

# NSS Board Meeting

01 November 2019, 09:30 to 12:00  
Board Rooms 1&2, Gyle Square, Edinburgh

## Agenda B/19/104

### 1. Apologies for Absence

Jim Miller, Director PCF  
Mary Morgan, Director Strategy, Performance and Service Transformation  
Lorna Ramsay, Medical Director

### 2. In attendance

Stephen McWilliam, Programme Manager [Depute for Jim Miller]  
Matthew Neilson, Associate Director Strategy, Performance and Communications [Depute for Mary Morgan and facilitator]

### 3. Observers

Professor Jim McGoldrick, Shadow Chair, Public Health Scotland  
Professor Marion Bain, Co-Director Executive Delivery Group Public Health Reform Programme

### 4. Minutes of meeting held on 6 September and Matters arising [B/19/105 and B/19/106]

5 minutes  
Keith Redpath

 B19106 Action List.pdf (1 pages)

 B19105 2019-09-06 Board Draft Minutes\_DRAFT.pdf (7 pages)

### 5. Chair's Update [B/9/107]

10 minutes  
Keith Redpath

 B19107 Chairs Update for the Board.pdf (2 pages)

### 6. Chief Executive's Update [B/19/108] - to follow

25 minutes

Including updates on :  
Public Health Scotland  
Centre of Excellence - Built Environment & Infection Control  
CHI & Child Health and Office365  
EU Exit

### 7. NSS Mid Year Report [B/19/109]

10 minutes  
Matthew Neilson

 B19109 ODP Monitoring to Board.pdf (4 pages)

### 8. People Report [B/19/110]

10 minutes  
Jacqui Jones

 B19110 People Report for the Board.pdf (14 pages)

### 9. Finance Report [B/19/111] - to follow

10 minutes

### 10. Corporate Risk Register [6 monthly review] [B/19/112]

10 minutes  
Matthew Neilson

 B19112 Board Risk Management Update.pdf (17 pages)

**11. Update on Public Health Scotland [Verbal Update]**

10 minutes  
Jim McGoldrick

**12. Governance Review**

20 minutes

***Lunch (1200-1230)***

30 minutes

1215 Photographs of Non-Executive Directors

**13. Papers for information only**

Approved Minutes of the NSS Staff Governance Committee on 10 May 2019 [B/19/113]

Approved Minutes of the NSS Information Governance Committee on 14 May 2019 [B/19/114]

Approved Minutes of the NSS Clinical Governance Committee on 10 June 2019 [B/19/115]

Approved Minutes of the NSS Audit and Risk Committee on 14 June 2019 [B/19/116]

Approved Minutes of the NSS Audit and Risk Committee on 28 June 2019 [B/19/117]



B19113 SGC 10-05-19 Approved Minutes.pdf

(9 pages)



B19114 IGC 14-05-19 Approved Minutes.pdf

(7 pages)



B19115 CGC 10-06-19 Approved Minutes.pdf

(8 pages)



B19116 ARC 14-06-19 Approved Minutes.pdf

(5 pages)



B19117 ARC 28-06-19 Approved Minutes.pdf

(1 pages)

# Minutes (Approved)

## NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF MEETING HELD ON FRIDAY, 6 SEPTEMBER 2019  
IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH, COMMENCING AT 0930 HRS

**Present:** Keith Redpath, NSS Chair  
Julie Burgess, Non-Executive Director  
John Deffenbaugh, Non-Executive Director  
Kate Dunlop, Non-Executive Director  
Carolyn Low, Director of Finance  
Mark McDavid, Non-Executive Director  
Lorna Ramsay, Medical Director  
Colin Sinclair, Chief Executive

**In Attendance:** Jacqui Jones, Director of HR and Workforce Development  
Jacqueline Reilly, Nurse Director  
Mary Morgan, Director, Strategy, Performance and Service Transformation  
Professor David Goldberg, Consultant, Public Health Medicine [Item 11]  
Salvador Llopis, Digital & Security SBU [Depute for Deryck Mitchelson]  
Eilidh McLaughlin, Associate Director Corporate Affairs and Compliance  
Karen Nicholls, Interim Board Secretary [Minutes]  
Andrew Shaw, Auditor, KPMG [In Private Session only]  
Sandra Aitkenhead, KPMG [In Private Session only]  
Graham Cochran, KPMG [In Private Session only]

**Apologies:** Deryck Mitchelson, Director, Digital & Security  
Ian Cant, Employee Director

**Observer:** Inire Evong, Audit Scotland

### ACTION

## 1. INTRODUCTION

- 1.1 Mr Redpath welcomed all to the meeting and noted that it was his first Board meeting since taking up the post of NSS Chair.
- 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. CHAIR’S REPORT [Verbal Update]

2.1 Mr Redpath provided a short verbal update focusing on:

- Whistleblowing Non- Executive Directors for NHS Boards. The recruitment session had now closed and an update would be expected in the coming weeks.
- Annual Review – Chair’s had been informed that there would be no



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Chair Keith Redpath  
Chief Executive Colin Sinclair

formal Annual Reviews for any Board in 2019. Members expressed their concern that NSS had not had a formal Ministerial review since 2017.

2.2 Members thanked Mr Redpath for his verbal update.

### 3. CHIEF EXECUTIVE'S UPDATE [papers B/19/89 refers]

3.1 Mr Sinclair took Members through his paper and drew attention to the following items:

- Shared Services programme for Public Health Scotland;
- Integrated Joint Boards [IJBs] – relationship building and NSS was in discussions to focus on what the IJBs need;
- Tax Implications for clinicians;
- Errington Cheese Company – engagement activity.

*(At this point in the meeting Ms Rooney declared an interest but after a short discussion it was agreed that there was no need for her to leave the discussions.)*

3.2 He continued that Scottish Government colleagues were extremely pleased with all the support currently being provided by NSS, particularly Health Protection Scotland and Health Facilities Scotland and their professionalism around the current issues at the Royal Hospital for Children and Young People. Members noted that this support was an additional ask on a limited number of staff and asked that their thanks be passed on to those involved. Mr Sinclair added that there were additional opportunities for NSS to support Scottish Government and discussions around the roll out of the Mental Health agenda, and what support NSS could provide, were at an early stage.

3.3 Members discussed the provision of shared services, particularly relating to the new Public Health Scotland, and also the Once for Scotland approach.

3.4 Members noted that the issues experienced around the National Boards Collaboration were still on-going and reiterated their concern that the savings required had not been apportioned equitably.

3.5 Members discussed the implications of the time and cost overrun of the Digital Capture Payment Verification (DCVP) tool and CHI and Child Health Index projects. Mr Sinclair advised that DCVP had been discussed in detail at the NSS Finance, Procurement and Performance Committee and was primarily an issue between ATOS and their sub-contractor. Mr Martin Bell, the new Director of Practitioner and Counter Fraud Services had highlighted the issues and they were now being addressed. A full report on the situation would be provided to the NSS Executive Management Team for the September 2019 meeting. After a short discussion Mr Sinclair and Ms Rooney agreed to discuss further outwith the meeting. **Action: C Sinclair and A Rooney to discuss DCVP outwith the meeting schedule.**

**C Sinclair/  
A Rooney**

3.6 Members asked that it be noted that they were concerned that these items were only now being highlighted and asked for further clarity on the risk implications of both DCVP and CHI and Child Health. Mr Sinclair advised that he would ensure further investigation and a review of the associated risks would be carried out and updates provided for the relevant Committees of the Board. **Action: C Sinclair to ensure pertinent risks are updated.**

**C Sinclair**

Ms Dunlop asked that a full breakdown of all IT projects be provided as soon as possible to ensure a full view of current liabilities and timelines was provided, to allow proper scrutiny by Non-Executive Directors. Mr Sinclair agreed to liaise with Mr Deryck Mitchelson, Director Digital & Security. **Action: D Mitchelson to provide a full report on all major IT projects and obligations as soon as possible** **D Mitchelson**

3.7 Mr Sinclair continued that the issues around CHI and Child Health had now been dealt with and work would be ongoing to ensure appropriate governance and roles were in place, not just within NSS but also with NHS Education Scotland (NES).

3.8 *Members agreed to suspend the remainder of this item to allow the Workforce papers to be taken out of agenda order.*

#### **4. PEOPLE REPORT [paper B/19/94 refers]**

4.1 Mrs Jones took Members through the paper and highlighted the following areas:

- Sturrock Action Plan – now live and being actioned at pace and focus groups arranged to encourage staff to input.
- Anonymous Letters – Action Plan in place and further investigations being carried out.
- iMatter Survey now live
- Great Place to Work Action plan being implemented.
- Review of Sickness Absence and extra support for line managers being provided. This was especially pertinent for long term sickness absence. NSS Executive Management Team would also be focusing on this.
- Number of RIDDORS reduced after investigation and actions in place to improve safety and practices in the relevant areas.
- Exit Interviews – further review would be carried out.

4.2 In relation to the sickness absence levels, Members asked that a more detailed review of the business areas with the highest levels be carried out. Mrs Jones agreed to liaise with Mr Jim Miller, Director Procurement, Commissioning and Facilities and provide a more detailed report to the next NSS Staff Governance Committee. **Action: J Jones and J Miller to provide detailed update on sickness absence to the next NSS Staff Governance Committee.** **J Jones/  
J Miller**

4.3 Members were made aware that a Whistle-Blowing complaint had been received and would be channelled through the appropriate governance procedures.

4.4 Members thanked Mrs Jones for her report and noted the new layout and content.

**5. NSS WORKFORCE STRATEGY [paper B/19/95 refers]**

5.1 Mrs Jones took Members through the paper and advised that this was submitted for approval. Mrs Low added that finance and planning were working closely with HR colleagues to ensure the strategy assisted workforce planning for the services and skills that NSS would need for the future, and that this had been discussed at the NSS Audit & Risk Committee meeting.

5.2 Members thanked Mrs Jones for the updated report and approved it in full.

*Mrs Jones left the meeting at this point. The meeting then returned to the Chief Executive's Report.*

**6. EU EXIT PREPARATIONS [paper B/19/90 refers]**

6.1 Mr Sinclair took Members through the paper which highlighted the actions currently being undertaken by NSS to prepare for the EU Exit should there be a No-Deal decision. Members noted the following additional items which had arisen since the report was prepared:

- NSS had been asked to consider triage services/logistics assistance for the Social Care sector.
- An exercise would be held with the Department of Health, which was originally planned for March.
- Medicines – although not a devolved issue NSS would be looking at assistance around re-routing of freight; stockpiling and where this would be housed; readiness of supply chain and logistics relating to changed customs requirements.
- Assisting the Scottish Medicines Consortium to ensure Scotland remains in tandem with the rest of the UK.
- Taking the lead, with Scottish Government, on general medicine sales (e.g. paracetamol) and ensuring these basic medicines were still available.

6.2 Members thanked Mr Miller and Mr Sinclair for the informative report and welcomed the actions that had already been put in place.

**7. MINUTES OF MEETING HELD ON 28<sup>TH</sup> JUNE 2019 AND MATTERS ARISING [papers B/19/92 and B/19/93 refer]**

7.1 Members noted the minutes and approved them in full. It was noted that the minutes were longer than usual as this had been a full day meeting.

7.2 It was noted that most of the action items were either complete, items on the current agenda or had a longer lead time.

## 8. FINANCE REPORT [paper B/19/96 refers]

8.1 Mrs Low took Members through the paper and noted the following areas:

- NSS had a small surplus at this stage of the financial year.
- Pressure on SNBTS due to the Infected Blood Inquiry. It was expected that this would be funded by Scottish Government so the risk was managed.
- DCVP – already discussed earlier in the meeting.
- Maintenance Backlog increased to £5million. This had been discussed in detail at the Finance, Procurement and Performance Committee (FPPC) held on 29.9.2019.
- Capital – little spend at present but the programmes were on time.
- Emerging Issues – Centre of Excellence on Infection Control and Clinical Waste contingency (these items would be discussed in detail at the In Private session of the meeting).

8.2 Ms Rooney thanked Mrs Low for the new format of the report which was extremely useful. Members asked that for the next iteration a summary including any associated risks, was added. **Action: C Low to add C Low summary including risks for next reporting cycle.** In relation to the National Boards collaboration on savings, the Board asked that it be noted that they would not approve anything above the agreed NSS amount at this stage.

8.3 Members noted the considerable increase in maintenance backlog that had been identified in the Property Asset Management (PAMS) work which had been discussed in detail by the FPPC and asked what plans were in place to mitigate this additional spend. Mr Sinclair informed members that this would be managed via PCF and scheduled as part of the PAMS workload.

8.4 As an action, Members reflected that, for future reporting it was important that any terminology used was fully explained including the criteria used in the RAG (Red, Amber, Green) status. **Action: C Low to review for next C Low meeting.**

## 9. NSS STRATEGIC PERFORMANCE UPDATE [paper B/19/97 refers]

9.1 Mrs Morgan took Members through the paper, which was a new report for the Board, focusing on the four strategic objectives and three strategic priorities; enable, assist and underpin. Members noted that this was a very comprehensive report.

9.2 Members discussed the report in detail and asked for the following considerations to be taken into account for futures iterations:

- A balcony view of the longer horizon i.e. 2024 and beyond.
- Ensure it is the strategic intent that is reported and not detailed operational data.
- Reassurance that the correct RAG status has been used and what mitigation had been put in place.
- Further review of resources focused on the 'Assist' strategic priority.

9.3 After a robust discussion Members asked that this now become a standing item for future meetings. **Action: Interim Board Secretary to add to forward programme.** **K Nicholls**

9.4 Mr Sinclair continued that it was important to remember that NSS was a very successful organisation, and that this report was able to reflect that position to the Board. Mr Redpath thanked Mr Sinclair and Mrs Morgan for the report, and looked forward to discussing versions with a more strategic view at future meetings.

## **10. PUBLIC HEALTH SCOTLAND [paper B/19/98 refers]**

10.1 Mrs Morgan took Members through the report providing an update on Public Health Scotland. Members discussed the following areas:

- Shared Services – impact on NSS Staff who were now in scope to move to the new body (Communications staff) as a result of the new body not using the NSS shared service offering for this particular service.
- The importance of ensuring that the relationship with the new body was that of a partner.
- Opportunity for the NSS Board to thank all staff involved.

10.2 It was noted that the shared services already offered had now been accepted and this provided an excellent opportunity for NSS to show the savings and benefits of this type of service to the wider NHS Scotland.

10.3 Members thanked Mrs Morgan for an informative update and endorsed the recommendations in full.

## **11. HEPATITIS C [Presentation]**

11.1 Professor David Goldberg, Consultant Public Health, took Members through a presentation on the work NSS had been doing around the Hepatitis C treatment. Mr Sinclair added that he had asked for this presentation to the Board to make them aware of the excellent success story that NSS had been pivotal to.

11.2 Members thanked Professor Goldberg and were delighted to see how all parts of NSS had fed in to this work.

## **12. SCREENING UPDATE [paper B/19/99]**

12.1 Members noted that there had already been limited discussions relating to this paper, and agreed that, as this item was a substantive item for the next NSS Clinical Governance Committee, there was no need to review again at this stage.

12.2 Ms Burgess, as Chair of the Clinical Governance Committee to provide a verbal update to a future meeting as necessary.

## **13. DIGITAL REPORT [paper B/19/100 refers]**

13.1 Members noted that there had already been limited discussions relating to this paper, and agreed that as this item was a substantive item for the next Information Governance Committee there was no need to review again at

this stage.

- 13.2 Ms Rooney, as Chair of the Information Governance Committee, to provide a verbal update to a future meeting as necessary. Members also asked that this item be earlier in the agenda for future meetings. **Action: Interim Board Secretary to make the necessary agenda changes to bring the Digital & Security update earlier in the business of the Board for future meetings.** K Nicholls

**14. ITEMS FOR INFORMATION ONLY [papers B/19/102 and B/19/103 refer]**

- 14.1 Members noted the contents of the papers listed above and had no further comments.

**15. NSS REMUNERATION AND SUCCESSION PLANNING COMMITTEE MEETING HELD 27 JUNE 2019**

- 15.1 Mr Deffenbaugh provided Members with a verbal update on the last meeting of the NSS Remuneration and Succession Planning Committee and advised that the discussions had focused on assurance that NSS had a robust performance appraisal process linked to objectives. It was noted that the Committee now had a balanced view on succession planning and backward looking appraisals.

**16. IN PRIVATE SESSION – MEMBERS ONLY**

- 16.1 Members held a short In Private session and discussed the documents provided in full.

- 16.2 KPMG had been asked to review the work carried out by NSS on the subject in question. Members noted the report in full and welcomed the findings and discussed how these could be shared with external colleagues. Members asked that their thanks be passed on to those who had been, and were still involved, in the project. **Action: C Low to pass on Board comments.** C Low

- 16.3 Members were informed that the subject matter of item 2 had now been announced by Government as part of the Programme for Government so would shortly become public. Professor Reilly took Members through her slides and advised that further information would be provided to future meetings on the progress being made around the proposed Centre of Excellence in the Built Environment.

- 16.4 Professor Reilly then provided a verbal update on the additional work being done on infection control and Members were content to note the progress being made.

There being no further business, the meeting finished at 1415 hrs.

# NSS FORMAL BOARD ACTION LIST 2019-20



CLOSED

B/19/106

Ref Item	Action	Responsible	Deadline	Status
FROM 6 SEPTEMBER 2019				
2019-09-06 Item: 3.	<b>Chief Executive's Update</b>			
2019-09-06 Item: 3.5	C Sinclair and A Rooney to discuss Digital Capture Payment Verification (DCVP) outwith the scheduled meeting.	C Sinclair/ A Rooney	Outwith meeting cycle	
2019-09-06 Item: 3.6	C Sinclair to ensure all risks relating to DCVP and CHI and Child Health were appropriate and updated.	C Sinclair	Immediately	Risks for DCVP updated as per EMT 21.10.19
2019-09-06 Item: 3.6	D Mitchelson to provide full report on all major IT projects and programmes to Board Members.	D Mitchelson	Immediately	
2019-09-06 Item: 4	<b>People Report</b> J Jones and J Miller to provide detailed update on sickness absence to the next NSS Staff Governance Committee.	J Jones/ J Miller	Next Staff Governance Committee	Added to forward programme for future SGC. KN 24.10.19
2019-09-06 Item: 8	<b>Finance Report</b>			
2019-09-06 Item: 8.2	C Low to add summary including risks for next reporting cycle.	C Low	1.11.19	Agenda item for 1.11.19
2019-09-06 Item: 8.4	C Low to ensure for future reporting any terminology used was fully explained including the criteria used in the RAG (Red, Amber, Green) status.	C Low	Future reporting.	
2019-09-06 Item: 9.3	<b>Strategic Performance Update</b> K Nicholls to add this as a standing item for future meetings.	K Nicholls	Immediately	Agenda item for future meetings.
2019-09-06 Item: 13	<b>Digital Report</b> K Nicholls to move this item further up the agenda for future meetings to ensure appropriate discussion time was available.	K Nicholls	Immediately	Note added to forward programme for future meetings. Note: not included on 1.11.19 agenda.
FROM 28 JUNE 2019				
2019-06-28 Item: 4.3	<b>Audit and Risk Annual Report</b> Board Secretary to liaise with CEO/Chair's Exec Assistant to programme in 6 monthly meetings with CEO/Chair and Chair of Audit and Risk Committee.	Board Secretary	Immediately	In progress.
2019-06-28 Item: 11.3	<b>Remuneration and Succession Planning Annual Report</b> Mr Deffenbaugh to add/discuss further information relating to remuneration of clinicians to the next Committee meeting.	J Deffenbaugh	27.9.19	Agenda item for RSPC. Added to forward programme.

**B/19/107**

**NSS Formal Board Meeting – Friday, 1 November 2019**

## **Chair's Report for September/October 2019**

This report contains a summary of activities and discussions that I have engaged in as Chair since the last Board meeting.

### **Induction**

I have had a continual induction and education programme over the past two months through a combination of briefing meetings with officers and attending, as an observer, a number of management team meetings including the EMT, SNBTS, PCF, PHI and Finance teams at the time of writing.

These team sessions have been extremely useful for me in gaining more knowledge and information about the vast range and complexity of NSS operations.

In conjunction with the team sessions, I have also taken the opportunity to visit both the Jack Copland Centre and Canderside Distribution Depot. It remains my intention to visit all our main operating bases within my first six months in office.

### **Inside the Organisation**

The Chief Executive and I have now put in place weekly update meetings to keep me apprised on significant and/or topical issues.

Since the last Board meeting much of this has been focused on the work around creating the new Centre of Excellence for the Built Environment and our short term actions in respect of recently completed hospitals along with planning for leaving the EU.

I have also spent some time with officers reviewing the current operation of our governance arrangements which will be presented at the Development Session later on Friday 1<sup>st</sup> November.

I have also met individually with the Chairs of 3 other National Boards (HIS, NES and SAS). The focus of these sessions, as well as being of a general introduction, has been around their views of the current National Boards shared services activities as well as the opportunity for me to ask about their perceptions of us as an entity. While this is not a systematic or indeed comprehensive review, there are a number of observations that I will feed in to the Development Session later in the day.

### **NHS Board Chairs Meetings**

There have been 2 sessions in the last 2 months.

Firstly, there was an off-site session on 3<sup>rd</sup> and 4<sup>th</sup> October which I asked Julie Burgess to attend on my behalf due to my previously committed holiday booking.

Julie has provided me with an excellent note of the session that covered topics such as:

Post Sturrock and Chairs providing mutual support;

Culture, clinical leadership and workforce – where NSS was highlighted as being the only NHS Board to have a succession plan;  
Integration of Health and Care and need to make progress across all Board areas.

I will invite Julie to give a brief verbal update on her attendance.

Secondly, at the time of writing, the next routine Chair's session is due on Monday 28<sup>th</sup> October and I will provide a verbal update at the Board meeting.

### **NSS Board Non-Executive Appointments**

I have had a number of interactions with the Public Appointments Team at Scottish Government to follow up/start the process for the appointment/re-appointment of Non-Executive Directors.

While we await the allocation of a Whistleblowing Non-Executive Director from the National Recruitment Process we have re-started the process for a new stakeholder Non-Executive Director.

I will keep the Board updated on progress.

R K Redpath  
CHAIR  
23<sup>rd</sup> October 2019

## Chief Executive's Update

### 1 Context

The last two months have continued to be extremely busy and challenging across the whole of NSS, particularly driven by our support work to the Royal Hospital for Children and Young People. The report that we have been commissioned to provide was published in two parts, with the last part made public on 28<sup>th</sup> October 2019. Mary Morgan has been seconded to Scottish Government as Senior Programme Director for RHCYP with particular focus on ensuring that she can confirm, working with colleagues in NHS Lothian, to the Cabinet Secretary that the building is safe to open.

Work is continuing on the development of a Scottish Centre for Reducing Infection and Risks in the Healthcare Built Environment. This is the commission we have received from Scottish Government on the back of the issues that have emerged from the QEUH and the RHCYP. The focus is on infection control, the built environment and the link between the two. A programme brief has been agreed and this will run in tandem with specific pieces of work reviewing recently completed hospitals and supporting those currently being planned.

Our focus on other key contingency activities including clinical waste, Brexit, infection control and the UK Blood Inquiry continue. Waste is progressing as the contractor now has all the licencing in place for their Bellshill site and transition from contingency to full operation will happen by April 2020. The Brexit position, at the time of writing this report, remains unclear and no deal planning is in full swing. We are working closely with GG&C on infection control issues in the QEUH but hope this will have made progress by the time of the Board meeting.

