

# NSS Board Meeting

01 February 2019, 09:30 to 17:00  
Boardrooms 1&2, Gyle Square, 1 South Gyle  
Crescent, Edinburgh EH12 9EB

## Agenda [B/19/01]

### 1. Apologies for Absence

David Knowles, Director P&CFS

### 2. In Attendance

Members of the NSS Executive Management Team

Karen Nicholls, Acting Board Secretary

Martin Morrison, Depute for David Knowles

Caroline McDermott, Head of Planning

Safia Qureshi, Project Director

Dr Alex Stirling, Consultant in Public Health Medicine

Ewan Morrison, Director of Pharmacy

### 3. Observers

Stuart Aitken,

Rachel Browne, Audit Scotland

### 4. INTRODUCTION

30 minutes

#### 4.1. Chair's Introduction and Report [B/19/02]

Elizabeth Ireland



B1902 Chairs Updated.pdf

(2 pages)

#### 4.2. Chief Executive's Update [papers B/19/03, 03a and 03b] final update to follow

Colin Sinclair



B1903 CE Board Update.pdf


(5 pages)

##### 4.2.1. Brexit Update




B1903 a EMT1923 SBAR NDBrexit\_medicines\_final.pdf (2 pages)

##### 4.2.2. Clinical Waste Update

 B1903 b.2 EMT1921 a  
Clinical\_Waste\_Contingency-Update.pdf (2 pages)

**5. Minutes of the meeting held on 2 November 2018 and Matters Arising [B/19/04 and B/19/05]** 5 minutes


Elizabeth Ireland

 B1904 2018-11-02 Board Draft Minutes.pdf (8 pages)

 B1905 Board Action list.pdf (2 pages)

**6. NSS Vision, Key Priorities and Resource Allocation Management - 5 Year Plan [B/19/06]** 180 minutes

Colin Sinclair

 B1906 NSS Strategy - External Draft for Sharing.pdf (8 pages)

**7. Lunch** 30 minutes

**8. Review of NSS Risk Appetite [B/19/07]** 15 minutes

Martin Bell

 B1907 NSS Risk Appetite.pdf (3 pages)


**9. Draft Operational Delivery Plan [B/19/08]** 30 minutes

Colin Sinclair

 B1908 Operational Delivery Plan draft.pdf (9 pages)

**10. Finance Report [B/19/09]** 20 minutes

Carolyn Low

 B1909 Finance Report Dec 18.pdf (21 pages)

**11. Cross-NSS Medicines Portfolio [B/19/10]** 10 minutes

Ewan Morrison

 B1910 Primary Care Targeted Support.pdf (4 pages)

**12. Realistic Medicine [Presentation - B/19/11]** 20 minutes







Alex Stirling


**13. People Report [B/19/12]** 25 minutes

Jacqui Jones


 B1912 People Report.pdf (3 pages)

**13.1. Tableau reporting demo**

- 13.1.1. **Workforce Strategy - presentation**
14. **Outcomes from Board Development Session October 2018 - Verbal Update** 5 minutes
- Martin Bell
15. **Update on Public Health Board - Presentation** 15 minutes
- Safia Qureshi
16. **NES Digital Service - Presentation** 15 minutes
- Deryck Mitchelson
17. **Highlights from NSS Board Sub-Committees [B/19/13]** 5 minutes
-  B1913 NSS Sub-Committee Highlights Report.pdf (5 pages)
18. **Update on Register of Interests [B/19/14]** 5 minutes
-  B1914 Register of Interests.pdf (1 pages)
19. **NSS Audit and Risk Committee** 5 minutes
- 19.1. **Meeting held on 5 December 2018 - Draft Minutes [B/19/15]**
-  B1915 2018-12-05 ARC Draft Minutes.pdf (5 pages)
- 19.2. **Meeting held on 13 September 2018 - Approved Minutes [B/19/16]**
-  B1916 2018-09-13 ARC Approved Minutes.pdf (6 pages)
20. **NSS Staff Governance Committee** 5 minutes
- 20.1. **Meeting held on 30 November 2018 - Draft Minutes [B/19/17]**
-  B1917 2018-11-30 SGC Draft Minutes.pdf (5 pages)
- 20.2. **Meeting held on 28 September 2018 - Approved Minutes [B/19/18]**
-  B1918 2018-09-28 SGC Approved Minutes.pdf (6 pages)
21. **NSS Clinical Governance Committee** 5 minutes
- 21.1. **Meeting held on 5 December 2018 - Draft Minutes [B/19/19]**

 B1919 2018-12-05 CGC Draft Minutes.pdf (6 pages)

**21.2. Meeting held on 13 September 2018 - Approved Minutes [B/19/20]**

 B1920 2018-09-13 CGC Approved Minutes.pdf (5 pages)

**22. NSS Finance, Performance and Procurement Committee** 5 minutes

**22.1. Meeting held on 5 September 2018 Draft Minutes [B/19/21]**

 B1921 2018-09-05 PFC Draft Minutes.pdf (5 pages)

**22.2. Meeting held on 23 November 2018 Draft Minutes [B/19/22]**

 B1922 2018-11-23 FPPC Draft Minutes.pdf (5 pages)

**23. NSS Policies - there were no new policies for this session**

**24. Any Other Business** 5 minutes

**25. Date of Next Meeting**

# Minutes (APPROVED)

## NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF FORMAL BOARD MEETING HELD ON FRIDAY, 2 NOVEMBER 2018  
IN RHESUS ROOM, JACK COPLAND CENTRE, EDINBURGH, COMMENCING AT 0930HRS

**Present:** Elizabeth Ireland, NSS Chair  
Julie Burgess, Non-Executive Director  
Ian Cant, Employee Director  
Jane Davidson, Non-Executive Director [after 0938 hrs]  
John Deffenbaugh, Non-Executive Director  
Kate Dunlop, Non-Executive Director  
Carolyn Low, Director of Finance and Business Services  
Mark McDavid, Non-Executive Director  
Alison Rooney, Non-Executive Director  
Colin Sinclair, Chief Executive

**In Attendance:** Martin Bell, Associate Director Planning, Performance and Service Delivery  
Caroline Lang, Board Secretary [Minutes]  
Mary Morgan, Director, SNBTS  
Lorna Ramsay, Interim Medical Director  
Aileen Stewart, Interim Associate Director, HR  
Caroline Lamb, CEO NES  
Deryck Mitchelson, Director, IT  
Geoff Huggins, Director of Digital Health and Social Care

**Apologies:**

**Observer:** Stuart Aitken, Directorate for Health Finance, Scottish Government

### ACTION

## 1. INTRODUCTION

1.1 Professor Ireland welcomed members, attendees and observers to the meeting. Before starting the formal business of the meeting, Professor Ireland 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.

1.2 Members welcomed Mr Deryck Mitchelson, new NSS Director of IT to the meeting. Professor Ireland then informed members of the two new Director appointments within NSS and welcomed Mrs Mary Morgan (Director, Planning, Performance and Service Transformation) and Dr Lorna Ramsay (Medical Director) to the Board. Professor Ireland advised that a letter should be produced detailing the appointment of Dr Ramsay as an executive member of the Board. **Action: Professor Ireland to transmit letter to Scottish Government Appointments.** Mr Sinclair also advised that Mr Richard McCallum would be the interim NSS SG sponsor until further notice.

**Prof Ireland**



### Headquarters

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

Chair Professor Elizabeth Ireland  
Chief Executive Colin Sinclair

Members thanked Ms Safia Qureshi, Project Director, for her work on the Jack Copland Centre.

## 2. CHAIR'S REPORT [paper B/18/116\_1 refers]

2.1 Members noted the content of the report and thanked Professor Ireland for her update.

2.2 Professor Ireland provided a verbal update on the recruitment of a new Non-Executive Stakeholder to replace Ms Davidson who would be retiring as CEO of NHS Borders. She agreed to regularly keep members updated on progress.

2.3 After a short discussion on the Protection of Vulnerable Groups scheme the Board agreed that all members should apply and join the scheme. **Action: Ms Stewart to make the necessary arrangements with Board members once the outcome of the consultation "PVG Scheme Membership for Members of Boards of Health Bodies" had been received. This would clarify whether it was all health boards or only those who were patient facing.**

A Stewart

## 3. CHIEF EXECUTIVE'S UPDATE [paper B/18/117 refers]

3.1 Members noted the content of the report and thanked Mr Sinclair for his update.

3.2 Mr Sinclair expressed his thanks to all in NSS who were currently involved in the on-going issues around clinical waste and their co-ordinating role for Scottish Government and the NHS in Scotland.

3.3 Mr Sinclair updated members on the progress on Public Health Scotland and advised that Mrs Morgan and Ms Qureshi would be managing the project on behalf of NSS. It had been confirmed that this will be a new special health board and NSS would look at shared service opportunities as this progressed. However, it was noted that there was no assumption that what was currently being delivered would continue. He added that the recruitment process for a Chief Executive was now in progress. Professor Ireland expressed thanks on behalf of the Board for all the work that had already been done in this arena.

3.4 Members were informed that two major IT projects were close to a final decision – GP IT and the CHI/Child Health Index, which had been ratified at the CEO's meeting held in October. It was noted that once a commitment to proceed had been made by Scottish Government, the funding would follow. However, Mr Sinclair confirmed that this would be confirmed to the Board before any progress was made – if this occurred outwith a formal meeting, papers would be produced for the next available NSS Audit and Risk, or NSS Finance, Procurement and Performance Committee. Ms Rooney asked that confirmation of who the final accountable person would be was essential as part of this process. Members also asked that a full governance plan for this also be provided including the decisions relating to clinical risk of the old system. Members reflected that this type of critical decision making was taking too long and asked what mitigating actions were in place in NSS to ensure capacity to scale up to ensure the programmes were completed in time, once the decision had been made. Mr Mitchelson advised that resources were planned, but this would mean taking staff off other jobs, or using agency staff. Dr Ramsay also confirmed that there had

**ACTION**

been good user engagement in the clinical arena and there was solid clinical support for the changes. **Action: C Sinclair to update as appropriate.** **C Sinclair**

**4. DIGITAL [presentation] (item taken out of agenda order)**

- 4.1 Professor Ireland introduced Ms C Lamb and Mr G Huggins who would take members through a presentation on the Digital Agenda.
- 4.2 Members noted the content of the presentation and thanked Ms Lamb for her talk. Discussions then arose around communications from Scottish Government and giving a clear remit and role on how the Boards will come together in this arena. It was reflected that the scope of the NES remit had expanded quite considerably. NES had bought together separate structures with very different cultures and systems whilst focusing on bringing a single vision, rather than silo working. Ms Lamb provided further clarity on the journey that NES had been on to enable this.
- 4.3 Members noted that the Digital Strategy had been published in April 2018 and contained six distinct elements. It was particularly important, in governance terms, to have a national approach to making key decisions and financial frameworks. Mr Huggins confirmed that the portfolio group would be reviewing a more substantive paper on governance at their second meeting, which may affect the membership.
- 4.4 Dr Ramsay advised that further thought around clinical input and also users representation. Mr Huggins confirmed that the group would work to ensure that decisions were made with appropriate participation from all areas prior to coming to the group for decisions.
- 4.5 Professor Ireland asked for confirmation on who was responsible for technical assurance around the programme. Ms C Lamb advised that currently Mr Colin Cook, Scottish Government Digital Director was filling the technical role, but that each domain would require technical advice. Mr Mitchelson offered to put forward a proposal regarding architecture direction and Mr Huggins advised that this would sit with Scottish Government and this could be suggested to them. **Action: Mr Mitchelson to link with SG Colleagues in eHealth – Colin Cook and Christine McLaughlin.** **D Mitchelson**
- 4.6 Members discussed the governance process further and expressed concern that this was too complicated. Ms Rooney advised that the report by Audit Scotland – NHS in Scotland 2018, recommends that governance needs to be clear, and the process as advised was too complicated. Mr Sinclair advised that this was actually a huge step forward as, until then, there had been no central point for some time. Ms Lamb reminded members that the governance structure was set by Scottish Government. Members asked for regular reporting from the Strategic Portfolio Board into the Transformational Change Programme Board to ensure effective governance. **Action: E Ireland/C Lamb for updating.**
- 4.7 Members discussed interdependencies and collaborations.
- 4.8 Office 365 was then reviewed, the national approach, and how the timelines for this could be moved forward. Mr Mitchelson advised that for this Once for Scotland approach it was essential that this programme worked at pace and that stakeholders were seen to be working together in an agile way to

**ACTION**

deliver value for money. Members agreed that it was important that the project did not duplicate effort and capability i.e. one team approach. For example on national security and understanding health data, it would make sense for NSS to lead more on that given current experience in this field. There were also options around business intelligence and data as a service.

- 4.9 Ms C Lamb added that there was a huge amount of capability around this subject and it was important to ensure a shared vision for people to get behind, and it was this that would support change. Professor Ireland responded that the Board supported this recognition that change was required, and the collaboration was essential.
- 4.10 Members then asked for further clarity on the governance, as it was felt to be too complex, and focus. Further focus on what was required and when by, to feed into the vision. For example; As a care worker - how are the digital changes going to make a difference to them? Once this vision was articulated the governance would flow from it. Mr Cant reflected that the presentation had been useful but it was important to communicate with the IT community as a collaborative thing, rather than being about competition, and need to understand how staff feel and allay any fears that may arise. It was also important that staff were able to feed into this process.
- 4.11 Professor Ireland added that this was a huge opportunity for all those involved and would have a big impact on future care delivery for the people of Scotland. Members asked that the NES Digital Service subject be added as a standing item for future meetings. **Action: Board Secretary to add to forward programme.** **Board Secretary**
- 4.12 Members thanked Ms Lamb and Mr Huggins for their informative presentation and agreed the following actions as a result:
  - 1. Review/articulate risks associated with the project – C Sinclair **C Sinclair**
  - 2. Staff Communications plan – C Sinclair **C Sinclair**
  - 3. Review of current capability to ensure active support for the development of the vision – D Mitchelson **D Mitchelson**
  - 4. Provide clinical perspective to the Vision – L Ramsay **L Ramsay**
  - 5. Vision to be reviewed prior to visit with NES Board; emphasising that this is a joint thing, not about NSS – C Sinclair **C Sinclair**
- 5. **MINUTES OF THE NSS BOARD MEETING HELD ON 7 SEPTEMBER 2018 AND MATTERS ARISING [papers B/18/118 and B/18/119 refer]**
- 5.1 The Minutes of the NSS Board meeting held on 7 September 2018 were accepted as a true record and the following comments were noted.
- 5.2 Ms Rooney advised that whilst she had some involvement in the Trauma Network this was not a conflict of interest.
- 5.3 Members noted that an update on Trinity Park Foundation would be provided by the end of November 2018 **Action: Ms Low and Mr McDavid.** **C Low/McDavid**
- 5.4 Members noted that the discussion on medicines would be moved to the February 2019 board meeting. **Action: Board Secretary to update forward programme.** **Board Secretary**



## 6. NSS OFFSITE OUTCOME [paper B/18/120 refers]

- 6.1 Members noted the content of the paper in full. Mr Sinclair found the summary extremely useful as it clarified direction of travel for NSS strategy. He confirmed that the document would now be shared with the Executive Management Team and the NSS Partnership Forum for discussion and input in the strategy document before coming back to the Board at the earliest opportunity. He acknowledged that there was still work to do on the principle values and what type of organisation NSS strived to be. It was noted that one of the main things to think about was cross cutting themes. Primary Care engagement was also crucial and Dr Ramsay was involved in this, where NSS was seen as a partner in this genre.
- 6.2 After further discussion the following areas requiring additional work were agreed as:
- Medicine
  - Transformational Support
  - Advanced Therapies
- 6.3 Members commented that this was a good paper, and further review of stakeholder engagement to help a refocus would be welcome. It was important to celebrate NSS achievements, and this too would help improve our overall reputation. Ms Low asked for thought to be given to future more sustainable financial modelling including prioritisation measures. All of this would require both internal and external focus.
- 6.4 Professor Ireland summed up the discussion and noted that the next iteration of the document required more detail, for example recommended financial frameworks and how the EMT objectives were identified and set to meet these challenges. Mr Sinclair said that it would be a good idea to share these direction with our SG sponsors so that operational tactics could be identified and planned.
- 6.5 Professor Ireland thanked Mr Bell and Mr Matthew Neilson, Associate Director Customer Engagement and Marketing, for producing the paper and offered to support Mr Sinclair during meetings with SG. **Action: Mr Bell to update paper for review at next Board meeting.** M Bell

1215hrs

## 7. PRIMARY CARE

- 7.1 Dr Ramsay took members through a presentation on Primary Care prepared by Dr Lucy Munro. Members noted that although the move of Information Services Division to the new Public Health Scotland board, but it was important to note that this was not the only information used within NSS, and Practitioner Services information was also critical for this arena.
- 7.2 Professor Ireland mentioned that the inclusion of information on GP premises was extremely helpful and looked forward to the updated report in May 2019. She asked how the Board could support this work going forward. Dr Ramsay replied that NSS has a part in enabling and underpinning primary care service delivery and was supporting the transformation, including helping with some of the design on this process.
- 7.3 Professor Ireland thanked Dr Ramsay for the taking members through the presentation and asked for further information to be provided on any cross-

cutting themes and an understanding of how it would affect people and finances. **Action: Dr Ramsay to provide update paper to February 2019 meeting.** L Ramsay

## 8. PERFORMANCE [paper B/18/121 refers]

- 8.1 Mr M Bell took members through the Performance Report. He advised that there was currently only one Red item, relating to late funding around e-Procurement but this was beyond NSS control. He added that he was working with SG colleagues around this issue and would provide updates to future meetings if required.
- 8.2 Professor Ireland thanked Mr Bell for his report and reflected that an overall position of 90% against target was excellent performance at the mid year point.
- 8.3 Members thanked Mr Bell for his report and noted the contents.

## 9. FINANCE REPORT [paper B/18/122 refers]

- 9.1 Ms Low took members through her paper referenced above. She confirmed that at the mid-year point all targets were green (under the Red/Amber/Green RAG status). It was anticipated that there would be challenges and pressure coming out of the Resource Allocation Meetings but this would drive positive discussion. Members noted that NSS was very conscious of the affect of the new Public Health Body on PHI and was working closely with SG around future allocations. It was noted that at the six-month point there had been only limited capital spend but that this would ramp up over the coming months after discussions with SBUs.
- 9.2 Ms Rooney asked for clarification on the removal of savings from the National Boards in August. Ms Low advised that this was applied as a negative allocation by SG, and as a result an additional £5 million still needed to be identified and the National Boards were meeting in early November to discuss and plan for this. Members asked that they be kept abreast of progress in this area and that a further report be provided to the next formal board meeting in February 2019. **Action: Ms Low to provide update report to next formal board meeting.** C Low
- 9.3 Ms Burgess asked for clarity on the narrative in relation to the outstanding funding of £5.4 million (including waste contingency funding), regarding recovery of this. Ms Low confirmed that she had been reassured that this funding would be allocated. Mr Sinclair added that in terms of the £15million savings required from the joint Special Boards NSS would not be increasing its portion of this and this would be made clear to all those involved.
- 9.4 Ms Dunlop asked for confirmation of how long any possible lag associated with transfer of revenue to capital would be. Ms Low advised that the allocation had just been received.
- 9.5 Members thanked Ms Low for her report and noted its contents.

## 10. PEOPLE REPORT [paper B/18/123 refers]

- 10.1 Ms Stewart took members through her report and advised that there were no fundamental concerns, but there had been some change in the sickness absence figures, which were being closely monitored by HR. This included increases in mental health issues.

- 10.2 It was noted that there had been no RIDDORS in the current period, and two in year so far.
- 10.3 Members noted that work was ongoing around support for staff around transfer to Public Health and Brexit, including a nationality questionnaire. Mr Sinclair added that NSS was working with SG around the possibility of a no deal Brexit.
- 10.4 Ms Stewart informed members that work was also being done to provide real-time information via Tableau software to Directors.
- 10.5 Members thanked Ms Stewart for her update and noted the content of the paper.
11. **BIANNUAL RISK MANAGEMENT UPDATE [paper B/18/124 refers]**
- 11.1 Mr Bell took members through the paper referenced above. He advised that the risk around Anderson House had now been mitigated down from RED status.
- 11.2 Mr Cant informed Members that the OHSAC Group were looking to have a workshop on Risk and Mr Bell advised that Mrs Marion Walker, Risk Manager Lead would be the best person to support this work. **Action: Mr Cant to contact Mrs Walker.** I Cant
12. **NSS AUDIT AND RISK COMMITTEE REPORT [paper B/18/125 refers]**
- 12.1 Members noted the content of this paper in full.
13. **HIGHLIGHT REPORTS FROM NSS BOARD COMMITTEES [paper B/18/126 refers]**
- 13.1 Members noted the content of this report in full and Professor Ireland thanked all sub-committee Chairs for their input.
14. **UPDATE ON REGISTER OF INTERESTS [paper B/18/127 refers]**
- 14.1 Members noted the content of the register and Professor Ireland asked that all make sure their entries were kept up to date.
15. **ANY OTHER COMPETENT BUSINESS**
- 15.1 Ms Burgess asked for clarity on where the GP IT business case would be reviewed. Ms Low confirmed that as part of the emerging governance process around this project, once this and funding had been approved, she would then come back to the NSS Board and confirm to Mr Sinclair that it was ready to sign. Ms Rooney was concerned about the due diligence task for the Non-Executives in terms of timing to accommodate this. **Action It was agreed that all would provide their comments to Ms Low by the 9<sup>th</sup> November, and she would then produce a summary document of direction of travel before the end of that week.** All C Low
- 15.2 Ms Dunlop asked for clarity on the use of Zero Hour contracts. Ms Stewart advised that there were currently only one or two of these used in NSS at the present time and this was by choice for those involved. Mr Cant advised that the Unison were against these, but it was the individuals' choice. Ms Stewart continued that CLO colleagues had advised that there should an

NSS policy on this. **Action: Ms Stewart to update on progress around NSS policy on Zero Hours contracts to the next Staff Gov Meeting.** A Stewart - SGC

- 15.3 At this point in the meeting Professor Ireland informed Members that she would be stepping down from the NSS Board at the end of July 2019 and had informed SG of this prior to the meeting.
- 15.4 Members were advised that the gateway review on the Jack Copland Centre had been glowing, and was seen as an exemplary project. It was important that this success was recognised.
16. **Please note that these minutes were transcribed by Mrs K Nicholls from Ms C Lang's notes.**

There being no further business, the meeting finished at 1310 hrs.

DRAFT

## NSS Formal Board Meeting – Friday, 2 November 2018

### Chair's Update

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

### National

- **NHS Chairs meetings** - the chair and vice chair of the Chairs group are working closely with the Cabinet Secretary and DG Health to ensure maximum value of the Chairs group and of the meetings the chairs have with her.
  - An additional meeting /workshop took place in January 19. The Cabinet Secretary is prioritising performance and Brexit at these meetings.
  - December 18 - an additional item around equality and diversity relating to travelling communities was discussed. Jan 19 (verbal update)
- **National Boards Collaboration** - the Chairs and CEO of the national boards met in December and reviewed a paper on governance as it has become clear that enabling assurance and oversight of decisions relating to collaboration and prioritisation is critical. A draft paper on governance has been produced and I will provide a **verbal update** to the board on 1.2.19.
- **NHS Chairs groups** - including Innovation and reform - the chair of Lothian is leading this group - and scoping out its role with stakeholders. I am a member, and the CEO and Medical director have been engaged in some of the discussions.
- **National Plan delivery board** – nothing to report.
- National workshop on learning from complaints

### Board

- **Strategy**
  - Paper being presented to board 1.2.19
  - Engagement of and with CEO with Scottish Government
  - Realistic Medicine – agenda item for board 1.2.19
- **Governance**
  - Annual Review – awaiting final copy of the letter from the Cabinet Secretary.
  - Blue print for good governance (including questionnaire)
  - Non-executive recruitment and appraisal
  - Stakeholder engagement – Agenda item for board 1.2.19
  - Board secretariat - update
  - Plans for board development session
  - Succession planning for Chair

- **People**
  - NSS Excellence awards
  - Director interviews and appointments
  
- **Delivery** – there has been a significant amount of additional service that has been delivered by NSS to support the wider service, especially around the areas listed below. I would like to take this opportunity to thank all those involved. These items will also form part of the discussions at the meeting on 1.2.19
  - Public Health Scotland
  - Clinical Waste
  - Preparation for Brexit

**Professor Elizabeth Ireland**  
**NSS Chair**  
**23.1.19**

# SBAR



**Subject:** Medicines – “no-deal” BREXIT  
**To:** EMT  
**From:** Ewan Morrison and Lorna Ramsay  
**Date:** 21<sup>st</sup> January, 2019

B/19/03A

EMT/19/23

## **Situation:**

EMT has requested an update on the current position and the ongoing work that NSS are doing to support the potential effects of a “no-deal” BREXIT with respect to medicinal products. This is mainly in relation to shortages.

## **Background:**

In August 2018 the UK Department of Health and Social Care (DHSC) announced contingency plans that have the aim of securing supplies of medicines, medical devices and clinical consumables in the event of a no-deal Brexit. DHSC officials made contact with medicine manufacturers to invite them to increase their stockpiles of medicines which were considered likely to be impacted by delays at the UK Border with the aim of ensuring that there is in the UK an additional six weeks of supplies on top of normal stocks. Alongside the stockpiling arrangements the DHSC have plans to air freight medicines that may require specific cold chain transportation.

In late December 2018, the DHSC provided further information on the stock-piling arrangements and in particular those medicines which it considers may be subject to disruption in supply in the circumstance of a no deal UK exit from the EU. These tend to be medicines where there are either: no plans in place to meet the stockpiling requirements, the company is unable to stockpile the medicine or the company has not responded to the DHSC.

The DHSC have developed a useful operational guide for NHS and highlights actions the Health and social care system should prepare to take in England. It provides a useful guide to actions taken across the UK.

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment\\_data/file/768077/eu-exit-operational-readiness-guidance.pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/768077/eu-exit-operational-readiness-guidance.pdf)

A key point from this document is that UK health providers – including hospitals, care homes, GPs and community pharmacies – should not stockpile additional medicines beyond their business as usual stock levels. There is also no need for clinicians to write longer NHS prescriptions and the public should be discouraged from stockpiling.

**Assessment:**

NSS are involved in supporting the Scottish Government with this work. This involves the following areas

**PCF – lead Lindsay McClure, Pharmaceutical Advisor, PCF**

A short-life working group has been established to review and advice on a list of medicines provided to the Scottish Government. This list contains commercial information provided in absolute confidence. The group is being chaired by the interim Director of Pharmacy (GG&C) and the Director of Pharmacy (Grampian) and NP are one of the lead stakeholders. This group has been put together to help advise on the operational aspects of shortage areas, problem clinical areas and what groups need to be involved in the management and process that will be required to make any changes.

**PHI – lead Marion Bennie – Chief Pharmacy Lead, PHI**

The list of medicines described above will require some initial and ongoing analysis to identify areas of concern and mitigating actions. It has not been provided to any Boards yet. SG have made contact with ISD requesting data analysis of the national HMUD and the PIS datamarts. This work is developing and discussion will continue over the coming weeks as to what data and support is required.

**Directors of Pharmacy – exec. Group – Lead – Ewan Morrison, Director of Pharmacy**

The lead DOP for each region (National Board are one of these) have been meeting representatives of the Medicines and Policy Department of SG regarding the developing position on medicines since November 2018. This group have been supporting and working with Government and have highlighted a number of area of focus for consideration including the SLWG and data requests highlighted above. Areas highlighted for consideration include;

- Communication and messaging
- Continuing to use existing structures, care pathways and supply routes
- The use of data and systems to advise on potential and ongoing issue areas
- Prioritisation and de-prioritisation of essential activities
- Focusing on specific high-risk clinical area and medicines.

**Recommendations:**

EMT to

- Note activity relating to medicines is being co-ordinated by the UK government with local activity via the Scottish Government
- Understand the work already underway within NSS, which may require prioritising in coming weeks/months.



# Clinical Waste Contingency

## Directors of Finance Update 17 January 2019

### Background

NHS Scotland previously received the vast majority of Clinical Waste services from Healthcare Environmental Services Ltd (HES). In September 2018, SG became aware of challenges the provider had been having with its operations south of the border. A decision was taken by SG to secure contingency arrangements to support ongoing uplift and treatment of clinical waste from NHS Scotland Health Boards in the event of failure of HES.

NHS National Procurement was also in the evaluation stage of a tender process to secure supply of this service for the next 10 years with the new contract due to commence on 1<sup>st</sup> April 2019.

Following the announcement of an alternative preferred supplier in December 2018, HES withdrew service provision to NHS Scotland and contingency arrangements kicked in. Contingency arrangements have been managed by NHS National Services Scotland, with all costs associated with the establishment of contingency and operational service since 7<sup>th</sup> December routed through NSS. The contingency service is not a like for like service as a bin exchange format, received by most boards, was not available. This has meant a significant increase in the packaging requirements, particularly of yellow stream (high risk infectious) waste. This and the additional logistics required has significantly driven up cost.

### SG Direction on Recovery of 18/19 Contingency Costs

Total estimated costs for 18/19 are made up of two parts – readiness costs and operating costs. The readiness costs are estimated at £1.4m and will be covered by SG. An allocation will be made to NSS for this.

With regard to operating costs, given that Boards would be liable for clinical waste services and costs, SG have stipulated that NSS should apportion the operating cost element across all Boards that had contracts in place with HES. NSS are to recover these funds from Boards via payment on behalf – current estimate is £9.9m until 31st March 2019.

Due to the nature of contingency arrangements, with waste being transferred significant distances for disposal, and the requirement to invest in new facilities and consumables, the costs are significantly higher than previously.

### 18/19 Costs (Contingency operating costs)

Contingency operating costs include waste collection, consolidation at transfer stations, transportation to disposal sites, waste treatment, disposal, incineration, packaging and bins. There are also specific services to certain Boards (e.g. washroom services) where costs have been allocated to those boards only.

Costs are estimated, as volumes are not yet clear due to the level of backlog waste. However, for planning purposes estimated costs have been established, with an NRAC share applied to Boards. National Boards have also been allocated a cost based on their previous percentage share of HES costs. The table below gives an indication of costs to be recharged to Boards for the period December 18 to March 2019.

# Clinical Waste Contingency

Health Board	18/19 Contingency Cost £000
Ayrshire & Arran	818
Borders	158
Fife	511
Greater Glasgow & Clyde	2468
Highland	784
Lanarkshire	1364
Grampian	842
Orkney	36
Lothian	1112
Tayside	589
Forth Valley	507
Western Isles	49
Dumfries & Galloway	329
Shetland	37
Golden Jubilee	289
State Hospital (minimal)	3
NSS	63
<b>TOTAL</b>	<b>9960</b>

The £9.9m contingency cost compares to the normal cost of service provision for the same period of circa £2.7m. The additional cost to Boards of the contingency arrangement is therefore estimated at **£7.3m**.

NSS will provide a further update on expected costs by the 21 February 19 and will arrange a payment on behalf transfer from Boards in March.

Indications are that contingency arrangements will remain in place until at least June 2019, as there is a 20 week implementation period for the new contractor once the contract has been signed. This will result in a further payment on behalf transfer in 19/20 for additional contingency costs.

## 19/20 Costs (New Contract)

Preferred bidder status for the new contract for Clinical Waste is to Tradebe Healthcare with the Services due to commence in June 2019 at the earliest. This is subject to the implementation period mentioned above. There were two Lots included in the tender, Lot 1 Healthcare Waste Service and Lot 2 Reusable Container Services. NP are only awarding Lot 1 at present with the annual value of the contract estimated at **£11.54m**, based on requirements provided by Health Boards.

When current HES contract rates are compared to the new contract rates a small marginal saving of £48k can be evidenced across NHS Scotland. The new contract is therefore effectively cost neutral to Boards. Responsibility for all purchase orders and supplier payments will revert to Boards at this point.

## Contact

For any further queries, email [NSS.wastecontingency@nhs.net](mailto:NSS.wastecontingency@nhs.net) or call **0131 334 1888**.

**B/19/03**

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

## **Chief Executive's Update**

### **1 Context**

The last two months have been extremely busy covering a broad range of NSS activity including supporting significant contingency issues across NHSScotland as well as developing our Strategy and ensuring effective operational performance over the busy Christmas period. Focus continues on the Cabinet Secretary's key priorities on waiting times, mental health and integration and we remain engaged on a broad range of areas on the overall reform agenda.

Overall we remain on track to achieve our financial, operational and great place to work targets for the year. Service delivery over Christmas and New Year was good, particularly from Logistics and SNBTS, meeting our customer requirements.

Our support on a range of contingency issues has continued. Brexit and Clinical Waste have been ongoing over the last two months and since January we have been providing support to Scottish Government and Greater Glasgow and Clyde around the infection control issues at the QUEH. Waste contingency planning is now generally working effectively and we are involved with the new supplier in agreeing the final contract and trying to support staff made redundant by Healthcare Environmental Services (HES), the previous incumbent. Our engagement in Brexit planning is increasing, being driven by the potential of no deal. Irrespective of any settlement which may emerge, given the timelines, much of the planning has to be considered on the basis of no deal as waiting for any settlement would make it too late to implement our plans. HPS and HFS are increasingly involved in supporting GG&C and Scottish Government on the fungal infection issues which have had significant media profile over the last 2-3 weeks. HFS is providing support around the physical infrastructure and water and air handling systems, while HPS continue to provide epidemiological data and technical support/advice. This level of activity on top of our business as usual is putting strain on resources and we are taking care to manage this effectively.

Our Strategy development, particularly engagement with stakeholders, has continued and feedback from this will form part of today's meeting. Initial feedback suggests overall support for our general direction of travel. Budget preparation is underway and the current position again looks challenging over the next 5 years. There is still detailed work to be completed but an overview will be provided today with follow up at the Finance, Procurement and Performance Committee.

The EMT generally have been working hard to engage with stakeholders across our broad range of activities which is providing both positive feedback on our general services and opportunities to provide support in a range of areas in the Reform Agenda, Primary Care, Medicines and Digital. Focus continues on key initiatives such as Public Health Scotland, the recently published Screening Review and the implementation of key digital programmes such as Office 365.

National Boards collaboration continues but is struggling for real momentum. Lastly, the current recruitment round for the EMT vacancies has moved forward successfully and we will have a full team in place by May 2019.

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

### NHSS Approach

The overall reform programme will now be running in tandem with the Cabinet Secretary's priorities. NSS is supporting these priorities and details of our activities are part of the Strategy document issued for today's meeting. The Regional and National discussion documents have not yet been published although much of the activity, particularly with the Nationals, is already being implemented. In our case this would cover areas such as clinical shared services. Focus remains on financial sustainability and SG are looking to work with National Boards to help address some of these challenges particularly with Boards who know they are going to be in deficit. Overall NSS continues to support the regions through a range of our services including ISD, HFS and Digital.

### Public Health

The establishment of Public Health Scotland continues with the formal vesting date of 1<sup>st</sup> December 2019. Chair and Chief Executive recruitment is underway but appointments are not expected until the Spring or early Summer. There is a clear expectation that NSS will provide the broad range of shared services to PHS but the exact nature of the requirement is being worked out by the PHS Development Team. Through a range of work programmes they are establishing what type of services they require and also considering what is both value for money and affordable to the new organisation given its budget. Work in this area is being led by Mary Morgan, Carolyn Low and Jacqui Jones from NSS as well as colleagues from Health Scotland. Phil Couser and the PHI Team are also fully engaged in the process. The establishment of effective shared services is essential for Public Health Scotland and also being seen as the barometer that this type of shared service can be provided more generally in NHSScotland. It is likely some Health Scotland staff will transfer to NSS. We are also in detailed discussions about funding allocations between the two organisations and expect this to progress appropriately. There is still significant work to be done to ensure the 1<sup>st</sup> December date is met but we are fully engaged through the SG Team and PHI to try and make sure this happens.

### National Board Collaboration

National Board collaboration around the original plan continues but overall progress is slow. The priority around waiting times, mental health and integration has to a degree superseded collaboration and there is little progress beyond current activity. A draft governance proposal has been put forward which would cover areas of collaboration and generally this is a sensible document which will be shared for comment with Audit Scotland. The £15m savings target will not be achieved this year and permission has been given to carry forward £2.7m into next year. This is helpful in the short term but simply makes the achievement of next year's target even more challenging. Currently we lack a vision for what future collaboration between National Boards will look like and savings delivered through collaboration are currently very small and plans in place through the likes of the target operating model work will not deliver what is required. The majority of savings to date are being delivered by individual Board contributions but this is feeling increasingly inequitable as two of the larger Boards have either contributed nothing or significantly below their percentage allocation leaving the slack to be picked up by the remainder. This is not an appropriate position to go into next year and already our allocation of the £15m from SG to NSS is higher than I would accept if it is to be divided on an equitable basis. There are further workshops planned between National Board Chief Executives and I believe it is important we develop a clear direction of travel to address the current challenge.

### **3 Performance Summary**

#### Finance/Operations/People

Overall performance for the first 9 months is generally on track. Delivery against our operational plan is above 90% and we continue to forecast a financial break even with a slight surplus at present. A number of issues in regards to SG allocations and funding have been resolved giving more certainty on the year end outlook.

Sickness absence levels are slightly above target at 4.08%. Focus continues particularly in PCF where long term absence remains a challenge.

