (or otherwise authorised by Section 65 of the Scotland Act 1998).

Parliament's attention must be drawn to losses or special payments by appropriate notation of the organisation's Accounts. In the case of expenditure approved under the Budget Act, any payments made must be within the scope and amount specified in that Act.



All actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional Codes of Conduct. Care must be taken to avoid actual, potential, or perceived conflicts of interest when employing external consultants and their staff.

## **2.01 (d) Advice to the Board**

The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board on all matters of financial propriety and regularity, and more broadly, as to all considerations of prudent and economical administration, efficiency and effectiveness.

If the Accountable Officer considers that, despite their advice to the contrary, the Board is contemplating a course of action which they consider would infringe the requirements of regularity or propriety, and that they would be required to take action that is inconsistent with the proper performance of his or her duties as Accountable Officer, they should inform the SGHSCD's Accountable Officer, so that the Department if it considers is appropriate, can intervene and inform the Scottish Ministers. If this is not possible, the Accountable Officer should set out in writing his or her objection and the reasons, to the proposal. If their advice is overruled, and the Accountable officer does not feel that he or she would be able to defend the proposal to the Audit Committee of the Scottish Parliament, as representing value for money, he or she should obtain written instructions from the Board for which he or she is designated, and send a copy of his or her request for instruction and the instruction itself as soon as possible to the External Auditor and the Auditor General for Scotland.

It is the duty of the Chief Executive to ensure that the Directors of the Strategic Business Units, employees and all new appointees are notified of and understand their responsibilities within the SFIs.

## **2.01 (e) Absence of Accountable Officer**

The Accountable Officer should ensure that they are generally available for consultation, and that in any temporary period of unavailability a senior officer is identified to act on their behalf.

In the event that the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, NSS will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.

Where the Accountable Officer is unable by reason of incapacity or absence to sign the Annual Report and Accounts in time for them to be submitted to the Auditor General, the Board may submit unsigned copies, pending the return of the Accountable Officer.

## **2.02 Responsibilities of the Director of Finance**

Provision of financial advice to the Board and its employees;

Implementing the Board's financial policies and for co-ordinating any corrective action necessary to further those policies;

Ensuring that sufficient financial records are maintained to show and explain the Board's transactions, in order to disclose, with reasonable accuracy, the financial position of the Board at any time;

The design, implementation and supervision of systems of internal financial control incorporating the principles of separation of duties and internal checks;

The preparation and maintenance of such accounts, certificates, estimates, records and reports as the Board may require for the purpose of carrying out its statutory duties and responsibilities;

Setting accounting policies consistent with Scottish Government guidance and generally accepted accounting practice.

## **2.03 Responsibilities of all Directors and Employees**

All directors and employees of the Board, severally and collectively, are responsible for:

- security of the Board's propriety,
- avoiding loss;
- exercising economy and efficiency in the use of NSS resources;
- complying with the requirements of Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation;
- reporting on discovery of any non-compliance of the SFIs to the Director of Finance.

All staff must be aware of the Fraud Management Policy (including the Fraud Action Plan) and the Whistleblowing Policy. The Counter Fraud Champion (also the Chair of the Audit and Risk Committee) is responsible for ensuring the requirements of Fraud Action 'Plan are met and processes followed in every relevant situation.

The Director of Strategic Business Units should ensure that these SFIs and associated documents are made known to the appropriate persons within the Strategic Business Unit and ensure that they are adhered to.

Any contractor, or employee of a contractor, who is empowered by NSS to commit NSS to expenditure or who is authorised to obtain income will be covered by these instructions. It is the responsibility of the Director of Strategic Business Unit to ensure that such persons are made aware of this.

For any and all members of the Board and Executive Management Team and employees who carry out a financial function, the form in which financial records are kept and the manner in which members of the Board and Executive Management Team and employees discharge their duties must be to the satisfaction of the Director of Finance.

## Section 3: Code of Conduct

### 3.01 General Principles

There is a general presumption against the giving or receipt of gifts and hospitality by employees of NSS. All employees should: -

- Not put themselves in a position where their official and private interests may conflict;
- To be aware off the presumption of influence on a potential purchasing decision or strategic decision relating to the business objectives of NSS; and
- Not make use of their official positions to further their private interests.
- These guidelines should be read in conjunction with section 3 on bribery

### 3.02 Activities involving the use of official information or experience

Any employee of NSS (other than medical or dental staff engaged in clinical practice) is required to obtain permission from the relevant Director of Strategic Business Unit, before undertaking any form of private work which involves the use of official NHS information, or his NHS experience.

All media broadcasts or television appearances by employees of NSS on matters relating to the work of NSS should be regarded as official duty, and no question of payment to individuals will normally arise. However, if the work of preparation for the media broadcast/television appearance involves private, as well as official time, the Chief Executive may, at his or her discretion, allow an employee to retain the whole or part of any fee as appropriate.

### 3.03 Outside Occupation

Employees of NSS are not allowed to accept any outside employment which would require their attendance at any time during their normal working hours with NSS. Employees should notify NSS if they propose to take up outside employment which would, when both or more employments are combined, result in their average working week exceeding the maximum working week laid down in the Working Time Regulations 1998, currently 48 hours per week.

Employees are advised not to engage in outside employment which may conflict with their NHS work, or be detrimental to it.

### 3.04 Confidentiality

No employee of NSS shall use for their own benefit or gain, or divulge to any persons, firms, companies or other organisation whatsoever, any confidential information belonging to NSS,

or relating to its affairs or dealings, which may come to the employee's knowledge during the course of their duties.

Notwithstanding this, any employee who has genuine concerns about operational issues and service delivery, particularly if the concerns relate to health and safety, malpractice or fraud has a right and responsibility to raise these. Further details of how staff should raise concerns are outlined in the NSS Whistle blowing policy and the Fraud Management Policy.

### **3.05 Contracts and use of services of NSS contractors**

On starting employment, all NSS staff must declare any financial interests or relationships (e.g. Honorary positions held) with any manufacturer, supplier or contractor, with whom the NSS has, or is likely to enter into a contractual relationship, or any financial or other interests which may affect NSS's decisions. In addition, any employee engaged in ongoing activity or a project involving third parties must declare any relevant financial or other interests at the earliest opportunity to their SBU Director and comply with any consequent requests or instructions made by NSS. Any NSS staff leading activity or projects with third parties must, at initiation and at all meetings thereafter, seek positive confirmation as to any such interests which those NSS staff present may have and take action accordingly. Any interests declared must be properly recorded in the minutes and records of the meetings.

In addition, Board Members, Directors of Strategic Business Units, Senior Managers and Senior Procurement staff of NSS will be asked quarterly to confirm their declarable interests.

No employee of NSS may purchase goods from, or use the services of, a contractor on preferential terms for private purposes, if these terms are given directly or indirectly because of the contractual or other official business relationship (whether potential or actual), between the contractor and NSS.

### **3.06 Acceptance of Gifts**

For the purpose of this section, a gift shall be taken to mean any personal, material and/or financial advantage or reward, which reward can include material items such as calendars, stationery etc.

Employees should not accept gifts. Where gifts are sent to an employee, these should only be accepted when the gift is of minimal or nominal value and in any case where the value is presumed to be less than £5. All other gifts should be returned to the sender.

It is recognised that, on occasion, a gift may be received from a patient or a donor as a "thank you" for services received. These gifts would be difficult to refuse without causing offence. If they are of low intrinsic value, the principles outlined above should be applied. Should they be expensive, the SBU Director should be consulted for a view on acceptance.

In all cases in relation to gifts, it is recognised that it is NSS who is the owner of the received gift and not the individual employee.

Casual gifts offered by contractors or others e.g. at Christmas time should be declined.

### **3.07 Acceptance of Hospitality**

For the purpose of this section, hospitality shall be taken to mean an offer of food, drink, invitations to events, travel and/or accommodation.

As a guiding principle, hospitality should be refused. Modest hospitality, provided it is normal and reasonable in the circumstances, e.g. lunches in the course of working visits, may be acceptable when the scale of hospitality is similar to that which the NHS would be likely to offer in the circumstances. Where hospitality is provided at free events or conferences - where the object is to maintain knowledge or develop networks – this may be accepted, provided the hospitality is proportionate,

For the avoidance of doubt, tickets to national sporting events or similar should be refused.

### **3.08 Procedure for completing and recording forms**

Full guidance on accepting and recording of gifts and hospitality can be found on the Service Now portal.

### **3.09 Reporting**

An annual report of all accepted gifts and hospitality offered and accepted will be submitted to the EMT and Audit and Risk Committee for noting.

### **3.10 Use of official Accommodation, Equipment or Vehicles**

No employee of the NSS may make use of, or make available for use, official accommodation, equipment, supplies, services or vehicles, for private purposes, without the prior permission of the Chief Executive.

Employees should not make inappropriate or unauthorised use of IT systems e.g. email and Internet access. The NSS guidelines governing the use of IT systems should be referred to for further guidance.

### **3.11 Bribery**

The Bribery Act 2010 came into force on 1 July 2011 and makes it a criminal offence to take part in 'active' or 'passive' bribery or to fail to prevent bribery in an organisation:

- (a) Active bribery (section 1 of the Act) makes it an offence for a person to offer, give or promise to give a financial or other advantage to another individual in exchange for improperly performing a relevant function or activity.

- (b) Passive bribery (section 2 of the Act) makes it an offence for a person to request, accept or agree to accept a financial or other advantage in exchange for improperly performing a relevant function or activity.
- (c) Bribery of a foreign public official (section 6 of the Act) makes it an offence to offer, promise or give a financial or other advantage to a foreign public official with the intention of influencing the official in the performance of his or her official function. Previously such payments may have been known as Facilitation Payments.
- (d) Corporate offence (section 7 of the Act) states that an organisation may be liable if it fails to have adequate procedures in place to prevent bribery.

Employees must be committed to the prevention of bribery and all forms of corruption. NSS operates a zero tolerance approach to bribery committed by any person working at NSS and any person who provides services for or on behalf of NSS and that any allegation of bribery by a Board member or employee will be investigated in accordance with relevant processes and procedures and may be reported to the authorities, as appropriate.

The NSS approach to addressing fraud, which includes bribery, is set out in Section 4.

## Section 4: Suspected Theft, Fraud and Other Irregularities

### 4.01 Introduction

This section should be read in conjunction with the Fraud Management Policy and the Fraud Action Plan.

The following procedures should be followed, as a minimum, in cases of suspected theft, fraud, embezzlement, corruption, bribery or other financial irregularities to comply with the above guidance.

In addition, guidance and recommendations issued from time to time by NSS Counter Fraud Services to combat fraud should also be considered and implemented where necessary.

### 4.02 Theft, Fraud, Embezzlement, Corruption, Bribery and Other Irregularities

NSS has a Fraud Management Policy and Action Plan, in accordance with Scottish Executive HDL(2005)5. All NSS staff should be aware of the content of this plan and their responsibilities in relation to the prevention and detection of fraud including bribery and corruption and their duty to report any suspicious activity.

The Fraud Action Plan is reviewed annually, amended as appropriate, and submitted to the Audit and Risk Committee for re-endorsement annually.

The Fraud Action Plan will specify the form and content of NSS's Fraud and Other Illegal Acts Register, which is to be reviewed annually by the Audit and Risk Committee.

The Chief Executive has the responsibility to designate an officer, Counter Fraud Champion (CFC), within the Board with specific responsibility for co-ordinating action where there are reasonable grounds for believing that an instance of fraud, theft, embezzlement, corruption, bribery or other financial irregularity has occurred. The CFC will also be supported by a Fraud Liaison Officer (FLO) for NSS. Contact details for the CFC and FLO can be found in the Fraud Management Policy and on the finance pages on geNSS

It is the CFC's responsibility, supported by the FLO, to inform as he deems appropriate, the police, Counter Fraud Services (CFS), the appropriate director(s), the Appointed External and Internal Auditors, the Chief Executive and the Chair of the Audit and Risk Committee, where such an occurrence is suspected. It should be noted that CFS does not routinely investigate the crime of theft, unless systematic losses have occurred and the use of covert surveillance is being considered.

Where any officer has grounds to suspect any of the above activities has occurred, they should report this to the FLO without delay. The FLO will ensure that there is consultation with CFS as set out in the Fraud Action Plan. It is essential that preliminary enquiries are carried out in strict confidence and with as much speed as possible. If the suspicion involves

an executive director the matter should be reported to the Chair of the Audit and Risk Committee, the Chairman of the Board, or to the Head of Internal Audit.

If, in exceptional circumstances, the CFC, the FLO and the Head of Internal Audit are unavailable the officer should report the circumstances to the Chief Executive who will be responsible for informing CFS. As soon as possible thereafter the FLO should be advised of the situation.

Where preliminary investigations suggest that prima facie grounds exist for believing that a criminal offence has been committed, CFS will undertake the investigation on behalf of, and in co-operation with NSS. At all stages the CFC, the FLO and the Head of Internal Audit will be kept informed of developments on such cases. All referrals to CFS must also be copied to the Appointed Auditor.

### **4.03 Remedial Action**

As with all categories of loss, once the circumstances of a case are known the CFC will be required to take immediate steps to ensure that so far as possible these do not recur. However, no such action will be taken if it would prove prejudicial to the effective prosecution of the case. It will be necessary to identify any defects in the control systems which may have enabled the initial loss to occur, and to decide on any measures to prevent recurrence.

### **4.04 Reporting to SGHSC**

While normally there is no requirement to report individual cases to SGHSC there may be occasions where the nature and/or scale of the alleged offence or the position of the person or persons involved, could give rise to national or local controversy and publicity. Moreover, there may be cases where the alleged fraud appears to have been of a particularly ingenious nature or where it concerns an organisation with which other public health sector bodies may also have dealings. In all such cases, SGHSC must be notified of the main circumstances of the case at the same time as an approach is made to CFS.

### **4.05 Responses to Press Enquiries**

Where the publicity surrounding a particular case of alleged financial irregularity attracts enquiries from the press or other media, the Chief Executive will ensure that the relevant officials are fully aware of the importance of avoiding issuing any statements, which may be regarded as prejudicial to the outcome of criminal proceedings or potential actions of CFS. Advice on such issues will be provided by CFS.



## **4.06 National Fraud Initiative**

NSS participates in the National Fraud Initiative coordinated by the Audit Commission for the prevention and detection of fraud and other financial irregularity. As part of this initiative NSS is required to share financial data including payroll data with the Audit Commission who will compare this data with other public sector bodies to highlight potential fraud. NSS through the FLO will investigate all queries arising through the initiative and take action in accordance with its findings.

## **Section 5: Audit and Financial Performance Arrangements**

### **5.01 Audit and Risk Committee**

In accordance with Standing Orders the Board will establish an Audit and Risk Committee, with clearly defined terms of reference, which will provide an independent and objective view of internal control.

### **5.02 Finance, Procurement and Performance Committee**

In accordance with Standing Orders the Board will establish a Finance, Procurement and Performance Committee, with clearly defined terms of reference, which will provide an independent and objective view on any financial matters referred to it by the Board.

### **5.03 Director Strategy, Performance and Service Transformation**

The Director of Strategy Performance and Service Transformation is responsible for:

- 1) ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective internal audit function;
- 2) ensuring that the internal audit is adequate and meets the NHS best practice;
- 3) ensuring that an Internal Audit Plan is prepared for the consideration of the Audit and Risk Committee. The plan must cover:
  - a) strategic audit plan covering the coming three years; and
  - b) a detailed plan for the coming year.
- 4) ensuring that an annual Internal Audit Report is prepared for the consideration of the Audit and Risk Committee. The report must cover:
  - a) a clear opinion on the effectiveness of internal control in accordance with current controls assurance guidance issued by SGHSC including for example compliance with control criteria and standards;
  - b) major internal financial control weaknesses discovered;
  - c) progress on the implementation of internal audit recommendations; and
  - d) progress against plan over the previous year;

The Director of Finance, the Head of Internal Audit or their authorised representatives and CFS in relation to a fraud investigation will have authority, without necessarily giving notice, and on production of identification, to require and receive:

- 1) access at all reasonable times to any land, premises or employee of NSS;
- 2) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature (in which case, he will have a duty to safeguard that confidential nature);
- 3) the production or identification by any employee of any NSS cash, stores, or other property under the employee's control; and
- 4) explanations concerning any matters under investigation.

## 5.04 Irregularities

Whenever any matter arises which involves, or is thought to involve, irregularities concerning stores or other property of NSS or any suspected irregularity it will be notified immediately to the Fraud Liaison Officer (FLO) who will inform Counter Fraud Services and the Director of Finance. Where appropriate, the Director of Finance will inform the Chief Executive and the Head of Counter Fraud Services.

Any decision to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption will be taken by the Chief Executive and the Director of Finance. Such decisions will be taken after obtaining appropriate advice from NSS Counter Fraud Services.

Further details pertaining to suspected theft, fraud, embezzlement, corruption, bribery and other irregularities are contained at Section 4.

## 5.05 Audit Reporting

Annual and longer term audit plans will be prepared and laid before NSS's Audit and Risk Committee for approval by 31 March preceding the audit year commencing 1 April, or at such other time as the Committee may approve.

## 5.06 Internal Audit

Detailed Internal Audit Reports will be submitted to and agreed with management following all audit visits. Management must respond formally to audit reports within five working days of receipt of the final draft. The finalised report will be provided to the Director of Strategic Business Unit, Director of Finance and NSS's statutory auditor.

Each year NSS's Internal Audit Service provider will prepare and present to the Audit and Risk Committee an annual Internal Audit Report which summarises internal audit findings in the preceding year. This will be submitted before 30 June following the audit year in question.

Periodic review of the responses to agreed actions will be carried out by the Internal Auditors and the findings presented to the Audit and Risk Committee.

## 5.07 External Audit

The Public Finance and Accountability (Scotland) Act 2000 places responsibility on the Auditor General for Scotland to decide who is to undertake the external audit of each health body in Scotland.

The appointed External Auditor will conduct their audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland.

## 5.08 Service Audit

Annual Service Audit Reports will be submitted to and agreed with management following audits of the key services we provide to NHS Boards. Management must respond formally to audit reports within three weeks of receipt. The finalised reports will be provided to the Director of Strategic Business Unit, Director of Finance, NSS's statutory auditor and to the Audit and Risk Committee.

Each Service Auditor Report will provide an opinion on the controls in place and how effectively they have been operating during the year under review. This will be submitted before 30 June following the audit year in question.

The report will also detail the exceptions that were identified during the course of the testing, and management's responses to these. Management will be required to ensure that action is taken to address the risks or issues identified by the agreed deadlines.

Periodic review of the actions taken will be carried out by the Service Auditors and the findings presented to the Audit and Risk Committee.

## 5.09 Risk Management

The Audit and Risk Committee is responsible for overseeing the risk management framework for NSS.

The Chief Executive is responsible for reviewing the effectiveness of the system of internal control, which includes the maintenance of an NSS risk register. The NSS risk register should be reviewed by the Board, Board Committees and Executive Management Team and management teams as set out in the NSS Integrated Risk Management Approach (IRMA).

The Directors of Strategic Business Units are responsible for ensuring that risk registers are appropriately maintained and reviewed, and that appropriate risk management strategies and practices are adopted within their Strategic Business Units as outlined in the IRMA.

## Section 6: Financial Planning and Budget Control

### 6.01 Introduction

NSS has a responsibility to prepare and submit financial plans in accordance with the requirements of SGHSC to the Board and to SGHSC, ensuring that the budgets reconcile to such plans.

NSS will perform its functions within the total of funds allocated by Scottish Ministers and through income from other Health Boards and from other sources. All plans, financial approvals and control systems will be designed to meet this obligation.

NSS's income consists of four elements:

- the NSS baseline allocation which is to be treated as an aggregate sum;
- specific additional allocations of funding for projects and services sponsored by SGHSC and managed by NSS on behalf of NHSScotland;
- bottom sliced allocation from other Health Boards to fund National Services provided by NSS; and
- Income earned from trading with other Health Boards and other third parties.

NSS's financial planning cycle in respect of all income and expenditure will be co-ordinated with its business planning arrangements and timetables as approved by the Board. The financial plans will be reviewed in detail by the EMT and the Finance, Performance and Procurement Committee before being put to the Board for approval.

All requests for additional funding and income whether capital or revenue should be made using the Service Now Demand portal. Requests will be approved and prioritised on both an annual basis through the Resource Allocation Meetings and monthly at the EMT meetings.

The funding for specific ring-fenced projects will be agreed in advance of the projects commencement with NSS and SGHSC and will be supported by request through the Demand tool in the Service Now portal and an approved business case where required by SGHSC. The Director of Finance should be notified of any such projects at the earliest opportunity and will be responsible for ensuring funding is secured via additional allocations

Services funded through bottom slicing will agree the budget with those Health Boards involved. Retrospective adjustments will be made at the same time for any over/underspend from the previous period.

The financial planning cycle in respect all NSS functions, including projects, programmes and services managed by NSS on behalf of NHSScotland will be co-ordinated with SGHSC's planning cycle.

## 6.02 Preparation of budgets

The Directors of Strategic Business Unit will prepare and submit budgets, which reconcile to the approved financial plan to Director of Finance in line with the agreed timetable for NSS. Such budgets will:

- 1) be prepared within the limits of available funds as advised by the Director of Finance or SGHSC in the case of additional allocations;
- 2) meet any requirements of the Board and SGHSC;
- 3) be in accordance with the aims and objectives set out in the Annual Operating Plan and reflected in the Strategic Business Unit's Business Plan
- 4) accord with workload, workforce plans and funded establishment; and
- 5) identify potential risks and opportunities.

The Directors of Strategic Business Unit will be required to formally approve the delegated budget for their SBU on an annual basis.

## 6.03 New Funding Requests

The Director of Strategic Business Unit is responsible for securing additional revenue or capital funds for new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. All additional funding, whether through NSS or SGHSC allocations or income from health boards or third parties must be requested through the Business Case process in the Service Now Demand portal. This will ensure the Board have full visibility of all funds they are accountable for.

Once approved these additional funds will form part of the budget for the duration of the project, programme or service.

## 6.04 Systems of budgetary control

The Director of Finance will monitor financial performance against budget and will ensure that a performance management process is in place to periodically review the finance plan.

The Director of Finance will have a right of access to budget holders on budget-related matters, and be entitled to promptly and fully receive relevant information accordingly.

The Director of Finance will devise, introduce and maintain systems of budgetary control, and all staff of NSS will ensure compliance with these systems.

Such systems will incorporate:

- 1) monthly financial reports to the Board in a form approved by the Board containing:
  - a) income and expenditure to date showing trends and forecast year-end position;
  - b) capital project spend and projected outturn against plan on a monthly basis;

- c) comparison of the agreed annual workforce establishment to the actual in month, year to date and forecast position.
  - d) specific programme level reporting in respect of all major projects, programmes and services managed by NSS on behalf of NHSScotland, in line with the specific requirements defined by the Finance, Performance & Procurement Committee.
  - e) explanations of any material variance from Strategic Business Unit's Finance Plans (material being defined as the higher of 10% and £100,000). For the purpose of reporting, materiality should be considered in relation to the total income, and the total pay and non-pay expenditure; and
  - f) details of corrective action where necessary and the Director of Finance's view of whether such actions are sufficient to correct the situation;
- 2) investigation and reporting of variances from financial, workload and workforce budgets, including a requirement for finance staff to escalate any significant changes to income and expenditure to both the Director of Finance and the Director of Strategic Business Unit;
  - 3) monitoring of management action to correct variances; and
  - 4) arrangements for the authorisation of budget transfers in the case of NSS's general allocation
  - 5) arrangements for the return of specific additional allocations or proposed virement in line with agreed conditions of funding award for funds managed by NSS on behalf of NHSScotland (see section 4.24 for rules of virement.

The Director of Strategic Business Unit is responsible for ensuring that:

- 1) any likely overspending or reduction of income, which is not offset by corresponding reduction in expenditure, which cannot be met by virement within agreed limits is not incurred without the prior consent of the Director of Finance in respect of the general allocation, in addition to SGHSC in respect of ring-fenced funds;
- 2) the amount provided in the approved budget is not used in whole or in part for any other purpose other than that specifically authorised subject to the rules of virement;

The monthly financial returns from Strategic Business Units will report actual results against a revised budget reflecting in year allocations.

## 6.05 Budget limits and Delegation

The budgets adopted by NSS will be set so as to ensure that it meets the financial targets to contain its Revenue and Capital expenditure in each year within the limits approved by SGHSC and to meet the targets set by SGHSC regarding Cash Releasing Efficiency Savings (CRES) and cash requirement.

The Board will approve budget limits and set business performance targets for all Strategic Business Units except in respect of earmarked funds allocated for specific purposes by

SGHSC. Overall responsibility for budgetary control will rest with the Chief Executive, who is the Accountable Officer of NSS.

The Chief Executive will, in turn, delegate this responsibility to senior officers in NSS within the context of an agreed performance assessment framework.

Each Director of Strategic Business Unit is the designated budget holder and is accountable to the Chief Executive and to the Board for the financial performance of his Strategic Business Unit.

The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board or SGHSC for NSD earmarked funding and other funds managed by NSS on behalf of NHSScotland (including eHealth) (see Appendix I).

Any budgeted funds within NSS's general allocation not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to authorised use of virement (see below). In relation to earmarked funds and other funds managed by NSS on behalf of NHSScotland, budgeted funds not required for their designated purpose revert to the immediate control of either SGHSC's Director of Finance or Health Board Chief Executives as appropriate, subject to the authorised use of virement (see below).

As part of monthly financial reporting arrangements, the Director of Strategic Business Unit with delegated authority to manage earmarked funds and other funds managed by NSS on behalf of NHSScotland, must report formally to the Director of Finance where budgeted funds are not required.

The Director of Finance will be responsible for making arrangements to return un-required funds to SGHSCD in line with agreed protocols.

Non-recurring budgets will not be used to finance recurring expenditure without the prior approval of the Chief Executive or Director of Finance, or SGHSC as appropriate.

Within NSS's general allocation, the Chief Executive, Director of Finance or the Board, as appropriate, must approve expenditure not covered by an approved budget in advance. Further details are contained at Appendix I.

Irrespective of the approved budget levels, commitment of expenditure by budget holders must comply with procurement rules (see section 6 to 9). In particular approval of any contract award should be in accordance with section 7 and the approval levels set out in 7.03 and 7.05 followed.

## 6.06 Virement

Virement is the re-allocation of budget authority. It involves reducing the level of budget at one or more Budget Centres and correspondingly increasing the level of budget at one or more other Budget Centres.

There is an over-riding requirement on the Board to contain expenditure within NSS's Revenue Resource Limit (RRL); it may, therefore, be necessary in certain circumstances for the Chief Executive to impose virement and vary the budget of an individual Budget Holder.



Subject to the foregoing rules, planned or fortuitous savings may be redeployed within NSS's general allocation provided that the Director of Strategic Business Unit has verified that:

- (a) they do not arise from major alterations in service provision;
- (b) they are not part of an efficiency savings initiative;
- (c) the level of service defined in the Business Plan has been or will be achieved;
- (d) details of the savings figures have been provided to the Director of Finance;
- (e) non-recurring savings are not committed recurrently;
- (f) the Budget Centre in total is expected to remain within budget by the end of the year;
- (g) the alternative use does not conflict with NSS policy.

In the case of NSD's earmarked funding allocation, the Director of NSD has delegated authority from SGHSC to allocate revenue funds to national services, and to vire funds between individual national services. Such actions should be within the earmarked allocation for commissioning national healthcare and screening services to ensure that the actual costs of specialist and screening services needed by residents of Scotland are met, as far as possible, within the overall earmarked allocation made available by SGHSC, provided that:

- a) the level of service defined in National Healthcare and Screening Service Agreements has been or will be achieved;
- b) waiting times are within the limits set by SGHSC;
- c) funding shifts do not generate major service change unless prior approval by SGHSC has been granted;
- d) use or application of savings across the total earmarked funds of NSD (subject to the virement reference above) should be agreed in conjunction with the relevant funding bodies, i.e. SGHSC for top sliced allocation for designated specialist and screening services, and NHS Boards for NHS Scotland financial risk share arrangements; and
- e) savings against earmarked funds of NSD will not be used to support NSS activity; similarly NSS funds will not be used to support activity funded through NSD.

The Director of NSD must report significant virements to the Director of Finance in the first instance and to the National Corporate Finance Network.

Virement within earmarked capital / non-recurring funds and in respect of funding managed by NSS on behalf of NHSScotland is only permitted with prior approval of SGHSC.

For the avoidance of doubt, virement between projects and programmes within eHealth must be specifically approved by the Deputy Director (eHealth) in SGHSCD.

## **6.07 Financial consequences of change**

The Director of Finance will keep the Chief Executive and the Board informed of the financial consequences of changes in policy, pay awards and other events and trends affecting budgets and will advise on the financial and economic aspects of future plans and projects.

## Section 7: Staff Appointments, Remuneration and related matters

### 7.01 Remuneration Committee

In accordance with Standing Orders, the Board will establish a Remuneration and Succession Planning Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

### 7.02 Staff Appointments

The Board will delegate responsibility to a manager for:

- a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board; and
- b) dealing with variations to, or termination of, contracts of employment.
- c) both in a form which complies with employment legislation.

No officer of the Executive Management Team or employee may engage, re-engage, or regrade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

- a) unless within the limit of his approved budget and funded establishment; or
- b) in exceptional circumstances if authorised to do so by the Chief Executive.

The Board will approve or delegate to a Board Committee the approval of procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees.

All employee contracts will conform to relevant standard NHS terms and conditions. Any variation from standard terms and conditions will require prior approval of the Director of Human Resources and Workforce Development.

The Remuneration Committee will approve all new or additional jobs created for AfC band 8d, 9 and Executive grades. In addition, they will agree all appointments where the lower half of the salary range will not secure the preferred candidate.

### 7.03 Processing of Payroll

The Director of Finance is responsible for ensuring that appropriate arrangements exist for:

- a) specifying timetables for submission of properly authorised time records, expense claims and other notifications;

- b) the final determination of pay and allowances;
- c) making payment on agreed dates; and
- d) agreeing method of payment.

The Director of Finance will issue instructions regarding:

- a) verification and documentation of data;
- b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances;
- c) maintenance of subsidiary records for superannuation, income tax, national insurance contributions and other authorised deductions from pay;
- d) security and confidentiality of payroll information;
- e) checks to be applied to completed payroll before and after payment;
- f) authority to release payroll data under the provisions of the Data Protection Act and National Fraud Initiative;
- g) methods of payment available to various categories of employees and officers;
- h) procedures for payment by bank credit to employees and officers;
- i) procedures for the recall of cheques and bank credits;
- j) pay advances and their recovery;
- k) maintenance of regular and independent reconciliation of pay control accounts;
- l) regular reconciliation of key standing data between the payroll system and the Human Resources Business Systems;
- m) a system to ensure the recovery from leavers of sums of money and property due by them to NSS; and
- n) procedures for reclaiming expenses incurred wholly, necessarily and exclusively for business purposes.

Appropriately nominated managers and EMT members have delegated responsibility for:

- a) completing and authorising time records, and other notifications in accordance with the Director of Finance's instructions and in the form prescribed by the Director of Finance;

- b) submitting time records, and other notifications in accordance with agreed timetables; and
- c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil Executive Management Team obligations in circumstances that suggest they have left without notice, the Director of Finance must be informed immediately.

Regardless of the arrangements for providing the payroll service, the Director of Finance will ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and timely payment of these to appropriate bodies.

## 7.04 Termination Settlements

In the case of a termination settlement, a cost/benefit statement must be prepared for submission to the Director of Finance to demonstrate the financial effect of the decision. This statement will be in a form approved by the Remuneration Committee. In all cases, the appropriate Director of Strategic Business Unit, the Director of HR and Workforce Development, and the Director of Finance must sign the statement in support.

Where the full cost of the settlement exceeds £75,000, the case must be submitted to the Chair of the Remuneration Committee for prior approval. The Chief Executive will be responsible for authorising settlements where the total cost is less than £75,000. An annual report of all such instances will be presented to the Remuneration Committee by the Chief Executive.

Approval from or notification to SGHSC of any settlement agreements will be done in conjunction with relevant guidance issued by SGHSC.

Prior to payment of any termination settlement the Head of Payroll Services will ascertain from the Director of Finance and the Director of HR and Workforce Development that the settlement has been duly authorised.

## 7.05 Organisational Change

The Director of the Strategic Business Unit is responsible for setting out the requirements and following the Organisational Change Policy. A full financial appraisal must support the organisation change programme and be submitted to the Change Oversight Group (COG) for approval.

The financial budget for any established posts is removed from the SBU budget as a gross saving and reinvested within the NSS Workforce Resource Team as required.

## **7.06 Extension to Pay during periods of absence**

The line manager with support from HR advisors is responsible for requesting an extension to pay during extended periods of absence. The Section 14 Workforce review panel, chaired by the Director of Finance will assess the circumstances of the individual and where appropriate approve any extension to pay.

## **7.07 Ex Gratia Payments**

All ex gratia payments made to staff will be approved in line with section 17 on losses and special payments. An annual report of all such payments will be presented to the Remuneration Committee by the Director of Finance.

## Section 8: Non Pay Expenditure

### 8.01 Introduction

This section deals with obtaining goods, works or services solely for NSS own use.

All procurement activity must be undertaken in line with the [Scottish Government Procurement Journey](#) and all specific NHSScotland procurement policies.

The NSS procurement team will provide advice and support to the Strategic Business Units on all aspects of procurement to ensure compliance with all relevant Acts and regulations. The NSS Procurement Team will manage all route 2 and 3 procurement requirements as defined within the Scottish Government Procurement Journey,

Capital works must be undertaken in line with the requirements set out in the [Scottish Government Scottish Capital Investment Manual](#) and the [Construction Procurement Handbook](#) or any subsequent amendment or revision of those documents issued by Scottish Government.