We continue to meet our financial and operating targets to date and would project that this trend will continue for the rest of the financial year. Staff are extremely stretched across the organisation at the moment and it is to their credit that our BAU work continues effectively given the increasing workload.

A satisfactory conclusion has been reached to the issue of the DCVP payment system upgrade which will be covered in more detail later in the paper.

Our Strategy development and implementation continues and will be a key discussion at today's Board. The Strategy is being shared with stakeholders and staff over the next few weeks. I am committed to putting in place a performance matrix for reporting to the Board and we are in the process of developing 5 year targets and outcomes to support Strategy delivery. This work will be completed in time for the start of the new financial year.

We continue to support Public Health Scotland and the recruitment of Angela Leitch, as its new Chief Executive, has been hugely helpful and is beginning to bring some focus to decision making. Our Shared Services SLAs are nearly complete and the transfer remains on track for 1<sup>st</sup> April 2020.

Our iMatter results have been published and we had a very positive increase in response rate from 78% to 82% while overall the outcomes were in line with previous years generally. This is a positive position given the level of change but we will work closely with Partnership to understand how we can achieve our 3 year ambitions. The survey supports the work we are doing following the Sturrock Report and our Great Place to Work Plan focuses on the most appropriate areas.

The 3 major digital projects continue to progress but are facing challenges principally from supplier delays. Office 365 is on track to deliver and will support transformation but in the short term the funding issues need to be agreed between SG and Boards. Achievement of the £15m National Board savings has not progressed and we are working with colleagues in NES to try and support them around governance and ensure we are working collaboratively in common areas.

## **2 Response to Health and Social Care Delivery Plan**

### NHSS Approach

Mental Health, Waiting Times and Integration continue to be key priorities for SG. We continue to support a number of Boards through PgMS on implementing their Mental Health programmes and are in discussion with SG around broader support in this area.

Progress continues with Chief Officers of IJBs and a follow up event is planned for January 2020. They are particularly interested in our links to primary care and how this can be linked to social care requirements.

The HepC Strategy was presented to Chief Executives and fully endorsed with the particular challenge of how primary care can become more closely engaged.

### Public Health Scotland

Progress continues on the establishment of the new body. The initial consultation has been concluded and a second one will be issued shortly in regards to Health Scotland staff transferring to NSS. The number is approximately 15 but feel this perhaps could be more depending on the level of resource PHS wishes to retain to enable it to be an informed customer. This does present a financial risk to NSS but one I am confident we can manage and will consider in our RAM process. I have been engaging with the PHI Senior Team as they are the staff group whose roles are directly affected and there is an ongoing need to ensure they are fully engaged. The services provided by PHI and HPS continue to be delivered and developed very effectively despite this uncertainty. The appointment of Angela Leitch will continue to be helpful as she is able to bring clarity to the initial organisational structure she would require in PHS. We are close to concluding the service level agreements for the shared services activity and am looking for this to be agreed over the next few weeks.

We have a lot of work to do over next few months but this will be managed including agreement on financial split.

### National Board Collaboration

The £15m savings target is still challenging. The National Boards still have to find approximately £3m from last year and are £4m below target at the moment for 19/20. The imbalance of contribution is creating tension and current planning assumptions are not robust enough to address the shortfall. I am seeking to engage SG colleagues in terms of options to address this issue.

## **3 Performance Summary**

### Finance/Operations/People

Financial performance remains strong and we will break even at the year end. The DCVP issue will be managed within this year. We still face a potential pressure around National Boards but would expect to manage this. We are also looking to consider the long term investment required in the Gyle and support for the CoE over the rest of this year. Our operational performance remains good and we are on track on the majority of our Operational Delivery Plan measures. Sickness absence levels have reduced very slightly but remain above our 4% target. Overall our iMatter responses were generally positive.

### CHI/CH, GPIT, Office 365

CHI/CH and GPIT are causing some concern, principally due to delays with suppliers. The main supplier for the Child Health Programme is indicating a significant delay and while the CHI element of the programme can continue, the interactions between the two would have an impact. The Programme Management Team are working on the issue at the moment and trying to understand if the position with Child Health can be improved. GPIT involves procurement with 3 contractors – all 3 are now indicating significant delays in delivering their updated products. Initially one of the suppliers was on time but has now indicated a 7-8 month delay. The current systems will continue to operate as they are, all delivered by the newly contracted suppliers. The implications of the delay are being managed as are the suppliers to ensure that revised dates are met. In the case of the 2 main suppliers, they are developing systems not only for Scotland but for the rest of the UK. Scotland will receive the revised systems first. Both issues are being managed in partnership with Boards and SG and the Board will be kept fully engaged.

Office 365 continues to progress with key decisions around implementation time scales and email hosting being made. Board Chief Executives are keen to understand funding arrangements between boards and SG and this position should be clarified before the end of the year. Overall these programmes are significant pieces of transformation work and need close management.

### New Data Capture, Validation and Pricing (nDCVP)

nDCVP is the replacement for the current pharmacy payment system. Challenges to the quality of product and development timelines became apparent in January and February of 2019. Following a formal review of options and prolonged negotiation with the prime contractor a revised timescale has been agreed with improved governance and quality controls. The remaining work will be conducted on a fixed price basis and a compensation package has been agreed, seeing c£0.5m (42%) of the projected additional spend off-set by the prime contractor (Atos) and their sub-contractor (Sopra Steria). There will also be additional system resilience built into the current system to ensure its sustainability through to the revised project end date. The business case for system replacement remains strong with the new tool, once fully deployed in Sep 21, delivering a cost reduction on the current arrangements of c£75k per month. This incorporates workforce efficiencies as well as reduced licencing and operating costs.

I will report back to the Board at the start of 2020 in regard to the process that led to the DCVP position and any lessons learned for future projects.

### Volume of Work

NSS has a significant workload over and above our normal BAU and development activity. There is significant pressure right across the organisation particularly in managing the contingency issues and supporting transformation projects such as Public Health Scotland and key digital programmes. Staff generally, and those involved in the contingency work, have been performing extremely well with their commitment and expertise noted by stakeholders across the service. We are endeavouring to ensure staff workload is not excessive. Funding is available for additional resource but it is not always straightforward to acquire the necessary expertise. This situation will continue to be addressed as certainly in the short term most of this work will continue.

## **4 Current Issues**

Current key operational issues are as follows:

NSS iMatter Results 18/19 – the NSS iMatter Report has been received along with all the individual team outcomes. Our response rate was 82% which was a 4% improvement on last year and 3% above target. Our employee engagement score was 76% which is in line with previous years but below the target we had set with the Partnership Forum. Given the level of change within NSS, particularly around things such as PHS, this is a positive

outcome but clearly we need to work with Partnership to understand how we can find the necessary improvement. Overall, the report outcomes are generally in line with last year with slight variations up or down by 1 or 2%. The key areas of focus remain trust in senior managers and their visibility, performance management and involved in decisions. It is important we also benchmark as to what is a good outcome. Detailed scrutiny will take place at the Staff Governance committee. We continue to implement the Great Place to Work Plan and the response to the Sturrock Report as part of that.

Royal Hospital for Children and Young People Edinburgh (RHCYP) – NSS has completed its report into the RHCYP. Over the 6 areas, we have made a range of recommendations, the majority of which NHS Lothian were already aware of. We will continue to support them through the process of developing solutions and implementing the appropriate recommendations. I have been working with Mary Morgan and colleagues from NHS Lothian and SFT on the commercial strategy which will be key to getting the required actions completed to allow the hospital to open by autumn next year. The HFS and HPS teams have done an excellent job in challenging circumstances and I am grateful to them for their dedication and expertise.

We are continuing the development work on the Centre of Expertise based on the commission received from Scottish Government. This is fully supported at ministerial level and we have been asked to have the CoE in place by April 2020. Its key focus will be to ensure compliance and consistency in approach to the built environment from design to demolition and how in particular it is linked to reducing the risk of infection. The focus will therefore be on the compliance, design and financial implications of the built environment as well as how it impacts on infection and how this can be controlled and reduced. In addition, I have provided a paper to SG as to why the CoE would be best located in NSS and I believe colleagues in SG are fully supportive of this approach. We have been asked to review recent large capital projects utilising the templates and approach for the RHCYP and also to ensure HFS and HPS staff are appropriately engaged in all current large capital projects. Through this work in many respects the CoE will be up and running. The key challenge remains accessing appropriately skilled and trained resource to support the existing teams.

Brexit - Contingency planning remains in place as the outcomes of the current political situation are awaited. The Cabinet Secretary paid a visit to Candeside on Friday 25<sup>th</sup> October to look at preparations and overall this visit was very positive and has given her a good overview of National Logistics and our Brexit work.

Screening Review – At the request of SG, we have submitted a high level paper concerning the establishment of a National Screening Oversight Function including the appointment of a Screening Director. While there are other options, there is an expectation that this service will be hosted in NSS but it will be imperative that we demonstrate separation between the new executive organisation and the work carried out by NSD currently. The paper is going through review by SG and the Scottish Screening Committee and I will update the Board on progress at the next meeting.

Clinical Waste – Clinical Waste remains testing particularly due to the capacity issues across the UK which continue to present challenges. Our contingency arrangements continue to work effectively and the team supporting this work are doing an excellent job. On a positive note, Tradebe now have all the certification required for their site in Bellshill and will be up and running by mid-November. Planning the transfer from contingency to the new contractor will take place over the next few months but is a delicate balance of supporting the long term position while not standing down contingency too quickly. The Cabinet Secretary will be updating the Health and Sport Committee on 19<sup>th</sup> November on clinical waste. Much of the background will come from NSS. We have provided an excellent contingency service but clearly the costs have risen as a result.

UK Blood Inquiry - The Infected Blood Inquiry continues but focus has been away from SNBTS over the last couple of months. The SNBTS approach overall has been well regarded by the Inquiry Team and our involvement will continue over its lifetime.

Tax implications for NSS Clinicians – This issue remains pertinent and I will keep Board members up to date regarding any issues.

Errington Cheese Ltd - There has been no change in status since my update for the last Board. I will bring this back if there is any change.

## **5 Next Steps**

- Implementing the NSS Strategy
- Managing implementation and operational and financial implications of Office 365.
- Continuing to implement key Digital Programmes and governance around the Health and Social Care Digital Strategy
- Developing the Scottish Centre for Reducing Infection and Risks in the Healthcare Built Environment
- Delivering of report and ongoing support for RHCYP opening
- Finalising Shared Services for Public Health Scotland
- Continuing to manage NHSS waste management requirements
- Brexit preparation
- Developing any NSS wide plans following the iMatter report
- Finalising establishment of screening oversight function.
- Continuing the development of Board reporting and 5 year targets

**COLIN SINCLAIR**  
**October 2019**

**B/19/109**

**NSS Board Meeting – Friday, 1 November 2019**

## **NSS Mid Year Report – Operational Delivery Plan**

### **Purpose**

This paper provides an update on progress to date against the agreed Operational Delivery Plan for 2019-2020.

### **Recommendation**

The Board is asked to note the organisation's performance so far during 2019-20 set out in this paper, and challenge as appropriate on areas where measures were not achieved.

### **Timing**

This update relates to the period 01.04.2019 – 30.09.2019. There are no time sensitive decisions relating to the content at this point.

### **Background**

The paper shows progress against the Operational Delivery Plan 2019 / 20, through which we underpin the services provided to the NHS in Scotland, and gives examples of where we have met and improved upon targets and areas where we have not met targets. *This is shown via performance measures derived by SBUs and shown within our Decision Support Tool.*

Good levels of performance continue with 90% achievement against 60 performance indicators. Two indicators are rated as red and four indicators rated as amber.

### **Procurement and Legal**

There are no legal or procurement implications relating to this paper at this time.

### **Engagement**

All NSS SBUs have input into this report as part of their regular monthly/quarterly updates on progress against key performance indicators.

### **Equality & Diversity**

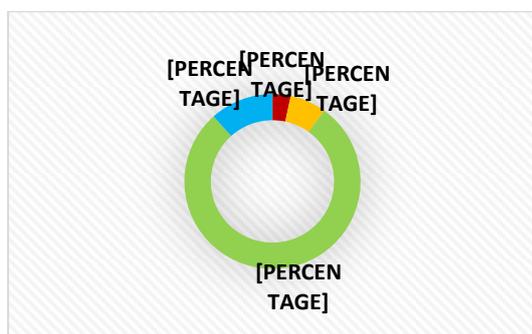
There are no equality & diversity issues identified in this paper.

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## 1. Overview

This report summarises the half year position against the Operational Delivery Plan 2019 / 20 and relevant risks raised via the corporate risk register. This information is also available on the Decision Support Tool. The performance against the ODP is rated via 60 performance indicators is as follows.

## 2. ODP Achievement Summary to date



7 (12%)	Blue	Exceeded target
47 (78%)	Green	Completed or ongoing as planned
4 (7%)	Amber	Behind / less than original plan
2 (3%)	Red	More than 10% behind / less than original plan
0 (0%)	Grey	Not yet reported

This shows a performance rate of **90%** achieved.

### 2.1 Blue - Better than Anticipated Achievement

The following are examples of where we are ahead of planned target for the year achieving savings for the NHS in Scotland or by providing responsive services.

#### Better Health

- Support the national framework for ARHAI including the UK AMR Action Plan (2019-2024) delivery of the UK action plan and SG ARHAI Outcomes Framework. 95% deliverables to time and quality for action plan and outcomes framework. This is ahead of schedule at 97% achieved against a target of 95%.

#### Better Care

- Completion to schedule of 90% of all Information and Intelligence deliverables identified within the PHI/SG SLA. This is at 97% achievement.

#### Better Value

- Collaborative contract coverage at £1.437bn against target of £1.4bn

### 2.2 Red - Not Achieved as Planned

#### Better Care

- National level GP IT contract reprovisioning project delivered to agreed timescales.** The project has appointed 3 suppliers to a Framework and they have until 1 Feb 20 to deliver GP IT systems for Tranche 1 and pass accreditation testing. 1 supplier on track, 2 behind. GPs are forming cohorts to identify suppliers. Current

estimate is that the earliest deployment date from the first supplier will be winter 20/21, with the others to follow from summer 21.

### **Better Value**

- **All NHSScotland orders for goods and services are placed via the most appropriate electronic procurement system for their business area.** As reported previously, this is behind schedule due to lack of health board resources to implement.

### **2.3 Amber – Behind Schedule**

The following measures are delivered to within 10% of their original target:

### **Better Health**

- **Establish an HLA-typed Allogeneic Mesenchymal Stromal Cell bank to improve and support transplant and regenerative medicine early-phase clinical trials by December 2019.** This has been held up by legal issues around agreements. The scientific work to establish the bank is completed. A further update will be given once legal issues are complete.
- **NSS RDI Strategy and plan in place approved and delivered – approved Oct 19 and 90% achieved Mar 20.** As highlighted in the last report the indicator: **Complete review of NSS RDI Strategy, governance and plan by June 19** was not achieved on time. The indicator timeline has been revised, however is still amber. Work has been postponed due to dependencies on development of NSS Innovation Programme, clarification of NSS role in support of innovation and work needed to review NSS research activity post PHI transfer to PHS. More progress is expected in the second half of the year.”

### **Better Care**

- **Maps of Variation: Deliver the number of maps in line with the final business case approved by Scottish Government.** Dialogue is ongoing with SG on funding prioritisation. Should become green in following months.
- **Support CHI / Child Health / GPRS replacement.** The Programme aims to conclude commercials during November 2019. This will allow a number of artefacts to be baselined, including a timeline against which progress can be tracked. On conclusion of the commercial negotiations, the Programme will move into design/build (Tranche 3 – Implementation). Funding is in place. Graded amber as the contract has not yet been signed but moving to green as implementation takes place.

### 3. ODP Risks – as at 16.10.19

		Likelihood					Total	
		Rare	Unlikely	Possible	Likely	Almost Certain		
		1	2	3	4	5		
		Score	1	2	3	4	5	
Impact	Catastrophic	5	0	0	0	0	0	0
	Major	4	0	2	3	0	0	5
	Moderate	3	0	3	3	2	0	8
	Minor	2	0	1	2	0	0	3
	Negligible	1	0	0	0	0	0	0
Total			0	6	8	2	0	16

The above table shows risks specifically associated with ODP targets. There are no red risks.

**People Report – September 2019**

**B/19/110**

**Purpose**

The purpose of this paper is to provide information to the NSS Board on key workforce issues as at 30 September 2019.

**Recommendation**

The NSS Board are asked to note the information contained in the cover paper and the key points contained in the attached slides.

**Timing**

The report provides a position as at 30 September 2019.

**Summary**

A number of activities have taken place recently to support the improvement of people management practices and employee experience in NSS. These include:-

- Values workshop sessions. These continue to be delivered across SBUs with a planned end date of December 2019;
- Train the trainer sessions for building capacity to continue delivering the values workshop sessions in SBUs. These have continued to be delivered;
- Bespoke Leadership programme to support Project Lift. This continues to be delivered;
- Coaching sessions for those on Project Lift continue to be delivered;
- Coaching programmes for leaders across NSS. These continue to be put in place upon request;
- Recruitment Ready workshops have been developed with three workshop sessions planned for this financial year. One workshop was delivered in September;
- “Sturrock” Focus Groups rolled out across North, West and East regions - 13 groups held covering 80 attendees to capture NSS’s staff’s voice on their experience in NSS and establish their thinking on what a safe place could look like in response to a request from the NSS Partnership Forum and Sturrock action planning group
- Workshop on iMatter action planning and health and wellbeing was completed in PCF with 50/60 managers attending session;
- HR Clinics on people management issues and promoting attendance have been held in PCF and Digital and Security;
- HR have been delivering Promoting Attendance/Sickness Absence awareness sessions in a number of SBUs, particularly in PHI more recently.

A number of other activities are either being considered or planned for the future. These include:-

- ACAS Equality & Diversity Training is being rolled out to all SNBTS Transport Staff throughout November 2019;
- The sickness absence trigger reports continue to be refined and distributed to SBU Directors for action; and
- Promoting Attendance/Sickness Absence workshops for SNBTS are being discussed as absence is increasing over last quarter.

Overall NSS is in a positive position on the range of workforce issues reported to the Board but there are areas which require improvement and these are being addressed through the Executive Management Team, with individual SBU Directors and at the NSS Partnership Forum. This includes performance on statutory and mandatory training and completion of objective setting and appraisal on the TURAS system.

A summary of the main issues which the Board would want to consider are set out below.

**Sturrock Action Plan** – the focus groups have been completed across North, West and East regions - 13 groups held covering 80 attendees to capture NSS's staff's voice on their experience in NSS and establish their thinking on what a safe place could look like. The outcomes from this exercise will be reported to the NSS Partnership Forum and used to develop mechanisms to support space for staff to speak up. All other actions are being progressed.

**iMatter** – NSS achieved an outstanding response rate of 82% which is 4% higher than we had aimed for. However, all other scores have not achieved the target, although they are within 1 or 2% of these. These are not bad scores, but could be described as static. Further analysis and discussion will take place at EMT and Partnership Forum in agreeing actions to take forward.

**Sickness Absence** – the level of sickness absence continued to increase over the summer months which was directly attributable to long term sickness absence, there has been a slight reduction in the year to date position at the end of September 2019. The management of long term sickness absence requires a different approach to short term and can be challenging as a number of employees have very serious underlying health issues which require careful management to achieve a successful return to work. There is evidence that line managers are seeking assistance to manage sickness absence through the number of occupational health referrals being received and the majority of capability cases currently being managed are linked to sickness absence due to long term underlying health conditions and not necessarily performance issues. HR continue to contact all line managers who have an employee on long term sick leave to make sure that these are managed within policy and process. The HR Director also continues to have discussions with those SBU Directors where there are particular challenges and provides additional support where required.

The cost of absence snapshot shows an increase from £298,237 in August to £300,841 in September. Although sickness absence has reduced, cost has increased due to more absences occurring from employees with higher bands. Cold/flu/influenza has seen a significant increase as a reason for absence.

Short term sickness absence has reduced 1.86% in April to 1.46% in July 2019 and has remained the same over the past two months.

The Wellbeing Project, which is led by HR, has developed an action plan incorporating new initiatives and exploring how current policies and procedures could be communicated across NSS and used to increase support to staff and managers, particularly around issues of mental health and stress/anxiety. This is being discussed at OHSAC.

**RIDDORs/Accidents** – there are three RIDDORs for NSS this year. The investigations carried out have provided some really useful lessons learned and actions which are being taken forward. To date there has been 195 days (1,455 hours) lost due to RIDDORs or non RIDDOR events. Non RIDDORs are now accountable for 60% of lost time, an issue which will be discussed in some detail at OHSAC.

### **Public Health Body**

Formal Consultation with the Trade Unions was issued and closed on 21 August 2019. Meetings took place in NSS and Health Scotland with the Trade Unions during this period and no issues of a

substantive nature were raised. A formal response has been received which has enabled the consultation to be closed.

It has been agreed that NSS will provide shared services in a number of areas, including CLO, CFS, Operational Facilities Management, Procurement, IT, Finance & Payroll and HR. As a result a number of Health Scotland staff will transfer into NSS with some posts from NSS transferring to PHS to deliver corporate services. Discussions on this continue in a number of fora including the HR Steering Group. However, a second consultation will be required and this is in the process of being developed and a timescale negotiated with the Trade Unions.

The Acting Chair of PHS, Professor Jim McGoldrick is in place and the recruitment process for the Chief Executive has been completed and the successful candidate will be taking up post on 27 November 2019.

**Jacqui Jones**  
**Director of HR and Workforce Development**  
**16 October 2019**

# NSS People Report

September 2019

# Summary

## **Absence**

At NSS level the sickness absence rate has decreased to 4.24% YTD from 4.26%. The mean sickness absence rate has been calculated at 4.09% and based on current projections NSS will end the year at 4.18%. The main areas of concern for sickness absence continue to be PCF and P&CFS.

The management of sickness absence within these SBUs continues to be addressed by managers and HR whilst working closely with staff to support and improve attendance.

## **Case Management**

Many cases remain out with expected timescales for resolution due to the complexity of the case and delays in process. HR also continue to experience significant delays in new cases being progressed due to lack of availability of Investigating Managers. Work is underway to increase the availability and numbers of Investigating Managers. The work to develop an end to end process for case management, including a formal escalation process should be completed by the end of December 2019.

## **RIDDORS**

No new RIDDORs have been reported in September. There have been three reported at YTD. Time lost due to accidents (Non RIDDOR) now accounts for 60% of time lost which is higher than RIDDORs. Actions around monitoring and reporting on this will be discussed at OHSAC.

A new training package for Accident Investigators and Line Managers has been developed and the initial programme delivered for a range of staff.

# Statistical Process Control



The NSS sickness absence trend has seen a further reduction for the second month. The average continues to stay at 4.09% against the 4% target and the Upper Control Limit (UCL) also continues to be calculated at 4.53%.