#### eHealth

Our action plan on eHealth Finance issues is being fully implemented and will be reviewed through Finance, Procurement and Performance Committee. Currently it remains fully on track.

#### Resource Allocation Process

The annual RAM process is well underway with stage 2 meetings taking place for the larger SBUs. It is clear there is significant financial challenge at SBU level to deliver the 5% CRES we require. It is unlikely that all SBUs will balance on this basis and we will require cross NSS initiatives to achieve financial balance next year and more challengingly in future years. We have received funding for some of next year's pay award which will be helpful but the position remains difficult. Details of our current position will be presented this morning.

#### CHI/GPIT and Office 365

The implementation of Office 365 is increasing pace. Meetings will be concluded with all Boards by the end of March to understand their current status and allow the development of a full implementation plan with a key focus on risk, benefits delivery and potential capital implications of needing to update hardware so it is compliant with 365. The programme is currently on track but is subject to significant review though a range of governance groups particularly Chief Executives. CHI and GPIT were both given final approval by the Digital Health and Social Care Strategic Portfolio Board at the end of December and are now into full implementation. I received the appropriate Letter of Comfort from Scottish Government in regards to funding for both of these projects allowing NSS to proceed with implementation. Governance arrangements have been agreed and are being put in place and the projects are both building momentum. The contracts for GPIT will be approved by the end of January 2019.

I presented to the NES Board along with Lorna Ramsay and had a very constructive discussion. Relationships with the NES Digital Agency continue to develop with increasing clarity around areas of responsibility. The Digital Health and Social Care Strategic Portfolio Board met again last week and there is a clear understanding of the need for appropriate governance around the 6 elements of the Health and Social Care Digital Strategy. NSS is likely to have a significant role in a number of these. In addition, I anticipate NSS having a broader role in supporting NHSScotland in Cyber Security. Under Deryck's leadership we are investing in our own capability and see this as a broader offering to support NHSS.

### **4 Key Issues**

Current key operational issues are as follows:

Senior Management Roles – I am pleased to confirm that Jacqui Reilly has been appointed as Nurse Director and that Martin Bell has accepted the role of Director of P&CFS replacing David Knowles who retires at the end of March. An offer has been made to an external candidate to become Director of SNBTS. This has been verbally accepted and would hope to conclude the necessary due diligence over the next 2-3 weeks. On the

basis this appointment concludes as anticipated, the EMT will be fully staffed with permanent appointments by mid-May.

Appointments have been made to the Chief Executive roles in the State Hospital, Highland and Tayside with Grampian and Borders still to be concluded.

Brexit – Brexit contingency planning is increasing in scale covering a broad spectrum of supply chain activity. NSS, particularly National Procurement, is becoming a focal point to this. Key issues include additional stocking for the NDC, supporting Health Boards for direct supply contracts and linking into Scottish and UK Governments around access to national contingency stocks for medical devices, clinical consumables and medicines. In addition, NP staff are involved in work on food, transport, fuel and home oxygen. It is hoped with planning that these latter areas will not become significant issues but overall there is a lack of certainty.

NSS has committed significant cost to the process so far but is anticipated being funded by Scottish Government although the increasing workload on a limited number of appropriate staff is a potential issue. It may be necessary to bring in additional resource to support either in the event of a no deal or significant further delay in a final decision. NSS role is highly valued by colleagues in Scottish Government and we will continue to be central to this planning process including working with Territorial Boards to try to minimise any potential impact.

Screening Review – A National Screening Review, approved by Scottish Government, has just been published. This review resulted from a number of screening issues, including the breast screening concerns which drove the HIS review of NSS in 2016. The major finding is the requirement to have an Operational Oversight Team who would have overall responsibility for the delivery of screening services. A number of organisations have been identified to deliver this service including NSS. A final decision will be made by the Minister and NSS will continue to engage actively in the process.

Clinical Waste – Following the collapse of Healthcare Environmental Services, who delivered clinical waste services to the vast majority of NHSScotland, NSS has been running the contingency service which has been put in place. With the support of Health Boards and a range of contractors, this is now generally working effectively with central co-ordination through the NSS Team. Collection of waste is being managed effectively and within legislative requirements and has included dealing with significant backlogs in Boards as a result of the difficulties with HES. The cost of the contingency is currently being reconciled with existing costs and the final outcome will be agreed with Boards and SG in due course. Martin Bell and the team have done an excellent job in dealing with this complex situation and ensuring no impact on patient care in both primary and secondary. We are close to concluding a contract with the preferred bidder for the new clinical waste contract which will cover all of Scotland. We are also working with this new supplier to see what support can be provided to staff made redundant by HES. This work is ongoing and will pick up momentum once the contract is signed. Implementation of the new contract will take 4-5 months therefore the contingency will remain in place until the summer.

Bridge View – The Marischal Square building opened on 3<sup>rd</sup> December. I visited the site in early January and with the exception of some teething problems with the heating, everything is working effectively. Staff generally seem to be happy with the building and are addressing the differing travel challenges presented. Overall this is a very positive step forward for NSS in Aberdeen.

## **5 Next Steps**

- Developing strategic direction following February Board
- Primary Care Support offering

- Deliver recommendations and actions from eHealth reports
- Continue to implement key Digital Programmes and governance around the Health and Social Care Digital Strategy
- Complete operational, financial and workforce planning for 19/20 and beyond
- Develop Shared Services proposition for Public Health Scotland
- Continue to manage NHSScotland waste management requirements
- Brexit preparation

**COLIN SINCLAIR**  
**January 2019**

## NSS FORMAL BOARD ACTION LIST 2018-2019



CLOSED

<b>B/19/05</b>
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Ref Item	Action	Responsible	Deadline	Status
FROM 2 NOVEMBER 2018 MEETING				
1.2	<b>Appointment of new Medical Director</b> E Ireland to transmit letter to SG re Dr Ramsay's appointment to the Board.	E Ireland	Immediate	Complete.
2.3	<b>Protecting Vulnerable Groups (PVG) Scheme</b> Ms Stewart to make the necessary arrangements with Board members once the outcome of the consultation "PVG Scheme Membership for Members of Boards of Health Bodies" had been received. This would clarify whether it was all health boards or only those who were patient facing.	A Stewart	Future meeting	KN added to forward programme. Update – outcome from recent Scottish Government consultation still currently awaited. To be revisited once consultation outcomes are made available.
3.4	<b>CHI and Child Health Programme</b> Prepare position paper for formal ratification of decision at NSS Finance, Procurement and Performance or NSS Audit and Risk Committee.	C Sinclair	FPPC 23.11.18	[CS 11.11.18] Paper to be discussed in CIC session at FPPC meeting on 23.11.18.
4.	<b><u>Digital Health and Care Strategy</u></b>			
4.6	Highlight the need for regular reporting from the Strategic Portfolio Board into the Transformational Change Programme Board to ensure effective governance.	E Ireland / C Lamb	Immediate	
4.11	Include NES Digital Services as standing item on future NSS Board Agendas to review progress and opportunities for further collaboration between NES and NSS.	E Ireland	Future Board Mtgs.	[CJL] Added to the Forward Programme for all NSS Public Board meetings.
4.12	Articulate risk and mitigation around some of the messaging to staff on Digital Strategy activity. Ensure NSS had the necessary capability to enable it to actively support the development of Vision and be part of it. Provide a clinical perspective on Vision.	C Sinclair / D Mitchelson/ L Ramsay	November EMT Review Brief Staff December	
6.5	<b>NSS Strategy</b> Next iteration of the NSS Strategy paper to include more detail (e.g. financial framework, workforce plans) to underpin strategic approach and how it would fit with objective setting for the Executive Management Team (EMT) and RAM process. Need to think about making it more operational to provide assurance around pillars of governance. Include case studies to assist public understanding. Include cross-cutting themes at February 2019 Board meeting rather than just SBU RAM outcomes.	C Sinclair/EMT	Board – 01.02.19	[CJL] On the Forward Programme for the NSS Board meeting on 01.02.19.



25/01/2019

Ref Item	Action	Responsible	Deadline	Status
7.3	<b>Primary Care</b> Dr Ramsay to provide update report to February 2019 meeting.	L Ramsay	Board – 01.02.19	Dr Alex Stirling will present at formal Board on 01.02.19
9.2	<b>Finance Report</b> Articulate in more detail the position and pressures with regard to the National Boards' Collaboration savings target.	C Low	Board – 01.02.19	
11.2	<b>Biannual Risk Management Update</b> Mr Cant to liaise with Mrs Marion Walker re possible risk workshop for OHSAC.	I Cant	Outwith Board meetings	
	<b><u>Any Other Competent Business</u></b>			
15.2	A Stewart to provide update on progress on new NSS policy on Zero Hours contracts to the next available NSS Staff Governance Committee meeting.	A Stewart	SGC 15.2.19	24.1.19 Update to be provided to next SGC.
15.1	<b>Strategic Risks</b> Add Reputational Risks 5179 (Delay/failure by NSS to deliver new GP IT Managed Services) and 5114 (UK Infected Blood (Langstaff) Inquiry) to the strategic 'watch-list'.	M Bell	November 2018	[MW 13.11.18] Completed.
15.1	<b>GP IT Re-Provisioning Project</b> Submit comments on the business case to C Low (cc others in) by 09.11.18. CL would then provide a summation of the position reached.	ALL / C Low	09.11.18	
<b>FROM 7 SEPTEMBER 2018 MEETING</b>				
4.4	<b>Trinity Park Foundation (TPF)</b> Circulate interim update on TPF to Board Members.	C Low	End of November 2018	This item has been completed. KN provided update on behalf of TPF Chair Mark McDavid outwith meeting cycle.



# NSS Draft Strategy 2019-2024

01.02.19

Summary  
overview.

**Colin Sinclair**  
Chief Executive, NSS

# Introduction

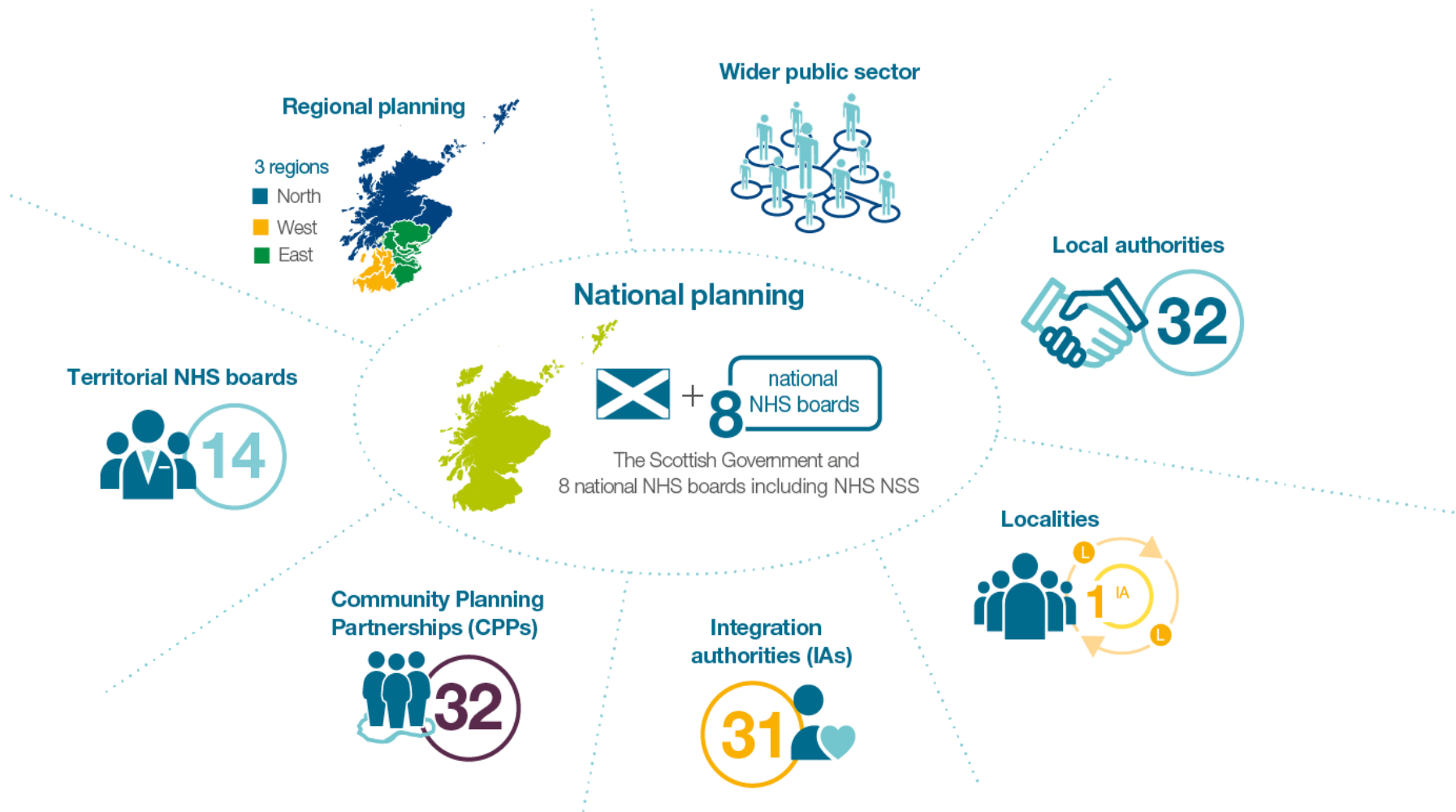
## What we'll cover today

- Strategy overview
- Strategy feedback
- Operational delivery
- Finance plan
- The kind of organisation we want to be – workforce
- Board considerations
- Approval timeline

# **NSS Strategy 2019-2024**

## **Overview**

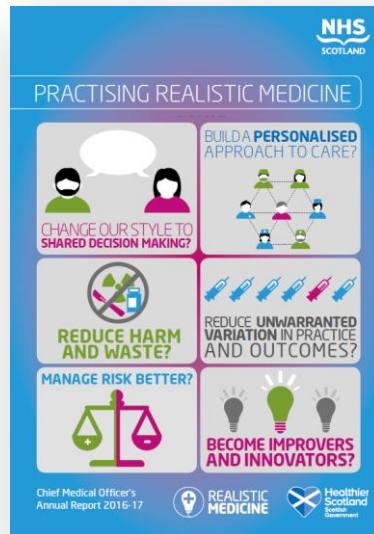
# The NSS operating landscape



# Scotland's health and care priorities



Enabling the people of Scotland to live longer, healthier lives at home or in a homely setting.



Ensuring everyone who provides healthcare in Scotland is able to demonstrate their professionalism.



Helping Scotland to become a more successful country by increasing the wellbeing of people and creating opportunities for everyone who lives here.



Taking the actions needed to shift NHSScotland towards long-term, fundamental change and securing its future.

# NHSScotland's immediate priorities

We will use our national capability to support the achievement of the Cabinet Secretary for Health and Sport's priorities on mental health, waiting times and health and social care integration.




# Supporting the delivery of the Cabinet Secretary's priorities

WAITING TIMES	MENTAL HEALTH	INTEGRATION
<ul style="list-style-type: none"> <li>• Providing additional data and intelligence support to the 30 month plan.</li> <li>• Working with CivTech to develop an augmented intelligence solution for the management of waiting times.</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting the Children's and Young People's Mental Health Taskforce.</li> <li>• Developing a 'conversational' artificial intelligence (AI) app to support young people with mental health challenges.</li> <li>• Supporting adults with learning disabilities who need medium secure mental health support.</li> <li>• Established a community based outreach programme for people with sensory impaired mental health issues.</li> <li>• Developing a specialist in-patient child and adolescent mental health service.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Intelligence Support Team (LIST) continues to support health and social care partnerships.</li> <li>• Progressing activity and support for linking health and social care data.</li> <li>• Managing the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) for Integration Authorities.</li> <li>• Provision of the SCI Gateway platform that supports clinicians with referrals, advice requests and clinical dialogue.</li> </ul>



# Our purpose



**“ We provide national solutions to improve the health and wellbeing of the people of Scotland”**

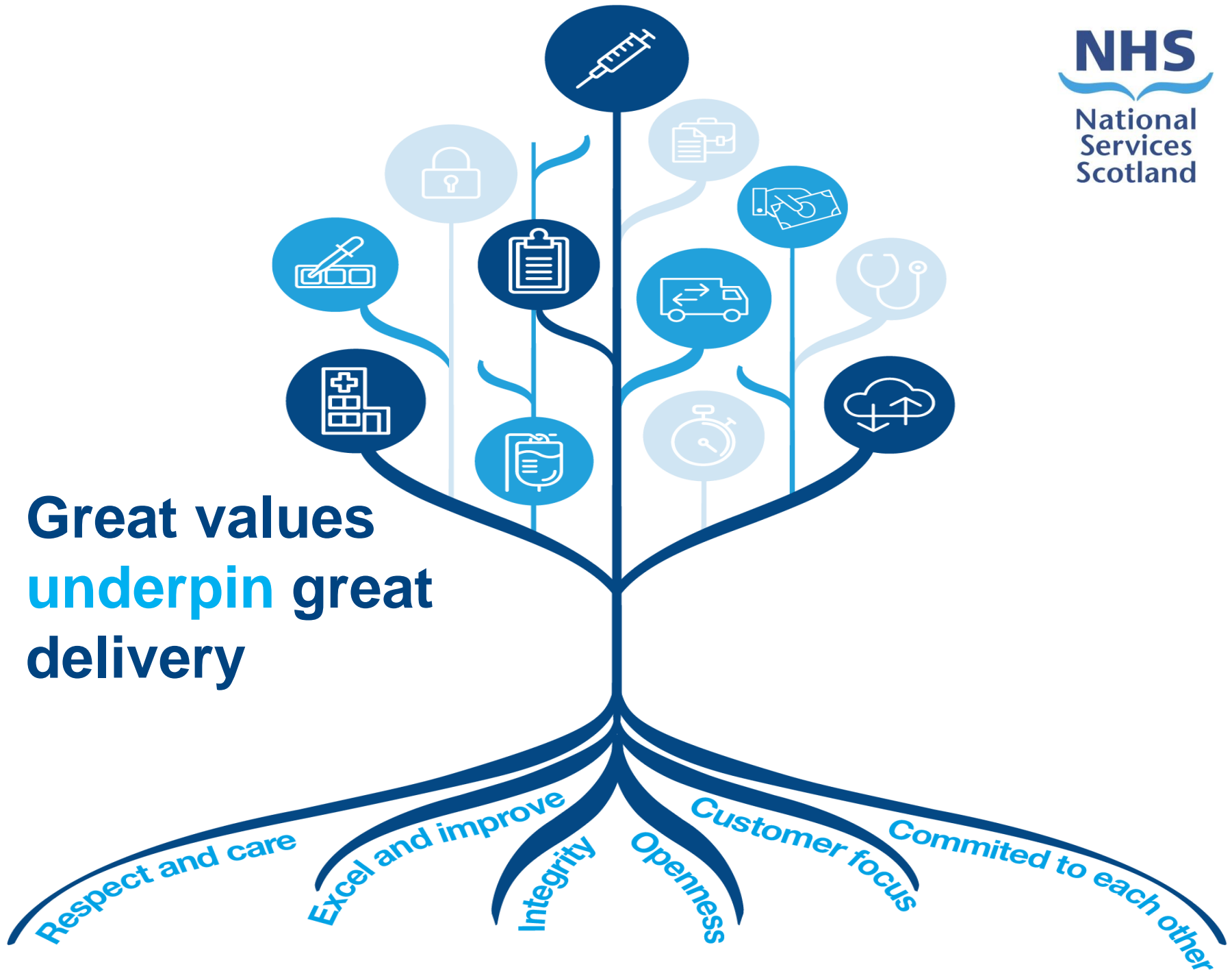
# Our vision

## To be integral to a world-leading health and care service

We want the people of Scotland to have the best possible health and care service in the world. We know we can play an important role in making this a reality for them.

Over the next five years we will support the change that is needed across health and care, while also reforming our services so they remain integral to the ongoing success of NHSScotland and the wider health and care landscape.





# Our approach

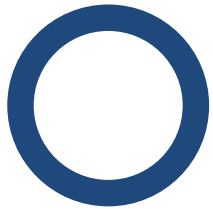


## Our approach defines where our stakeholders need us to prioritise our efforts:

1. Enabling health and care transformation with new services.
2. Underpinning NHSScotland with operationally excellent services.
3. Assisting other organisations involved in health and care.

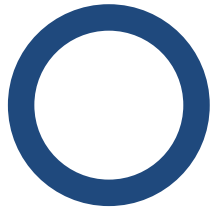
# Enabling health and care transformation with new services

Our attention for the next 5 years is on harnessing the wide ranging skills and expertise NSS has to deliver national infrastructure solutions and services that create better care, better health and better value for Scotland.



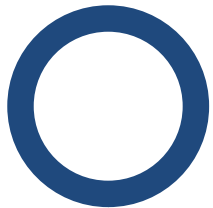
## **Primary and community care**

We are supporting primary care reform in conjunction with Scottish Government, other national boards and primary care services.



## **Medicines**

We will support the introduction of new treatments, develop the use of genomics and cellular therapies and help improve prescribing pathways.



## **Public Health Scotland**

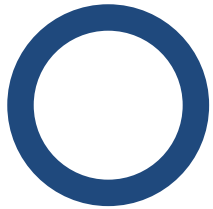
We will ensure the smooth and successful transition of ISD Scotland and HPS to the new body and co-create a corporate services solution.

# Enabling health and care transformation with new services



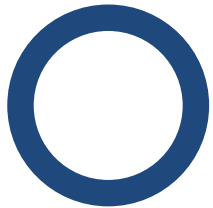
## **Health and care infrastructure**

We will drive NHSScotland sustainability and value through national infrastructure solutions in information technology, estates and distribution.



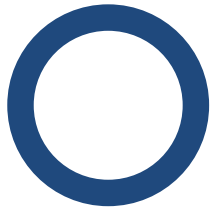
## **Transformation, innovation and integration**

We will support stakeholders and partners in SG, territorial health boards, regions and integration authorities to deliver change.



## **Digital and data**

We will enable the delivery of service transformation by using our national data sets and architecture to turn ideas into practical digital-first solutions.



## **National Board Collaboration**

We will work with our National Board partners to further improve the quality, value and efficiency of national services.

# Underpinning NHS Scotland with operationally excellent services

NSS provides core national infrastructure across our broad range of activities which enables national insight and local decision making



# Underpinning NHSScotland with operationally excellent services





# Better health



The Scottish National Blood Transfusion Service will continue to supply safe and sustainable blood, tissue and cell therapy products and lead in the development of Advanced Therapy Medicinal Products.



Health Protection Scotland will continue to protect the health and wellbeing of the people of Scotland from infectious and environmental hazards. We will ensure a smooth transition to Public Health Scotland.



National Services Division will continue to commission a range of services, networks and screening services as well as co-ordinating national planning arrangements.

# Better care



Health Facilities Scotland will utilise its expertise to develop the national approach to infrastructure management, stewardship of the national facilities agenda and improve environmental sustainability.



Practitioner services will automate and transform the primary care payments services to improve experience and efficiency and provide better data to inform primary care practitioners.



Digital services will build our digital and security capabilities to ensure health boards and health and social care partnerships are able to function efficiently and safely.



Information Services Division will provide joined up data and intelligence to the public, professionals and public bodies. We will ensure a smooth transition to Public Health Scotland.

# Better value



National Procurement will ensure best value in our procurement and supply chain service for NHSScotland and will continue to underpin vaccine programmes and patient access schemes.



Counter Fraud Services will help NHSScotland achieve savings by deterring and detecting crime and will prioritising resources through our Strategic Intelligence Assessment.



The Central Legal Office will continue to provide high quality legal services in relation to litigation, employment, property and commercial contracts.



Programme Management Services will provide a flexible and scaleable approach to service transformation and portfolio, programme and project management.

# Assisting other organisations involved in health and care

By connecting with partners and stakeholders in other organisations involved in health and care, we can ensure our services support national, regional and local initiatives.

Our main engagement focus is with:

- Local Government
- Third Sector
- Emergency Services



# **NSS Strategy 2019-2024**

## **Feedback**

# Scottish Government

“It describes what you do not what you want to be.”

“Ensuring a strong primary care focus from March to June is important as plan and direction is developed – analytical support will be a priority.”

“Delivering shared services is important and if Public Health Scotland is done well it could present wider opportunities in the public sector.”

“NSS, working with HIS, can play a key role in facilitating change.”

“You are already integral, how are you going to capitalise on this?”

“Keen for NSS to work with other National Boards on switching balance and bringing new thinking.”

“NSS still needs to be ready to deliver support to projects and Boards that may find themselves in difficulty.”

# Scottish Government

“What are you going to do to deliver this Strategy?”

“SPIRE, GPIT and CHI will be key areas of NSS support for primary care, community services and integration.”

“NSS is trusted, valued and delivers.”

“NSS role and expertise in screening will be vitally important going forward and needs to be mentioned.”

“NSS will have a key role in the provision of national planning and programme management services to support the management of change.”

“New integration plan, which is to be published 23<sup>rd</sup> January, needs to be considered.”

“NSS needs to do more to engage with Integration Joint Boards and could play a role in shifting balancing and building trust between NHS and Social Care.”

# Chief Professional Officers

“Liked the focus on a more joined up approach to key health and care challenges.”

“Impressed with some of the work done in areas such as dentistry to reduce waste and ensure a sustainable service, where else can this be applied.”

“Would like to understand how NSS can use its data more to help identify and address unwarranted variation and waste..”

“Helps us recognise the breadth and depth of NSS, but still challenging to understand what you do.”



# Health Boards

“Will the audience fully understand what you mean by solutions and infrastructure without being clear what your current core activity is?”

“Beyond the services NSS provide I was looking for strong references to transformation and to working with Regions and Digital. I think that the document has references to both although the Regional reference could be stronger.”

“There is a clear section on National Boards collaboration and I wonder if it would be appropriate to develop this to include Regional activity.”

“The document may read much better if you bring the underpin element to the front, so customers and stakeholders are clear what you mean by infrastructure and what NSS services are.”

# Clinical Directorate

“There is benefit, in terms of speaking to key partners in this document, in emphasising ‘social’ care (i.e. not just care) at times, especially in relation to integration.”

“ATMP is classed in 3 areas and NSS (SNBTS) is only involved in one of these, which is cellular derived medicines- this should therefore be the term used as we are not doing it all.”

“The introduction and multiple references to NHSScotland could be more in step with current H&SC integration language – we need to be seen as context current and have a clear vision articulated in that context.”

“There is no explicit reference to innovation - the importance of this is being more widely recognised, as well as the potential role of NSS in supporting a more joined up approach.”

“Important to have the third and independent sector referred to in this document.”

# **NSS Strategy 2019-2024**

## **Operational delivery**

# Progress against FY19 actions

Actions	Update
Support the creation of a new public health body	Supporting multiple commissions and project initiation documents (PIDs). Creating new corporate shared services offering.
Develop the transformation support service	New director appointed, stakeholder feedback received on where to focus and team being created.
Collaborate in the delivery of the National Board's Delivery Plan	Delivery Plan being implemented but mainly on a Board by Board basis. Overall collaboration is still a work in progress.
Deliver further phase of digital transformation	Developments include the following. Development of digital platform and secure sustainable web platform. New websites and transactional services created, e.g. Prescription Tracker and service transformation focus supporting the introduction of voice recognition and a documentation storage portal in CLO. Digital workplace model. NSS data including propositions for data as a service, data virtualisation, transforming publications and open data.
Deliver staff development and leadership programme	Introduced new programmes for line managers and current/future leaders, re-launched NSS values and further roll out of eLearning.
Develop new business delivery models within tight financial settlement	Examples include SPIRE, Blood Banking, Infected Blood Payment Scheme, PACS and National Planning.

# SWOT analysis

## Strengths

- Track record of delivery and demonstration of ability to step in and help when required
- Size, breadth and scale
- Willingness to help others

## Weaknesses

- Authority and investment
- Financial constraints
- Lack of public visibility / interest
- Limited influence

## Opportunities

- Once for Scotland
- Digital and data as an enabler to support transformation
- National boards' collaboration
- Clinical engagement
- Rescue service

## Threats

- Cultural resistance and pace of change
- Magnitude of 'ask' but uncertain future environment
- Imbalance between national, regional and local transformation

# Overview - 5 Year Strategy

**Vision: To be integral to a world-leading health and care service**

## GAP Analysis

- People skilled for digital service delivery
- True collaboration with National Boards
- Better use of wealth of data across NSS
- Ability to influence across a broad stakeholder base and emerging priorities

## Current Situation

- Well positioned
- Strong reputation
- Strengthened customer relationships

**23/24  
Transformation  
culturally  
embedded**

### **Actions in 2023/24**

- Ability to demonstrate benefits of service offerings delivering joined up NSS service to the benefit of health and care.
- Collaborative working intrinsic

**22/23  
Transformation  
culturally  
embedded**

### **Actions in 2022/23**

- Nationals business model delivering effective support services
- Collaborative working intrinsic
- Review NSS impact on service transformation to highlight where we make a difference.

**21 / 22  
Supporting  
transformation  
demonstrating  
value add**

### **Actions in 2021/22**

- Embedded as an intrinsic partner in transformation activities
- Continued to deliver high quality services to an integrated health and care system
- Continue to develop solutions underpinning national digital platform where appropriate for us to do so.

**20 / 21  
Transformation  
underpinned by  
digitisation**

### **Actions in 2020/21:**

- Continue to focus on digital enablement across health and social care where our capabilities support this.
- Service offerings demonstrating co-ordinated effort from NSS services drives benefit.
- Enhance service transformation through specific service solutions to support health and care
- Optimise to support transition to national digital platform.

**19 / 20  
Effective  
support for  
transformation**

### **Actions in 2019/20:**

- National Boards supporting health and care transition and improving quality, value and efficiency of national services
- Support the establishment of Public Health Scotland, including a smooth transition of services and staff
- Scope service transformation through specific propositions to support better health, better care, better value
- Develop new business models to support delivery within a tight financial settlement
- Transform into a digital first organisation: internally - improved collaboration and process efficiencies; externally - data lake, cloud first, major system upgrades to support primary and secondary care and cyber security focus

# SBU top 3 priorities

<b>P&amp;CFS</b>	<ul style="list-style-type: none"><li>• Continue to automate transactions with primary care contractors</li><li>• Work with SG and professional bodies to digitise prescribing</li><li>• Implement new technology in medical services - CHI, GPIT, GP2GP</li></ul>
<b>PHI</b>	<ul style="list-style-type: none"><li>• Using intelligence to support the delivery of the Cab Sec priorities</li><li>• Health protection transformation programme</li><li>• Developing whole system modelling capability</li></ul>
<b>PCF</b>	<ul style="list-style-type: none"><li>• Support the strategic development of a national infrastructure resource</li><li>• Support delivery of major trauma centres and national planning</li><li>• Ensure critical front line supplies are maintained post-EU exit</li></ul>
<b>CD</b>	<ul style="list-style-type: none"><li>• Aligning activity with the approaches, behaviour and attitudes of Realistic Medicine and on delivering triple value.</li><li>• Increase clinical leadership and engagement, focusing on strategic themes (including primary care, medicines, data and clinical services transformation).</li><li>• Achieve a next level of maturity across NSS on clinical assurance and quality improvement, increasing our RDI impact in support of health and social care.</li></ul>

# SBU top 3 priorities

<b>SNBTS</b>	<ul style="list-style-type: none"><li>• Support adoption of next generation advanced therapy products</li><li>• Provide tailored support to ensure the sustainability of blood banking</li><li>• Roll out electronic blood management solutions, e.g. SMART blood fridges</li></ul>
<b>CLO</b>	<ul style="list-style-type: none"><li>• Transform our service through better utilisation of technology</li><li>• Liaise with SG and other national groups, e.g. Scottish Property Advisory Group</li><li>• Continue to deliver very high levels of satisfaction for our clients</li></ul>
<b>Digital</b>	<ul style="list-style-type: none"><li>• Secure digital information and data assets through a cyber security programme</li><li>• Enable efficiencies through digital transformation and a cloud first approach</li><li>• Improve services through national IT programmes, e.g. Office 365, CHI &amp; GPIT</li></ul>
<b>SP&amp;ST</b>	<ul style="list-style-type: none"><li>• Move PGMS to a CLO-style (self funded) business model</li><li>• Launch a transformation support service for health and care</li><li>• Ensure the successful delivery of key national programmes, e.g. Labs</li></ul>



# Service delivery planning

Services	Strategic Intent	Rationale	Potential to Increase HI	Potential to Increase FI
Blood, Tissues & Cells	Disinvest	Modernisation	Medium	Medium
Information & Intelligence	Maintain	Quality service	High	Medium
Health Protection	Maintain	Health & well-being	High	Low
Information Technology	Invest	Digital and security	Medium	High
Legal	Self funding	Quality service	Low	Medium
Procurement	Maintain	Efficiency & flexibility	Medium	High
Logistics	Maintain	Efficiency	Low	Medium
Specialist Healthcare Commissioning	Invest	National planning	High	Medium
Facilities	Maintain	National planning	Low	Medium
Primary Care – Support	Invest	Transformation	Medium	Medium
Primary Care – Payments	Disinvest	Modernisation	Low	Medium
Fraud prevention	Maintain	Quality service	Low	High
Programme Management	Self funding	Transformation	Medium	High

# Opportunities and risks

## Opportunities

### Once for Scotland

- Increase our support e.g. resilience/facilities
- Secure data assets through cyber security
- Improve productivity using technology

### National Boards' Collaboration

- Support evaluation and transformation
- Redesign services to be digitally enabled
- Develop a sustainable workforce

### Improving health

- Support National Planning
- Increase Specialist Services to Boards

## Risks

### Brexit

- Uncertain environment
- Potential for increased costs
- Risk of delays

### Political commitment

- Reliance on collaborative solutions
- Tight financial position

### Our impact

- Local and regional diversity
- Distance from the public health agenda
- Struggle to evidence our value add

### Workforce

- Update skills and capabilities
- Workload

# NSS key enabling activities



- Identifying a financially sustainable 2-5 year plan
- Achieving NSS transformation with a digital first focus
- Fully aligning leadership development with NHSScotland
- Creating corporate services for Public Health Scotland
- Re-launching NSS values with all staff

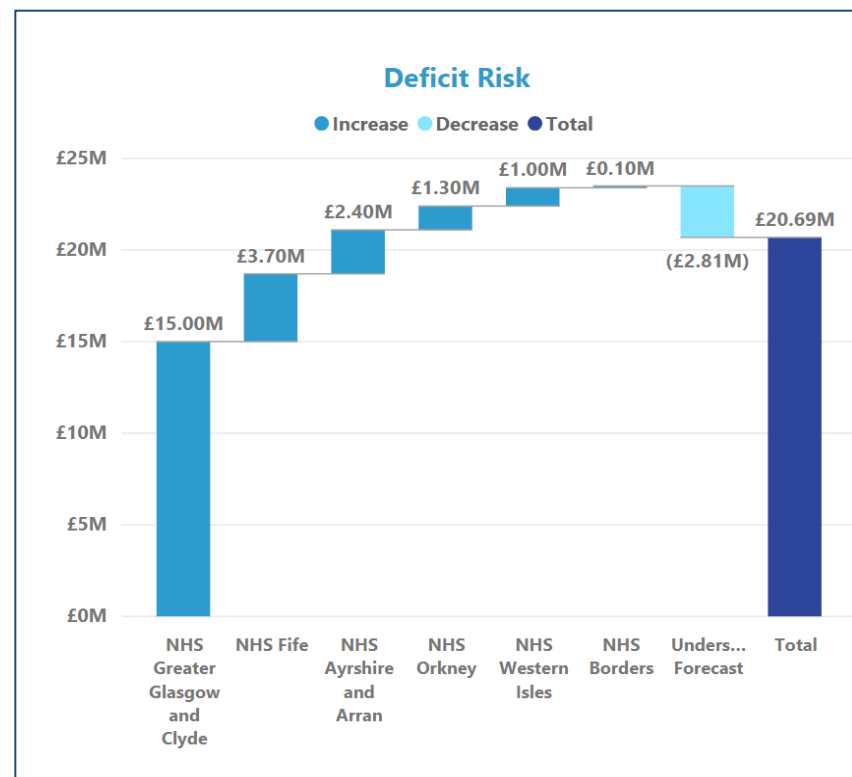
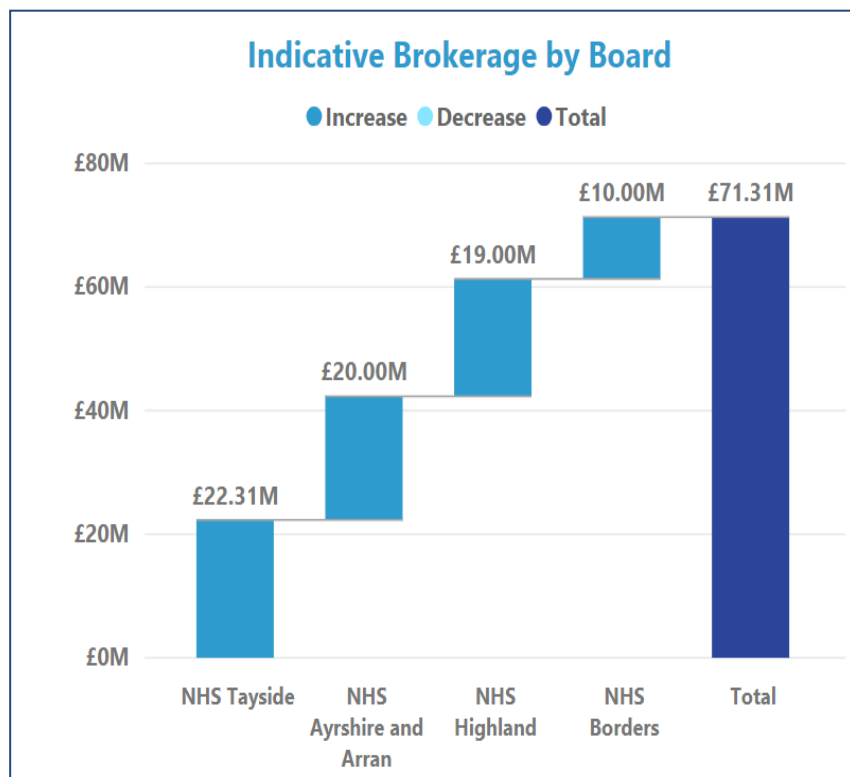
# **NSS Strategy 2019-2024**