It is the responsibility of everyone involved in the process of commitment of Non-Pay Expenditure to familiarise themselves with the requirements commensurate with their intended procurement. Guidance can be sought from and will be provided by the NSS Procurement team.

It is the responsibility of everyone involved in the process of commitment of Non-Pay Expenditure to familiarise themselves with the requirements commensurate with their intended procurement. Guidance can be sought from and will be provided by the NSS Procurement team.

### 8.02 Delegation of Authority

Each Director of Strategic Business Unit will designate an officer(s) who will be empowered, within defined limits, to authorise the creation of NSS's official purchase orders on behalf of their respective Strategic Business Unit. The authorisation of a Purchase Order commits expenditure on behalf of NSS and, following completion of the relevant procedures, the disbursement of NSS funds to the supplier.

### 8.03 Responsibilities

The Chief Executive is responsible for

- setting out procedures on the seeking of professional advice regarding the supply of goods and services in line with SGHSC guidance and recognised best practice.

The Director of Finance is responsible for:

- Issuing instructions for staff regarding the handling, checking and payment of accounts and claims within the Finance Operations team;

- where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained;
- the account is arithmetically correct;
- appropriate entries have been made in purchasing and payment systems, registers, inventories, stores or similar records as required;
- the appropriate expenditure code numbers are charged with the cost;
- payments for goods and services is only made once goods and services are received;
- appropriate segregation of duties for placing orders, receipting goods and services and authorising payment of invoices;
- ensure that appropriate arrangements are in place for the prompt payment of accounts and claims. Payment of contract invoices will be in accordance with contract terms, or otherwise, in accordance with national guidance;
- only invoices with a valid purchase order number will be paid;
- VAT has been appropriately applied; and
- the account is in order for payment.

Director of Strategic Business Unit is responsible for:

- compliance with the guidance and limits specified by the Director of Finance/
- the purchase of goods be in accordance with Scottish Government Procurement Journey and NHSScotland procurement policies
- ensure the procedures are followed when placing an order and invoking competitive quotation or tendering arrangements are outlined in Section 8;
- where consultancy advice is being obtained, the procurement of such advice must be in accordance with Section 9;
- goods and services are received timeously and accurately;
- no contract will be entered into or purchase order issued for any item or items to any organisation or person which has made an offer of gifts, inducement, reward or benefit to directors or employees,
- no requisition/order or contract acceptance is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance on behalf of the Chief Executive.



## **8.04 Requisitioning of goods and services**

The requisitioner or officer placing the order, in choosing the goods to be supplied (or the service to be performed) and the procurement process to be followed must always seek to obtain the best value for money for NSS and NHS Scotland. In so doing, where deemed appropriate, the advice of NSS's procurement staff and where appropriate CLO shall be sought. Where this advice is not acceptable to the requisitioner, the Director of Finance (and/or the Chief Executive) must be consulted. Details of any such occurrences should be reported quarterly as appropriate to the Finance, Procurement and Performance Committee

Full guidance for ordering and receipting of goods and services can be found on the knowledge base of the Finance and Procurement Service Now portal.

## Section 9: Tenders, Quotations and Contracting Requirements

### 9.01 Introduction

These Standing Financial Instructions define the arrangements for tendering or receipt of quotations and contracting requirements. They apply for procuring or ordering goods or services for which no applicable public sector contract or framework agreement currently exists that NSS can use.

The Director of Finance is responsible for ensuring the maintenance of systems for the invitation, receipt, safe-keeping and selection of tenders and quotations, which will include a register of tenders.

### 9.02 Thresholds for Purchasing of goods, services and works

The thresholds for the purchasing/ordering of all goods, services and works are as follows: -

Thresholds	Purchasing Process
Contract value < £10,000	Achievement of value for money should be demonstrated. Where possible, this will be through receipt of three competitive quotations from reputable suppliers. (In the absence of such quotes, the purchaser must be prepared to justify the procurement route chosen to the Director of Finance if asked to do so).
Contract value > £10,000 and < £50,000 (except public works)  Public Works <£2m	<a href="#">Procurement Journey Route 1</a>
Contract value £50,000 or more over its lifetime (4 years maximum) (except public works)  Public Works £2m or greater	<a href="#">Procurement Journey Route 2</a> . This must be done with full advice and guidance of NSS procurement, CLO and other technical advisers as required. The contract must be advertised on Public Contracts Scotland.
Contract with an estimated value equal to or greater than the published thresholds detailed within <a href="#">SPPN 08/2019</a> (valid until January 2022)(see 8.07 below)	<a href="#">Procurement Journey Route 3</a> This must be done with full advice and guidance of NSS procurement, CLO and other technical advisers as required. The contract must be advertised on Public Contracts Scotland.

In order to ensure that value for money is achieved it is essential that a sufficient number of competent, financially sound suppliers with adequate capacity to undertake the work or provide the goods/service are identified. As part of value for money, due regard to other relevant organisational policies is important, for example, policies in relation to corporate social responsibility/sustainability and risk management.

In the case of Goods and Services, the estimated value of the contract must include all possible options under the contract. For example, if the contract allows NSS to aggregate requirements, purchase additional supplies or services or extend the contract period beyond its original duration, the financial implications of these must be included in the estimate of the potential contract value; even if the likelihood of taking up these options is small. This will assist in ensuring the appropriate best practice procurement route is chosen

In the case of Works, purchasers are required to estimate the value of the whole works project, irrespective of whether or not it comprises a number of separate contracts for different activities, stages or phases of an individual project.

Any contract with an anticipated value of over £50,000 must be routed through the NSS Procurement team. The NSS Procurement manager will ensure that standardised NSS procurement processes are followed and that NSS complies fully with regulations and SG policy.

In certain circumstances, public procurement regulations may not apply. This is permitted using the general exclusions and Specific Situations of the Public Contracts (Scotland) Regulations 2015 Sections 4 or 7 through 18 or by being a service listed in Schedule 3 of the aforementioned regulations. To ensure probity the Sole Source Justification form should be completed in these circumstances. If the purchase is of an ongoing nature, a single form for the requirement should be completed at the start of each financial year and attached to the initial Purchase Order for NSS Procurement records. All subsequent Purchase Orders should reference the initial Purchase Order number. The Sole Source Justification form can be found in the NSS Procurement pages on geNSS (see Section 6). These exemptions require careful consideration and the advice of the NSS Head of Procurement must be sought at the earliest opportunity if circumstances may require their use.

No tender may be invited for goods, services or works unless the estimated expenditure is included in the Strategic Business Unit's Budget or Business Plan or has been previously approved by the Chief Executive.

Tender submissions should be sought by use of the SG supported e-Tendering system or the Public Contracts Scotland web portal or another approved Public Sector web portal.

All Tenders must be appraised against the Scottish Procurement Document (SPD). This is a statutory requirement that ensures all mandatory & discretionary exclusion criteria are appropriately assessed for each bidder. Where existing Framework Agreements are to be used, the procedures set out in that Agreement must be followed. Guidance on the use of the SPD should be sought at all times from the NSS Procurement Department.

Where, in exceptional circumstances, three competitive written quotations or tenders cannot be provided by reputable suppliers the tender process and selection must be approved by the Chief Executive or the Director of Finance via a sole source justification. The sole source justification form can be found on Service Now). The Director of Finance will present, on an

annual basis, a report to the Finance, Procurement and Performance Committee detailing the nature and justification for any such circumstances.

The Director of the Strategic Business Unit is the responsible for:

- must be satisfied that all required processes and procedures in compliance with public procurement regulations have been adhered to prior to accepting a tender;
- must ensure that all accepted tenders have the appropriate details entered onto the NSS contract register which will be maintained by the NSS Procurement Department;
- ensure that all tender documentation, reports and records must be retained and stored in line with NSS document management and retention policy.
- ensure that every contract contains a clause entitling NSS to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor or his representative, with or without his knowledge, has colluded in tendering for the contract or any other contract with NSS or has employed any corrupt or illegal practice in obtaining or executing that or any other contract with NSS.

An officer or executive having a pecuniary interest, whether direct or indirect, in any tender with NSS must declare this interest to the Director of Finance who must ensure such details are entered in the Register of Pecuniary Interest. Such officers must also disqualify themselves from any involvement in the tender procedures.

Except where otherwise agreed all contracts will be in writing and subject to the Law in Scotland.

### **9.03 NSS Contract / Framework Agreement**

Prior to award on behalf of NSS itself of any contract or Framework Agreement or call off by NSS of any Framework Agreement (or extension of any contract or Framework Agreement or call off same), where the annual amount (or amount relating to the extension period if shorter) which NSS is committing to pay is:

- less than £50,000, three quotes are required and approval is required from Director of Strategic Business Unit;
- £50,000 to £100,000 must follow formal procurement regulations and approval is required from the Director of Strategic Business Unit.;
- more than £100,000 but less than £500,000 approval is required as above and the PCF Contracts Approvals Board and the Director of Finance;
- more than £500,000 but less than £1 million approval is required from PCF Contracts Approvals Board and then from the Chief Executive;

- more than £1 million approval is required from the NSS Board through the Finance, Procurement and Performance Committee, following approval from the Chief Executive as above.

## 9.04 Contract Extensions

Wherever practicable, approval for contract extensions should be sought on a timely basis so that should extension approval not be granted that there is sufficient time to run the appropriate procurement process set out in these SFIs. For all contract extensions which require authorisation by the Chief Executive or the NSS Board, NSS procurement must seek CLO advice and ensure approval is sought in sufficient time to run an appropriate procurement process or an exemption must be agreed by the Chief Executive / NSS Board.

## 9.05 Contracts on behalf of Scottish Ministers, NHSS or combinations of public bodies

Prior to the new financial year the PCF SBU Director will provide the Finance, Procurement and Performance Committee with a procurement strategy detailing all planned contracts/framework agreements awards. Based on an assessment of financial and reputational risk the Committee will identify those contracts/framework agreements which will require approval by the Board.

For contracts/framework agreements awards not identified as requiring Board approval by the Finance, Procurement and Performance Committee the following approval strategy will apply based on the estimated/expected **total annual value** or uptake under the Contract or Framework Agreement:

- less than £2 million, approval is required from the PCF SBU Director, the Strategic Sourcing Director and the Director of DaS Strategic Business Unit for an IT-related contract;
- more than £2 million but less than £5 million, approval is required from the PCF Contracts Approvals Board (Director of Finance, PCF SBU Director, Strategic Sourcing Director and for IT approvals the IT SBU Director);
- more than £5 million, approval is required from the Chief Executive of NSS following the PCF Approval Board;

No award or execution of a contract or a Framework Agreement shall be made by or on behalf of NSS without appropriate authority or in advance of an Approval Certificate being issued.

All NSS officers and employees should be aware of the importance of acting within statutory powers and functions and the requirement of written records.

Verbal contracts are not acceptable. Care must be taken to ensure Contracts and/or Framework Agreements are not concluded informally. Correspondence on contractual issues should contain a statement that the letter or e-mail is not intended to form a contract

and that NSS will not be bound by any terms unless and until incorporated within a formal award or document entered into by NSS which satisfies Section 3 of the Requirements of Writing (Scotland) Act 1995.

No award or execution of a contract or a Framework Agreement shall be made by or on behalf of NSS without appropriate authority or in advance of an Approval Certificate being issued.

All NSS officers and employees should be aware of the importance of acting within statutory powers and functions and the requirement of written records.

Verbal contracts are not acceptable. Care must be taken to ensure Contracts and/or Framework Agreements are not concluded informally. Correspondence on contractual issues should contain a statement that the letter or e-mail is not intended to form a contract and that NSS will not be bound by any terms unless and until incorporated within a formal award or document entered into by NSS which satisfies Section 3 of the Requirements of Writing (Scotland) Act 1995.

## General Requirements

### 9.06 Advertising

In accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and threshold values set out in [SPPN 08/2019](#) (valid until January 2022) over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be in accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and OJEU value over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be sought from NSS Procurement.

### 9.07 Signing of contracts

The official signing of any contract or framework agreement that requires Board approval (as per sections 9.02 and 9.04 above) will be sealed with the Common Seal of the Common Services Agency.

The Director of Finance must ensure the segregation of duties between negotiating and the signing of contracts. Contracts entered into by NSS for services for NSS or provided on behalf of NHSScotland must be approved by the Director of Finance or the Chief Executive.

### 9.08 Record of contracts

To effect compliance with the Procurement Reform (Scotland) Act 2014, NSS' utilises the [Public Contracts Scotland](#) (PCS) web portal contract register functionality to maintain a public register of all contracts in excess of £50,000 in value.. The Director of Finance will receive a copy of the register on an annual basis.

## 9.09 Variations to contracts

All agreements with suppliers/contractors to vary contracts for supplies/works of a revenue or capital nature must be in-line with procurement regulations and will require approval should additional expenditure meet thresholds detailed in line with Section 9.

Claims from suppliers/contractors which are not clearly within the terms of the contract concerned will be referred to the Procurement Department, who will inform Chief Executive and/or Director of Finance if necessary, before agreement is reached and any payments are made.

Where completion of a contract is delayed the matter will be referred to the Director of Finance for further action.

With regard to contracts for works (capital expenditure), the contract will specify the circumstances that will occur before a variation is appropriate. The officer authorised to supervise and control the work must ensure these conditions are observed before authorising any contract variation.

## 9.10 Interim and final payments

Officers authorised by Directors of Strategic Business Units to supervise and control work under contracts (including both revenue and capital contracts) will certify payments to suppliers/contractors. Directors of Strategic Business Units will provide the Director of Finance with a list of authorised signatures, together with specimen signatures and initials. These lists will be reviewed by senior Financial Services staff at least annually to ensure currency, completeness and accuracy.

## 9.11 Communications

All contracts (other than for a simple purchase permitted within the Scheme of Delegation and excluding Service Agreements for national specialist healthcare and screening services), leases, tenancy agreements and other commitments which may result in a liability must be notified to the Director of Finance in advance of any commitment being made.

## Section 10: Appointment of advisers and non-permanent staff

### 10.01 Introduction

These Standing Financial Instructions define the procedures to be followed in the selection and appointment of Advisers and staff not on open-ended contracts and should be read in conjunction with Sections 8 and 9.

Provider	Process
Legal Advisers	CLO must act as appointed legal advisers on all legal matters unless approval has been granted by Chief Executive
Management Consultants/ Contractors (individuals and companies)	This section 9. The authority limits in section 9 also apply.
Agency staff	In line with all establishment posts, agency and contractor staff will be recorded on the relevant NSS Business Systems to ensure compliance with the National Directory and NHS Mail access for all members of staff and to allow for effective monitoring of all staff across NSS. Agency staff must be appointed in line with the NSS Agency Workers Process including a requirement to utilise any national procurement framework or contract in place for such staff within NHSS. Completion of an online “check of employment status for tax” must also be carried out prior to the start of any engagement.  The authority limits in section 9 also apply
Secondees	Before appointing any Secondees to work in NSS, the relevant Director of Strategic Business Unit must be consulted and their approval to proceed should be given prior to proceeding with any appointment
Temporary/Fixed Term Employees	Normal HR recruitment

### 10.02 Definition

Contractors are used by NSS -

- a) to provide specific expertise which may not be readily available within NSS;
- b) to perform a task within a defined time span; or
- c) to provide an outside objective view on a particular matter.



## 10.03 Specification of need

In considering the need for Management Consultants/Contractors it is essential that the following processes are adhered to: -

- 1) Define assignment to be undertaken: The nature of the task requires to be identified and a specification with the timescale prepared. This will enable the quantity and quality of professional skill required to be assessed.
- 2) Consider alternative means of undertaking assignment: Having prepared the specification it should be possible to consider whether the Strategic Business Unit's own staff can undertake the assignment, within normal working hours, in overtime hours or on a secondment basis. If this is not possible the option of involving other Strategic Business Units' staff on a secondment or chargeable basis should be explored before any consideration of an outside source is made. Should outside support be necessary the suitability of temporary staff should be considered before finally deciding to progress to the process leading to the appointment of Management Consultants/Contractors.
- 3) Define the basis of the consultancy: It is necessary to decide the appropriate method of appointment, for example if the end date of the assignment and timescale can be clearly identified a block fee would be appropriate. However, it is recognised that it is not always possible to do this and in such circumstances a day rate basis would be appropriate.

## 10.04 Procedures for appointment

The applicable procurement procedures and limits set out in sections 8, 9 and 10 must always be followed.

## 10.05 Appointment considerations for the Director of the Strategic Business Unit

- Must provide their approval to proceed prior to any appointment;
- For each appointment an online assessment through HMRC must be completed to determine the employment status for tax purposes for the engagement;
- Contract of employment and fee must be aligned to an established job description, any departure from this must be approved by the Director of HR and workforce Development and the Director of Finance;
- Appropriate consideration is given to the particular experience and reputation of the individual(s)/organisation;

- The individual(s)/organisation is competent to undertake the assignment and retain documentary evidence of their consideration;
- Professional competence is vetted and evidence retained;
- Where appointment is made due to lack of specific expertise being available within NSS, arrangements should be made wherever practical for knowledge or skills transfer into NSS to occur. The anticipated knowledge or skills transfer should be documented and tracked thereafter;
- for conducting a review of the effectiveness and value for money of the assignment prior to the departure of, or as soon as practicably possible thereafter, the appointed Management Consultant/Contractor. Internal Audit or any other body as may be required should record details of such review for the purposes of any subsequent independent scrutiny for ensuring that the work to be undertaken in the assignment has been carried out satisfactorily will certify invoices for work done and will ensure that the fee charged is correct;
- Throughout the whole procurement process of developing need, specification, tendering, appointment and payment the officers involved in the exercise are responsible for ensuring that best value for money is obtained.

## **10.06 Tendering Arrangements**

In all circumstances, the arrangements for tendering set out in Section 9 will be followed.

## **10.07 Functional continuity**

Where for whatever reason it is decided to extend the appointment of a Management Consultant/Contractor and this will increase the value of the initial or current assignment sufficient to move it into a higher value band (see Section 9) the materiality of any such extension should be measured and appropriate legal advice sought from CLO prior to the approval of the Chief Executive and/or the Director of Finance must be obtained before proceeding to extend the appointment.

Similarly, CLO advice should be sought and the Chief Executive's and/or the Director of Finance's approval must be obtained in all cases where the value or timescale of the extension cannot be estimated.

## **10.08 Audit and Risk Committee Reporting Requirements**

NSS's Audit and Risk Committee can, at any time, call for the justification of expenditure on Management Consultants.

The Director of Finance will present, on an annual basis, a report to the Audit and Risk Committee detailing the nature of and expenditure incurred by each Strategic Business Unit on the employment of Management Consultants in the preceding year.

## Section 11: Income Generation and Intellectual Property

### 11.01 Introduction

This Standing Financial Instruction refers to all income generation (excluding SGHSC allocations) entered into by NSS, whether or not contractually binding, for the supply of goods and/or services by it to another party and for which money will be receivable by NSS. It applies to “contracts” with NHSScotland bodies, other public sector bodies and to all arrangements with private sector bodies.

Contracts with SGHSC are not subject to this section of the Standing Financial Instructions.

### 11.02 Authority Levels

Strategic Business Units may enter into income generating activities with outside parties on their own authority provided that:

- 1) the limits set out in Appendix III (pg )are adhered to;
- 2) NSS’s standard terms and conditions of business/service level agreement apply;
- 3) if denominated in a foreign currency, approval has been obtained from Director of Finance as described below; and
- 4) section 10.19 on legal entity participation or investment is not relevant.

Any income agreement which does not meet all of the criteria above requires prior approval by the Director of Finance and/or Chief Executive.

Income agreements are frequently negotiated over a period of time which may be prolonged and often require to be ratified as soon as terms and conditions are agreed in order to avoid financial loss through further delay. Where authority from a higher level is required, officers should plan for and provide prior warning to all officers whose authority may be required.

### 11.03 Determination of charges

Each Director of Strategic Business Unit will review on at least an annual basis the charges for services provided by the Strategic Business Unit. Unless such charges are fixed externally or are governed by specific SGHSC regulations and/or legislation, the SBU income strategy, including charging principles and proposals for the revision of charges, will be submitted to the Chief Executive and Director of Finance for consideration and approval in advance of such revised charges being published. This will be formally approved as part of the annual business planning process.

In setting the level of fees and charges, Directors of Strategic Business Units should ensure the full recovery of all costs including capital costs represented by capital charges. For recurring income streams there should be a yearly review as part of the budget process to ensure that full recovery of costs is being achieved.

Where day rates form the basis of any fees and charges the approved NSS day rates should be used. Any variation from the approved day rates must be agreed with the Director of Finance.

Planned cross subsidisation is not permitted and marginal costing may only be used when unplanned spare capacity arises during the year.

Charges to the private sector may be set at any level that the market will bear, provided the price covers all direct and indirect costs.

In order to preserve the real value of income, increases recommended should have regard to at least the current rate of inflation.

## **11.04 Foreign Currency**

Business should normally be conducted in sterling. Any Sales which are to be denominated wholly or in part in a foreign currency must be pre-notified to the Director of Finance at the earliest opportunity.

Foreign currency transactions will normally only be acceptable in “hard” currencies such as US dollars, the Euro or Swiss Francs. Other major world currencies will be acceptable where business is conducted with the appropriate country.

Foreign currency transactions in excess of £2million require to receive advance authorisation through the Government Banking Service. Such transactions will be referred to the Director of Finance for arrangement. Government accounting regulations require NSS to minimise the cost of its overseas (banking) transactions while protecting public funds against loss and uncertainty due to foreign exchange movements. NSS will therefore take steps to minimise its exposure to foreign exchange risks, for example by entering into forward exchange contracts, but must not speculate on foreign exchange movements.

## **11.05 Third party contracts and agreements**

Under certain circumstances NSS may enter into non-financial contracts and agreements with third parties. All such agreements should be approved by the relevant Director of Strategic Business Unit. The Director of Strategic Business Units should ensure that an appropriate approval process is followed prior to “sign off” in line with Scottish National Blood Transfusion Service Business Development Execution of Agreement Checklist.

## **11.06 Intellectual Property and Other Guidance**

Strategic Business Units must comply with MEL(2000)13: “Fund Raising, Income Generation and sponsorship within the NHSiS” at all times.

The registration, other forms of protection, management and exploitation of Intellectual Property Rights (e.g. a brand, patent, domain name, etc.) is subject to compliance with current NSS Intellectual Property Policy and Scheme of Delegation.

Consideration should be given to using the services of Scottish National Blood Transfusion Service’s Business Development Department which has particular expertise and experience in providing services necessary for the identification, protection and exploitation of IP as this is a frequent occurrence within Scottish National Blood Transfusion Service R&D programmes and third party collaborations. Any such requests should be made via the office of the Director, Scottish National Blood Transfusion Service. An annual report on all relevant IP activity facilitated by Scottish National Blood Transfusion Service Business Development Department will be provided to the NSS Board/ Chief Executive via the NSS Clinical Governance Committee.

NSS participation or investment in any legal entity (e.g. joint venture) is subject to prevailing legislation and SGHSC guidance and is subject to approval by the Minister. Before proceeding, legal and procedural advice is required, and any activity in this area must be advised to and approved by the Director of Finance.

## **11.07 Notification of income to the Director of Finance**

All accounts for income due to NSS will be raised under arrangements approved by the Director of Finance.

The Director of Strategic Business Unit is responsible for the new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. All new income streams from health boards or third parties must be entered through the Business Case process in the ServiceNow Demand portal for approval by the appropriate authority.

## **11.08 Recovery of outstanding debt**

The Director of Finance will ensure that appropriate systems are maintained for the recovery of outstanding debts in line with the Debt Management Policy.

The Director of Finance is responsible for the recovery of outstanding debts and will ensure agreed credit control procedures are exercised to minimise any loss to NSS.

Outstanding debts that are not recoverable and are to be written off will be dealt with in accordance with the approved procedures for losses (see Section 17 below).

## Section 12: Capital Investment, Private Financing, Fixed Asset Registers

### 12.01 Capital Investment

The Director of Finance will ensure that:

- a) there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans;
- b) adequate arrangements are in place for the effective management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost;
- c) capital investment is not undertaken without confirmation of the availability of resources to finance all revenue consequences, including capital charges; and
- d) All capital programme requests are agreed and prioritised by the Property and Asset Management Board.
- e) For all capital expenditure a proposal should be produced in line with the NSS Business Case Process.

The Director of Strategic Business Unit is responsible for securing capital funds for new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. New projects must be requested through the Business Case process in the ServiceNow Demand portal. Funding will be approved and prioritised on an annual basis through the Resource Allocation Meetings, and any new requirements in year will be approved by the EMT at the monthly meeting. This will ensure the Board have full visibility of all funds they are accountable for.

The Director of Finance will issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

The Chief Executive, Director of Finance or the Board, as appropriate, must approve capital expenditure not covered by an approved budget in advance. Further details are contained at Appendix I.

The approval of a capital programme will not, of itself, constitute approval for expenditure on any scheme. The Director of Finance will issue to the manager responsible for any scheme:

- a) specific authority to commit expenditure;
- b) authority to proceed to tender; and
- c) approval to accept a successful tender.

The Director of Finance will ensure procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes are issued. These procedures will fully take into account the delegated limits for capital schemes included in guidance from SGHSC.

## 12.02 Asset Registers

Director of Finance is responsible for the maintenance of registers of assets, including the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted at least once a year.

The minimum data set to be held within these registers will be as specified in the Scottish Capital Accounting Manual as issued by SGHSC.

Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

- a) Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties;
- b) Stores, requisitions and wages records for own materials and labour including appropriate overheads; and
- c) Lease agreements in respect of assets held under a finance lease and capitalised.

Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate).

The Director of Finance will approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

The value of each asset will be indexed to current values in accordance with methods specified in the Scottish Capital Accounting Manual issued by SGHSC.

The value of each asset will be depreciated using methods and rates as specified in the Scottish Capital Accounting Manual issued by SGHSC.

The Director of Finance will ensure that capital charges are calculated and accounted for as specified in the Scottish Capital Accounting Manual issued by SGHSC.

A small equipment register as specified by the Director of Finance will be maintained within NSS. This register will incorporate high value and portable items of equipment, e.g. IT equipment, that do not fall within the scope of Capital Expenditure. The register will be in a format approved by the Director of Finance and a full count of identified items will occur at a time period specified by the Director of Finance. Any discrepancies will be noted in writing to the Director of Finance who will investigate as appropriate.

## 12.03 Security of assets

The overall control of fixed assets is the responsibility of the Chief Executive.

The Director of Finance must approve asset control procedures (including fixed assets and donated assets). This procedure will make provision for:

- a) Recording managerial responsibility for each asset;
- b) Identification of additions and disposals;



- c) Identification of all repairs and maintenance expenses;
- d) Physical security of assets;
- e) Periodic verification of the existence of, condition of, and title to, assets recorded;
- f) Identification and reporting of all costs associated with the retention of an asset;

All discrepancies revealed by verification of physical assets to fixed asset register will be notified to the Director of Finance.

Whilst each employee and officer has a responsibility for the security of the property of NSS, it is the responsibility of the Board and Executive Management Team members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NSS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with instructions.

Any damage to NSS's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board and Executive Management Team members and employees in accordance with the procedure for reporting losses. (See Section 17)

Where practical, assets will be marked as NSS property.

Upon the closure of premises or transfer of functions a physical check of all items will be conducted. All items held will be detailed on a list certified by the responsible officer, together with their disposition.

## **12.04 Treatment of receipts**

The Director of Finance is responsible for ensuring appropriate arrangements are in place for:

- a) approving the form of all agreement forms, or other means of officially acknowledging or recording monies received or receivable;
- b) ordering and securely controlling any such stationery;

All electronic receipts received on behalf of NSS will be recorded and deposited in accordance with the arrangements authorised by the Director of Finance. No deduction may be made from such money to meet expenditure of any kind.

The Chief Executive may delegate to nominated officers, authority to make ex-gratia payments below approved thresholds in line with procedures pertaining to such payments, e.g. compensation payments. All such payments must be notified to the Director of Finance and reported to the Audit and Risk Committee on at least an annual basis and reported in the Annual Accounts in accordance with the approved procedure for losses (see Section 17).

## Section 13: Banking arrangements

### 13.01 General

The Director of Finance is responsible for the management of NSS's banking arrangements and for advising NSS on the provision of banking services and operation of accounts.

NSS will operate the bank accounts in accordance with all relevant guidance issued by SGHSC.

The Government Banking Service (GBS) will hold NSS's main bank account. Where necessary, subsidiary bank accounts will be held with a commercial bank. All such bank accounts should be authorised by the Director of Finance.

### 13.02 Banking Procedures

The Director of Finance must agree in writing with NSS's bankers the conditions under which each account will be operated.

The Director of Finance will ensure that detailed instructions on the operation of bank and GBS accounts are prepared which must include:

- a) the conditions under which each bank account is to be operated;
- b) those authorised to sign cheques or other orders drawn on NSS's accounts; and
- c) the arrangements to be made for payments that may be required in other currency denominations (see also section 10).

### 13.03 Bank balances

All NSS accounts must be kept in positive balance. Any instance of an account being overdrawn, no matter how temporary, should be reported to the Audit and Risk Committee.

### 13.04 Provision of Imprests

The Director of Strategic Business Unit may request the Director of Finance to provide imprest accounts for the purposes of defraying minor expenses. The request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

All imprest accounts will be reviewed annually for appropriateness.

### 13.05 Corporate Purchasing Cards

The Director of Strategic Business Unit may request the Director of Finance to provide the use of a corporate purchase card for the purposes of procuring goods and services, where

only card payment method is available The request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

It is the responsibility of the Director of the Strategic Business Unit to nominate a card holder or card user for their own area;

All corporate purchase card transactions will be reviewed annually for appropriateness by the Associate Director of Finance with the Director of the Strategic Business Unit.

Daily and single transaction limits will be set by the Director of Finance. based on the expected use of the card. Increases to those limits must be submitted by the card holder and approved by the Director of Finance.

## **Section 14: Stocks and Stores**

### **14.01 Introduction**

Stocks and stores are those goods normally utilised in day-to-day activity but which at any point in time have not yet been consumed (excluding capital assets).

### **14.02 Custody of stocks**

The management, control and safe custody of stocks will be the responsibility of Directors of Strategic Business Units who may delegate responsibility for specific items to appropriate managers.

The Directors of Strategic Business Units will institute a system, approved by the Director of Finance, for the management, control and safety of stocks. Any stock loss should be considered for further investigation under Section 4 and any subsequent write off be dealt with in accordance with Section 17.

### **14.03 Stores records**

The Director of Finance will specify the form of stores records to be utilised, in conjunction with the control systems in place.

### **14.04 Movement of stocks**

The Director of Finance will ensure appropriate arrangements are in place to control the receipt and issue of stocks designed to safeguard the assets of NSS.

### **14.05 Valuation of stock**

Stock will be valued in line with agreed accounting practice. The use of average purchase price is deemed to represent cost where appropriate. Cost includes an appropriate allocation of overheads. Work in Progress will be valued at the cost of direct materials plus other conversion costs.

### **14.06 Slow moving and / or obsolete stock**

Directors of Strategic Business Units will institute a system, approved by the Director of Finance, for the identification of slow moving and obsolete stock and for the condemnation, disposal and replacement of all unserviceable items.

Those stocks that have deteriorated, or are no longer suitable for their intended purposes or usable for any other reason, or may become obsolete or deteriorate before all of the stocks can be used, will be written down to their net realisable value. Where this is considered necessary, a report giving full reasons for the write down will be sent to the Director of Finance in such a form to enable a report to be prepared for the Chief Executive and the Board of the National Services Scotland. Details of all write downs will be included in the Annual Accounts of NSS and reported in accordance with the losses procedures (see Section 17 and Appendix II).

Any stocks disposed of must be recorded and advised to the Director of Finance for inclusion in such a form to enable a report to be prepared for the Chief Executive and the Board. The report will include details of the method of disposal employed, and the costs and/or income accruing.

## **14.07 Stock levels**

Directors of Strategic Business Units will ensure that excess stocks are not held unnecessarily in any part of the supply chain.

Optimum levels of stock must be established by Directors of Strategic Business Units and subjected to continuous monitoring and review as part of the management process.

Unless operational circumstances dictate otherwise, suppliers should be encouraged to hold goods until they are required by direct delivery.

## **14.08 Stock taking**

In order to monitor the effectiveness of measures taken to control stock, a regular programme of stock taking must be established. All stocks will be counted and recorded at least once during each financial year. Unless a programme for 'perpetual inventory' exists, all stocks will also be counted, valued and reported as at 31 March each year.

## **14.09 Stock certificates**

At each year-end it will be the Directors of Strategic Business Units' responsibility to supply the Director of Finance with a certificate for each store that details the value of stock held. The Director of Finance will agree the precise format of this certificate.

## **14.10 Stocks held on behalf of SGHSC**

### **14.11 Delegation of authority**

The Scottish Government Health Resilience Unit (SGHRU) team have delegated authority to purchase replenishment stock and issue stock from their Pandemic Stock to National Procurement for the following sectors:

- Healthcare Sector
- Acute Hospital Sector
- Independent Sector GP
- Scottish Ambulance Service
- Social Care Sector

### **14.12 Reporting**

The Director for National Procurement will maintain an accurate and up-to-date record of stock balances, issues and replenishment order status. Weekly status reports and areas of risk will be will be provided

### **14.13 Escalation**

In the event there is a dispute over the management of the stock this will be initially resolved at an operational level and if required escalated to the National Procurement Director and the lead manager of the SGHRU.