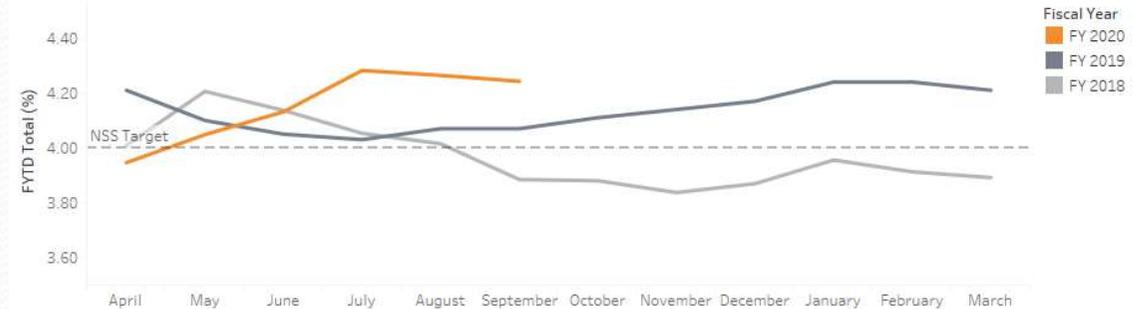
Having increased from April to breaching the UCL in August, sickness absence for PCF has reduced to 6.46%, dropping 0.20% below the UCL.

Sickness absence rates for CLO, Clinical, P+CFS, SNBTS and SPST continue to sit under their respective calculated means.

# Sickness Absence

NSS sickness absence rate is at 4.24% with LT absence remaining an area of concern at 2.84%. Sickness absence rate is expected to end the financial year at 4.18% against a target of 4%.

SA Trend



## Highlights

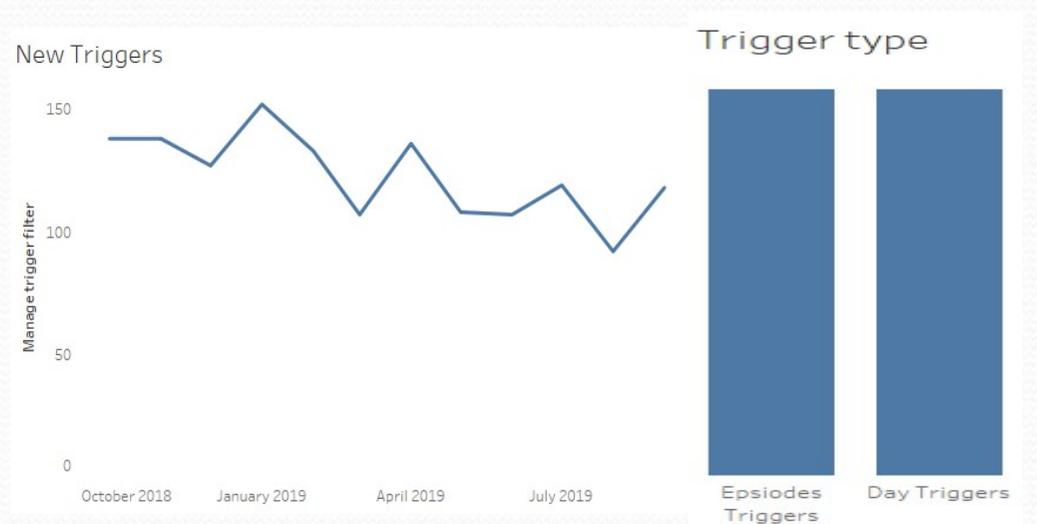
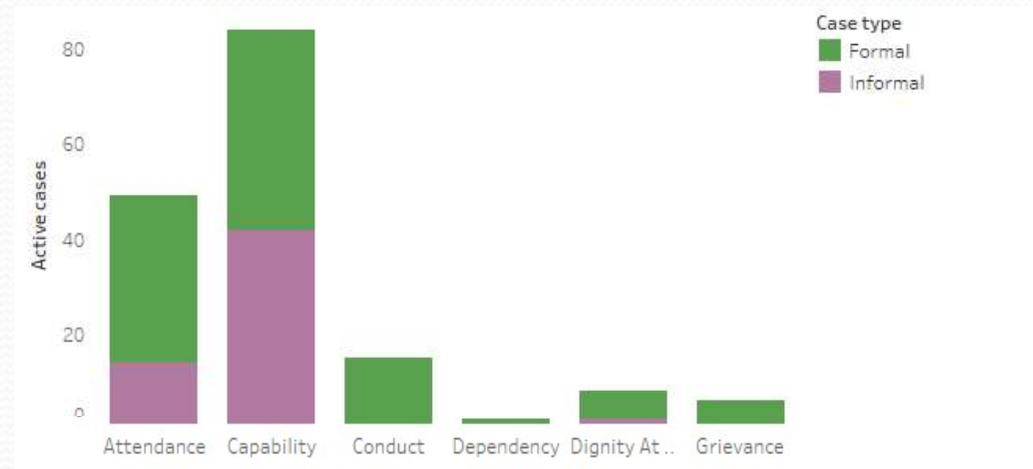
- PCF SBU has reduced slightly to 6.46%, with Long Term absence reducing to 5%. One Short Term absence has progressed in to Long Term absence. Stress and anxiety continue to be the most significant cause and areas most affected are Operational Facilities Management, Logistics and BDD. HR continues to support PCF with case management support to Managers.
- Finance SBU rate has reduced to 6.01% due to two employees on long term sickness absence returning to work. There are now four employees on long term sick leave. There have been no instances where Short Term has progressed to Long Term for this month . The SBU is undergoing the implementation of an organisational change process and additional leadership and management resources have been put in place to move this forward with pace; and to ensure that all staff directly impacted are supported appropriately.
- HR are providing targeted interventions across NSS advising line managers when staff have breached sickness absence triggers and full reports are being produced at SBU level to provide oversight and to identify opportunities to help managers to support staff to remain in and/or return to work.

# Case Management

There are currently 244 employees who have reached an absence trigger (compared to 229 in August). 112 are in relation to long term absence, 134 with four or more episodes of absence. Two employees have hit both day and episode.

## Breakdown of Active Cases

Attendance = 49 active cases (-1)  
 Capability = 84 active cases (-2)  
 Conduct = 15 active cases (-3)  
 Dependency = 1 active cases (-1)  
 Dignity at Work = 8 active cases  
 Grievances = 6 active cases (+1)



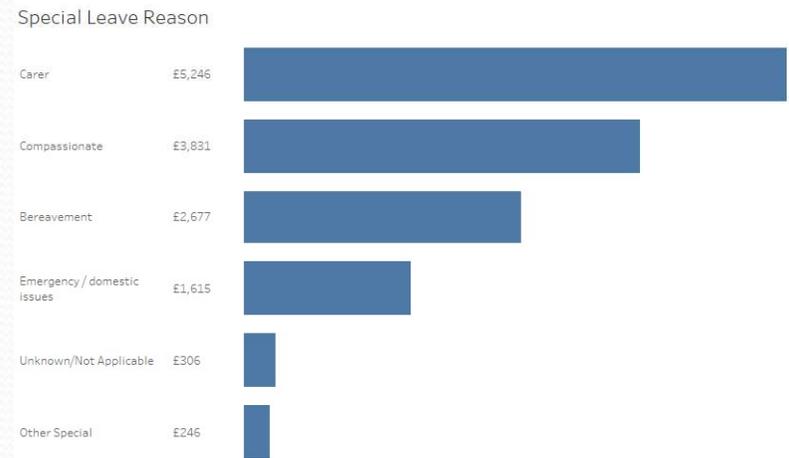
# Special Leave

COA Trend



Current month	Current FY	Previous FY	
<b>£13,919</b>	<b>£125,047</b>	<b>£98,094</b>	Cost of Special Leave
<b>783</b>	<b>7,228</b>	<b>5,543</b>	Hours Lost

The most common reason for Special Leave for September 2019 is Carer followed by Compassionate and Bereavement. The total cost of Special Leave for August 2019 is £13,919 which is equal to 783 hours. The cost of Special Leave to date in the 2019/2020 financial year is £125,047, which is an increase from the previous year.



## SBU Filter



# Turnover

NSS Turnover rate is 3.82% YTD against a target of 7%. NSS is expected to end the year at 7.06%.

A number of SBUs are currently expected to end the financial year above the NSS and SBU target.

CLO – 7.87%

Clinical – 17.53%

DaS – 6.53%

PHI – 9.00%

SPST – 10.82%

Top 5 Reasons for Leaving  
Voluntary Resignation – 41

Retirement (Age) – 30

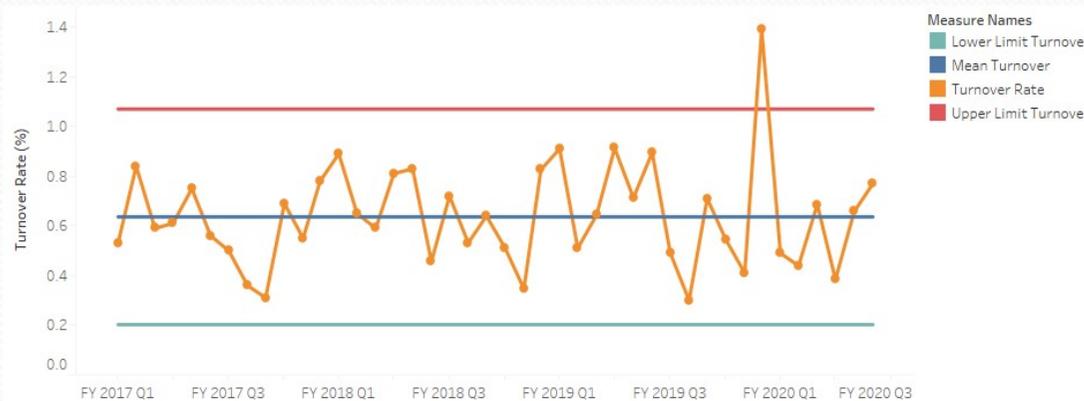
End of FTC – 18

Other – 17

New Employment with NHS

Scotland - 14

Turnover



# Mandatory/Statutory Training



At NSS level, 3 Year Compliance has increased from 87.87% to 88.62% & 2 Year Compliance has increased from 89.48% to 90.30%. Statutory Compliance had decreased slightly from 88.28% to 84.73%.

A number of SBUs are currently below the 10% allowance for Mandatory/Statutory training.

- CLO – Statutory Compliance 77.42%
- Clinical – 2 Year Compliance 73.33%; 3 Year Compliance 77.14% – an increase from previous month
- HR – Statutory Compliance 79.73% (which is an increase on 74.67%)

# Turas Appraisal



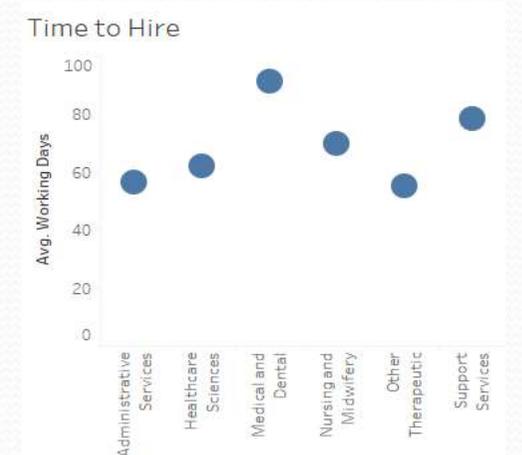
At NSS level, PDP saw a small increase, while Appraisal and Objective Compliance remain the same.

The number of people who have not logged in within the rolling year has also seen no change from the previous month, remaining at 500 employees not logging in. A number of these are employees on long term sick leave, maternity leave, secondment, and career break. HR will be raising this issue with NES.

There have been no noticeable changes at SBU level.

SPST remains the only SBU which has all compliances above 70%.

# Recruitment



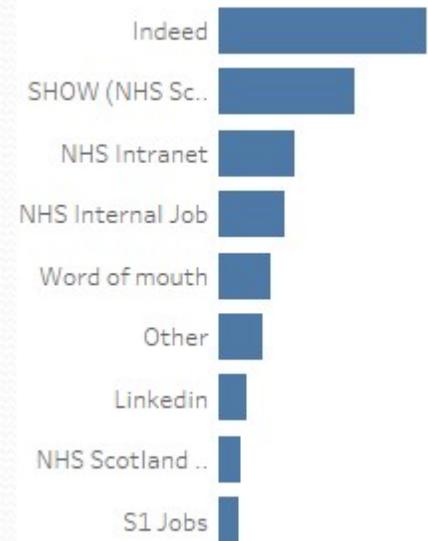
There have been a total of 241 jobs advertised YTD, with 21 jobs currently at advert. There are 107 currently within the recruitment process.

Time to hire for Medical and Dental is on average 91 days, while Administrative Services is taking approximately 56 days. Support Services was the highest non medical Job Family with an average of 78 days. Work will be underway shortly to improve on these timescales.

Percentage of all successful candidates who accepted their offer = 93.06%  
91.7% of which were internal NHS Scotland staff.

The first year retention rate of 85.26% is good but could be improved on. The majority of employees who left (32.73%) were on a Fixed Term Contract. The second top reason for leaving was "Voluntary Resignation – Other" (28.64%).

## Applied through Adverts



# Health & Safety

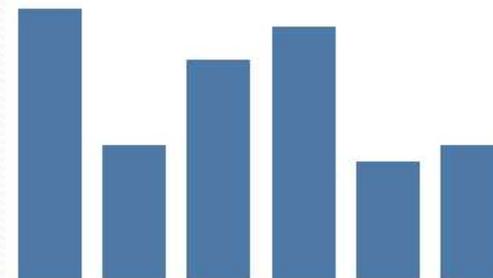
There have been no new RIDDORS reported in September.

To date there has been 195 days lost due to RIDDORS and Non RIDDOR events.

The HR led Wellbeing Project has developed an action plan incorporating new initiatives and exploring how current policies and procedures could be communicated across NSS and used to increase support to staff and managers. This will be presented to OHSAC in October 2019.

Total reports received  
 Accident/Incidents  
 August = 16 (-1)  
 Incidents = 8 (-1)  
 Accident = 8 (-1)  
 RIDDOR = 0

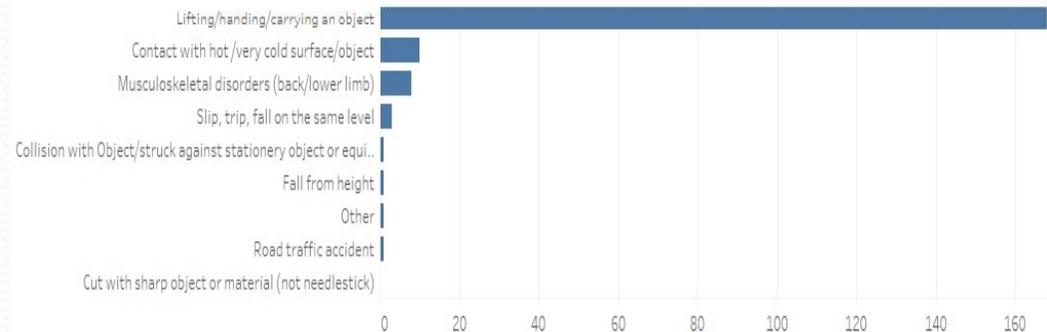
Incident Summary



Non Riddor Summary



Number of Days Absence due to Injury/Accidents



**B/19/111**

**NSS Board Meeting – Friday, 1<sup>st</sup> November 2019**

## **NSS Finance Report**

### **Purpose**

The purpose of the attached paper is to report on NSS Financial Performance against agreed ODP targets as at 31<sup>st</sup> September 2019.

### **Recommendation**

The Board is asked note the contents of this report.

### **Timing**

N/A

### **Background**

The Financial Performance of NSS is measured in terms of the achievement of the following key metrics:

- a) Operate effectively and deliver all LDP targets within a balanced revenue budget (Revenue Outturn Breakeven)
- b) Deliver our capital investment programme within a balanced budget (Capital Outturn Breakeven)
- c) Deliver Cash Releasing Efficiency Savings of 5% of baseline on a recurring basis

NSS is on course to meet its statutory financial targets for 2019-20.

<b>NSS Target</b>	<b>RAG rating*</b>	<b>Year to Date (£m)</b>	<b>Full Year Outturn (£m)</b>
Revenue outturn	Green	0.0	0.0
NSD CRES savings	Green	6.2	9.7
NSS CRES savings	Green	5.5	6.9
Capital outturn	Green	0.0	0.0

#### Key

Red: Target will not be met

Amber: Uncertainty over whether target will be met

Green: On target

### **Procurement and Legal**

N/A

### **Engagement**

This report is based on monthly financial performance reports prepared by Finance following consultation and engagement with SBU directors, who confirm that the position

reported, reflects fairly the financial performance of their SBU.

**Equality & Diversity**

N/A

**Name of the Author Carolyn Low**  
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# NHS National Services Scotland Board

## Financial Performance - September 2019

### Executive Summary



#### Performance Summary

NSS is on track to meet of all its statutory financial targets:

- The Revenue budget is forecast to break-even (assuming that the underlying Reserves surplus is fully committed)
- The overall CRES target of £16.7m is expected to be fully achieved with £11.7m savings identified year to date
- The Capital budget is forecast to break-even, though there is limited spend year to date and £1.6m to be committed

#### Key Messages

- The projected SBU operating position has significantly improved in month (£0.1m deficit now forecast). The main favourable movement (£0.5m) reflects the positive action taken by P&CFS in securing compensation for past delays relating to the DCVP IT system.
- The NSS Capital Budget of £6.7m has low year to date spend of £1.0m (which is a normal spend profile) and there is £1.6m budget still to be allocated.

NSS Targets	Year to Date	Forecast	RAG
	£000	Outturn £000	
Revenue Outturn (Variance)	0	0	G
NSS CRES Savings Total	5,540	6,907	G
NSD CRES Savings Total	6,187	9,703	G
Capital Outturn (Variance)	0	0	G

#### Risks and Issues

- Prompt action is required to ensure capital project are progressed timeously to ensure NSS achieves its financial targets for 2019/20.
- Funding allocations totally £83m remain outstanding from SG. Dialogue continues and we remain confident that funds will be received in the coming weeks.
- All known financial risks have been factored into NSS' financial plan and can be managed within available resources.

#### Recommendations and Actions

- The Board is asked to note the financial position at the mid year, and good progress to date in meeting our financial targets.
- Further dialogue between NSS Finance and SG colleagues will continue to ensure that required outstanding allocations are transacted timeously – a meeting is being arranged for w/c 28th October ahead of the next allocation letter being issued.

# NHS National Services Scotland Board

## Financial Performance - September 2019

### SBU Operational Performance



#### Year to date

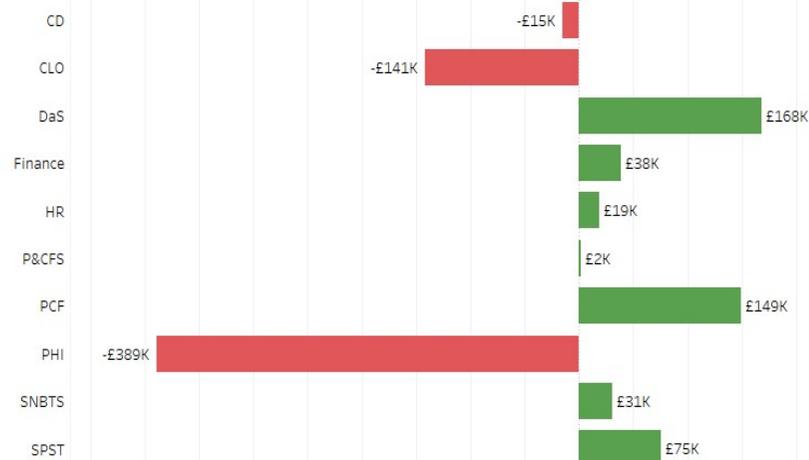
Overall, NSS is reporting £0.1m SBU Operating Deficit (offset by a surplus in Reserves)

- CLO – pressure on income during Summer months due to leave – consistent with historical pattern
- DaS – this is being driven by the Strategic Development Funding where DaS SMT will agree how this will be committed at its next meeting
- PHI – income targets further behind schedule (additional £150k in month)
- SPST – savings in S&G and Health Portfolios partially offset by an overspend in the International Engagement Team

#### Forecast Outturn

- Overall £0.1m SBU Operating deficit
- P&CFS – the previous pressure forecast for new DCVP has been significantly reduced (£0.5m) due to compensation for delays successfully negotiated. The spend profile has been updated with £1m pressure in 20/21 and £0.5m in 21/22.
- PHI – Income generation expected to improve during financial year but not fully in-line with budgeted levels
- SNBTS – Adverse position reflects currently UK Blood Inquiry costs (£0.5m)
- SPST – savings across Health Portfolios

#### Revenue variances – Year to Date



#### Revenue variances - Forecast Outturn



# NHS National Services Scotland - Board Financial Performance - September 2019 Revenue Analysis



## Year to date

- Pay is underspent overall – with £1.4m agency spend offset by vacancies within funded establishments. The main areas of underspend are PCF, SPST and DaS where vacancies are being partially covered by temporary staff.
- Property Costs – this adverse variance mainly relates to Clinical Waste Contingency costs within PCF. The original planning assumption was 4 months but will be for longer. This is a ‘pass through’ cost with no impact to NSS’ bottom line as it is funded by Health Boards.

## Forecast Outturn

- The Pay forecast is similar to the YTD position with a number of vacancies, mainly in PCF, SPST and DaS, partially covered by Agency.
- Likewise, the £4.7m adverse variance under Property Costs relates to Clinical Waste Contingency costs within PCF.

## Revenue variances – Year to Date



## Revenue variances - Forecast Outturn



# NHS National Services Scotland - Board Financial Performance - September 2019

## Delivery of Cash Releasing Efficiency Savings



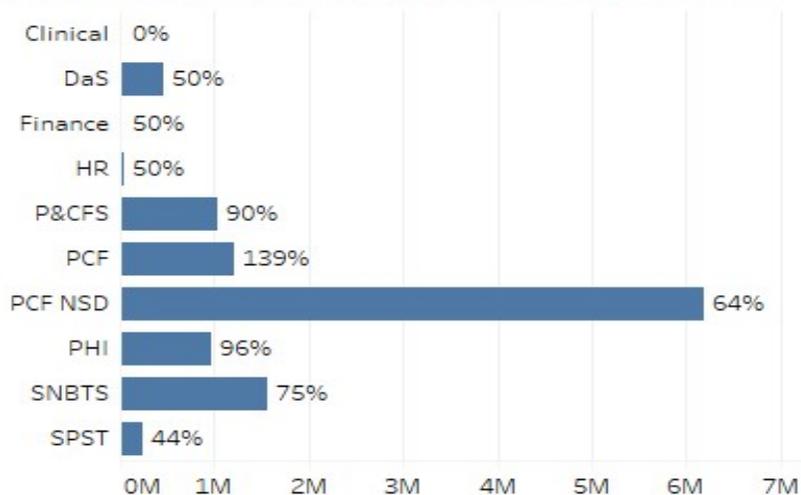
### Savings by SBU

- NSS is on track to meet its CRES targets for 2019/20, with £5.5m NSS and £6.2m NSD savings demonstrated year to date
- At M6, there are some SBUs (P&CFS; PCF; PHI; SNBTS) which have demonstrated significant achievement against their annual CRES targets (between 75% and 139%)
- Most other SBUs have demonstrated achievement of their CRES on the basis of targets being phased evenly across the Financial Year

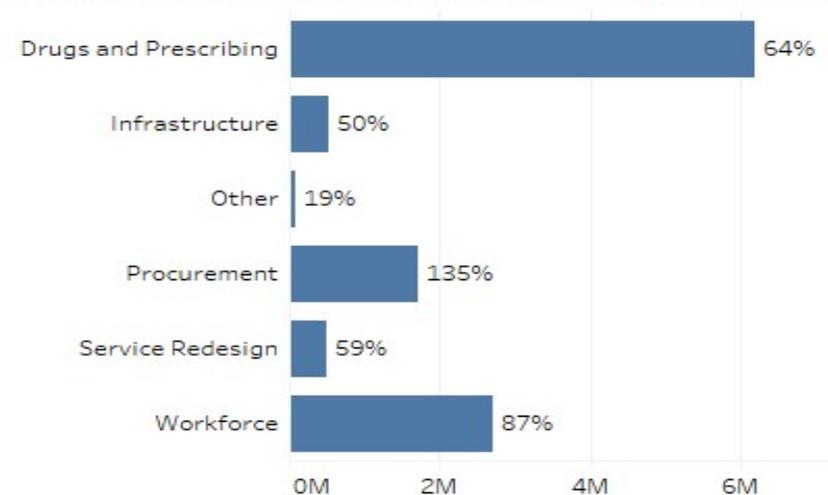
### Savings by Category

- The majority of the actual savings achieved to date relate to 'Drugs and Prescribing' through NSD
- There are also significant savings across Procurement and Workforce
- The vast majority of the savings planned and achieved are reported as being **recurring** in nature – further work will be undertaken by Heads of Finance to confirm the true nature of CRES and any underlying financial risk. Further detail will be reported to EMT moving forward.