## **Finance**

# Our Financial Planning in context

## Current NHS Scotland Financial Performance

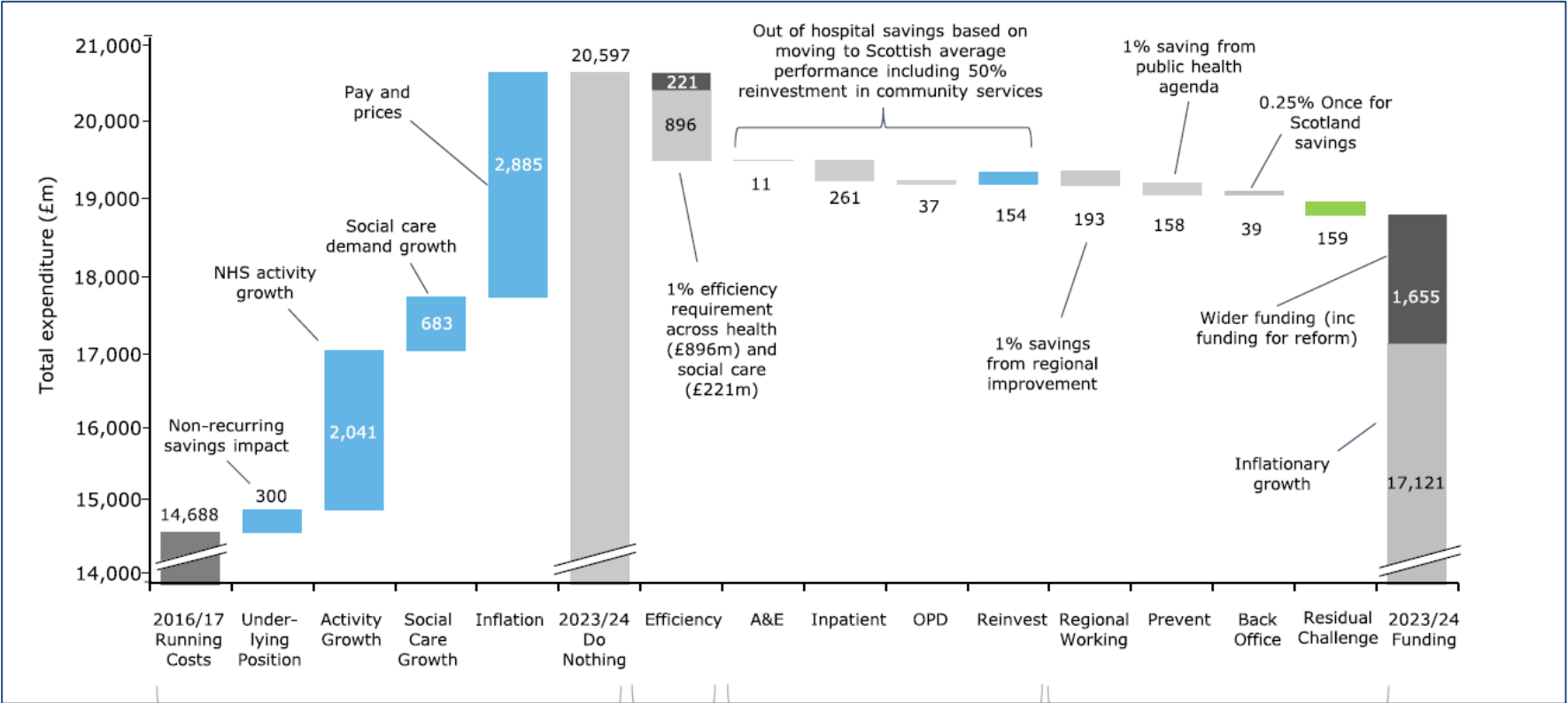
- Month 9 – projected deficit of £92m
- Additional pressures – Brexit, Clinical Waste, Waiting Times Improvement Programme
- Boards in deficit and not supported by brokerage urged to breakeven by end March



# Our Financial Planning in context

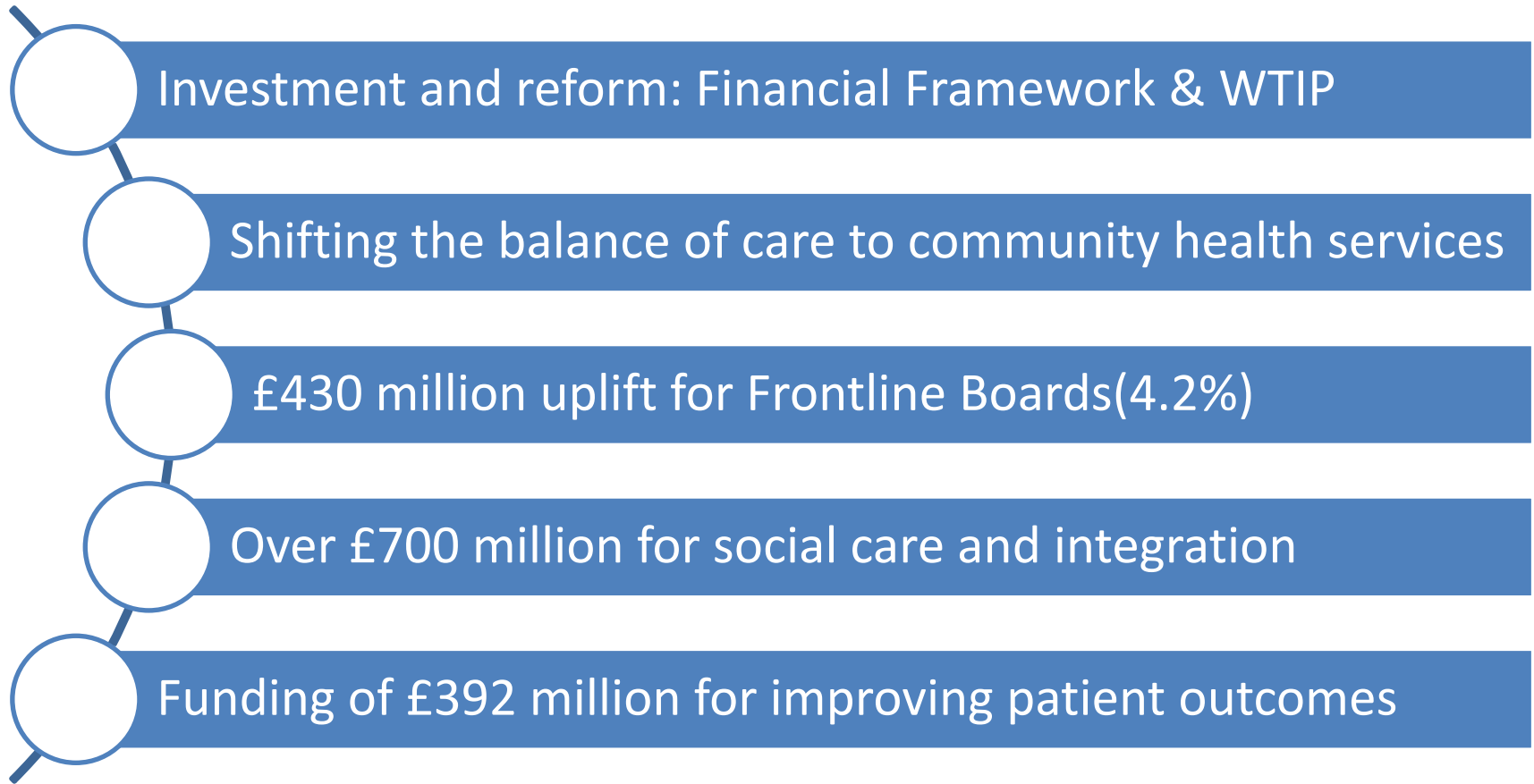
## Financial Framework outlines the challenge

- Price and demand pressures quantified
- System wide assumptions driving benefits from Reform
- Increasing focus on Health & Care
- Residual Challenge of £159m



# 2019-20 Scottish Budget

## Key messages



# Investment in social care and integration

- Investment in social care and integration to exceed £700 million in 2019-20.
- This includes £120 million to transfer to local government for investment in integration and school counselling services.
- Also includes additional £40 million included in local government settlement to for personal care to under 65s and continued implementation of the Carers Act.

Investment in social care and integration		
	2018-19	2019-20
Transfer from Health Portfolio to support social care	355	475
Direct investment in local government to support social care	66	106
NHS Boards investment in integration	130	130
<b>Total investment</b>	<b>551</b>	<b>711</b>



# 2019-20 Additional Funding for Boards

## Territorial Boards Uplift

Total	£266 m	
Comprises:		
Territorial Boards	£243 m	(2.6%)
NRAC	<u>£ 23 m</u>	
<b>Total uplift</b>	<b>£266 m</b>	(2.8%)

## Frontline National Boards Uplift

Total Uplift **£15 m** (Frontline Boards 2% + SAS strategy)

Improving patient Outcomes **£149 m**

Total Frontline Boards Uplift **£430 m** (4.2%)

Non Frontline Boards

£11 m (funding for pay award and NSD uplift)

Total additional funding for Boards **£441 m**

# 2019-20 Additional Funding for Boards

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Total additional funding for Boards **£441 m**

# NSS Financial Plan 2019/20 – 2023/24

## Financial Planning Assumptions

- Awaiting final confirmation from SG including guidance on financial flexibility

	2019/20 Year 1		Degree of Certainty	
	%	£m	Yr 1	Yr 2-5
<b>Funding</b>				
NSS Baseline Uplift	-	-	Green	Yellow
NSD Baseline Uplift	1.5	2.8	Yellow	Yellow
Pay Award uplift	2.0	2.4	Green	Yellow
Recurring contribution to National Boards savings target	4.0	6.7	Yellow	Yellow
Assumed surplus carry forward 18/19	-	-	Yellow	Red
SG additional allocations - fully funded	14.0	99.6	Yellow	Red
<b>Pay</b>				
Pay uplift in 19/20 and 20/21	3.0	3.6	Green	Green
Pay uplift from 21/22 onwards	1.0	1.2	White	Red
Employers Pension Contribution increase (14.9% - 20.9%)	6.0	6.7	Yellow	Yellow

# NSS Financial Plan 2019/20 – 2023/24

## SBU Trading Position

<b>Forecast 5 Year Plan (£'000)</b>						
<b>SBU</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
<b>Central Legal Office</b>	£117	£77	£125	£137	£38	<b>£494</b>
<b>Clinical Directorate</b>	(£6)	(£63)	(£114)	(£160)	(£208)	<b>(£551)</b>
<b>Finance</b>	(£454)	(£528)	(£786)	(£1,030)	(£1,265)	<b>(£4,063)</b>
<b>Human Resources</b>	(£252)	(£498)	(£675)	(£867)	(£1,045)	<b>(£3,337)</b>
<b>IT</b>	(£123)	(£867)	(£1,499)	(£2,035)	(£2,548)	<b>(£7,072)</b>
<b>Practitioner &amp; Counter Fraud Services</b>	(£1,405)	(£3,073)	(£4,792)	(£6,448)	(£8,057)	<b>(£23,775)</b>
<b>Procurement, Commissioning and Facilities Management</b>	(£2,109)	(£3,458)	(£4,395)	(£5,927)	(£7,324)	<b>(£23,213)</b>
<b>SNBTS</b>	(£727)	(£3,023)	(£4,705)	(£6,540)	(£8,290)	<b>(£23,285)</b>
<b>Strategy Performance Service Transformation</b>	£224	(£512)	(£907)	(£1,266)	(£1,586)	<b>(£4,047)</b>
<b>Total</b>	<b>(£4,735)</b>	<b>(£11,945)</b>	<b>(£17,748)</b>	<b>(£24,136)</b>	<b>(£30,285)</b>	<b>(£88,849)</b>
<b>Reserves</b>	£7,708	£12,883	£16,684	£21,423	£25,746	<b>£84,444</b>
<b>Available for Investment</b>	<b>£2,973</b>	<b>£938</b>	<b>(£1,064)</b>	<b>(£2,713)</b>	<b>(£4,539)</b>	<b>(£4,405)</b>

# NSS Financial Plan 2019/20 – 2023/24

## Flexibility to manage Risks and invest in Priorities

### Flexibility

- Contribution to National Boards Collaboration Savings
- 18/19 year end position
- Contingency and Transformation

### Risks

- Clinical Waste
- PHI transition to Public Health Scotland
- Brexit – contingency and price inflation

Revenue Developments	IT	PCF	P&CFS	PHI	SNBTS	TOTAL
SBU Requests	6.0	2.1	0.6	3.5	1.0	13.2
PHI to prioritise developments from retained CRES				(3.5)		(3.5)
IT Priority 3 developments	(3.3)					(3.3)
Possible move to capital funding					(0.6)	(0.6)
Service Transformation bids		(1.0)				(1.0)
Funding brought forward to 1819		(0.1)				(0.1)
Possible other funding sources		(0.2)	(0.1)			(0.3)
<b>Total SBU Requests</b>	<b>2.7</b>	<b>0.8</b>	<b>0.5</b>	<b>0</b>	<b>0.4</b>	<b>4.4</b>
Service Transformation						2.0
PgMS support for internal programmes						1.0
<b>TOTAL</b>						<b>7.4</b>
Funding available for investment						6.6
<b>Shortfall</b>						<b>(0.8)</b>

# NSS Financial Plan 2019/20 – 2023/24

## Potential use of NSS Reserves – 2019/20

### Corporate Costs

Baseline Allocation
Capital Charges
National Boards Savings
Workforce Resource Team
Contingency
Apprenticeship levy
CNORIS
VAT Income
Lease Benefit
<b>TOTAL</b>

Income £m	Expenditure £m
13.5	
	4.6
-6.7	
	1
	1
	0.6
	0.1
0.2	0
0.3	0
<b>7.3</b>	<b>7.3</b>

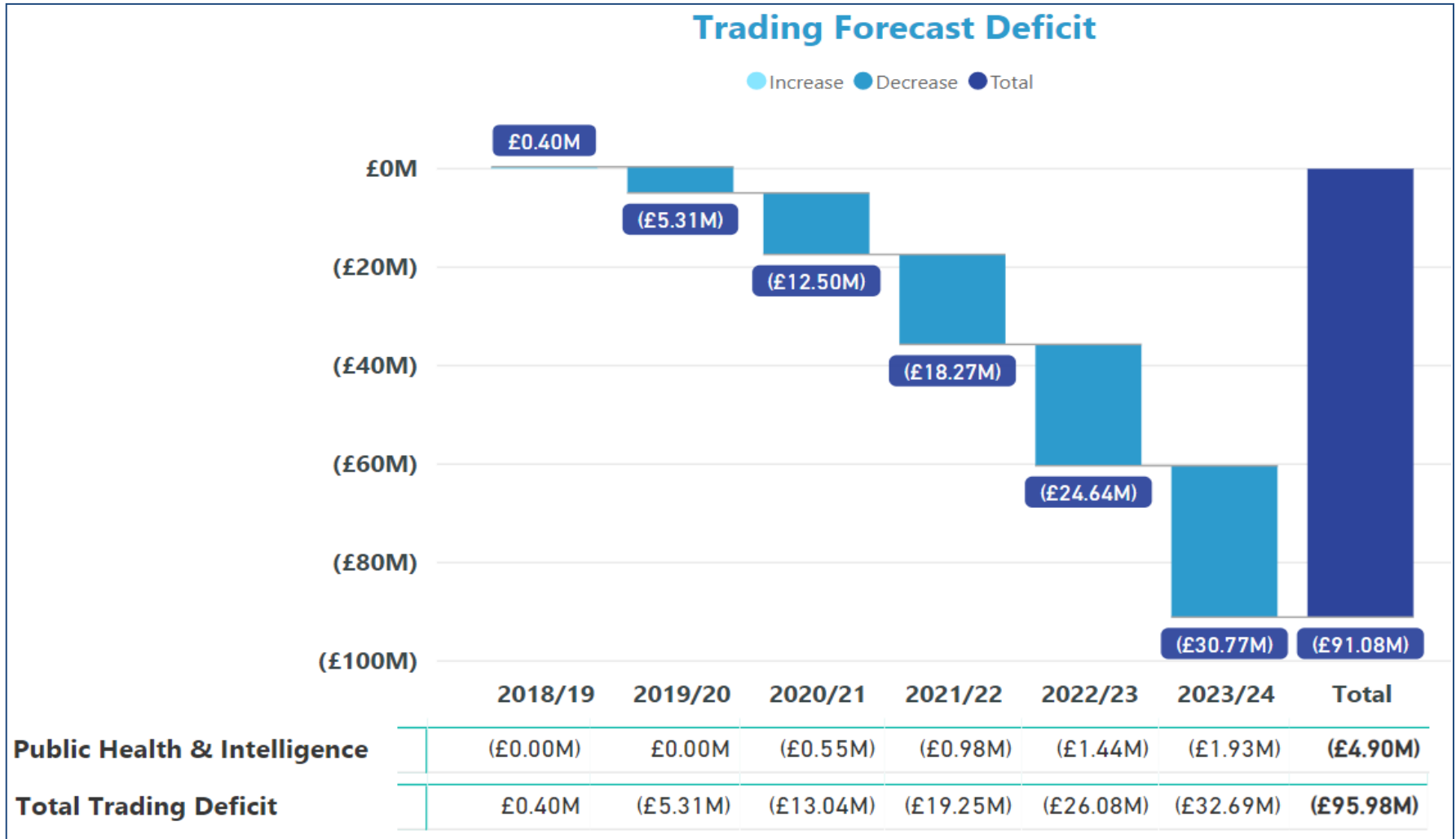
### CRES Savings

Previously retained CRES
CRES retained in year
Approved recurring developments
SBU Deficit
<b>Investment options</b>
Service Transformation
PgMS Support for Internal Programmes
IT Priority 1
IT Priority 2
Other SBU Developments
<b>TOTAL</b>

Income £m	Expenditure £m
12	
5.7	
	6.5
	4.6
	2
	1
	1.1
	1.6
	0.9
<b>17.7</b>	<b>17.7</b>

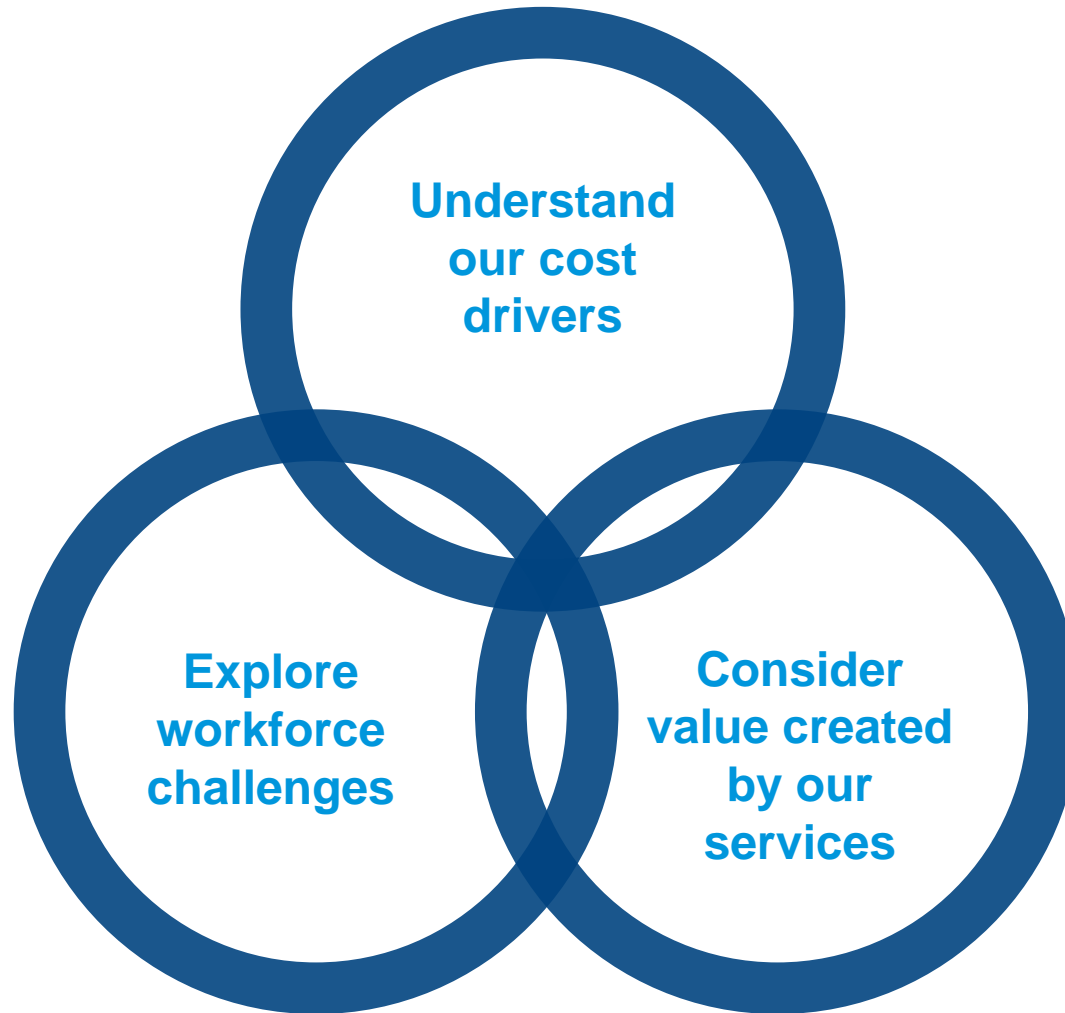
# Financial Sustainability Plan 20:24

## The scale of the financial challenge



# Financial Sustainability Plan 20:24

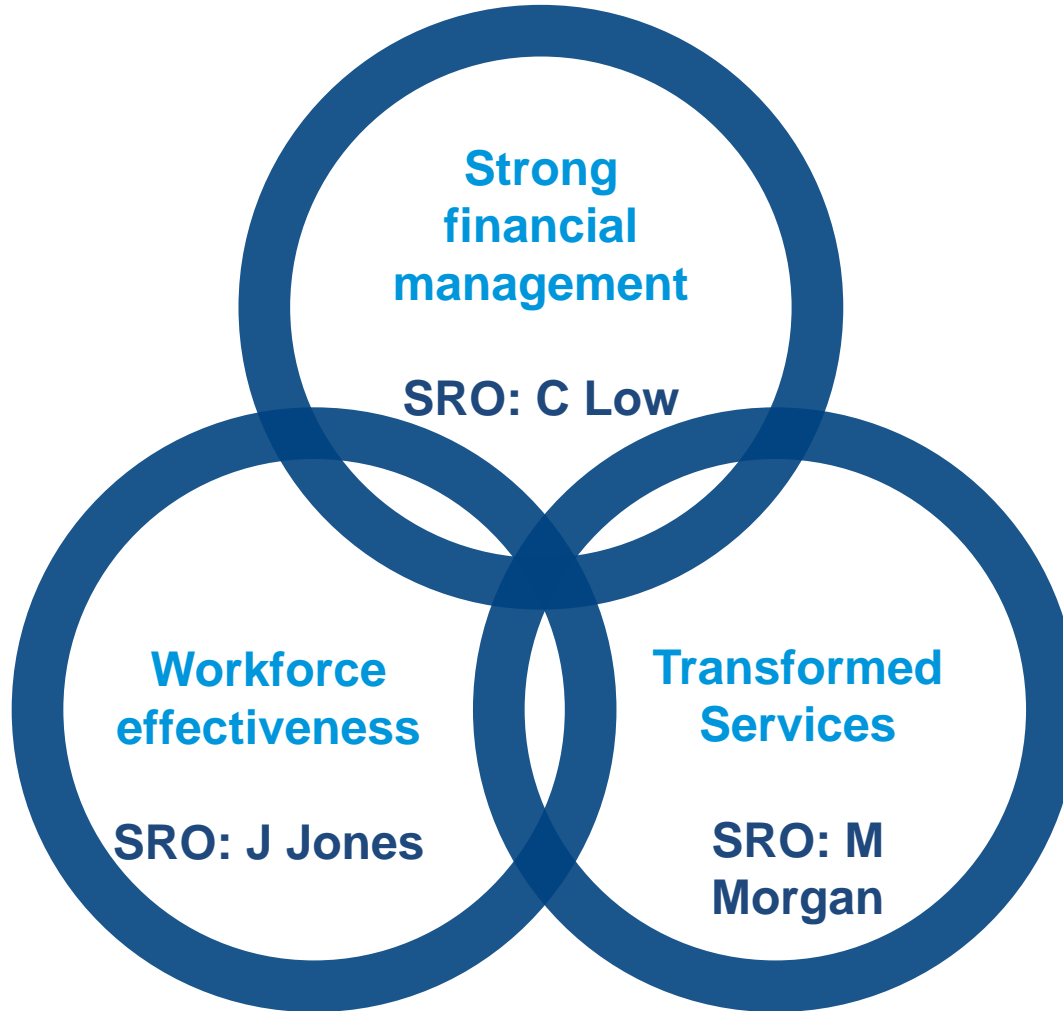
## Our approach





# Financial Sustainability Plan 20:24

## Our solution



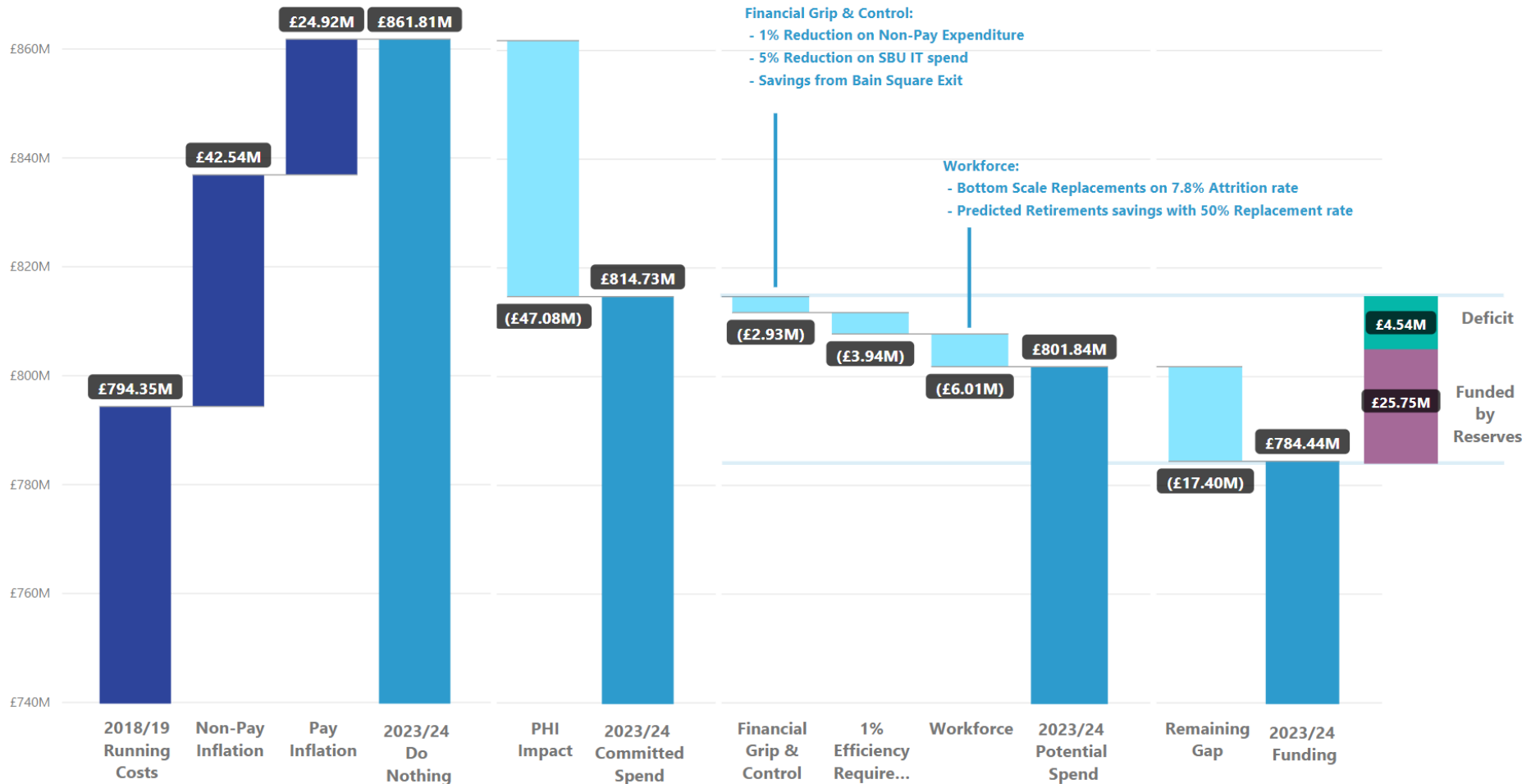
# Financial Sustainability Plan 20:24

## Workstreams

Strong Financial Management	Workforce Effectiveness	Transformed Services
<p><b>Financial reporting and Control</b></p> <ul style="list-style-type: none"><li>Improved reporting:<ul style="list-style-type: none"><li>Cost of occupation to drive effective use of Estate</li><li>Cost of Travel to change behaviours</li></ul></li><li>Driving benefits from Digital:<ul style="list-style-type: none"><li>IT cost reduction</li></ul></li></ul> <p><b>Cost and Value</b></p> <ul style="list-style-type: none"><li>Scenario planning</li><li>Zero based budgeting</li><li>Cost to serve and recharging</li><li>Understanding value</li><li>Aligning baseline to value of services</li></ul> <p><b>Optimising Procurement</b></p> <ul style="list-style-type: none"><li>Cost and Commercial Steering Group</li><li>Procurement driven savings targets</li><li>Targeted savings in areas of non contracted spend</li></ul>	<p><b>Improved Governance</b></p> <ul style="list-style-type: none"><li>Recruitment (eRAF )</li><li>Focus on Workforce Planning in years 2-5</li></ul> <p><b>Workforce Optimisation</b></p> <ul style="list-style-type: none"><li>Productive workforce</li><li>Effective resource deployment</li></ul> <p><b>Service Redesign</b></p> <ul style="list-style-type: none"><li>Capability driven operating model: Once for NSS</li><li>Consistent approach to the shape of the organisation</li></ul>	<ul style="list-style-type: none"><li>Where do we focus our service provision to add value?</li><li>What do we stop doing?</li><li>Exploiting automation</li><li>Service redesign</li><li>Digital first</li><li>New ways of working</li></ul>

# Financial Sustainability Plan 20:24

## Underpinned by NSS Financial Framework



# **NSS Strategy 2019-2024**

## **The kind of organisation we want to be – workforce**

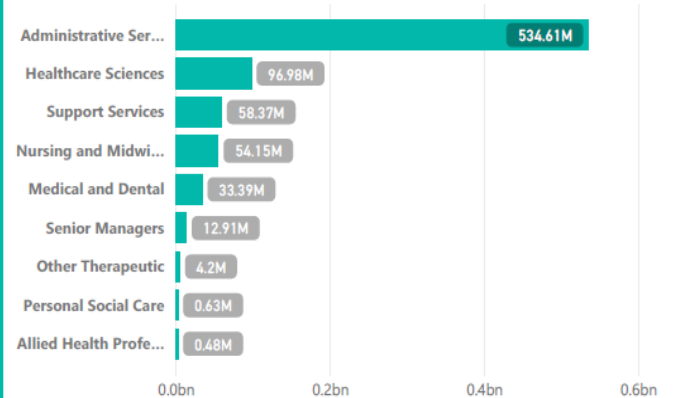
# Key Workforce Challenges

- Transition across NSS to support establishing Public Health Scotland
- BREXIT
- Workforce Demographics
  - Risk of retirement of skilled workforce
  - Ageing workforce
  - Levels of protection and internal promotion
  - Turnover
  - Staff Wellbeing
  - Ability to recruit and retain a diverse workforce
- Service Transformation
  - Ability to scale up and scale down workforce pending service requirements

## Pay Spend Analysis

WTE 2019/20	Pay Spend 2019/20
3,425	£159.53M
0.5% Reduction Impact	0.5% Reduction Impact
17	£797.63K
1% Reduction Impact	1% Reduction Impact
34	£1.6M
3% Reduction Impact	3% Reduction Impact
103	£4.79M

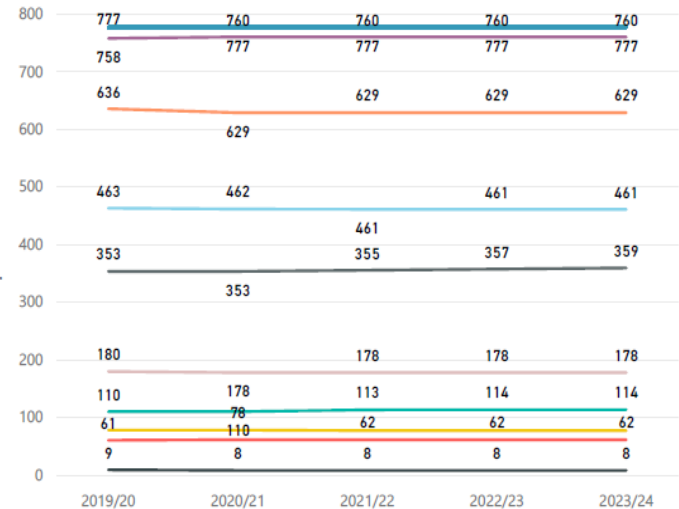
## 2019/20 Pay Spend by Job Family



## Pay Spend by SBU

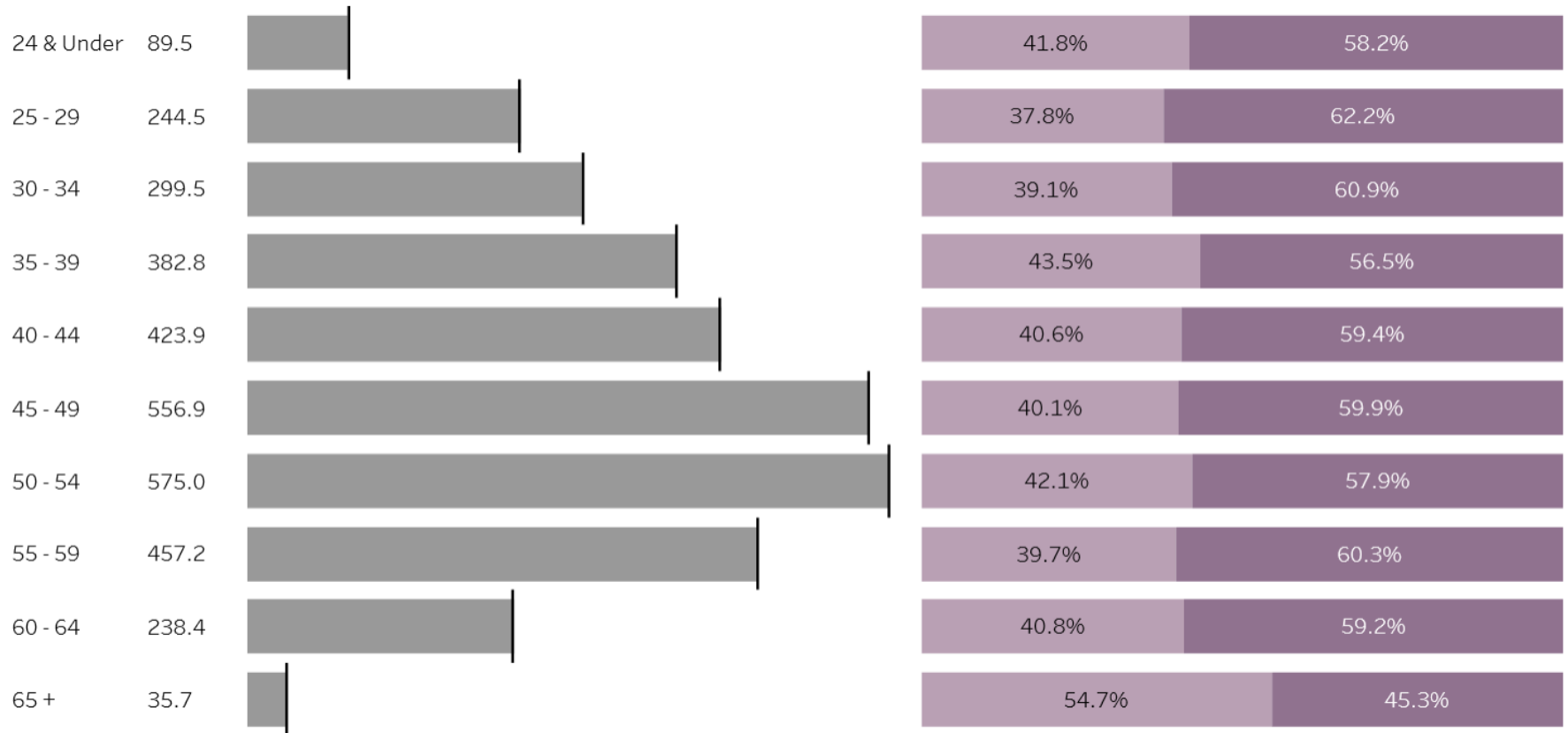


## Forecast WTE by SBU



# NSS Age Profile – December 19

Staff count for All by Age group



# Employee Protection

Headcount

405.94

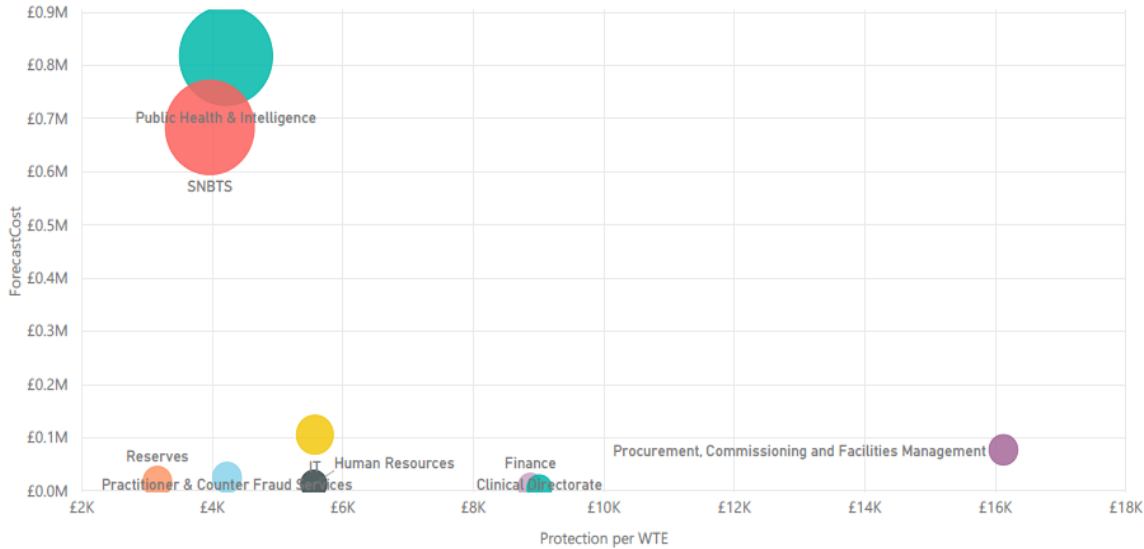
Average Protection per WTE

£4.32K

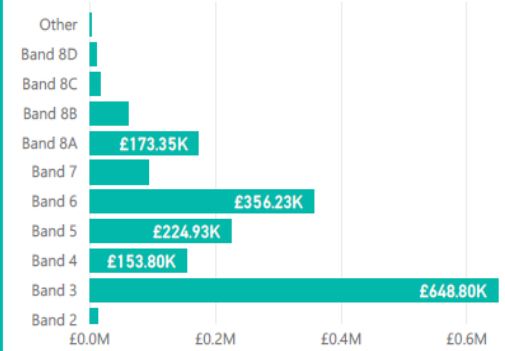
Cost of Protection

£1.75M

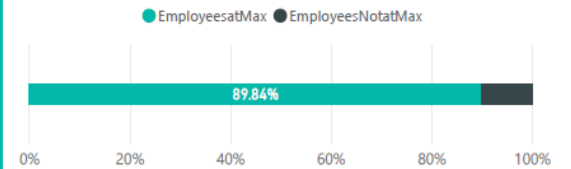
Protection Cost Analysis (Cost/Headcount/Cost per Head)