## Section 15: Annual Report and Accounts

### 15.01 Introduction

Statutory Annual Report and Accounts will be completed each year for submission to the Board, prior to onward submission to SGHSC. These will be prepared in accordance with the provisions of the National Health Service (Scotland) Act 1978 and other related regulations in force.

### 15.02 Basis for preparation

The Annual Report and Accounts will comply with:

- International Financial reporting standards, as applied to the NHS;
- The accounting and disclosure requirements of the Companies Act;
- The requirements of the Annual Accounts Manual.

The Annual Report and Accounts shall give a true and fair view of the income and expenditure, total recognised gains and losses, balance sheet and the cash flow statement.

### 15.03 Chief Executive Responsibilities

Preparation of the Governance Statement, which he or she shall seek appropriate assurances from the Directors of the Strategic Business Units and that of the Chief Internal Auditor, with regard to the adequacy and effectiveness of internal control throughout the organisation.

### 15.04 Director of Finance Responsibilities

- Will ensure the maintenance of such detailed financial records as are required under relevant statute and regulations that will form the basis for the preparation of the Annual Accounts of NSS. (see also Section 16 – Information Governance);
- Issue an Annual Report and Accounts completion timetable to Strategic Business Units and Financial Services detailing requirements and associated responsibilities for the provision of information in support of the Annual Accounts process.
- Agree with the External Auditors the timetable for production, audit and approval by the Board of the Annual Report and Accounts by for the Auditor General for Scotland and SGHSC.

## **15.05 Approval of Annual Report and Accounts**

The Annual Report and Accounts will be reviewed by the Audit and Risk Committee, which has responsibility of recommending approval of the Accounts by the Board.

Following the formal approval by the Board, NSS will submit to SGHSC the approved Annual Report and Accounts and such reports prepared in accordance with the requirements of SGHSC and any relevant guidance contained in the Scottish Accounting Manual.



## Section 16: Information Governance

### 16.01 Financial Information Systems

The Director of Finance, who is responsible for the accuracy and security of the financial data (both electronic and paper formats) of NSS, will:

- a) devise and implement any necessary procedures to ensure adequate protection of NSS's financial data, and related computer hardware and software, for which s/he is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for Data Protection principles;
- b) ensure that adequate controls exist over financial data access, entry, processing, storage, transmission, deletion, disposal and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system;
- c) ensure that adequate controls exist such that the computer operation used in relation to financial procedures is separated from development, maintenance and amendment;
- d) ensure that a secure, adequate, management (audit) trail exists through the computerised system used in relation to financial procedures and that such computer audit reviews as s/he may consider necessary are being carried out. All audit data will be held securely and only accessed by those authorised to access it in line with their business duties;
- e) all policies and procedures will be in line with NSS corporate information governance related policies, procedures and guidelines.

The Director of Finance will satisfy them self that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Development, test and live financial systems shall be appropriately segregated to reduce the risk of unauthorised access to and corruption of live data. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation. Any new financial systems or amendments to existing financial systems must be implemented in line with NHS Scotland Information Security Policy and Standards including HDL (2006) 41 and DL(0215)17. Where the new system or amendment involves the processing of personal data then the development will follow appropriate assessment of any data protection risks.

In the case of all computer systems which are to be utilised by the majority of the Strategic Business Units, the Director of DaS Strategic Business Unit will be responsible for maintaining:

- a) details of the outline design of the system;

- b) in the case of packages acquired either from a commercial organisation, from the NHS Scotland, or from another public sector organisation, the operational requirement.

The Director of Finance will ensure that contracts for computer services for financial applications with another health organisation or any other agency will clearly define the responsibility of all parties for the security, data protection, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes and that all applications and/or systems are purchased, developed, implemented, operated and decommissioned in line with the NHS Scotland Information Policy and Standards. Where the contract includes the processing of personal information it will be set in compliance with Data Protection principles and NHS CEL 25 (2011).

Where another health organisation or any other agency provides a computer service for financial applications, the Director of Finance will periodically seek assurances that adequate controls are in operation and they conform to the NHS Scotland Information Security Policy and Standards. If this other organisation is processing personal data as part of the financial application, the assurances sought should, as a minimum, include those set out in NHS CEL 25 (2011).

Where computer systems have an impact on corporate financial systems the Director of Finance will satisfy them self that:

- a) systems acquisition, development and maintenance are in line with corporate policies such as NHS Scotland Information Security Policy and Standards;
- b) data produced for use with financial systems is secure, adequate, accurate, complete and timely, and that a management (audit) trail exists;
- c) staff authorised by/on behalf of the Director of Finance staff have authorised appropriate access to such data in line with their job duties; and
- d) such computer audit reviews as are considered necessary are being carried out.

## **16.02 Data Protection Act**

NSS must comply with provisions and principles of data protection law, including, but not restricted to, the EU General Data Protection Regulation, the Data Protection Act 1998 and the Data Protection Act 2018 including any amendments, subsequent orders under the said Acts or revisions thereto.

NSS's nominated Data Protection Officer (i.e. the Head of Data Protection) is responsible in overall terms for promoting and advising on compliance with the Acts. All staff members must act in compliance with the Acts by observing the NSS Data Protection Policy and approved Information Governance policy and guidelines.

## **16.03 Freedom of Information**

NSS must comply with provisions and principles of the Freedom of Information (Scotland) Act 2002.

NSS's nominated Freedom of Information Officer is the Associate Director, Corporate Affairs and Compliance. Recognising the principal accountability of the Chief Executive, the Associate Director, Corporate Affairs and Compliance is responsible in overall terms for compliance with the Act. All inquiries made under the Freedom of Information (Scotland) Act 2002 should be dealt with in accordance with NSS's Freedom of Information Policy and Information Request Protocol.

## **16.04 Management, Retention and Disposal of Administrative Records**

NSS must comply with the Public Records (Scotland) Act 2011 and the records management guidance set out in the Code of Practice on Records Management issued under Section 61 of the Freedom of Information (Scotland) Act 2002. CEL 31 (2010) Records Management: NHS Code of Practice (Scotland) provides guidance on the retention and disposal of administrative records.

Policies in relation to the above will be approved by the NSS Board in accordance with Standing Orders.

## Section 17: Losses and Special Payments

### 17.01 General

SGHSC has delegated authority to NSS to write-off losses and make special payments up to certain limits. Details are given in Appendix II. For payments to be made above the levels specified SGHSC prior approval must be obtained.

The Board in turn will delegate its responsibility to the Chief Executive and Director of Finance to approve write-off and authorise special payments.

On a regular basis and at least annually, the Director of Finance on behalf of the Chief Executive will submit a report to the Audit and Risk Committee detailing all losses written off and special payments made.

The Director of Finance is responsible for ensuring the maintenance of a Losses and Special Payments Register for recording: -

- the circumstances
- the amount / value involved
- the action taken
- the date of write-off authority

This Register will form the basis of NSS's Annual Scottish Financial Return (SFR 18) which is included in NSS's Annual Accounts.

The Director of Finance will be authorised to take any necessary steps to safeguard NSS's interests in bankruptcies and company liquidations.

## Section 18: Non-Public Funds

### 18.01 General

All receipts of non-public funds must be vested with the Trinity Park Foundation (“the Foundation”) which has its own Board of Trustees, one of which must be a member of the NSS Board.

All gifts, donations and proceeds of fund raising activities which are intended for the Foundation’s use will be passed immediately to the Treasurer of the foundation to be banked directly in the Foundation’s bank account.

All gifts accepted will be received and held in the name of the Foundation and administered in accordance with the Foundation’s policy subject to the terms of any specific trusts.

The Director of Finance is responsible for the consolidation of the Trinity Park Foundation accounts with the NSS Annual Report and Accounts, where the transactions of the foundation are material.

# Appendix I

## Protocol for the commitment of resources

### Level of Authority

### Delegated Limit

## 1.01 Capital Expenditure within NSS's Baseline Allocation

- |                         |                                                                                                                                                                                             |
|-------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Director of Finance | The commitment of funds in respect of projects having a total gross cost of up to £500,000 in value which accord with the agreed Strategic Business Unit strategy approved by the Board.    |
| (b) Chief Executive     | The commitment of funds in respect of projects having a total gross cost of up to £1.0million in value which accord with the agreed Strategic Business Unit strategy approved by the Board. |
| (c) The Board           | The commitment of funds in respect of projects having a gross total cost exceeding £1.0million.                                                                                             |

These arrangements are also subject to delegated capital limits as specified by SGHSC in the Scottish Capital Investment Manual, where the delegated limit for all capital projects is £1m. For capital projects greater than £1m approval is also required from the Capital Investment Group of SGHSC.

## 2.1 Revenue Expenditure within NSS's Baseline Allocation

- |                                         |                                                                                                                                                                                                                                                                                             |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) Director of Strategic Business Unit | All expenditure contained in the Annual Financial Plan, including developments and the specified use of non-recurring funds, subject to the executive approval procedures contained in Standing Financial Instructions and in accordance with agreed policies on, for example, recruitment. |
|-----------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|

- |                         |                                                                                                                                                                                                                                                                                                                                                                                                                                                                               |
|-------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (b) Director of Finance | <ul style="list-style-type: none"><li>a) The commitment of pre-planned individual developments where funds become available up to £500,000 in value which accord with the agreed Strategic Business Unit Strategy but are not included in the Annual Financial Plan for that year.</li><li>b) The utilisation of non-recurring funds not in the Financial Plan or covered by the delegated arrangements detailed above up to a total of £500,000 per development.</li></ul>   |
| (c) Chief Executive     | <ul style="list-style-type: none"><li>a) The commitment of pre-planned individual developments where funds become available up to £1million in value which accord with the agreed Strategic Business Unit Strategy but are not included in the Annual Financial Plan for that year.</li><li>b) The utilisation of non-recurring funds not in the Financial Plan or covered by the delegated arrangements detailed above up to a total of £1million per development.</li></ul> |
| (d) NSS Board           | <p>The bringing forward of pre-planned individual Revenue developments over £1million in value and the commitment of non-recurring resources not in the plan in excess of the limits specified above.</p>                                                                                                                                                                                                                                                                     |

## **2.2 Revenue Expenditure for specific projects funded through separate SGHSC allocation**

Project Director	The commitment of funds up to the total gross cost of the agreed revenue budget as specified in the approved Business Case.
------------------	-----------------------------------------------------------------------------------------------------------------------------

## **2.3 Revenue Expenditure for Services provided by NSS on behalf of other Health Boards**

Director of Strategic Business Units	The commitment of funds up to the total gross cost of the revenue budget set in agreement with the relevant Health Boards.
--------------------------------------	----------------------------------------------------------------------------------------------------------------------------

## Appendix II

### Losses: delegated limits

The delegated limits are as per SGHSC circular CEL (2010) 10 are as follows:

		<b>Delegated Authority (per case) £</b>
	<b>Theft / Arson / Wilful Damage</b>	
1	Cash	15,000
2	Stores/procurement	30,000
3	Equipment	15,000
4	Contracts	15,000
5	Payroll	15,000
6	Buildings & Fixtures	30,000
7	Other	15,000
	<b>Fraud, Embezzlement &amp; other irregularities (inc. attempted fraud)</b>	
8	Cash	15,000
9	Stores/procurement	30,000
10	Equipment	15,000
11	Contracts	15,000
12	Payroll	15,000
13	Other	15,000
14	<b>Nugatory &amp; Fruitless Payments</b>	15,000
15	<b>Claims Abandoned</b>	
	(a) Private Accommodation	15,000
	(b) Road Traffic Acts	30,000
	(c) Other	15,000
	<b>Stores Losses</b>	
16	Incidents of the Service –	



	- Fire	30,000
	- Flood	30,000
	- Accident	30,000
17	Deterioration in Store	30,000
18	Stocktaking Discrepancies	30,000
19	Other Causes	30,000

**Losses of Furniture & Equipment**

**And Bedding & Linen in circulation:**

20	Incidents of the Service - Fire	15,000
	- Flood	15,000
	- Accident	15,000
21	Disclosed at physical check	15,000

**Delegated  
Authority  
(per case) £**

22	Other Causes	15,000
----	--------------	--------

**Compensation Payments - legal obligation**

23	Clinical	250,000
24	Non-clinical	100,000

**Ex-gratia payments:**

25	Extra-contractual Payments	15,000
26	Compensation Payments - Ex-gratia - Clinical	250,000
27	Compensation Payments - Ex-gratia - Non Clinical	100,000
28	Compensation Payments - Ex-gratia - Financial Loss	25,000
29	Other Payments	2,500

**Damage to Buildings and Fixtures:**

30	Incidents of the Service	
	– Fire	30,000
	- Flood	30,000
	- Accident	30,000
	- Other Causes	30,000
31	<b>Extra-Statutory &amp; Extra-regulatory Payments</b>	Nil
32	<b>Gifts in cash or kind</b>	15,000
33	<b>Other Losses</b>	15,000

## Appendix III

### Sales contracts and income generation

#### AUTHORITY LIMITS

1. All income generation requires the prior approval of the Director of Finance or Chief Executive if the total lifetime value of a sales contract or Service Level Agreement (SLA) is or could be in excess of the undernoted limits.

Strategic Business Unit	SG Funding, Income Generated from NHSScotland and Third Parties	Grant Income
	(£)	(£)
Scottish National Blood Transfusion Services	100,000	500,000
Central Legal Office	100,000	100,000
Procurement, Commissioning and Facilities	100,000	500,000
Practitioner and Counter Fraud Services	100,000	100,000
Digital and Security	100,000	100,000
Finance	100,000	100,000
HR	100,000	100,000
	100,000	100,000

2. Third Party contracts, SLAs new sources of income generation and grant income whose value is or could exceed £500,000 and grant income whose value is or could exceed £1m requires the approval of the Finance, Procurement and Performance Committee prior to entering into any commitment with the customer. Conditional approval may be intimated in writing by the Director of Finance.

## Appendix IV

### Director of Finance Checklist

Reference	Requirement	Frequency	Committee
1.06	Breaches of SFIs.	Earliest opportunity	Finance, Procurement and Performance Committee
5.14	Ex Gratia payments to staff.	Annual	Remuneration Committee
6.12	Exceptions to procurement guidelines.	Quarterly	Finance, Procurement and Performance Committee
6.28	Advance payment (non-contractual) for goods/services.	Annual	Finance, Procurement and Performance Committee
8.12/9.14	Sole Source Justification report.	Annual	Finance, Procurement and Performance Committee
9.23	Spend on Management Consultancy.	Annual	Audit and Risk Committee
13.06	Any instance of being overdrawn with bank.	Earliest opportunity	Audit and Risk Committee
18.03	Report of losses and special payments made.	Annual	Audit and Risk Committee

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>24<sup>th</sup> March 2021</b>
<b>Title:</b>	<b>Financial Performance – Month 11</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Carolyn Low, Director of Finance</b>
<b>Report Author:</b>	<b>Carolyn Low, Director of Finance</b>

## 1 Purpose

**This is presented to the Board for:**

- Scrutiny

**This report relates to:**

- Annual Operation Plan and associated Financial Plan

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

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

This report presents NSS's financial performance for the period to 28<sup>th</sup> February 2021 (Month 11)

### 2.2 Background

This report forms part of NSS's formal financial management arrangements and is produced as a result of routine financial management and reporting processes.

The position stated will be used to report to SG Health Finance monthly through the FPR, and is reported routinely to FPPC and the Board to support overall governance arrangements.

### 2.3 Assessment

#### 2.3.1 Quality/ Patient Care

None

### 2.3.2 Workforce

None

### 2.3.3 Financial

The report confirms that NSS is on track to meet all of its financial objectives.

<b>NSS Targets</b>	<b>Year to Date £000</b>	<b>Forecast Outturn £000</b>	<b>RAG</b>
Revenue Outturn	6,247	500	<b>G</b>
NSS CRES Savings Total	3,155	5,723	<b>G</b>
NSD CRES Savings Total	11,728	12,879	<b>G</b>
Capital Outturn	0	0	<b>G</b>

### 2.3.4 Risk Assessment/Management

The report highlights the following financial risks:

- Outstanding funding allocations for annual revenue (£6.4m) and NDC service charge approved, but not yet transacted (£13.6m)
- Advance payment risks to secure appropriate supply chains for PPE (£10.7m)

Although the sums involved are significant, the risk is considered to be low. Advance payment risk continues to reduce as ordered supplies are received.

The forecast SBU trading position has moved favourably again during February by £0.3m and there is a risk that this moves further in March. A current surplus of c£4.0m is forecast and there is limited / no opportunity to commit such funding within accounting rules and requirements given the proximity to year end.

### 2.3.5 Equality and Diversity, including health inequalities

None

### 2.3.6 Other impacts

None.

### 2.3.7 Communication, involvement, engagement and consultation

The position reported reflects the position agreed between Finance and SBU directors as part of the routine financial management and reporting process. All Covid-19 expenditure reported is in line with formal governance arrangements agreed with SG and all relevant parties have been involved and engaged where appropriate:

### 2.3.8 Route to the Meeting

The financial position at an SBU level is agreed between SBU directors and Finance business controllers, then a consolidated position produced for EMT. Actions agreed will be managed collectively by EMT.

This report has been shared with EMT at its meeting on 22<sup>nd</sup> March 2021.

## **2.4 Recommendation**

- The Board is asked to note the positive financial position at Month 11

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1: NSS Financial Performance – Month 11



# **NSS Financial Performance**

**1st April 2020 – 28<sup>th</sup> February 2021**

**Director of Finance  
24<sup>th</sup> March 2021**



# NHS National Services Scotland Board

## Financial Performance – February 2021

### Executive Summary

#### Performance Summary

NSS is forecasting full achievement of statutory financial targets for 2020/21.

The year to date revenue under spend of £6.2m has increased from last month and includes £4.1m for NSD (with an updated year end projection of c£6m under). NSS has requested, on behalf of Boards, for SG to carry this forward into 21/22 to protect the budget against future cost pressures. This has been discussed at both CFN and DOFs.

The revenue forecast is a **£0.5m underspend** but EMT must note the underlying position is £4.2m underspent (with £2m additional, potential commitments as per following slide).

NSS Finance continues to liaise with SG Finance colleagues around opportunities to protect the overall position (NSS; SG; Boards) in 21/22 and manage the 20/21 out turn in-line with accounting standards and requirements.

A key driver of the overall underspend is the net SBU trading position (£2.1m under) with further detail later in this report..

In terms of allocations, there is a small risk (£0.3m) around the receipt of lower value BAU allocations which are still outstanding. All Covid revenue allocations have been received but due to the variability of Covid expenditure this will require a final adjustment at year end – which has been discussed and agreed with SG

#### Key Messages

SG have now allocated £408m to cover 100% of planned Covid revenue expenditure. Covid capital allocations have still to be transferred in-line with ongoing discussion and agreement on use and location of equipment across NHS Scotland into 21/22.

A surplus of circa £4.2m is currently expected with additional potential expenditure of £2m (see next slide). NSS Finance and SG Finance continue to collaborate closely to manage the financial position for 20/21 and protect budgets for 21/22 within accounting rules.

Capital funds are now forecast as a small underspend due to slippage in a couple of projects. This will be managed for the year end as part of the final revenue to capital transfer request.

NSS Targets	Year to Date £000	Forecast Outturn £000	RAG
Revenue Outturn	6,247	500	G
NSS CRES Savings Total	3,155	5,723	G
NSD CRES Savings Total	11,728	12,879	G
Capital Outturn	0	0	G

#### Risks and Issues

- General allocations of £6.4m remain outstanding plus NDC top slice of £13.6m (approval now given to transact by CFN and DOFs), the level of risk is deemed low around outstanding allocations.
- It should also be noted that NSS has paid certain PPE suppliers in advance of goods being received in order to secure orders – all such instances have been approved by the DoF. This liability stands at £10.7m and is decreasing as planned.
- The sale of Ellen's Glen Road is progressing with the sale anticipated early next financial year. Discussions are progressing with SG to ensure funds can be returned to NSS in an agreeable timescale in-line with the profile of re-investment.
- The forecast SBU trading position has moved favourably again during February by £0.3m and there is a risk that this moves further in March. A current surplus of c£4.0m is forecast and there is limited / no opportunity to commit such funding within accounting rules and requirements given the proximity to year end.

# NHS National Services Scotland Board

## Financial Performance – February 2021

### Options for utilising in year funds

As per the previous slide, the forecast current NSS underspend for 20/21 is **c£4.2m** (revenue)

Given the proximity to 31st March, it is becoming increasingly difficult and **nearly impossible** for costs to be committed this Financial Year in-line with accounting standards: goods and services must be delivered / received by this date for the costs to be accrued in 20/21

NSS Finance continues to explore opportunities with SG Finance to carry forward funding / retain underspends to a certain level but the clear message is that this is very unlikely given the precarious financial position for NHS Scotland in 21/22 and beyond.

SBU Directors will continue to explore options for utilisation of the remaining balance where it is appropriate and value for money to do so. The remaining NSS revenue 'balance' at year end will be used as further "offsetting" savings as part of the Covid LMP return and allocation adjustment.

Options under consideration are detailed in the table

Note items 1-10 already approved to proceed

Items in green have little risk around achievement in 2020/21.

Items in orange and red are less certain and require further deliberation before approval.

Item	Category	SBU	Development Name	Revenue 20/21	Capital 20/21
1	Approved - year end	PCF	BMS Head End	-	125,000
2	Approved - year end	PCF	Forresterhill/Gartnavel Fabric work	100,000	
3	Approved - year end	PCF	Forresterhill AHU work	50,000	
4	Approved - year end	PCF	Survey work	50,000	
5	Approved - year end	PCF	I.T equipment supporting digital estate	20,000	
6	Approved - year end	PCF	FM Equipment	20,000	
7	Approved - year end	PCF	IRIC validation equipment	150,439	
8	Approved - year end	PCF	GreenSpace / other bids	47,000	
9	Approved - year end	PCF	Sustainability Scotland Network	40,000	
10	Approved - year end	DaS	Cyber Security Licenses	-	414,400
11	Awaiting detail	PCF	Bulk Desk purchasing - WFH / DSE	tbc	
12	Awaiting detail	PCF	Air Handling Units Forresterhill	tbc	
14	Awaiting approval	Reserves	In year surplus, to be returned 21/22	500,000	
15	Awaiting detail	Reserves	Holiday Pay accrual	tbc	
16	Awaiting detail	PCF	Slow moving stock	tbc	
17	Awaiting detail	various	Deferral of income options	tbc	
18	Awaiting approval	Reserves	10% off utility bills / homeworking	561,600	
				<b>1,539,039</b>	<b>539,400</b>

# NHS National Services Scotland Board

## Financial Performance – February 2021

### COVID-19

	Revenue	Capital
	2020/21	2020/21
<b>NSS Covid Expenditure</b>		
Personal protective equipment	203,936,815	-
COVID-19 screening and testing for virus	58,979,419	19,624,107
Louisa Jordan costs	53,768,300	1,600,000
Equipment & Sundries	24,221,463	24,114,910
Contact Tracing Costs	22,811,623	-
Immunisation Costs (COVID-19)	19,964,329	135,557
Additional Travel Costs	11,998,683	-
Private Healthcare	10,425,741	-
Digital, IT & Telephony Costs	6,310,672	-
Estates & Facilities cost	5,767,321	-
Loss of income	4,135,095	-
Flu Programme Delivery Costs	4,077,858	-
Additional hospital drug spend	4,000,000	-
Clinical Waste (NSS)	1,911,789	-
Other- Mail Costs - P&CFS Shielding Letters	1,804,975	-
Additional staff overtime and enhancements	1,763,844	-
Additional temporary staff spend - All Other	1,702,605	-
Convalescent Plasma - SNBTS	777,695	187,000
Developing Treatment for COVID-19 - SNBTS	461,700	-
Additional temporary staff spend - Bank and Agency	262,405	-
SEIR Model, Blood Supply and Demand and SPARRA	190,000	-
Deep cleans	130,000	-
Implementation of automated red cell phenotyping	100,000	-
Other	400,185	164,000
Offsetting savings - Health	(669,576)	
<b>Total</b>	<b>440,673,141</b>	<b>45,825,574</b>
		<b>486,498,715</b>

#### Year to date

- Allocations have now been received covering all forecast revenue expenditure, but excluding the projected year end stock balance which will be accounted for in 21/22. SG are aware that there is potential for significant variability particularly within the PPE line. The most recent estimates suggest PPE will be £19m lower due to actual demand being lower than the SG demand model
- Capital allocations will be confirmed and transferred in March.

#### Forecast Outturn

- NSS is forecasting additional costs of £486m in 2020/21 in relation to Covid-19. This excludes £111m for PPE stock expected to be held at the 31st March on behalf of SG (it should also be noted that this stock value may decrease by c£20m based on current market prices ). NP is looking at options to hold £14m PPE offsite at 31/3/21 on behalf of SG but with clear title and right of audit etc.
- The main element of this cost is PPE (£204m) Testing (£79m) and Louisa Jordan (£55m).
- Work continues with SG, Audit Scotland, DOH and HB's to clarify treatment of equipment bought during this period for testing and ICU capacity. This will involve significant transfer of assets / funding from NSS/SG to Health Boards.

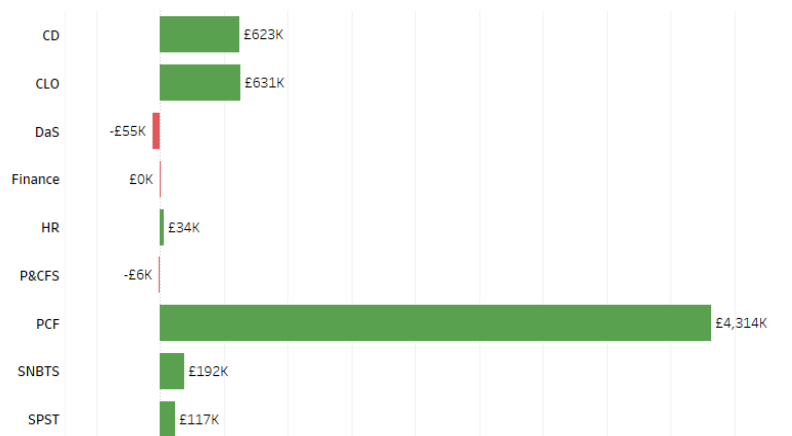
# NHS National Services Scotland – Board Financial Performance – February 2021 SBU Operational Performance

## Main Movements by SBU

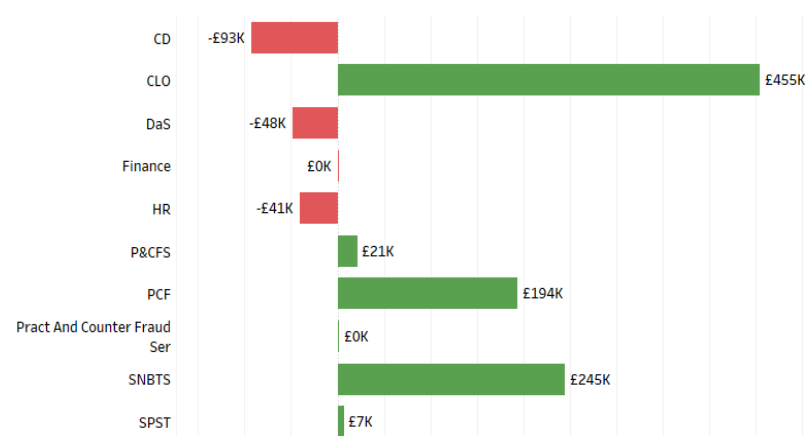
At 28 February, SBUs reported a net operating surplus of £6.2m. This comprises NSD surplus of £4.1m with additional surplus across all other areas totalling £2.1m

- SNBTS reporting a £192k YTD underspend and a year end surplus of £245k. This is mainly due to commercial income receipts of £330k and slippage on budgeted publicity campaigns due to Covid of £250k.
- PCF surplus of £4.3m includes £4.1m for NSD. The year end forecast for PCF is a surplus of £194k assuming NSD surplus is returned to Boards.
- CLO – Surplus of £631k will reduce towards year end with reduced income expected in March, plus higher expenditure over the remaining months.
- Clinical – Surplus of £623k YTD relates to SG funded programmes for SCOTCAP / Cytosponge but will breakeven at year end.
- P&CFS– Position is forecast as £21k, with £300k returned to reserves due to slippage on nDCVP.
- SPST - transformation funding of £300k not required due to PGMS staff supporting more Covid projects than planned transformation support.

## Revenue variances – Year to Date



## Revenue variances - Forecast Outturn

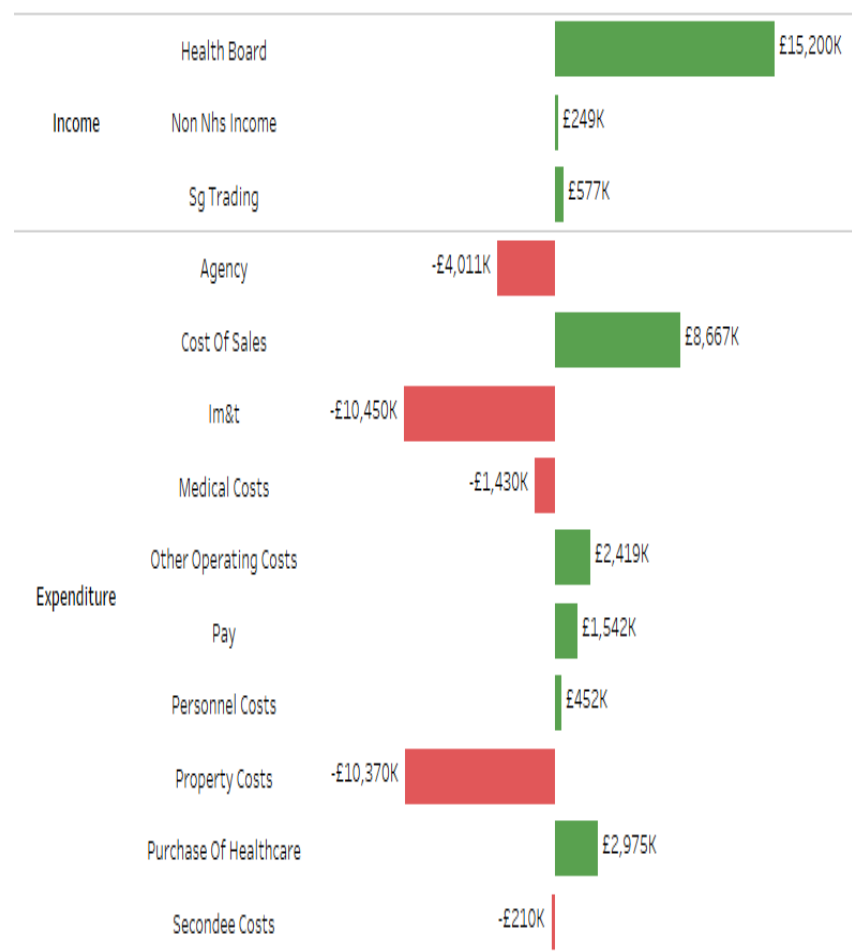


# NHS National Services Scotland – Board Financial Performance – February 2021 Revenue Analysis

## Year to date

- The significant variances across Income; NDC sales down (£7.6m) Waste Contingency +£10.1m, Seasonal Flu +£5.0m, Oxygen £1.2m and additional income for ATOS Core £3.0m.
- Pay is overspent by £2.4m, including Agency variance of £4.0m. Additional overtime and excess costs related to Covid of £2.9m included for the first 11 months. By SBU the pay variance is PCF £1.2m (Brexit £0.5m and O/T), DaS £1.4m, Clinical £0.2m and SPST £0.7m. Additional income partially offsets this in DaS, and PCF.
- Cost of Sales relates to product supplied through the NDC, and plasma. This has reduced significantly due to cancellation of elective surgery in the earlier part of the year. (note this excludes PPE)
- IM&T costs are higher due to additional CCN's for ATOS Core (£9.8m) but corresponding recharges in Other Operating costs and income to offset.
- Property Costs – the adverse variance relates to Clinical Waste Contingency costs within PCF £10.6m. This is a 'pass through' cost with no impact to NSS' bottom line as it is funded by Health Board income, which has a corresponding positive variance. Other property costs are lower than phased budget mainly due to lower property maintenance and backlog costs.
- Medical costs relate to higher uptake of flu vaccines. £1.9m additional costs so far this year. This is funded by Health Boards.
- Purchase of Healthcare reflects reduced expenditure via NSD services

## Revenue variance analysis – Year to Date

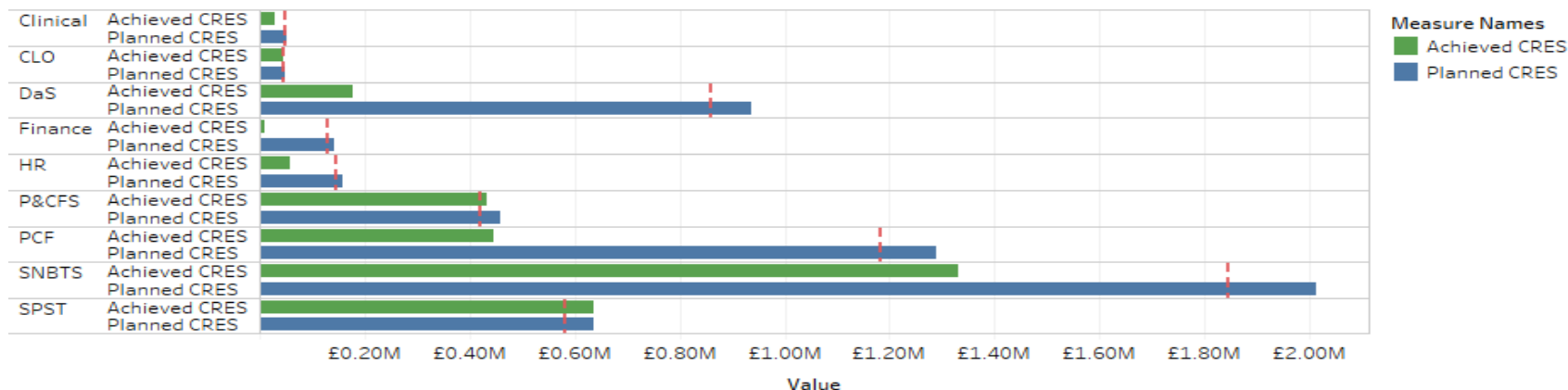


# NHS National Services Scotland Board Financial Performance – February 2021 Delivery of Cash Releasing Efficiency Savings

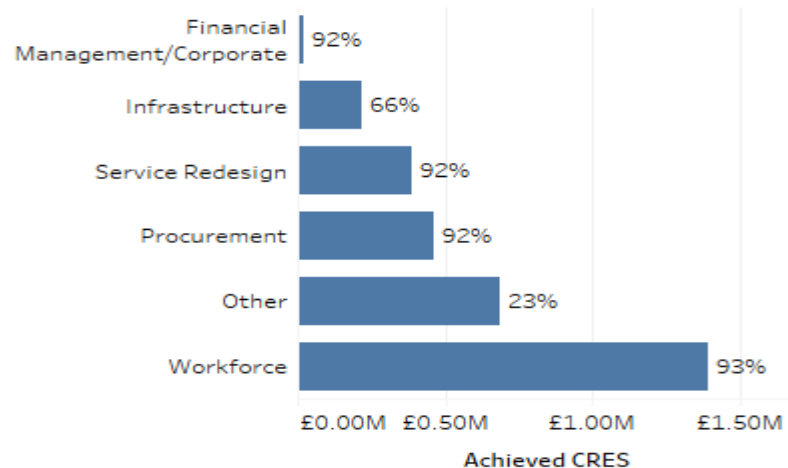


## CRES Savings - Achieved vs Planned

--- = YTD Target CRES



## CRES Savings - Value and % of budgeted savings identified



NSD annual savings target is £9.9m with £12.9m forecast. Additional savings from increased usage of recombinant products and under activity on specialist services will result in exceeding savings target by £3m. Any savings will be reinvested into priority services or returned to Boards, as agreed by NSSC governance.