CRES Savings - Value and % of budgeted savings identified



CRES Savings - Value and % of budgeted savings identified



# NHS National Services Scotland - Board Financial Performance - September 2019

## Services delivered on behalf of NHS Scotland



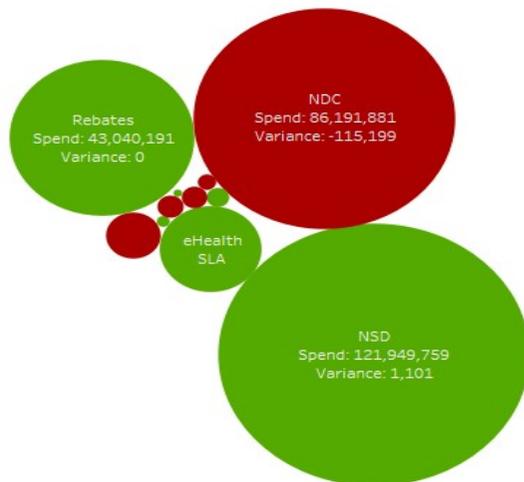
### Year to date

- NSS manages services on behalf of NHS Scotland with a YTD budget of £271m. Overall we are reporting a small overspend of £0.1m.
- Scotcap, eHealth SLA, PACS, SIBBs, NSD, Rebates and eDris are all delivering to plan.
- There is a small overspend in NDC in relation to costs associated with BREXIT – the expectation is that these costs will be funded by SG. This funding remains outstanding, but there is a high level of confidence of receipt at planned levels.
- GPIT, Office 365 and CHI are showing a slight overspend, but these projects are expected to break even at the year end.

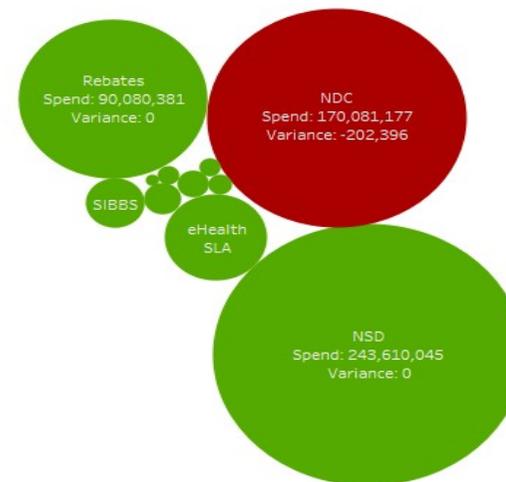
### Forecast Outturn

- The annual budget for hosted funds is £549m.
- Additional operating costs in NDC relating to BREXIT will result in a projected overspend of £202k –NSS will manage this pressure within its overall position, and no additional funding will be sought from SG.
- All other funds are operating to plan.
- Further work has started to increase the level of internal reporting on the £243m NSD budget

### Services delivered on behalf of Scotland - YTD Position



### Services delivered on behalf of Scotland - Forecast Position



# NHS National Services Scotland - Board Financial Performance - September 2019 Transformation Fund Programme Delivery



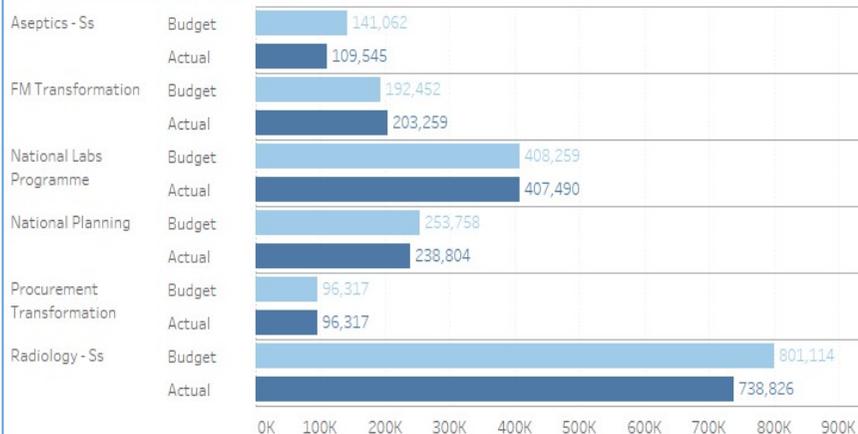
## Year to date

- The transformation fund programme has YTD expenditure of £1.79m against a budget of £1.89m giving an overall underspend of £98k.
- The main areas of spend are within SPST including Radiology and Labs Projects

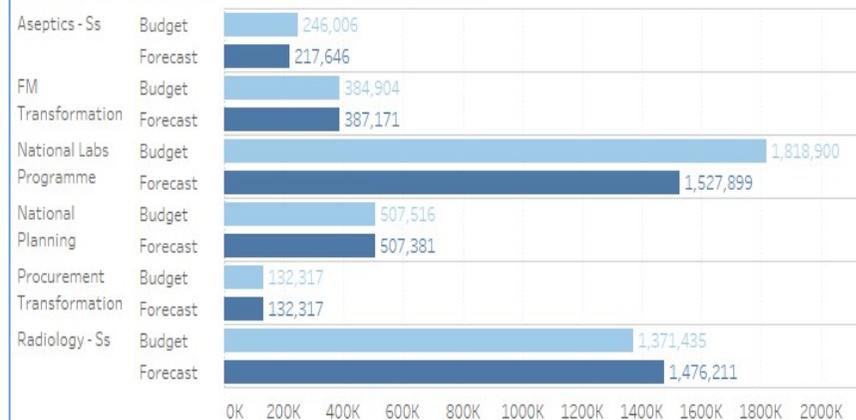
## Forecast Outturn

- The forecast expenditure for Transformation Programmes is £4.3m against a budget of £4.5m giving an underspend of £0.2m.
- The Transformation Fund budget allocated from SG will be spent in full – the projected under spend relates to funding carried forward by NSS from 18/19 in relation to the National Labs Programme.
- A bid from the Aseptic Pharmacy programme to accelerate the work of the programme in this financial year has been approved, and this ensure that these funds are fully utilised.

## Transformation Funds



## Transformation Funds - Forecast



# NHS National Services Scotland - Board Financial Performance - September 2019 SG Funding Allocations Tracker



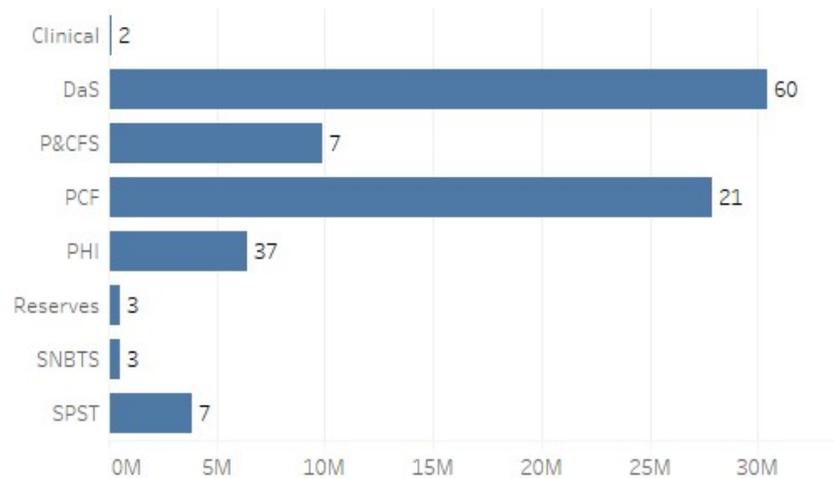
## Received

- Excluding the main baseline allocation, NSS has received 142 SG allocations to date totalling £79m
- The main allocations received in terms of financial value are:
  - Operations Management (PCF) £13.6m
  - SIBBS (P&CFS) £8.8m
  - SWAN (DaS) £6.6m

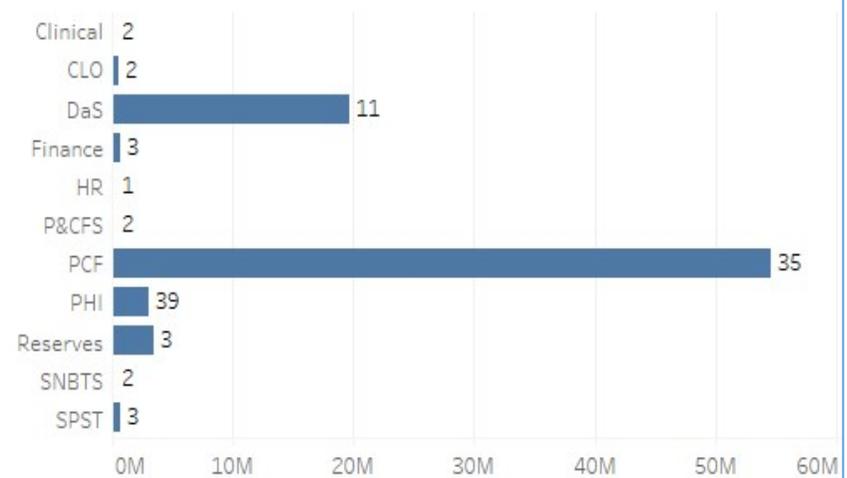
## Outstanding

- £83.3m currently remains outstanding from SG, with c£45m relating to NSD under PCF (including Recombinant £19.4m and Ultra Orphan £7.4m)
- The main NSS allocations include £11.4m for O365 Licences; £2m for Local Digital Transformation and £1.4m for BREXIT.
- SG has confirmed more or less all outstanding allocations so there is little risk. As per previous slides, it is recommended that NSS does not request £2m for Local Digital Transformation

SG Allocations - Amounts and No. of Allocations Received



SG Allocations - Amounts and No. of Allocations Outstanding



# NHS National Services Scotland - Board Financial Performance - September 2019 Capital Programme Delivery



## Year to date

Total expenditure year to date on capital projects is £1.0m – although in-line with historical trends it is very low in terms of the overall budget.

The spend to date and percentage of expected spend by each SBU is:

- SNBTS - £5k (0.4%)
- PCF - £789k (19.5%)
- PHI - £160k (20.9%)
- SPST - £67k (9.0%)

There are 7 business cases outstanding across PCF and DaS totalling £1.7m

## Forecast Outturn

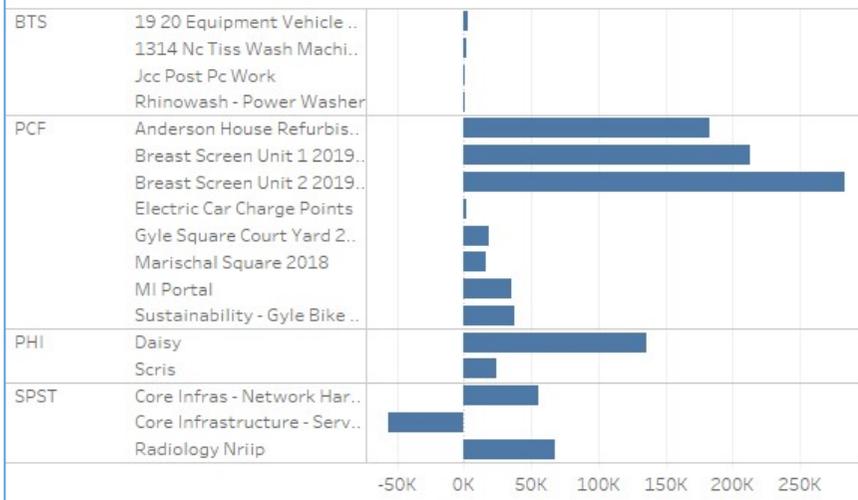
Forecast capital expenditure is £6.7m.

The capital position remains fluid because of the nature of the programmes of work supported. We are aware of a number of programmes which are revenue funded, but which have involved expenditure which is capital in nature.

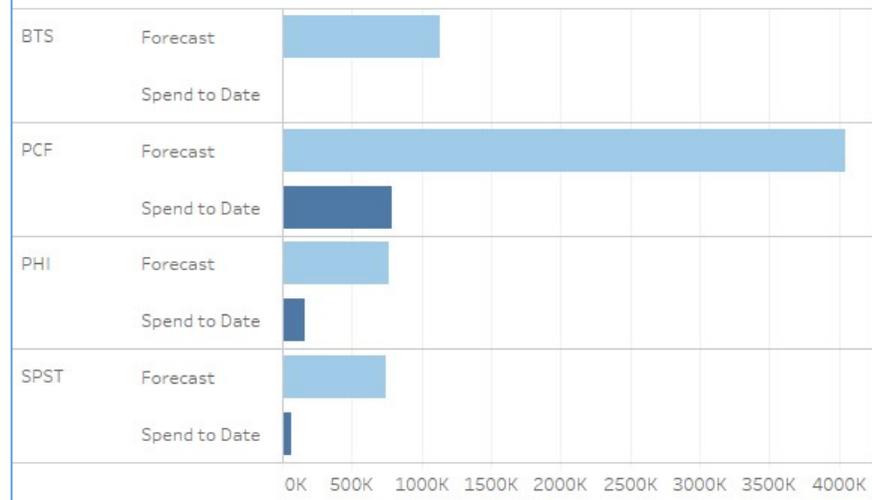
Discussions with SG are ongoing to make the necessary revenue to capital transfers.

The focus in SBUs will be to ensure planned work progresses as a matter of priority, particularly for projects which have yet to commence.

## Capital Expenditure - Projects with spend



## Capital Expenditure - SBU Forecast versus YTD Spend



**B/19/112**

**NSS Formal Board Meeting – Friday, 1 November 2019**

## **Risk Management Update**

### **Purpose**

To present the Board with the biannual risk management update in line with the reporting requirements set out in the NSS Integrated Risk Management Approach (IRMA) for review and comment.

### **Recommendation**

The Board is asked to note:-

1. the risk profile for the organisation;
2. the current key risks being addressed;
3. the improvements we have made to our risk management approach; and
4. to consider any amendments to the list of strategic risks.

The Board are also asked to challenge the report should there be areas of concern to Members that are not highlighted or explained within the report.

### **Timing**

There are no time constraints associated with this paper.

### **Background**

The attached paper outlines the current level of risk faced by NSS and developments in our risk management processes. Key points to note are:

1. Risks are being managed appropriately by risk owners;
2. As at 30 September 2019 there were five Red risks;
3. Our Red and new Amber risks have been reviewed and challenged according to IRMA guidance;
4. The Risk and Resilience eLearning training awareness module has been completed by 86% of our staff. This mandatory training is completed on a rolling three yearly basis; and
5. Our risk scoring matrix, likelihood and impact descriptions are provided at Appendix 3 for reference.

### **Update**

On 22 October 2019 risk 3394 “P&CFS Bespoke Systems” was reduced to a SBU managed risk and two new Corporate NSS risks were raised for the DCVP (Data Capture Validation and Pricing) system and New DCVP Replacement System risks.

Risk 3394 was raised in 2014 to cover all P&CFS bespoke applications of which DCVP was one of approx 40 systems. DCVP and MIDAS are the only outstanding applications still being developed. The risk was originally regarded as NSS Corporate risk due to the level of investment required. On 22 October 2019 the risk was reclassified as a Corporate P&CFS risk and will be managed at SBU level. The risk was rescored as a 12 to reflect the current situation of outstanding actions:

- MIDAS development still progressing, due to be tested in December 2019 and go live

January 2020. This risk will be kept open until MIDAS is implemented when it will be closed.

- New DCVP Replacement Programme underway – outstanding risk transferred – action closed for DCVP, new risk raised.

Risk 5671 New DCVP – This new NSS Corporate risk relates to the new DCVP costs and timescales.

Risk 5710 Current DCVP System – This new risk relates to the current system being unable to support operations going forward.

Full details of the two new NSS Corporate DCVP risks are attached as Appendix 5.

### **Procurement and Legal**

N/A

### **Engagement**

The Board Sub-Committees, the EMT, SBU senior management teams, Risk Champions and staff are all involved with risk management across the organisation as they support the delivery of our services and strategic objectives.

### **Equality and Diversity**

N/A

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**Risk Manager Lead**  
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## RISK MANAGEMENT UPDATE

### 1. NSS Risk Register

#### 1.1 Summary

The risk management update is presented to formal Board meetings twice a year in line with the NSS Integrated Risk Management Approach (IRMA).

NSS management groups and Board Sub-Committees have reviewed the corporate NSS risks (Red and new Amber) by risk category - Business, Staff, Clinical and Reputational on a regular basis. Information Governance risks have also been reviewed on a regular basis within the period.

The EMT has reviewed and challenged the corporate risks on the NSS Risk Register (Red and new Amber risks) bimonthly during the period, through the online Decision Support Tool. The Board and Sub-Committees have also reviewed their strategic risks regularly, ensuring these are up to date and in line with current strategic thinking. Risks have then been updated by risk owners to reflect the comments received by the Board and EMT.

The table below summarises the movements since the last report to the Board in June 2019. This covers the period from 31 May to 30 September 2019.

Risk Rating	May '19 No of risks	Movements				Sept '19 No of risks
		New risks	Closed risks	Transfers in	Transfers out	
<b>HIGH</b>	1	6	(1)	1	(2)	5
<b>MEDIUM</b>	51	9	(8)	4	(2)	54
<b>LOW</b>	38	4	(7)	2	(2)	35
<b>Total</b>	<b>90</b>	<b>19</b>	<b>(16)</b>	<b>7</b>	<b>(6)</b>	<b>94</b>

As at 30 September 2019 there were 94 corporate risks held on the NSS Risk Register, a net increase of four in the period. While a number of new risks were identified they have been managed effectively, closed or mitigated down to an Amber or Green risk rating.

A summary of the Corporate Red risks on the NSS Risk Register as at 30 September 2019 is provided in Appendix 1. In summary:

- Our overall exposure to corporate Red risks has increased from one to five in the period.
- Six new Red risks were raised within the period, 5565 SNBTS Forrester Hill Power Supply Issue, 5533 CHI Child Health Funding, 5523 National Security Operations Centre, 5521 Networking & Information Systems Directive, 5577 ATOS Incompatibility Primary and Secondary Sites and 5619 Centre of Excellence Programme - ARHAI and Built Environment.
- During the period risk 5533 CHI Child Health Funding was raised as a Red Business risk, and following funding agreement, this risk was closed.

- Risk 5565 Power Supply Issue - SNBTS Forresterhill was raised as a Red risk during the period then mitigated to Amber following installation of an additional generator to support the original generator, reducing the risk of total power failure significantly.
- Risk 5577 ATOS Incompatibility Primary and Secondary Sites has been mitigated from Red to Amber following the completion of a number of mitigating actions which address this risk.
- Risk 3394 P&CFS Bespoke Systems - DCVP & MIDAS was increased from Amber to Red during the period following review of the risk by the Director, Primary Care and Counter Fraud Services. Significant challenges have emerged on how to progress DCVP development with costs and timelines exceeding by significant margins from previous plans. MIDAS proximity dates for delivery have slipped and the contractor has requested more time to complete outstanding work.
- Risk 4561 Brexit continues to be managed as a Red risk.

A reference guide to the Health Impact scores is provided at Appendix 2 and our risk scoring matrix, likelihood descriptions and impact descriptions have been provided at Appendix 3.

## 1.2 Risks by Category

The corporate risks on the NSS Risk Register as at 30 September 2019 are summarised below by Risk Category.

Risk Rating	Risk Category				Sept'19 No. of Risks	% of total
	Business	Staff	Clinical	Reputational		
<b>HIGH</b>	1	0	0	4	5	5%
<b>MEDIUM</b>	24	4	8	18	54	58%
<b>LOW</b>	16	0	9	10	35	37%
<b>Total</b>	41	4	17	32	94	100%
<i>Total May'19</i>	45	3	15	27	90	

The number of risks in Staff and Reputational categories has increased in the period with the number of Business and Clinical risks decreasing.

### 1.3 Risk Profile

The current risk profile for NSS corporate risks is shown below. This is also available on the Decision Support Tool as a basis for risk reviews by the EMT and our Strategic, Support Business Units (SBUs) and Directorates.

		Score	Likelihood					Total	May '19
			Rare	Unlikely	Possible	Likely	Almost Certain		
			1	2	3	4	5		
Impact	Catastrophic	5	0	3	3	0	0	6	5
	Major	4	0	11	27	2	0	40	42
	Moderate	3	0	18	19	5	0	42	37
	Minor	2	0	3	2	1	0	6	5
	Negligible	1	0	0	0	0	0	0	1
Total			0	35	51	8	0	94	
May '19			3	35	45	7	0		90

The changes to our risk profile (increase or decrease in number of risks) in the period from 31 May to 30 September 2019 are summarised in the heat map below.

		Score	Likelihood					Total Change
			Rare	Unlikely	Possible	Likely	Almost Certain	
			1	2	3	4	5	
Impact	Catastrophic	5	(1)	0	2	0	0	1
	Major	4	(1)	(3)	0	2	0	(2)
	Moderate	3	0	2	4	(1)	0	5
	Minor	2	(1)	1	1	0	0	1
	Negligible	1	0	0	(1)	0	0	(1)
Total change			(3)	0	6	1	0	4

#### Key points to note from the above heat maps are:

- Risks have increased in the Red and Amber rating categories and reduced in the Green rating category.
- In terms of likelihood no Red risks have been classified as “Almost Certain”.

- In terms of impact, risks 4561 Brexit, 5523 National Security Operations Centre and 5619 Centre of Excellence Programme – ARHAI and Built Environment, have been classified as “Catastrophic”.

## **2. Risk Challenge & Review**

The individual risk categories (Business, Staff, Clinical and Reputational) have been reported to and challenged by the appropriate NSS Committees in the period. The most recent reviews are as follows:

- Business risks – Finance, Procurement & Performance Committee on 29 August 2019;
- Staff risks - Staff Governance Committee on 27 September 2019;
- Reputational risks – Audit & Risk Committee on 12 September 2019; and
- Clinical risks - Clinical Governance Committee on 13 September 2019.