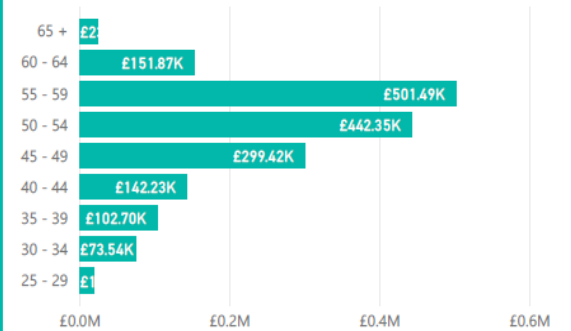
## Protection by Current Job Band



## % of Employees at Top of Pay Scale

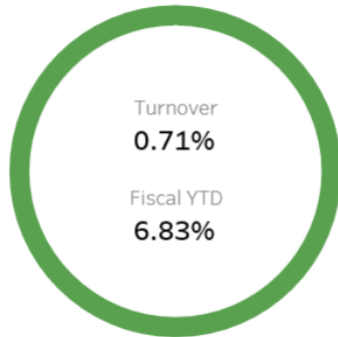


## Protection by Age Group





# NSS Turnover Position – December 19



## New starters

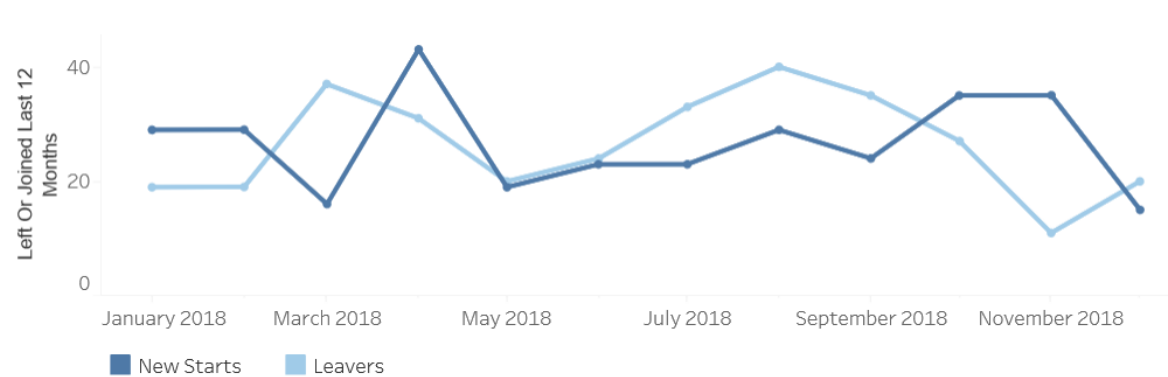
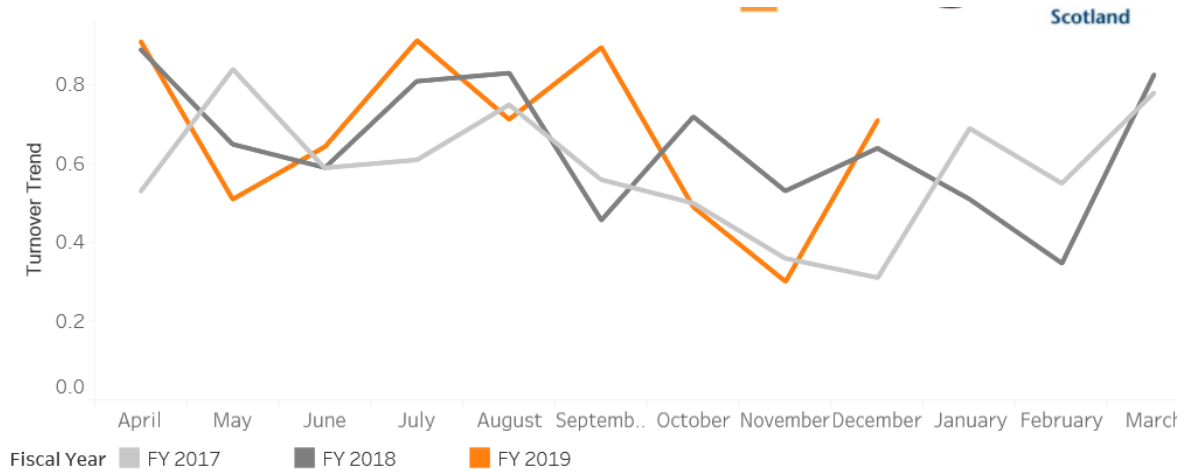
Current month  
**15**

Current FY  
**246**

## Leavers

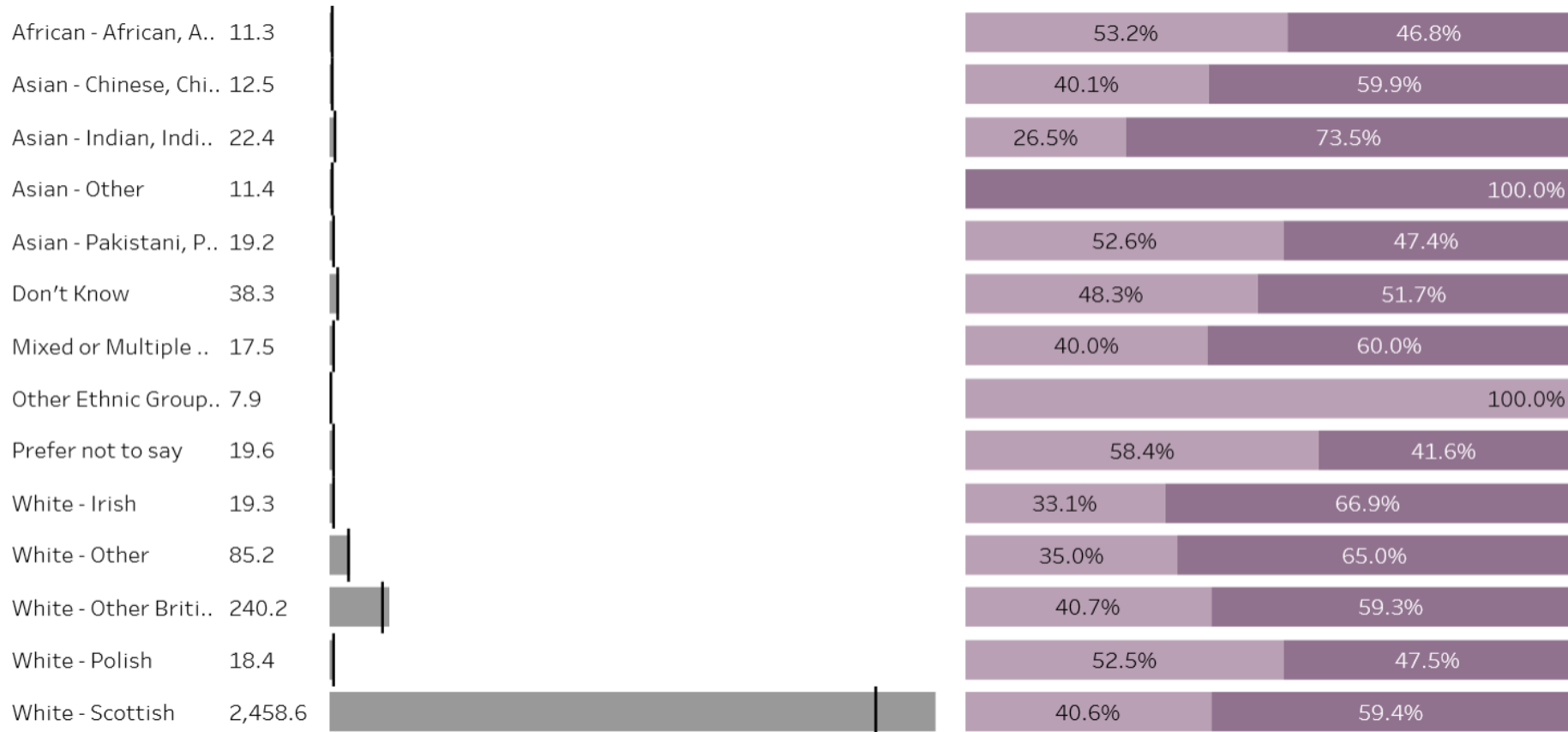
Current month  
**20**

Current FY  
**241**



# NSS Ethnic Profile – December 19

Staff count for All by Ethnic Group



We want all our staff to thrive and be successful. Their success is our success.

# What type of organisation do we want to be?

One that:

- Values its employees as its greatest asset
- Treats all employees with dignity and respect
- Celebrates and supports diversity and difference
- Trains and supports all employees to do their current role and provides opportunities to develop for the future
- Provides a total benefits package that is attractive and supports retention of a highly skilled workforce
- Where workforce policies are applied consistently across the organisation and people are treated fairly, whilst taking account of business and individual need

# What type of organisation do we want to be?

One that:

- Promotes a culture of health and wellbeing for all
- Actively encourages engagement and involvement of all employees
- Where the experience for all employees is a positive one throughout their employment with us

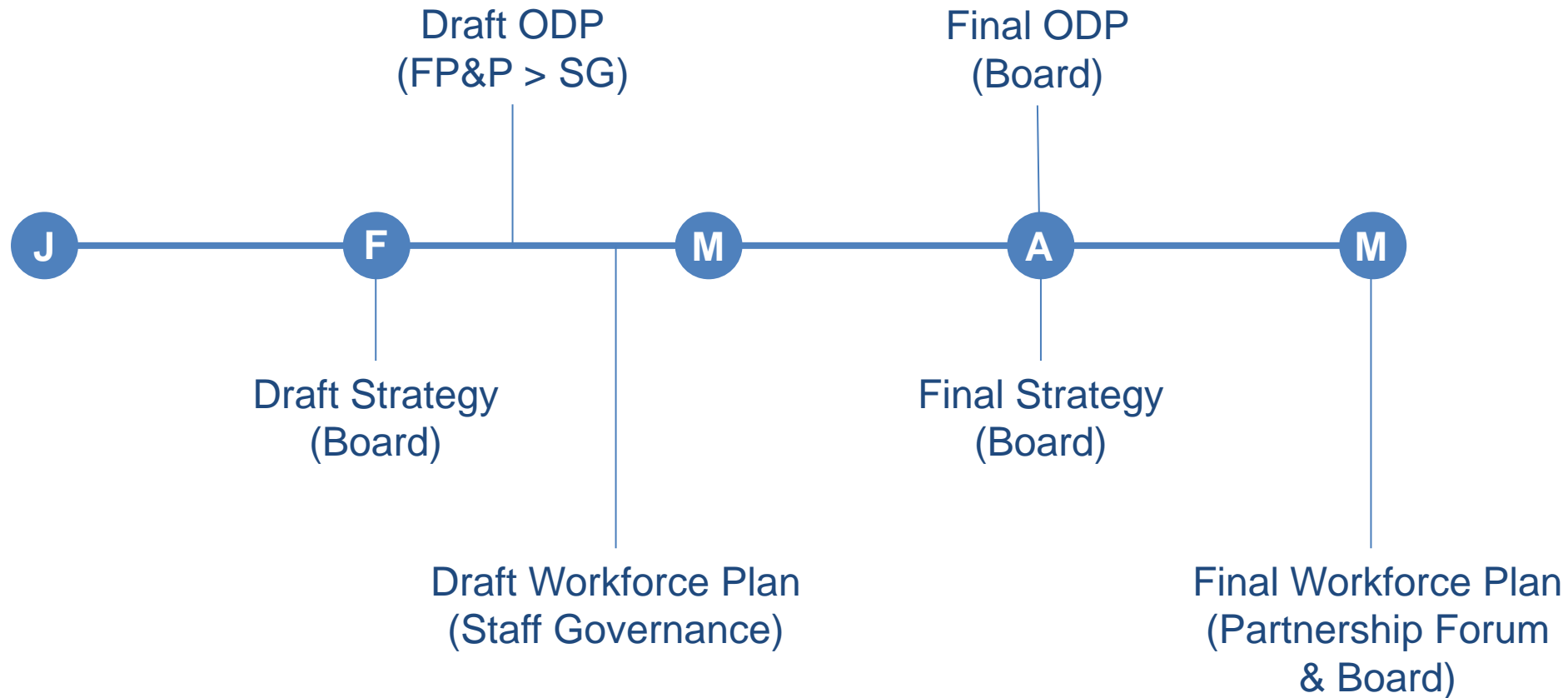
# What are we going to put in place



# **NSS Strategy 2019-2024**

## **Approval timeline**

# Achieving sign-off





# **NSS Strategy 2019-2024**

## **Summary**

# Summary

- The strategy has been well received by key stakeholders and will be further refined based on their feedback
- The Operational Delivery Plan is being finalised to reflect strategic priorities
- Achieving our financial plan and meeting all CRES targets creates significant challenge for us over the next 5 years
- We know the kind of organisation we want to be for our staff and are creating a new workforce plan to achieve it
- Your considerations and feedback will help ensure we are focused on the right areas and right actions



# NSS Draft Strategy 2019-2024

01.02.19

Summary  
overview.

**Colin Sinclair**  
Chief Executive, NSS

B/19/06b

# Introduction

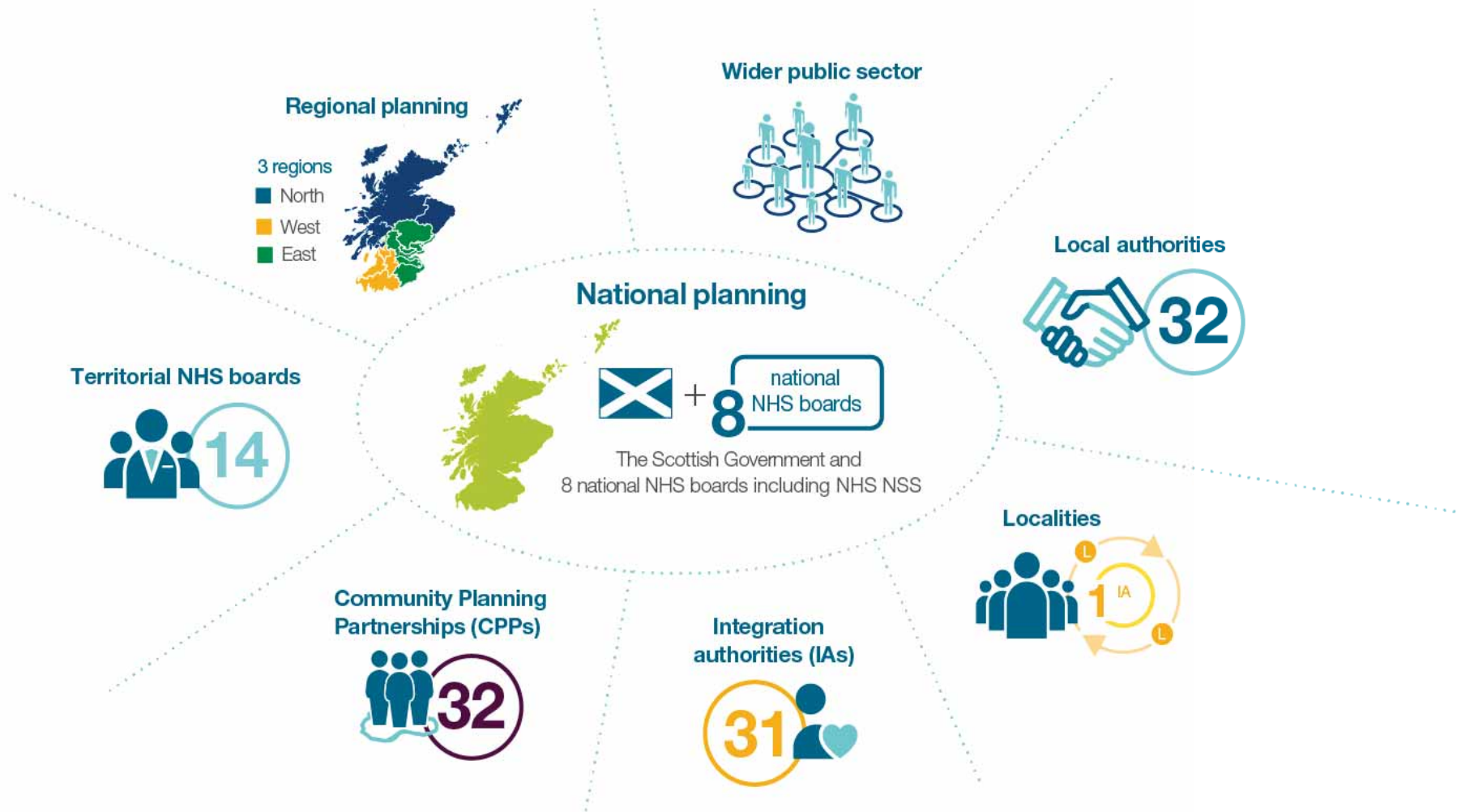
## What we'll cover today

- Strategy overview
- Strategy feedback
- Operational delivery
- Finance plan
- The kind of organisation we want to be – workforce
- Board considerations
- Approval timeline

# **NSS Strategy 2019-2024**

## **Overview**

# The NSS operating landscape



# Scotland's health and care priorities



Enabling the people of Scotland to live longer, healthier lives at home or in a homely setting.



Ensuring everyone who provides healthcare in Scotland is able to demonstrate their professionalism.



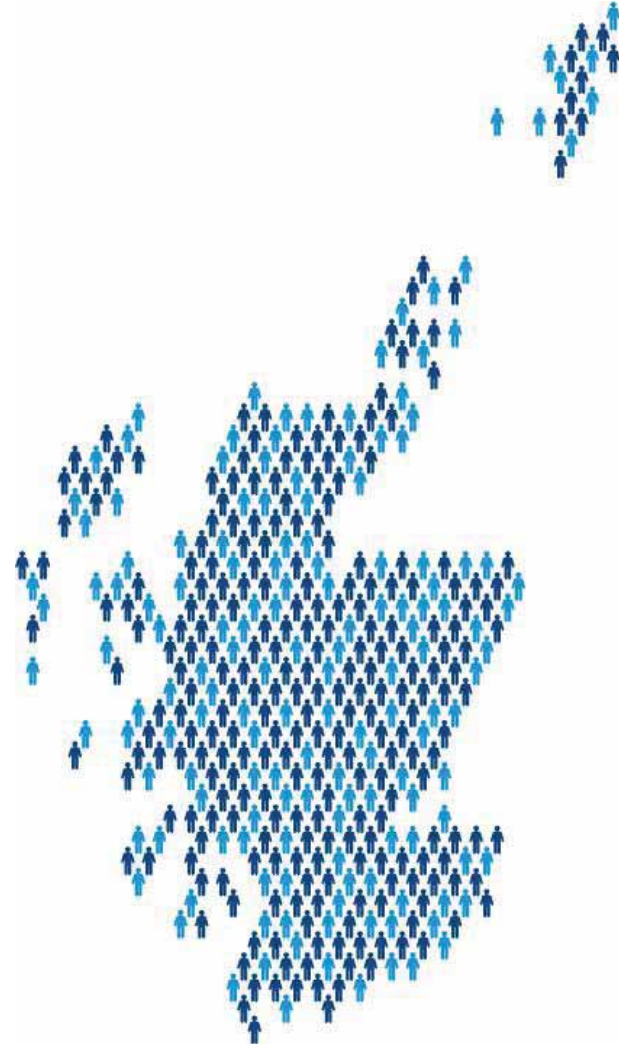
Helping Scotland to become a more successful country by increasing the wellbeing of people and creating opportunities for everyone who lives here.



Taking the actions needed to shift NHSScotland towards long-term, fundamental change and securing its future.

# NHS Scotland's immediate priorities

We will use our national capability to support the achievement of the Cabinet Secretary for Health and Sport's priorities on mental health, waiting times and health and social care integration.






# Supporting the delivery of the Cabinet Secretary's priorities

WAITING TIMES	MENTAL HEALTH	INTEGRATION
<ul style="list-style-type: none"> <li>• Providing additional data and intelligence support to the 30 month plan.</li> <li>• Working with CivTech to develop an automated intelligence solution for the management of waiting times.</li> </ul>	<ul style="list-style-type: none"> <li>• Supporting the Children's and Young People's Mental Health Taskforce.</li> <li>• Developing a 'conversational' artificial intelligence (AI) app to support young people with mental health challenges.</li> <li>• Supporting adults with learning disabilities who need medium secure mental health support.</li> <li>• Established a community based outreach programme for people with sensory impaired mental health issues.</li> <li>• Developing a specialist in-patient child and adolescent mental health service.</li> </ul>	<ul style="list-style-type: none"> <li>• Local Intelligence Support Team (LIST) continues to support health and social care partnerships.</li> <li>• Progressing activity and support for linking health and social care data.</li> <li>• Managing the Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) for Integration Authorities.</li> <li>• Provision of the SCI Gateway platform that supports clinicians with referrals, advice requests and clinical dialogue.</li> </ul>

# Our purpose



**“ “ We provide national solutions to improve the health and wellbeing of the people of Scotland”**

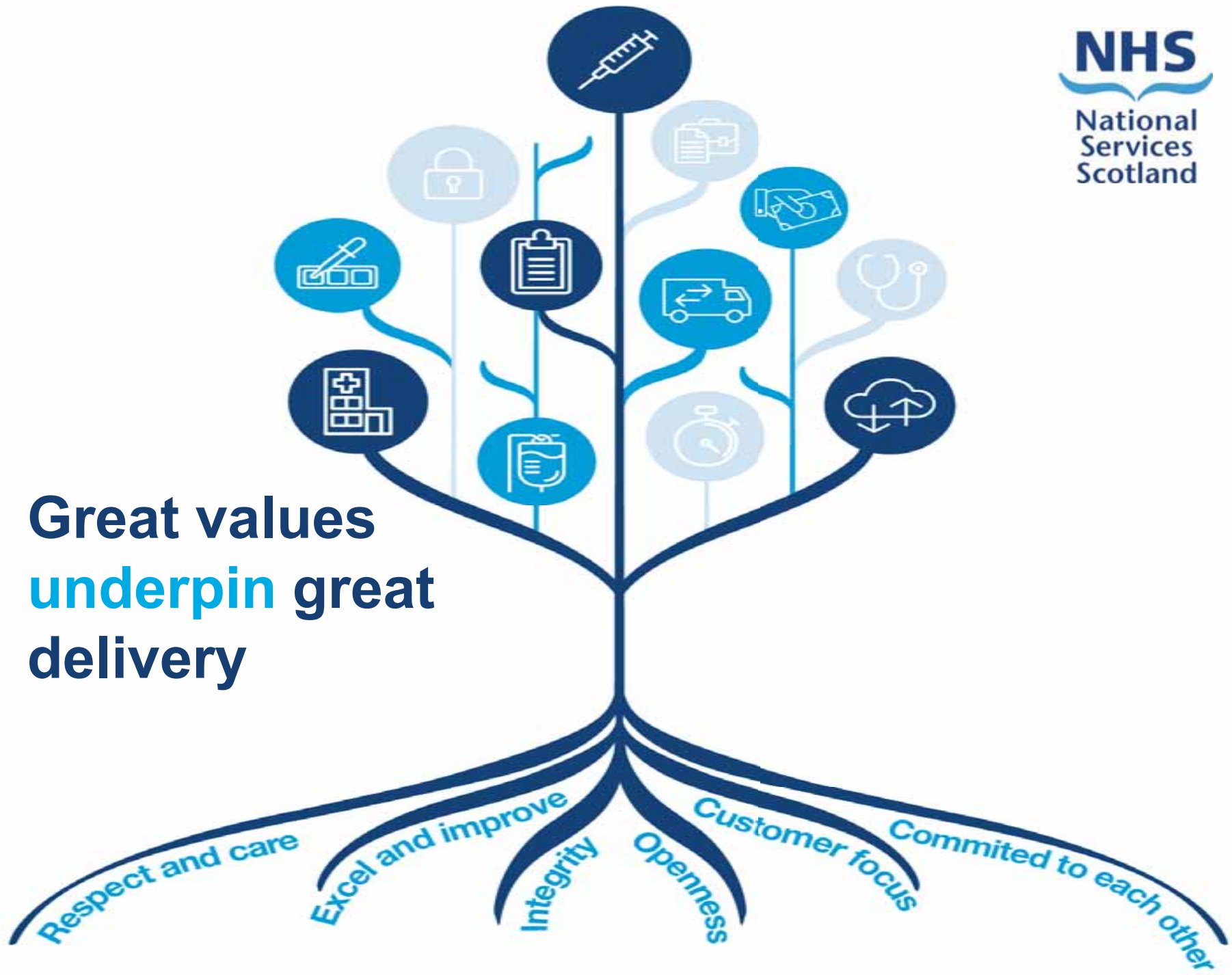
# Our vision

## To be integral to a world-leading health and care service

We want the people of Scotland to have the best possible health and care service in the world. We know we can play an important role in making this a reality for them.

Over the next five years we will support the change that is needed across health and care, while also reforming our services so they remain integral to the ongoing success of NHSScotland and the wider health and care landscape.





**Great values**  
**underpin great**  
**delivery**

# Our approach

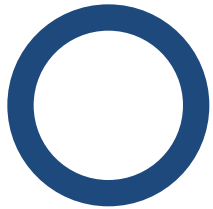


## Our approach defines where our stakeholders need us to prioritise our efforts:

1. Enabling health and care transformation with new services.
2. Underpinning NHSScotland with operationally excellent services.
3. Assisting other organisations involved in health and care.

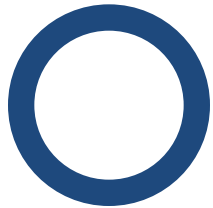
# Enabling health and care transformation with new services

Our attention for the next 5 years is on harnessing the wide ranging skills and expertise NSS has to deliver national infrastructure solutions and services that create better care, better health and better value for Scotland.



## **Primary and community care**

We are supporting primary care reform in conjunction with Scottish Government, other national boards and primary care services.



## **Medicines**

We will support the introduction of new treatments, develop the use of genomics and cellular therapies and help improve prescribing pathways.



## **Public Health Scotland**

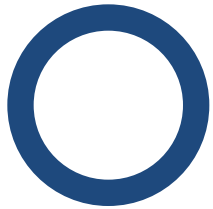
We will ensure the smooth and successful transition of ISD Scotland and HPS to the new body and co-create a corporate services solution.

# Enabling health and care transformation with new services



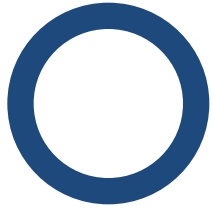
## **Health and care infrastructure**

We will drive NHSScotland sustainability and value through national infrastructure solutions in information technology, estates and distribution.



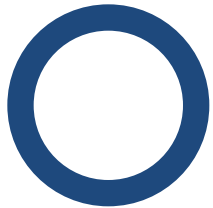
## **Transformation, innovation and integration**

We will support stakeholders and partners in SG, territorial health boards, regions and integration authorities to deliver change.



## **Digital and data**

We will enable the delivery of service transformation by using our national data sets and architecture to turn ideas into practical digital-first solutions.

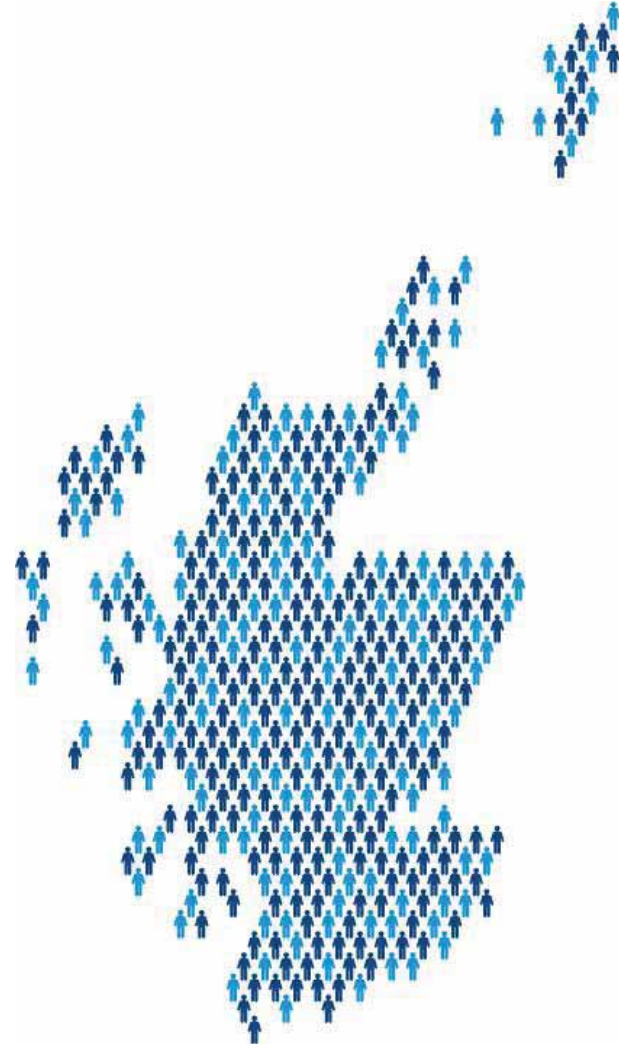


## **National Board Collaboration**

We will work with our National Board partners to further improve the quality, value and efficiency of national services.

# Underpinning NHS Scotland with operationally excellent services

**NSS provides core national infrastructure across our broad range of activities which enables national insight and local decision making**





# Underpinning NHSScotland with operationally excellent services



# Better health



The Scottish National Blood Transfusion Service will continue to supply safe and sustainable blood, tissue and cell therapy products and lead in the development of Advanced Therapy Medicinal Products.



Health Protection Scotland will continue to protect the health and wellbeing of the people of Scotland from infectious and environmental hazards. We will ensure a smooth transition to Public Health Scotland.



National Services Division will continue to commission a range of services, networks and screening services as well as co-ordinating national planning arrangements.

# Better care



Health Facilities Scotland will utilise its expertise to develop the national approach to infrastructure management, stewardship of the national facilities agenda and improve environmental sustainability.



Practitioner services will automate and transform the primary care payments services to improve experience and efficiency and provide better data to inform primary care practitioners.



Digital services will build our digital and security capabilities to ensure health boards and health and social care partnerships are able to function efficiently and safely.



Information Services Division will provide joined up data and intelligence to the public, professionals and public bodies. We will ensure a smooth transition to Public Health Scotland.

# Better value



National Procurement will ensure best value in our procurement and supply chain service for NHSScotland and will continue to underpin vaccine programmes and patient access schemes.



Counter Fraud Services will help NHSScotland achieve savings by deterring and detecting crime and will prioritising resources through our Strategic Intelligence Assessment.



The Central Legal Office will continue to provide high quality legal services in relation to litigation, employment, property and commercial contracts.



Programme Management Services will provide a flexible and scaleable approach to service transformation and portfolio, programme and project management.

# Assisting other organisations involved in health and care

By connecting with partners and stakeholders in other organisations involved in health and care, we can ensure our services support national, regional and local initiatives.

Our main engagement focus is with:

- Local Government
- Third Sector
- Emergency Services



# **NSS Strategy 2019-2024**

## **Feedback**

# Scottish Government



“It describes what you do not what you want to be.”

“Ensuring a strong primary care focus from March to June is important as plan and direction is developed – analytical support will be a priority.”

“Delivering shared services is important and if Public Health Scotland is done well it could present wider opportunities in the public sector.”

“NSS, working with HIS, can play a key role in facilitating change.”

“You are already integral, how are you going to capitalise on this?”

“Keen for NSS to work with other National Boards on switching balance and bringing new thinking.”

“NSS still needs to be ready to deliver support to projects and Boards that may find themselves in difficulty.”

# Scottish Government



“What are you going to do to deliver this Strategy?”

“SPIRE, GPIT and CHI will be key areas of NSS support for primary care, community services and integration.”

“NSS is trusted, valued and delivers.”

“NSS role and expertise in screening will be vitally important going forward and needs to be mentioned.”

“NSS will have a key role in the provision of national planning and programme management services to support the management of change.”

“New integration plan, which is to be published 23<sup>rd</sup> January, needs to be considered.”

“NSS needs to do more to engage with Integration Joint Boards and could play a role in shifting balancing and building trust between NHS and Social Care.”



# Chief Professional Officers



“Liked the focus on a more joined up approach to key health and care challenges.”

“Impressed with some of the work done in areas such as dentistry to reduce waste and ensure a sustainable service, where else can this be applied.”

“Would like to understand how NSS can use its data more to help reduce variation to help identify and address unwarranted variation and waste..”

“Helps us recognise the breadth and depth of NSS, but still challenging to understand what you do.”

# Health Boards

“Will the audience fully understand what you mean by solutions and infrastructure without being clear what your current core activity is?”

“Beyond the services NSS provide I was looking for strong references to transformation and to working with Regions and Digital. I think that the document has references to both although the Regional reference could be stronger.”

“There is a clear section on National Boards collaboration and I wonder if it would be appropriate to develop this to include Regional activity.”

“The document may read much better if you bring the underpin element to the front, so customers and stakeholders are clear what you mean by infrastructure and what NSS services are.”

# Clinical Directorate

“There is benefit, in terms of speaking to key partners in this document, in emphasising ‘social’ care (i.e. not just care) at times, especially in relation to integration.”

“ATMP is classed in 3 areas and NSS (SNBTS) is only involved in one of these, which is cellular derived medicines- this should therefore be the term used as we are not doing it all.”