Certain SBUs have found difficulty in delivering planned CRES initiatives on a recurring basis due to Covid-19. **For the majority this is compensated by non recurring savings and therefore achievement of CRES targets is forecast. Budgets were reduced by 5% recurrently at the start of the year.**

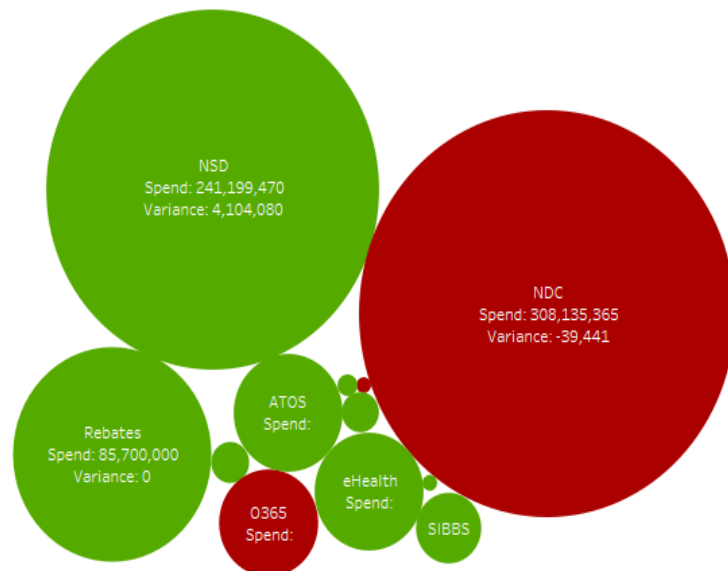
DaS is behind target, as £840k was expected to be delivered via Staff savings from a new Target Operating Model which is currently on hold. Productivity savings via additional income will partly compensate.

# NHS National Services Scotland Board Financial Performance – February 2021 Services delivered on behalf of NHS Scotland

## Year to date

- NSS manages services on behalf of NHS Scotland with a YTD budget of £730m. Overall a PCF underspend of £4.1m is reported due to NSD £4.1m and £0.04m overspend in Logistics.
- eHealth SLA, PACS, GPIT, SIBBS and Rebates are all delivering within plan, with YTD over spend within Scotcap, Mesh & O365.

## Services delivered on behalf of Scotland - YTD Position



## NSD

- The NSD budget is currently £4.1m under spent at the end of February, which will rise to **£6m** by end of March
- This is after an £8m hand back to Boards, which reflected the under Activity of national and screening services in Q1-3 due to Covid-19. It is expected that the under spend will grow to around £4-5m in Q4, as many low activity (but high cost) services are still running well below capacity.
- NSD have applied to carry forward funding of **£4m** that would have been spent in 2021/22 had the impact of Covid-19 been less significant. A further **£2m** will be returned to Boards in the next letter.
- The new SG funded MESH surgery service is now operational, but has seen slippage due to the virus. The service is expected to be around £340k under spent this year, and SG sponsors have indicated that NSD should show this as an under spend on the NSD ledger at the year end.
- the final position is dependent on the cost of the Ultra Orphan Drug Risk Share Scheme. If there is a significant under spend on the £7.4m allocation, then the overall under spend at the year-end will rise from the forecast £340k.
- Therefore, assuming the £4m carry forward is agreed, and subject to Ultra Orphan Drug Scheme outturn, NSD are likely to deliver an under spend of around £340k for the year.
- NSD are continuing to support initiatives (from unreturned slippage) in the following areas;-
  - Covid related costs for NSD services not covered by Board mobilisation plans
  - Start up and recovery costs of specialist and screening services due to service disruption.
  - To fund Covid Boards antigen testing (in Inverness) and viral genotyping (in Edinburgh & Glasgow)
- The underlying assumptions around the NSD financial projection will be updated in-line with emerging Health Board plans so that any deviation from the annual budget is reported timeously and formally to SG via the NSS LMP.

# NHS National Services Scotland Board Financial Performance – February 2021 Scottish Government Funding Allocation Tracker



## Received

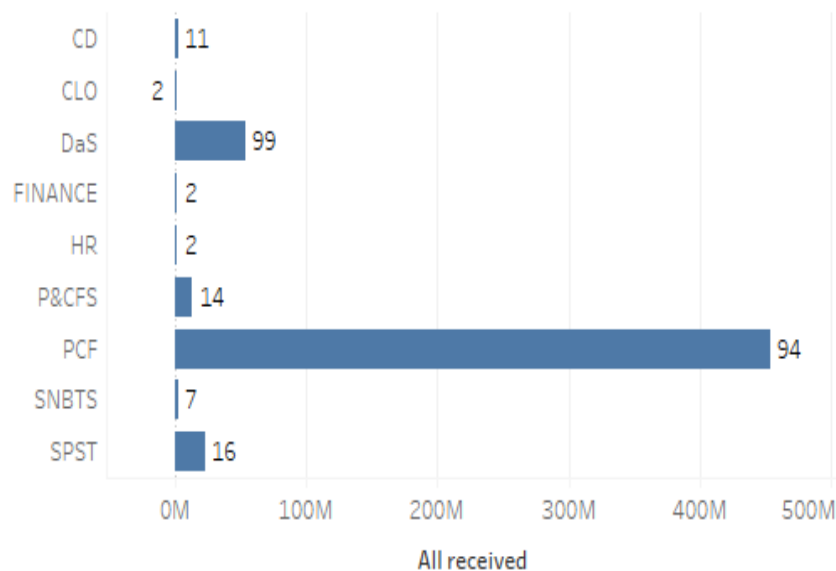
Baseline funding of £336m and additional allocations of £565m have been received to date, including Covid £411m.

## Outstanding

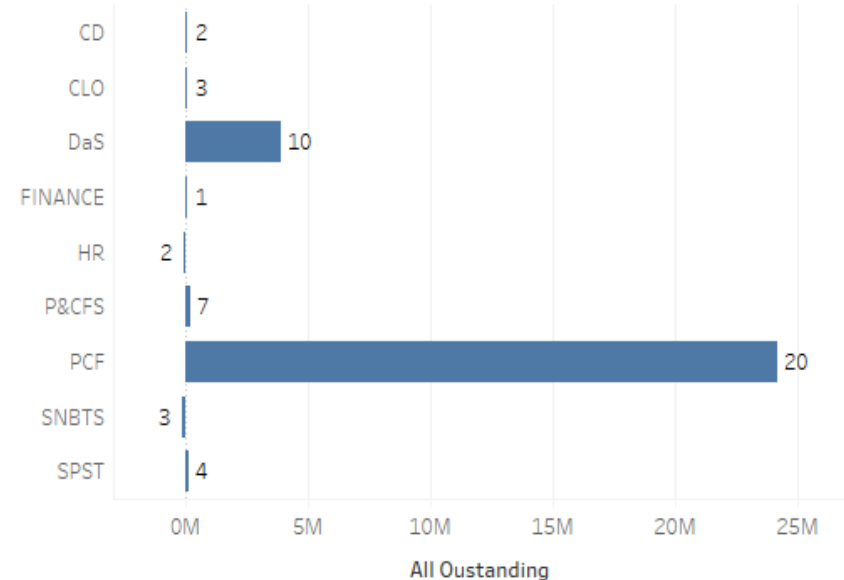
£20m remains outstanding which is 12 individual allocations, plus £30m related to Covid spend.

Business Controllers are working with colleagues in SBU's and SG Finance to ensure remaining allocations are secured in March.

SG Allocations - Amounts and No. of Allocations Received



SG Allocations - Amounts and No. of Allocations Outstanding





# NHS National Services Scotland Board Financial Performance – February 2021 Capital Programme Delivery



## Year to date

Budget for the full year is £10.806m, comprising NSS allocation of £2.927m, SG capital of £7.287m and carry forward £0.5m

Total expenditure year to date on capital projects is £9.8m, which included Covid £2.4m, £7.4m core projects which is 68% of full year budget.

Capital funds are now forecast with a slight underspend due to slippage in a couple of projects. This will be managed for the year end as part of the final revenue to capital transfer request.

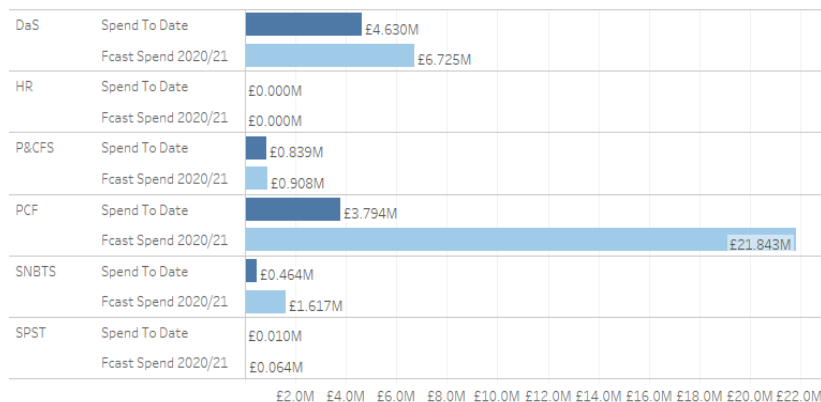
Covid-19 capital (£45.8m) is not included currently. Treatment is being confirmed with SG. This relates to accounting treatment of equipment purchased for Covid-19 on behalf of SG and Boards.

NHS Louisa Jordan assets will be treated as revenue expenditure following agreement with Audit Scotland.

NSS CAPITAL DEVELOPMENT FUNDING		£000	Forecast
Opening position	Opening AOP	2,927	2,927
	19/20 slippage allocation	592	592
	19/20 Property Works	-500	-556
	<b>Opening position total</b>	<b>3,019</b>	<b>2,963</b>
Critical projects approved	On Session Digital Redesign Phase 3	-119	-78
	Medical Transfusion Data collection	-28	-28
	High Content Screening System TCAT	-200	-240
	nDCVP	-1,000	-858
	Flowcytometer replacement	-350	-356
	Equipment Rolling Replacement	-315	-315
	SNBTS Fleet Modernisation	-300	-212
	Breast Screen Unit	-630	-627
	Warehouse Management System	-126	-140
	Robotic Process Automation	-50	-50
	Core infrastructure		-71
	Gamex Vivostat		-29
<b>Committed</b>		<b>-3,119</b>	<b>-2,904</b>
<b>Over committed</b>		<b>-100</b>	<b>59</b>

SG CAPITAL DEVELOPMENT FUNDING		£000	Forecast
Opening position	CHI	6,654	6,654
	QAS	0	
Additional approved	Covid - Convalescent Plasma programme	187	223
	Breast Screen Unit additional cost	90	90
	Radiology	192	64
	Covid - COVID-19 Smart Blood Fridges	164	164
<b>Total SG Funding</b>		<b>7,287</b>	<b>7,195</b>

Capital Expenditure - SBU Forecast versus YTD Spend





**NSS**  
**Finance**

<b>Meeting:</b>	<b>Board Meeting</b>	<b>B/21/10</b>
<b>Meeting date:</b>	<b>Wednesday, 24 March 2020</b>	
<b>Title:</b>	<b>Digital and Security COVID-19 Programmes Update</b>	
<b>Responsible Executive/Non-Executive:</b>	<b>Deryck Mitchelson, Digital and Security Director</b>	
<b>Report Author:</b>	<b>Karen Young, Portfolio Services Director (Interim) &amp; Shelley Brackenridge, Digital Office Director</b>	

## 1 Purpose

Please select one item in each section and delete the others.

**This is presented to the Board for:**

- Awareness

**This report relates to a:**

- NHS Board/Integration Joint Board Strategy or Direction

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

- Effective

## 2 Report summary

### 2.1 Situation

Digital and Security were requested to present the status and key deliverables of the national Programmes & COVID-19 Portfolios to the Board for awareness and consideration. The programmes included are: -

- **COVID-19**
- **e-Rostering**
- **National PACS Re-Provisioning**
- **Phase 2 Local Health Board PACS V12 Technical Refresh**
- **CHI/Child Health Systems**
- **GP IT Re-Provisioning**
- **National O365**

## 2.2 Background

Digital and Security continue to progress the National Programmes and have recently added e-Rostering to the portfolio. The Programmes are presented and are governed through the NSS PSG, engagement with Public Health Scotland and Scottish Government as required.

## 2.3 Assessment

Current Overview, Status and Financial summaries follow: -

### COVID-19 Portfolio

#### Background

Digital and Security have provided an extensive portfolio of capabilities and services to support the National pandemic response throughout 2020 and progressing in 2021.

Test and Protect and associated dashboards are fully operational. Integrated solutions including hospitality apps and portals have been introduced as an ongoing stream of development requests directed by Scottish Government in response to managing through the COVID-19 response and recovery.

More recently as a result of the rapid deployment of Service Now in the end-to-end solution for contact tracing, a further commission to use this scalable asset in response to a National Vaccination capability was received and is now fully deployed supporting the vaccination rollout across Scotland.

#### Status

The overall RAG status of the Programme is **Green**.

Test & Protect continues to provide a robust solution across Scotland in management of the pandemic. Dashboards, data storage, portals and the systems supporting testing and vaccinations continue to be enhanced to meet the requirements of the Scottish Government. Data modelling tools using Artificial Intelligence has been deployed to support Health Boards across Scotland to predict demand continuing to enable planning at a regional level.

#### National Testing

The Support portal to manage testing through the new regional labs is in place and integrated with the system providing weekly results to all Care Home staff in Scotland. A portal has also been developed to capture results of Lateral Flow Tests (LFTs) from Healthcare workers, identification and log-in capability will be released on 15 March. This will greatly enhance the user experience and expansion to other pathways.

#### Vaccinations

The National Vaccination Scheduling System (NVSS) went live in mid-January with the First appointments scheduled for cohorts 3 and 4 from 01 February. Onboarding of 10/11 mainland boards have been completed and over 1M appointments scheduled via the new capability. This is supported by the Vaccination Hub with real-time data Dashboards to inform SG and Health Board planning and reporting. The unidentified unpaid carer website will be launched 15 March, releasing the functionality to auto-schedule appointments and send via text and email.

#### Check-In Scotland

Performance and security continue to be enhanced for the Check-in.scot website, and mobile application with work on an API to support 3<sup>rd</sup> parties registering their data with Test and Protect. The roadmap is being refined with SG on the capability to expand the use cases to other venues and areas operating in similar fashion to hospitality.

### **Budget**

COVID-19 return (LMP) - £13.2m (next return is due for the end of Q3 (Dec)).

## **e-Rostering Programme**

### **Background**

The e-Rostering Programme was established by the NHSS Business Systems Programme Board, to implement a single national time recording and rostering system, to eliminate duplication and waste.

The initial phase of this Programme (Procurement) has almost completed, with the Programme Board concluding that the preferred bidder from the procurement process should be awarded a 10 year contract and therefore commence the national implementation programme. This decision was also ratified by the Chief Executives.

### **Status**

The overall RAG status of the Programme is **Green**.

The Programme is in start-up phase. As part of the on-going due diligence activities, work is underway to put in place back-to-back funding agreements with Health Boards, that will then enable the Commercial Agreement to be confirmed. Discussions are ongoing with the supplier (Allocate) on the implementation plan for Year 1. An in “principle” agreement for a 3 year delivery plan has been achieved.

Work is also being taken forward to agree and establish the correct Governance arrangements.

### **Budget**

The FBC identified the cost to be £62.2m to implement and run the e-Rostering system over a 10-year period. This is broken down into: -

- Total running costs (£58.1m) over ten years
- Implementation Costs (£4.4m) incurred over the first 6 years whilst the system is set up in each of the 21 boards.

Scottish Government committed £2m over the first two years to support implementation. The remaining funding will be provided by Boards. The FBC identifies that the efficiencies/financial benefits that will be achieved by Boards through adoption of the system will cover the costs of their implementation and running costs.

## **National PACS Re-Provisioning Programme**

### **Background**

In April 2020, the Digital Health and Care Directorate in Scottish Government, commissioned NSS to carry out the PACS Re-Provisioning Programme with the aim of having new contractual arrangements for a “Once for Scotland” PACS system before the end of January 2023. A PACS Re-Provisioning Team has been formed and a PACS Re-Provisioning Board established. Both are accountable to the newly formed Enabling Technologies Board.

## Status

The overall RAG status of the Programme is **Green**.

The Phase 1 Pre-Procurement work is progressing to plan and all stage 1 and stage 2 milestones were successfully completed in December. The Initial Agreement was endorsed by the Enabling Technology Board on 9<sup>th</sup> December, which gave the Programme approval to proceed to Stage Three.

Stage 3 activities are underway and scheduled to complete by the end of December 2021. The deliverables from this work include a Requirements Specification, Contract and Procurement Documents and an Approved Outline Business Case. The Advert is on schedule to be issued in January 2022.

## Budget:

There is a forecast underspend for 2020/21 which Scottish Government are aware of. This is due to a staggered start to the programme and efficient use of “blended team” resources across all PACS activities. Budget for 2021/22 agreed as part of the Commission Process with the Programme Sponsor.

## Phase 2 Local Health Board PACS V12 Technical Refresh Programme

### Background

The PACS V12 Technical Refresh Programme involves 15 Health Boards. This technical refresh will also consolidate the number of Local PACS Sites from 31 to 22.

## Status

The overall RAG status of the Programme is **Amber** as there is a risk that COVID-19 will impact on planned activities during 2021.

The Programme is currently on schedule to deliver against the Revised Phase 2 plan agreed following the “COVID-19 pause” in the summer of 2020. Successful recent implementations include

- NHS Lothian Western General – 19 August
- NHS Tayside – Early implementation of 54 Workstations by September
- NHS Lothian RIE/Sick Kids – 7 October
- NHS Fife – 8 December
- NHS Forth Valley – 10 February 2021
- NHS Grampian – Early implementation of 65 Workstations by February 2021.

The next sites are scheduled to go live on 24/04/2021: NHS Greater Glasgow and Clyde. This is a consolidation from 3 instances of PACS to 1. Detailed work has also commenced with NHS Highland and NHS Tayside.

Due to Health Board resource challenges (due to Covid) and other project dependencies in some boards (Local RIS projects), the programme plan dates for some Health Boards (Highland, Tayside, Ayrshire & Arran, Golden Jubilee, Western Isles) are being revisited with a view to accommodating these pressures but also minimising the risk of any slippage to the overall Programme end date (Feb 2022).

## Budget:

The implementation budget for 2020/21 was £200k. There is a forecast underspend of approximately £80k.

## CHI/Child Health Systems

### Background

In 2014, NSS was commissioned to develop a Business Case to modernise the CHI (Community Health Index) system, the GP Patient Registration system (GPRS), the Child Health systems and the Scottish Immunisation Recall System (SIRS). This ultimately resulted in a procurement exercise and the awarding of contracts for a single replacement system for CHI and GPPRS, and a new, single Scottish Child Public Health & Wellbeing System (SCPHWS). In addition to implementing these systems, the Programme also encompasses the delivery of a new standards-based National Integration Platform for Scotland with the potential to substantially simplify and reduce costs for future implementation of national and local systems.

### Status

The overall RAG status of the Programme is **Green**.

The Programme remains on track, with all key milestones reporting Green, despite some challenges arising from Covid. The Programme continues to work with NSS DaS in relation to hosting the new systems within the National Secure Azure Cloud, utilising the national integration platform and implementing a suitable end to end Service Support Wrapper.

The new CHI system will go-live early March 2021 and will run concurrently with the Legacy CHI. Concurrent CHI is being used to support the Covid Vaccination Pre-Registration activities, allowing unpaid carers the ability to register themselves and subsequently be scheduled for vaccination.

July 2022 will see the Legacy Child Health systems replaced with SCPHWS system and full go-live for New CHI and GPRS, with Legacy CHI decommissioned in November 2022.

### Budget

The Programme budget is £67.7m and the overall 'whole life' cost remains within the financial envelope (baselined at FBC v3, May 2018). Revised costs from NSS Digital and Security may result in a favourable outturn for 2020/21.

## GP IT Re-Provisioning

### Background

NSS was commissioned by Scottish Government in 2014 to carry out a procurement exercise to re-provision GP IT systems. Ultimately, that resulted in three suppliers (EMIS Health, Eva and Cegedim) being appointed to the Framework Agreement and, as set out in the agreement, had until February 2020 to develop their GP IT systems to deliver Tranche 1 of the Scottish requirements, and pass Accreditation Testing. First deployments were originally expected from the summer of 2020. However, all suppliers subsequently indicated that they were unable to meet the contractual deadline for delivery of Tranche 1. The Programme has been working with these suppliers to develop their systems in line with the Scottish requirements. These systems will not be available to Health Boards until they are fully tested and accredited.

### Status

The overall RAG status of the Programme is **Amber**.

The first anticipated deployment by Cegedim remains Summer 2021, if Boards wish to take this opportunity. Having confirmed their hosting solution in January, Cegedim's projected delivery date for completing Accreditation is now 9th July. EMIS and Eva have targeted

Summer 2022 for their respective first deployments. The Eva Project RAG status remains red at this point, until a suitable plan to deliver the Scottish requirements is developed. EMIS had reported some delays due to COVID related issues in England, however they have identified mitigation plans to ensure their final target delivery date is met.

NHS Lothian is currently working towards a decision with respect to the potential use of Direct Award, aiming to reach an agreement by the end of March, and could therefore be the first Health Board to deploy the new managed services if they agree to proceed.

### **Budget**

The Programme budget for 20/21 is c£1.3m with a forecast underspend of c£100k due, in the main, to Covid, which Scottish Government are aware of.

### **National O365**

#### **Background**

In 2016, NSS, on behalf of NHSScotland, signed a contract with Microsoft for a national O365 license agreement to replace the previous Microsoft Enterprise Wide Agreement for licensing. In November 2018, NHS Digital informed NHSScotland of the need to migrate off the NHSMail platform by September 2020, however due to Covid-19 response, this was put back to December 2020. In addition, with the onset of Covid-19, the Programme was asked to accelerate the rollout of Teams to NHSScotland, to facilitate remote working.

#### **Status**

The overall RAG status of the Programme is **Amber**.

The Programme is completing the final tasks of Phase 2. Work continues with Microsoft to provide a view of the options available to NHSScotland regarding a new Office 365 Enterprise Agreement from May 2021. The current Microsoft proposal will allow NHS Scotland to make an informed decision on whether to execute a new agreement, or indeed stay on the current agreement. The timing of this decision coincides with the conclusion of the first three years of the current cloud-based enterprise contract. As such we are now in a break clause year, hence Year 3 of a five-years deal.

#### **Budget**

The Programme budget for 20/21 is c£3.9m and is on target.

#### **2.3.1 Quality/ Patient Care**

Scope captured in Programme governance

#### **2.3.2 Workforce**

Resource plans managed within each Programme

#### **2.3.3 Financial**

Budget information included above

#### **2.3.4 Risk Assessment/Management**

Risk managed within each Programme and overarching risks included in NSS risk review



### **2.3.5 Equality and Diversity, including health inequalities**

N/A

### **2.3.6 Other impacts**

N/A

### **2.3.7 Communication, involvement, engagement and consultation**

The Board has carried out its duties to involve and engage external stakeholders where appropriate:

State how this has been carried out and note any meetings that have taken place.

- Regular reviews are conducted Fortnightly as part of NSS PSG and DaS include status updates as part of all Board packs

### **2.3.8 Route to the Meeting**

- Regular item to be presented to the Board.

## **2.4 Recommendation**

- **Awareness** – For Members' information only.

## **3 List of appendices**

The following appendices are included with this report:

- N/A

# Cyber Security Centre of Excellence

Business Case v3.0 Overview

March 2021

**B/21/11**

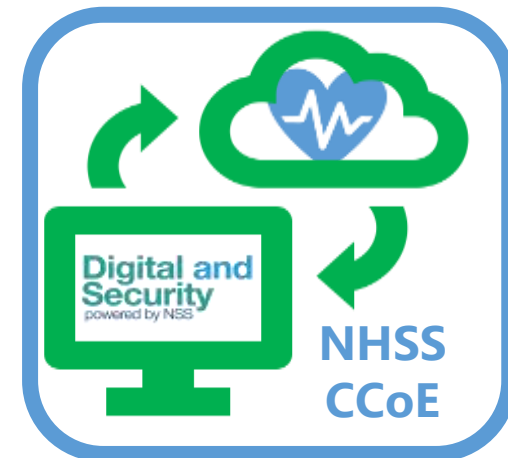


# Partners



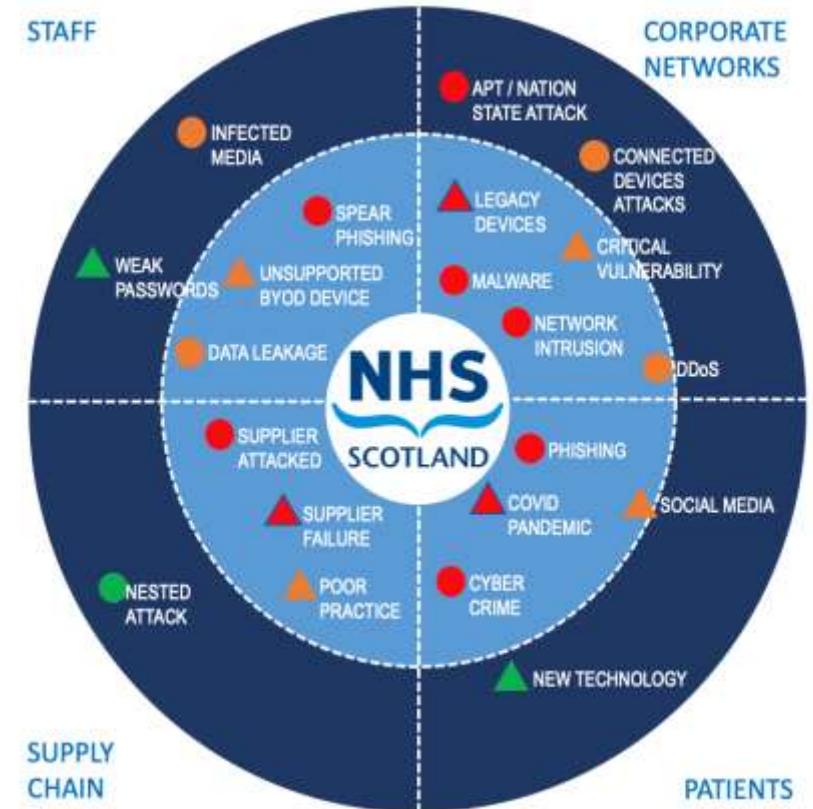
# Executive Summary

- Level of cyber threat is increasing – 2020 and 2021 seeing threefold increase in adverse cyber specific events. Covid has increased focus on healthcare for organised crime and nation states. Ransomware threat continues to affect public bodies in Scotland and increasingly healthcare is becoming a target
- Scottish Digital Strategy puts digital at the heart of everything we do – essential that digital services are underpinned by strong information and cyber security practices.
- NSS will expand current constrained capability to deliver cost effective NHS Scotland Cyber Centre of Excellence (CCoE) encompassing:
  - 3 full time regional cyber co-ordinators providing local operational expertise and alignment into the national service. The first of these resource is now in place supporting North of Scotland healthcare
  - 24/7 security monitoring and alerting for critical national services and the 22 Health Boards
  - effective cyber incident response and preparation
  - proportionate security and governance reporting
  - strategic and operational cyber threat intelligence collection and dissemination
  - cyber security awareness at both local and national level
  - working with NHS National Education Scotland to establish professional development in cyber
  - tailored cyber security standards, guidance advice and consultancy

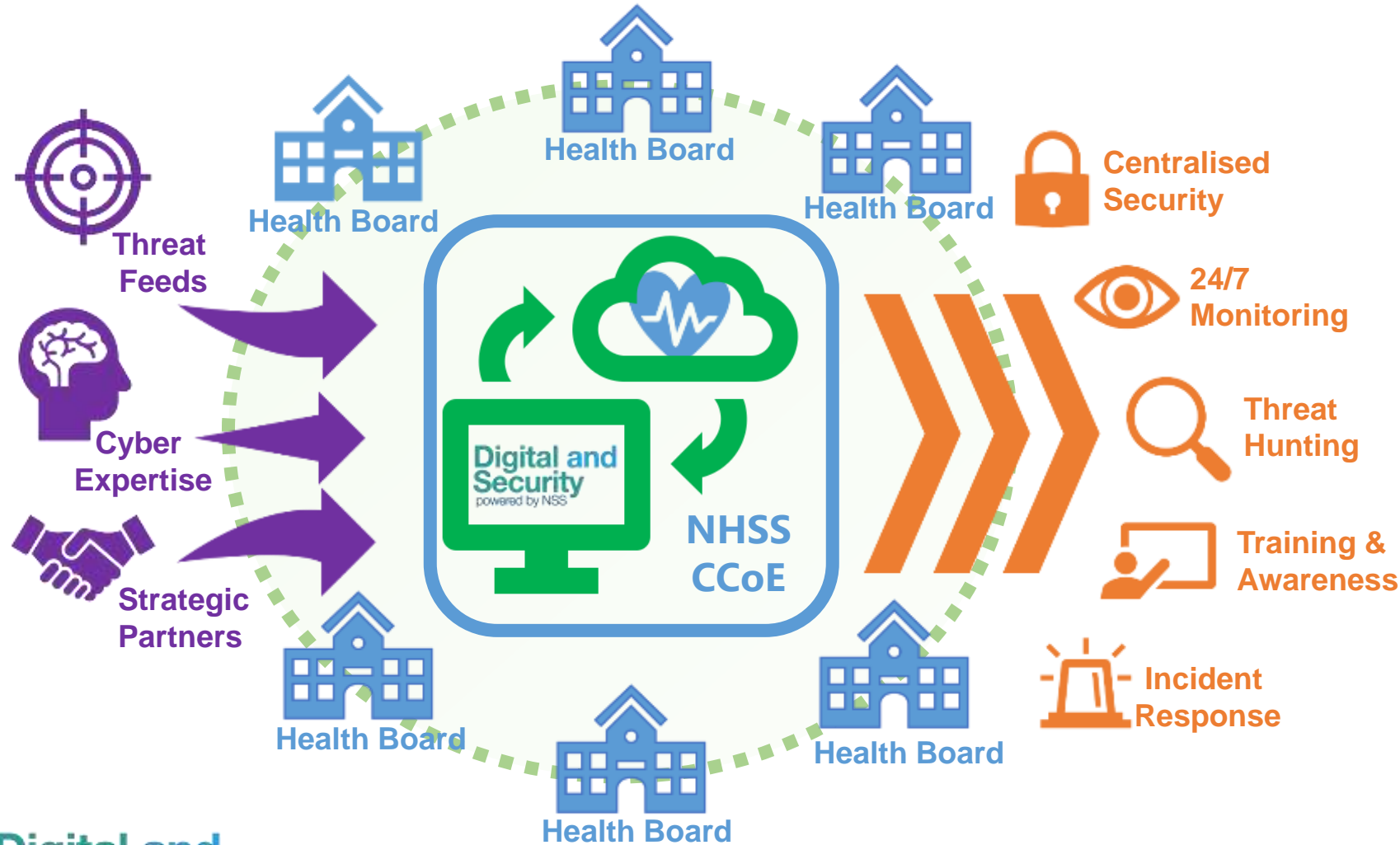


# Once for Scotland Approach

- CCoE will be located within the CyberQuarter, Abertay University, Dundee – taking advantage of UK and Scottish Government funding for Tay Cities Deal and developing a pipeline of cyber talent and job opportunities
- We have reserved sufficient space in the CyberQuarter for expansion into Social Care if required and to provide a co-location opportunity, across public sector, bringing like-minded cyber talent together and a cyber-SWAT team
- Services provided directly align with NIS D standards and NHSS Information Security Policy Framework and will assist Board compliance while strengthening controls and cyber response
- Delivering on principles and cross-cutting enablers detailed in the Scottish Government’s Cyber Resilient Scotland Strategy
- CCoE, including a fully functioning 24/7 Security Operations Centre delivered at a fully funded cost of £100K per health board over six years to the end of 2026.