Information Governance risks across all of the above categories were also reviewed during the period with the most recent Information Governance Committee meeting held on 18 September 2019. The Information Governance Group continues to review fully all risks with an information governance impact.

## **3. Strategic Risks Challenge & Review**

Strategic risks have been defined by NSS as those that if crystallised would impact the long-term vision and success of NSS. These risks are owned by the Board and reviewed regularly through the Strategic Scorecard. As new risks emerge the Board Members have the opportunity to discuss these risks and decide whether they should be flagged as strategic for their ongoing consideration. The Sub-Committee meetings also discuss strategic risks within their area of responsibility. As our strategic risks can be Red, Amber or Green this allows the Committees the opportunity to focus on all strategic risks, and not just the Red and new Amber risks.

During the period risks 4895 PACs IT Replacement and 3987 Islet Cell Service have been closed and removed from the strategic ‘watch- list’.

Details of the strategic risks have been included as Appendix 4.

## **5. Further Development of the Risk Management Application**

The Risk Register is continually updated to ensure that it fulfils the needs of the Risk Champions and stakeholders. This register forms part of the Strategy, Performance and Service Transformation project which aims to bring together a range related corporate governance and performance services into an ecosystem. The aim of this project is to automate governance processes, reduce bureaucracy and by linking services, improve our understanding, providing greater governance and compliance. The current focus of the project is on adverse events, resilience incident management and performance management and includes the linkages these applications have with risk management.

## **6. Internal Audit Review of Risk Management**

During the period a review was undertaken to assess and evaluate NSS's approach to risk management by our internal auditors KPMG.

The scope of the review focused on three specific areas:

- Review the processes that support risk management against the requirements set out by Scottish Government, particularly in relation to risks associated with strategic and project based collaborations (both internal and external collaborations).
- Evaluate the tools and systems used by NSS to capture, co-ordinate, monitor and report key risks.
- Review of the Governance arrangements in place to manage risk, specifically in terms of roles and responsibilities of both management and the Board/Non-Executives.

The audit identified two medium and two low recommendations and the full report was presented to the September Audit & Risk Committee. The two medium recommendations were: -

1. "That PgMS appoints an internal Risk Champion to introduce best practice from other SBUs, such that risk governance aligns with PgMS's business practices. Additionally, reporting frequency and management meetings should be formalised at fixed periods to discuss routine management information like corporate and project risk updates." This recommendation was addressed and action closed).
2. "SMT along with risk authorities within PgMS and IT, should consider use of the NSS-wide RM tools in a manner best suited to enhance the visibility of all risks including department and project risks at Board level." Engagement has taken place with PgMS and IT and work continues to address this recommendation.

An action plan has been prepared and work continues to address these recommendations.

## **7. Integrated Risk Management Approach (IRMA) – continuous improvement**

### **Decision Support Tool**

The EMT continues to use the risk heat map on the Decision Support Tool (DST) to review the corporate risks and issues on the NSS Risk Register.

### **Integrated Risk Management Approach (IRMA) guidance**

The Risk and Resilience Group approved the revised IRMA which was presented, for information, to the December 2018 Audit & Risk Committee. A short life working group of Risk Champions has been convened to undertake the year's annual review.

### **Risk Appetite Statement**

The NSS Risk Appetite Statement was approved at the 1 February 2019 formal Board meeting.

## **8. Risk Champions Group Meetings**

Risk Champion meetings continue to be held quarterly with the latest meetings being held on 10 September 2019. The meeting was a joint meeting between Risk Champions and Resilience Leads. The risk elements focused on:

- a. Risk Management Internal Audit Report findings
- b. Staff risks
- c. Update on Programme/Project Risks
- d. Shared Risks across NSS
- e. Low Probability/High Impact Risks

- f. Risk and Resilience eLearning figures
- g. Risk & Resilience quarterly newsletter
- h. Update on service transformation programme applications linkages with risk and resilience

## **9. Risk Management Training**

The Risk and Resilience (R&R) eLearning awareness module forms part of the mandatory training for all NSS staff. All staff are required to complete this training on a rolling three yearly basis. Below are details of the mandatory R&R eLearning undertaken by SBU's as at 30 September 2019.

<b>SBU</b>	<b>% Completed</b>
Clinical Directorate	73%
Central Legal Office	85%
Finance	87%
HR & Workforce Development	91%
Digital and Security	86%
Practitioner & Counter Fraud Services	88%
Procurement Commissioning & Facilities	83%
Public Health & Intelligence	84%
SNBTS	92%
Strategy Performance and Service Transformation	91%
<b>TOTAL</b>	<b>86%</b>

## Appendix 1: Summary of Red Risk as at 30 September 2019

### Reputational (Red/High)

ID	Date Raised	SBU	Title	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Health Impact		Financial Impact
										Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	
4561	15/05/2017	NSS	Brexit	There is a risk that the UK's exit from the European Union impacts on the way that NSS operates due to resultant change in membership/access to EU organisations and institutions in which NSS SBUs participate	08/07/2019	15	10	↔	Business	500,000-5,000,000	2	>£1,000K
5619	28/08/2019	NSS	Centre of Excellence Programme - ARHAI and Built Environment	There is a risk to NSS that having been commissioned to reduce infection and risks in the Healthcare Built Environment by April 2021, we are unable to meet expectations in relation to function and timescales.	13/09/2019	15	12	New	Clinical	500,000-5,000,000	3	N/A
5521	31/05/2019	IT	Networking & Information Systems Directive	There is a risk that NSS and other Boards do not comply with the Networking and Information Systems Directive (NISD) Guidelines and timelines	26/09/2019	16	8	New	Business	0	0	N/A
5523	31/05/2019	IT	National Security Operations Centre	There is a risk that there will not be sufficient funding for a National Health Security Operations Centre (SOC) as recommended by SG and Gartner review	26/09/2019	15	5	New	Business	0	0	N/A

## Business (Red/High)

ID	Date Raised	SBU	Title	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Health Impact		Financial Impact
										Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	
3394	15/01/2014	PCFS	P&CFS Bespoke Systems - DCVP & MIDAS	A number of components of P&CFS bespoke systems (e.g. DCVP, Midas, Optix, PMSPS, Medex, EDI, Pharmacy Adjustments system and up to 40 other applications) utilise software components that are out of support (e.g. Oracle 9, Oracle 10) or run on operating systems that are no longer supported, e.g. Windows 2000, Windows XP and some systems are nearing end of life and may become unsupported. Whilst assessments of the necessary remedial work is underway on how they could be re-engineered, there is a risk that neither PCFS nor the Scottish Government will have funding to deliver the required re-engineering work.	28/08/2019	16	12	↑	Reputational	0	2	>£1,000K

**Note:** On 22 October 2019 risk 3394 (noted above) was reduced to an SBU corporate level risk. The elements of risk 3394 were DCVP and Midas. The MIDAS specific risks will remain as risk 3394 and will be managed internally by P&CFS SBU. It is expected that MIDAS will go live in December 2019 at which time risk 3394 will be closed.

Two new risks have been raised for the current and new DCVP system (risks 5671 and 5710). These new risks have been categorised as NSS Corporate Red Business risks and as such will be reported to the next Finance, Procurement and Performance Committee meeting. Details of these two new Red Corporate NSS risks are contained within Appendix 5.

## Appendix 2: Health Impact

Number of people affected	Extent of potential adverse health impact
<b>Zero</b>	<b>0 = Nil</b>
<b>Less than 5,000</b>	<b>1 = Realisation of minor adverse event.</b> Small adverse impact on health status.
<b>5,000 – 50,000</b>	<b>2 = Disruption to provision of clinical services resulting in minor treatment delays.</b>
<b>50,000 – 500,000</b> Likely to apply where the focus of our activity is within secondary care	<b>3 = Moderate reversible adverse effect on health status.</b> Disruption to provision of clinical services resulting in unacceptable delays to treatment.
<b>500,000 – 5,000,000</b> Likely to apply where the focus of our activity encompasses both secondary and primary care.	<b>4 = Irreversible effect on health status through extensive injury or major harm.</b> Sustained loss of service.
<b>More than 5,000,000.</b> Relevant where the focus is on public health or population-wide activity.	<b>5 = Severe adverse event occurs</b> Death or long term morbidity Complete loss or permanent discontinuation of services.

### Appendix 3: NSS INTEGRATED RISK MANAGEMENT APPROACH v1.4

			Likelihood				
			Rare	Unlikely	Possible	Likely	Almost Certain
		Score	1	2	3	4	5
Impact	Catastrophic	5	5	10	15	20	25
	Major	4	4	8	12	16	20
	Moderate	3	3	6	9	12	15
	Minor	2	2	4	6	8	10
	Negligible	1	1	2	3	4	5

#### KEY

Risk rating	Combined score	Action/Treatment
<b>HIGH</b>	15 – 25	Poses a serious threat. Requires immediate action to reduce/mitigate the risk.
<b>MEDIUM</b>	9 – 12	Poses a threat and should be pro-actively managed to reduce/mitigate the risk.
<b>LOW</b>	1 – 8	Poses a low threat and should continue to be monitored.

Likelihood			
Score	Description	% Occurrence	Chance of Occurrence
1	Rare	0 – 15%	Hard to imagine this event happening – will only happen in exceptional circumstances.
2	Unlikely	15 – 35%	Not expected to occur but might – unlikely to happen.
3	Possible	35 – 60%	May occur – reasonable chance of occurring.
4	Likely	60 – 80%	More likely to occur than not.
5	Almost Certain	80 – 100%	Hard to imagine this event not happening.

## NSS INTEGRATED RISK MANAGEMENT APPROACH v1.4

Impact					
		Category			
Score	Description	Business	Staff	Clinical	Reputational
1	Negligible	<ul style="list-style-type: none"> <li>Financial impact/penalties/ fines of &lt;£10k</li> <li>Project delays &lt;2% of remaining timescales</li> <li>Minimal impact - no operational disruption</li> <li>IG Adverse Event with negligible business impact</li> </ul>	<ul style="list-style-type: none"> <li>No obvious harm to staff</li> <li>Minimal disruption to staff</li> <li>Very minor delay in recruiting staff</li> <li>IG Adverse Event with negligible staff privacy impact</li> </ul>	<ul style="list-style-type: none"> <li>Interruption to a service which does not impact on the delivery of services to patients or the public or the ability to continue to provide service</li> <li>No obvious harm to patient/public</li> <li>IG Adverse Event with negligible privacy/ clinical impact</li> </ul>	<ul style="list-style-type: none"> <li>Rumours – no interest to the press</li> <li>No damage to reputation with stakeholders</li> <li>Overspend of &lt;5% of Budget</li> <li>IG Adverse Event with negligible reputational impact</li> </ul>
2	Minor	<ul style="list-style-type: none"> <li>Financial impact/ penalties/ fines of £10k-£100k</li> <li>Project delays 2%-5% of remaining timescales</li> <li>Minor impact on service provision</li> </ul>	<ul style="list-style-type: none"> <li>Minor H&amp;S incident due to unsafe working environment or working practice</li> <li>Minor staff complaint</li> <li>Short term vacancy</li> <li>Small number of NSS staff not informed, trained, involved in decisions, treated fairly &amp; consistently</li> <li>IG breach with personal data relating to &lt;10 staff that poses low privacy risk</li> </ul>	<ul style="list-style-type: none"> <li>Minor effect on the health impact of our services</li> <li>Short term disruption to service with minor impact on delivery of services to patients/public</li> <li>Minor injury – first aid treatment required</li> <li>IG breach with personal data relating to &lt;10 individuals that pose low risk to privacy and has no impact on their health or safety but causes localised inconvenience or delays</li> </ul>	<ul style="list-style-type: none"> <li>Some public embarrassment</li> <li>Minor damage to reputation with stakeholders (1 NHS Board)</li> <li>Minor effect on staff morale</li> <li>Overspend of 5-15% of Budget</li> <li>IG breach which results in an adverse finding but no enforcement action by an external regulator</li> </ul>
3	Moderate	<ul style="list-style-type: none"> <li>Financial impact./ penalties/ fines/of £100k-£250k</li> <li>Project delays 5%-20% of remaining timescales</li> <li>Some operational objectives partially achievable</li> </ul>	<ul style="list-style-type: none"> <li>H&amp;S incident with some harm</li> <li>Staff unrest</li> <li>Key post vacant for some time</li> <li>Moderate number of NSS staff not informed/ trained/ involved in decisions/ treated fairly &amp; consistently</li> <li>IG breach with personal data or privacy/data integrity breach relating to between 10-100 staff members</li> <li>IG breach with sensitive staff information causing negative staff impact</li> </ul>	<ul style="list-style-type: none"> <li>Moderate effect on the health impact of our services</li> <li>Some disruption in service with unacceptable impact on delivery of services to patients/public</li> <li>Medical treatment and/or counselling required</li> <li>IG breach with personal data or privacy/ data integrity breach relating to between 10-100 individuals</li> <li>IG breach with sensitive clinical information</li> </ul>	<ul style="list-style-type: none"> <li>Regional media – long-term adverse publicity</li> <li>Moderate damage to reputation with local Stakeholders (&gt; 1 NHS Board)</li> <li>MP concern</li> <li>Moderate effect on staff morale</li> <li>Overspend of 15-40% of Budget</li> <li>Enforcement action with no monetary penalties taken by an external regulator</li> </ul>
4	Major	<ul style="list-style-type: none"> <li>Financial impact/ penalties/ fines of £250k-£1,000k</li> <li>Project delays 20%-50% of remaining timescales</li> <li>Significant impact on service provision</li> </ul>	<ul style="list-style-type: none"> <li>Severe H&amp;S incident</li> <li>Industrial action</li> <li>Unable to recruit skilled staff to key roles for extended period</li> <li>Significant number of NSS staff not; informed/ trained/ involved in decisions/ treated fairly &amp; consistently</li> <li>IG breach with personal data or privacy/ data integrity breach relating to &gt;100 staff members</li> <li>IG breach with highly sensitive personal information which could affect the health or safety of &gt;1 individual</li> </ul>	<ul style="list-style-type: none"> <li>Major effect on the health impact of our services</li> <li>Sustained loss of service which has serious impact on delivery of services to patients/public (resulting in major contingency plans being invoked)</li> <li>Extensive injury/ major harm</li> <li>IG breach with personal data or privacy/ data integrity breach relating to &gt;100 individuals</li> <li>IG breach with highly sensitive personal information which could affect the health or safety of &gt;1 individual</li> </ul>	<ul style="list-style-type: none"> <li>Scottish media – adverse publicity of less than 3 days</li> <li>Major impact on reputation with stakeholders nationally</li> <li>Significant effect on staff morale</li> <li>Overspend of 40-60% of Budget</li> <li>Maximum enforcement action by an external regulator</li> </ul>
5	Catastrophic	<ul style="list-style-type: none"> <li>Financial impact/ penalties /fines of &gt;£1,000k</li> <li>Project delays &gt;50% of remaining timescales</li> <li>Unable to function/ total failure in service provision including irrecoverable loss of operational data</li> </ul>	<ul style="list-style-type: none"> <li>Death causing termination of operations</li> <li>Prolonged industrial action</li> <li>Sustained loss of key groups of staff</li> <li>NSS Staff not; informed/ trained/ involved in decisions/ treated fairly &amp; consistently</li> <li>Loss/integrity of data or privacy breach relating to several Health Boards or on a national scale that impacts large numbers of NHS Scotland staff</li> </ul>	<ul style="list-style-type: none"> <li>Severe effect on the health impact of our services</li> <li>Permanent loss of service or facility</li> <li>Incident leading to death or major permanent incapacity</li> <li>Loss/ integrity of data or privacy breach relating to several Health Boards or on a national scale that could impact large numbers of individuals</li> </ul>	<ul style="list-style-type: none"> <li>UK wide /International media – adverse publicity of more than 3 days.</li> <li>Ministerial concern. Court enforcement. Public inquiry.</li> <li>Severe impact on reputation and stakeholder relations national/international</li> <li>Overspend of &gt;60% of Budget</li> </ul>

## Appendix 4 Strategic Risks as at 30 September 2019

### Reputational (Red/High)

Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
15/05/2017	NSS	Brexit (4561)	There is a risk that the UK's exit from the European Union impacts on the way that NSS operates due to resultant change in membership/access to EU organisations and institutions in which NSS SBUs participate	08/07/2019	15	10	↔	Business	500,000-5,000,000	2	>£1,000K

### Business (Amber/Medium)

Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
15/01/2014	P&CFS	P&CFS Bespoke Systems – DCVP & MIDAS (3394)	A number of components of P&CFS bespoke systems (e.g. DCVP, Midas, Optix, PMSPS, Medex, EDI, Pharmacy Adjustments system and up to 40 other applications) utilise software components that are out of support (e.g. Oracle 9, Oracle 10) or run on operating systems that are no longer supported, e.g. Windows 2000, Windows XP and some systems are nearing end of life and may become unsupported. Whilst assessments of the necessary remedial work is underway on how they could be re-engineered, there is a risk that neither PCFS nor the Scottish Government will have funding to deliver the required re-engineering work.	28/08/2019	16	12	↔	Reputational	0	2	>£1,000K

## Reputational (Amber/Medium)

									Health Impact		
Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
22/05/2008	IT	IT Security Infrastructure (1155)	There is a risk that -The IT security infrastructure within NSS could be compromised by unforeseen events (Ransomware, malware, DoS, intrusion etc.) as the rate of change of threats is increasing due to the involvement of organised crime. 24/4/18 following Cyber Essentials pre-assessment a significant volume of unpatched vulnerabilities have been identified in Internet facing infrastructure increasing likelihood of compromise	26/09/2019	12	12	↔	Business	5,000-50,000	2	£>1,000K
11/12/2018	PCF	Brexit risk to supply chain (5322)	There is a risk that the UKs exit from the EU impacts on the availability of goods and services to NSS, due to port short sea crossing disruption	09/08/2019	12	4	↔	Business	50,000-500,000	2	>£1,000K
17/07/2018	SNBTS	UK Infected Blood (Langstaff) Inquiry (5114)	There is a risk the UK Infected Blood (Langstaff) Inquiry may lead to additional cost and adverse reputational impact for SNBTS/NSS.	28/08/2019	12	8	↔	Business	<5,000	Nil	£100-£250K
13/10/2017	NSS	Decision Makers (4766)	There is a risk that the value NSS creates is not fully realised because senior decision makers and key opinion formers in health and care are unclear about the services and capabilities we offer.	01/07/2019	9	6	↔	Business	5,000-50,000	0	£100K-£250K

## Business (Amber/Medium)

									Health Impact		
Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Secondary Category	Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
17/10/2018	NSS	Clinical Waste Management Contingency (5230)	There is a risk that NSS, in its urgency to secure clinical waste disposal capacity, enter into legally binding arrangements with suppliers at additional cost.	01/08/2019	10	10	↔	Reputational	0	0	>£1,000K
10/04/2014	NSS	Volume of Change and Workload Prioritisation (3474)	There is a risk that NSS senior management do not prioritise effectively and the volume of change that NSS requires to undergo over the next 5 years impacts on our service delivery, and causes reputational damage and possible staff unrest.	08/03/2019	12	8	↔	Reputational	<5,000	2	£250K-£1,000K

## Appendix 5

### New DCVP Risks

Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Movement on prior period	Primary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
22/10/2019	PCFS	Current DCVP System (5710)	As a result of current DCVP being out of support, there is a risk that the system will not support operations until new DCVP is developed and implemented.	22/10/19	15	10	New	Business	0	0	£250K-£1,000K
12/09/2019	PCFS	nDCVP Programme (5671)	There is a risk that New DCVP will not be delivered to agreed costs and timescales.	22/10/2019	15	10	New	Business	0	0	>£1,000K

# Minutes (APPROVED)

**B/19/113**

**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF STAFF GOVERNANCE COMMITTEE MEETING HELD ON FRIDAY, 10 MAY 2019 IN BOARDROOM 2, GYLE SQUARE, EDINBURGH, COMMENCING 0930HRS**

**Present:** Ian Cant, Employee Director  
Susan Cook, UNISON  
John Deffenbaugh, Non-Executive Director [Chair]  
Tam Hiddleston, UNISON  
Elizabeth Ireland, NSS Chair  
Gerry McAteer, UNISON

**In Attendance:** Kirstie Brady, Organisational Development and Learning Manager  
Jane Fewsdale, HR Workforce Information, Systems & Business Manager  
Mairi Gaffney, Head of Healthy Working Lives  
Jacqui Jones, Director of HR & Workforce Development  
Caroline Lang, Board Secretary [Minutes]  
Mary Morgan, Director of Strategy, Performance and Service Transformation  
Neil Redhead, Head of Operations, Estates and Facilities Management  
Aileen Stewart, Interim Associate Director of HR

**Apologies:** Mark McDavid, Non-Executive Director  
Colin Sinclair, Chief Executive

**Observers:** None

**ACTION**

## 1. APOLOGIES AND INTRODUCTION

1.1 J Deffenbaugh welcomed all to the meeting and noted apologies as above. By way of introduction:-

- Members' attention was drawn to the publication of the independent review report by John Sturrock, QC, looking at cultural issues related to allegations of bullying and harassment in NHS Highland and the response from Scottish Government.
- E Ireland declared an interest in the context of this report for the following reason. She was a salaried GP in NHS Highland until 2016 and had some understanding through personal experience of some of the issues the report highlighted.
- Both the Sturrock report and response from Scottish Government had reflections on the role of all members of the Board and senior management and E Ireland had drafted an email to go out to the NSS Board and Executive Management Team to ask them to read the relevant chapters. A copy of the email would be shared with the Committee and Members were encouraged to read the report and reflect on it.
- The report would be brought to the June 2019 NSS Board meeting and I Cant had been asked, as Employee Director, to lead the discussion.
- No other interests were declared.

**C Lang**

### Headquarters

Executive Office, Gyle Square, 1 South Gyle Crescent,  
EDINBURGH EH12 9EB

Chair  
Chief Executive

Professor Elizabeth Ireland  
Mr Colin Sinclair

## **2. MINUTES AND MATTERS ARISING FROM NSS STAFF GOVERNANCE COMMITTEE MEETING HELD ON 15 FEBRUARY 2019 [papers SG/19/19 & SG/19/20 refer]**

- 2.1 Members approved the Minutes of the meeting held on 15 February 2019.
- 2.2 In addition to the updates provided on the Action List, Members noted the following:
- Re. 10.1(b) Assurances around anonymous complaints – J Jones had discussed with C Sinclair and I Cant. Action now closed. It had been agreed to look at substantive issues raised from anonymous complaints and share report with NSS Chair, Chief Executive and Employee Director. A more Organisational Development (OD) approach was needed to assisting with interventions. Template to be developed going forward for anonymous complaints.
  - It was acknowledged that the meeting now scheduled for 7 June 2019 to discuss anonymous complaints and how to best provide assurances regarding these should have been held prior to today's meeting. Actions from Committee meetings needed to be transacted before the next meeting.