“The introduction and multiple references to NHSScotland could be more in step with current H&SC integration language – we need to be seen as context current and have a clear vision articulated in that context.”

“There is no explicit reference to innovation - the importance of this is being more widely recognised, as well as the potential role of NSS in supporting a more joined up approach.”

“Important to have the third and independent sector referred to in this document.”

# **NSS Strategy 2019-2024**

## **Operational delivery**

# Progress against FY19 actions



Actions	Update
Support the creation of a new public health body	Supporting multiple commissions and project initiation documents (PIDs). Creating new corporate shared services offering.
Develop the transformation support service	New director appointed, stakeholder feedback received on where to focus and team being created.
Collaborate in the delivery of the National Board's Delivery Plan	Delivery Plan being implemented but mainly on a Board by Board basis. Overall collaboration is still a work in progress.
Deliver further phase of digital transformation	New websites and transactional services created, e.g. Prescription Tracker and service transformation focus supporting the introduction of voice recognition and a documentation storage portal in CLO.
Deliver staff development and leadership programme	Introduced new programmes for line managers and current/future leaders, re-launched NSS values and further roll out of eLearning.
Develop new business delivery models within tight financial settlement	Examples include SPIRE, Blood Banking, Infected Blood Payment Scheme, PACS and National Planning.

# SWOT analysis

## Strengths

- Track record of delivery and demonstration of ability to step in and help when required
- Size, breadth and scale
- Willingness to help others

## Weaknesses

- Authority and investment
- Financial constraints
- Lack of public visibility / interest
- Limited influence

## Opportunities

- Once for Scotland
- Digital and data as an enabler to support transformation
- National boards' collaboration
- Clinical engagement
- Rescue service

## Threats

- Cultural resistance and pace of change
- Magnitude of 'ask' but uncertain future environment
- Imbalance between national, regional and local transformation

# Overview - 5 Year Strategy

**Vision: To be integral to a world-leading health and care service**

## GAP Analysis

- People skilled for digital service delivery
- True collaboration with National Boards
- Better use of wealth of data across NSS
- Ability to influence across a broad stakeholder base and emerging priorities

## Current Situation

- Well positioned
- Strong reputation
- Strengthened customer relationships

**23/24  
Transformation  
culturally  
embedded**

### **Actions in 2023/24**

- Ability to demonstrate benefits of service offerings delivering joined up NSS service to the benefit of health and care.
- Collaborative working intrinsic

**22/23  
Transformation  
culturally  
embedded**

### **Actions in 2022/23**

- Nationals business model delivering effective support services
- Collaborative working intrinsic
- Review NSS impact on service transformation to highlight where we make a difference.

**21 / 22  
Supporting  
transformation  
demonstrating  
value add**

### **Actions in 2021/22**

- Embedded as an intrinsic partner in transformation activities
- Continued to deliver high quality services to an integrated health and care system
- Continue to develop solutions underpinning national digital platform where appropriate for us to do so.

**20 / 21  
Transformation  
underpinned by  
digitisation**

### **Actions in 2020/21:**

- Continue to focus on digital enablement at access health and social care where our capabilities support this.
- Service offerings demonstrating co-ordinated effort from NSS services drives benefit.
- Enhance service transformation through specific service solutions to support health and care
- Optimise to support transition to national digital platform.

**19 / 20  
Effective  
support for  
transformation**

### **Actions in 2019/20:**

- National Boards supporting health and care transition and improving quality, value and efficiency of national services
- Support the establishment of Public Health Scotland, including a smooth transition of services and staff
- Scope service transformation through specific propositions to support better health, better care, better value
- Develop new business models to support delivery within a tight financial settlement
- Transform into a digital first organisation: internally - improved collaboration and process efficiencies; externally - data lake, cloud first, major system upgrades to support primary and secondary care and cyber security focus

# SBU top 3 priorities



<b>P&amp;CFS</b>	<ul style="list-style-type: none"><li>• Continue to automate transactions with primary care contractors</li><li>• Work with SG and professional bodies to digitise prescribing</li><li>• Implement new technology in medical services - CHI, GPIT, GP2GP</li></ul>
<b>PHI</b>	<ul style="list-style-type: none"><li>• Using intelligence to support the delivery of the Cab Sec priorities</li><li>• Extending community planning and voluntary/independent sector links</li><li>• Maximise the public health benefit by working with the other domains</li></ul>
<b>PCF</b>	<ul style="list-style-type: none"><li>• Support the strategic development of a national infrastructure resource</li><li>• Support delivery of major trauma centres and national planning</li><li>• Ensure critical front line supplies are maintained post-EU exit</li></ul>



# SBU top 3 priorities



<b>SNBTS</b>	<ul style="list-style-type: none"><li>• Support adoption of next generation advanced therapy products</li><li>• Provide tailored support to ensure the sustainability of blood banking</li><li>• Roll out electronic blood management solutions, e.g. SMART blood fridges</li></ul>
<b>CLO</b>	<ul style="list-style-type: none"><li>• Transform our service through better utilisation of technology</li><li>• Liaise with SG and other national groups, e.g. Scottish Property Advisory Group</li><li>• Continue to deliver very high levels of satisfaction for our clients</li></ul>
<b>Digital</b>	<ul style="list-style-type: none"><li>• Secure digital information and data assets through a cyber security programme</li><li>• Enable efficiencies through digital transformation and a cloud first approach</li><li>• Improve services through national IT programmes, e.g. Office 365, CHI &amp; GPIT</li></ul>
<b>SP&amp;ST</b>	<ul style="list-style-type: none"><li>• Move PGMS to a CLO-style (self funded) business model</li><li>• Launch a transformation support service for health and care</li><li>• Ensure the successful delivery of key national programmes, e.g. Labs</li></ul>

# Service delivery planning

Services	Strategic Intent	Rationale	Potential to Increase HI	Potential to Increase FI
Blood, Tissues & Cells	Disinvest	Modernisation	Medium	Medium
Information & Intelligence	Maintain	Quality service	High	Medium
Health Protection	Maintain	Health & well-being	High	Low
Information Technology	Invest	Digital and security	Medium	High
Legal	Self funding	Quality service	Low	Medium
Procurement	Maintain	Efficiency & flexibility	Medium	High
Logistics	Maintain	Efficiency	Low	Medium
Specialist Healthcare Commissioning	Invest	National planning	High	Medium
Facilities	Maintain	National planning	Low	Medium
Primary Care – Support	Invest	Transformation	Medium	Medium
Primary Care – Payments	Disinvest	Modernisation	Low	Medium
Fraud prevention	Maintain	Quality service	Low	High
Programme Management	Self funding	Transformation	Medium	High

# Opportunities and risks



## Opportunities

### Once for Scotland

- Increase our support e.g. resilience/facilities
- Secure data assets through cyber security
- Improve productivity using technology

### National Boards' Collaboration

- Support evaluation and transformation
- Redesign services to be digitally enabled
- Develop a sustainable workforce

### Improving health

- Support National Planning
- Increase Specialist Services to Boards

## Risks

### Brexit

- Uncertain environment
- Potential for increased costs
- Risk of delays

### Political commitment

- Reliance on collaborative solutions
- Tight financial position

### Our impact

- Local and regional diversity
- Distance from the public health agenda
- Struggle to evidence our value add

### Workforce

- Update skills and capabilities
- Workload

# NSS key enabling activities



- Identifying a financially sustainable 2-5 year plan
- Achieving NSS transformation with a digital first focus
- Fully aligning leadership development with NHSScotland
- Creating corporate services for Public Health Scotland
- Re-launching NSS values with all staff

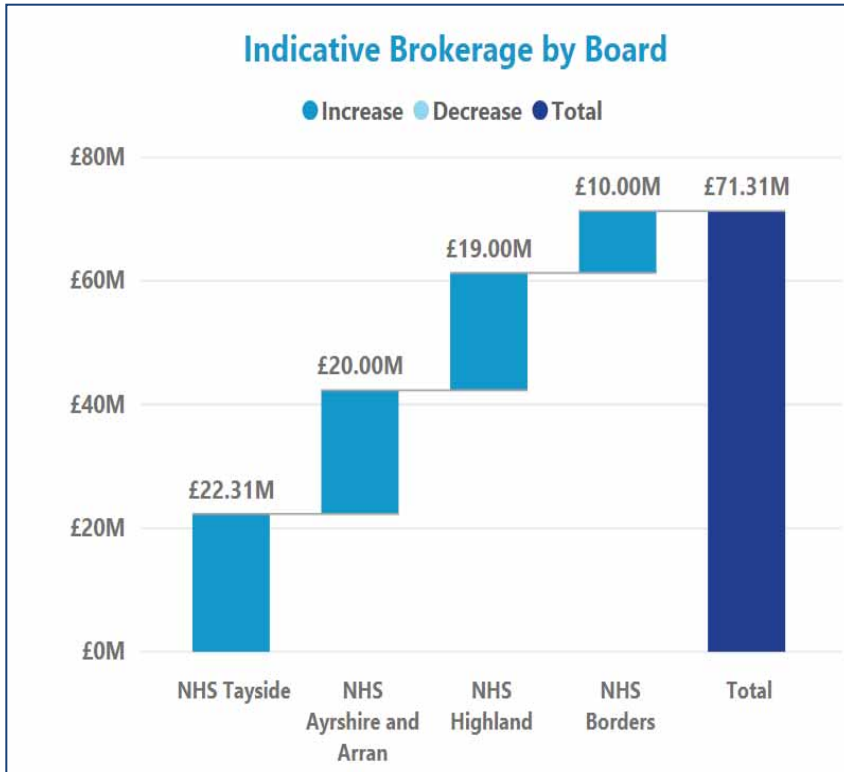
# **NSS Strategy 2019-2024**

## **Finance**

# Our Financial Planning in context

## Current NHS Scotland Financial Performance

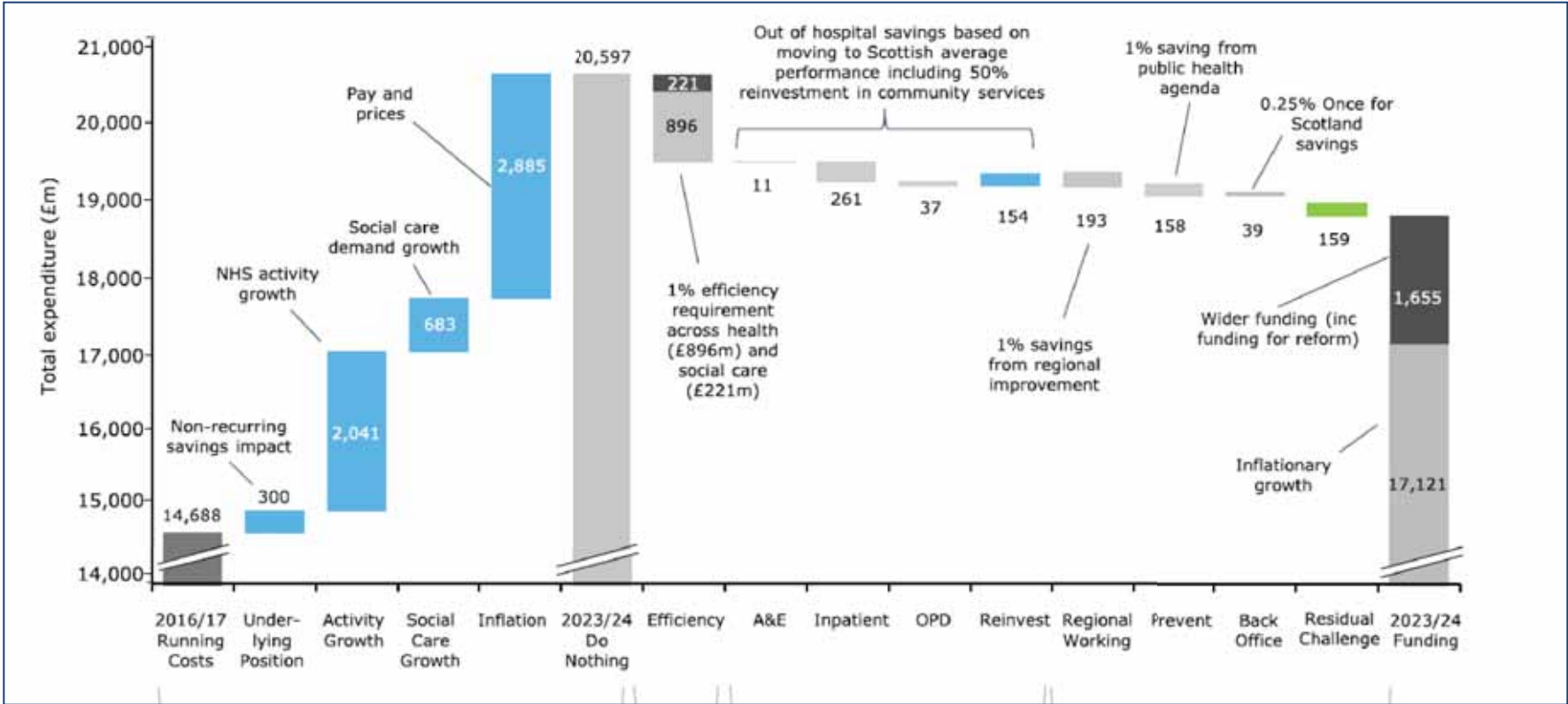
- Month 9 – projected deficit of £92m
- Additional pressures – Brexit, Clinical Waste, Waiting Times Improvement Programme
- Boards in deficit and not supported by brokerage urged to breakeven by end March



# Our Financial Planning in context

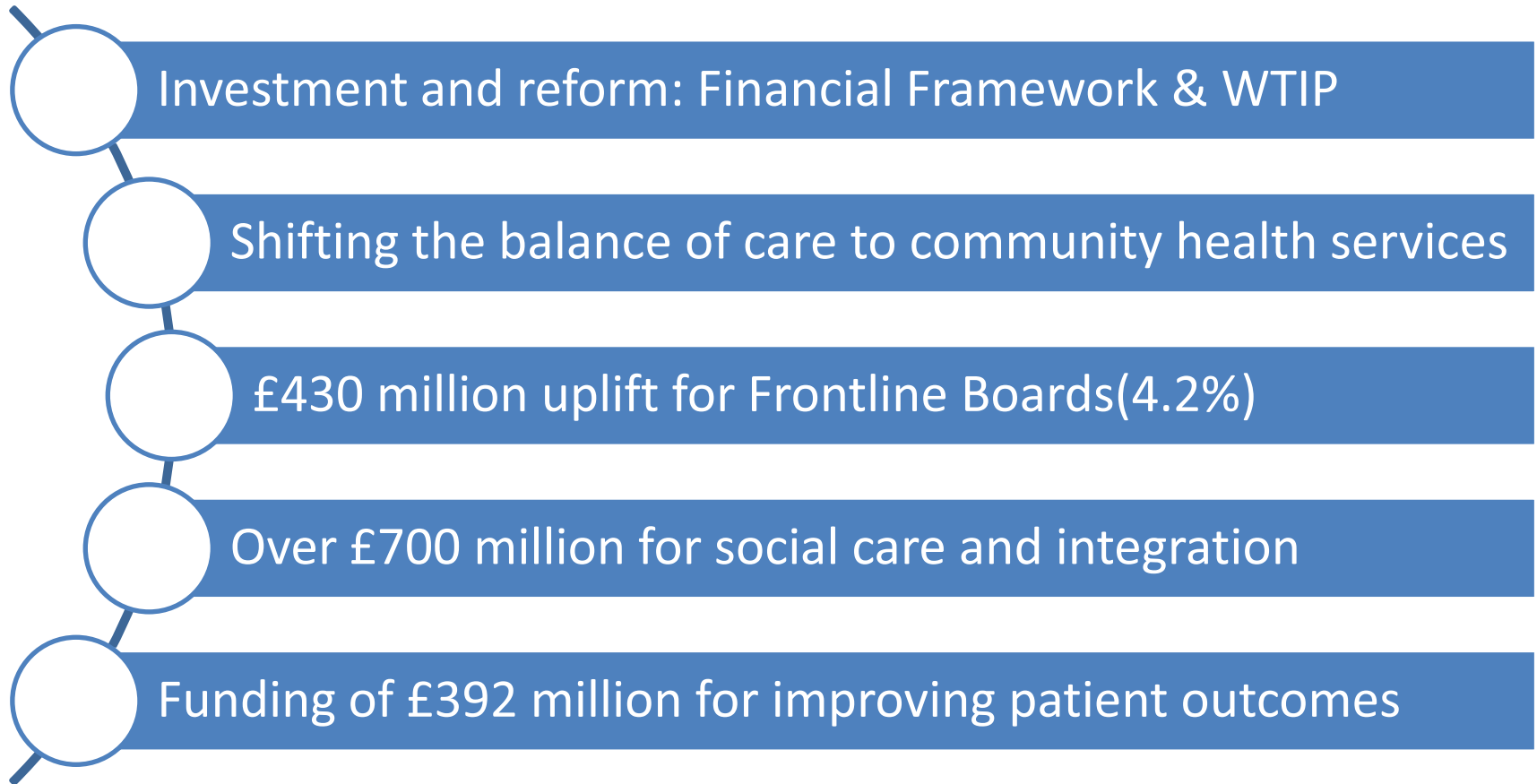
## Financial Framework outlines the challenge

- Price and demand pressures quantified
- System wide assumptions driving benefits from Reform
- Increasing focus on Health & Care
- Residual Challenge of £159m



# 2019-20 Scottish Budget

## Key messages





# Investment in social care and integration

- Investment in social care and integration to exceed £700 million in 2019-20.
- This includes £120 million to transfer to local government for investment in integration and school counselling services.
- Also includes additional £40 million included in local government settlement to for personal care to under 65s and continued implementation of the Carers Act.

Investment in social care and integration		
	2018-19	2019-20
Transfer from Health Portfolio to support social care	355	475
Direct investment in local government to support social care	66	106
NHS Boards investment in integration	130	130
<b>Total investment</b>	<b>551</b>	<b>711</b>

# 2019-20 Additional Funding for Boards

## Territorial Boards Uplift

Total	£266 m	
Comprises:		
Territorial Boards	£243 m	(2.6%)
NRAC	<u>£ 23 m</u>	
<b>Total uplift</b>	<b>£266 m</b>	(2.8%)

## Frontline National Boards Uplift

Total Uplift **£15 m** (Frontline Boards 2% + SAS strategy)

Improving patient Outcomes **£149 m**

Total Frontline Boards Uplift **£430 m** (4.2%)

Non Frontline Boards

£11 m (funding for pay award and NSD uplift)

Total additional funding for Boards **£441 m**

# 2019-20 Additional Funding for Boards

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**£11 m** (funding for pay award and NSD uplift)

Total additional funding for Boards **£441 m**

# NSS Financial Plan 2019/20 – 2023/24

## Financial Planning Assumptions

- Awaiting final confirmation from SG including guidance on financial flexibility

	2019/20 Year 1		Degree of Certainty	
	%	£m	Yr 1	Yr 2-5
<b>Funding</b>				
NSS Baseline Uplift	-	-	Green	Yellow
NSD Baseline Uplift	1.5	2.8	Yellow	Yellow
Pay Award uplift	2.0	2.4	Green	Yellow
Recurring contribution to National Boards savings target	4.0	6.7	Yellow	Yellow
Assumed surplus carry forward 18/19	-	-	Yellow	Red
SG additional allocations - fully funded	14.0	99.6	Yellow	Red
<b>Pay</b>				
Pay uplift in 19/20 and 20/21	3.0	3.6	Green	Green
Pay uplift from 21/22 onwards	1.0	1.2	White	Red
Employers Pension Contribution increase (14.9% - 20.9%)	6.0	6.7	Yellow	Yellow

# NSS Financial Plan 2019/20 – 2023/24

## SBU Trading Position

<b>Forecast 5 Year Plan (£'000)</b>						
<b>SBU</b>	<b>2019/20</b>	<b>2020/21</b>	<b>2021/22</b>	<b>2022/23</b>	<b>2023/24</b>	<b>Total</b>
<b>Central Legal Office</b>	£117	£77	£125	£137	£38	<b>£494</b>
<b>Clinical Directorate</b>	(£6)	(£63)	(£114)	(£160)	(£208)	<b>(£551)</b>
<b>Finance</b>	(£454)	(£528)	(£786)	(£1,030)	(£1,265)	<b>(£4,063)</b>
<b>Human Resources</b>	(£252)	(£498)	(£675)	(£867)	(£1,045)	<b>(£3,337)</b>
<b>IT</b>	(£123)	(£867)	(£1,499)	(£2,035)	(£2,548)	<b>(£7,072)</b>
<b>Practitioner &amp; Counter Fraud Services</b>	(£1,405)	(£3,073)	(£4,792)	(£6,448)	(£8,057)	<b>(£23,775)</b>
<b>Procurement, Commissioning and Facilities Management</b>	(£2,109)	(£3,458)	(£4,395)	(£5,927)	(£7,324)	<b>(£23,213)</b>
<b>SNBTS</b>	(£727)	(£3,023)	(£4,705)	(£6,540)	(£8,290)	<b>(£23,285)</b>
<b>Strategy Performance Service Transformation</b>	£224	(£512)	(£907)	(£1,266)	(£1,586)	<b>(£4,047)</b>
<b>Total</b>	<b>(£4,735)</b>	<b>(£11,945)</b>	<b>(£17,748)</b>	<b>(£24,136)</b>	<b>(£30,285)</b>	<b>(£88,849)</b>
<b>Reserves</b>	£7,708	£12,883	£16,684	£21,423	£25,746	<b>£84,444</b>
<b>Available for Investment</b>	<b>£2,973</b>	<b>£938</b>	<b>(£1,064)</b>	<b>(£2,713)</b>	<b>(£4,539)</b>	<b>(£4,405)</b>

# NSS Financial Plan 2019/20 – 2023/24

## Flexibility to manage Risks and invest in Priorities

### Flexibility

- Contribution to National Boards  
Collaboration Savings
- 18/19 year end position
- Contingency and Transformation

### Risks

- Clinical Waste
- PHI transition to Public Health Scotland
- Brexit – contingency and price inflation

Revenue Developments	IT	PCF	P&CFS	PHI	SNBTS	TOTAL
SBU Requests	6.0	2.1	0.6	3.5	1.0	13.2
PHI to prioritise developments from retained CRES				(3.5)		(3.5)
IT Priority 3 developments	(3.3)					(3.3)
Possible move to capital funding					(0.6)	(0.6)
Service Transformation bids		(1.0)				(1.0)
Funding brought forward to 1819		(0.1)				(0.1)
Possible other funding sources		(0.2)	(0.1)			(0.3)
<b>Total SBU Requests</b>	<b>2.7</b>	<b>0.8</b>	<b>0.5</b>	<b>0</b>	<b>0.4</b>	<b>4.4</b>
Service Transformation						2.0
PgMS support for internal programmes						1.0
<b>TOTAL</b>						<b>7.4</b>
Funding available for investment						6.6
<b>Shortfall</b>						<b>(0.8)</b>

# NSS Financial Plan 2019/20 – 2023/24

## Potential use of NSS Reserves – 2019/20

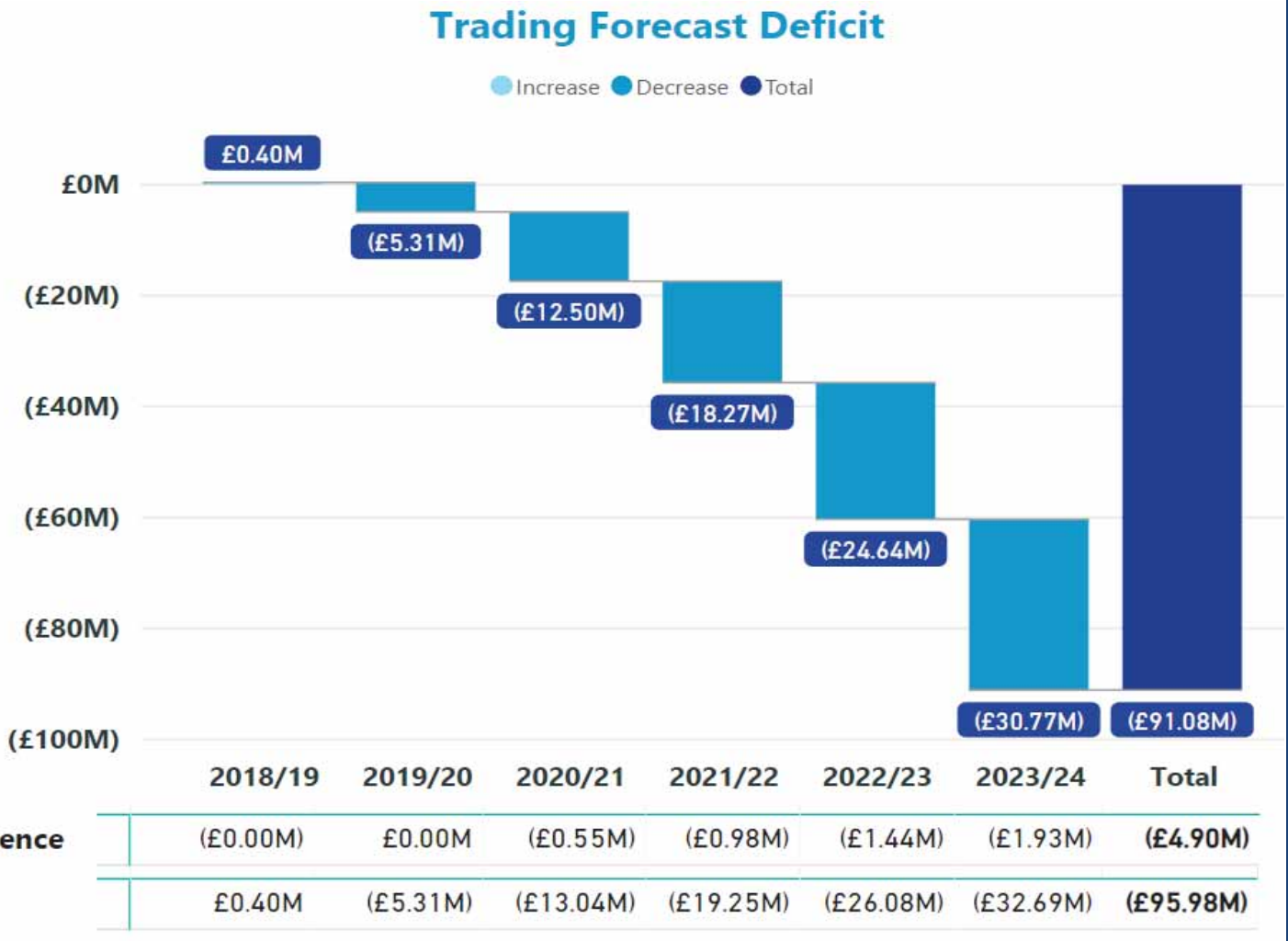


<b>Corporate Costs</b>	<b>Income £m</b>	<b>Expenditure £m</b>
Baseline Allocation	13.5	
Capital Charges		4.6
National Boards Savings	-6.7	
Workforce Resource Team		1
Contingency		1
Apprenticeship levy		0.6
CNORIS		0.1
VAT Income	0.2	0
Lease Benefit	0.3	0
<b>TOTAL</b>	<b>7.3</b>	<b>7.3</b>

<b>CRES Savings</b>	<b>Income £m</b>	<b>Expenditure £m</b>
Previously retained CRES	12	
CRES retained in year	5.7	
Approved recurring developments		6.5
SBU Deficit		4.6
<b>Investment options</b>		
Service Transformation		2
PgMS Support for Internal Programmes		1
IT Priority 1		1.1
IT Priority 2		1.6
Other SBU Developments		0.9
<b>TOTAL</b>	<b>17.7</b>	<b>17.7</b>

# Financial Sustainability Plan 20:24

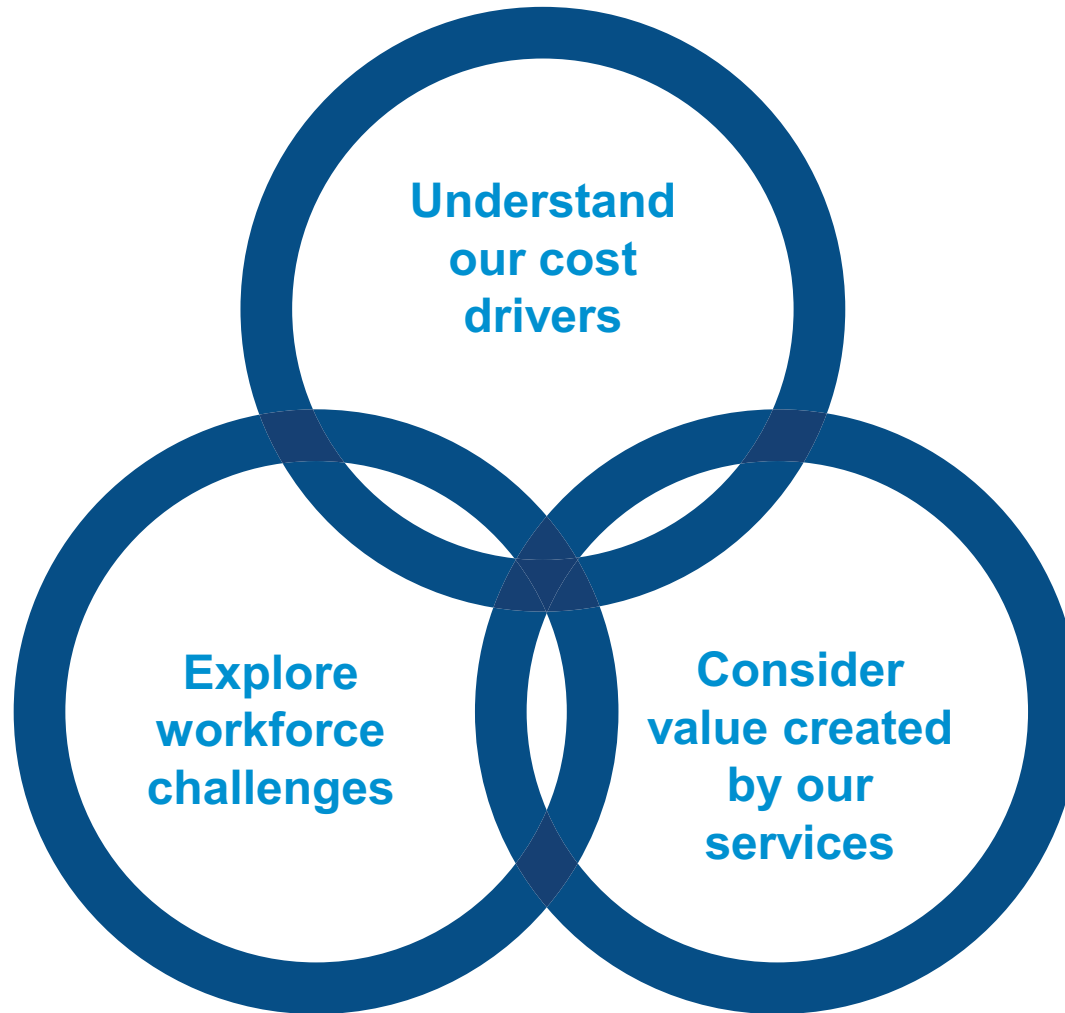
## The scale of the financial challenge





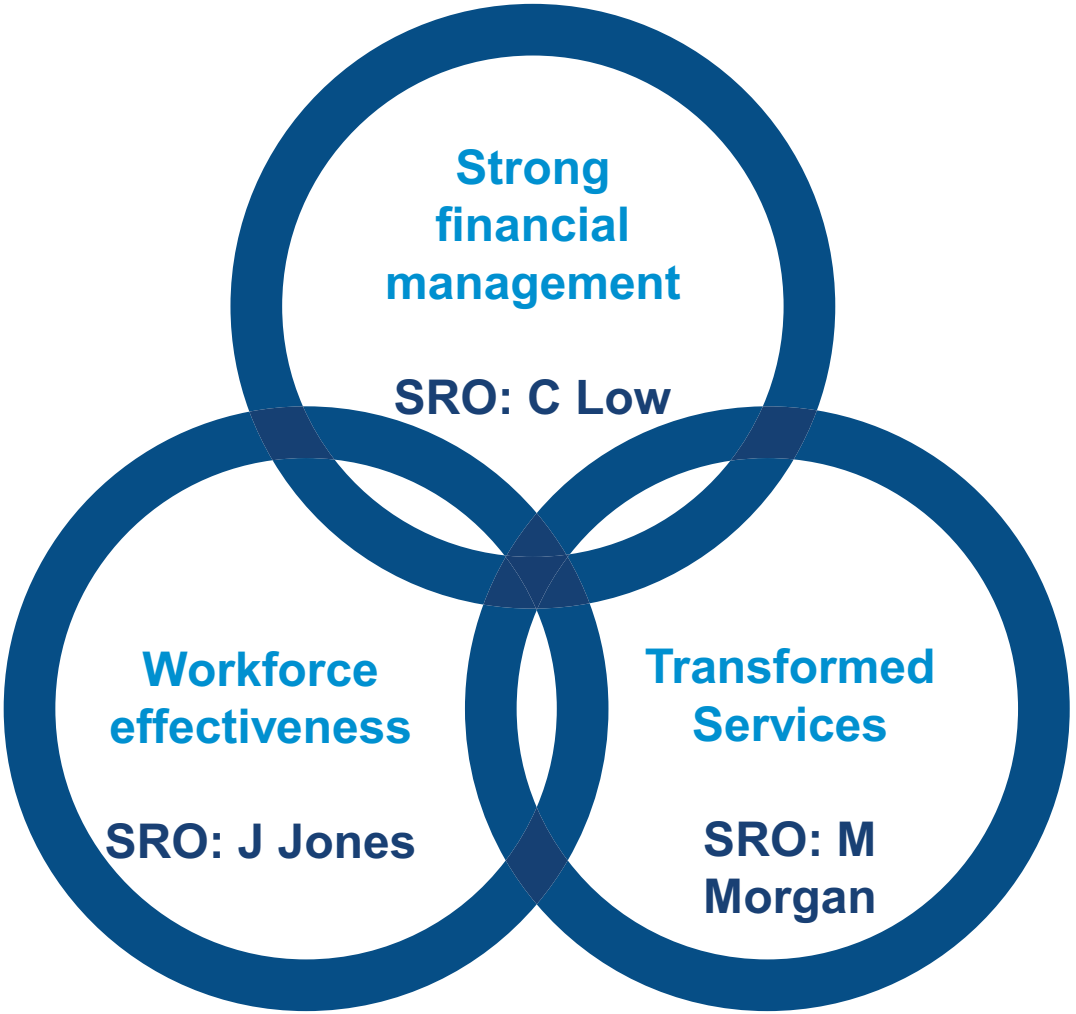
# Financial Sustainability Plan 20:24

## Our approach



# Financial Sustainability Plan 20:24

## Our solution



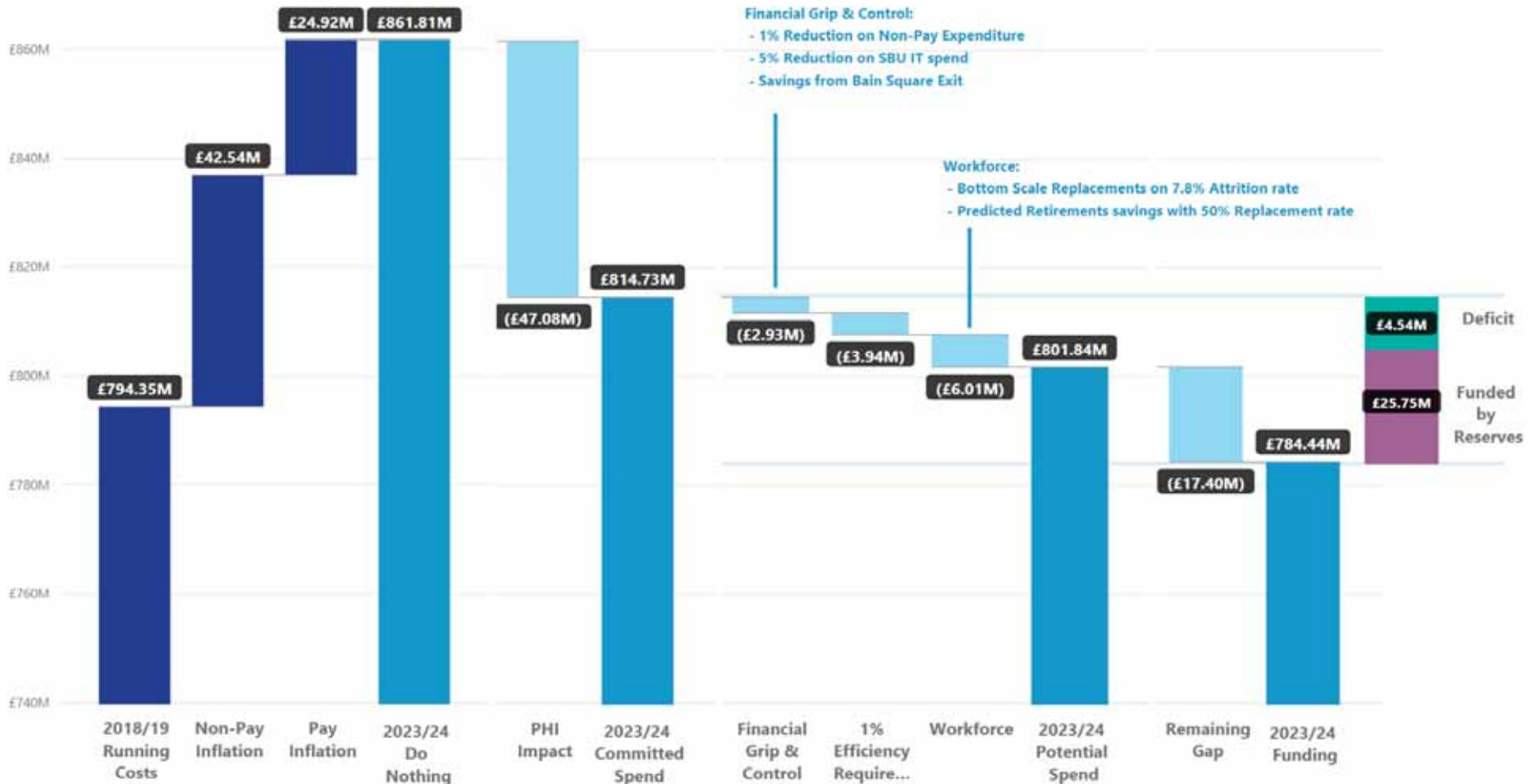
# Financial Sustainability Plan 20:24

## Workstreams

Strong Financial Management	Workforce Effectiveness	Transformed Services
<p><b>Financial reporting and Control</b></p> <ul style="list-style-type: none"><li>Improved reporting:<ul style="list-style-type: none"><li>Cost of occupation to drive effective use of Estate</li><li>Cost of Travel to change behaviours</li></ul></li><li>Driving benefits from Digital:<ul style="list-style-type: none"><li>IT cost reduction</li></ul></li></ul> <p><b>Cost and Value</b></p> <ul style="list-style-type: none"><li>Scenario planning</li><li>Zero based budgeting</li><li>Cost to serve and recharging</li><li>Understanding value</li><li>Aligning baseline to value of services</li></ul> <p><b>Optimising Procurement</b></p> <ul style="list-style-type: none"><li>Cost and Commercial Steering Group</li><li>Procurement driven savings targets</li><li>Targeted savings in areas of non contracted spend</li></ul>	<p><b>Improved Governance</b></p> <ul style="list-style-type: none"><li>Recruitment (eRAF )</li><li>Focus on Workforce Planning in years 2-5</li></ul> <p><b>Workforce Optimisation</b></p> <ul style="list-style-type: none"><li>Productive workforce</li><li>Effective resource deployment</li></ul> <p><b>Service Redesign</b></p> <ul style="list-style-type: none"><li>Capability driven operating model: Once for NSS</li><li>Consistent approach to the shape of the organisation</li></ul>	<ul style="list-style-type: none"><li>Where do we focus our service provision to add value?</li><li>What do we stop doing?</li><li>Exploiting automation</li><li>Service redesign</li><li>Digital first</li><li>New ways of working</li></ul>