# NHS Scotland Cyber Centre of Excellence



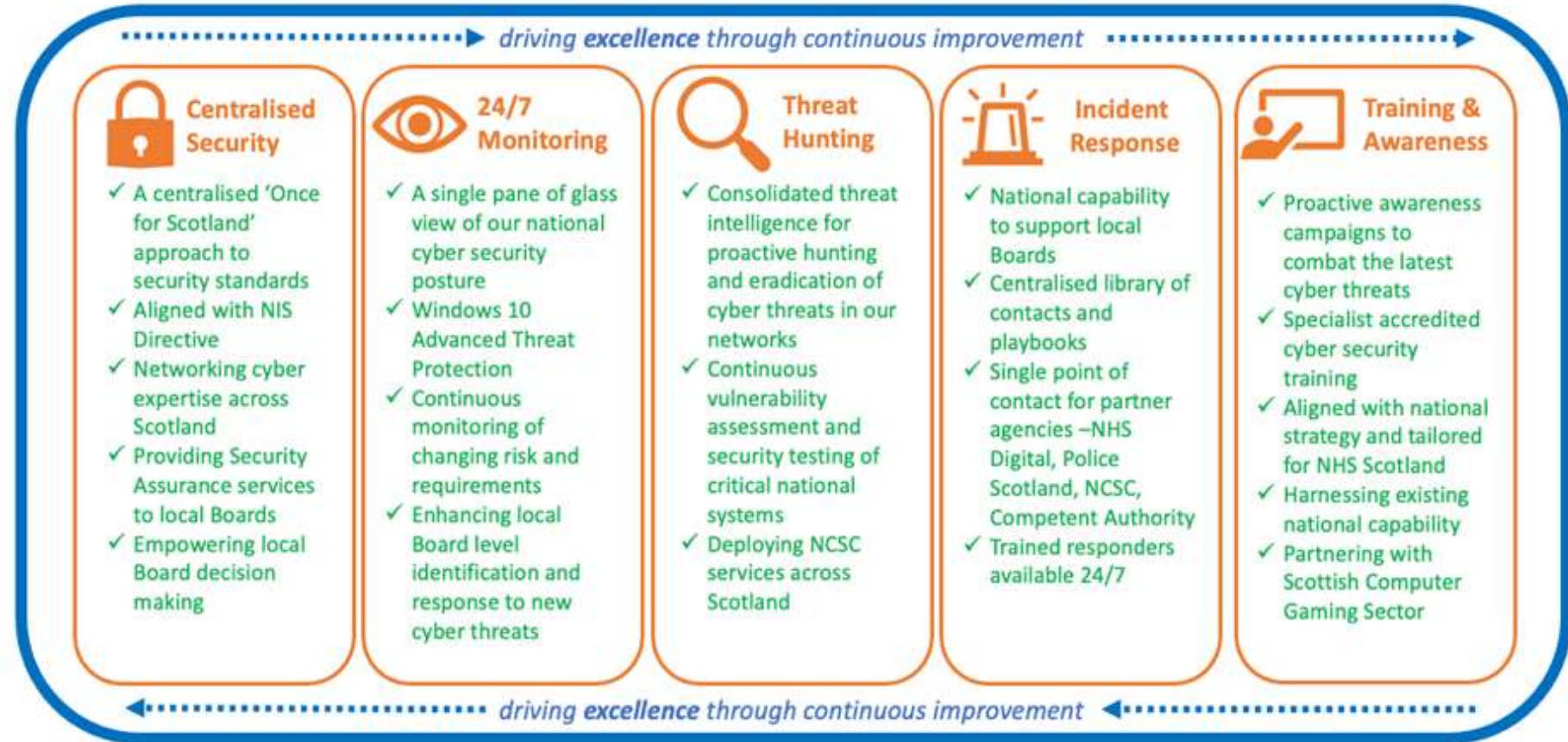
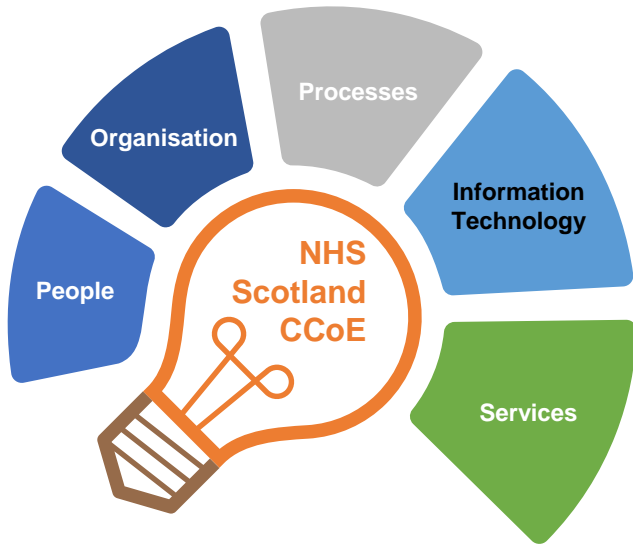
The Cyber Security Centre of Excellence (CCoE) SOC will act as a shared Cyber Threat Monitoring and Response Service for the 22 health boards that constitute NHS Scotland.

Work in full collaboration with Boards providing situational awareness of bad traffic on their networks, actionable threat intelligence from multiple sources and incident analysis and support.

It will also serve as a focal point of Cyber Intelligence sharing with other Scottish, UK and international Government departments and agencies.

Changing the cyber security and awareness culture of the NHS Scotland workforce, enabling them to work safely from multiple locations and adopt national best practice is one of the CCoE's key enablement pillars.

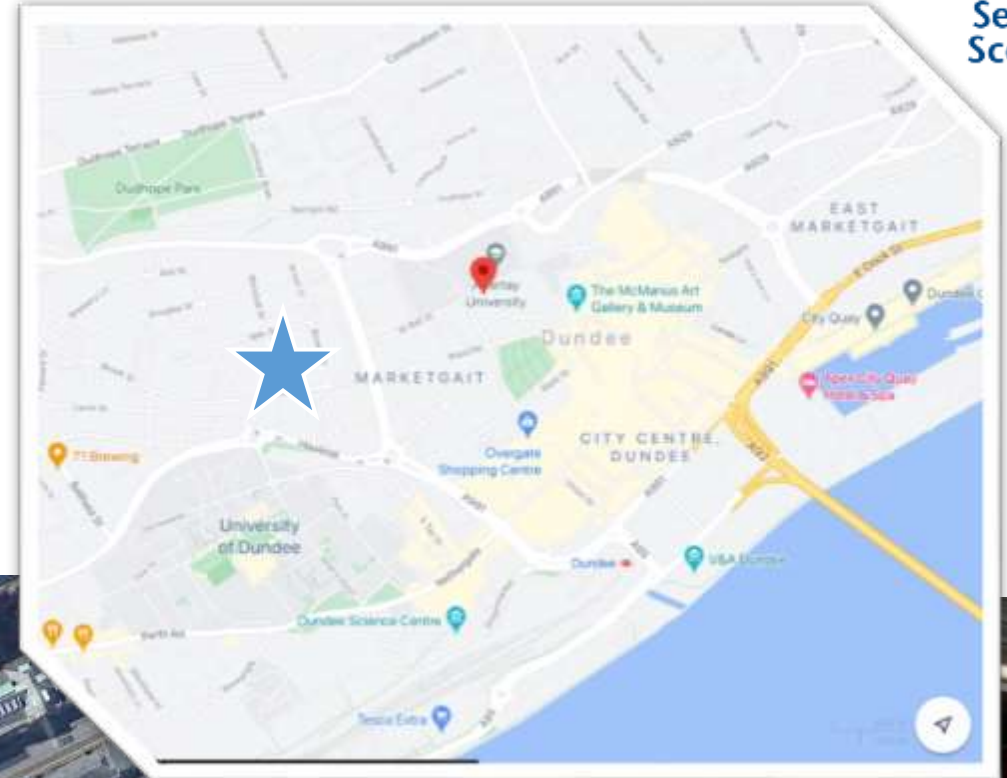
# CCoE Key Enablement Pillars



# NHS Scotland Cyber Centre of Excellence

Premises have been identified by key strategic partner, Abertay University, within their campus for the CCoE. This is available, fully configured, at a cost of approximately £82,000 per annum, including facilities management, heating and lighting and physical security. The size of the facility secured is deliberately over-specified, ensuring scalability to provide services to Social Care organisations and potentially other areas of the Scottish Public Sector in the future.

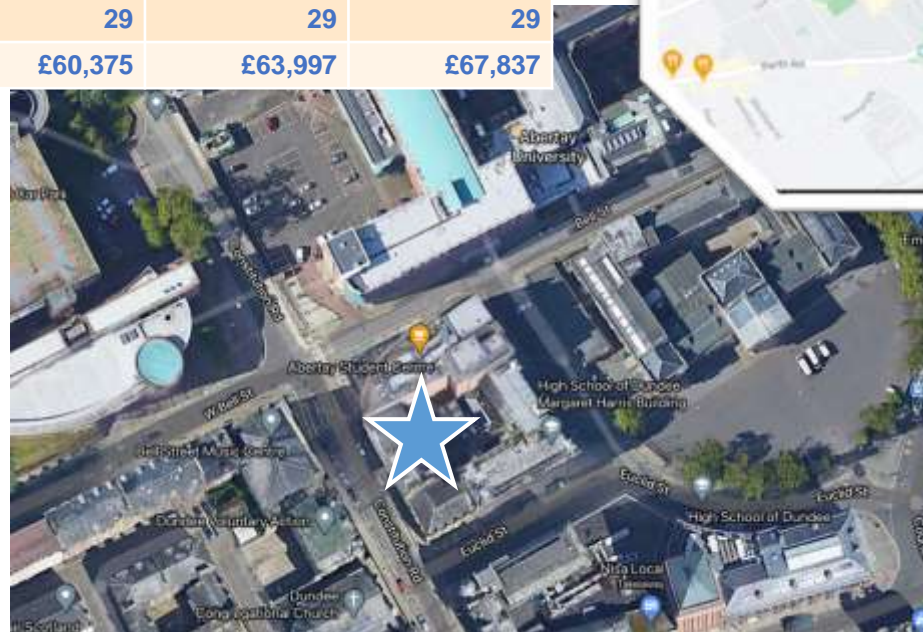
Based in Dundee City Centre, with easy access to transport links, academic partners and the forthcoming Cyber Quarter, this space is fully configurable for NSS. Resourcing is tapered across six years, reaching a full complement of 29 staff. In addition, there is ample capacity to provide suitable desk and learning space for Abertay University under-graduate placements as well as other temporary staff, should we need to flex the capacity to deal with a major incident.



2021	2022	2023	2024	2025	2026
14	27	29	29	29	29
£16,677	£48,797	£56,957	£60,375	£63,997	£67,837

Equivalent value per Board figures for this staffing model are detailed above. NSS DaS will, in providing cyber security services for our Board, commit to providing a total of 8.5 FTE per annum.

The staffing levels in the table reflect a tapered roll out to cater for an assumed requirement of 24/7 security monitoring and response services by end of 2023.





# CCoE Service Model

The CCoE will be established to provide services across the NHS that can be easily scaled into Social Care and other areas of public sector if desired. Initial focus will be health boards with none or limited cyber capability as identified in NIS D audits.

These will be either wholly provided or deployed by the CCoE or will be a joint effort depending on the capability and requirements for each Organisation.

This approach is illustrated here and can be tailored for each Board. This will form part of the Charter created that details engagement specifics and demarcation points for each organisation consuming CCoE services.

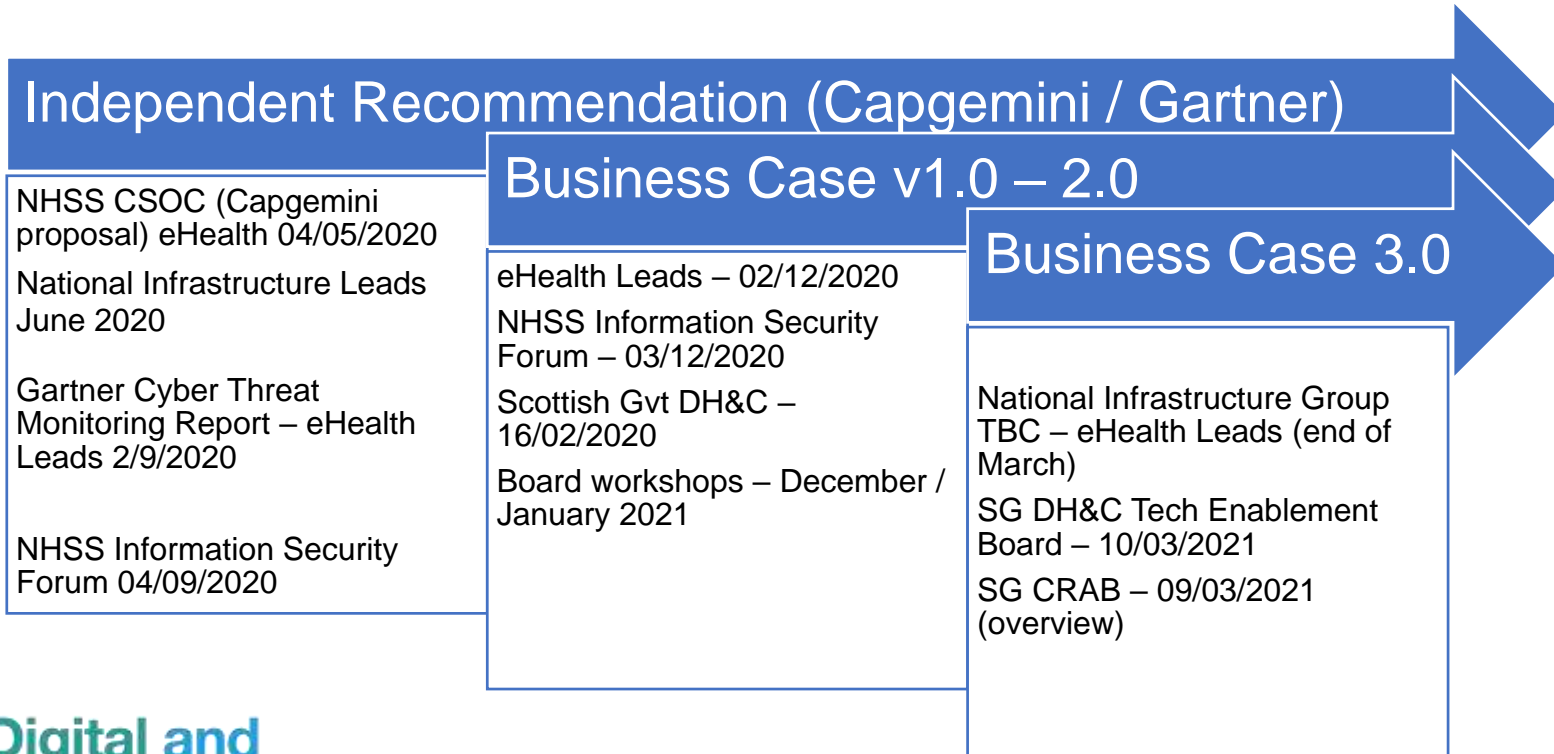
Service	NHS NSS	NHSS Orgs
<b>Proactive</b>		
Threat Hunting	●	●
Vulnerability Management	●	●
Security Posture Monitoring	●	●
Threat Intelligence & Coordination	●	●
Attack Simulation	●	●
Security Platform Management*	●	●
<b>Reactive</b>		
Incident Response and Support	●	●
Reporting	●	●
Malware Analysis (Initial assessment)	●	●
Malware Analysis (Advanced)	●	●
Intrusion Detection	●	●
Security Orchestration & Automation	●	●
Use Case Management	●	●
<b>Strategic</b>		
Policy and Procedure Support	●	●
Security Awareness & Training	●	●
Security Testing	●	●
Asset Management	●	●
Threat Modelling	●	●
Security Architecture Support	●	●
Risk Assessment & Support	●	●
Community Engagement	●	●
Attack Simulation	●	●

**Key:**

- Provided by the CCoE
- Provided by other part of NHS National Services Scotland
- Provided by third part under control of the CCoE
- Joint provision by CCoE & Local Organisation
- Explicitly out of scope

# Engagement Timeline

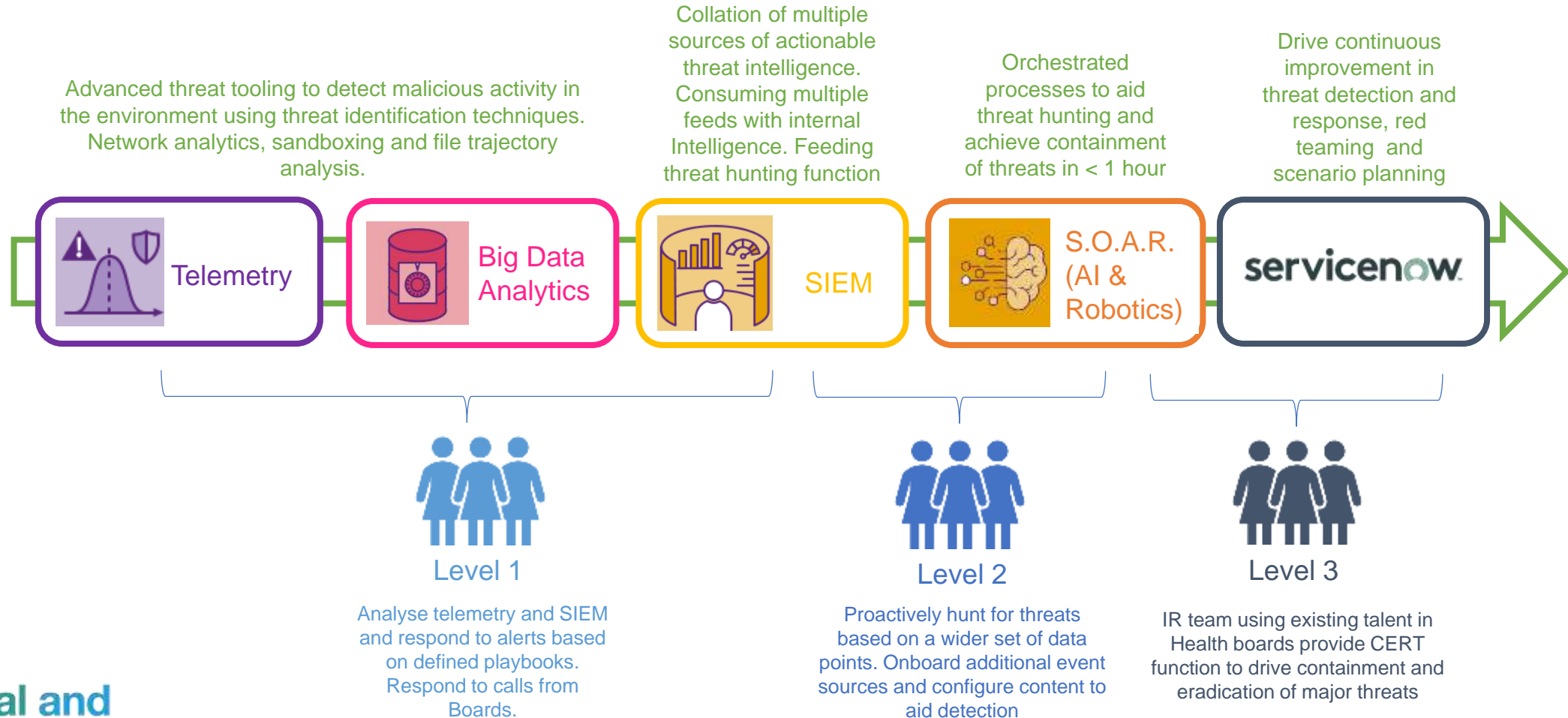
The final Business Case has been developed from an independent proposal and recommendation from Capgemini, first presented to NHS Scotland eHealth Leads and Infrastructure Group in Q2 of 2020. Since then, regular updates have been provided to eHealth Leads, the NHS Scotland Information Security Forum, the Infrastructure Group and Boards Information Security specialists have been invited to take part in operating model workshops in December 2020 and January 2021. Version 2.0 of the business case was presented in depth to eHealth Leads in February 2021, with feedback incorporated into Version 3.0. NHS Chief Executives were briefed in January 2021.



Bespoke, detailed, engagement will take place as Boards prepare to join the Centre. Individual Charters will be prepared and agreed, covering demarcation points, services expected and where relevant, service level agreements.

**A Governance Board will also be convened to oversee the progress and work of the CCoE. Each Board who are members of the CCoE will be represented at this Board, along with Digital Health and Care as the NIS Competent Authority.**

# CCE Security Operations Centre Capability Model



# CCoE Regional Engagement Model

The NHS CCoE is designed to leverage, enhance and grow the cyber talent within our Boards. By delivering a 'pipeline' of talent through cyber security undergraduate placements in partnership with Abertay University, and promoting a 'Fusion Centre' for existing staff to come and spend time on secondment, the Centre will deliver services across all five key enablement pillars, via three levels:

<b>Level 1 (CSOC)</b>	<b>Oversee and configure our security monitoring tools. They continuously monitor for alerts generated by these tools, which are correlated by a Security Information and Event Management System (SIEM). They then review and triage these to ensure that a genuine security incident is occurring And enrich the data they consider with threat intelligence. Genuine incidents are escalated to Level 2.</b>
<b>Level 2 (CSOC)</b>	<b>Address real security incidents. They evaluate Level 1 incidents and begin to pinpoint affected systems and the extent of the attack. They carry out investigations to find the perpetrator, type of attack, and the data or systems impacted and create and implement a strategy for containment and recovery. Includes long term post incident review and solutions recommendation and scoping.</b>
<b>Level 3 (Regional and SMEs)</b>	<b>Lead on critical incidents. Arrange and oversee vulnerability assessments and penetration tests to assess the resilience of the Boards to key threats. Create and disseminate contextual strategic threat intelligence reports and integrate SOC services with the wider cyber security services delivered through the CCoE. Develop new and leverage existing cyber awareness campaigns commensurate with the threat landscape. Liaise with vendors and external partners to continually improve cyber security services on a national scale.</b>

As well as the day to day operational focus of the CSOC, a key success factor for the CCoE will be the efficient and timely engagement of existing resources within the Boards. Our model provides for three Regional Level 3 co-ordinators, who can leverage existing capabilities and act as point persons for incidents, NIS remediation initiatives, exercising and threat hunting services.



# Costings

Staffing	2021	2022	2023	2024	2025	2026
Coverage of all 22 Boards	15%	25%	50%	100%	100%	100%
Total FTE staffing levels	14	27	29	29	29	29
NSS funded FTE	8.5	8.5	8.5	8.5	8.5	8.5
Net Staff FTE	5.5	18.5	20.5	20.5	20.5	20.5
Net Staff Cost per Board	£16677.05	£48,797.36	£56,957.36	£60,374.82	£63,997.27	£67,837.14



Staff

Given the financial challenges faced by NHS Scotland in the coming years, exacerbated by the ongoing pandemic caused by Covid 19, the CCoE proposal offers the best value in delivering a consolidated cyber security service to all Boards.

SIEM	£247,500	£412,00	£825,000	£1,237,000	£1,650,00	£1,650,00
Orchestration & Automation	£143,000	£310,500	£324,000	£324,000	£324,000	£324,000
Cost Per Board	£18955	£32841	£52227	£56242	£89727	£89727



Tools

The Centre will enhance existing capability within Health Boards providing significant equivalent financial value to each of them. A small cost element has been incorporated to assist in the integration of Boards with the Centre due to incompatibilities or requirements for tooling. These will be one-off costs and therefore are charged to the first three years of the programme. Microsoft Defender ATP and other elements of the Security & Compliance bundle are not included in the costs for the CCoE as these are pre-existing national initiatives.

Tay Cyber Quarter Membership	£15000	£82,000	£82,000	£82,000	£82,000	£82,000
Access links and ancillary infrastructure	£50,000	£55,000	£55,000	£45,000	£45,000	£45,000
Board Integration	£700,000	£700,000	£800,000	-	-	-
Cost Per Board	£34772.73	£38045.45	£42,950.91	£5772.73	£5772.73	£5772.73



Build

Item	Six Year EVPB*	Total six year cost
Staff costs	314641	£6,922,102
SIEM Tool	273705	£6,021,500
Orchestration tools	79523	£1,749,500
Tay Cyber Quarter membership & accommodation	20455	£450,000
Access links and ancillary infrastructure	13409	£295,000
Board Integration	£100,000	£2,200,000
<b>Total Costs</b>	<b>£801,733</b>	<b>£17,638,102</b>

\*Equivalent Value per Board:

**Note: Standing Items may not be required for every meeting i.e. ¼ or annual updates**

	DATE 24.3.21	DATE 25.6.21	DATE 30.9.21	DATE 2.12.21	Development Session	Development Session	Development Session
Every meeting	Minutes Actions	Minutes Actions	Minutes Actions	Minutes Actions			
Apologies/Additional Attendees							
	<b>FOR APPROVAL</b>						
Standing Items	NSS 5 Year Plan NSS AOP/Remob Plan 21/22 Review of Risk Appetite Pub. Sector Equalities Duties Report [L Mac] Fraud Training (2 yearly)	NSS Annual Report and Accounts ARC Annual Report  End of Year Performance Report Register of Interests					
Additional requests	SFI review per M McKirdy discussion						
Items removed/deferred							

FOR SCRUTINY						
Standing Items	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update	Chair's Report CEO's report Year end Standing Financial Instructions Fraud Report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests Update on Sturrock Action Plan	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests Update on Sturrock Action Plan	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests		
Additional Requests	Cyber Security Excellence Centre (per DM Board 21.12.20) New Ways of Working (per Board 21.12.20)					
Items removed/deferred						
FOR INFORMATION ONLY						
Standing Items	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees		
Additional Requests						

Items removed/deferred						
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Note: All Board Members to receive Fire Training on a 2-year cycle (last completed June 2019) and Fraud Training (last completely June 2019)

**NOTE: Add Whistleblowing Annual Report from June 2022 per National Whistleblowing Standard requirements. LM 11.3.21**

DRAFT



# Minutes (APPROVED)

B/21/13

## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE

### MINUTES OF NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE MEETING, HELD ON 2 DECEMBER 2020, VIA TEAMs DIGITAL PLATFORM, COMMENCING AT 0930HRS

**Present:** Mrs Alison Rooney – Non-Executive Director [Chair]  
Mr Mark McDavid – Non-Executive Director  
Mr Keith Redpath – NSS Chair

**In Attendance:** Ms Lisa Blackett, Non-Executive Director  
Mr Gareth Brown – Scottish Director of Screening  
Mr Gordon Greenhill, Non-Executive Director  
Professor Arturo Langa, Non-Executive Director  
Dr Brendan O'Brien – Chief Clinical Informatics Officer, DaS  
Dr Lorna Ramsay – Medical Director & Executive Lead for Clinical Governance  
Professor Jacqui Reilly – Nurse Director & Executive Lead for Quality Improvement  
Mr Colin Sinclair – NSS Chief Executive  
Mr Calum Thomson – Associate Director for Nursing, Clinical Governance and Quality Improvement  
Professor Marc Turner – Medical Director, SNBTS  
Mrs Lynsey Bailey – Committee Secretary [Minutes]

**Apologies:** None

#### ACTION

#### 1. WELCOME, APOLOGIES AND DECLARATION OF INTERESTS

1.1 Mrs Rooney welcomed all to the meeting and noted there were no apologies. Before starting the formal business of the meeting, Mrs Rooney asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON 4 SEPTEMBER 2020 [paper CG/20/37 refers]

2.1 Following a brief discussion, and pending correction of Dr O'Brien's title, Members approved the minutes from the meeting held on 4 September 2020.

#### 3. ACTIONS AND MATTERS ARISING [paper CG/20/38 refers]

3.1 Mrs Rooney highlighted the two items for homologation (Actions 14.1 – COVID-19 Activities Update to be a standing item, and 15.2 - approval of the staff vaccination paper), which Members approved. Members noted that the majority of the remaining items were either completed or covered by the agenda.

3.2 Following up on action 15.2, Members received an update on progress with the flu programme which had now reached almost 50% of frontline workers. This was slightly below target but an increase on previous years. Members expressed concerns about how this could reflect on potential uptake of COVID-19 vaccine once it was available. Members discussed the potential reasons for reluctance to take the flu vaccine (some of which it was hoped would not impact on the uptake of COVID-19 vaccine), and recognised the significant work done



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Chair Keith Redpath  
Chief Executive Colin Sinclair

**ACTION**

to encourage and promote uptake. However, Members were keen to see some form of questionnaire or research into the reluctance over the flu vaccine being done to inform the plan being developed for COVID-19 vaccinations.

**4. ANNUAL REPORTS**

- 4.1 Mr Thomson spoke to the clinical staff revalidation report [**paper CG/20/39**], which provided assurance that NSS was fulfilling its obligation to ensure that all clinical staff who required registration with a professional body maintained their registration at all times. Members noted the overall numbers of clinical staff in NSS, how many in total were required to be registered, and which areas they worked in. Mr Thomson summarised the revalidation cycles for the registered staff and was pleased to report there had been no lapses in revalidation or registration in the past year, and that professional oversight of the nurses who transferred to Public Health Scotland was now well established. Members asked about the inclusion of non-registered staff in the statistics provided and were advised that this was to provide the context of the overall clinical staff picture.

**Action: Mr Thomson to consider how to best capture information on non-registered staff, particularly in respect of the tables within the clinical staff revalidation report, and also develop a paper on the non-registered clinical staff for a future meeting.** Members received some clarification on numbers of medical staff for the period of the report and the impact of transfers to Public Health Scotland. Overall, Members were very content with the report and approved it.

**C Thomson**

- 4.2 Dr Ramsay spoke to the Medical Staff Appraisal Report [**paper CG/20/40**], which provided assurance that NSS had fulfilled its obligation to ensure that all medical, dental and specialist public health staff had undergone Enhanced Appraisal and Revalidation, meeting regulatory body requirements as required. Members were pleased to note that there were no issues and that all necessary revalidation and appraisal paperwork had been completed. Members received an overview and clarification of the various measures which had been taken to balance the need for revalidation and appraisal against the impact of COVID-19 pressures, as permitted by the regulatory bodies. Members approved the report.

- 4.3 Mr Thomson then spoke to the Patient Group Direction (PGD) annual report [**paper CG/20/41**], which provided assurance that the governance around PGD use in NSS was robust and that PGDs were applied according to local and national guidelines and policies. Members received an overview of the role of PGDs and the process for reviewing them for this report. Members noted that the main change had been in relation to the vaccination programme and they were provided with assurance that the training provided to vaccinators had been generic and therefore would enable those vaccinators to be able to administer the COVID-19 vaccine once it was available. Mr Thomson was pleased to report that compliance with, and use of, the PGDs was high and there had been no issues raised as a result of the PGDs specifically. He also clarified that unregistered staff could not administer medications, even under a PGD. Members noted that, in light of requirements for COVID-19, there was legislation being worked on which would enable Healthcare Support Workers to deliver vaccinations. NSS would be considering what that meant and how best to ensure its Healthcare Support Workers were appropriately trained and prepared if necessary.

**5. MEDICAL DIRECTOR'S UPDATE [paper CG/20/42 refers]**

- 5.1 Dr Ramsay spoke to her update, highlighting that it related to the work of the clinical directorate and clinical areas across the organisation as relevant. Members were pleased to note the work on innovation was making good progress and a much more specific role for NSS was becoming evident. There

**ACTION**

had also been positive feedback around NSS's involvement in inquiries and its role in the handling of a minor outbreak at the National Distribution Centre. Overall, Members were assured that NSS was achieving a good balance and focus on the areas which had been identified as priorities. Some of these areas had made slower progress than others but nothing that gave any cause for concern.

- 5.2 It was expected that there would be a general COVID-19 inquiry in the foreseeable future to add to the existing inquiry workload. Members briefly discussed SCOTCAP and the deep dive review to ensure that lessons learned from that were taken forward for future acceleration work. Members sought and received assurances about resilience and sustainability from a staff perspective, noting the promotion of resources from the Scottish Government on wellbeing. The gap in senior medical leadership was acknowledged and Members looked forward to hearing more detail in a future meeting on how that would be closed. Members also wished to recognise and commend the efforts of staff during this time.