## **3. PUBLIC HEALTH BODY – UPDATE ON HR ACTIONS**

- 3.1 This item was brought forward on the Agenda. Members were provided with and noted the following updates on the work regarding Public Health Scotland (PHS):
- Vesting day confirmed as delayed from December 2019 to 1 April 2020. However, public consultation on legislation was still not open, staff consultation was on hold and recruitment for Chair and Chief Executive had not yet started. Interim arrangements for these posts were due to be announced shortly. Members highlighted the need to maintain momentum despite the delay.
  - The Programme Board had agreed the senior leadership roles for HPS. This focused on main public health functions with specific leadership roles on data, digital and innovation as well as a clinical and scientific director role. It had also agreed the process for job matching senior roles in HPS to these posts. The HR project would undertake further work to develop approach and progress. J Jones would be preparing job descriptions for the senior manager posts.
  - Work to be undertaken with HM Revenue and Customs with regard to setting up of payroll for HPS.
  - Employee engagement had been good and was being led by OD. Encouraging number of questions being raised by staff and looking at values for the new organisation.
  - HR working closely with Health Scotland on impact of corporate shared services.
  - TUPE consultation ready and would last 45 days which Members felt was a pragmatic approach. However, this may need to be revisited in the light of the delay. Important that lessons learned from other TUPE transfers and to reflect on what had gone well.

## **4. TERMS OF REFERENCE [paper SG/19/21 refers]**

- 4.1 Subject to the removal of the extra word 'to' at certain parts of section 5, the Committee approved its terms of reference.

**C Lang**

## **5. NSS STAFF GOVERNANCE COMMITTEE 2018/19 ANNUAL REPORT TO THE BOARD [paper SG/19/22 refers]**

- 5.1 A copy of the Committee's draft Annual Report to the NSS Board had been circulated. This provided assurance to the Board that the Committee had fulfilled its remit and that NSS had in place plans and actions which ensured that NSS complied with the Staff Governance Standard. An interactive session was held with Members to support the conversation around the impact of upstream activity on downstream

results as illustrated in section 3.2 of the report. A number of examples of were played out to show the relationship of upstream activity to downstream results:

- Sickness absence (promoting attendance):
  - training/mentoring managers to give them the necessary skills, training and confidence
  - empowering managers to make full use of available tools to promote attendance and to use flexibility around fit to work under certain conditions
  - early engagement with Trade Unions
  - overarching leadership – how values are displayed – lead from the front
- Staff development – provide good experience – staff ability and capability to do job well – fit for the future and understand what the future looks like. Measured by retention:
  - healthy turnover suggesting opportunities for succession planning.
- Workforce strategy – help staff feel a bigger part of NSS. Recognition that some staff may feel stressed by vacancies not being filled if it resulted in more work for remaining staff.

5.2 The NSS Great Place to Work Plan was made up of four key Staff Governance Objectives. Members agreed that next year's discussions around these objectives should link more to the five Staff Governance Standards.

5.3 The Committee approved the report for submission to the June 2019 NSS Board meeting subject to the following actions being completed:

- Copy of missing Appendix from paper **SG/19/22** to be circulated to Members.
- Ask L Bailey, Committee Secretary to populate section in report marked with question mark and circulate final copy.

**C Lang**  
**C Lang**  
**[L Bailey]**

5.4 The Committee Chair, with the help of the Board Services Team, would ensure that next year's Annual Report reflected the relationship of upstream and downstream in reporting.

**SGC Chair/  
Board Services**

## **6. YEAR-END WORKFORCE REPORT 2018/19 [paper SG/19/23 refers]**

6.1 At the request of the Committee, the various end of year reports that would normally have been presented, had been combined into a single report providing a summary as at 31 March 2019 of progress against a range of workforce targets to provide assurance to the Committee. Members were taken through a number of key elements in the report:

- iMatter – Fully implemented staff survey retaining a high level of employee participation and engagement. Outcomes continued to be monitored through the NSS Partnership Forum and reported to the NSS Staff Governance Committee. There was room for improvement in a number of areas and NSS would continue to build on results.
- Sickness Absence Management – Trend analysis showed for 2016/17 a sharp increase in sickness absence over the first three quarters. This had caused a level of concern and HR commenced a programme of additional absence management support for NSS which began to impact in a positive reduction in sickness absence. April 2018 saw the lowest sickness absence rate throughout the last three years at 3.67%. In respect of 2018/19, the rate had increased and further analysis and work was being carried out with SBU Directors to try and address this e.g. ensuring absence was being managed under policies.
- RIDDORS – 2018/19 finished with four RIDDOR reportable accidents. All of these had been within the Scottish National Blood Transfusion Service (SNBTS)

and were all unrelated, with the exception of those related to colleague behaviours.

- Redeployment – 2018/19 saw the development and roll out of the workforce support programme and one to one sessions being offered by OD and Learning and Development (L&D) teams.
- Occupational Health, Safety, Wellbeing and Fire – Key targets had been embedded into the NSS Great Place to Work Plan and key achievements had been delivered during 2018/19.
- Mandatory for All Training – Met the target of 90% compliance at the end of the three year period.

6.2 J Deffenbaugh welcomed the new approach for end of year reporting. The report highlighted a number of areas where work was needed and he invited any comments/questions, which are summarised below:

- A frank report which highlighted a number of areas the NSS Partnership Forum wanted to focus on e.g. actions around sickness absence. At its meeting on 21 May 2019, the Forum had discussed the need to maintain HR interventions and to actively manage staff back to work. NSS had the ability to identify and home in on areas where sickness absence was not being appropriately managed. Important to recognise the proactive measures NSS had taken around absence management and that the organisation was in a good position compared with other NHSScotland Boards. Need to ensure Managers were aware of the support and guidance that HR could provide and ensure early engagement.
- A pilot of a new near miss reporting procedure had been undertaken which had produced an increase in the number of near misses that had been reported. This had allowed NSS an opportunity to address potential hazards before they resulted in accidents. Focus next year on increasing incident reporting rate.
- Looking across a number of the papers presented to the Committee, the observation was made that bullying and harassment was not mentioned in this report but appeared in the Annual Monitoring Return to the Scottish Government. It was agreed to include trend analysis/commentary on bullying and harassment in next year's Workforce End of Year Report.
- J Deffenbaugh requested that workforce data be presented in Statistical Process Control (SPC) format for reports to the Committee e.g. similar to the sickness absence chart in paper **SG/19/23**.

**A Stewart**

**A Stewart/  
J Jones**

## **7. SCOTTISH GOVERNMENT NATIONAL ANNUAL MONITORING RETURN 2018/19 [paper SG/19/24 refers]**

7.1 Committee approval was sought for NSS to submit the Scottish Government National Annual Monitoring Return for 2018/19 in time to meet the 31 May 2019 deadline. All Health Boards were asked to complete the Return, on an annual basis, as evidence of compliance with the Staff Governance Standard. In considering the content of the report, the following was noted:-

- The Return had been circulated to the NSS Partnership Forum on a number of occasions and approved, subject to some rewording, at the meeting on 16 April 2019.
- The summary information on iMatter action planning data provided by the Scottish Government was incorrect. Action plans completed within 12 weeks was 76% for NSS and not 84% as stated. The Scottish Government was aware of this error and the figure had been corrected.
- HR provided the responses to the questions and A Stewart co-ordinated finalising the Return.
- The Committee needed to be content that the report provided an accurate reflection of NSS performance and progress towards the Staff Governance Standard.

7.2 Members requested a couple of amendments to Section 5 (Treated Fairly and Consistently):

- Add in missing figure as at 6 March 2019.
- Bring paragraph on values relaunch to the top of section

**J Jones**

7.3 The Committee appreciated the huge amount of effort that went into preparing the Return but, as presented, there were a number of points that needed to be addressed before it could be approved:

- A number of the answers did not appear to respond to the question being asked.
- Some of the answers unintentionally showed NSS in a bad light.
- Presentationally, it needed to be made more personal and the flow of writing needed to be improved.

7.4 With the assistance of K Brady, J Jones would rewrite the document to take account of these comments.

**J Jones/  
K Brady**

## **8. SPOTLIGHT SESSION: CULTURE AND TRANSFORMATION**

8.1 K Brady spoke to her presentation (referenced as **SG/19/25**), which had been prepared to help discuss whether the right interventions were being created to bring about change, how change happened, how success could be measured and the role of the Committee in supporting culture and transformation. The slide deck covered:

- The drivers for change (Why was NSS doing this?)
- Model for transformation
- Service transformation lifecycle
- Transformation: what work sits where (Led by M Morgan)
- Transformation and HR: what foundations were in place (Committee received assurance that the majority of projects had collective leadership embedded.)
- HR/OD approach (How NSS responded to change at pace.)
- Governance of Change
- Service transformation – a proposed prioritisation approach

8.2 The Committee was asked for its thoughts on what it would want to see around culture and transformation. In summary:

- Win the hearts and minds of workforce across NSS. Foundations were there but need to build at pace.
- From a partnership perspective, how did it feel for those on the receiving end of the expectation of change? Clear communications to staff would be vital and additional support offered – everyone copes with change differently. Staff should feel comfortable to go to their line manager for information as not all employees were members of a Trade Union.
- Individuals were expected to engage with transformation and help drive it forward (e.g. digital) while still delivering business as usual. Need to be conscious of workloads and capacity.
- Start developing staff for what was to come.
- Mentoring important. Consider peer mentoring across NHS Boards.
- Lack of people management skills at senior level. Should form greater part of personal development.
- Need to be mindful of terminology when talking about change – service redesign was not organisational change.
- Conscious of workforce demographics – all need to be taken on the journey.
- Think about how training budgets would be handled from a practical point of view.
- Overall it was about people and being realistic about what change meant in an uncertain future.

- 8.3 The Committee was satisfied that it could provide assurance to the NSS Board that there was an acceptance that change would happen in partnership. More work would be needed on raising managerial awareness of change and how best to support themselves and others.

## 9. NSS WORKFORCE STRATEGY [paper SG/19/26 refers]

- 9.1 The Committee had been circulated with the draft NSS Workforce Strategy 2019-2024 for feedback. This was a joint piece of work between J Jones and A Stewart. The purpose of the Strategy was in two parts. The first part set out the type of organisation NSS wanted to be as an employer and the other part set out the NSS Workforce Plan. This tried to paint a picture of the workforce challenges NSS would face over the coming years. Members noted that the Strategy:

- was the first one for some time and set out strategic intention;
- had been drafted with engagement from the NSS Partnership Forum and Executive Management Team; and
- highlighted the need for greater workforce planning. Formal workforce projections would not be available until the end of June 2019 and would be added in as an addendum.

- 9.2 Members provided the following feedback on the draft:

- It was clear on why and what NSS was going to do but not on the how.
- Recognised that NSS had financial bottom line.
- Linked to the NSS Strategy.
- It would be helpful to have summary slide deck to accompany the main Strategy document.
- Values should underpin the Strategy and be up-front.

- 9.3 Subject to the following amendments, the Committee endorsed the draft Strategy for submission to the June 2019 NSS Board meeting:

- Provide greater clarity upfront in order to contextualise why the need for change and what decisions might need to come to the NSS Board to deliver the Strategy. **J Jones/  
A Stewart**
- Page 6 – move section on Occupational Health, Safety and Wellbeing to before Sickness Absence. **J Jones/  
A Stewart**
- Page 6 (Sickness Absence)
  - Rewrite section to be more strategic and include reference to ‘may be fit to work note if reasonable adjustments’.
  - Change wording to reflect that the Reasonable Adjustment Passport would be in place. **J Jones/  
A Stewart**

## 10. PLANNING FOR 2019/20

- 10.1 Great Place to Work Plan 2019-2022 [paper **SG/19/27** refers] The draft Plan was presented for the Committee’s approval. It had been developed in partnership by the NSS Partnership Forum and had also been endorsed by the NSS Executive Management Team. Members discussed the content and noted the following:

- The majority of measures in the Plan were based on the NSS iMatter results. NSS aspired to improve the overall staff experience through delivery of specific actions and measures over a three year period. These would be prioritised on the basis of service delivery needs.
- There had been health debates on the draft Plan at the NSS Partnership Forum and this had supported stretch target for iMatter action plans.

- iMatter was a temperature gauge and achieving a 100% response rate would never be achieved as some individuals did not want to engage. However, that did not mean they would not contribute at team level. NSS response rate was healthy compared to some other NHSScotland Boards. Key was the number of action plans completed. Members acknowledged that not all staff had access to PC etc to complete survey.

The Committee approved the draft Plan.

10.2 Occupational Health, Safety, Wellbeing and Fire [paper **SG/19/28** refers] Members noted:-

- the 2019/20 status of the Occupational Health, Safety, Wellbeing and Fire Plan 2017-2021;
- that the 2018/19 actions had been delivered and the 2019/20 plan had been developed and agreed by the NSS Occupational Health and Safety Advisory Committee on 18 April 2019;
- that Statutory Fire Safety Awareness Training was 83% compliant at the year-end (target 90%). Lessons learned from smoke detector issues. Three fire risk assessment programmes had been missed but were picked up and completed by end of April 2019; and
- that the Health Working Lives (HWL) team was focusing on how it managed the provision of service within the wider environment that wasn't building based. Looking at upgrading health and safety systems.

The Committee agreed the Plan for 2019/20.

**11. NSS STAFF RISKS – RED AND AMBER [paper SG/19/29 refers]**

11.1 Members were provided with an end of year summary on staff risks as at 31 March 2019. The following key points were highlighted:

- During 2018/19 there had been little movement in terms of the number of staff risks added to the register.
- A number of mitigating actions had been closed in relation to the red risk previously reported (risk 5252 around clinical waste), and following a review it had been reduced to amber.
- Brexit was still on the register so that it was visible, managed and mitigated. NSS continued to support staff who might be impacted by the UK's withdrawal from the European Union. HR to look at risk in relation to recruitment and retention.
- During March 2019, NSS Risk Lead and Risk Champions met to review staff risks at both a corporate and local level to ensure a clear understanding of the difference between a risk and business as usual as well as ensuring the staff impact was being considered when scoring risks.
- A "staff impact" flag similar to the "clinical impact" flag would be introduced during May 2019 to the NSS Risk Register to highlight further that the staff impact was being considered. The Committee welcomed this addition which would increase visibility.
- The guidance within the staff impact column of the Integrated Risk Management Approach (IRMA) would be reviewed during IRMA's annual review in light of the volume of change and impact of service transformation on staff.
- There would be a review of how the future risk papers were presented to the NSS Staff Governance Committee ensuring consistency across all relevant Board Committees.

**12. NSS PARTNERSHIP FORUM UPDATE [paper SG/19/30 refers]**

- 12.1 Members noted the content of the NSS Partnership Forum update which provided a summary of matters considered by the Forum since the last NSS Staff Governance Committee meeting. The Joint Chairs regularly reflected on the Forum's maturity and there would be an opportunity at the next meeting on 21 May 2019 to discuss its effectiveness and any suggested improvements. Members were reminded that engagement with staff during times of change was a two-way process regardless of whether they were members of a Trade Union.

**13. OTHER RELEVANT COMMITTEE GOVERNANCE ISSUES**

- 13.1 Members received updates on the work of the following NSS Board Committees:
- NSS Finance, Procurement and Performance Committee – Looked at annual operation plan and performance in year and over the past year. Picked up significant pieces of work (e.g. clinical waste, Brexit) and there was a real recognition that NSS through its staff had delivered over and above. Members applauded staff for their efforts.
  - NSS Clinical Governance Committee – Significant ask on dental. Scottish Dental Practice Board (SDPB) to be replaced. Recognition of the pressures on screening staff due to breast screening review and scrutiny. L Ramsay, NSS Medical Director, was leading the work on innovation.
  - NSS Audit and Risk Committee – Risk emerging on national IT programmes.
  - NSS Remuneration and Succession Planning Committee – Meeting at end of June 2019 to discuss end of year performance appraisals and objectives for Executive and Senior Management Cohort.
  - NSS Information Governance Committee – Digital transformation was placing pressure on SBUs. Recognition of the opportunities, challenges and risks that this programme of work would bring. Need to consider support for SBUs/staff going forward.

**14. ITEMS FOR THE BOARD COMMITTEE HIGHLIGHTS REPORT [paper SG/19/31 refers]**

- 14.1 Members agreed that the following should be covered within the highlights report:
- Ongoing focus by the Committee on the impact of upstream activity on downstream results and how success would be measured.
  - Ongoing focus on workforce issues e.g. sickness absence.
  - Committee's discussion on Workforce Strategy, the acceptance that NSS would change and that change comes through people.
  - Much of what the Committee discusses connects with what the NSS Board and other Committees discuss e.g. digital transformation.

C Lang agreed to draft this up for J Deffenbaugh's approval ahead of submitting to the June 2019 NSS Board.

**C Lang**

**15. ANY OTHER BUSINESS**

- 15.1 As this was E Ireland's last NSS Staff Governance Committee meeting before she stood down as NSS Chair at the end of July 2019, the Members took the opportunity to record their appreciation for her support and the significant contribution she had made to the work of the Committee.

**16. REVIEW OF MEETING [paper SG/19/14 refers]**

- 16.1 This item was facilitated by S Cook. Members made the following observations about the meeting:-
- Agenda items had been relevant and enlightening.
  - Interactive session had initially been uncomfortable for some Members but the concept had been interesting and helped the Committee to think

differently. Members did not support the suggestion that Committee discussions should be filmed.

- There should have perhaps been more discussion around bullying and harassment and how a 'listening' space for staff could be created by Trade Unions to attend to any whispers and if appropriate, report to management.
- Feedback on one of the reports had initiated a valuable conversation around the importance of language and the need to use constructive challenge in line with NSS values.

## **17. DATE OF NEXT MEETING**

17.1 Friday, 27 September 2019 at 0930hrs in Boardroom 2, Gyle Square, Edinburgh.

## **18. FOR INFORMATION**

18.1 NSS Staff Governance Committee Forward Programme for 2019 [paper **SG/19/33** refers]. Members were reminded that any updates to the Programme should be submitted to the Board Services Team.

There being no further business, the meeting finished at 1250hrs.

# Minutes (APPROVED)

<b>B/19/114</b>
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**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF INFORMATION GOVERNANCE COMMITTEE MEETING HELD ON TUESDAY 14 MAY 2019 IN THE CHIEF EXECUTIVE'S OFFICE, GYLE SQUARE, EDINBURGH COMMENCING AT 1330HRS**

**Present:** Ms Alison Rooney – Non-Executive Director (Committee Chair)  
Ms Julie Burgess – Non-Executive Director  
Professor Elizabeth Ireland – Chair of NSS (videoconference)

**Apologies** Dr Eleanor Anderson - Information Governance Lead & Caldicott Guardian, Public Health and Intelligence  
Mrs Kate Dunlop – Non-Executive Director  
Mrs Mary Morgan – Director of Strategy, Planning and Service Transformation  
Dr Lorna Ramsay – Medical Director/Caldicott Guardian

**In Attendance:** Mr Deryck Mitchelson – Director of National Digital (and Senior Information Risk Owner)  
Ms Stacey Moffat – Information and Clinical Governance Manager  
Dr Maria Rossi – Consultant in Public Health Medicine/Deputy Caldicott Guardian (Deputising for Drs Anderson and Ramsay)  
Ms Trish Ruddy – NSS Head of Data Protection/Data Protection Officer  
Mr Colin Sinclair – Chief Executive  
Ms Anne Ferguson – Committee Secretary (Minutes)

## ACTION

### 1. CHAIR'S INTRODUCTION

- 1.1. Ms A Rooney welcomed all to the meeting, noted the apologies above and apologised for the confusion about the start time of this meeting. Introductions were made.
- 1.2. No interests were declared by members regarding the agenda items being considered.

### 2. MINUTES OF THE NSS INFORMATION GOVERNANCE COMMITTEE MEETING HELD ON 20 FEBRUARY 2019 [papers IG/19/16 & IG/19/17]

- 2.1. These minutes were accepted as an accurate record of the meeting.

The committee reviewed the action list and the following points were noted:

- **Ref 4.1 National Strategic and Operational Update** – Mrs M Morgan's paper on the Caldicott Guardian arrangements post-Public Health Scotland (PHS) was not expected to be available until September 2019. This timescale was accepted by the committee given that the vesting date for PHS had been pushed back to 1 April 2020.
- **Ref 4.2 National Strategic and Operational Update** – the Common Law Duty of Confidentiality statement was to be discussed under item 5 thereby closing this action point.
- **Ref 8 Cyber Security** – Mr D Mitchelson was to give a presentation



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Chair Professor Elizabeth Ireland  
Chief Executive Colin Sinclair

**ACTION**

on the gap analysis of the Network and Information Systems (NIS Directive) Act 2018 at this meeting to complete this action. It was intimated that Mr C Sinclair and Mr D Mitchelson were to produce a governance report in relation to the Microsoft Office 365 project. This paper was not only to be shared with this committee but Board Chief Executives.

**C Sinclair/  
D Mitchelson**

### **3. INFORMATION GOVERNANCE COMMITTEE ANNUAL REPORT [IG/19/18]**

3.1. Ms A Rooney explained that the purpose of the IGC Annual Report was to provide assurance to the NSS Board about work done as a committee during the previous financial year.

3.2. The following amendments were to be made to the report [IG/19/18]:

#### 1. Introduction

- Committee Members - add Non-Executive Director against Julie Burgess
- Attendees – add Caldicott Guardian against Lorna Ramsay as well as Medical Director

#### 2.i. Constitution – change subcommittee to committee

#### 2.ii. Membership and Attendees –

- remove “of” in the heading “Membership of the IGC comprises of”
- correct the first line of the second bullet point as some of the narrative was missing
- Include the Caldicott Guardian in the list of attendees required at each meeting

#### 3. Meetings in 2018/19 - Terms of Reference

- 5c and 5d – add adverse events and complaints reports as evidence
- 5f – replace “??” with minutes of May 2019 IGC meeting

3.3. Subject to the amendments noted above the IGC was content for Ms A Rooney to submit this Annual Report to the NSS Board on behalf of this committee.

### **4. REVIEW INFORMATION GOVERNANCE COMMITTEE TERMS OF REFERENCE [IG/19/19]**

4.1. The committee agreed that the membership and attendees should be listed in the same format as the IGC Annual Report [IG/19/18] stating those required for each meeting and those invited as appropriate. The Director of Strategy, Performance and Service Transformation and the Executive Lead for Information Governance were to be reinstated.

4.2. The IGC accepted this document subject to the changes noted above.

### **5. NATIONAL STRATEGIC AND OPERATIONAL GOVERNANCE UPDATE [Paper IG/19/20]**

5.1. Dr M Rossi spoke about paper IG/19/20 and highlighted that the Common Law Duty of Confidentiality Statement (Annex 1) had now been agreed with Central Legal Office (CLO) and was ready to be uploaded to the NSS website. Although it reflected current legislation it was out of kilter with the existing Scottish Government operating policy which needed updating. This brought a reputational risk to NSS in the event of an incident or national enquiry and so was to be added to the risk register. Dr M Rossi had already contacted the

**Committee  
Secretary  
[L Bailey]**

**Committee  
Secretary  
[L Bailey]**

**M Rossi/  
L Ramsay**

**ACTION**

Scottish Government to advise that the NSS Confidentiality Statement had been updated, sought permission for its publication and highlighted the discrepancy. An audit trail was available should it be required. In the event that absolute confirmation that the Scottish Government was content for the updated NSS Confidentiality Statement to be published in the next few days, then a joint communication from the NSS Caldicott Guardian and Chief Executive was to follow informing the Scottish Government that this statement would be published on the NSS website unless advised to the contrary. Professor E Ireland commented that the updated NSS Confidentiality statement was excellent and asked for all board members to be given a copy once it had been published on the NSS website. Ms A Rooney thanked all involved in this work.

**L Ramsay/  
C Sinclair**

**Committee  
Secretary  
[L Bailey]**

5.2. Dr M Rossi advised that the eDRIS adverse event incident reported at the last meeting had now closed but work was progressing to implement the action plan that had been produced.