# Financial Sustainability Plan 20:24

## Underpinned by NSS Financial Framework



# **NSS Strategy 2019-2024**

## **The kind of organisation we want to be – workforce**

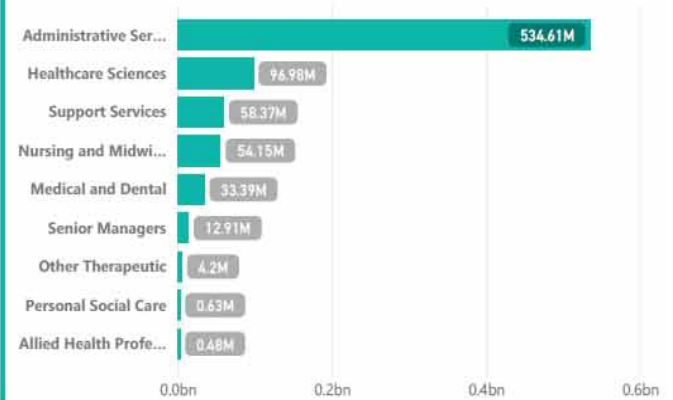
# Key Workforce Challenges

- Transition across NSS to support establishing Public Health Scotland
- BREXIT
- Workforce Demographics
  - Risk of retirement of skilled workforce
  - Ageing workforce
  - Levels of protection and internal promotion
  - Turnover
  - Staff Wellbeing
  - Ability to recruit and retain a diverse workforce
- Service Transformation
  - Ability to scale up and scale down workforce pending service requirements

## Pay Spend Analysis

WTE 2019/20	Pay Spend 2019/20
3,425	£159.53M
0.5% Reduction Impact	0.5% Reduction Impact
17	£797.63K
1% Reduction Impact	1% Reduction Impact
34	£1.6M
3% Reduction Impact	3% Reduction Impact
103	£4.79M

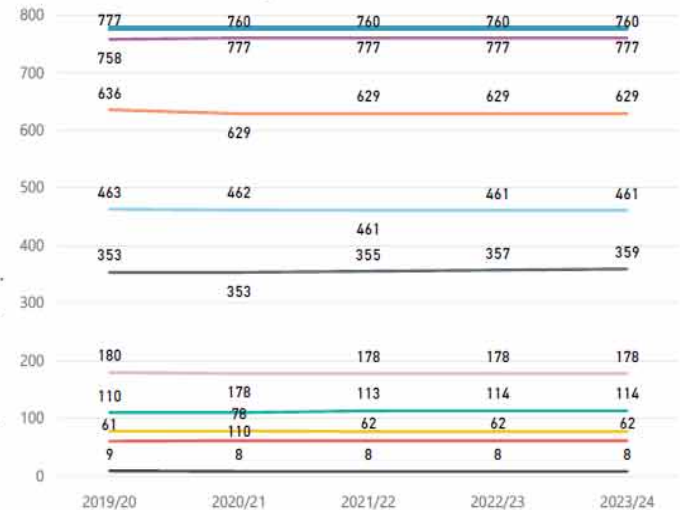
## 2019/20 Pay Spend by Job Family



## Pay Spend by SBU

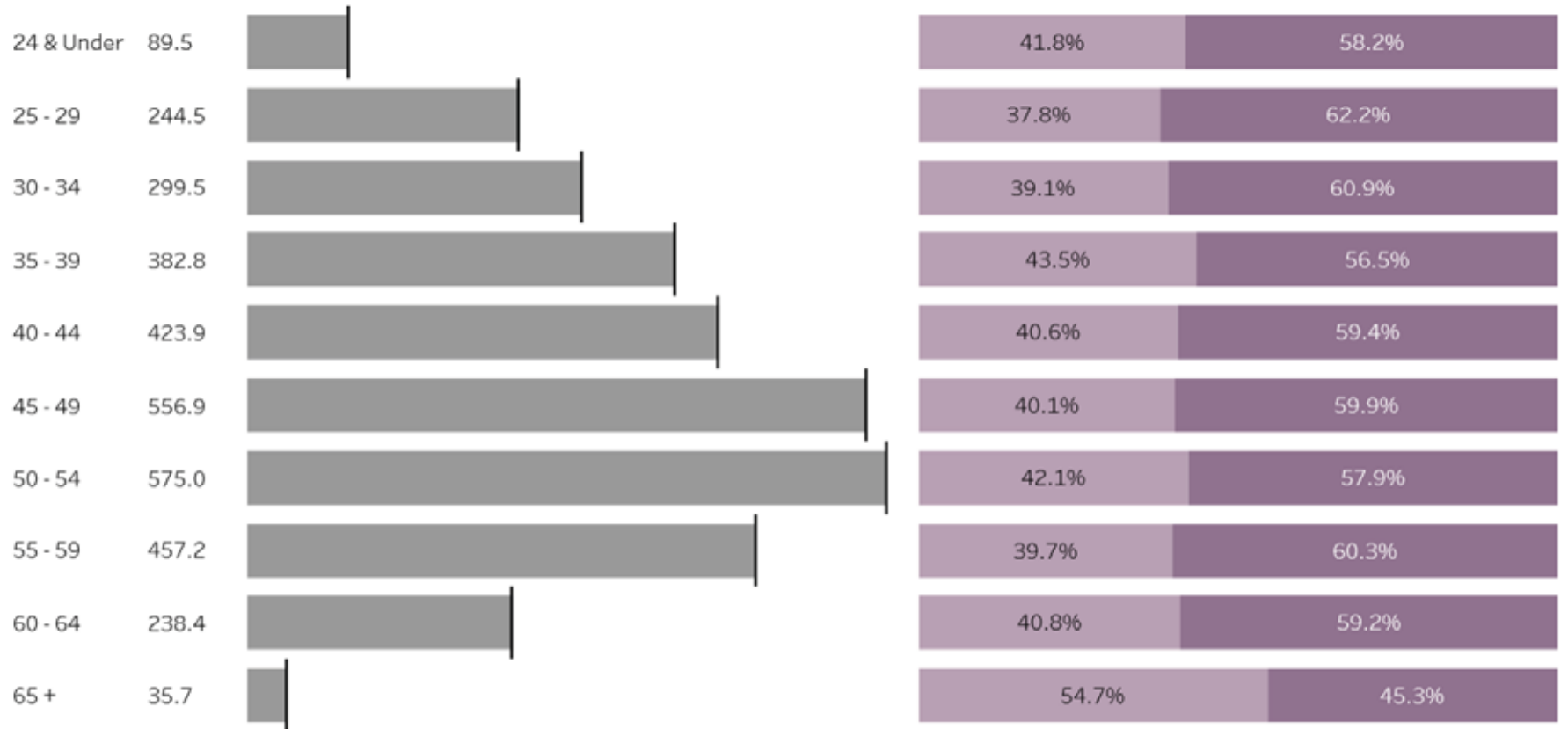


## Forecast WTE by SBU



# NSS Age Profile – December 19

Staff count for All by Age group





## Employee Protection

Headcount

405.94

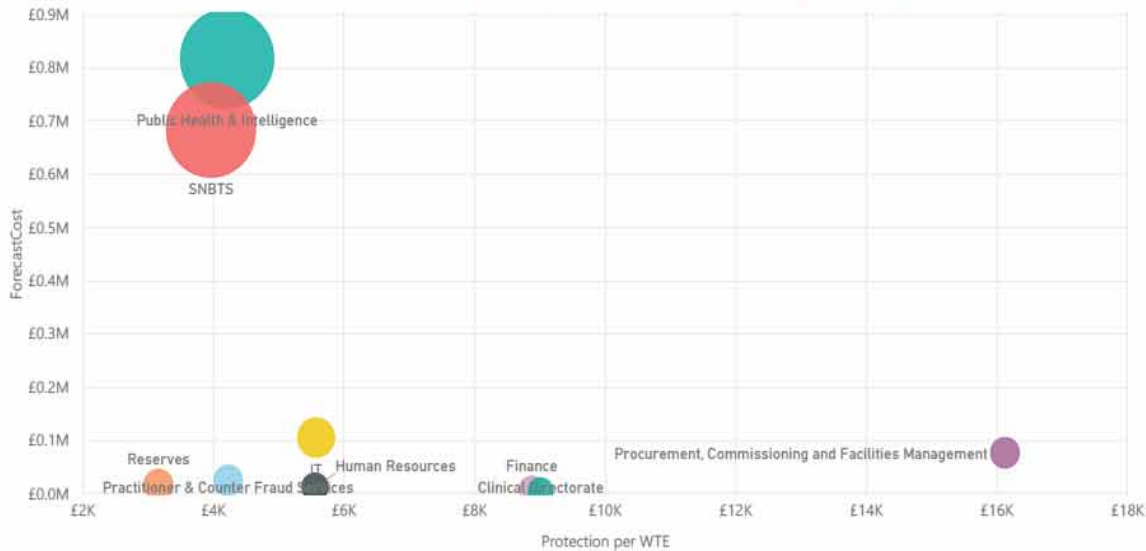
Average Protection per WTE

£4.32K

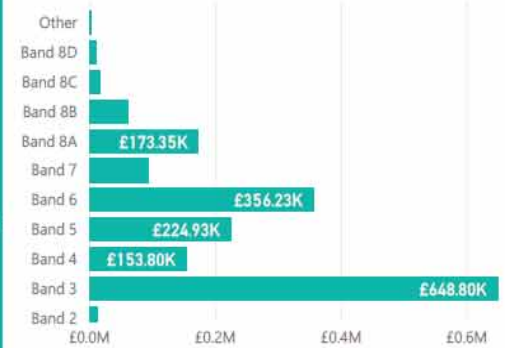
Cost of Protection

£1.75M

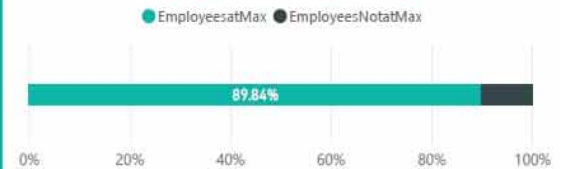
### Protection Cost Analysis (Cost/Headcount/Cost per Head)



### Protection by Current Job Band



### % of Employees at Top of Pay Scale



### Protection by Age Group



# NSS Turnover Position – December 19



## New starters

Current month  
**15**

Current FY  
**246**

## Leavers

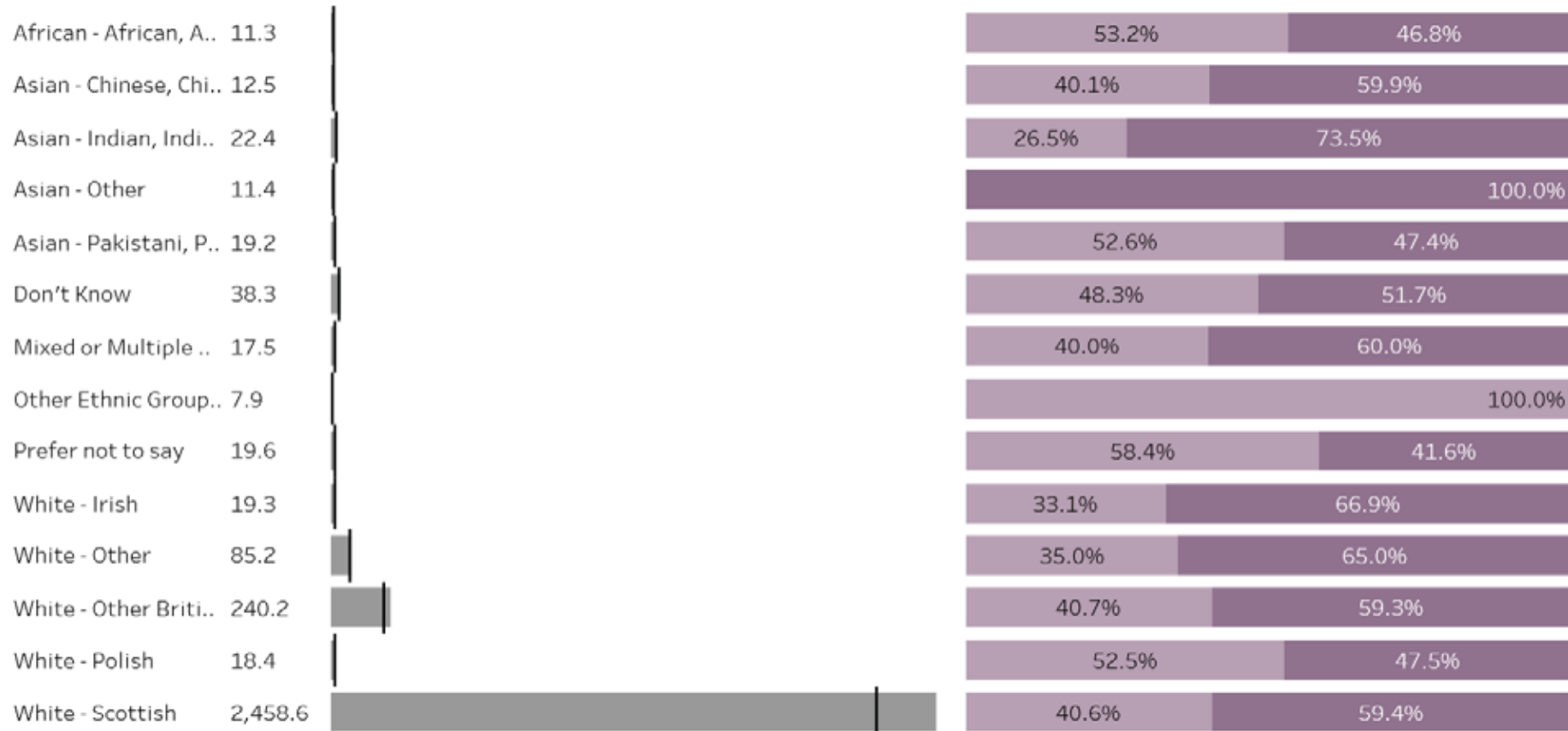
Current month  
**20**

Current FY  
**241**



# NSS Ethnic Profile – December 19

Staff count for All by Ethnic Group



We want all our staff to thrive and be successful. Their success is our success.

# What type of organisation do we want to be?

One that:

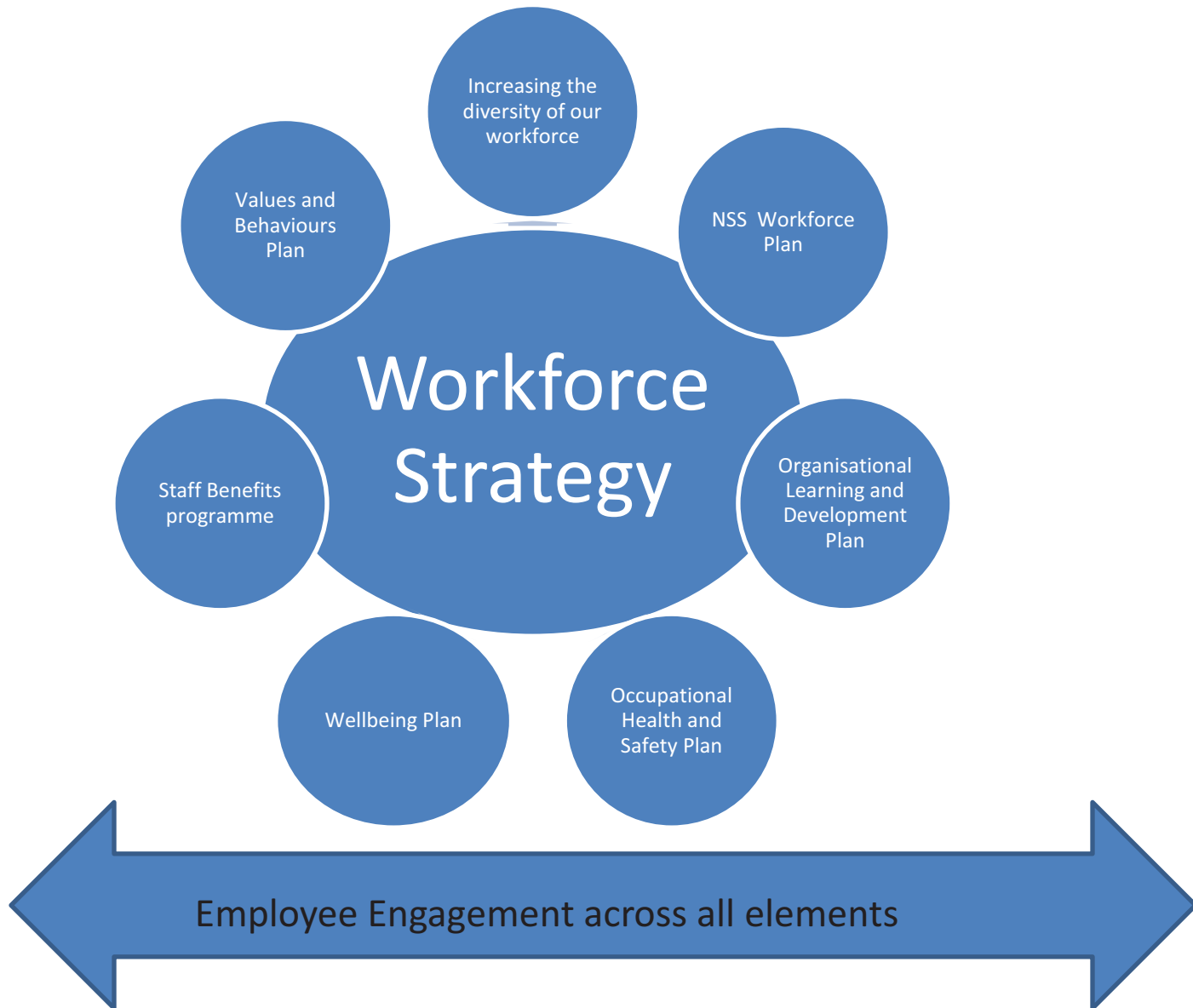
- Values its employees as its greatest asset
- Treats all employees with dignity and respect
- Celebrates and supports diversity and difference
- Trains and supports all employees to do their current role and provides opportunities to develop for the future
- Provides a total benefits package that is attractive and supports retention of a highly skilled workforce
- Where workforce policies are applied consistently across the organisation and people are treated fairly, whilst taking account of business and individual need

# What type of organisation do we want to be?

One that:

- Promotes a culture of health and wellbeing for all
- Actively encourages engagement and involvement of all employees
- Where the experience for all employees is a positive one throughout their employment with us

# What are we going to put in place

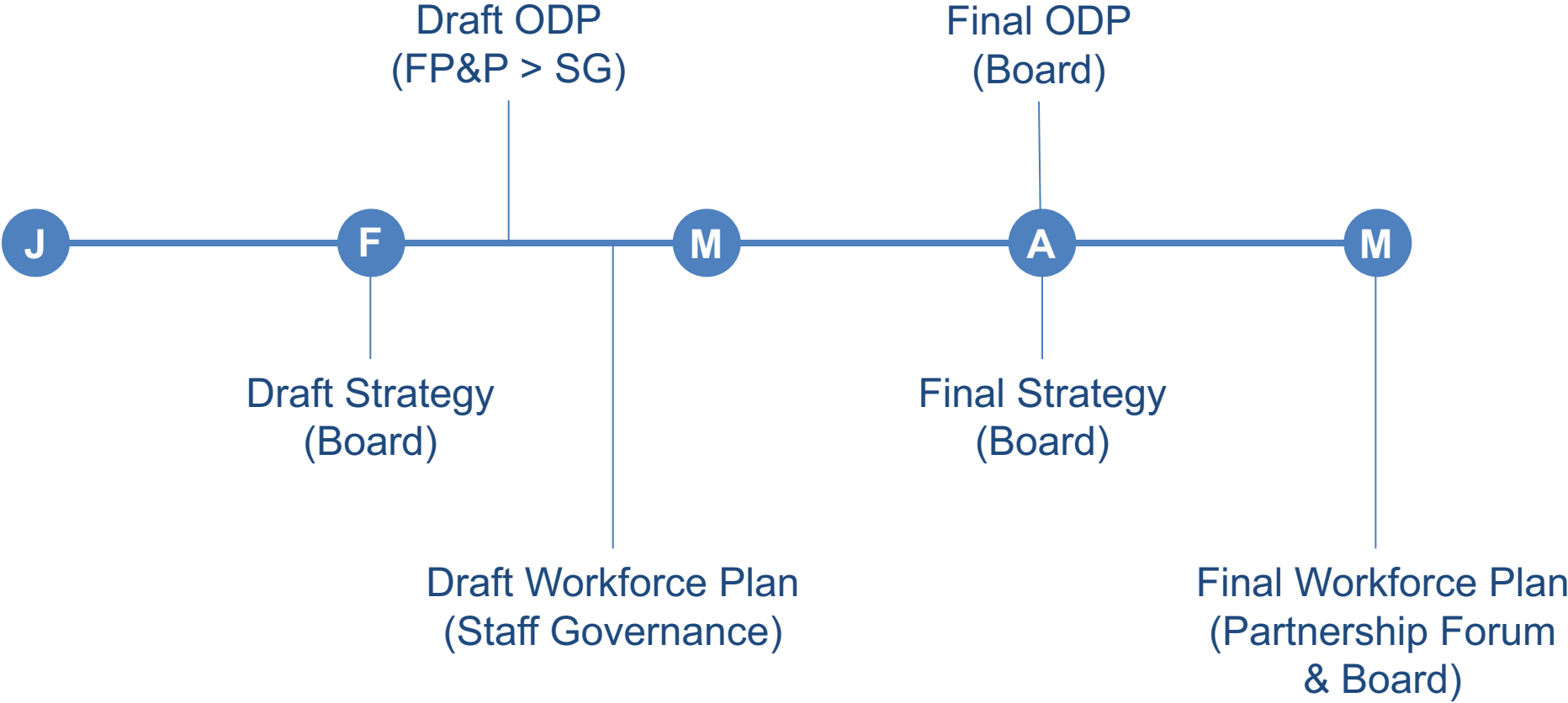


# **NSS Strategy 2019-2024**

## **Approval timeline**



# Achieving sign-off



# **NSS Strategy 2019-2024**

## **Summary**

# Summary



- The strategy has been well received by key stakeholders and will be further refined based on their feedback
- The Operational Delivery Plan is being finalised to reflect strategic priorities
- Achieving our financial plan and meeting all CRES targets creates significant challenge for us over the next 5 years
- We know the kind of organisation we want to be for our staff and are creating a new workforce plan to achieve it
- Your considerations and feedback will help ensure we are focused on the right areas and right actions

### Introduction

NHS National Services Scotland (NSS) provides national infrastructure services and solutions which are integral to NHSScotland. Using our expertise in a wide range of specialist areas, we are able to support a successful health and care service – locally, regionally and nationally.

Our main focus is on supporting NHSScotland, but we are now working more widely across health and care. This ensures the benefits and value we achieve through our national infrastructure can help many different areas of local front line services to improve outcomes for the people of Scotland.

Our national infrastructure is wide-ranging, covering clinical areas, such as the safe supply of blood, tissues and cells, through to non-clinical areas, such as providing essential digital platforms and cyber security for health and care.

We are also able to increase the value we create for health and care by bringing our services together and focusing them on delivering solutions in key areas, such as the shift to prevention and meeting NHSScotland's current priorities on waiting times, mental health and integration.

With the planned transition of Information Services Division (ISD) Scotland and Health Protection Scotland (HPS) to the new public health body in December 2019, we are at a point where our strategic focus needs to take account of this change and to re-define our future role and responsibilities.

This draft strategy outlines areas our stakeholders have said they need us to deliver against over the next five years and has been informed by a number of key requirements for health and care:

- Achieving the Cabinet Secretary for Health and Sport's immediate priorities on mental health, waiting times and health and social care integration.
- Enabling the people of Scotland to live longer, healthier lives at home or in a homely setting<sup>1</sup>.
- Ensuring everyone who provides healthcare in Scotland is able to demonstrate their professionalism<sup>2</sup>.
- Helping Scotland to become a more successful country by increasing the wellbeing of people and creating opportunities for everyone who lives here<sup>3</sup>.

<sup>1</sup> Health and Social Care Delivery Plan (2016); Scotland's Digital Health and Care Strategy (2018).

<sup>2</sup> Realistic Medicine (2016); Realising Realistic Medicine (2017); Practising Realistic Medicine (2018).

<sup>3</sup> Scotland's National Performance Framework (2018).

- Taking the actions needed to shift NHSScotland towards long-term, fundamental change and securing its future<sup>4</sup>.

We are committed to delivering services and solutions that support the achievement of these requirements. We also acknowledge that we must continue to evolve as an organisation and will need to:

- Increase our pace of change so the value we create for health and care can be realised more quickly.
- Continuously develop our services so they support a step change in improving health performance and delivering health and care outcomes.
- Ensure our future sustainability by developing our workforce, improving our productivity and ensuring our services are the most efficient they can be.
- Optimise our governance and build strong and compassionate leadership in all areas of the organisation.

## Our purpose

Our purpose reflects why we were established and guides everything we do:

**“We provide national solutions to improve the health and wellbeing of the people of Scotland.”**

We believe our primary responsibility is to provide a robust and effective national infrastructure to NHSScotland. Going forward, and to continue to fulfil our purpose, we need to work in partnership with all areas of health and care.

## Our vision

Our vision recognises what we need to achieve over the next 5 years:

**“To be integral to a world-leading national health and care service.”**

We want the people of Scotland to have the best possible health and care service in the world. We know we can play an important role in making this a reality for them. Over the next five years we will support the change that is needed across health and care, while also reforming our services so they remain integral to the ongoing success of NHSScotland and the wider health and care landscape.

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<sup>4</sup> NHS in Scotland 2018 (2018); The Governance of the NHS in Scotland – Ensuring Delivery of the Best Healthcare for Scotland (2018).

## Values and our people

The NHSScotland values guide everything we do and ensures we fulfil our purpose and make our vision a reality. Our goal:

“NSS wants to be a great place to work.”

We fulfil the ambition of the NHSScotland Staff Governance Standard through an annual action plan. We focus on areas relating to a positive staff experience; making sure staff are healthy, well and safe; that we have a sustainable workforce; and provide inclusive working opportunities to encourage a more diverse workforce. We measure our success through iMatter and other staff surveys as needed.

## Approach

Our approach defines where our stakeholders need us to prioritise our efforts:

1. Enable health and care transformation with new services.
2. Underpin NHSScotland with operationally excellent services.
3. Assist other organisations involved in health and care.

### 1. Enabling health and care transformation with new solutions

We have the ability to connect our services and deliver solutions that create additional value for health and care. This will be achieved by harnessing the wide ranging skills and expertise NSS has and refocusing them on areas of health and care where we can optimise our delivery of triple value as defined by Realistic Medicine. We also recognise that we cannot achieve this alone and will seek to engage and partner with others.

We are focusing our attention for the next 5 years on delivering solutions that achieve the greatest impact as defined by the triple aim of better care, better health and better value. They are also designed to help Scotland achieve the Health and Social Care Delivery Plan, while also addressing the immediate needs of mental health, waiting times and integration.

#### Primary and community care

We are supporting primary care reform in conjunction with Scottish Government, other national boards and primary care services. NSS already provides extensive support to primary care and is now working to enable the extended multi-disciplinary team in primary care, which includes nurses, allied health professionals (AHPs), paramedics, primary care pharmacists and link workers. This includes Health Facilities Scotland surveying the 500 plus GP practices to find out what is achievable

and the Programme Management Service helping to identify digital opportunities. We will also introduce a new IT contracting framework to maintain the medical records within general practice. We will support the information requirements needed to help the development of phase two of the General Medical Services (GMS) contract due in 2021. Additionally, we are exploring how we can add more value for social care organisations and to dentists, opticians and pharmacists.

This solution supports ambitions for ensuring people who need care are well informed, empowered and can access the right care at the right time.

### **Medicines**

We will support research and development and the introduction of new treatments, such as Advanced Therapeutic Medicinal Products (ATMPs), and progress the development and use of genomics and cellular therapies in Precision Medicine.

We will also look to better utilise our digital capabilities and data assets to better understand the optimal pathway for prescribing medicines and improving patient outcomes in a safe way. Our approach will align to the principles of Realistic Medicine.

This solution supports ambitions for changing Scotland's approach to medicine and ensuring we get the best possible value from them.

### **Public Health Scotland**

We will ensure the smooth and successful transition of Information Services Division (ISD) Scotland and Health Protection Scotland (HPS) to the new public health body in December 2019. We will co-create a corporate services solution for the new body so that it can focus a greater proportion of its efforts on achieving the national public health priorities.

This solution supports ambitions for improving public health and supporting the shift in care to prevention and early intervention.

### **National Board Collaboration**

We will work with our National Board partners to further improve the quality, value and efficiency of national services. We will support delivery of the National Board Collaborative priorities of: improvement, transformation and evaluation; digitally enabled service redesign; and a sustainable workforce.

This solution supports ambitions for NHS Board reform and the need for more effective and consistent national services.

### **Health and care infrastructure**

We will drive sustainability and value for NHSScotland by delivering a range of national infrastructure solutions. From public sector broadband services via the Scottish Wide Area Network (SWAN) to the national roll out of Office 365, from National Planning and built infrastructure and estate planning to national distribution, pandemic and resilience provision. We will explore opportunities to support and deliver key infrastructure improvements.

This solution supports ambitions for the effective use of resources that ensure a consistent and sustainable delivery of health and care services.

### **Transformation and integration**

We will support stakeholders and partners in Scottish Government, territorial health boards, regions and integration joint boards to deliver the changes required to continuously achieve the Health and Social Care Delivery Plan's triple aim. We are already supporting the delivery of new national approaches to radiology, laboratories, aseptic pharmacy and clinical engineering and are actively involved in supporting change programmes across many areas of health and care.

This solution supports ambitions for ensuring the success of the triple aim and the evolution of health and care services to meet the needs of the people of Scotland.

### **Digital and data**

We will enable, with others, the delivery of the service transformation domain of the digital health and care strategy by using our national architecture to quickly turn ideas into practical national, regional or local digital-first solutions. We will optimise our data sources and provide trusted data and intelligence to help patients and health care staff make better and more informed decisions.

This solution supports ambitions for using technology to reshape and improve services, support person-centred care and improve outcomes.

## **2. Underpinning NHSScotland with operationally excellent services**

We will continue to provide core infrastructure services to NHSScotland, driving and increasing the quality and value of these services. We are also called upon to provide additional levels of support at times of crisis or increased need and will work closely with Scottish Government and health boards to ensure we respond quickly and appropriately.

### **Specialist healthcare Services**

We will commission and co-ordinate a range of services, networks and screening services to improve the health of those who require specialist care. In particular, through our national planning arrangements, we will support the design of tertiary care to support the best outcomes for the populations they serve.

### **Procurement Services**

We will ensure our procurement and supply chain service continues to deliver best value for the NHS in Scotland. In doing this we will aim to improve health by supporting initiatives to make better use of the products and service solutions we provide. We will continue to underpin medicine programmes by supporting vaccine initiatives and patient access schemes.

### **Facilities Services**

We will utilise our technical and operational expertise to further develop the national approach to infrastructure management through our support to the National Infrastructure Board, and stewardship of the strategic facilities agenda. We will also



support the NHS in Scotland improve the sustainability of services by limiting their impact on the environment and helping them adapt to climate change.

### **Legal Services**

We will continue to provide high quality and highly rated legal services in relation to litigation, employment, property and commercial contracts. We will redesign and improve our services using digital technologies, ensuring they are aligned to Scotland's Digital Justice ambitions. We will also continue to benchmark our costs to ensure we continue to represent best value for those who use our services.

### **Digital and Cyber Security Services**

We will transform our digital and cyber security capabilities to ensure health boards and health and social care partnerships are able to function efficiently and safely. We will achieve this through a 'security to design' approach in the delivery of our digital services and cloud platforms, enabling on demand access to critical systems and business intelligence for informed decision making.

### **Blood, Tissues and Cells Services**

We will continue to provide a safe and sustainable supply of blood, tissue and cell therapy products, ensuring we deliver and optimise the value from reliable, efficient and effective services to NHSScotland, patients and donors. Utilising our state of the art manufacturing facilities, we will lead in the development of Advanced Therapy Medicinal Products to control or cure some of the intractable degenerative and neoplastic diseases.

### **Practitioner Services**

We will continue to provide payment, patient registration and records transfer for primary and community care contractor services (general practice, community dental, community pharmacy and optometry). Over the forthcoming period of this strategy we will automate and digitally transform our services to improve customer experience and efficiency and provide better data to inform primary care practitioners. This will enable them to focus on providing high quality, timely and sustainable support for patients and their families.

### **Counter Fraud Services**

We will ensure a continued drive to countering fraud by regularly reviewing and prioritising our resources through our Strategic Intelligence Assessment. The savings made from detecting and stopping crime will support the NHS in Scotland in times of significant financial challenge.

### **Programme Management Services**

We will help organisations realise the benefits of their critical health and care change programmes by providing a flexible and scalable approach to portfolio management, programme and project management, programme assurance and transformation

support. Underpinned with our best practice expertise in programme and project methodologies, including PRINCE2<sup>5</sup>, Agile<sup>6</sup>, Lean<sup>7</sup>, MSP®<sup>8</sup> and ITIL<sup>9</sup>.

### 3. Assisting other organisations involved in health and care

We will play an important role in connecting strategic health and care initiatives across Scotland. By continuing to connect with partners and stakeholders in other public bodies, we can use our national position to ensure our services, solutions and programmes of work are aligned to, coordinated with and integrated into regional and local initiatives. This will help ensure we are supporting transformation throughout the health and care system.

#### **With Local Government**

We will continue to connect and strengthen relationships with local authorities and governing bodies, such as the Convention of Scottish Local Authorities (COSLA), the Society of Local Authority Chief Executives (SOLACE) and Integration Joint Boards.

#### **With the Third Sector**

We will continue to ensure we comply with Public Participation Standards and will work with the Scottish Health Council and national organisations, such as the Scottish Council of Voluntary Organisations, to explore the development of a public participation strategy.

#### **With Emergency Services**

We acknowledge that the Scottish Fire and Rescue Service and Police Scotland are key partners in delivering joined up health and care services. We will continue to seek opportunities to collaborate with them on improvements that benefit health and care.

### Summary

NSS will continue to play an integral role in the provision of health and care services to the people of Scotland. Our focus remains on providing national infrastructure services and solutions.

The health and care priorities set out in the Health and Social Care Delivery Plan, Scotland's Digital Health and Care Strategy and Realistic Medicine inform our focus and approach over the next five years.