**6. ASSURANCE REPORTS**

- 6.1 Members considered the Clinical Adverse Events report [**paper CG/20/43**] which updated on all clinical adverse events activity from July to September 2020. No Category 1 or 2 events were reported. However, two Red incidents were reported by SNBTS - QIN10057 (BacT/ALERT system affected during planned power outages) and QIN9675 (failure of a Territorial Board hosted blood fridge) and Members received an overview of the responses to these events, and contingencies now in place. Members heard a brief explanation of how SNBTS categorisations were translated to the national categories. Members also noted that delayed closure of some of the risks had been due to factors outside of NSS's control (awaiting host board's action etc.). 90-95% of incidents were closed within 30 days and there was a process for the management of any longer-term actions if necessary. Members agreed they were sufficiently assured by the report and thanked Mr Thomson for his work on it.
- 6.2 Mr Brown updated on an adverse event which had arisen in the current quarter, relating to missed mailers for Cervical Screening. Members were provided with a brief overview of the response and noted the complexity of the governance landscape. Members were assured that the incident had been well managed, all women affected had been contacted, and a Root Cause Analysis was being done. There was unlikely to be a clinical impact from the event but there was a potential reputational impact. Members noted how this would factor into upcoming Atos contract discussions and also noted the event would be formally reported in the Q3 report.
- 6.3 Members discussed the Risk Report [**paper CG/20/44**], which updated on corporate clinical risks on the NSS Risk Register. Members were advised that a double failsafe had been introduced in the review of all new corporate risks to ensure any clinical perspectives were not missed. Members were pleased to note there were no corporate red clinical risks, and received assurance regarding the two risks from SNBTS (5297: "Solvency of FM supplier", and 5411; "Regulatory compliance and accreditation") that these were appropriately managed and under control. Following a brief discussion about the risk assurance framework, Members were content that clinical risks were being monitored and managed appropriately.
- 6.4 Dr O'Brien then spoke to a presentation on a proposed product safety approach to Clinical Safety in Scotland and how it would bring Scotland in line with best practice used elsewhere. Members noted that the next steps would be to develop and present a paper on this approach, detailing the capabilities and resource required, to the Scottish Government. In the meantime, clinical safety

cases would be progressed for vaccinations, Community Health Index, Child Health and other major programmes. Further updates would be included as an appendix to the risk report. Members thanked Dr O'Brien for his presentation and agreed it had been important to see it.

## **7. BLOOD SAFETY [paper CG/20/45 refers]**

- 7.1 Professor Turner spoke to his paper, which updated on blood safety issues within the Scottish National Blood Transfusion Service (SNBTS) and highlighted that SNBTS, like other blood services, was currently under unprecedented pressure. Members were pleased to note the positive outcomes of recent inspections, and that consideration was being given to mitigations for the potential impact of the EU Exit on the regulatory position. Members were advised that the Infected Blood Inquiry had resumed at full pace and Professor Turner summarised the testimony provided to date. However, as the inquiry was dealing with legacy issues, it created a challenge in discussing the expertise and thinking at the time as most of the people involved were now retired or employed elsewhere, although there was a small team supporting this.
- 7.2 Members were updated on how social distancing was being managed within donor sessions and noted that while the blood supply levels were currently somewhat volatile, they were being managed as closely as possible. There had been no shortages of blood in Scotland so far but Members acknowledged that this was not a reason for complacency. Members discussed the current uncertainties and complexities in forecasting demand and were given an overview of the publicity campaign which would be run over Christmas. Members noted that SNBTS had built up a stock of convalescent plasma which would be sufficient for clinical trials and occasional compassionate use but the study on the significance of convalescent plasma in recovery from COVID-19 was still to reach its conclusions. A group convened by the Scottish Government was developing clinical prioritisation criteria. Members asked about the facilities and staff available for plasma collection should need and demand increase and were advised that, as there were issues of specialist capacity, accommodation etc., it was not something that could be resolved simply through recruitment and securing additional funding. Given the ongoing uncertainty about convalescent plasma as an effective COVID-19 treatment, SNBTS were making some preparations to increase capacity should it be needed, but were not exclusively pursuing that course of action.
- 7.3 Professor Turner updated on the work of FAIR (For the Assessment of Individualised Risk), which had been set up to explore whether there was sufficient evidence to change the current blood donor selection policy for men who have had sex with men (MSM). Members were given an overview of FAIR's proposed additions to the current donor selection questions and discussed the potential challenges they could create, and how these could be managed. Members noted the proposed timescales for implementation but were advised, due to the current compounding pressures on donor staff, SNBTS were in discussions with colleagues from the other UK Blood Services around an alternative date. Members discussed the current pressures on staff more generally and were given an overview of what was being done to support staff wellbeing and prioritisation of work. Members wished to commend SNBTS staff for how they had been responding during the pandemic. Following a further discussion on the sustainability and capacity of the current ways of working, Members were pleased to note that NSS had received the same clinical uplift as territorial boards, which was being used to help with that. Based on the report, Members were assured and thanked Professor Turner for his update.

## 8. NATIONAL SCREENING OVERSIGHT REPORT [paper CG/20/46 refers]

- 8.1 Mr Brown spoke to his presentation which updated on the establishment of the National Screening Oversight Function (NSOF), the work now underway to progress “Business as Usual” activity, and progress in the recovery of national screening programmes. Members were pleased to note that all programmes were now running as well as could reasonably be expected, taking the impact of COVID-19 and associated control measures into account. Mr Brown also highlighted one slide in particular which illustrated the complexity and differences between internal and external governance. In discussing what they would like to see in future reports, Members agreed they wished to more fully understand NSS’s contribution – what was directly within NSS’s control and what NSS could influence – and getting assurance on that. Members also wished to understand where this Committee could add value, which led to a brief overview of where the quality aspect of the Committee’s remit could have an interest and value to add. Mr Brown agreed to keep Members updated and bring specific items when necessary. Members also suggested that this could be a possible item for a future development session – the context of how NSOF came to be with NSS, distinguishing between NSOF and the parts of NSS that deliver services, and clarity between what was NSS’s responsibility and what was the responsibility of the Boards. Finally, Members discussed the recovery plan and the flexibility within it to respond to, and limit the impact of, any changes in COVID-19 restrictions.

## 9. NSS COVID RESPONSE: CLINICAL ACTIVITY [paper CG/20/48b refers]

- 9.1 Members noted the overview provided of the major areas where NSS was supporting the ongoing COVID-19 response from a clinical perspective. They were particularly pleased to note the updates on the establishment of entirely new programmes and services within extremely short timescales. Particular highlights included:

- COVID-19 Testing
- National Contact Tracing Centre
- COVID-19 Vaccination
- Personal Protective Equipment
- Infection Prevention Control

- 9.2 Following a discussion about the governance routes, accountability and oversight, and reporting mechanisms for this work, it was agreed to develop that into a paper for clarification. **Action: Dr Ramsay, Professor Reilly and Mr Thomson to bring a paper on the governance and reporting arrangements for NSS’s COVID-19 clinical activity to the March 2021 NSS Clinical Governance and Quality Improvement Committee meeting.** Members were content that NSS was responding appropriately and proportionately, and could cope with what was anticipated over the coming months.

**L Ramsay/  
J Reilly/  
C Thomson**

## 10. CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT ACTION PLAN UPDATE

- 10.1 Mr Thompson provided an update against the Clinical Governance and Quality Improvement Action Plan and was pleased to advise that while some aspects had had to be re-baselined due to COVID-19 priorities, other aspects remained on track. Members noted that the only change had been the more explicit incorporation of the Realistic Medicine activities to meet the Scottish Government’s additional funding requirements.

**ACTION****11. NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE FORWARD PROGRAMME [paper CG/20/47 refers]**

- 11.1 Members discussed the restructure of the agenda which had been done for this meeting and noted that this would be worked in to the forward programme structure. Members agreed that a development session would be beneficial to consider what the Committee's needs were in respect of the reports received. It was suggested that it would be most helpful for the session to focus on regulatory context, the digital risk and safety approach, the relationships and governance link within screening services, and governance with other clinical groups in NSS.

**12. OTHER GOVERNANCE ISSUES**

- 12.1 There were no other governance issues to discuss.

**13. HIGHLIGHTS REPORT FOR THE BOARD**

- 13.1 Members agreed the following should be included in the Highlights Report to the Board

- Approval of the three annual reports
- Recognition of the workload and challenges in SNBTS and the various actions underway
- Awareness of more detailed approach in clinical risk and safety in Digital and Security
- Establishment of the screening function completed, with clarity provided on NSS's duties in relation to that.

**14. ANY OTHER BUSINESS**

- 14.1 Members had no further business to raise.

**15. REVIEW OF MEETING**

- 15.1 Members felt it had been a very positive meeting and commended the work NSS had done.

**17. DATE OF NEXT MEETING**

- 17.1 Members noted the next meeting was scheduled for Wednesday, 24 February 2021 at 0930hrs.

There being no further business, the meeting finished at 1245hrs

B/21/14

# Minutes (DRAFT FOR APPROVAL)

## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE

### MINUTES OF NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE MEETING, HELD ON 24 FEBRUARY 2021, VIA TEAMs DIGITAL PLATFORM, COMMENCING AT 0930HRS

**Present:** Mrs Alison Rooney – Non-Executive Director [Chair]  
 Ms Lisa Blackett, Non-Executive Director  
 Mr Gordon Greenhill, Non-Executive Director  
 Professor Arturo Langa, Non-Executive Director  
 Mr Mark McDavid – Non-Executive Director  
 Mr Keith Redpath – NSS Chair

**In Attendance:** Dr Anna Lamont – Interim Medical Director, PCF  
 Mrs Mary Morgan – Director of SPST  
 Dr Lorna Ramsay – Medical Director & Executive Lead for Clinical Governance  
 Professor Jacqui Reilly – Nurse Director & Executive Lead for Quality Improvement  
 Dr David Stirling  
 Mr Calum Thomson – Associate Director for Nursing, Clinical Governance and Quality Improvement  
 Professor Marc Turner – Medical Director, SNBTS  
 Mrs Lynsey Bailey – Committee Secretary [Minutes]

**Apologies:** Mr Colin Sinclair – NSS Chief Executive

#### ACTION

#### 1. WELCOME, APOLOGIES AND DECLARATION OF INTERESTS

1.1 Mrs Rooney welcomed all to the meeting and noted apologies as above. Before starting the formal business of the meeting, Mrs Rooney asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON 2 DECEMBER 2020 [paper CG/21/02 refers]

2.1 Following a brief discussion, Members approved the minutes from the meeting held on 2 December 2020.

#### 3. ACTIONS AND MATTERS ARISING [paper CG/21/03 refers]

3.1 Members noted the updates and that the majority of actions were either in progress or covered by the forward programme.

3.2 Members discussed the uptake of the flu vaccine, and correlation with the uptake of the COVID-19 vaccine. Following an update on the identified priority groups of staff who were being specifically invited to in-house clinics, Members were pleased to note that uptake among these groups had been higher than anticipated.



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 Chief Executive Colin Sinclair

#### 4. RESEARCH GOVERNANCE ANNUAL REPORT [paper CG/21/04 refers]

- 4.1 Dr Stirling introduced his paper, which described NSS's research activity in 2019/20 and provided assurance around the relevant governance structures and standards. Members received an overview of the very robust structure in SNBTS and were also assured that consideration was being given to how that could be replicated consistently across NSS as a whole. Members also discussed the arrangements in place with Public Health Scotland, noting that this relationship was at an early stage and appropriate links were still developing. Members were impressed with the number of publications that had been published in spite of the pandemic and noted the update on the Intellectual Property register. Members were pleased to note that NSS's Strategic Business Units were being actively encouraged to consider research and innovation in their business plans. Members were also assured the measures being taken to ensure innovation were being built on so that NSS had a fully comprehensive research, development and innovation strategy. Members noted the timelines, how the Scottish National Blood Transfusion Service's Research Advisory Group fed into the process and, although it was a five-year strategy, it was reviewed annually. Members then discussed how this linked in with the research, development and innovation requirements of the National Screening Oversight Function and NHSScotland Assure. Members thanked Dr Stirling for the report and confirmed they were content to approve it.

#### 5. MEDICAL DIRECTOR'S UPDATE [paper CG/21/05 refers]

- 5.1 Dr Ramsay spoke to her update, which covered the work of the clinical directorate and clinical areas across the organisation as relevant. Members noted the transition to the new dental clinical governance arrangements was almost ready to start but could not fully take place until the legislation to finally stand down the Scottish Dental Practice Board (SDPB) was confirmed. In the meantime, work was ongoing with the remaining SDPB member to get endorsement of the transition arrangements. Members also recognised the changes required of dentistry services in response to COVID-19 had also impacted on timescales. Members discussed the number of new clinically related services generated by COVID-19. Members were pleased to note that the need for more planning around new services, and embedding the recent lessons learned, had been identified as necessary and engagement with colleagues had already begun to move this into a more Business As Usual position.

- 5.2 Professor Reilly provided an update on progress to date on NHSScotland Assure and establishing the appropriate links with Healthcare Improvement Scotland and NHS Education for Scotland. Members were provided with an overview of the plans to launch on 1 June 2021, the engagement plan with bodies such as Scottish Association of Medical Directors, and the plans covering Year 1 through to transitioning to BAU. Members were assured that the work already done in respect of new builds had illustrated the value of the service. Members agreed that it would be useful to see more detail on the structure and function and Professor Reilly offered to share this outside of the meeting. **Action: Professor Reilly to circulate information on the detail and structure of NHS Scotland Assure.**

J Reilly

- 5.3 Dr Ramsay gave Members an overview of the background to the National Cancer Resource Commission and the discussions at Scottish Government. Members were advised that work was ongoing to more tightly define the commission and Dr Ramsay expected to receive this in the coming week. There was a desire to move quickly and get the Commission established before the end of March 2021. Members were updated on the plans for recruitment and where this would sit within NSS. Dr Gareth Brown had agreed to be the Senior Responsible Officer due to his links with screening. Members discussed the



**ACTION**

clarity of the scope and were assured that this was being carefully considered and built into the wording of the commission. It would be clear that it was to be a two-year programme with a plan for transition after the end point. This had come from the Cancer Policy Group at Scottish Government and engagement had taken place with territorial Boards. Members were assured that NSS was proceeding carefully but were also keen that expectations were well-managed about what would happen beyond the programme.

- 5.4 Dr Lamont provided some further detail on the work on Complex Mesh Surgery Procurement. Members noted the specification and plans for commissioning a non-NHS surgery provider by May 2021. Given the sensitivities and level of visibility, this was something it was felt that Members should be made aware of and assured that it was being properly managed. Finally, Members were given an update on the breast screening review. They were assured that the recommendations had not been unduly impacted by COVID-19 constraints.

**6. BLOOD SAFETY [paper CG/21/06 refers]**

- 6.1 Professor Turner spoke to his report, which updated on blood safety issues within the Scottish National Blood Transfusion Service (SNBTS). Members were updated on the convalescent plasma trials, noting it had been agreed at both UK and Scottish Government level that the issue of convalescent plasma would be paused at present. However, collection through whole blood donation would continue over the next 4-6 weeks whilst awaiting the full analysis of the RECOVERY trial data and pending discussions with the UK Department of Health around the feasibility of a clinical trial in early phase infection. Work was ongoing in preparation for implementation of the FAIR (For the Assessment of Individualised Risk) recommendations on 14 June 2021. This date remained challenging because there was considerable work to be completed by the end of March 2021 in order to give time for training to be rolled out to staff, and for donors to be prepared for the more intrusive screening questions. Members were advised that there had been early engagement with some donor staff already and those involved had not raised any concerns. Members were pleased to note that SNBTS was mindful of the potential negative impacts and that there was an achievable plan for a 4-5% increase in donors ahead of implementation. Members were also briefly updated and assured regarding preparations for the organ donation opt out legislation taking effect. Members thanked Professor Turner for his report

**7. ASSURANCE REPORTS**

- 7.1 Members considered the Clinical Adverse Events report [paper CG/21/07], which updated on all clinical adverse events activity from October to December 2020. Members noted the following highlights:
- No National Category 1 clinical adverse events reported in NSS during the quarter.
  - Two National Category 2 clinical adverse events reported by SNBTS and PCF respectively during the quarter.
  - Two SNBTS events had activated the organisational Duty of Candour (DOC) procedure.
  - A total of 38 National Category 3 clinical adverse events were reported during the quarter.
  - Five significant Good Manufacturing Practice (GMP) incidents were reported by SNBTS during the quarter.
  - Adverse events work within screening recommenced on 1 October 2020.

**ACTION**

7.2 Members were pleased to note that the DOC process was maturing. Going back to the incidents, Members sought and received more detail on the incidents relating to donor acceptance, newborn screening, Abdominal Aortic Aneurysm screening, and the cytosponge programme. Members were pleased to see where improvements had been made but asked about whether there were any repeat patterns being identified. Mr Thomson assured that work had been done to identify themes across incidents and apply a human factors/ergonomics approach to the responses. Members asked about benchmarking NSS's DOC incidence against the rest of the NHS and were advised that it was low based on both pure numbers and as a percentage. However, public health related DOC incidents would need some monitoring as this was an area which would potentially be emerging or increasing in the future (e.g through paused screening during the pandemic). Members were assured that adverse events were being well managed with lessons being learned and taken forward.

7.3 Members then discussed the Clinical Risks report [paper CG/21/08, which updated on corporate clinical risks on the NSS Risk Register. Members noted that exposure to red clinical risk remained at zero. They were provide with an overview of the four amber corporate clinical risks, and that the clinical impact flag had been added to 28 NSS corporate risks. They were also assured that the Clinical Directorate continued to regularly review all red and amber risks with an identified clinical impact and had also included a deep dive of their own risks during the recent quarter. Members were given an overview of review process Members thanked those involved for the comprehensive update.

**8. NSS COVID-19 RESPONSE ACTIVITIES [paper CG/21/09 refers]**

8.1 Dr Ramsay spoke to the paper, which provided an overview of the major areas in which NSS was supporting the ongoing COVID-19 response from the clinical governance perspective. This included the establishment of entirely new programmes and services within extremely short timescales covering:

- COVID-19 Testing
- National Contact Tracing Centre
- COVID-19 Vaccination, including Helpline
- Personal Protective Equipment
- Infection Prevention Control
- Digital and Data - clinical safety assurance

Members noted that a framework was being developed, and would be presented at a future meeting. This would clarify and clearly articulate the specific governance arrangements in relation to these programmes and services. Members sought and received clarity around NSS's role and contributions in respect of infection prevention and control, and COVID-19 testing. Members thanked Dr Ramsay for the update and were pleased to note how well it spoke to NSS's standing as an organisation.

**9. DRAFT NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE ANNUAL REPORT TO THE BOARD [paper CG/21/10 refers]**

9.1 Members were broadly content with the draft annual report but suggested that the Medical Director's report needed to be included against item 5e. Members also discussed Dr Ramsay's comments and Mrs Bailey, Dr Ramsay and Mrs Rooney agreed to consider how to incorporate them into the finalised update. **Action: Mrs Bailey, Dr Ramsay and Mrs Rooney to consider updates to the Annual Report**

**L Bailey/  
L Ramsay/  
A Rooney**

**ACTION****9. DRAFT NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE TERMS OF REFERENCE [paper CG/21/11 refers]**

- 9.1 Members felt the Terms of Reference were good in terms of review and challenge but perhaps needed strengthened in terms of developing strategy. Members also felt that it could be worth refreshing the membership list and the remit. Dr Ramsay agreed to give this some consideration and make some further updates to share with Mrs Rooney. **Action: Dr Ramsay and Mrs Rooney to consider updates to the Terms of Reference.**

**10. DRAFT CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT ACTION PLAN [paper CG/21/12 refers]**

- 10.1 Members discussed the plan for holding proposed development sessions and agreed they were content to progress it. Mrs Bailey agreed to identify dates and issue invitations as soon as possible. **Action: Mrs Bailey to identify dates and issue invitations for Clinical Governance Committee Development Sessions.**

L Bailey

**11. NSS CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE FORWARD PROGRAMME [paper CG/21/13 refers]**

- 11.1 Members were content with the forward programme as it currently stood but were reminded that, as it was a work in progress, anything that arose could and should be added. Members were also advised about new members of the Clinical team who would be invited to future meetings as part of their induction.

**12. OTHER GOVERNANCE ISSUES**

- 12.1 There were no other governance issues to discuss.

**13. ANY OTHER BUSINESS**

- 13.1 Members had no further business to raise.

**14. HIGHLIGHTS REPORT FOR THE BOARD [paper CG/21/14 refers]**

- 14.1 Members agreed the following should be included in the Highlights Report to the Board:
- Approval of the annual Research Governance Report
  - The update on the National Cancer Resource Commission
  - Progress in the complex Mesh Surgery Procurement
  - Updates from SNBTS on convalescent plasma and the implementation of FAIR recommendations.

**15. DATE OF NEXT MEETING**

- 15.1 Members noted the next meeting was scheduled for Wednesday, 19 May 2021 at 0930hrs.

There being no further business, the meeting finished at 1217hrs

# Minutes (APPROVED)

NHS NATIONAL SERVICES SCOTLAND (NSS)

**B/21/15**

**MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 02 DECEMBER 2020 COMMENCING AT 1400 HRS**

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mr John Deffenbaugh, Non-Executive Director  
Mrs Kate Dunlop, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director

**In Attendance:** Mr Martin Bell, Director of Practitioner and Counter Fraud Services [Item 9]  
Ms Lisa Blackett, Non-Executive Director  
Ms Rachel Brown, External Auditor, Audit Scotland  
Mr Lee Dobbing, Service Auditor – KPMG  
Ms Inire Evong, External Auditor – Audit Scotland  
Mr Gordon Greenhill, Non-Executive Director  
Ms Laura Howard, Associate Director - Finance Operations  
Professor Arturo Langa, Non-Executive Director  
Mrs Carolyn Low, Director of Finance  
Mr James Lucas, Internal Auditor - KPMG  
Mrs Eilidh McLaughlin, Associate Director of Information Security and Governance [Items 14 & 15]  
Mr Deryck Mitchelson, Director of Digital and Security [Items 1 - 12]  
Mrs Mary Morgan, Director of Strategy, Performance, and Service Transformation [Items 1 - 4]  
Mrs Lynn Morrow, Corporate Affairs and Compliance Manager  
Mr Matthew Neilson, Associate Director  
Dr Lorna Ramsay, NSS Medical Director and Caldicott Guardian [Items 14 & 15]  
Ms Trish Ruddy, NSS Privacy Advisor [Item 15]  
Mr Colin Sinclair, NSS Chief Executive  
Mr Neil Thomas, Partner - KPMG  
Mrs Marion Walker, Risk Manager Lead [Items 11-13]

**Apologies** None

## ACTION

### 1. WELCOME, APOLOGIES AND IN ATTENDANCE

1.1 Ms Burgess welcomed everyone to the meeting, noting the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

### 2. DRAFT MINUTES OF THE NSS AUDIT AND RISK COMMITTEE [ARC] MEETINGS HELD ON 15 SEPTEMBER 2020 [paper AR/20/53 refers]

2.1 Following a brief discussion, Members approved the minutes of the ARC meeting held on 15 September 2020 as a true and accurate record, subject to the inclusion of Mr Dobbing's clarification of minute 10.1 on the potential qualification of the Service Audit being subject to the control framework not being amended for the areas identified previously as exceptions. **Action: Mrs Bailey L Bailey to update minute 10.1 of 15 September 2020 ARC draft minutes per Mr Dobbing's feedback.**



#### Headquarters

Executive Office, Gyle Square, 1 South Gyle Crescent,  
EDINBURGH EH12 9EB

Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

**3. MATTERS ARISING [paper AR/20/54 refers]**

- 3.1 Members noted the updates provided which showed that that all actions were completed, incorporated into business as usual, or covered by the other items on agenda.

[**SECRETARY'S NOTE:** The following item was brought forward on the agenda to accommodate the availability of Mrs Morgan]

**4. COMPLETED INTERNAL AUDIT: PROCUREMENT INVESTIGATION [paper AR/20/59 refers]**

- 4.1 Members were taken through the report, which laid out the findings of an internal audit of the management of a specific contract, resulting from allegations in an anonymous letter. Members discussed the use of the emergency planning clause and were assured that the use of extensions to the contract had been within the guidelines. Members noted that the emergency planning needs had initially related to concerns over Brexit, with COVID-19 then taking hold as the initial extension had come to an end. Members noted that there had been prior discussions, with an options appraisal having previously been undertaken, and understood that an extension under emergency provisions was sensible at the time. In response to the issue of the tender not being subject to scrutiny, Members noted that the Central Legal Office had involvement at an earlier stage but not specifically with the tender document in 2013.

- 4.2 Members discussed the issues around pricing. They were advised that the price per pallet had been agreed on an informal basis with Stamford for a period of 6-12 months in respect of Brexit, and Procurement had queried it when the discrepancy was discovered. In respect of any conflicts of interest, the report provided assurance that the relationships which had been referred to had not unduly impacted on the decision making process. Members also briefly discussed the issues with the map, acknowledging the disparity between what had been drawn up and the agreed four-hour response time. However, Members' main concern was now for the individuals who had been the subject of the allegations and investigation. They agreed that while it was assuring that recommendations had been made around areas for improvement (which were already being taken forward), there needed to be absolute clarity that no active wrongdoing had taken place. Mrs Morgan provided an overview of everything that had been done, and the additional work, for presentation to Police Scotland, and how the individuals involved had been supported through it. Ms Browne clarified that Audit Scotland had not investigated but had been involved in collating the information for Police Scotland.

- 4.3 Members agreed that there was real merit in having greater clarity around roles and responsibilities, and noted that work on this had already started before it had been recommended in the report. The other recommendations had been taken on board and been responded to positively. Members agreed that, although they were completely satisfied that everything had been done pragmatically and reasonably at the time, it was difficult to feel entirely assured without seeing the full nature of the original complaint letter. It had been agreed, during an earlier in-camera session, for the letter to be shared in confidence to Members only. Going back to the earlier discussion about the nature of "relationship" in the context of this, Members received clarification that these were professional relationships being referred to and had been found to be appropriate. While the letter had been labelled by the anonymous author as 'whistleblowing' Members were advised that, on consideration by the Board Whistleblowing Champion, it had not met the whistle blowing criteria and was therefore handled as a complaint. Members were happy to accept the Audit Investigation Report, subject to seeing a copy of the complaint letter.

**5. INTERNAL AUDIT STATUS REPORT [paper AR/20/55 refers]**

- 5.1 Mr Lucas spoke to the paper, which provided a summary of progress against the internal audit plan. Members noted that there had been some reports expected which had unfortunately just missed being ready for this meeting. Mr Lucas highlighted the HR reviews, which were being moved to Quarter 4 of 2020/21. This meant that the plan was now up to 243 days with the additional work and KPMG would be discussing that with Mrs Low and Mrs Morgan. Members were given an overview of the proposed approach for drafting the audit plan for 2021/22, acknowledging the difficulties of planning in the current circumstances. Members expressed concerns about the potential impact on HR of moving the audits into the next quarter and suggested it could be worth considering this at Staff Governance Committee. Some of the other audit reports mentioned staff morale being low so Members felt it was important this was kept at the forefront of the organisation's thinking. Members also noted that there had been a discussion in the recent Board Development Session about looking at what the future NSS workforce would look like, and this work would be critical in informing that. Mr Sinclair advised that the biggest concern at the Chief Executives' Group was tired staff and ensuring that the importance of taking breaks and using leave was not lost. Members were also keen to consider how people could continue to work and lead in a different environment and how to keep staff engaged. Mr Lucas assured Members that there would be plans around the various points they had raised.

**6. COMPLETED INTERNAL AUDIT: CLINICAL WASTE [paper AR/20/56 refers]**

- 6.1 Members discussed the report, which summarised the findings from the audit of the financial elements of the clinical waste contingency arrangements. Members commended the amazing job done by staff on this. Following some points of clarity regarding the long-term overall interest through contract management, capacity issues and budgeting, Members were content with the approach.

**7. EXTERNAL AUDIT UPDATE**

- 7.1 Ms Browne spoke to the impact of COVID-19 on the audit plan and gave an overview of the expected timescales for the draft 2020/21 External Audit Plan. Members were advised that the Auditor General had requested a review of PPE and once the scope of this was known, Audit Scotland would liaise with NSS on how to progress it. Members fed back that they would be interested to see if part of the PPE review could involve benchmarking against performance in other countries. Mrs Low strongly advocated that, from a planning perspective, the Finance department's preference would be to revert to the usual reporting timelines as delays this year had a significant impact on Finance staff and similar delays in the coming year could have a disproportionate impact. Members were keen to see the lessons learned from the work previously done being taken forward to help with this, rather than going over old ground. Ms Browne assured them that this would form part of the discussions.

**8. SERVICE AUDIT PLAN 2020/21 [paper AR/20/60 refers]**

- 8.1 Members were updated on the progress made and on the areas where there was some work still to be done. Members were given assurance that the position had much improved from the previous year. Members were advised that some of the testing might need to be revisited in areas where the control wording had been changed. IT was the one area slightly behind in confirming its control framework. Members discussed the service audit opinion and whether an unqualified opinion was in reach but were advised that it was not possible to predict at this point, although NSS was definitely now in a better place to achieve that. Members asked if there was anything of major concern which could prevent an unqualified opinion. They were advised that there would be an exception noted if there was a control in the control framework which could not

**ACTION**

be tested, or was not available for the whole year, but, at this point, the wording could be considered to ensure the controls would be auditable.

- 8.2 Members were keen to see every effort made to avoid a qualified opinion again and encouraged all involved to keep the dialogue going and work to legitimately come up with something that worked for both NSS and KPMG. Members suggested that one of the main issues was potentially to do with perceptions of the language and phrasing used (e.g. did a qualified opinion in this context equate to “significant assurance with some improvement opportunities”), and this could be overcome by having a fuller explanation of that to provide more clarity when it was presented to stakeholders. KPMG advised if there was felt to be utility in having that, then they could look into how that could be provided.

**9. PCFS SERVICE AUDIT UPDATE [paper AR/20/70 refers]**

- 9.1 Mr Bell spoke to his paper updating on progress on the improvement plan developed in response to the 2019/20 Service Audit. Members were pleased to note the huge amount of work done to implement all the recommendations, and the improvement in relationships. Mr Bell advised he would like to take up the offer from Mr Thomas to add some commentary to page 4 of the report to share with stakeholders. Members discussed the comment on morale being low and the many factors to that. They acknowledged it stemmed from a feeling of being judged by a different standard than before, which made it vital to avoid a second qualified opinion.

**10. INTERNAL AUDIT ACTIONS REPORT [paper AR/20/61a refers]**

- 10.1 Mrs Morrow spoke to her report, which provided an overview of NSS performance against Internal Audit Actions. Members were provided with an overview of the extension requests and were advised that there were no areas of concern. In respect of the Environmental Management Review, Members queried whether the extension timescale was realistic and Mrs Morrow agreed to take that back to the lead SBU. **Action: Timescale for the extension of the Environmental Management Review to be reconsidered and adjusted if necessary.** Members sought and received clarity on the statement about the maturity of the Travel Group. Members were content to approve an extension to this review, subject to assurance that the lead SBU had fully considered and agreed what the appropriate extension time should be and that no further extension would be required.

**L Morrow/PCF**

**11. RISK MANAGEMENT UPDATE [paper AR/20/62 refers]**

- 11.1 Mrs Walker took members through the paper, which provided details of all Red risks and any new Amber Reputational risks recorded on the NSS Risk Register as at 31 October 2020. Members noted that there were five red risks (which included two new risks) and 16 amber reputational risks on the risk register. Members were pleased to see that the two new red risks were reflecting the current financial uncertainty. Members briefly discussed the risks relating to Brexit and noted that they needed to be updated. Ms Walker assured Members that she was working with risk champions to get further updates for the upcoming Board meeting.

**12. RISK APPETITE [paper AR/20/63 refers]**

- 12.1 Mrs Walker assured Members that NSS still had an existing risk appetite in play and there had been no change to each of the appetite levels the proposed update. However, some of the wording had been changed to align better with the strategy etc. Following a brief discussion, Members agreed they were content to recommend this for the Board’s approval.

## ACTION

**13. BOARD ASSURANCE FRAMEWORK (RISK) [paper AR/20/71 refers]**

- 13.1 Members were taken through the paper, which proposed an assurance framework around NSS's strategic risks that could also provide greater assurance around corporate risks. Members asked whether having this information collated centrally was a requirement or providing a solution to a problem that did not really exist. Members were advised that although a lack of a centralised information point was not a problem, having one would make life easier. It would hopefully provide a way to show some of the value added, as well as link in to internal controls and the benefits of that. Members were supportive and agreed that there was merit in it. They also suggested looking at merging this with the Standing Financial Instructions, which usually provided the assurance framework, and Mrs Low advised that she was content to work to build that in. In principle, Members were committed to this kind of approach and thanked Mrs Walker and all those involved for their work on the paper. **Action: Mr Sinclair was asked to come back with a timetable for this work.**

C Sinclair

[**SECRETARY'S NOTE:** The following two items were brought forward on the agenda to accommodate the availability of Mrs McLaughlin]

**14. INFORMATION SECURITY AND GOVERNANCE UPDATE [paper AR/20/66 refers]**

- 14.1 Mrs McLaughlin spoke to her paper, which updated on key aspects of information governance and security activity since the previous report in early September 2020. The key highlights were: the Senior Information Risk Owner could be assured that all risks were being managed appropriately; the strategy had been updated following review; COVID-19 work continued and was accelerating; and that the new staff previously mentioned had recently taken up post, and their impact on the red risk would be seen by the next ARC meeting. Members briefly discussed the highlighted issue on unstructured and unclassified data, noting that this had been included for early sight at this stage and a full report would be provided in the next update. Members discussed the two reported information governance breaches, noting the Information Commissioner's Office was not taking these further and NSS was already taking robust action in response to these breaches. Members noted the update on preparations for a potential no adequacy decision regarding GDPR legislation following the EU exit, recognising the decision would be linked to the outcome of the trade talks. Finally, Members discussed the areas which were not yet demonstrating appropriate compliance and received assurances about the work being done to close any compliance gaps.

**15. DATA PROTECTION OFFICER'S PRESENTATION ON LEGISLATIVE DUTIES IN RELATION TO REPORTING [paper AR/20/67 refers]**

- 15.1 Ms Ruddy spoke to her paper summarising the obligations under the General Data Protection Regulations (GDPR) and the Data Protection Officer's role, as well as updating on NSS's status against the GDPR obligations. Members noted there were some areas where NSS was not yet demonstrating appropriate levels of data protection compliance. However, they were assured that work was ongoing to resolve that. Members thanked Ms Ruddy for her update.