5.3. Implementation of Microsoft Office 365 (O365) was discussed. Dr M Rossi stated that the timescale for its implementation in NSS was unclear and that nationally, Caldicott Guardians were still to be engaged to assess information governance risks. Mr C Sinclair explained that work was currently focussed on the national programme but eventually a local team would be working on this within NSS at which time the flow of information would be improved. Microsoft O365 was to be implemented within NSS as early as possible. Mr D Mitchelson thought that a Data Protection Impact Assessment (DPIA) had been completed at a national level and shared with the Scottish Government but had not personally seen the document. It was agreed to find out if this was the case and, if so, the DPIA was to be shared with the IGC.

**D Mitchelson**

5.4. Professor E Ireland wanted to understand the issues causing slow progress in obtaining signed Memorandae of Understanding (MOUs) for the Local Intelligence Support Team (LIST) analysts' work. Dr M Rossi thought that around a fifth of MOUs for GP Clusters had been signed but none were signed for the Health & Social Care Partnerships (H&SC) as the H&SC Partnership MOU had not yet been finalised. A draft had been sent to one of the partnerships but there seemed to be a lack of understanding as to whether it could be signed as a legal body or not. Mr C Sinclair agreed to assist with customer relations in this regard through the Executive Management Team (EMT). In order to do this, Dr M Rossi agreed to provide the Chief Executive with more information on the numbers and coverage of MoUs signed by practices and Health & Social Care Partnerships. The IGC was uncomfortable pushing ahead with LIST analysts' work without obtaining customer agreement and assurance of customers' understanding of the LIST role. In order to obtain an update this matter was to be an agenda item at the next IGC meeting. If the difficulties in obtaining signed MOUs remained then the matter was to be escalated to the NSS Board.

**C Sinclair**

**M Rossi**

**M Rossi  
[IGC – 19.09.19]**

**6. NSS INFORMATION GOVERNANCE REPORT (INCLUDING ADVERSE EVENTS AND COMPLAINTS) [Paper IG/19/21]**

6.1. The intention of this report was to give the IGC assurance on the effective management of adverse events and complaints. Ms Moffat had amended the reporting period to include information from July 2018 to March 2019 in order to ensure consistent reporting of all quarters throughout 2018/19. The 2018/19 adverse events action plan was 85% complete as there were several actions no longer deemed relevant or needed to be carried forward by the end of the financial year.

6.2. Although it was agreed at the last meeting that an adverse events action plan for 2019/20 was to be discussed at this meeting, this document had not been

**ACTION**

prepared. Ms S Moffat explained that the previous plan had been an operational plan between Mrs E McLaughlin and herself. Although no plan had been formulated for this year, Ms S Moffat's focus would be on the new adverse events management system (as part of ENABLE) and updating the policy once the national adverse events framework had been published by HIS. This would be reflected in future reports to the Committee.

**S Moffat**

- 6.3. The information contained within the NSS Information Governance Report was discussed. It was agreed that the content of this report be reviewed to minimise operational detail whilst providing assurance that adverse events and complaints were being handled effectively within NSS. This report was also to contain information to support the IGC's role in the escalation of such issues. It was suggested that commentary be included on the front page summarising key issues and providing an assessment of the current situation. The report provided to the Clinical Governance Committee was to be used as an example of good practice on which to base the revised report.

**S Moffat**

- 6.4. Assurance was given by Mrs T Ruddy that the detail of every adverse event was scrutinised on a monthly basis and stated that it was an onerous task for all involved. The IGC recognised all the work taking place within NSS in relation to adverse events and complaints but the question was whether it had the desired impact and effect. This was the assurance required by the IGC.
- 6.5. In relation to the Adverse Events and Complaints report Appendix 5: Faxing in NSS, Dr Rossi had been asked by Dr Ramsay to highlight that faxes should not be used in the organisation.

**7. INFORMATION GOVERNANCE RISKS [Paper IG/19/22]**

- 7.1. Members noted the contents of paper IG/19/22, which provided details of the Corporate Information Governance risks on the NSS Risk Register. There had been little change since the last report and no serious issues.
- 7.2. All risks on the register had recently been reviewed by Ms Moffat and had been referred to the appropriate Information Governance Risk Champion for monitoring. A corporate risk review was to take place every quarter.
- 7.3. Ms J Burgess had Chaired the Finance, Procurement and Performance Committee the previous day on behalf of Mrs K Dunlop. It had become apparent when discussing the changing risks associated with the Blood Inquiry that several risks were of concern to more than one NSS Board committee. It was agreed that where there was overlap, the Chairs of the committees involved would decide which committee was to take the lead.
- 7.4. The Committee noted that no further update had been recorded against risk 4947 Cyber Resilience. Mr D Mitchelson reported that a fix was put in place in April. Further rescans took place prior to recertification which resulted in other issues being identified. All issues were now fixed and a new certification test arranged for June 2019.
- 7.5. Ms S Moffat was thanked for producing a clear and comprehensive paper. Ms A Rooney stated that the IGC was reassured that risks were being managed effectively within the organisation.

**8. DIGITAL TRANSFORMATION UPDATE**

- 8.1. Mr D Mitchelson stated that a programme was in place to support the work on service transformation that was being delivered by Mrs M Morgan. This programme had been broken down into three workstreams i.e.
- i. Cyber Security – discussed under item 9.
  - ii. Migration of services to the public cloud – discussions had taken place

**ACTION**

with PHI about moving data from the data warehouse to the cloud. Following introduction of the Health and Care Digital Strategy the new CHI and Child Health Transformation System was also to be cloud based.

iii. Management of data and data driven intelligence

8.2. Work was continuing on the Digital Workplace. This involved upgrading NSS operating systems in order to take advantage of the tools available from O365. The underlying infrastructure also needed to be upgraded to support working digitally. This work placed huge demand on the team and many difficult decisions needed to be taken for it to progress.

8.3. Dr M Rossi questioned where Information Governance was being discussed in relation to this work and assumed that Dr L Ramsay had been fully briefed. Assurance was given that such discussions were taking place at the relevant programme boards.

8.4. The IGC was interested in receiving future papers from Mr D Mitchelson on Digital Transformation's second and third workstreams. Migration of services to the public cloud was of particular interest for the IGC in order to provide assurance to the NSS Board.

**D Mitchelson****9. CYBER SECURITY UPDATE [PRESENTATION]**

9.1. Mr D Mitchelson gave a shortened version of the presentation on the NSS Security Programme which had been given to the NSS Board in March 2019. The following points were noted.

- Health data was valuable and at high risk if controls were not in place.
- 43% of breaches worldwide had some dependency on the UK health sector.
- All public sector organisations were required to achieve Cyber Essentials to meet government endorsed standards of cyber security
- The Cloud was no less secure than non cloud based systems provided appropriate controls were in place. However if done incorrectly then sensitive data and NSS systems would be openly accessible.
- Perfect protection did not exist – there was a need to balance higher risk against levels of programme maturity and cost.
- The EMT had prioritised a security programme for NSS and agreed to fund the 2019 development requests.
- The target for NSS at the end of the three year programme was managed security controls (level 4).
- It was anticipated that NSS would become compliant during year 2 of the programme.
- The Digital & Security SBU had a dual focus – to accelerate programme maturity/controls and to establish a national security operations centre to share best practice
- A gap analysis was presented of the current NSS network and cyber security control compliance with the NIS Directive.
- Security controls were categorised as foundation, good and advanced.
- The vast majority of elements within the NSS network required work to become compliant with the NIS Directive.
- This rigorous exercise had provided a level of comfort as the precise situation within NSS was now known.
- The individual risks identified on slide 17 of the presentation were to be added to the Corporate Risk Register for management purposes.
- A Digital Report was to be included in the IGC Chairs Report for the NSS Board meetings twice a year and the NSS Security Programme was to be a standing item on the IGC agenda.

**A Rooney****L Bailey**

**ACTION**

- 9.2. The IGC was comfortable that the exact starting position was known, that NSS had been transparent in this regard and that a programme was in place to address the security issues and attain compliance.

**10. DATA PROTECTION OFFICER (DPO) UPDATE [Paper IG/19/22]**

- 10.1. Mrs T Ruddy reported that progress had been made on GDPR compliance. The DPO and colleagues had attended a training day on the Data Protection Act 2018 and GDPR run by CLO and were all now adequately trained.
- 10.2. Information was being captured about the level of demand for data protection work within NSS. The new regulations required more work to be done and discussions were taking place with SBU Directors about data protection resource particularly to build in resilience.
- 10.3. There was now a requirement to provide evidence to demonstrate the organisation's compliance with the Data Protection Act 2018. This was being looked at corporately and progress was being made within SBUs.
- 10.4. Mrs T Ruddy explained that GDPR brought with it changes to the rights of individuals which required different procedures and systems to manage. Current information security management systems were often mature. An assessment was being made of the changes required.
- 10.5. The IGC noted that functionality of the ServiceNow system used for data protection related requests was being considered after its transfer from Change point rather than before. The NHS Scotland new national recruitment system was also launched without a DPIA which was being completed retrospectively. A key theme had emerged during this meeting about the importance of considering information governance at the outset. This was to be added to the IGC highlight report for the NSS Board.

**A Rooney**

[Post Meeting Note: It was clarified that the functionality of ServiceNow had been considered pre-transfer with the Enable project team having been told it would meet their needs. What was reflected in the report was that this assurance was misplaced and that this was now being managed. The report had also highlighted that the implementation of the new national recruitment system had not fully considered information governance at the outset.]

**11. RELEVANT UPDATES FROM OTHER BOARD SUB-COMMITTEES**

- 11.1. These were discussed as relevant points arose during the meeting.

**12. BOARD HIGHLIGHTS REPORT [Paper IG/19/24]**

- 12.1. Ms A Rooney and Ms A Ferguson were to compile the Board Highlights Report for the next NSS Board Meeting on Friday 28 June 2019.

**A Rooney/  
A Ferguson****13. ANY OTHER BUSINESS**

- 13.1. Given that this was the last IGC attended by Professor E Ireland before leaving the organisation, Ms A Rooney acknowledged the contribution she had made to Information Governance within NSS and thanked her for her support.
- 13.2. Dr M Rossi advised that a review of Information Governance training within NSS was to take place before the summer particularly at intermediate level.

**M Rossi****14. DATE OF NEXT MEETING**

- 14.1. The next NSS Information Governance Committee Meeting was scheduled for Wednesday, 19 September 2019.

**15. DOCUMENTS CIRCULATED FOR INFORMATION**

15.1. NSS Data Protection Policy [Paper **IG/19/25**]

15.2. NSS Information Governance Committee Forward Programme [Paper **IG/18/26**]

# Minutes (APPROVED)

**NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE**

**B/19/115**

**MINUTES OF NSS CLINICAL GOVERNANCE COMMITTEE MEETING, HELD ON MONDAY, 10 JUNE 2019 IN ROOM 2.14, GYLE SQUARE, EDINBURGH, COMMENCING AT 0930 HRS**

- Present:** Ms Julie Burgess – Non-Executive Director [Chair]  
 Professor Elizabeth Ireland – Chair of NSS [Videoconference]  
 Mr Mark McDavid – Non-Executive Director
- In Attendance:** Mr Martin Bell – Director, P&CFS (Items 4 & 5)[teleconference]  
 Mr Paul Cushley – Director of Dentistry (Items 4 & 5)  
 Mrs Mary Morgan – Director, SPST  
 Dr Lorna Ramsay – Medical Director  
 Mr Colin Sinclair – NSS Chief Executive  
 Mr Calum Thomson – Head of Practice Development  
 Dr Katherina Tober – Scottish Clinical Leadership Fellow [Observer]  
 Professor Marc Turner – Medical Director, SNBTS  
 Dr Craig Wheelans – National Medical Adviser, PCF  
 Ms Anne Ferguson – Committee Secretary [Minutes]
- Apologies:** Professor Jacqui Reilly – Nurse Director & Executive Lead for Quality Improvement

**ACTION**

**1. WELCOME, APOLOGIES AND DECLARATION OF INTERESTS**

- 1.1 Ms J Burgess welcomed all to the meeting, introductions were made and the apologies above noted. Members were asked to declare any interests in the context of the agenda items. None were declared.
- 1.2 The order of business was amended with the agreement of those present to accommodate the availability of Mr M Bell. Items were therefore not discussed in numerical order but for the purposes of this minute, items were recorded in the order of the agenda.

**2. MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON THURSDAY, 21 MARCH 2019 [paper CG/19/20], MATTERS ARISING AND ACTION LIST [paper CG/19/21]**

- 2.1 Members approved the minutes of the meeting held on Thursday, 21 March 2019.
- 2.2. The outstanding items on the action list were reviewed. The following action points were closed:
- **From 21 March 2019**
    - Ref 5.2 the role of NSS within blood banking was included in paper CG/19/25.
    - Ref 5.5 the case study on Scottish Bloodbank Sustainability was covered in paper CG/19/25.
    - Ref 5.6 a verbal update was provided on the falsified medicines regulations.
    - Ref 5.7 an update on the Duty of Candour in relation to a delayed transplant was provided in paper CG/19/25.
    - Ref 7.3 an updated proposal for an organ reconditioning hub was included in paper CG/19/25.
    - Ref 10.2 The Scottish Dental Practice Board/P&CFS Clinical

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Chair Professor Elizabeth Ireland  
 Chief Executive Colin Sinclair

Governance Committee was on the agenda - items 4 & 5 [papers CG/19/23 and CG/19/24].

- Ref 16.1 the CGC Annual Report would be discussed under item 3.
- **From 5 December 2018**
  - Ref 3.1 Radiology Transformation update was discussed under item 15
  - Reg 9.1 Clinical Governance and Quality Strategy update provided in paper [CG/19/32]

Other outstanding actions were to be addressed as follows:

- **From 21 March 2019**
  - Ref 4.1 a CGC Development session was to be held in the morning of 13 September 2019. Members were asked to keep this time free.
  - Ref 4.2 the terms of reference were to be reviewed following completion of the development session on 13 September 2019.

2.3 It was agreed that actions were to be timetabled rather than being referred to as ongoing. Ms A Ferguson was to work with Mrs L Bailey to address this issue for the ongoing actions listed in paper CG/19/21.

**AF/LB**

**3. NSS CLINICAL GOVERNANCE COMMITTEE ANNUAL REPORT TO THE BOARD [CG/19/22]**

3.1 Members reviewed the draft CGC Annual Report to the Board and noted the following:

- The tenure of Dr L Ramsay as Medical Director was to be amended **LR**
- Page 2, ToRs 5(g) Review and challenge reports on progress against the NSS Equality Outcomes and the NSS Participation Standard – as the CGC had previously agreed to stop doing this it was to be removed **AF**
- Page 3, Item 2.3 Relationships with Other Committees - The existence of a Memorandum of Understanding between the CGC and Information Governance Committee was questioned. The NSS Board Secretary was to be asked to determine whether this document existed. If not then this paragraph was to be amended. **AF**

3.2 Subject to these changes, the CGC was content to approve paper CG/19/22 for submission to the NSS Board as an accurate account of its activity during the last financial year. Professor E Ireland thanked Ms J Burgess for chairing this committee effectively.

**JB**

**4. P&CFS CLINICAL GOVERNANCE GROUP UPDATE [CG/19/23]**

4.1 Mr M Bell gave an update on clinical governance activity within P&CFS following his first three months in post as Director. No decisions were required of the CGC on paper CG/19/23 but feedback was welcomed. Dr L Ramsay stated that paper gave a positive account of activity in a short space of time and reflected a high level of engagement. When asked by Dr E Ireland about stakeholder engagement with primary care dentistry, Mr M Bell had objectives in this regard and had agreed to engage with the Chief Accountable Officers in the Health & Social Care partnerships. There was also an opportunity to engage with primary care colleagues involved in SPIRE. Ms J Burgess noted that a comprehensive paper had been provided and looked forward to receiving regular reports for future meetings. Ms J Burgess also requested a spotlight session when Mr M Bell was ready.

**MB**

**5. DENTAL GOVERNANCE/SCOTTISH DENTAL PRACTICE BOARD (SDPB) PROPOSAL [CG/19/24]**

5.1. Mr M Bell highlighted the key issues from paper CG/19/24. Primarily that primary legislative change was required to abolish the SDPB and for its functions to be subsumed into NHS NSS but out with P&CFS. A phased approach of interim and substantive arrangements was proposed. Interim arrangements involved a new dental governance group running in parallel with the SDPB until legislation took effect. The

**ACTION**

functions of the SDPB had been included in paper CG/19/24 for information. The operational functions of the SDPB were already carried out by P&CFS but the governance aspects needed to be covered. The interim arrangement enabled NSS to define and understand the risks involved in taking over the functions of the SDPB. These risks could then be mitigated or further discussion held with the Scottish Government before NSS became legally responsible.

- 5.2. Clarification of Scottish Government funding and pathways for reporting of dental governance activity to the NSS Board were required. Elements of dental governance reporting were aligned with both the Clinical Governance and Audit & Risk Committees. Reporting frequency was to be determined by Dr L Ramsay and the Executive Management Team (EMT). However the new dental governance arrangements were to remain under the jurisdiction of the CGC until established and as such the CGC was to receive reports at each meeting in the short term.

**MB/PC****LR****MB****6. COMPLIANCE ROLE FOR HFS SERVICES ACROSS NHSS**

- 6.1 Mr C Sinclair gave a verbal update on a compliance role for HFS Services across NHSS. Recent issues at the Queen Elizabeth Hospital, Glasgow and Edinburgh Royal Infirmary resulted in the Scottish Government asking NSS to consider the development of a dedicated centre of excellence to improve the healthcare environment and minimise infection. Health Protection Scotland (HPS) currently provided expertise on infection control whilst Health Facilities Scotland (HFS) provided expert advice on the lifecycle of a building from its design to demolition.

- 6.2 Being asked to develop this Centre for Excellence by the Scottish Government was a great endorsement for NSS. This work was being led by Professor J Reilly. Those providing the expertise would no longer transfer to Public Health Scotland but remain within NSS. However staff fulfilling these roles within HPS and HFS currently had other duties. It was therefore challenging to staff the Centre of Excellence without having an adverse impact on other HPS and HFS services.

- 6.3 It had been suggested to extend the role of this new body from advice to compliance. Mr M McDavid wanted to understand the level of NSS responsibility and accountability for the proposal. Mr C Sinclair envisaged the Centre of Excellence creating standard systems and procedures to which organisations would adhere. Health Boards held ultimate operational responsibility but advice provided by the new body would not be ignored and developments would not be able to proceed without gaining its approval. Full details of the proposal would be provided by Professor J Reilly in due course but had to be within the level of NSS expertise and resourced appropriately. There was potentially another phase of work beyond infection, concerning building management strategy.

- 6.4 The CGC noted the role of Health Improvement Scotland (HIS) in carrying out inspections and was keen to learn more about the new service's governance, and its relationship with HIS, when the proposal was sufficiently developed. The new Centre of Excellence's remit would be brought formally to the NSS Board in due course.

**CS**

- 6.5 Dr L Ramsay pointed out that there was a risk for NSS of coming into conflict with Health Boards and politicians by providing this new service in a landscape of ageing hospital buildings where infection control may be unsafe. Mr C Sinclair acknowledged that this should be taken into account and considered before the proposal was submitted to the Scottish Government but stated that the role of the Centre of Excellence as a compliance organisation was to support NHS Scotland to deliver the best possible service.

**7. ANTIMICROBIAL RESISTANCE AND HEALTHCARE ASSOCIATED INFECTIONS (ARHAI) UPDATE**

- 7.1 Mr C Sinclair confirmed that ARHAI would be part of the Centre of Excellence

development work, and the final position on its future would be reached through partnership working.

## 8. BLOOD & TISSUE SAFETY [paper CG/19/25]

### 8.1 Update on Blood & Tissue Safety Measures

8.1.1. The following highlights were noted from paper CG/19/25 by Prof M Turner

- A successful Medicines & Healthcare products Regulatory Agency (MHRA) inspection of the Dundee Centre recently took place and the outcome documentation submitted for CGC perusal.
- Tissue manufacturing was scheduled to re-commence in September 2019.
- The Human Tissue Authority Bill had reached stage 3 of the Parliamentary process. The law currently required a registered medical practitioner to declare a donor deceased before a donation could take place. As this prevented donations from those dying in the community or in a hospice the impact on donation rates and its expansion was to be evaluated.
- Appendix B entitled "Sustainability of transfusion services in remote and rural locations: the NHS Western Isles hospital blood bank as an exemplar" would be written up as a case study of good practice to be shared more widely. Some learning had already been captured in appendix B but there was also some wider learning for NSS as a whole about how it acted in that situation. Consideration was to be given about how this learning could be applied to other areas within NSS to enable the CGC to instigate good practice rather than just providing assurance and reporting.
- Non bar coded plasma products were currently being received from suppliers. The SNBTS had three months stock as a Brexit contingency but expected to be compliant with the Falsified Medicine Regulations by the end of August 2019.

MT

### 8.2 Infected Blood Inquiry

8.2.1. The relationship between SNBTS staff and the Infected Blood Inquiry (IBI) team was reported as very good. Statements were currently being taken from infected individuals. The IBI Information Manager had visited to discuss how the documents contained within 16800 storage boxes were to be reviewed.

### 8.3 Organ Reperfusion Hub Update

8.3.1. The paper provided by Prof M Turner included an update on the establishment of an organ reperfusion hub within the Jack Copeland Centre. A business case was to be submitted in due course.

MT

## 9. ADVERSE EVENTS, RISKS AND COMPLAINTS [paper CG/19/26]

9.1 An overview of adverse events, risks and complaints were provided by Dr L Ramsay and the following points noted:

- Five national category 2 new clinical adverse events had occurred during quarter 4 (3 SNBTS, 2 PCF)
- There had been no national category 1 new clinical adverse events
- The main owner of the adverse events in three out of the five events recorded was external to NSS
- None had triggered the NSS Duty of Candour procedure
- 45 new clinical adverse events occurred during Q4 and not Q3 as presented on the dashboard
- The number of donor complaints fluctuated but was very small compared to the number of donations

9.2. The CGC challenged that Duty of Candour was not implemented by the Health Board following the partial transfusion of the wrong blood component to a patient in an emergency situation (QIN 6617). Mr C Thomson was asked to refer this matter back to the Health Board for reconsideration.