To help Scotland achieve them, we recognise that the value we create through our core services need to be enhanced and fully aligned to the goals and ambitions at every level – locally, regionally and nationally.

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<sup>5</sup> Structured, manageable and controllable project management.

<sup>6</sup> Adaptive planning to support rapid and flexible responses to change.

<sup>7</sup> Principles for delivering greater value with less waste.

<sup>8</sup> Global best practice for transformational change programme management.

<sup>9</sup> Processes for aligning IT services with the needs of an organisation.

We also need to create additional and new value to help ensure health and care is able to fulfil the triple aim of better care, better health and better value. We will do this by fully utilising and joining up our services in ways that meet or exceed the needs and expectations of our partners and stakeholders.

While territorial and national health boards will continue to be our biggest stakeholders and partners, to truly fulfil Scotland's health and care goals we will need to work and partner with other organisations who play an intrinsic role in the delivery of health and care.

Taking this new approach will help NSS to meet its vision of being integral to a world-leading national health and care service.

DRAFT

**B/19/07**

**NSS Formal Board Meeting – Date Friday, 1 February 2019**

## **NSS Risk Appetite Statement**

### **Purpose**

Board Members are being asked to approve the wording for the NSS Risk Appetite Statement. The statement forms part of the NSS Integrated Risk Management Approach (IRMA).

### **Recommendation**

Board Members are requested to agree that the NSS Risk Appetite Statement attached as Appendix A, remains appropriate.

### **Timing**

The NSS Board and Executive Management Team (EMT) at their Strategic Development Session held in October 2018, considered NSS's strategic direction. On the basis of feedback from these discussions no changes have been made to the current risk appetite. The Audit and Risk Committee at their 5 December 2018 meeting reviewed our appetite to risk and Members recommend to the Board that the term "flexible approach" be replaced with the wording "considered and responsive approach" better reflected NSS's risk appetite approach and these amendments have been made to our current "Risk Appetite Statement".

### **Background**

In November 2015 the NSS Board Members, from a best practice governance perspective, approved the formal definition of the risk appetite for NSS, in the form of a Risk Appetite Statement. This statement has been reviewed on an annual basis since 2015.

### **Risk Appetite**

Risk appetite is the amount of risk that an organisation is willing to seek or accept in the pursuit of its long term objectives. As you are aware it is the Board of Directors responsibility to define this part of the risk management system and to ensure that the exercise of risk management throughout the organisation is consistent with that appetite.

The level of risk which NSS is willing to take is assessed and reviewed through their strategic planning process. This includes annual Resource Allocation Meetings (RAMs), Senior Management reviews in the Strategic and Support Business Units and Directorates, monthly EMT meetings, NSS Board Sub-Committee and biannual NSS Board reviews. In line with good practice NSS refers to this in the context of a "Risk Appetite Statement" in our IRMA.

The Members are requested to agree the updated NSS Risk Appetite Statement attached as Appendix A.

## **Engagement**

Engagement has taken place with the Board, EMT and Audit & Risk Committee Members.

**Marion Walker**  
**Risk Manager Lead**  
[marion.walker@nhs.net](mailto:marion.walker@nhs.net)

**Martin Bell**  
**Associate Director, Strategy, Performance and Service Transformation**  
[martinbell4@nhs.net](mailto:martinbell4@nhs.net)

## Statement

NHS National Services Scotland (NSS) has a considered and responsive approach to its risk appetite in pursuit of its four principal objectives: Customers at the Heart of Everything We Do, Increase our Services Impact, Improving the Way We Do Things and Be a Great Place to Work. Where risks to new and on-going activities are identified, NSS will always attempt to mitigate the likelihood or impact of the risk to a level judged to be acceptable in the prevailing conditions. This is in line with the NSS Integrated Risk Management Approach.

## Governance

The level of risk which NSS is willing to take is continually assessed and reviewed through the strategic planning process. This includes annual Resource Allocation Meetings (RAMs), Senior Management reviews across the Strategic and Support Business Units and Directorates, monthly Executive Management Team (EMT) meetings, NSS Board Sub-Committee's and biannually by the NSS Board. The NSS Risk Appetite will be reviewed by the NSS Audit and Risk Committee and approved by the NSS Board, on an annual basis.

Articulated below are the risk categories and current risk appetite together with an explanation of why.

<b>Risk Category</b>	<b>Current Risk Appetite</b>	<b>Why</b>
Business	High	NSS places high importance on services and processes. NSS has a high risk appetite aimed at increasing the impact of existing services as well as improving the way these operates. The high risk appetite also allows NSS to explore the opportunity to deliver existing and new services into new markets.
Clinical	Low	Patient safety is paramount to NSS and as such it has a low appetite for clinical risk.
Information Governance	Low	NSS places high importance on using and handling information properly. Having the correct information when required is vital to patient care and effective service delivery. NSS has set a low risk appetite to safeguard sensitive data and ensure regulatory compliance is maintained.
Reputational	Medium	To sustain a high reputation NSS has set a medium appetite for risk. NSS seeks to conduct its activities in a way that maintains its reputation; mitigating anything that might jeopardise this and result in adverse publicity. Maintaining the trust and confidence of its existing NHS customer base remains central to NSS values. However, it is accepted that some risk exposure is taken when growing the wider public sector market; a key element to the revised NSS strategy.
Staff	Medium	Staff are critical to NSS achieving its objectives. NSS therefore invests heavily to support and develop its people. This medium appetite allows NSS scope to implement initiatives and procedures that seek to inspire staff and support transformational change whilst ensuring it remains a safe place to work. Staff engagement, involvement and empowerment are all themes that emerge from this medium risk stance.

B/19/08



**Meeting: NSS Board of 01/02/2019**

**Paper Number: B/19/08**

**Title of Paper: draft Operational Delivery Plan 2019 - 24**

**Paper Type:**

*This is the draft Operational Delivery Plan (ODP), which is at present in its first draft stage.*

**Decisions Required**

*The Board is asked to note the document for information and comment prior to approval by the Finance, Procurement and Performance Committee in February. Following this the document will be submitted to Scottish Government sponsors for comment, prior to being updated for final approval by the Board in April.*

**Analysis:**

The ODP is aligned to the NSS Five Year Plan, which will be considered earlier on in the Board agenda. Further work up will take place to develop plans to implement the Five Year Plan and targets from these plans will feed into a future ODP. Targets and milestones incorporated in this paper have been submitted by SBUs as part of the strategic planning and resource allocation process and are broadly in line but progressed from the milestones of the previous Operational Delivery Plan.

At this stage some milestones still require to be developed to ensure they are measurable in order that progress against the ODP can be measured. Risks to delivery will be incorporated into the Corporate Risk Register. Finance and workforce plans will be developed in line with this service delivery plan.

Caroline McDermott  
Head of Planning  
Tel: 0131 275 6518  
Email: [carolinemcdermott@nhs.net](mailto:carolinemcdermott@nhs.net)

## **1.0 Introduction**

NHS National Services Scotland (NSS) provides national infrastructure services and solutions which are integral to NHSScotland. Using our expertise in a wide range of specialist areas, we are able to support a successful health and care service – locally, regionally and nationally.

Our main focus is on supporting NHSScotland, but we are now working more widely across health and care. This ensures the benefits and value we achieve through our national infrastructure can help many different areas of local front line services to improve outcomes for the people of Scotland.

Our national infrastructure is wide-ranging, covering clinical areas, such as the safe supply of blood, tissues and cells, through to non-clinical areas, such as providing essential digital platforms and cyber security for health and care.

We are also able to increase the value we create for health and care by bringing our services together and focusing them on delivering solutions in key areas, such as the shift to prevention and meeting NHSScotland's current priorities on waiting times, mental health and integration.

This Operational Delivery Plan (ODP) sets out the agreement between NSS and the Scottish Government (SG) as to the targets to be delivered in support of Scotland's 2020 Vision for Health and Social Care, the SG's National Strategic Objectives and the Health and Social Care Delivery Plan. It encompasses all aspects of NSS business as usual activities; whether funded directly by SG or through other sources.

Whilst the ODP sets formal targets for the year ending 31<sup>st</sup> March 2020, NSS plans on a 5-year horizon. Long-term programmes are therefore included with appropriate delivery milestones showing the value provided by undertaking these activities.

## **2.0 Strategic Intent**

Our draft Strategic Plan (2019 – 24) provides more detail on our strategic direction.

### **Our purpose**

Our purpose reflects why we were established and guides everything we do:

“We provide national solutions to improve the health and wellbeing of the people of Scotland.”

### **Our vision**



Our vision recognises what we need to achieve over the next 5 years:

“To be integral to a world-leading national health and care service.”

## **Values and our people**

The NHSScotland values guide everything we do and ensures we fulfil our purpose and make our vision a reality. Our goal is:

“NSS wants to be a great place to work.”

## **Approach**

Our approach defines where our stakeholders need us to prioritise our efforts:

1. Enable health and care transformation with new services.
2. Underpin NHSScotland with operationally excellent services.
3. Assist other organisations involved in health and care.

### **3.0 Enabling health and care transformation with new solutions**

We have the ability to connect our services and deliver solutions that create additional value for health and care. We are focusing our attention for the next 5 years on delivering solutions that achieve the greatest impact as defined by the triple aim of better care, better health and better value. They are also designed to help Scotland achieve the Health and Social Care Delivery Plan, while also addressing the immediate needs of mental health, waiting times and integration.

### **4.0 National Boards Collaborative**

We are part of a collaborative of eight national boards providing services where improved quality, value and efficiency is best achieved through a national approach. We share a common purpose and by working closely together, and with our partners in the Scottish Government, regions, territorial boards and integration joint boards, we will support the changes required to improve services, reduce unnecessary demand, improve workforce sustainability and strengthen leadership to protect and improve Scotland's health.

The National Boards Collaborative Programme focuses on three areas - (1) improvement, transformation and evaluation; (2) digitally enabled service redesign; and (3) a sustainable workforce:



These are the areas where we believe we can help our partners redesign services to meet technological, demographic and societal changes. We will take on difficult issues in partnership to identify where national support can help deliver real sustainable change to address priority areas such as waiting times and mental health and drive integration across health and social care.

### 5.0 Risks to Delivery

Risks to the delivery of this Operational Delivery Plan will be recorded within our Corporate Risk Register and reported regularly.

At the point of publication, the risk matrix, describing the aggregated impact and likelihood of the identified risks is as follows: (to be added before final approval / publication)

## Targets

This section details the targets and milestones for delivery. These will be regularly reviewed, monitored and formally reported on a quarterly basis.

(note some targets are still being worked up. All targets need to have SMART indicators attached and risk associated with achievement identified)

### 1 Better Health

#### 1.1 Safe and sufficient supply through a modernised blood, tissues and cells service (SNBTS).

- No avoidable Transfusion or Tissue Transmitted Infections (TTIs) (Risk 5114)
- 3 or more days blood supply available for all blood groups (Risk 3236)

#### 1.2 Build Research, Development and Innovation capability within NSS (SNBTS). There are no risks related to these research projects which impact on service delivery.

- Complete main treatment arm of the MATCH study (autologous macrophages in cirrhosis). To include establishing a second manufacturing site at JCC, and processing donations from multiple participating sites e.g. Glasgow and Dundee by March 2020. This will lay the groundwork for multi-centre late phase clinical trials
- Establish an HLA-typed Allogeneic Mesenchymal Stromal Cell bank to improve and support transplant and regenerative medicine early-phase clinical trials by December 2019
- Expansion and derivation of the first UK GMP-grade iPSC cell lines by December 2019 to support the rapidly growing pluripotent stem cell-derived regenerative medicine field in the UK and worldwide as part of the GAIT initiative

#### 1.3 National Specialist Services and Screening programmes meet national standards and demonstrate evidence of continuous quality improvement with a view to achieving optimal outcomes for patients (Procurement, Commissioning and Facilities).

- 100% of commissioned specialist, screening services and networks have quality reviews annually, to identify areas for improvement to deliver better services and patient outcomes by March 2020.
- Quality standards in 33% of commissioning service agreements would be reviewed and updated against international benchmarks to help deliver better services and optimal outcomes by March 2020 (3rd of 3 year programme).

#### 1.4 Implement policy changes in national screening programmes within agreed timeframes, specifically: (Procurement, Commissioning and Facilities).

- Milestones in relation to Hr-HPV for Cervical Screening met by March 2020.
- Ensure equitable access to national specialist services and risk share schemes by monitoring geographic uptake against the Scottish average and reporting to NHS Boards. 90% of specialist activity by Board within agreed targets by March 2020.
- Milestones in relation to NIPT for Pregnancy Screening met by March 2020.
- Milestones in relation to DRS for Diabetic Screening met by March 2020.

### **1.5 Monitor hazards and manage outbreaks and incidents through the national health protection service. (Risk 4503) (Public Health and Intelligence)**

- Ensuring completion to schedule of 95% of all health protection deliverables identified within the PHI/SG SLA.

### **1.6 Provide surveillance and response coordination as appropriate for all national level health protection threats including healthcare associated infections. (Risk 2904) (Public Health and Intelligence)**

- 100% of all national incidents and outbreaks caused by organisms/agents under current national surveillance are reported to HPS through the surveillance system and managed according to the national guideline.

### **1.7 Delivery of Antimicrobial Resistance and Healthcare Associated Infections (ARHAI) Programme portfolio supporting the national ARHAI strategy. (Risk 4995) (Public Health and Intelligence)**

- 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. Measured through activities to achieve impact at 95%.

## **2. Better Care**

### **2.1 Facilities programmes in place to support improved patient care (Procurement, Commissioning and Facilities).**

- Reduce the potential for healthcare associated infection by testing and validating equipment for decontamination of reusable medical devices to greater than 90% against the planned programme.
- Support for primary care service development by completing GP premises survey baseline activity by Q1 2019
- All new patients receive oxygen service within 4 days of notification (100%).

### **2.2 Meet the need of customers for information and intelligence to improve outcomes for the people of Scotland. (Public Health and Intelligence)**

- Completion to schedule of 90% of all Information and Intelligence deliverables identified within the PHI/SG SLA.(Risk 5403)

- Quality Assurance – reinforcing new Statistics Code of Practice, including: (Risk 4146)
  - Undertake quality assurance review of at least 2 data-sets by end March 2020.
  - Participate in assessments of official statistics, as required by the UK Statistics Authority (timetable and publications for review are determined by the UKSA).
- Atlas of Variation: (Risk 4877)
  - Publication of 18 maps covering 6 themes during by end March 2020
  - Implementation of an enhanced training plan by end October 2019
- Regional support (to be worked up)
- Mental Health:
  - Supporting the delivery of the actions within the Mental Health Strategy through the provision, enhancement and development of data, analytics and intelligence expertise to all MH service providers. For example, the MH quality Indicators will be published bi-annually.
  - Leading the Knowledge and Information Workstream for the “Children and Young Peoples Mental Health Taskforce” to ensure appropriate and timely information is developed and available and digital services are enhanced in line with the aims of the Taskforce to improve MH service provision and outcomes for under -25s
  - Mental Health Access Support Team – analysts working locally in all NHS boards providing specialist expertise and information development to drive tangible improvements in access to CAMHS and Psychological Therapies by March 2020.
  - CivTech Challenge to improve mental health of young people by developing a digital “artificial intelligence chatbot” solution that will support young people with their mental health needs and will fill an important information gap around our understanding of need. Pilot project to be completed for Stirling council prior to scaling nationally
- Waiting times (to be worked up)
- Primary care (Risk 4991, 4370)
  - Ensuring the resilience of the ‘flu vaccination programme so that the population are appropriately immunised through active monitoring of the supply, demand and uptake of the vaccine
  - Enhancing the Primary Care Information dashboard to incorporate information to support GP practices in their understanding of in – year alterations to their funding levels, available to all GP practices
- Whole System Modelling: (Risk 4993)
  - Development of a demonstrator model by end June 2019.

### **2.3 Intelligence led decision making across the public sector. (Public Health and Intelligence)**

- By March 20 LIST will: (Risk 4990, 4992)
  - Continue to support 100% of Integration Authorities.
  - Provide support to 100% of established GP Clusters that wish to make use of LIST (move to primary above?)
  - CPPs?
- Social Care: (Risk 4514)

- Review the success of the initial local analyses (developed at the end 2018/19) of social care data linked with health service data in meeting the integrated information and intelligence needs of Health and Social Care Partnerships by September 2019; design and disseminate a refined set of analyses by March 2020.
- Contribute to setting strategic direction for SILC2 and alignment with NES Digital/HDR-UK/ADR-S work programmes (work in progress to develop milestone)

**2.4 Tackling inequalities - Integrate health inequalities** (Risk 4994) (Public Health and Intelligence) ( Work in progress)

**2.5 Delivery of agreed IT Services to health, including Boards and SGHSCD.** (IT)

- 95% delivery to Boards of the national SLA for business as usual services on an annual basis.
- 95% delivery of agreed outcomes to Scottish Government's Health and Social Care delivered on time and within budget on a quarterly basis.
- 95% Delivery of major IT programmes to include CHI, Office 365, GPIT within specification, timescale and budget.

**3. Better Value**

**3.1 Source and deliver goods to support the NHS to achieve financial targets** (Procurement, Commissioning and Facilities).

- Collaborative Contract Coverage £1.4bn.
- Actual NDC Revenue Throughput £155m.
- National Contract Delivered Savings £60m

**3.2 Single and consistent eProcurement system and processes in place to enable NHS Boards to procure products in a standard manner** (Procurement, Commissioning and Facilities).

- All NHSScotland orders for goods and services are placed via an appropriate electronic procurement system for their business area

**3.3 Deliver cost effective litigation, commercial property, commercial contracts and employment legal services** (Central Legal Office).

- Achieve greater than 90% customer satisfaction levels for Legal Services and set the annual increase of fees at 0%. Risk 1615

**3.4 Support the Scottish Government in improving the overall management of clinical negligence claims, including the increased use of periodic payments for high value negligence claims and ensuring that the information recorded by litigation solicitors in the CLO database is accurate and timely, facilitating**

**an accurate assessment of CNORIS contributions for NHS Boards and assisting financial planning** (Central Legal Office).

- 100% update of Clinical Negligence Claims – value and settlement dates.  
Risk 5357

**3.5 Ensure customers understand what NSS can offer them and have high levels of satisfaction with our service delivery** (Strategy, Performance and Service Transformation).

- NSS services achieve a minimum annual customer satisfaction score of 70%.

**3.6 Build sustainable development into all our services to ensure resilience is delivered, including: reduced emissions, adapting for climate change and behaving sustainably.** (Risk 3601) (Strategy, Performance and Service Transformation).

- Deliver a Good Corporate Citizenship score of:
  - $\geq 85\%$  by March 2020.(Further milestones to be added)

DRAFT

1. OVERVIEW OF FINANCIAL PERFORMANCE

B/19/09

At the end of December, NSS continues to be on track to meet its statutory financial targets for 2018/19. This forecast includes a number of key risks and assumptions, which will continue to be monitored in the final quarter of the year.

**Revenue** – the forecast outturn for revenue is breakeven 2018/19. At present, there is an under spend of £0.5m including a net SBU trading surplus of £0.4m. The current position has improved by £0.3m in month as a result of improving positions for SNBTS, P&CFS and PHI.

**Capital** – A £0.1m deficit is currently being reported as energy efficiency expenditure originally planned as revenue is actually capital in nature. This will be managed as part of the overall budget so the forecast outturn for capital is a surplus of £0.8m £0.4m of this relates to National programmes which will be returned to SG meaning the remaining £0.4m is available to reinvest.

**CRES** – The total CRES target for 2018-19 is £16.7m, including £9m for NSD and £7.7m across SBUs, which represents a 5% reduction of baseline funding. To date, NSS has delivered savings of £13.8m of the overall target and is on track to exceed the 5% target by the year end

NSS Target	RAG rating*	Year to Date	Full Year Outturn
Revenue outturn	Green	£0.5m surplus	Breakeven
NSD CRES savings	Green	78%	100%
NSS CRES savings	Green	88%	106%
Capital outturn	Green	£0.1m deficit	£0.8m surplus

Key

Red: Target will not be met

Amber: Uncertainty over whether target will be met

Green: On target



## 2. NSS REVENUE POSITION AS AT 31<sup>st</sup> December 2018

The following table summarises the NSS revenue position as at 31st December 2018, with a £0.5m surplus year to date and breakeven forecast for 2018/19.

	YTD Budget £000	YTD Actual £000	YTD v Budget £000	FY Forecast £000
<b>Income</b>				
NSS Baseline Allocation	240,058	240,058	0	328,176
SG Allocation	110,006	110,006	0	154,331
NHSS Health Board Trading	177,907	178,314	408	232,089
SGHD Trading	1,532	1,393	(139)	1,673
Non NHSS Income	51,448	75,265	23,817	85,565
<b>Total Income</b>	<b>581,464</b>	<b>605,548</b>	<b>24,085</b>	<b>801,839</b>
<b>Expenditure</b>				
Pay	114,029	113,407	623	152,832
Non Pay	150,849	117,441	(26,593)	233,846
Depreciation / Capital Charges	6,660	6,729	(68)	8,845
Purchase of Healthcare	168,036	168,386	(345)	224,670
Cost of Sales	141,721	138,400	3,321	181,546
AME	0	0	0	100
<b>Total Expenditure</b>	<b>581,296</b>	<b>604,363</b>	<b>(23,067)</b>	<b>801,089</b>
<b>Net Surplus/ (Deficit)</b>	<b>168</b>	<b>675</b>	<b>507</b>	<b>0</b>

The underlying YTD variances are attributable to the following:

- **Pay costs** are under spent by £0.6m – this position is being driven by vacancies within PHI (£0.1m), SNBTS (£0.8m) and CLO (£0.2m) which are all forecast to be filled during the financial year and an over spend of £0.4m in IT for staff working on service transformation.
- **Non Pay costs** are over spent by £26.6m - this mainly relates to 'pass through' costs including PASAG rebates which is offset against income.
- **Income (excluding rebates)** is £1.9m behind target – the main element of this (£3.4m) relates to Plasma Sales as a result of a worldwide shortage of IVIGg products, along with shortfalls in PHI (£0.2m) and IT (£0.3m) where unidentified income targets remain. This is partially offset by over-recovery in SPST and P&CFS and the increased volumes for flu vaccines (offset against non pay).

### 3. NSS REVENUE TRADING POSITION AS AT 31<sup>st</sup> December 2018

The table below summarises the NSS revenue trading position by SBU as at 31<sup>st</sup> December 2018 (£'000s) with SBU dashboards and supporting narrative presented at Appendix 1.

Strategic Business Unit	YTD Variance (£000's)	Forecast Outturn (£000's)
Central Legal Office	14	0
Information Technology	(9)	0
Procurement, Commissioning and Facilities	(418)	(559)
Practitioners & Counter Fraud Services	461	249
Public Health & Intelligence	(178)	(240)
Scottish National Blood Transfusion Service	514	677
Finance	(18)	2
Clinical Directorate	32	34
Strategy, Planning & Service Transformation	(34)	0
Human Resources	66	0
<b>Trading Position</b>	<b>430</b>	<b>163</b>
NSS Reserves	77	(163)
<b>Overall NSS Position</b>	<b>507</b>	<b>0</b>

Main movements on the year to date position in December are within:

- PCF – deficit has increased by £0.1m due to purchase of additional storage capacity as part of Brexit planning.
- P&CFS - the position has improved by £250k in month mainly due to higher levels of income for SHSC, continuing vacancies across the service and slippage on IT projects.
- PHI – income levels continue to improve this month (£87k). There remains uncertainty on income levels going forward this will be closely monitored.
- SNBTS – the position has improved in month due to higher activity levels as part of the SLA with NHSScotland. The level of vacancies has increased this month to 19.5wte which is offsetting cost pressures for storage, transport and fleet maintenance costs.

Main movements on Forecast position in December are within:

- PCF – The forecast deficit has increased by £0.4m mainly due to potential costs for storage and management of additional contingency stock for Brexit.
- P&CFS – forecast surplus has improved by £0.2m due to slippage on IT developments due to capacity issues. £1.2m has been spent to date on the delayed developments from 1718. The remaining £0.9m is expected to be spent in full by the year end.

- Reserves – The forecast has improved significantly in month due to the return of development funding from P&CFS and the reduction in required funding for PgMS support for internal programmes totalling £0.5m.

Efforts will be made to contain forecast overspends within overall budget provision at SBU level, with the balance being met from reserves as required. At this stage in the financial year, only PCF SBU is forecasting a year end deficit, mainly due to the JCC move.

#### **4. RESERVES**

A number of pressures in year such as dual running for JCC; Decommissioning for EGR; and Dilapidations for Bridge View have been met by the return of National Board under spends from 17-18; lower levels of funding required for internal PgMS programmes; and the P&CFS ATOS work.

The forecast assumes:

- The contingency of £1.0m will be spent in full (£0.6m committed to date)
- £1.4m of provisionally approved NISe bids that are no longer required are reinvested.
- The remaining pay uplift of £1.9m which was not committed at RAM due to uncertainty of receipt (confirmed September) will be spent in full.

#### **5. KEY RISKS AND ASSUMPTIONS**

Our financial position is underpinned by a number of key risks and assumptions, which are outlined below. These will continue to be kept under review in the final quarter of the year.

##### **a. Outstanding Funding Allocations**

As at 31<sup>st</sup> December 2018, NSS has received confirmation of funding allocations from SG amounting to £481.8m. This sum includes baseline funding of £334.7m and £147.1m of additional allocations, representing 99% of our total anticipated funding requirements.

The remaining balance of £0.7m is presented below, and we expect to receive the majority of the balances outstanding in the next allocation letter from SG.

The main allocation outstanding is Clinical Waste Contingency (additional) cost which was estimated £4.2m as at November – NSS is assuming that this additional cost is funded by SG centrally and any existing funding which Boards have will be transferred to NSS via Payments on Behalf.

SBU	Description	Amount £000
PCF	Clinical Waste Contingency	2,388
	IHO	260
RES	Further contribution to £15m National Boards savings target	(500)
IT	Return of eHealth Funding for activities carried out by NHSScotland	(2,299)
PCF	NSD contribution for SCOTSTAR to SAS	(374)
Various	24 Allocations below £250k	1,271
<b>Outstanding Allocations at 31<sup>st</sup> December 2018</b>		<b>746</b>

There have been a number of allocation deductions / returns so far this year as below:

- £5.5m for the NSS contribution to the National Boards £15m target;
- £1.4m for e-Health allocations to NHS Boards who host specific national services;
- £1.8m transferred to GG&C for eESS National programme; and
- £0.5 m duplicate allocations received in error.
- £1.5m NSD A4C uplift. This was processed by SG Finance the wrong way (reducing NSS funding) SG have acknowledged their error and this has been corrected in November.
- £2.1m revenue to capital transfer for national programmes such as Radiology and Labs.

**National Boards Collaboration Savings Collectively, National Boards have made** provisions within their financial plans to contribute £12.9m of the £15m savings target for 2018/19. Financial pressure in year resulted in a number of Boards (including NSS) reducing their planned contributions when an initial deduction of £10m was made from National Boards in August (NSS share £5.35m). The reduced NSS contribution was to reflect additional costs incurred due to the removal of payroll services to NHS24 and the collapse of the NSS/SAS payroll collaboration.

National Boards DOFS met in November to agree an approach to closing the gap. At that meeting it was reiterated that NSS could not contribute any more than the £5.5m planned for 2018/19 without approval from the Board.

The latest position is a savings gap of c£4m which NSS has been asked to underwrite – this is a significant risk and issue for NSS which will need to be discussed and agreed with key stakeholders including NSS Board and SG Finance

The update paper shared with National Board Chief Executives accompanies this report for your information.

National Boards Chief Executives have expressed their disappointment that to date collaboration has failed to deliver sustainable recurring savings, and external support is to be brought in to challenge existing assumptions and progress in order that recurring savings can be delivered from collaboration from 2019/20 onwards.

## b. Use of contingency funding

The Board approved £1m contingency funding as part of the Financial Plan. To date, there has been 6 formal commitments made against the contingency fund totalling £448k –from the IT SBU, and from Finance:

Ref	SBU	Narrative	Additional Funding 2018/19 (Revenue) £000	On-going Recurring Costs £000	Date of DOF Approval
2018/01	IT	<b>GDPR Compliance:</b> There are tasks to address remaining matters and ensure suppliers and services are compliant. To conclude, and accelerate completion a budget of £68k is sought	68	0	May 2018
2018/02	IT	<b>Radiology (PACS) service platform migration:</b> set up and migration now complete for both live and DR sites. Carestream licences are required to complete data migration which will provide mirrored copy of all live data to support Farr Institute research activity.	81	0	May 2018
2018/03	IT	<b>MICROFOCUS:</b> additional costs incurred as a result of under-licensing for identity management software.	134		June 2018
	Finance	<b>KPMG review of Financial Planning &amp; Analysis*</b> A review of FP&A was commissioned from KPMG to inform a new operating model for Finance and ways in which support to SBUs can be rotated in a safe and sustainable way going forward.	45	0	October 2018*
	Finance	<b>Zero based budgeting expertise and project accounting*:</b> Additional resources to support zero based budgeting in PHI and IT, to inform PHR and development of NSS Digital and project accounting support to Transformation programmes	55		October 2018*
	Finance	<b>Intelligent Automation Proof of Concept*</b> Proof of concept / pilot to understand potential from use of AI and robotics in payments, and wider applications across finance processes. Business case to form part of work	65		October 2018*
<b>Total additional in-year funding approved</b>			<b>448</b>		

\*Approved by Chief Executive as expenditure relates to Finance.

## c. NISE Development Bids

Finance Business Partners continue to work with SBUs to ensure that outstanding business cases are completed to justify release of funding. There are a number of developments agreed in principle at RAM that are no longer required totalling £1.4m. The table below lists these programmes:

SBU	Revenue Projects and Programmes	Approved Investment (Revenue) £000
<b>PgMS</b>	Graduate Training Programme	110
	Transformation Lifecycle	150
<b>P&amp;CFS</b>	CHI/GPRS Transition resources	80
	Scottish Medical Locums	150
	General Ophthalmic Service	399
<b>PCF</b>	Pharmacy procurement team expansion	52
<b>Clinical</b>	Clinical Service Transformation/Clinical Enablement	250
	Health and Care in the Community	50
<b>IT</b>	Cloud Base DR	121
	Technical training for Infrastructure Staff	40
<b>Total Revenue Developments no longer required at 31<sup>st</sup> December 2018</b>		<b>1,402</b>

## 6. NSS SERVICE TRANSFORMATION

The NSS Service Transformation Programme continues to review and prioritise initiatives (including NISe bids provisionally approved at RAM) within the overall budget for 18/19. The table below summarises the current spend by Theme / Service and work continues with Product Owners to refine projections for the remainder of 2018-19. The latest projection is that this budget will be spent in full. We will continue to work closely with each Product Owner from now until the year end to ensure that projections are as robust as possible with any opportunities / issues identified. Moving forward, this report will include a projection per 'Theme' with any key issues / points summarised.

Theme	Position as at 31 <sup>st</sup> December 2018			Forecast £000
	FY Budget £000	YTD Actual £000	Variance £000	
Digital Workplace	100	133	(33)	229
Digital engagement - web	500	409	91	630
CLO	32	32	0	32
S&G	0	15	(15)	15
Agile	60	52	8	66
Digital People	40	9	31	9
Data Science	100	50	50	140
Architectural Runway	200	132	68	472
Digital Service Delivery and new capability	700	84	616	84
Release Train	300	157	143	354
<b>Total</b>	<b>2,031</b>	<b>1,072</b>	<b>959</b>	<b>2031</b>

## 7. FUNDS MANAGED ON BEHALF OF NHS SCOTLAND

The table below outlines the 6 key areas of activity where NSS manages funds on behalf of NHS Scotland. In the following narrative, we outline in turn the position in each area, as at 30<sup>th</sup> November 2018.

	Position as at 31 December 2018			Full Year Outturn			RAG
	Budget £000	Actual £000	Variance £000	Budget £000	Forecast £000	Variance £000	
Scottish Infected Blood Support Scheme (SIBSS)	5,965	5,965	0	8,076	8,076	0	G
National Services Division (NSD)	174,147	174,133	15	232,468	232,468	0	G
Logistics	127,856	128,168	(312)	167,745	168,153	(408)	G
Rebate Schemes	58,111	58,111	0	78,613	78,613	0	G
eDRIS	1,006	1,006	0	1,396	1,396	0	G
eHealth & ATOS	44,534	44,534	0	61,113	61,094	19	G

**SIBSS** – the forecast for 2018/19 is that the increased anticipated allocation of £8.1m will be spent in full. The scheme is funded in full by SG, with funding allocations being regularly adjusted to reflect actual expenditure. Financial performance of the scheme is reported regularly to SG to ensure financial plans are aligned.

**NSD** – Activity for Stem Cell Transplantation is extremely high. Liver, Renal & Cochlear activity is also slightly higher than expected. However, further CRES from the risk share should offset all pressures.

**Logistics** – Total Sales Revenue targets agreed by DOFs Logistics Group with sales income slightly ahead target for the first nine months (0.03%). Marginal differences on pricing as expenditure based on average cost of product as issued during the month, and sales invoiced for the month based on the standard cost. The Logistics Service Charge is top sliced from Health Boards. Overspend relates to pay, equipment purchase and offsite storage costs. Overspend relates to pay, equipment purchase and offsite storage costs plus additional costs for Brexit stack build of £300k.

**Rebate Schemes** – Large quarterly rebates were invoiced in April, June and October 2018. Timing of invoices is dependent on availability of validated volume data. Rebates remitted to Boards once suppliers have settled invoices to ensure no financial risk to NSS. This results in a net zero position within NSS.

**eDRIS** –, it is forecast that the eDRIS budget will break-even. The Scottish Information Linkage Collaborative meets throughout the Financial Year discussing financial performance and plans as part of its remit.

#### **e-Health & ATOS**

The table below outlines the 2018-19 budget for national IT services managed by NSS on behalf of NHS Scotland. The funds managed include on-going SLAs for running and maintaining key National IT systems as well as key projects such as Office 365; CHI Child Health; and GP IT.

	Position as at 31 <sup>st</sup> December 2018			Full Year Outturn			RAG
	Budget £m	Actual £m	Variance £m	Budget £m	Forecast £m	Variance £m	
eHealth SLA	22.6	22.5	0.1	30.1	29.8	0.3	G
Office365 – Windows 10	6.5	6.5	0	8.7	8.7	0	G
Office365 – Implementation	0.1	0.1	0	0.5	0.5	0	G
CHI Child Health	0.4	0.4	0	1.6	1.6	0	G
GPIT – SWAN & Re-Provisioning	1.2	1.1	0.1	1.9	1.8	0.1	G
ATOS Other	12.2	12.5	(0.3)	16.3	16.3	0	G
Other	1.5	1.4	0.1	2.0	1.6	0.4	G
<b>Total</b>	<b>44.5</b>	<b>44.5</b>	<b>0</b>	<b>61.1</b>	<b>61.0</b>	<b>0.8</b>	<b>G</b>

SG agreed to fund the initial order for Office 365 and Windows 10 totalling £8.7m in 2018-19. There is also £0.5m for additional support costs for NSS to take the lead on the roll out across NHS Scotland. The implementation is funded from the Transformation Fund and will require to be monitored and managed separately (see section 9 below). The service is currently confirming the additional resource that is required over the next few Financial Years.

The CHI Child Health Programme Board and Chief Executive’s Group has recently approved the recommencement of this project. The costs for 2018/19 have been updated to reflect the costs that will be incurred this financial year, in-line with the funding available from SG.

NSS continues to work closely with SG colleagues and e-Health leads to ensure there is robust financial governance and reporting around e-Health budgets, with a 3 year forward plan for capital and revenue currently in progress

## 8. TRANSFORMATIONAL CHANGE FUND PROGRAMMES

A total of £5.2m has been received from Tranche 1 of the Transformational Change fund to support the Radiology, Aseptic Dispensing, Laboratories and Clinical Engineering programmes which NSS is delivering on behalf of NHS Scotland.

These programmes form a key component of the National Boards Delivery Plan, and will be subject to additional scrutiny through National Boards governance into the Transformational Change Board, in addition to existing programme governance and NSS oversight arrangements.

In the following narrative, we outline in turn the position in each area, as at 31<sup>st</sup> December 2018:

	Position as at 31 December 2018			Full Year Outturn		
	Budget £000	Actual £000	Variance £000	Budget £000	Forecast £000	Variance £000
Radiology	1,929	1,171	758	1,588	1,345	243
Aseptic Dispensing	148	112	36	246	198	48
Laboratories	348	542	(194)	1,229	1,052	177
Clinical Engineering	25	37	(12)	139	99	40
Office 365	4,000	4,000	-	4,000	4,000	-
Pecos – Single Instance	0	0	-	287	194	92

**Radiology** – The year to date and forecast under spend is due to slippage including the recruitment of reporting radiographers. The projected under spend has been reported and require re-profiling of spend is being discussed with National Board colleagues and SG . Importantly, the year end projection assumes a number of items in the Programme will be delivered in Q4 but any issues / delays will increase the level of slippage.

**Aseptic Dispensing** – Challenges in recruiting an SME are expected to be resolved in the last quarter of the year has resulted in a forecast under spend of £48k.

**Laboratories** – the projected revenue under spend is £177k following a review of projected non-pay costs and an in month revenue to capital transfer.