**16. FRAUD UPDATE (INCLUDING ACTION PLAN REVIEW)**

- 16.1 Ms Howard began by providing an overview of the action plan being updated into a policy [paper **AR/20/69** refers]. Members asked for more clarity on what triple tracking would entail. Members discussed Ms Burgess's role as Counter Fraud Champion and what needed to be put into place to support that. Members commended Ms Howard's work on this and suggested including a reference to whistleblowing in paragraph 3.2. **Action: Ms Howard agreed to speak with**

Ms Howard



**Professor Langa to agree the wording of reference to whistleblowing in the policy.** Members were content to approve the policy as it stood for the current year but asked for the additions suggested to be included for the following year. Members were then taken through the overall fraud update [paper AR/20/64 refers] which updated on the National Fraud Initiative (NFI) work within NSS, the status of fraud investigations within NSS, key activities, and NSS's fraud awareness training statistics. Members were pleased to note there had been no new fraud cases. Two previously reported cases were open and still under wider investigation. Members were advised that fraud awareness training was being organised and that the Anti-Fraud training was tailored from Counter Fraud Services.

## **17. NSS FEEDBACK, COMMENTS, COMPLAINTS AND CONCERNS QUARTERLY REPORT [paper AR/20/65 refers]**

- 17.1 Members noted the report, which updated on the decision taken about the alignment of the Head of Equality and Engagement role and the associated reporting and governance arrangements. This meant that quarterly updates on complaints would be integrated into existing reports at the relevant committees (e.g. People Report to Staff Governance for staff complaints, Adverse Events to Clinical Governance for clinical complaints etc.) but the Annual Report would still come to this Committee. Members wished for more clarity around how trends or cross-cutting issues would be picked up.

## **18. COMMITTEE HIGHLIGHTS REPORT [paper AR/20/68 refers]**

- 18.1 Members agreed the following items for the Committee Highlights Report to the Board:
- The Committee had a robust discussion on internal audit of the procurement investigation and were content to approve the report.
  - In respect of Service Audit, the Committee were keen that KPMG work with NSS to either get to a wholly unqualified opinion, or agree how the opinion could be presented to the stakeholders to align more closely with previous language and phrasing used.
  - Audit Scotland notified the Committee that the timetable for the audit of final accounts is likely to be delayed again but they would seek to minimise that delay as far as possible.
  - The Committee were advised by the Internal and External Audit Teams that, due to the ongoing demands of the COVID-19 response on NSS, the timescales for development of the draft audit plans had needed to be altered. However, they would still be finalised within the normal deadlines.
  - The Committee received an overview of the development of a Board Assurance Framework around risk, and looked forward to seeing the proposed approach being taken forward.
  - The Committee approved the Fraud Management Policy for 20/21, subject to a minor clarification

## **19. ANY OTHER BUSINESS**

- 19.1 Members had no other business to raise at this point.

## **20. DATE OF NEXT MEETING**

- 20.1 Members noted the next meeting was scheduled for Tuesday, 2 March 2021 at 0930hrs.

There being no further formal business the meeting finished at 1704hrs

# Minutes (DRAFT FOR APPROVAL)

<b>B/21/16</b>
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**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 02 MARCH 2021  
COMMENCING AT 0930 HRS**

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mr John Deffenbaugh, Non-Executive Director  
Mr Gordon Greenhill, Non-Executive Director  
Professor Arturo Langa, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director

**In Attendance:** Ms Lisa Blackett, Non-Executive Director  
Ms Rachel Browne, External Auditor, Audit Scotland  
Mr Lee Dobbing, Service Auditor – KPMG  
Ms Inire Evong, External Auditor – Audit Scotland  
Ms Laura Howard, Associate Director - Finance Operations  
Mrs Carolyn Low, Director of Finance  
Mr James Lucas, Internal Auditor - KPMG  
Mrs Eilidh McLaughlin, Associate Director of Information Security and Governance [Items 14 &15]  
Mr Deryck Mitchelson, Director of Digital and Security  
Mrs Mary Morgan, Director of Strategy, Performance, and Service Transformation  
Mr Matthew Neilson, Associate Director  
Dr Lorna Ramsay, NSS Medical Director and Caldicott Guardian [Items 14 &15]  
Ms Trish Ruddy, NSS Privacy Advisor [Item 15]  
Mr Neil Thomas

**Apologies** Mr Colin Sinclair, NSS Chief Executive

## ACTION

### 1. WELCOME, APOLOGIES AND IN ATTENDANCE

1.1 Ms Burgess welcomed everyone to the meeting, noting the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

### 2. DRAFT MINUTES OF THE NSS AUDIT AND RISK COMMITTEE [ARC] MEETINGS HELD ON 2 DECEMBER 2020 [paper AR/21/02 refers]

2.1 Members considered the minutes of the previous meeting held on 2 December 2020 and, subject to correction of some minor typographical errors, were content to approve as a correct record. **Action: Mrs Bailey to make the minor corrections identified to the 2 December 2020 draft minutes.** L Bailey

### 3. MATTERS ARISING [paper AR/21/03 refers]

3.1 Members noted the updates provided which showed that that the vast majority of the actions were completed, covered by the other items on agenda, or scheduled for discussion at the Board. Ms Burgess confirmed that she had received Counter Fraud Training, and Ms Howard and Professor Langa were arranging a time to discuss the linking of the Counter Fraud and Whistleblowing policies.



#### Headquarters

Executive Office, Gyle Square, 1 South Gyle Crescent,  
EDINBURGH EH12 9EB

Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

**ACTION****4. INTERNAL AUDIT STATUS REPORT [paper AR/21/04 refers]**

- 4.1 Mr Lucas spoke to the paper which provided a summary of progress against the internal audit plan. Members noted those audits which had been re-prioritised and moved to 2021-22 Draft Plan, and were assured that those which had not been moved were on track to be completed by the year-end point.

**5. COMPLETED INTERNAL AUDIT: CAPITAL PLANNING [paper AR/21/06 refers]**

- 5.1 Members discussed the findings in the report on the Capital Planning internal audit. They were pleased to note that the report was positive overall. The audit had identified some changes that would need to be made but these were already being addressed. Members sought clarity on the first recommendation regarding integration of Finance at an early stage of a project. They were assured that this was about achieving consistency and a more proactive approach, as for lower value/routine projects, it tends not to happen until a later stage. Mr Lucas agreed to look at the wording and try to make that clearer.

**Action: Mr Lucas to consider re-wording Recommendation 1 for clarity.**

**J Lucas**

**6. DRAFT INTERNAL AUDIT PLAN [paper AR/21/07 refers]**

- 6.1 Members noted the updates provided on the progress in developing the Draft Internal Audit Plan for 2021/22, acknowledging that the number of days had been reduced and there were still feedback from the Executive Teams to be incorporated. In considering whether there were any gaps in the plan, Members felt that having an audit of the whistleblowing standards implementation would be useful. However, they recognised it might be best to leave that for the 2022-23 financial year as the guidance had only just recently been published. Members asked whether the timing of the strategic objective audit was still appropriate given the upcoming change of Chief Executive. Mrs Morgan confirmed that she was content with the timing as it would be a key audit for future planning. Members also noted that the timeline of the audit relating to third party supplier management was already being changed due to an overlap in scope with an external audit. Members were pleased to see an audit on staff wellbeing planned in the first quarter of 2021/22 but sought clarity on the comment about productivity levels. Mr Lucas advised that was a general comment based on anecdotal evidence from across all KPMG's clients so was not specific, and may well not be applicable, to NSS.

- 6.2 In terms of leadership and essential line management Members were keen to see benchmarking of NSS against similar organisations if possible. Going back to the audit of the strategic objectives, Members received an overview of the approach that would be taken. They were also advised that the audit of COVID-19 services was noted as a placeholder in anticipation of the potential need to respond to future public inquiries. In considering the number of audit days, Members sought assurances that the projected number was enough. Members were keen that the audit on leadership looked at what would be needed in the new environment rather than being entirely focussed on how NSS had done during the pandemic. Members agreed that payroll services would definitely need to be audited once the new services had been established and noted that the deferral was recognition of the delay to that. Members also agreed that the timing of the audit on the new cancer resource would need to be considered as the service was still in development. Members acknowledged that this was a busy plan and would need to be carefully balanced with the business as usual work.

**7. EXTERNAL AUDIT UPDATE [paper AR/21/08 refers]**

- 7.1 Ms Browne spoke to the update on the Draft External Audit planning process and an overview of the timelines for agreeing both the plan itself and the scope of the proposed work. Members were keen to see the planning concluded as quickly as possible and that the process also utilised the ways of working developed during the pandemic to avoid undue stress and pressure on staff. They were assured that the lessons learned from last year had been taken on board and, with remote auditing better established, the process could be managed better. It was agreed that once management had signed off on a working draft, a short, ad-hoc Audit and Risk Committee meeting could then be convened via TEAMS.

**8. COVID-19 GUIDE [paper AR/21/09 refers]**

- 8.1 Ms Grant spoke to the paper, which had been developed in response to the impact of remote auditing, and the refocusing of Audit Scotland's principles in that environment. Members discussed how to take forward some of the key considerations within the paper. To that end, Members proposed a questionnaire and holding development sessions in the run up to year-end – one on risk and one on annual accounts. Members recognised that COVID-19 related risks would be a factor at least in the medium term, and that elements of the pandemic response would be subject to audits for years to come but, of those, Personal Protective Equipment (PPE) was the most pressing. Members also acknowledged that this was about using resources based on risk and having assurance that the processes were picking up areas which were not immediately reported to this Committee. However, Members felt assured that they had positive answers to these questions already so a high-level stock-take was appropriate at this point.

**9. NHS IN SCOTLAND [paper AR/21/10 refers]**

- 9.1 Members noted the paper, which was focused this year on NHSScotland's response to the Covid-19 pandemic. Members' attention was drawn in particular to the section that highlighted NSS's role in supplying PPE, as well as financial performance. Members discussed the recommendation for NSS to ensure the move back to the more usual tendering process and agreed that should be included on the forward programme for the Finance, Procurement and Performance Committee (FPPC). Members expressed concerns that it read like NSS had not been considering VFM, sustainability and quality and agreed that it did not feel like that reflected fairly on the work which had been done. Members recognised the absolute necessity for assessing the impact on staff well-being. Members also wished to commend everyone in the organisation for the high performance on the recurring savings figure. In respect of National Board Collaboration, Members were keen to get a sense of the progress made on that. Going back to PPE, Mrs Low offered to share an update presented at FPPC specifically on this, which would show that there was lots to celebrate but also lessons learned to take forward. **Action: Mrs Low to share update on PPE from the February 2021 FPPC meeting with Members.**

Mrs Low

**10. SERVICE AUDIT PLAN 2020/21 [paper AR/21/11 refers]**

- 10.1 Mr Dobbing spoke to paper, which updated on progress towards delivering the Service Audit reports for 2020/21. Members noted that the control framework for IT had now been agreed and the service audit was in an improved position in that respect. Testing was due to begin in the coming days, continuing through to the end of April 2021 and would be reported in May 2021. Members discussed the outcome of the audit and were advised that there would be a focus on communication and escalation where necessary. Exceptions which had previously been identified may change by the end of the testing period, especially since the frameworks were still being developed, so it would not be

**ACTION**

helpful to predict the final outcome ahead of testing being completed. It was important to re-iterate that service audit was a process over a year and the auditors would not have a final answer before it was complete. However, it was possible to take a “temperature check” at a given point and respond to it as necessary. Members were reassured that NSS had a close working relationship with the auditors and the understanding of how that has been developed. It was now important to ensure stakeholders understood this and use the report itself to describe the process better.

**11. INTERNAL AUDIT ACTIONS REPORT [paper AR/21/12 refers]**

- 11.1 Members noted the report, which provided an overview of NSS performance against Internal Audit Actions. All actions were on track with one extension request. Members discussed the clinical waste actions and agreed that the actions regarding general clinical waste should be closed off but, due to the specific security issues involved, vaccine waste needed to be managed through a separate route and brought back to the next meeting. **Action: Mr Neilson to ensure that actions relating to general clinical waste were closed off and that a separate route be established specifically for vaccine waste.** Members also agreed that complaints needed to transition to a Business As Usual position.

**M Neilson****12. RISK MANAGEMENT UPDATE [paper AR/21/13 refers]**

- 12.1 Mr Neilson took members through the paper, which provided details of all Red risks and any new Amber Reputational risks recorded on the NSS Risk Register as at 31 January 2021. Members discussed the Windows 7 risk and noted that it should be classified as a business risk rather than a reputational risk. Members also discussed Oracle support and received assurance it was not a “cliff-edge” situation. In respect of the risk relating to the shelf-life of pandemic stock, consideration would be given to where this best sat. Members asked whether the reporting on the corporate level Brexit risk could be drilled down into further, and were advised that the EMT had already done this and recommended that the risk be closed. Members were assured that any specific Brexit risks at Strategic Business Unit level would continue to be monitored and escalated as appropriate. Regarding the risk around unstructured/unclassified data, Members received assurances about resourcing and that more detail would be included for the next update. Members also recognised that there may be benefit to linking this with the Information Governance section of the agenda. Members discussed the issues with legacy systems in PCFS and whether any similar issues were yet to emerge. They were advised that this was being monitored but it was difficult to accurately predict due to the changes forced by COVID-19. However, it did highlight a potential issue around use of, and reliance on, legacy systems.

**13. FRAUD UPDATE [paper AR/21/14 refers]**

- 13.1 Members were pleased to note that the National Fraud initiative work was well underway and on track to be completed in line with the annual accounts. No issues were anticipated to be found. There had been no new fraud cases in the current quarter and work on the two existing cases was ongoing. Ms Howard updated on the work being done with Counter Fraud Services (CFS) on external cases relating to onward sale of PPE, as well as a number of CFS’s national programmes of work. Members were also pleased to note the high rate of compliance regarding the Fraud Awareness eLearning module, and the progress of the fraud awareness training programme.

## ACTION

**14. UPDATED AUDIT AND RISK COMMITTEE CONSITUTION AND TERMS OF REFERENCE [paper AR/21/15 refers]**

- 14.1 Members discussed the current Terms of Reference and any updates that may be required. Members agreed the final paragraph in section one should be re-worked to provide clarity on the Committee's level of authority and there should be wording to capture information governance under key duties. There were also minor formatting corrections in the section relating to meetings and membership. **Action: Mrs Bailey to update and circulate the Terms of Reference to have a final draft for approval at the next ARC meeting.**

L Bailey

**15. INFORMATION SECURITY AND GOVERNANCE UPDATE [paper AR/21/16 refers]**

- 15.1 Mrs McLaughlin spoke to her paper, which updated on key aspects of information governance and security activity since the previous report presented in December 2020. Members noted that the continued and sustained pressure on the team due to volume of work in relation to pandemic response was expected to continue for some time to come, and were assured that resourcing was being actively considered. Compliance tasks relating to business as usual work had been, by necessity, de-prioritised but assurance was given that the risk and governance implications of this were being kept under review. Members were also updated on the challenges specifically relating to Records Management and the Information Asset Register. Members were advised that the impact of these challenges had been an increase in Freedom of Information (FOI) request response time breaches due to pressures of work but were assured that some temporary solutions had been sought to assist with this.
- 15.2 Members were pleased to note that progress on the Centre of Excellence business case had been positive. Risks relating to information security and governance had also been scrutinised with the reduction of risk 4577 (relating to legislative compliance) from amber to red, notwithstanding the FOI pressures mentioned earlier. However, Members were assured that this risk would be kept under close review in light of resourcing and capacity pressures. Members were also pleased to note that two previously adverse events which had been previously reported to the Information Commissioner's Office had been appropriately managed without the requirement for ICO intervention. Members were content with the report although asked, regarding compliance, if it would be possible to consider providing slightly more detail.

**16. DATA PROTECTION OFFICER'S (DPO) PRESENTATION ON LEGISLATIVE DUTIES IN RELATION TO REPORTING [paper AR/21/17 refers]**

- 16.1 Ms Ruddy spoke to her paper summarising the obligations under the General Data Protection Regulations (GDPR) and the Data Protection Officer's (DPO) role, as well as updating on NSS's current status against each of the GDPR obligations. Members noted that although there had been progress in some areas, records of processing activities and 'Accountability Principle' compliance remained the key areas of concern. It was hoped that as NSS's additional temporary resource became more focussed towards internal compliance tasks the speed of progress would increase. The report also highlighted that, due to the volume and pace of demand in relation to the COVID-19 response, there was a growing backlog of data protection related compliance documentation to be fully completed for COVID-19 products and services. Members noted the update on preparations for a potential no adequacy decision regarding GDPR legislation following the EU exit, recognising the agreement reached at the end of the EU exit transition period gave additional time. However, the adequacy ruling was still awaited (as of 19 February 2021) and the Scottish Government continued to advise the importance of monitoring the risk in this area.

**ACTION**

16.2 Members were advised that DPO training had been delayed due to COVID-19 but were assured that it was a key consideration. Members discussed areas where there were elements of good practice and culture, and were pleased to note that Ms Ruddy had engaged with Board Services about signposting things like the Data Privacy Impact Assessments. Members discussed how any conflicts of interest for the DPO was managed and were assured it was considered day to day, and that the onus was very much on the DPO to highlight that. Members asked whether there had been any increase in requests from public regarding their data as a result of Test and Trace, noting that there had been increases in Subject Access Requests, as well as Freedom Of Information requests for death data (which tended to be media driven). Members also asked about the impact of the upcoming changes to the donor screening questions and were assured that the relevant Equality Impact and Data Privacy Impact Assessments would be completed and shared appropriately.

**17. COMMITTEE HIGHLIGHTS REPORT [paper AR/21/18 refers]**

17.1 Members agreed the following items for the Committee Highlights Report to the Board:

- The Committee received the final report on the Capital Planning audit
- The Committee received updates on progress for the Internal and External Audit Action plans;
- Proposals for development sessions on risks and the annual accounts;
- Considered two Audit Scotland reports - the COVID-19 Guide for Audit Committees and the NHS in Scotland Report;
- Highlighting the recommendation from the NHS Scotland Report about the tendering processes for the Finance, Procurement and Performance Committee forward programme;
- The Committee recognised that in addition to the work that had been done in respect of the service audit control frameworks (which had improved), there could also be more within the report to clarify the process for the benefit of stakeholders;
- The Committee reviewed their Terms of Reference and made some suggestions for updates.

**18. ANY OTHER BUSINESS**

18.1 Members had no other business to raise at this point.

**19. DATE OF NEXT MEETING**

19.1 Members noted the next meeting was scheduled for Wednesday, 26 May 2021 at 0930hrs.

There being no further formal business the meeting finished at 1300hrs

# Minutes (APPROVED)

NHS NATIONAL SERVICES SCOTLAND (NSS)

MINUTES OF STAFF GOVERNANCE COMMITTEE MEETING HELD ON THURSDAY, 19 NOVEMBER 2020 HELD VIA TEAMS, COMMENCING 1330HRS

**Present:** Mr John Deffenbaugh, Non-Executive Director [Chair]  
Mr Tam Hiddleston, UNISON  
Mr Gerry McAteer, UNISON  
Mr Mark McDavid, Non-Executive Director  
Ms Suzanne Milliken, Union Representative  
Mr Keith Redpath, NSS Chair  
Mr Ian Cant, Employee Director  
Mrs Susan Cook, UNISON

**In Attendance:** Ms Lisa Blackett, Non-Executive Director  
Mrs Mairi Gaffney, Head of Healthy Working Lives  
Mr Gordon Greenhill, Non-Executive Director  
Mrs Jacqui Jones, Director of HR & Workforce Development  
Professor Arturo Langa, Non-Executive Director  
Mr Neil Redhead, NSS Head of Estates and Facilities  
Mr Colin Sinclair, Chief Executive  
Ms Aileen Stewart, Associate Director of HR  
Mrs Lynsey Bailey, Committee Secretary

**Apologies:** None

## ACTION

### 1. WELCOME AND INTRODUCTION

1.1 Mr Deffenbaugh welcomed all to the meeting and noted apologies as above. Members were asked to declare any interests in the context of the agenda items to be considered. No interests were declared.

### 2. MINUTES AND MATTERS ARISING FROM NSS STAFF GOVERNANCE COMMITTEE ON 26 AUGUST 2020 [papers SG/20/20 & SG/20/21 refer]

2.1 Following a brief discussion Members approved the minutes of the meeting held on 26 August 2020 as a true and fair record.

2.2 Members noted that all actions were either completed, covered by the agenda, or being taken forward outwith the meeting.

### 3. NSS PARTNERSHIP FORUM UPDATE

3.1 Mr Sinclair and Mr Cant updated Members on the work of the NSS Partnership Forum since the previous NSS Staff Committee meeting. Members noted that the Partnership Forum had still mostly been focussing on continuing the COVID-19 response and monitoring/mitigating the impact on staff. The test, trace, and vaccinate programmes, along with provision of shared services for Public Health Scotland, had been at the forefront of the agendas. There had also been discussion around staff resilience and the first results from the Pulse survey (which would be covered in more detail later in the meeting). Union colleagues advised that some of the pre-COVID issues in respect of case management were still not fully resolved although were moving in the right direction.

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Chair  
Chief Executive

Keith Redpath  
Colin Sinclair



**4. PEOPLE REPORT [paper SGC/20/22 refers]**

4.1 Mrs Jones took Members through the report and highlighted the following:

- NSS remained in a fairly positive position in terms of management. It was still a work in progress but progress was being made with mandatory and statutory training in shape, as well as sorting through cases;
- Members received an overview of plans for acknowledgement of the work of contract tracing staff and how achieving the desired ratio of NSS employees to third party employees would be a longer term goal than initially expected due to the way the work was sub-contracted rather than outsourced.
- Members were also keen that efforts be made to differentiate the position in Scotland in respect of test and trace within the national media;
- The continued improvement in sickness absence and management cases was welcome and HR was looking at the lessons learned to identify what the factors have been and what could still be better, mindful of the role that the public sector could play in leading on this.
- Particular attention would be paid to the influence of working from home and the extent to which it was potentially masking any issues;
- Due to the impact of COVID-19, remobilisation of services, winter and Brexit on Boards' abilities to deliver on their priorities, the Once for Scotland Programme Board would be considering recommencing the work on policies in early January 2021;
- The Turas appraisal work had also been paused at the beginning of the pandemic but a slow catch up on that was ongoing and making progress.

Members thanked Mrs Jones for her update, noting there was a theme of how managers were continuing to adapt to the current environment, and looked forward to hearing more progress updates..

**5. NSS STAFF RISKS – RED AND AMBER [paper SGC/20/23 refers]**

5.1 Members noted that there were a number of historical risks within SBUs which were being managed appropriately. The main corporate risks related to remote working and the concerns were now around staff who needed to be back in the office but, for various reasons, NSS had not been able to allow that yet. While NSS was not as far forward as it had hoped to be at this point, the work already done to make the buildings as COVID-safe as possible had set the organisation in good stead for when restrictions could eventually be eased.

**6. VACCINATION UPDATES – CURRENT FLU PROGRAMME AND COVID-19 PREPARATIONS [paper SGC/20/24 refers]**

6.1 Mrs Jones spoke to the paper updating on the flu vaccination programme and highlighted the following:

- The necessary measures put in place to run the clinics as safely as possible had unfortunately reduced the numbers of staff that could be seen in each clinic which created some challenges;
- Members were updated on how the vaccine had been distributed to ensure it was used as widely as possible whilst balancing the need for prioritising frontline clinical staff (Priority 1), and those whose roles could not be done from home (Priority 2);
- As at the end of the first phase of vaccinations, there was a shortfall against the target for uptake among Priority 1 and 2 staff but Members were given an overview of the extensive work which had been done to promote and support vaccine uptake, and the plans in place to try and achieve target by the end of phase 2;

**ACTION**

- While poor uptake of the flu vaccine amongst clinical and laboratory staff was not an issue unique to NSS, Members had a robust discussion about research (either as NSS or part of a wider societal view) to try and establish the reasons for reluctance amongst these groups. **ACTION: HR to consider options for research into poor vaccine uptake by clinical and laboratory staff;**
- There were also some non-clinical areas with lower uptake and Members were assured that this was being discussed with the relevant Directors.

**HR**

6.2 Members noted the following in respect of COVID-19 vaccination preparations:

- The initial priority groups of staff had been identified for the first phase of COVID-19 vaccine delivery but consideration was being given to how that could be expanded to include donor carers and warehouse staff;
- Members discussed potential vaccination plans for the wider NSS staff group, acknowledging the additional considerations around the COVID-19 vaccines which may increase reluctance among certain groups;
- It was expected that there would also be a difference in uptake between the flu where there was choice and COVID-19 where there would be potentially less choice due to societal interest;
- Members commended the work of the delivery group around the flu vaccine, which had laid the groundwork for any COVID-19 vaccine delivery;
- The logistics behind NSS running COVID-19 vaccinations for staff meant it may be better to align with territorial boards for the initial wave of vaccinations for frontline staff, but this decision was still to be finalised.

## 7. COVID-19 LESSONS LEARNED [paper SGC/20/26 refers]

7.1 Members noted the following:

- An EMT workshop was being planned to consider future changes to ways of working, and future environment post COVID, which would take its outcomes to the NSS Partnership Forum;
- Members were mindful that, for some staff, working from home in compliance of a government directive will have a different response to having the choice;
- There was a pressing need to consider how long staff could continue in this way and what the resilience plan would be, as the current way of working was not necessarily more sustainable in the longer term than the original 09:00-17:00 office hours;
- There were significant opportunities to look at the range of services NSS delivered and the way they were delivered;
- Members recognised that medium and long-term visions would always need to change in response to unforeseen circumstances, so this could still be done in light of the lessons learned from the pandemic response.

## 8. iMATTER PULSE SURVEY [paper SGC/20/27 refers]

8.1 Members were pleased to note there had been a good response, considering this was a survey that had been done in addition to the usual staff survey.

- It provided a snapshot of how staff were feeling at a point in time, had achieved a 65% response rate but was positive;
- The emerging point from the responses was that, at the time of completing the survey, staff were feeling more anxious. An educated guess could be made as to the most likely cause of the increased anxiety but to know for sure would require going back to seek clarification;
- The qualitative data analysis would be published around 4 December 2020 but Members recognised that, due to the gap in time since the survey was done, some things will have moved on in the meantime;

**ACTION**

- A like-for-like comparison with the last iMatter survey was being worked on but this would take time as iMatter had included staff who were now part of Public Health Scotland;
- The main challenge was in responding to how staff felt, recognising that there may be influences on the answer to that from outside of work, so it was important to influence the work aspect of people's lives and provide as much certainty about work as possible;
- The pandemic situation was not improving as quickly as initially hoped and this would be having an adverse impact on staff morale.

**9. RECOGNISING EXCELLENCE [paper SGC/20/28 refers]**

- 9.1 Members were provided with an overview of how NSS was running its excellence awards differently for 2020. Members were pleased to note that it was being taken as an opportunity to celebrate a wider range of successes. 108 stories had been submitted and everyone who was able to was being encouraged to attend.

**10. OTHER COMMITTEE ISSUES**

- 10.1 Members were advised that at the NSS Finance, Procurement and Performance Committee earlier in the day had similar discussions about staff burnout and ensuring staff members were able to achieve the best work/life balance for them.

**11. ITEMS FOR THE BOARD COMMITTEE HIGHLIGHTS REPORT [paper SGC/20/29 refers]**

- 11.1 Members agreed the following
- Members' recognition and commendation of NSS staff's contribution to COVID-19 response;
  - NSS was beginning to understand the issues affecting staff but there was still further work to be done on this;
  - Updates on the delivery of flu vaccinations and preparations for COVID-19 vaccinations.
  - Update on Pulse Survey results and agreement on the need for positive and realistic communications to give as much certainty as possible at work.
  - Ongoing theme around role of managers and adapting their management style in the current environment.

**12. ANY OTHER BUSINESS**

- 12.1 Members agreed that Whistleblowing should be an item on the agenda for the next NSS Staff Governance Committee meeting in February 2021. **Action: Ms Stewart and Professor Langa to liaise about whistleblowing item for February 2021 agenda.** **A Stewart/  
A Langa**

**13. REVIEW OF MEETING**

- 13.1 Members felt it had been a very positive meeting and that the focus on staff wellbeing was very much what was needed at this time. They were pleased to note the positive steps being taken in this regard.

**14. DATE OF NEXT MEETING**

- 14.1 Members noted the next meeting was scheduled for Tuesday, 23 February 2021 at 1400hrs.

There being no further business, the meeting finished at 1622hrs.

# Minutes (Draft)

NHS NATIONAL SERVICES SCOTLAND (NSS)

**B/21/18**

**MINUTES OF STAFF GOVERNANCE COMMITTEE MEETING HELD ON TUESDAY, 23 FEBRUARY 2021 HELD VIA TEAMS, COMMENCING 1330HRS**

**Present:** Mr John Deffenbaugh, Non-Executive Director [Chair]  
Ms Lisa Blackett, Non-Executive Director  
Mr Tam Hiddleston, UNISON  
Professor Arturo Langa, Non-Executive Director  
Mr Gerry McAteer, UNISON  
Mr Mark McDavid, Non-Executive Director  
Mr Keith Redpath, NSS Chair

**In Attendance:** Mrs Jacqui Jones, Director of HR & Workforce Development  
Ms Louise MacLennan  
Ms Jayne-Marie McIntyre  
Ms Sarah Moffat  
Mrs Mary Morgan, Director of Strategy, Performance and Service Transformation  
Professor Jacqui Reilly, Director of Nursing  
Ms Aileen Stewart, Associate Director of HR  
Mrs Lynsey Bailey, Committee Secretary

**Apologies:** Mr Ian Cant, Employee Director  
Mrs Susan Cook, UNISON  
Ms Suzanne Milliken, Union Representative  
Mr Colin Sinclair, Chief Executive

## ACTION

### 1. WELCOME AND INTRODUCTION

1.1 Mr Deffenbaugh welcomed all to the meeting, in particular to Ms Blackett and Professor Langa who were attending their first meeting as full members. Apologies were noted as above. Members were asked to declare any interests in the context of the agenda items to be considered but no interests were declared.

### 2. MINUTES AND MATTERS ARISING FROM NSS STAFF GOVERNANCE COMMITTEE ON 19 NOVEMBER 2020 [papers SG/21/02 & SG/21/03 refer]

2.1 Following a brief discussion, and subject to minor corrections to paper references, Members approved the minutes of the meeting held on 19 November 2020 as a true and fair record.

2.2 Members noted that all actions were either completed, covered by the agenda, or being taken forward outside of the meeting. Members asked about staff uptake of the COVID-19 vaccine. Members were advised that only identified priority groups of staff were being offered the vaccine through in-house clinics but were assured uptake among these groups had been higher than anticipated and, in some areas, was over 90%. Members felt it helped that the COVID-19 vaccine programme was clearly focussed on protecting the vulnerable.

### 3. NSS PARTNERSHIP FORUM UPDATE

3.1 Mrs Morgan updated Members on the work of the NSS Partnership Forum since the previous NSS Staff Committee meeting. The main discussions had been

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**ACTION**

around the vaccination programme and the COVID-19 lessons learned in respect of new ways of working. Members were given a high-level overview of the likely hybrid model being proposed but noted that this was subject to confirmation of the national level guidelines. Members discussed potential timelines for returning to normal office working and acknowledged this would also be contingent on national guidelines and the Scottish Government's roadmap out of lockdown.

**4. NATIONAL CONTACT TRACING CENTRE (NCTC) UPDATE**

- 4.1 Members received a presentation which provided an overview of how HR had responded to the request for the establishment of the NCTC. It covered the work on recruitment, collaboration with colleagues from across many SBUs, development of the services, and the proposed next steps. Members discussed the basis on which NCTC staff had been contracted and the numbers of fixed-term and bank staff. They also received an overview of how the national contract tracing service aligned with local contact tracing infrastructure. Members recognised the huge scale of this work and how well everyone involved had worked together. Members were keen that some work was done to look at the detail of staff turnover and establish whether further improvements could be made. Members commended a job well done, recognising the team effort involved, and were pleased to note that it had provided some useful lessons learned for the future. Members requested a more detailed spotlight session on this at a future meeting. Mrs Bailey and Mrs Jones agreed to look at the forward programme and schedule it in. **ACTION: Mrs Bailey and Mrs Jones to schedule a spotlight session on the National Contract Tracing Centre at a future meeting.**

**L Bailey/  
J Jones**

**5. PEOPLE REPORT [paper SG/21/04 refers]**

- 5.1 Members were pleased to note that NSS remained in a positive position. They recognised that this was still a work in progress and a number of issues required closer monitoring. These were the number of incidents reported under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR), the sickness absence rate in Procurement, Commissioning and Facilities, appraisal and objective completion rates, and the Statutory and Mandatory Training figures. A major contributory factor to these issues was the number of new employees into NSS, and conversations were taking place at EMT and with SBU Directors to address that. HR also continued to support Strategic Business Units to make any necessary improvements. In respect of appraisals, Members were given an overview of the technical issues which were contributing to the challenges in recording them but were assured there were plans to address them. Members also discussed highlighting employees' individual responsibility for ensuring their appraisal took place and was appropriately recorded.
- 5.2 Members discussed the work on the new ways of working and how to monitor the well-being of staff working at home. NSS was receiving a range of feedback on how staff felt about working from home and there was some engagement with staff that needed to take place to establish more detail (e.g. there had some reduction in sickness absence, but it was not entirely clear why). Members noted the recruitment and turnover figures and were keen for clarification on the impact of the NCTC on the figures. Members noted that exit interviews for NCTC staff were being established which would help to inform future strategies. Going back to the key issues mentioned at the beginning of the discussion, Members were assured that NSS had an active Occupational Health and Safety Advisory Committee which was monitoring the RIDDORS, the mandatory and statutory training position was improving and being monitored, and sickness absence rates were also improving. The COVID-19 response year should be a resetting year and Members recognised that there would be associated harms which had yet to be identified. There was also a need to also understand and establish what would be considered as "normal" and acceptable in a post-pandemic situation. Members thanked Mrs Jones for her

**ACTION**

update. NSS was doing well in the current circumstances and Members were pleased to note the number of lessons learned being identified and taken forward.