CT

**ACTION**

- 9.3. Prof M Turner stated that the other two national category 2 new clinical adverse events that had occurred in SNBTS were not errors and not avoidable.
- 9.4. The issue around poor communication which led to a delay in the follow up of a participant in the AAA screening programme was raised. As NSS was responsible for the AAA screening programme the CGC was keen to know whether governance of this matter was a concern for the screening programme or whether it was a one off event. Dr C Wheelans considered this a one-off incident that was not within the scope of the programme. AAA screening assessed whether the aorta was enlarged and whether there was evidence of an aneurysm. Any other irregularities noticed during these screening procedures needed to be referred to the appropriate specialist via the incidental findings pathway. To provide the CGC with some assurance that screening participants were followed up appropriately Dr C Wheelans agreed to ask the Quark for a view from the incidental findings audit across Scotland and confirmation that incidental findings pathways were in place across all Health Boards. The CGC noted that there were different responsibility arrangements for the different screening services. A greater oversight of the roles and responsibilities of NSS in relation to each screening service was required. **CW**  
**CW**
- 9.5. Ms J Burgess wondered whether the CGC gave sufficient attention to risks. Dr L Ramsay explained that the Clinical Directorate frequently reviewed the risks and did so only a couple of months ago. Following such a review those of concern (red risks and any new amber risks) were highlighted to the CGC. Alternatively the Strategic Business Unit (SBU) may be asked to review the scoring associated with a risk. A more detailed risk report was provided to the CGC annually. Ms J Burgess requested that future executive summary papers have a clear headline about risks and be included in the first page. **LR**
- 10. ANNUAL DUTY OF CANDOUR REPORT [paper CG/19/27]**
- 10.1 Members approved the first Duty of Candour Annual Report. This report was to be published on the NSS website. Consideration was being given on how to provide early visibility at corporate level of Duty of Candour incidents and how best to deal with those Duty of Candour incidents where NSS had some role but another organisation was ultimately responsible. After a year of work on Duty of Candour for NSS screening services, it had been paused by the Scottish Government. Mr C Thomson reported that bespoke NSS training on Duty of Candour was being developed to provide more assurance particularly around the grey areas. **LR**  
**CT**
- 11. ANNUAL INFECTION PREVENTION AND CONTROL REPORT [paper CG/19/28]**
- 11.1 Dr L Ramsay presented the Annual Infection Prevention and Control Report on behalf of Professor J Reilly. The CGC were partly assured by the report but sought clarity on the context of the information provided. This was to be requested for the next meeting in September. **JR**
- 12. NSS FEEDBACK, COMMENT, CONCERNS AND COMPLAINTS ANNUAL REPORT [paper CG/19/29]**
- 12.1 The report produced by Mrs Louise MacLennan (LM), and presented by Dr L Ramsay, gave the CGC assurance that NSS was fulfilling its requirements with regard to feedback, comments, concerns and complaints. However the committee sought information that would give the data reported context before the NSS Board met at the end of the month and was to be discussed at the next CGC meeting. For example it would have been helpful to have received an explanation as to why there had been an 8% increase in complaints during the 2018-19 financial year as well as more information about the complaint referred to the Ombudsman – the outcome and whether it was a new complaint or the same one referred the previous year. However Professor E Ireland was delighted at the amount of positive feedback received this **AF/LM**

year.

### 13. **CLINICAL DIRECTORATE REPORT INCLUDING NURSE REVALIDATION AND RESEARCH GOVERNANCE UPDATES [papers CG/19/30 & 31]**

13.1 Dr L Ramsay welcomed the opportunity to highlight the positive and proactive activities taking place within the NSS Clinical Directorate. Assurance was provided that 100% of nurses working within NSS had been revalidated. Innovation work was to be included in the CGC highlight report for the Board but going forward, was to be monitored by the EMT. Dr L Ramsay agreed to reflect on the information to be included in future CGC reports with regard to innovation so that it was not duplicated. As the Clinical Directorate was involved in an increasing amount of innovation work the innovation strategy was to be reviewed.

JB

LR

13.2 High governance standards applied to the research carried out by NSS mainly in the SNBTS and PHI which complied with the approach of the Chief Scientific Officer. Members were assured by the clinical governance for NSS research activities. This was to be included in the highlight report.

JB

### 14. **NSS QUALITY & CLINICAL GOVERNANCE STRATEGY UPDATE**

14.1. NSS intended to align its Quality & Clinical Governance Strategy with best practice in other Health Boards. All NSS SBUs were to be engaged with this strategy. Progress was to be reported at the next CGC meeting in September.

LR

### 15. **RADIOLOGY TRANSFORMATION REPORTING UPDATE [paper CG/19/32]**

15.1. Assurance was given by Dr L Ramsay that the Radiology Hub was a workable model. The preference for the business as usual service was for it to be hosted in & driven by a health board more clinically focussed than NSS although NSS would take on this new service as a last resort if a more appropriate host could not be found. To date only the Golden Jubilee National Hospital had expressed an interest in hosting the Radiology Hub. The Golden Jubilee Hospital was an appropriate location given its focus on national waiting times and because it already employed radiologists so management and governance procedures were already in place. Professor E Ireland raised concern about the time taken to interpret images which had doubled of late and wondered where responsibility for monitoring this measure lay. Mrs M Morgan explained that the reporting of waiting and turnaround times was the responsibility of territorial health boards. Until the Radiology Hub found a permanent host other than NSS there was a reputational risk to the organisation. However this decision was out with the remit of this committee.

### 16. **SOFTWARE AS A MEDICAL DEVICE [paper CG/19/33]**

16.1. Dr L Ramsay presented paper CG/19/33 on behalf of Dr Paul Campbell which outlined the intended approach of NSS to ensure software used as a medical device complied with the new regulations effective from May 2020. Within NSS there were implications mainly for the Digital and Security (DaS) SBU and Clinical Directorate. The purpose of the new regulations was to ensure quality and safety. This work offered an opportunity to take a Once for Scotland approach. It was agreed that this agenda item was to be discussed by the CGC from time to time to understand the size of the issue and its implications for NSS.

PC

### 17. **CHI/CHILD HEALTH SYSTEMS RISKS UPDATE**

17.1. Dr L Ramsay explained that a new Programme Manager had been appointed to lead the CHI & Child Health Transformation Programme which was starting up again after a pause. Assurance was provided that the current CHI system was stable enough to support the service while this activity continued. The new systems were to be hosted on the public cloud. It was important to ensure that the host was robust and able to

provide 24/7 support to prevent any adverse impact on service.

## 18. SCREENING UPDATES

### 18.1 BREAST SCREENING REVIEW

- 18.1.1 Dr C Wheelans reported that the Scottish Government had approved a paper submitted by NSD outlining how a review of breast screening services would be carried out. A Consultant in Public Health had been appointed on a half time basis by NSD to support this work. The CGC was pleased that this work was going ahead.

### 18.2 NATIONAL SCREENING EXECUTIVE

- 18.2.1 A decision had not yet been made by the Scottish Government on NSS's proposal to develop a National Screening Executive. As this was initially to be delivered by December 2019 the time available for this work was diminishing. NSS was to continue to pursue a decision. Ms J Burgess recognised that there remained inherent risks whilst the creation of a National Screening Executive remained unclear. Mr C Sinclair and Dr L Ramsay were to discuss out with the meeting how best to provoke a decision from the Scottish Government. Professor E Ireland suggested arranging an early meeting with Elinor Mitchell. The CGC's concern about the ongoing delay after 2.5 years of indecision was to be reported to the NSS Board to determine whether further action was to be taken.

CW

CW/LR

JB

## 19. QUEEN ELIZABETH UNIVERSITY HOSPITAL HAI REPORT FROM SGHSCD – NSS RESPONSE [paper CG/19/18]

- 19.1. Paper CG/19/18 was provided for information. The CGC concluded that it could be assured in terms of NSS responsibility.

## 20. OTHER NSS GOVERNANCE COMMITTEE ISSUES

- 20.1. Staff Governance Committee – Professor E Ireland gave an account of the robust conversation that had taken place following submission of the staff governance monitoring report to the Scottish Government and how NSS could be an organisation that supported struggling staff. There were no CGC matters raised.
- 20.2. Procurement & Finance Committee – Ms J Burgess explained that at the last meeting there had been discussions about EU procurement, Brexit, clinical waste contingencies, Standing Financial Instruction revisions, the Annual Report and a presentation on the eLearning action plan.
- 20.3. Information Governance Committee – Ms J Burgess advised that a number of adverse events and risks were considered. Members asked about the oversight/ monitoring of performance tracking and governance of large scale projects such as the CHI & Child Health Transformation Project. This was a potential gap in transformation strategy.

## 21. ITEMS FOR THE SUB-COMMITTEE HIGHLIGHTS REPORT TO THE BOARD [paper CG/19/36]

- 21.1 These items were as follows:
- The development of a proposal for an NSS Centre of Excellence to minimise infection control through the building environment
  - The CGC was partly reassured by the Annual Infection Prevention & Control Report but more information was sought to contextualise the information provided
  - The CGC was also partly reassured by the Feedback, Comments, Concerns and Complaints Annual Report and again more information was sought to clarify the context of the information provided.
  - The increasing amount of innovation work being carried out by the Clinical Directorate
  - The CGC was assured by the high governance standards which applied to NSS

research activity

- The CGC was concerned about the Scottish Government's indecision regarding the development of a National Screening Executive.

## **16. ANY OTHER BUSINESS**

- 16.1 Dr L Ramsay indicated a report on the new Safe Staffing legislation in relation to NSS would be brought to the Committee later in the year.
- 16.2 Given that this was the last CGC attended by Professor E Ireland before leaving the organisation, Ms J Burgess acknowledged and thanked Professor E Ireland for her valued contribution.

## **17. DATE OF NEXT MEETING**

- 17.1 Members noted the next meeting was scheduled for Friday, 13 September 2019 at 2pm in Board Room 2, Gyle Square, Edinburgh and were reminded to keep the morning free for a development session.

# Minutes (APPROVED)

NHS NATIONAL SERVICES SCOTLAND (NSS)

**B/19/116**

**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD ON FRIDAY 14 JUNE 2019 IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH COMMENCING AT 1005HRS**

- Present:** Mr Mark McDavid – Non-Executive Director (Chair)  
Mr John Deffenbaugh – Non-Executive Director  
Mrs Kate Dunlop – Non-Executive Director  
Mrs Alison Rooney – Non-Executive Director
- In Attendance:** Ms Rachel Browne – External Auditor, Audit Scotland  
Ms Laura Howard – Interim Associate Director of Finance  
Mrs Jacqui Jones – Director of HR and Workforce Development [Items 1-5]  
Mrs Carolyn Low – Director of Finance  
Mr James Lucas – Internal Auditor, KPMG  
Mrs Mary Morgan – Director of Strategy, Performance and Service Transformation  
Mrs Lynn Morrow – Corporate Affairs & Compliance Manager  
Mr Matthew Neilson – Associate Director of Strategy, Performance and Communications [Item 11]  
Mr Andy Shaw – Internal Auditor, KPMG  
Mr Colin Sinclair – NSS Chief Executive  
Mr Mark Taylor – External Auditor, Audit Scotland  
Mrs Marion Walker – Risk Manager Lead [Item 10]  
Mrs Lynsey Bailey – Committee Secretary [Minutes]
- Apologies** Elizabeth Ireland, NSS Chair

## ACTION

1. **WELCOME AND APOLOGIES**
  - 1.1 Mr McDavid welcomed everyone to the meeting and noted the apologies received. Before starting the formal business of the meeting, 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 NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 23 MAY 2019 [paper ARC/19/36 refers]**
  - 2.1 The minutes of the previous NSS Audit and Risk Committee meeting, held on Thursday 23 May 2019, were approved pending the following amendments:
    - minute 4.1 - Members suggested removing mention of “vulnerable position” and, instead, simply state they were advised/recognised that cyber security risks could not be entirely eliminated;
    - minute 6.1 - Members agreed the statement about better and more proactively managing the relationship with Atos should be removed as it did not accurately reflect the sense of what was said
    - minute 8.1. – Members requested the removal of “going forward” at the end of the final sentence about Mrs Low liaising with Mrs Jones, and that this also needed to be marked as an action.
    - minute 11.1 – Members requested the addition of a sentence about submissions to the Board, and its committees, being “right first time”.



### Headquarters

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EDINBURGH EH12 9EB

Chair  
Chief Executive

Professor Elizabeth Ireland  
Mr Colin Sinclair

**ACTION****3. MATTERS ARISING [paper ARC/19/37 refers]**

- 3.1 Members noted that the majority of actions were completed, covered by the agenda or scheduled for a future meeting.

**4. INTERNAL AUDIT STATUS UPDATE [paper ARC/19/38 refers]**

- 4.1 Members were advised that KPMG's overall audit opinion for 2018/19 was "significant with minor improvements". Members fed back that it would be useful to have confirmation of the number of days actually used against the number of days which had been planned. Members also requested slightly more context on the overall opinion of the organisation and observations of any underlying messages. Mr Shaw and Mr Lucas agreed to reflect on that and where it could be included. Members were assured that there was nothing of any concern – transactionally, NSS was well placed. The challenges tended to arise around organisational change, but awareness of this meant it was being monitored. Members sought clarification of the final bullet point under the "Project Benefits and Change Management" section on page 4 in the Executive Summary, wishing to ensure that it was a general point and not referring to one particular project. Moving on to discuss the plan for 2019/2020, Members were keen to see more use of Statistical Process Control (SPC) data being used in the progress reports, and also sought and received reassurance around the level of flexibility within the plan.

**A Shaw****5. WORKFORCE PLANNING REVIEW [paper ARC/19/39 refers]**

- 5.1 Members were provided with an overview of the work that had been done within this audit, and noted its recommendations (one high priority, three medium priority). Members asked about the progress made since a similar audit undertaken in 2015, but were advised that this audit covered a different scope of work and so would not be a "like for like" comparison. Members could be assured that resource allocation modelling was done well with NSS, and what was required now was a change in focus from workforce numbers and budgeting, towards the more complicated area of skills development over a longer-term period. This has been piloted in some areas (one of them being HR) and the lessons learned from this would be used to inform the wider roll-out. Members sought and received assurances that this approach aligned with the overall strategy. Members discussed the observation that some of the Strategic Business Unit (SBU) level workforce plans were not fully compliant with the six-step methodology. They were advised that this likely arose from the fact that the SBUs in question did not have full clarity about their future needs at the time of the review, and that this was being addressed.
- 5.2 The report had identified areas that NSS could improve on and Members noted that senior management recognised the need to look at what could be done to increase the pace of progress. However, Members also acknowledged the considerable change already achieved within the organisation over the last ten years and commended this. Members were assured that improvements would be made to the Resource Allocation Meetings (RAMs) process later in the year to better articulate the longer-range workforce planning, and were provided with an overview of the proposed changes being introduced. Members wished to know when NSS would be able to articulate its current position in relation to where it needed to get to, and what the plan was to get there. They noted that the outcomes from both rounds of RAMs would come to the February Board for approval. As a final observation, Members wondered whether the high priority finding, which stated that workforce planning activities were inconsistent across each SBU, should be re-worded as they recognised that some variations in approach may be appropriate for a number of valid reasons.

**ACTION****6. SERVICE AUDIT ASSURANCE LETTERS [paper ARC/19/40 refers]**

- 6.1 Members noted the sample letter to relevant health board external auditors, advising the conclusion of Audit Scotland's review of the Practitioner Services (primary care payments) service auditor's work. Members confirmed that they were content with the assurances provided.

**7. ANNUAL REPORT AND ACCOUNTS [paper ARC/19/41 refers]**

- 7.1 Members considered the updated draft of the Annual Report and Accounts, and noted the two sections still awaiting confirmation of the final information. Members discussed their previous observations around proofreading and "right first time" submissions but recognised that some of the text came from a stipulated template (although felt there was perhaps a need to establish how rigid that template was). Members were asked, if possible, to share any proofreading notes they may have made with Ms Howard, as it may help to evidence the need to update the prescribed template. Ms Howard also advised that she would be engaging with Communications colleagues to better co-ordinate proofreading for future years. Members agreed that the wording of the statement "NSS has a flexible approach to risk appetite" should be considered. Other than that, Members were happy with the overall content although they briefly discussed about sickness absence costs and ways to frame it differently in future reports. The final version would be presented to the Board at its next meeting on Friday, 28 June 2019.

**All****L Howard****8. PROPOSED AUDIT OPINION [paper ARC/19/42 refers]**

- 8.1 Ms Browne and Mr Taylor provided Members with the background to the delay in the full Audit Scotland report being available. However, Members noted that Audit Scotland had been able to provide a paper outlining their proposed unqualified opinion on the financial statement. Members were assured that the changes in presentation were due to changes in standard requirements and that there was nothing within the materiality statement that Audit Scotland were not comfortable with. Members discussed the next steps that would need to be taken in preparation for signing off the report, and agreed that an ad-hoc meeting would need to take place ahead of the Board on Friday, 29 June 2019 for the signing. Due to this, a conditional statement would be put into the Board Highlights report which could be followed by a verbal update if necessary.

**9. NOTIFICATION FROM SPONSORED BODY AUDIT COMMITTEE TO SGHSCD [paper ARC/19/43 refers]**

- 9.1 Members considered the proposed response to the request for confirmation of any significant issues or frauds during 2018/19 which should be highlighted to the Scottish Government's Health and Wellbeing Audit and Risk Committee. Members confirmed that they were content with the response as provided, which assured that NSS had nothing to report for 2018/19.

**10. RISK MANAGEMENT UPDATE [paper ARC/19/44 refers]**

- 10.1 Mrs Walker provided an overview of the Red risks highlighted in the paper. Mrs Morgan advised that work relating to risks around the UK's EU exit had been temporarily suspended but would be picked up again in July 2019. Members discussed the statement on the Risk Management Application and Mrs Walker provided them with clarification. Members asked about whether there was an entry in the NSS corporate risk register relating the formation of Public Health Scotland. Mrs Walker and Mrs Morgan agreed to check and feed back to Members in due course.

**ACTION****11. FEEDBACK, COMMENTS, CONCERNS AND COMPLAINTS ANNUAL REPORT 2018/19 [paper ARC/19/45 refers]**

- 11.1 Mr Neilson spoke to the paper, which provided a summary of the feedback, comments, concerns and complaints received by NSS in 2018/19. Members were updated on changes to be made ahead of submission to the Board following feedback from the NSS Clinical Governance Committee. Members noted that numbers had increased from 2017/18 but were still amongst the lowest in recent years. The biggest numbers were in SNBTS but action plans were in place and Members were assured that it comprised a very small fraction of the overall number of interactions. Members noted that this information would be captured within Service Now from July 2019 onwards which would make reporting easier and allow for better analysis to display in SPC format. There were no concerns relating to any of the complaints, concerns, and feedback being reported. Following some further discussion, Members were keen to give consideration as to how to give context to the numbers of formal complaints against general expressions of dissatisfaction, and how to demonstrate that NSS had a fair and robust process for justifying what was upheld.

**12. FRAUD UPDATE [paper ARC/19/46 refers]**

- 12.1 Ms Howard highlighted the National Fraud Initiative (NFI) Update for NSS and assured Members that the required review of transactions would be completed by the 30 June 2019 deadline. Members were pleased to note the Quarterly Fraud report, and the Association of the British Pharmaceutical Industry disclosure of payments from Pharma, which indicated no cause for concern.

**13. LOSSES AND SPECIAL PAYMENTS [paper ARC/19/47 refers]**

- 13.1 Ms Howard highlighted the losses at the level requiring the Committee's approval. Members sought and received assurances regarding these losses, and that NSS was doing what it could to reduce any avoidable losses as far as possible. However, Members requested more trend analysis in future reports. Members asked about minimising any losses arising from contingencies around the UK's EU exit and were assured that appropriate measures were in place. Members agreed they were content to approve the paper.

**L Howard****14. REVIEW OF CONSULTANCY SPEND [paper ARC/19/48 refers]**

- 14.1 Members discussed the paper, which provided an analysis of the Management Consultants spend for 2018/19. Members expressed concerns about the trend and were assured that, in certain cases (e.g. data and intelligence), the expenditure had been an active investment to build up, and make best use of, internal expertise to reduce the need for future external spend. Members went to request that the report continue to show the split between expenditure for NSS and expenditure on behalf of NHSScotland within the previous years' information to better see what was driving the trend. Members also requested a potentially separate, broader view of third party spend which covered any external spend on services, (e.g. use of HR recruitment consultants). They were keen to see what the wider NHS in Scotland was spending externally on services that NSS could provide but were advised that this would be difficult to find out for sure, although this was what the ongoing stakeholder engagement work was attempting to do.

**L Howard****15. NSS AUDIT AND RISK COMMITTEE ANNUAL REPORT TO THE BOARD [paper ARC/19/49 refers]**

- 15.1 Members were content with the report as a summary of the Committee's activities in 2018/19, subject to the inclusion of the information required from the papers presented at this meeting.

**L Bailey**

**ACTION****16. COMMITTEE HIGHLIGHTS REPORT FOR THE NSS BOARD [paper ARC/19/50 refers]**

- 16.1 Mrs Bailey agreed to update the draft of the Sub-Committee Highlights report with the highlights from this meeting to be submitted to the next NSS Board meeting on Friday 28 June 2019. **L Bailey**

**17. ANY OTHER BUSINESS**

- 17.1 Members had no further business to raise.

**18. DATE OF NEXT MEETING**

- 18.1 Thursday, 12 September 2019 at 0930hrs in Boardrooms 1 & 2, Gyle Square, Edinburgh.

**19. FOR INFORMATION**

- 19.1 NSS Audit and Risk Committee Forward Programme for 2019 [paper **ARC/19/51** refers]

There being no further business the meeting finished at 1235hrs

# Minutes (APPROVED)

<b>B/19/117</b>
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## NHS NATIONAL SERVICES SCOTLAND (NSS)

### MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD ON FRIDAY 28 JUNE 2019 IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH COMMENCING AT 0845HRS

- Present:** Mr Mark McDavid – Non-Executive Director (Chair)  
Mr John Deffenbaugh – Non-Executive Director  
Mrs Kate Dunlop – Non-Executive Director  
Professor Elizabeth Ireland, NSS Chair
- In Attendance:** Ms Rachel Browne – External Auditor, Audit Scotland  
Ms Laura Howard – Interim Associate Director of Finance  
Mrs Carolyn Low – Director of Finance  
Mrs Mary Morgan – Director of Strategy, Performance and Service Transformation  
Mr Colin Sinclair – NSS Chief Executive  
Mr Mark Taylor – External Auditor, Audit Scotland  
Mrs Lynsey Bailey – Committee Secretary [Minutes]
- Apologies** Mrs Alison Rooney – Non-Executive Director

#### ACTION

#### 1. WELCOME AND APOLOGIES

- 1.1 Mr McDavid welcomed everyone to the meeting and noted the apologies received.

#### 2. ANNUAL AUDIT REPORT 2018/19 [Papers ARC/19/53 and ARC/19/54 refer]

- 2.1 Mr Taylor and Ms Browne spoke to the paper, which summarises Audit Scotland's findings and conclusions from the 2018/19 audit of NHS National Services Scotland. They wished to record their thanks to all involved in producing the report and highlighted the key messages. Members were pleased to note that while there were some areas for improvement, there were also areas of strength. Members were also advised that a recommendation around Facility Time had been added since the papers were issued, However, it was already being addressed, so was therefore not a significant concern and did not alter the audit opinion. Members discussed some of the observations and were assured that some of them were there to maintain a level of awareness rather than there being any specific need to address a particular concern.

- 2.2 Members wished to take an action to check with KPMG that they would be commissioning an external review of compliance (per key message number six) as they had reached the recommended five year point to trigger this. They also requested that key message 14 be re-worded to read "...in documenting the organisation's approach..." rather than "...in documenting the Board's approach...". Following a discussion regarding key message 15 (slow progress in developing collaboration across National Boards), Members felt there was a need to add the phrase "despite efforts" to better reflect the context to this. As it was her final Audit and Risk Committee meeting Professor Ireland wished to formally recognise the strong performance of the Audit and Risk Committee over her time as Chair and record her personal thanks. Mr Sinclair also wished to add his thanks. Members confirmed that they were content to approve the report.

**ARC  
Members**

There being no further business the meeting finished at 0909hrs



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Chair  
Chief Executive

Professor Elizabeth Ireland  
Mr Colin Sinclair