**6. NSS STAFF RISKS – RED AND AMBER [paper SG/21/05 refers]**

- 6.1 Members discussed the report and particularly noted the amber risks highlighted regarding the health and well-being of staff working from home, the impact of leaving the EU on NSS's non-EU workforce, and the limited opportunities to redeploy technical and specialist staff. Members discussed the proportionality of risk and getting the balance between highlighting something for awareness and having clarity about any actions which could or should be taken by the Committee. Members recognised that there had been a move towards looking more at strategic risks but there was also a need for understanding risks more generally and continuing to challenge. Mr Deffenbaugh suggested it may be worth having a discussion at a later date on the potential "vaccination passport" which had been proposed and what NSS's response would be if it were enacted.

**7. WHISTLEBLOWING UPDATE [papers SG/21/06 and SG/21/06a refers]**

- 7.1 Members noted that the National Whistleblowing Standards had a new process and procedure for handling whistleblowing concerns raised by staff and others delivering NHS Services. Professor Reilly spoke to the paper, which provided an update on NSS's plans for implementation for approval, which included a proposal for communications and staff training needs. The key issue for discussion related to the requirement that any organisation delivering NHS services, whether it is a private company, a third sector organisation or a primary care provider, has the same requirement to ensure access to a procedure in line with these Standards. Members noted that while it was not clear to what extent NSS was required to ensure these were in place for all its suppliers, NSS would aim to ensure all those in scope were at least aware of NSS's policy and process and know who to contact to raise a concern. The communication plans took account of this scope and could be adapted to meet any additional need. Members agreed that the response to this needed to be proportionate to the size of the risk and recognised that, for third party suppliers, it would be hard to monitor completely. NSS would also not be expected to investigate in all cases, but there needed to be some mechanism for ensuring NSS was notified of issues raised involving suppliers in order to consider whether further action was necessary. Consideration had been given to creating an entry for this on the risk register but, since the risk was low and the mitigations in place were appropriate, Members were content with the proposals for how assurances would be provided to the Board. Members were content to note and approve the paper, thanking all involved for the significant work which had gone into it.

**8. EQUALITY AND DIVERSITY UPDATE [paper SG/21/07 refers]**

- 8.1 Members were advised that key staff involved in the equality and diversity work had been diverted to COVID-19 response work but there had been no extension granted in relation to publication of the statutory reports. Ms MacLennan provided an overview of the ongoing work to gather the required information and publish reports and assured Members that the deadlines would be met. Members were also updated on the progress in embedding the Equality and Fairer Scotland Duty Impact Assessment process, and ensuring the clarity was being provided regarding the responsibilities and legal requirements. Members also noted the national activity being driven by Scottish Government on race equality and how NSS was responding to that. Members asked about NSS's position on trans issues and were assured that NSS was well engaged and would have an appropriate position or response if asked. Members confirmed they were content with the update and fully supported the work being done.

**ACTION****9. GREAT PLACE TO WORK PLAN UPDATE**

- 9.1 Ms Stewart spoke to her presentation which provided an update on NSS's 2020/21 Great Place to Work plan. Members were pleased to note the good progress achieved, in particular that a number of the plan's deliverables had been achieved despite the challenges of responding to the pandemic. Members were advised that the plan for 2021/22 should continue to maintain and improve on all strands with particular attention to Stands 3 and 4 of the Staff Governance Standard (i.e. "treats all employees with dignity and respect", and "provide staff with a continuously improving and safe working environment"). This would include the Workforce Vision on ways of working for the future, a focus on wellbeing (which extended to financial and digital wellbeing), and delivering Equality and Inclusion outcomes. Members thanked Ms Stewart for her presentation.

**10. DRAFT TERMS OF REFERENCE [paper SG/21/08 refers]**

- 10.1 Members considered the draft Terms of Reference and were broadly content with them. Following a brief discussion, it was agreed to consider how to make the link with the NSS Partnership Forum more explicit in the wording. **ACTION: Mrs Bailey and Ms Stewart to look at how to highlight links with the NSS Partnership Forum in the final draft of the SGC Terms of Reference.**

**L Bailey/  
A Stewart**

**11. DRAFT ANNUAL REPORT [paper SG/21/09 refers]**

- 11.1 Members briefly discussed the initial draft of the Committee's annual report to the Board and had no feedback on the content at this time. Members were invited to get back to Mrs Bailey with any other feedback that might arise ahead of the next meeting

**12. OTHER COMMITTEE ISSUES**

- 12.1 Members were updated on discussions at the recent Remuneration and Succession Planning Committee (RSPC). The main highlight had been a presentation from Mrs Jones on leadership capability. Other highlights were the agreement to review the Standing Orders in relation to vacancies over £75,000, the conversation on Project Lift, and discussions about the Executive Level Appraisals. On a more general note, Members were pleased to note that Mr Cant had been re-elected as Employee Director for another four year term which had been confirmed by the Scottish Government's Public Appointment Unit.

**13. ITEMS FOR THE BOARD COMMITTEE HIGHLIGHTS REPORT [paper SG/21/10 refers]**

- 13.1 Members agreed the following for inclusion in the Committee's Highlights Report to the Board:

**Issues and Risks for the Board's Attention:**

- Discussion on whistleblowing and proportionality of the response to requirements relating to suppliers;
- The need to reflect on the potential vaccine passport – namely the associated issues and risks, and planning the organisational response.

**Emerging Themes:**

- Lessons learned emerging and being taken forward e.g. contract tracing and sickness absence;
- Good assurance that people issues were being addressed by the Executive Management Team.

**Governance improvements:**

- Corporate consideration of risk to NSS and function of risk reports

**14. ANY OTHER BUSINESS**

- 14.1 Professor Langa asked whether whistleblowing reporting could be incorporated into People Report in future. It was agreed that consideration would be given as to how this could be done.

**15. REVIEW OF MEETING**

- 15.1 Members felt it had been a very positive meeting. They discussed summaries of papers, agreeing that some papers had done this well, and were keen to try and standardise it across all papers. In terms of meeting etiquette, it was suggested asking for contributors to only have their cameras on while speaking could potentially feel exclusionary to some people, and was perhaps not as necessary for preserving bandwidth as previously thought. Members also discussed the requirement for all presenters to attend for the whole meeting and how to ensure this did not create undue pressure or stress, especially during the pandemic response period. Members noted that continuing to hold meetings in this virtual form would need to be carefully monitored. Under the current restrictions there was no other option, but Members agreed that it was becoming too easy to move from meeting to meeting without taking adequate breaks and were mindful of the negative impact this could have.

**16. DATE OF NEXT MEETING**

- 16.1 Members noted the next meeting was scheduled for Thursday, 13 May 2021 at 0930hrs.

There being no further business, the meeting finished at 1702hrs.



# minutes (APPROVED)

<b>B/21/19</b>
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## NHS NATIONAL SERVICES SCOTLAND BOARD

### MINUTES OF MEETING OF THE FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC) HELD VIA THE TEAMS PLATFORM, COMMENCING AT 0930HRS ON THURSDAY 19 NOVEMBER 2020

**Present:** Mr Mark McDavid (Committee Chair)  
Mr Ian Cant, Non-Executive Director  
Ms Julie Burgess, Non-Executive Director  
Mr Keith Redpath, NSS Chair [Item 3 – 17]

**In Attendance:** Mr Gordon Beattie, Director National Procurement  
Ms Lisa Blackett, Non-Executive Director  
Mr Gordon Greenhill, Non-Executive Director  
Professor Arturo Langa, Non-Executive Director  
Mrs Carolyn Low, Director, Finance and Business Services  
Mr Andrew McLean, Deputy Director of Finance  
Mrs Mary Morgan, Director Strategy, Performance and Service Transformation  
Mr Matthew Neilson, Associate Director of Strategy, Performance, and Communications  
Mr Colin Sinclair, Chief Executive  
Mrs Marion Walker, Risk Manager Lead [Item ??]  
Mrs Lynsey Bailey, Committee Secretary [Minutes]

**Apologies:** None

#### ACTION

#### 1. INTRODUCTIONS AND APOLOGIES FOR ABSENCE

1.1 Mr McDavid welcomed everyone to the meeting and apologies were noted as above. Members were asked if they had any interests to declare in the context of the agenda items to be considered. No interests were declared.

#### 2. MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2019 AND MATTERS ARISING [papers FPP/20/30 and FPP/20/31 refer]

2.1 Following a brief discussion, Members approved the minutes of the meeting held on 26 August 2020 as a true record.

2.2 Members noted that the majority of action items were either complete, in progress or covered by the agenda.

#### 3. FINANCE REPORT [paper FPP/20/32 refers]

3.1 Mrs Low spoke to the report, which presented NSS's financial performance for the period to 30 September 2020. Members were pleased to note that at the mid-year point NSS was reporting a positive position, with strong financial performance which was on track to meet the agreed year-end targets. 70% of funding for COVID-19 activities had been confirmed so far and the remaining 30% would be reviewed in January 2021, which could give Members confidence around the financial position. Members were also assured that NSS was working hand in hand with Scottish Government finance colleagues around resource for any new COVID-19 response work to ensure that funding followed action. There had been minimal slippage in some SBUs (mainly around staffing costs) which was either



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Chair  
Chief Executive

Mr Keith Redpath  
Mr Colin Sinclair

offset by underspend elsewhere or, if it was related to COVID, it would be recovered as far as possible. In terms of the other financial risks, Members were pleased to note that while the sums involved were substantial, the risks themselves were considered to be low. In the case of advance payment risks, these were continuing to reduce as the ordered supplies were being received.

- 3.2 Mr McLean provided a brief update for October 2020 and advised that there had been no material movement in the position with similar trends being reported and still forecasting a break even position at the financial year-end. All health boards had been asked by Scottish Government to develop three scenarios (best case, worst case, and most likely) around their core budget and COVID-19 spend, and this was currently being worked up for NSS. Members felt encouraged and assured regarding NSS's financial position and confident that the organisation would not be overstretched. Members sought and received clarity around the SNBTS deep dive, which aimed to ensure that the clinical services uplift from Scottish Government was being used to maximise the possible benefits. Going back to the COVID-19 response and associated workforce impacts, Members were keen to see that NSS used its resources to avoid potential staff burnout.

#### **4. OCCURRENCES WHERE THE NSS STANDING FINANCIAL INSTRUCTIONS HAD NOT BEEN FOLLOWED**

- 4.1 Mrs Low advised Members that an SNBTS review had uncovered that a change in process meant there had been a breach due to the way a small number of fees paid for external lectures had been handled. Members also received an overview of a situation arising within Digital and Security regarding a grant from a UK Government agency and were assured that NSS Finance was seeking clarity as to how the grant should be treated if it were to proceed, which was not yet confirmed. Ms Low advised that the SFIs were being reviewed to ensure that wording was clear and explicit going forward on how such situations should be treated. Members discussed using a Once for Scotland SFIs template and noted that it was difficult to consolidate for all NHS Boards for a number of reasons. Therefore, the instruction from Scottish Government had been that there would be leeway for tailoring to the needs of individual Boards, as long as each Board's SFIs aligned with the Finance Manual as a minimum. In respect of the grant, Members were given assurances that, should it go ahead, it would not create additional workload that NSS did not have capacity for.

#### **5. FINANCIAL PLAN [paper FPP/20/33 refers]**

- 5.1 Members noted the paper which updated on progress being made in the development of the Financial Plan for 2021/22 to 2023/24, and reflected the position as presented to the NSS Board at its meeting on 23 September 2020. Mrs Low highlighted the need for clarity around workforce plans (which were being worked on), plans for transformation, and the areas for investment to make that happen. Members acknowledged that this was a snapshot in time and between now and late January/early February 2021, there was some necessary work to complete in order to agree the financial position. Members were then provided with an overview of the collaboration work and the progress which had been made in that respect. However, there were some planning assumptions etc, which would need to be refined. Members asked about additional COVID-19 pressures going into 2021/22 and what that might look like (on the basis that funding would be covered) but were advised that there was still a lot of uncertainty.
- 5.2 Members asked about the estates work through the Property Asset Management Board and how the backlog maintenance fitted into the financial planning. Members were assured it had been factored in as it would be necessary for each building regardless of an future decisions about leases. Members were given an overview of the investment in Gyle Square and the potential future plans for office accommodation. These plans would recognise the need to review how NSS

estates were, and could be, used, and what the opportunities were for taking a different approach in order to be more sustainable in this area. In terms of the overall financial plan, the next step would be to articulate what NSS was doing (in terms of strategic plans, investment etc.) to reduce and close the budgetary gap. The aim was to have this ready for the NSS Board in February 2021. It would be important to strike a balance between how to find money to invest and how to bring in funding. Members recognised that the benefit of a lot of NSS's work flowed into the wider NHSScotland rather than directly back to NSS itself. Therefore they were keen that NSS should not be constrained by awaiting confirmation of specific, upfront funding from Scottish Government in order to do something that would demonstrably be of much wider benefit.

## **6. FINANCE TRANSFORMATION [paper FPP/20/34 refers]**

- 6.1 Mrs Low spoke to her presentation which detailed the vision, focus and initiatives in respect of transforming the way Finance delivered its services. Particular highlights were the new digital enablers (e.g. Service Now, Office 365, Tableau etc.) which had led to productivity gains while supporting the COVID-19 response, and the plans for building that into a new "Business as Usual" model. Members were content with the update and commended the work which had been done.

## **7. ANNUAL PROCUREMENT REPORT 2019/20 [paper FPP/20/36 refers]**

- 7.1 In the interests of transparency, Mr Redpath declared that a member of his family was currently employed by Menzies Distribution (which was mentioned within the report), but did not think that would have any bearing on the following discussion. Mr Beattie began by speaking to the reporting period highlights in his foreword and signposted Members to where they could find the greater detail within the main body of the report. Members were advised that, as this report covered the period up to the end of March 2020, COVID-19 activities did not feature. Members thanked Mr Beattie for his report and were impressed as it showed that there was more going on in procurement besides "buying". There was recognition that although this report was focussed externally, it still may not register much outside NSS this year but future reports may be subject to more scrutiny than they had been before, especially around COVID-19. Members asked about the Climate Change targets and where they came from. They were pleased to note that NSS was involved in taking a leadership role on climate change across public sector. Members also sought and received clarity around the role NSS played in contracts. Members discussed PPE expenditure and were assured that there were no causes for concern in terms of the initial emergency response, or in the move back towards regular procurement processes.

## **8. NATIONAL PROCUREMENT SCHEDULE [paper FPP/20/35 refers]**

- 8.1 Members noted the contents of the paper which reviewed the PCF Strategic Sourcing and PCF ICT contract schedule for all contracts to be awarded in 2020/21. Mr Beattie provided an overview of the focus during the year to date, as well as the establishment and implementation of the recovery programme. Members were advised that a slight hiatus could be expected next year and were assured that there were plans in place to work through that. Members were taken through the detail of the expected contracts and savings over the next financial year. Members discussed whether there was a need to be more proactive and report on the work around COVID-19 earlier or if it should wait until the annual report for 2020/21. However, they acknowledged that National Procurement had been very open and posted all award notices. Members discussed publicising the positive stories more to balance out the negative and misrepresentative press, and how NSS planned to support the staff whose morale may be impacted by it. **Action: EMT to look at publicity around procurement and clarifying the position in Scotland.** Members were assured that, while NHSScotland was

EMT

paying more for PPE than it previously did, it was still paying less than the market ask and there were no causes for concern in respect of pre-paid PPE orders.

## 9. NSS ANNUAL OPERATING PLAN Q1 UPDATE [paper FPP/20/37 refers]

- 9.1 Members briefly discussed the context of the update, the impact of the second wave of COVID-19, and the uncertainty it had brought. Key activities centred around the COVID-19 response - supporting the delivery of vaccine, ongoing growth of testing etc. – and the report was positive in that context. Scottish Government usually undertake a formal review of NSS’s mid-year position but, this year, they were mindful that this was on the heels of a ministerial annual review so were considering a different approach. The preferred option would be to cover it in a sponsor’s meeting but this was still to be decided. Members discussed the reporting of the “Red” measures and getting a balance between providing visibility of what needed to be monitored and/or improved on and recognising what had been placed on an agreed pause or delayed due to external factors outwith NSS’s control. **ACTION: Mrs Morgan and Mr Neilson to consider the reporting of “Red” measures to get a balance between visibility of what needed to be monitored and/or improved on and recognising those impacted by external factors outwith NSS’s control.** Members were keen to look into a way of capturing additional requests around priorities like COVID-19 and reporting on performance against those.

M Morgan/  
M Neilson

## 10. REVIEW OF BUSINESS RISKS [paper FPP/20/38 refers]

- 10.1 Mrs Walker highlighted that, since the previous report, there had been two new red risks raised relating to COVID-19 and one new amber risks relating to Information Governance. Members asked about risk 4577 (Information Governance legislation breach) and whether the risk was the same as when it had originally been raised. Mrs Walker provided an overview of history of the risk and assured Members that it would be covered at the NSS Audit and Risk Committee. Acknowledging that it still read as the same risk, Mrs Walker agreed to pick this up with Mr Redpath in their offline chat. In respect of risk 5671 (the new Data Capture Validation and Pricing programme), Members advised that it was not easy to follow the updates provided and Mrs Walker agreed to look at that for future reports. However, she could confirm that the work around that programme was ongoing and good progress was being made.

## 11. RESILIENCE UPDATE [paper FPP/20/39 refers]

- 11.1 Members noted that NSS remained on emergency response footing due to COVID-19, with the Resilience Management Team meetings currently being held on a weekly basis. Members also noted the updates on the non-COVID resilience incidents which were detailed in the report. Members were advised that a review was being undertaken of resilience management processes to ensure lessons learned from COVID-19 were being incorporated and Ms Caroline McDermott was also focussing on winter planning for COVID-19 so it was all very much a work in progress. The weakest point at the moment was around wellness resilience and how creative NSS could be about deploying staff while being mindful of providing “breather” opportunities.
- 11.2 Members asked if this paper could be developed to be not just retrospective but to also look at what is coming up as well, and were advised that this was the aim. The main concern for all Board Chief Executives was the risk that several issues could potentially occur at the same time (e.g. extremes of weather, flu, supply chain hold-ups as a result of Brexit) and how to manage that situation should it arise. Members also discussed how to keep morale up, recognising the need to mitigate the staff impact of the current pandemic situation as, in spite of the vaccine progress, the current level of uncertainty was still expected to remain for a long time to come. Members had a brief discussion about how long an

emergency response goes on for before it becomes Business as Usual, acknowledging that the pandemic was reaching this point.

**12. BEST VALUE [paper FPP/20/43 refers]**

- 12.1 Mr Neilson spoke to the paper, seeking approval to delay the Best Value self-assessment by 12 months due to the ongoing pandemic response. Members recognised that a delay would also provide opportunities to explore ways to do this differently and were supportive of the request.

**13. BOARD HIGHLIGHTS REPORT [paper FPP/20/40 refers]**

- 13.1 Members were keen to capture the discussions around morale and emergency become BAU. **ACTION: Mrs Bailey to draft up the highlights report and send to Mr McDavid ahead of submission to the NSS Board.**

**Mrs Bailey**

**14. ANY OTHER BUSINESS**

- 14.1 Members briefly discussed previously reported risk 6082 (impact on staff of working remotely for an extended period) and the potential for it to create an increase in sickness absence.

**15. DATE OF NEXT MEETING**

- 15.1 Members noted the next meeting was scheduled for Wednesday, 3 February 2021 at 09:30, via the TEAMs platform.

**In Private Session**

**16. MEGALAB**

- 16.1 Members received an overview of the potential impact of this programme of work on NSS. Members noted the challenges and suggested a possible solution to some of them, which would be considered.

**17. RTx AGREEMENT**

- 17.1 Professor Turner gave an overview of the work and clinical developments that the agreement supported and progressed. Members discussed the arrangements around the agreement and what that meant for SNBTS and NSS.

There being no further business, the meeting finished at 1255 hrs.

# minutes (DRAFT)

<b>B/21/20</b>
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## NHS NATIONAL SERVICES SCOTLAND BOARD

### MINUTES OF MEETING OF THE FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC) HELD VIA THE TEAMS PLATFORM, COMMENCING AT 0930HRS ON WEDNESDAY, 3 FEBRUARY 2021

**Present:** Mr Mark McDavid (Committee Chair)  
Ms Julie Burgess, Non-Executive Director  
Mr Ian Cant, Non-Executive Director  
Ms Lisa Blackett, Non-Executive Director  
Mr Gordon Greenhill, Non-Executive Director  
Mr Keith Redpath, NSS Chair

**In Attendance:** Mr Gordon Beattie, Director National Procurement  
Ms Laura Howard, Associate Director of Finance  
Mrs Carolyn Low, Director, Finance and Business Services  
Mr Andrew McLean, Deputy Director of Finance  
Mrs Mary Morgan, Director Strategy, Performance and Service Transformation  
Mr Matthew Neilson, Associate Director of Strategy, Performance, and Communications  
Mr Colin Sinclair, Chief Executive [Items 1 – 12]  
Mrs Marion Walker, Risk Manager Lead [Item 12]  
Mrs Lynsey Bailey, Committee Secretary [Minutes]

**Apologies:** None

#### ACTION

#### 1. INTRODUCTIONS AND APOLOGIES FOR ABSENCE

1.1 Mr McDavid welcomed everyone to the meeting and apologies were noted as above. Members were asked if they had any interests to declare in the context of the agenda items to be considered. No interests were declared.

#### 2. MINUTES OF THE MEETING HELD ON 21 NOVEMBER 2020 AND MATTERS ARISING [papers FPP/21/02 and FPP/21/03 refer]

2.1 Following a brief discussion, Members approved the minutes of the meeting held on 27 November 2020 as a true record pending minor correction of the date in the heading for the draft minutes and paper reference numbers.

2.2 Members noted that the majority of action items were either completed, in progress or covered by the agenda.

#### 3. DRAFT FINANCIAL PLAN [paper FPP/21/03 refers]

3.1 Mr McLean spoke to the Draft Financial Plan, highlighting that Scottish Government had asked for one year rather than the usual longer term view. Members noted the uplift was lower than expected but Scottish Government had committed to fully funding any additional uplift that was required following the outcome of pay discussions. Planning had also been done on the assumption that COVID-19 services would be fully funded. There was positive movement in terms of the overall funding position but there was still a deficit projected. However, there was also lots of ongoing work that would generate savings which would be translated into the plan in due course. Members were advised that there



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Mr Keith Redpath  
Mr Colin Sinclair

would be no recurring return of the £1.5m National Board Collaboration savings. Members discussed the deficit position of £2.7m and were assured this would move closer to break even (which was the main focus). They also noted that SBUs had been given their timescales to resubmit balanced financial plans which would come to the Board for approval in March 2021. Mrs Low advised that she was also keen to establish the medium term view, in addition to the year-long plan being submitted, to avoid losing opportunities further down the line. In respect of the £1.5m National Board Collaboration, Members were advised that Mr Sinclair would be making the case to Scottish Government that a break-even position would be more difficult with out and that, should it continue to not be returned, the measures needed to accommodate it would reduce NSS's capacity to deliver in other areas. Members were given an overview of the move towards fully recovering costs for the dedicated, fixed-term resource being established for COVID-19 services to allow business as usual to be re-established. Members were content to note the paper and looked forward to seeing the final version presented to the NSS Board.

#### **4. DRAFT REMOBILISATION PLAN [paper FPP/21/04 refers]**

- 4.1 Mrs Morgan spoke to the paper, which provided a draft outline of the items to be included in the full worked up NSS Remobilisation Plan for 2021/22. Members asked whether the wording around convalescent plasma and NHS Scotland Assure reflected the current position. NHSScotland Assure was working towards a go live date of 1 June but the final details and clarity around new public body were still to come. The wording on convalescent plasma referred to clinical trials, which was also not being collected specifically through apheresis but through the regular whole blood collection and Members agreed that including some clarity on that detail would be helpful. Regarding sustainability, Members noted that NSS had some expertise on this within Health Facilities Scotland and so it had been included in recognition that Scotland needed to do more work on this to achieve its goals. Resilience was included specifically as it was recognised that further planning, for the next pandemic for example, and overall improved resilience was required. Members were advised that more of this detail would be included in the final plan at the end of the month. Members commended the paper as a very succinct and clear summary of what NSS would be changing and improving. Mr Neilson then spoke about the objectives, KPIs etc, that would lie underneath this and how it would be developed into a performance dashboard and used in a review of the plan in around 6 months. Members were also given an overview of how changes would be recorded in a change log and reflected in the performance reporting. Members thanked Mrs Morgan and Mr Neilson, confirming that they were content to endorse the draft plan.

#### **5. FINANCE REPORT [paper FPP/21/05 refers]**

- 5.1 Mrs Low spoke to the paper, which summarised NSS's position as at the end of December 2020. Members were pleased to note that NSS was on track to deliver against its targets although Mrs Low highlighted that there was a projected surplus which was similar to the deficit projected in 2021/22. Members were advised that options were being explored for utilising these funds by expediting aspects of plans for 2021/22, and discussions were underway with Scottish Government Finance colleagues to ensure any funds required in future years were returned where appropriate. Members noted the favourable position and commended the good work being done by Mrs Low and colleagues to maintain a positive working relationship with Scottish Government.

#### **6. OCCURRENCES WHERE THE NSS STANDING FINANCIAL INSTRUCTIONS (SFIs) HAD NOT BEEN FOLLOWED**

- 6.1 Mrs Low confirmed to Members that there had been no occurrences in this period.

**7. REFRESH OF NSS'S SFIs [paper FPP/21/06 refers]**

- 7.1 Ms Howard spoke to the updates made to the SFIs. The main highlights were the removal of the emergency provisions put in place specifically relating to COVID-19 and reflecting the lessons learned in order to achieve consistency in levels of authority. It also ensured the SFIs reflected the growing scope and scale of the organisation and its services. Members were also pleased to note the development of at-a-glance, concise summaries of each level of authority. Timescales had been brought forward to have this in place for 1 April and Members were invited to provide any feedback they may have by 22 February 2021 to be incorporated into the final version being presented to the NSS Board in March 2021. Members discussed contract requirements and were keen to establish clarity on when Central Legal Office involvement would be considered as discretionary and when it would be a requirement. Members also asked about guidelines for Board Members regarding their responsibilities and Ms Howard offered to provide that in a document, as well as hold a brief workshop-style session. Members noted that the mention of the Workforce Policy Terms and Conditions Group in the "Extension to Pay during periods of absence" section needed to be updated, and were assured that providing clarity around the level for reporting of appointments to the NSS Staff Governance Committee was being picked up.

**[Secretary's Note:** Mr Redpath temporarily took over as meeting chair while Mr McDavid was unavailable]

**8. NATIONAL PROCUREMENT SCHEDULE [paper FPP/21/?? refers]**

- 8.1 Members noted the paper, which provided a review of the Procurement, Commissioning and Facilities contract schedule for all contracts to be awarded in 2020/21, and the contracts forecasted to be awarded in 2021/22. In particular, Members noted the COVID-19 work and the impact, recruitment and business continuity planning. Members asked about the element of choice within procurement frameworks and received an overview of how panels identified and engaged suppliers that met Boards' needs. Members noted that, where possible, National Procurement would award on a "Once for Scotland" basis but certain circumstances would require the availability of options. It was also intended to incorporate this into the pre-contract phase and build in continuous improvement throughout the life of a contract. Again, Members discussed the involvement of Central Legal Office in decisions and, where they were not, being clear on the reasons for it. Members were conscious that there would be increased pressure on procurement post-COVID-19 and the need to maximise savings would double in intensity. On a final note, Mr Beattie advised he had recommended that the clotting factors contract come back at a future date due to a change in the UK plasma situation. Members thanked Mr Beattie for the report.

**[Secretary's Note:** Mr McDavid returned to the meeting and resumed the Chair]

**9. PERSONAL PROTECTIVE EQUIPMENT (PPE) UPDATE [paper FPP/21/?? refers]**

- 9.1 Mr Beattie spoke to the paper which provided an overview of the PPE supply in support of the COVID-19 response. The modelling had been revised in line with infection rate impact scenarios released by Scottish Governments and Members were given an overview of how that had been translated into the supply management. Members discussed the cost differential between local supply and imports, and how sustainable that would be. They noted that, while the costs of imports may be lower in some cases, this was not the sole factor taken into account in awarding supply contracts. Members acknowledged that pandemic stock was an insurance



policy with a shelf-life so were assured that National Procurement were modelling quite tightly through demand. Going back to the point of local supply and sustainability, Members were pleased to note that work was ongoing with Heriot-Watt University to provide a mechanism to better quantify the economic benefits. Members commended the great work that had been done by National Procurement in respect of PPE supply during the pandemic. Members received an overview of the work being done with Scottish Government to model supply management for the future and the projected timescales for the requirement to maintain the current levels of stock.

## **10. CONSUMABLES AND WAREHOUSE UPDATE [paper FPP/21/?? refers]**

- 10.1 Members noted the paper which provided an update on warehouse commissioning. The main highlights were in respect of Titan and EC165. The Titan fit was progressing well and, due to the pause of the work in respect of a 3<sup>rd</sup> party sub-tenant for EC165, a shadow design had been progressed for original NSS sole tenancy of the site. There had been good input on this work from NSS resources and once they were up and running, the additional warehouses would take some of the current pressures off the National Distribution Centre at Canderside. Members asked about the implications of the 12 week delay to EC165 but were advised that there was a no detriment agreement to ensure and additional costs incurred would be covered and were assured that it would not cause any problems from a service perspective.

## **11. NSS REMOBILSATION PLAN [paper FPP/21/?? refers]**

- 11.1 Members discussed the paper, which updated on the latest NSS performance position in relation to the Remobilisation Plan (RMP). Members noted that performance was largely as expected with 62% of measures on track, 28% reporting at amber, and 10% at red. Members were advised COVID-19 was having a clear impact on target achievement so, taking that into account, NSS was reporting well. Members expressed concerns that NSS would be held to account for instances where it had not been possible to achieve the targets due to the COVID-19 response work, and suggested more could be done to provide that context and clarification. Members were advised that a year-end performance report would be produced, and this would include more detail on the COVID-19 support work, and its impact, which could not be captured within the existing performance metrics. This also highlighted one of the arguments in favour of the change log previously mentioned.
- 11.2 Mrs Low updated on progress with the South East Payroll, providing an overview of the reasons for delays in the TUPE transfer for some of the boards involved. She advised that the NHSScotland Directors of Finance (DoFs) had met on 21 January 2021, and noted that reaching the stage of TUPE transfer of staff within the next year was unlikely due to COVID pressures. Members agreed it was disappointing to not be taking advantage of a good opportunity but were pleased to note that work was ongoing to get agreement on a collective position to move forward for January 2022. Options were being looked at but getting all five organisations on board at the same time worked best and would be the priority. This was an example of a metric that was red for reasons outwith NSS's control so Members were keen to find a way of reflecting that.

## **12. REVIEW OF BUSINESS RISKS [paper FPP/20/23 refers]**

- 12.1 Mrs Walker highlighted that, since the previous report, there had been one new red risk (6121 - Unstructured and Unclassified Data) and one new amber risk (6205 - Inability to meet Financial Targets). The information in the report was as at 31 December 2020 but Members expressed concerns that updates for these risks, which would have been expected within that time frame, were not recorded. Mrs Walker agreed to take this back to the respective risk owners and get a

process in place to ensure this was addressed for future reports. In respect of the financial amber risk, Members discussed whether it was reflective on the basis of the reports earlier in the agenda. Mrs Low suggested that perhaps title of the risk could better reflect that it referred specifically to the potential impact of the service transformation plan on the financial position. Mr Neilson provided an overview of EMT risk review and how gaps were being addressed, giving assurance to Members that the gaps flagged would be taken back to the respective directors.

### 13. RESILIENCE UPDATE [paper FPP/20/27 refers]

13.1 Mrs Morgan spoke to paper, which provided an update on NSS's resilience activities. In particular, the report highlighted:

- the well-managed responses to the 12 minor incidents which had arisen;
- the establishment of an Executive Out of Hours on call rota, which had not yet received any emergency contacts;
- the completion of the Scottish Government assurance templates to address the potential impacts of the UEFA 2021 Football Tournament and Conference of Parties Climate Change Summit.

Members noted the report and thanked Mrs Morgan for the update.

### 14. BOARD HIGHLIGHTS REPORT [paper FPP/20/25 refers]

14.1 Mrs Bailey agreed to draft up a report ahead of the next NSS Board meeting on 26 March 2021. Members were keen that it captured the contributions of National Procurement to the COVID-19 response.

**ACTION: Mrs Bailey to draft up the highlights report and send to Mr McDavid ahead of submission to the NSS Board. Mrs Bailey**

### 15. ANY OTHER BUSINESS

15.1 Members had no other business to raise.

### 16. DATE OF NEXT MEETING

16.1 Members noted the next meeting was scheduled for Wednesday, 3 February 2021 at 14:00, via the TEAMs platform.

There being no further business, the meeting finished at 1215hrs.