**Clinical Engineering** – Commercial challenges with a third party have resulted in a delay in the commencement of this programme. It is expected that progress can be expedited in the last quarter of the year, but there will be some slippage into 2019/20.



## 9. NSS CAPITAL POSITION AS AT 31<sup>st</sup> December 2018

The YTD deficit position of £0.1m relates to energy efficiency programme work carried out by Facilities. This work was approved through PAMS as a revenue requirement, although the work carried out is capital in nature. This has resulted in a year to date capital pressure.

Although there is still limited expenditure to date (£2.7m) the majority of capital programmes are now underway. The forecast position is an under spend of £0.8m of which £0.4m relates to National Laboratories and Radiology. Any under spend on these programmes will be returned to SG. We have agreed with SG to return £0.7m relating to the slippage on the upgrade of the NDC Warehouse Management System, this will be returned in 1920 in line with expenditure. As a result there is remaining capital funding available of £0.4m to be utilised in year. The Capital Programme for 2018/19 is included in Appendix 2.

## 10. CRES

The total CRES target for 2018-19 is £16.7m. To date, NSS has achieved £13.8m (NSD £7.0m) of the overall target and is forecasting to exceed the target by £0.4m. However, £3.7m savings identified are non-recurring in nature which will give rise to a recurring pressure carried into 19.20. A summary table is provided below with a full breakdown in Appendix 3.

	CRES Target (5%) £000	Infrastructure		Procurement		Productivity		Workforce		Total	
		Rec £000	Rec £000	Rec £000	Non Rec £000	Non Rec £000	Non Rec £000	Rec £000	Non Rec £000	Rec £000	Non Rec £000
IT	825	450	0	0	0	0	0	0	0	450	0
P&CFS	1,141	78	0	242	427	0	40	46	368	366	835
PCF	1,117	0	0	0	0	0	267	203	272	203	539
PHI	914	0	0	194	0	357	657	701	0	1,255	657
SNBTS	2,002	0	0	406	0	586	231	1,082	0	2,074	231
BS	163	0	0	0	0	0	64	46	0	46	64
CD	43	0	0	0	0	0	43	0	0	0	43
CEaD	86	0	0	0	0	0	88	0	0	0	88
HR	159	0	0	0	0	0	159	0	0	0	159
S&G	90	0	0	0	0	0	90	0	0	0	90
RESERVES	1,145	0	0	0	1,000	0	0	0	0	0	1,000
NSD	9,019	0	0	9,019	0	0	0	0	0	9,019	0
<b>TOTAL</b>	<b>16,704</b>	<b>528</b>	<b>0</b>	<b>9,861</b>	<b>1,427</b>	<b>943</b>	<b>1,639</b>	<b>2,081</b>	<b>740</b>	<b>13,413</b>	<b>3,706</b>

## 11. SUMMARY

The NSS Board is asked to note this report.

**Carolyn Low**

**Director of Finance**

**15<sup>th</sup> January 2019**

## Appendix 1 – SBU Revenue Performance Reports

### CLO

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	190	387	↑ 197	104.0%
	Income	7,095	7,453	↑ 358	5.0%
	<b>Total Income</b>	<b>7,285</b>	<b>7,840</b>	<b>↑ 555</b>	<b>7.6%</b>
	Total Pay	6,536	6,963	427	6.5%
	Non Pay	669	877	208	31.1%
	Cost Of Sales / Healthcare	0	0	(0)	-100.0%
	<b>Total Expenditure</b>	<b>7,205</b>	<b>7,840</b>	<b>↑ 635</b>	<b>8.8%</b>
	<b>Net Surplus/(Deficit)</b>	<b>80</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	111.3
Budget (current period)	112.9
Actual (current period)	108.1
<b>Variance (Current period)</b>	<b>4.8</b>
Movement since Mar 18	-3.2

Active Vacancies	0.0
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	387	387	0	387
	Income	5,742	5,568	(174)	7,303
	<b>Total Income</b>	<b>6,129</b>	<b>5,955</b>	<b>(174)</b>	<b>7,690</b>
	Total Pay	5,223	5,021	202	6,752
	Non Pay	739	753	(13)	939
	Cost Of Sales (Logistics)	0	0	0	0
	<b>Total Expenditure</b>	<b>5,962</b>	<b>5,773</b>	<b>189</b>	<b>7,690</b>
	<b>Net Surplus/(Deficit)</b>	<b>167</b>	<b>181</b>	<b>14</b>	<b>(0)</b>

CRES	£000
Target YTD	0
Actual YTD	0
Variance	0

CLO are reporting a surplus position year to date and forecasting a breakeven. Targeted income has not been met due to two vacant fee earning posts during the year, this is offset by the under spend within pay. One post has been recruited on a temporary basis to meet current demand and the recruitment of other post on a permanent basis is underway.

IT

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	27,915	65,352	↑ 37,437	134.1%
	Income	56,992	23,500	↓ (33,493)	-58.8%
	<b>Total Income</b>	<b>84,908</b>	<b>88,852</b>	<b>↑ 3,944</b>	<b>4.6%</b>
	Total Pay	18,304	19,021	717	3.9%
	Non Pay	65,158	71,308	6,150	9.4%
	Cost Of Sales / Healthcare	0	(1,477)	(1,477)	-147719602.0%
	<b>Total Expenditure</b>	<b>83,462</b>	<b>88,852</b>	<b>↑ 5,390</b>	<b>6.5%</b>
	<b>Net Surplus/(Deficit)</b>	<b>1,445</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 17)	333.8
Budget (current period)	333.4
Actual (current period)	345.2
<b>Variance (Current period)</b>	<b>-11.9</b>
Movement since Mar 17	↑ 11.4

Active Vacancies	
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	46,020	46,020	● 0	64,517
	Income	17,869	17,561	● (307)	23,198
	<b>Total Income</b>	<b>63,888</b>	<b>63,581</b>	<b>● (307)</b>	<b>87,715</b>
	Total Pay	13,937	14,337	● (400)	19,561
	Non Pay	49,952	49,254	● 699	68,154
	Cost Of Sales (Logistics)	0	0	● (0)	0
	<b>Total Expenditure</b>	<b>63,889</b>	<b>63,591</b>	<b>● 299</b>	<b>87,715</b>
	<b>Net Surplus/(Deficit)</b>	<b>(1)</b>	<b>(9)</b>	<b>● (9)</b>	<b>0</b>

CRES	£000
Target YTD	289
Actual YTD	468
Variance	● 178

IT SBU is reporting an overall YTD Deficit of £9k at the end of December and a full year breakeven. A surplus driven by the Technical Office vacancies, where finding candidate with the expertise required to drive the digital agenda was a lengthy process, is being used to support SNow training and subscription.

Hosted Funds - CHI was signed off by Scottish Government in January and will start to ramp up over the next three months, discussions are ongoing with Finance and SG to what type of funding is required for this project. GP IT has also been given the go ahead, the slight delay will mean a return of £125k revenue funding to SG this year. A team has been set up to roll out O365, due to the specialist nature of the technology this is predominantly made up of contractors, the funding is in place for this programme of work which is anticipated to take two years. BI still retains contractors but recruitment will be underway shortly to address this. PAC v2 is reporting a surplus this year and will also be making a return to SG once confirmed.

## PCF

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	261,769	285,771	↑ 24,002	9.2%
	Income	229,087	248,629	↑ 19,542	8.5%
	<b>Total Income</b>	<b>490,856</b>	<b>534,400</b>	<b>↑ 43,544</b>	<b>8.9%</b>
	Total Pay	25,360	26,310	949	3.7%
	Non Pay	285,078	322,010	36,932	13.0%
	Cost Of Sales / Healthcare	180,717	186,080	5,363	3.0%
	<b>Total Expenditure</b>	<b>491,156</b>	<b>534,400</b>	<b>↑ 43,244</b>	<b>8.8%</b>
	<b>Net Surplus/(Deficit)</b>	<b>● (300)</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	646.1
Budget (current period)	641.9
Actual (current period)	630.6
<b>Variance (Current period)</b>	<b>● 11.3</b>
Movement since Mar 18	↓ -15.4

Active Vacancies	
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	211,797	211,797	● 0	286,119
	Income	193,614	217,724	● 24,109	270,670
	<b>Total Income</b>	<b>405,412</b>	<b>429,521</b>	<b>● 24,109</b>	<b>556,788</b>
	Total Pay	19,559	19,476	● 83	26,156
	Non Pay	244,139	272,073	● (27,934)	349,654
	Cost Of Sales	141,712	138,389	● 3,323	181,538
	<b>Total Expenditure</b>	<b>405,410</b>	<b>429,937</b>	<b>● (24,528)</b>	<b>557,348</b>
	<b>Net Surplus/(Deficit)</b>	<b>2</b>	<b>● (417)</b>	<b>● (418)</b>	<b>● (559)</b>

CRES	£000
Target YTD	7,296
Actual YTD	7,618
Variance	● 323

PCF are reporting a deficit of £417k for the year to date. NSS have utilised the £850k year end carry forward to cover additional dual running and JCC costs. Further pressures on the Operational FM budget are driving an expected deficit of £350k. The PCF PPP/PFI team continue to working closely with Operational FM management to ensure any opportunities are exploited to reduce the financial impact. Non recurring savings within Business Development continue to counter the effect of the OFM deficit. The income variance includes Rebates £22.9m and Flu Vaccines £4m ahead of target netted against an income shortfall on Plasma products £3.4M (IVIG) due to shortages. Overall PCF forecast deficit of £559k which includes £300k forecast costs for storage and management of additional contingency stock for Brexit.

## P&CFS

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	33,757	33,454	↓ (303)	-0.9%
	Income	707	800	↑ 93	13.2%
	<b>Total Income</b>	<b>34,464</b>	<b>34,254</b>	↓ (210)	<b>-0.6%</b>
	Total Pay	16,016	16,373	357	2.2%
	Non Pay	15,933	17,880	1,947	12.2%
	<b>Total Expenditure</b>	<b>31,949</b>	<b>34,254</b>	↑ 2,305	<b>7.2%</b>
	<b>Net Surplus/(Deficit)</b>	<b>2,515</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	466.2
Budget (current period)	461.2
Actual (current period)	443.4
<b>Variance (Current period)</b>	<b>17.8</b>
Movement since Mar 18	↓ -22.8

		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	24,320	24,320	● 0	34,304
	Income	628	780	● 152	895
	<b>Total Income</b>	<b>24,948</b>	<b>25,100</b>	<b>● 152</b>	<b>35,199</b>
	Total Pay	12,179	11,937	● 242	16,019
	Non Pay	12,769	12,702	● 67	18,931
	<b>Total Expenditure</b>	<b>24,948</b>	<b>24,639</b>	<b>● 308</b>	<b>34,950</b>
	<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>461</b>	<b>● 461</b>	<b>249</b>

CRES	£000
Target YTD	814
Actual YTD	912
Variance	● 98

P&CFS is currently reporting a YTD surplus of £461k, which includes £242k in pay arising from vacancies which are greater than the budgeted Vacancy Factor, which was fully achieved in M7, and £115k income from 17/18 for SHSC which has now been realised. The full year forecast has increased to a surplus of £249k, based on approved in-year NISe spend of £244k on essential developments, whilst being dependent on internal and external resource capacity. P&CFS Management continue to monitor the financial position to ensure identified risks are managed.

## PHI

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	31,355	31,985	↑ 630	2.0%
	Income	6,256	6,354	↑ 99	1.6%
	<b>Total Income</b>	<b>37,611</b>	<b>38,340</b>	<b>↑ 729</b>	<b>1.9%</b>
	Total Pay	31,314	33,391	2,077	6.6%
	Non Pay	6,049	4,949	(1,100)	-18.2%
	<b>Total Expenditure</b>	<b>37,363</b>	<b>38,340</b>	<b>↑ 977</b>	<b>2.6%</b>
	<b>Net Surplus/(Deficit)</b>	<b>248</b>	<b>0</b>		

		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	23,767	23,767	● 0	31,745
	Income	4,575	4,358	● (216)	6,354
	<b>Total Income</b>	<b>28,342</b>	<b>28,125</b>	<b>● (216)</b>	<b>38,100</b>
	Total Pay	24,899	24,838	● 60	33,391
	Non Pay	3,443	3,465	● (22)	4,949
	<b>Total Expenditure</b>	<b>28,342</b>	<b>28,303</b>	<b>● 39</b>	<b>38,340</b>
	<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>(178)</b>	<b>● (178)</b>	<b>(240)</b>

STAFFING	WTE
Actual (Mar 18)	711.1
Budget (current period)	725.4
Actual (current period)	721.9
<b>Variance (Current period)</b>	<b>3.6</b>
Movement since Mar 17	↑ 10.8

Active Vacancies	● 10.0
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CRES	£000
Target YTD	1,433
Actual YTD	1,776
Variance	● 343

The reported deficit has fallen by a further £80k to £178k, as a result of the income position continuing to improve. Staff numbers are unchanged so with PHI continuing at about 3 WTE below budget, a related surplus offsets the reducing deficit within income and further turnover can be anticipated and controlled to match income, should circumstances require. CRES remains ahead of schedule and non-pay costs are on target. The underlying position should continue to improve, given that outstanding income is realised as planned, although there is still a possibility of a year-end deficit, arising from £240k of Regional Planning Support not being funded.

## SNBTS

FINANCIAL POSITION		Actual 16/17 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	47,068	41,739	↓ (5,329)	-11.3%
	Income	8,018	6,541	↓ (1,477)	-18.4%
	<b>Total Income</b>	<b>55,086</b>	<b>48,280</b>	↓ <b>(6,806)</b>	<b>-12.4%</b>
	Total Pay	35,677	34,806	(871)	-2.4%
	Non Pay	17,654	13,852	(3,802)	-21.5%
	Cost Of Sales / Healthcare	11	(378)	(389)	-3539.1%
	<b>Total Expenditure</b>	<b>53,342</b>	<b>48,280</b>	↓ <b>(5,062)</b>	<b>-9.5%</b>
	<b>Net Surplus/(Deficit)</b>	<b>1,744</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	780.8
Budget (current period)	807.6
Actual (current period)	767.8
<b>Variance (Current period)</b>	<b>39.8</b>
Movement since Mar 18	↓ -13.0

Active Vacancies	26.2	42.52 vs
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	31,052	31,052	0	41,739
	Income	5,514	5,592	78	6,633
	<b>Total Income</b>	<b>36,566</b>	<b>36,644</b>	<b>78</b>	<b>48,372</b>
	Total Pay	26,174	25,326	848	33,738
	Non Pay	10,392	10,803	(411)	13,948
	Cost Of Sales (Logistics)	0	0	(0)	8
	<b>Total Expenditure</b>	<b>36,566</b>	<b>36,129</b>	<b>437</b>	<b>47,695</b>
	<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>514</b>	<b>514</b>	<b>677</b>

CRES	£000
Target YTD	1,380
Actual YTD	1,659
Variance	279

SNBTS has a year to date underspend of £514k resulting from :

**INCOME: £78k surplus**

Slightly higher year to date income resulting from higher health board income.

Health Board Income is now invoiced to date for all submitted activity figures (up to September 2018). Third party income slightly under recovered due to lower sales of raw materials/plasma to Alba and lower sales volume in PTU laboratory testing.

**PAY: £848k surplus**

Pay variance is due to the 44 vacancies within Donor Services, AT, Clinical Services and Medical staffing. There are 8.30 WTE appointed but not yet started employment as at 31st December. Difficulties continue in the recruitment of medical and donor services staff for certain locations.

**NON PAY: £421k deficit**

Non pay variance is due to:

Medical costs underspent due to £105k settlement of Diamed contract but lowered due to unbudgeted £90k purchase of tendons

Higher operating costs due to:

Increased storage costs in other operating costs as more Quality documents are being stored

Higher CLO fees resulting from the UK Inquiry work

Higher rental costs due to additional lab at Pentland

Non-pay Savings target of £457k YTD yet to be fully achieved

Higher transport costs due to:

Increased contract courier costs and higher maintenance costs for ageing fleet vehicles (replacement vehicles on order)

**FORECAST:**

Higher health board income £194k anticipated by end of year due to increased activity

Forecast Pay position £1068k due to vacancies throughout the year

Non Pay costs £497k overspent as savings targets yet to be achieved. This also includes UK Inquiry cost of £80k

CD

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	1,489	1,106	↓ (383)	-25.7%
	Income	3	0	↓ (3)	-100.0%
	<b>Total Income</b>	<b>1,492</b>	<b>1,106</b>	<b>↓ (386)</b>	<b>-25.9%</b>
	Total Pay	1,332	938	(394)	-29.6%
	Non Pay	143	168	25	17.5%
	Cost Of Sales / Healthcare	0	0	(0)	-100.0%
	<b>Total Expenditure</b>	<b>1,475</b>	<b>1,106</b>	<b>↓ (369)</b>	<b>-25.0%</b>
	<b>Net Surplus/(Deficit)</b>	<b>18</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	7.5
Budget (current period)	9.6
Actual (current period)	8.3
<b>Variance (Current period)</b>	<b>1.3</b>
Movement since Mar 18	↑ 0.8

Active Vacancies	0.0
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	782	782	0	1,106
	Income	0	1	1	(9)
	<b>Total Income</b>	<b>782</b>	<b>783</b>	<b>1</b>	<b>1,097</b>
	Total Pay	681	642	38	898
	Non Pay	102	109	(7)	164
	Cost Of Sales (Logistics)	0	0	(0)	0
	<b>Total Expenditure</b>	<b>782</b>	<b>751</b>	<b>31</b>	<b>1,062</b>
	<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>32</b>	<b>32</b>	<b>34</b>

CRES	£000
Target YTD	32
Actual YTD	32
Variance	0

The latest P9 Mform has a full year forecast underspend of £34k, after £46k agreed contributions to PGMS costs (£16k + £30k Primary Care Redesign); offset by £30k forecast underspend from NSS non recurring Innovation Funds and income generated from projects. Future year NSS Innovation Funding requests have been reduced accordingly.

The Clinical Directorate year to date surplus of £38k was caused by the position of Nurse Director from July to Oct having been covered by PHI at no cost to the directorate and the ongoing reduced hours of the Nursing Director from 1.0 to 0.6 WTE, driving the full year forecast of £40k underspend.

Externally funded Scotcap (Capsular Endoscopy) programme: all but £42k of the SG £270k SG funding received earlier in 2018/19 has been returned as approved due to a required delay in the programme evaluation and business case phases, which will now take place mainly in 2019/20. Out of this £42k. £10k will be transferred to another organisation, DHI, for agreed Comms work on Scotcap.



## Finance

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	2,922	2,926	↑ 4	0.1%
	Income	385	401	↑ 16	4.2%
	<b>Total Income</b>	<b>3,307</b>	<b>3,327</b>	<b>↑ 20</b>	<b>0.6%</b>
	Total Pay	2,694	2,563	(131)	-4.9%
	Non Pay	662	764	102	15.4%
	<b>Total Expenditure</b>	<b>3,356</b>	<b>3,327</b>	<b>↓ (29)</b>	<b>-0.9%</b>
	<b>Net Surplus/(Deficit)</b>	<b>(49)</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	65.3
Budget (current period)	51.5
Actual (current period)	57.8
<b>Variance (Current period)</b>	<b>-6.3</b>
Movement since Mar 18	↓ -7.6

Active Vacancies	● 0.0
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		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	2,122	2,122	● 0	2,926
	Income	301	347	● 46	447
	<b>Total Income</b>	<b>2,423</b>	<b>2,470</b>	<b>● 46</b>	<b>3,372</b>
	Total Pay	1,900	1,956	● (56)	2,628
	Non Pay	523	531	● (8)	742
	<b>Total Expenditure</b>	<b>2,423</b>	<b>2,487</b>	<b>● (64)</b>	<b>3,370</b>
	<b>Net Surplus/(Deficit)</b>	<b>0</b>	<b>(18)</b>	<b>● (18)</b>	<b>2</b>

CRES	£000
Target YTD	87
Actual YTD	32
Variance	● (55)

The year to date position for finance remains similar to last month. Finance have been under pressure in a number of areas this year due to the collapse of National Boards collaboration for payroll and long term illness, Current pressures and National Board Collaboration for finance has highlighted a need for service transformation which is included in our RAM. Finance have received additional funding in year to support the implementation of the eHealth actions with include an external review of our teams and training for all staff, Year 2-5 planning and zero based budgeting. As a result of this funding finance are forecasting a break even position.

## HR

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	3,503	3,411	↓ (92)	-2.6%
	Income	1,013	1,343	↑ 330	32.5%
	<b>Total Income</b>	<b>4,516</b>	<b>4,753</b>	<b>↑ 237</b>	<b>5.3%</b>
	Total Pay	3,194	3,473	279	8.7%
	Non Pay	1,215	1,280	65	5.4%
	Cost Of Sales / Healthcare	0	0	0	0.0%
	<b>Total Expenditure</b>	<b>4,408</b>	<b>4,753</b>	<b>↑ 345</b>	<b>7.8%</b>
<b>Net Surplus/(Deficit)</b>	<b>107</b>	<b>0</b>			

STAFFING	WTE
Actual (Mar 18)	76.3
Budget (current period)	76.6
Actual (current period)	80.1
<b>Variance (Current period)</b>	<b>-3.5</b>
Movement since Mar 18	↑ 3.8

Active Vacancies	● 0.0
------------------	-------

		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	2,511	2,511	● 0	3,411
	Income	1,007	1,013	● 7	1,367
	<b>Total Income</b>	<b>3,518</b>	<b>3,525</b>	<b>● 7</b>	<b>4,777</b>
	Total Pay	2,602	2,604	● (2)	3,494
	Non Pay	916	854	● 62	1,283
	Cost Of Sales (Logistics)	0	0	● (0)	0
	<b>Total Expenditure</b>	<b>3,518</b>	<b>3,458</b>	<b>● 60</b>	<b>4,777</b>
<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>66</b>	<b>● 66</b>	<b>0</b>	

CRES	£000
Target YTD	119
Actual YTD	119
Variance	● 0

HR are currently reporting a surplus of £62k mainly driven by income generated for EESS support given to HIS and Health Scotland.

A break even position is forecast in financial year 18/19 despite a challenging vacancy factor which has been managed by prudent workforce planning by the business. The additional income raised has also contributed to this forecast position.

## SP&ST

FINANCIAL POSITION		Actual 17/18 £000	Budget 18/19 £000	Movement / Variance £000	
FULL YEAR	Total Allocations	0	8,762	↑ 8,762	#DIV/0!
	Income	0	2,182	↑ 2,182	#DIV/0!
	<b>Total Income</b>	<b>0</b>	<b>10,943</b>	<b>↑ 10,943</b>	<b>#DIV/0!</b>
	Total Pay	0	8,299	8,299	#DIV/0!
	Non Pay	0	2,645	2,645	#DIV/0!
	<b>Total Expenditure</b>	<b>0</b>	<b>10,943</b>	<b>↑ 10,943</b>	<b>#DIV/0!</b>
	<b>Net Surplus/(Deficit)</b>	<b>0</b>	<b>0</b>		

STAFFING	WTE
Actual (Mar 18)	163.7
Budget (current period)	184.7
Actual (current period)	182.4
<b>Variance (Current period)</b>	<b>2.3</b>
Movement since Mar 18	↑ 18.7

<b>Active Vacancies</b>	<b>0.0</b>
-------------------------	------------

		Budget	Actual	Variance	Forecast
YEAR TO DATE	Total Allocations	6,093	6,093	0	8,971
	Income	1,636	1,999	363	2,424
	<b>Total Income</b>	<b>7,729</b>	<b>8,092</b>	<b>363</b>	<b>11,395</b>
	Total Pay	5,746	6,255	(509)	8,889
	Non Pay	1,983	1,360	624	2,506
	<b>Total Expenditure</b>	<b>7,729</b>	<b>7,615</b>	<b>114</b>	<b>11,395</b>
	<b>Net Surplus/(Deficit)</b>	<b>(0)</b>	<b>477</b>	<b>477</b>	<b>(0)</b>

CRES	£000
Target YTD	139
Actual YTD	133
Variance	(6)

SP&ST is currently showing a surplus of £284K for the year due in the main to additional income received for projects supported by PgMS. Currently PgMS budget includes NSS additional funding of £530K to support NSS development initiatives. The full year forecast assumes income and funding within PgMS will reduce during the second half of FY18/19, resulting in a breakeven position for this area. S&G salary costs are expected to increase due the appointment of a new director, which will result in an estimated £33K overspend, however this should be offset forecast saving within CEaD pay. Transformation programmes, which are currently forecast to breakeven for the year will be moved to a separate reports from December 2018 to show

## Appendix 2 – NSS Capital Programme 2018-19

SBU	NSS Funded Programmes	Business Case o/s	LDP Capital Plan £'000	Movement in funding £'000	Revised Programme £'000	YTD Budget £'000	YTD Expenditure £'000	Full Year Expenditure £'000	FY Variance £'000
PCF	Breast Screening Mobiles	No	430	0	430	0	0	420	10
	General Capital Programme - Transferred to Boards	No	500	(461)	39	0	0	0	39
	Molecular Genetics - Transferred to Boards	No	300	(347)	(47)	0	0	0	(47)
	NDC Warehouse Management System Upgrade	No	1,000	0	1,000	0	0	348	652
	Gyle Courtyard - NSS Funding	No	0	31	31	31	31	31	(0)
	Gyle Courtyard - GEP Funding	No	0	61	61	37	37	65	(4)
	Aberdeen Property OBC	No	0	941	941	485	496	861	80
	National Catering Information System / Bedside Electronic Patient Meal Ordering	No	0	634	634	0	0	634	(0)
	Energy Efficiency Project	No	0	0	0	0	60	60	(60)
Automated Dispatcherless Portering Task Tracking System	No	0	104	104	0	0	104	(0)	
<b>Subtotal PCF</b>			<b>2,230</b>	<b>961</b>	<b>3,191</b>	<b>553</b>	<b>624</b>	<b>2,522</b>	<b>669</b>
IT	Audio Visual / Video Conferencing Replacement	No	300	0	300	0	0	300	0
	Network Replacement	No	300	0	300	128	128	300	0
	Server Replacement	No	300	0	300	199	199	300	0
	Legacy "Burning Platform" Programme	Yes	120	0	120	0	0	120	0
	Cyber Security	No	0	539	539	0	0	539	0
<b>Subtotal IT</b>			<b>1,020</b>	<b>539</b>	<b>1,559</b>	<b>327</b>	<b>327</b>	<b>1,559</b>	<b>0</b>
SNBTS	National Fleet Replacement	No	360	0	360	20	20	310	50
	National Replacement & Equipment Improvement Programme	No	356	0	356	173	173	371	(15)
	eProgesa (Semester patch)	No	100	0	100	50	50	100	0
	Hospital Web Based Ordering	No	0	150	150	76	76	150	0
	National Centre completion	No	0	741	741	592	592	741	0
	Gametes	No	0	15	15	0	0	15	0
<b>Subtotal SNBTS</b>			<b>816</b>	<b>906</b>	<b>1,722</b>	<b>911</b>	<b>911</b>	<b>1,687</b>	<b>35</b>
BS	Radiology (STRP) NRIIP	No	0	167	167	0	0	167	0
	Radiology (STRP) IT Conectivity	No	0	1,447	1,447	682	682	1,148	299
	National Labs - Transformation Programme	No	0	376	376	152	152	241	135
<b>Subtotal Transformation Programmes</b>			<b>0</b>	<b>1,990</b>	<b>1,990</b>	<b>834</b>	<b>834</b>	<b>1,556</b>	<b>434</b>
PHI	Homelessness	No	5	0	5	5	5	5	(0)
	SCRIS	No	303	(169)	134	22	7	134	0
<b>Subtotal PHI</b>			<b>308</b>	<b>(169)</b>	<b>139</b>	<b>27</b>	<b>13</b>	<b>139</b>	<b>(0)</b>
RES	Formula Allocation		(174)	(107)	(281)	0	0	0	(281)
	Transfer of capital allocation to HIS (agreed as part of NBC)		0	(100)	(100)	0	0	0	(100)
	<b>Reserves</b>		<b>(174)</b>	<b>(207)</b>	<b>(381)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(381)</b>
	<b>Total Capital Programme</b>		<b>4,200</b>	<b>4,020</b>	<b>8,220</b>	<b>2,651</b>	<b>2,708</b>	<b>7,463</b>	<b>757</b>

SBU	LDP Capital Plan £'000	Movement in funding £'000	Revised Programme £'000	YTD Budget £'000	YTD Expenditure £'000	Full Year Expenditure £'000	FY Variance £'000
IT	1,020	539	1,559	327	327	1,559	0
PCF	2,230	961	3,191	553	624	2,522	669
PHI	0	(169)	139	27	13	139	(0)
SNBTS	816	906	1,722	911	911	1,687	35
BS	0	1,990	1,990	834	834	1,556	434
Reserves	(174)	(207)	(381)	0	0	0	(381)
<b>Total Capital Programmes</b>	<b>3,892</b>	<b>4,020</b>	<b>8,220</b>	<b>2,651</b>	<b>2,708</b>	<b>7,463</b>	<b>757</b>

## Appendix 3 – Efficiency Programme 2018/19

Efficiency Savings	SBU	RAG	Full Year	Year to	Forecast
			Target	Date	year end
			£000s	£000s	£000s
<b>Total savings target per agreed LDP</b>			<b>16,704</b>	<b>13,290</b>	<b>16,704</b>
<b>TOTAL RED EFFICIENCIES</b>		<b>R</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL AMBER EFFICIENCIES</b>		<b>A</b>	<b>0</b>	<b>0</b>	<b>0</b>
A&I - Increase efficiency/automation	PHI	G	33	33	33
A&I - Realignment of teams	PHI	G	95	95	95
A&I - Reduction in frequency	PHI	G	45	45	45
A&I - Reduction in service	PHI	G	246	246	246
CKRS - Income Generation	PHI	G	171	129	171
CKRS - Realignment of teams	PHI	G	114	114	114
CKRS - Reduction in service	PHI	G	195	195	195
CKRS - Reduction in service	PHI	G	102	102	102
Clinical - Income Generation	PHI	G	198	150	198
DM&SD - Income Generation	PHI	G	184	139	184
DM&SD - Realignment of teams	PHI	G	53	53	53
DM&SD - Streamline processes	PHI	G	113	113	113
HPS - Income Generation	PHI	G	104	104	104
HPS - Reduction in service	PHI	G	92	92	92
HPS - Reduction in service	PHI	G	166	166	166
Vacancies not Filled/reduction of travel costs	PCFS	G	268	268	268
Reduction in GP Stationery & NHS Publications	PCFS	G	200	150	200
eSystems Automation (inc termination of QOF charges)	PCFS	G	78	59	78
reduction in travel costs and leased cars	PCFS	G	42	32	42
Increase in SHSC income target	PCFS	G	40	11	40
Increase in Vacancy Factor	PCFS	G	100	100	100
Reduction in Clinical budget (sessional Fees)	PCFS	G	46	46	46
Vacancies not Filled	PCFS	G	427	246	427
Staff Rationalisation - dis-established posts & associated costs	SNBTS	G	867	867	867
Pay protection reduction	SNBTS	G	100	75	100
G&S demand reduction	SNBTS	G	200	0	0
Reduction in Leuco costs due to Quality Analyst	SNBTS	G	100	70	100
Diamed contract savings	SNBTS	G	175	109	340
Collaborative procurement - euro packs	SNBTS	G	91	56	91
Apheresis reduction	SNBTS	G	115	32	115
National Centre synergies	SNBTS	G	148	82	148
Reduction in sample storage	SNBTS	G	115	0	0
MVS Supplied maintenance reductions	SNBTS	G	100	70	100
HTLV Savings	SNBTS	G	20	0	20
Additional savings	SNBTS	G	274	299	316
Non Pay Savings	Clinical	G	43	32	43
Non Pay Savings	CEAd	G	88	59	88
Non Pay Savings	S&G	G	77	51	77
Internal Audit	S&G	G	13	8	13
Shared Service - Financial Services	Business Services	G	92	0	0
Additional Income- FP&A	Business Services	G	64	32	40
Non Pay Savings	HR	G	159	119	159
Additional external income	IT	G	50	205	110
Savings to NSS from collaborative working IT tools such as Office 365	IT	G	50	0	50
NSS portion (including benefit to P & CFS) of National IT Contract (NITC) Atos OA eg up	IT	G	150	113	150
Hosted Only power efficiency & increased transaction volume efficiency from modernisi	IT	G	100	75	100
eLinks data transfer efficiencies	IT	G	100	75	100
Local Networks BW increase for same cost (cost aviodance)	IT	G	50	38	50
NSD Efficiencies	PCF	G	9,019	7,011	9,019
Contract Implementation Manager (Lothian)	PCF	G	74	74	74
Warehouse Manager Role removed from Budget	PCF	G	51	51	51
CI Supervisor Role removed from Budget	PCF	G	28	28	28
Data Analyst role	PCF	G	50	50	50
L&D costs	PCF	G	17	13	17
CLO costs	PCF	G	25	0	25
Business Development (Admin Support 2.6wte)	PCF	G	70	70	70
Stores Assistants	PCF	G	51	0	51
Vacancies not Filled	PCF	G	225	70	225
Masnet / Locums staff	PCF	G	189	189	189
Programme Manager	PCF	G	62	62	62
Reduction in Contingency	RES	G	1,000	1,000	1,000
<b>TOTAL GREEN EFFICIENCIES</b>		<b>G</b>	<b>17,313</b>	<b>13,772</b>	<b>17,149</b>
<b>TOTAL EFFICIENCIES</b>			<b>17,313</b>	<b>13,772</b>	<b>17,149</b>
<b>Balance (outstanding) / overachieved</b>			<b>610</b>	<b>482</b>	<b>445</b>

**B/19/10**

**NSS Formal Board Meeting – Date**

## **NSS Cross Cutting Theme –Primary Care Targeted Support**

### **Purpose**

To provide the Board with an update on the work being done by NSS to support service redesign in primary care.

The accompanying paper follows on from the presentation given by Dr Lorna Ramsay at the Board meeting in November 2018

### **Recommendation**

The Board is asked to note the progress update and note the key role that NSS is now playing in supporting important aspects of Service Redesign in Primary Care.

### **Timing**

There are no specific issues of timing.

### **Background**

In October 2018, the Scottish Government Primary Care Division commissioned NSS to undertake a piece of targeted work to support the implementation of the GMS 2018 contract.

The Commission covers 6 key areas of activity and requires input from across a number of SBUs. The EMT has agreed that this work is a priority and as such it is considered one of the key cross cutting strategic themes. The 6 key areas currently being worked on are as follows:

1. GP Sustainability
2. Enabling the Multi Disciplinary Team Environment.
3. Prescribing
4. GMS Contract Phase 2
5. IG Framework for list and wider Quality Improvement in support of GMS.
6. Geospatial Data collection and analysis.

In addition to these 6 projects, the programme board will also receive updates on the work being done by PCF (Health Facilities Scotland) to survey GP owned/leased premises. It is also recognised that NSS undertakes a wide range of BAU activities to support primary care and so a focussed peice of work is also underway to map all current activities and future opportunities.

A separate but linked commission has also been received by NSS to support the establishment of a General Practice Digital Programme Board. NSS It are leading on this

work but as with other aspects of PC activity the Primary Care Targeted Support Programme Board will be kept up to date with developments and progress.

It should also be noted that the commission requires there to be wider engagement across the national boards. This will be taken forward via the **[insert name of Board and chair] attended by SRO/PD and AMD**

### **Engagement**

Engagement has included all Executive Management Team members.

**Name of the Author: David Knowles**

**Designation: Director P&CFS/SRO**

**Tel: 0131 275 6462**

**Email: david.knowles@nhs.net**

# **Primary Care Targeted Support Programme**

## **Background**

In October 2018 following a number of discussions between NSS and Primary Care Division (PCD) a commission was issued to NSS to undertake an initial piece of work to support the implementation of the GMS contract.

The commission recognised that NSS already had a considerable footprint in primary care and that a number of activities were underway. PCD desired to see these activities brought together into a single programme of work and that the NSS programme also sought to collaborate with work being carried out in the other national boards to support service redesign in primary care.

The Commission currently covers 6 key areas of activity with input from across a number of SBUs. In addition to the 6 agreed projects work is also being done by PCF to survey GP owned/leased premises. This work will provide valuable insights that will also feed into other work streams.

Whilst the programme has focused on 6 key work streams, it is recognised that there is a significant amount of work that NSS undertakes in support of Primary Care. It is important that this work is recognised and co-ordinated so that PCD see a joined up approach from NSS.

## **Programme Governance**

A programme approach supported by PgMS has been put in place to ensure that progress is made on all work streams and that where required there is clear join up across SBUs.

The SRO position is now a formal role of the Director of P&CFS. In addition a Programme Director will be appointed who along with the Associate Medical Director for Primary Care will form the key governance. The Programme will report to the new PMG to be chaired by Carolyn Low.

EMT have committed to ensuring that this programme is a priority and so as work develops across NSS the Programme Board will be kept informed and a decision taken on whether the activity should form part of the programme governance or kept as a BAU activity within the appropriate SBU.

## **Current Programme Activities**

The Commission received from PCD in the main covered activities up to end of March 2019 and has acted as a useful substrate for ongoing discussion with Primary Care Division. It is recognised however that primary care redesign and the GMS contract activities will be a multiyear programme and so it is expected that the NSS programme will flex to meet this expectation.

Further discussions with PCD will take place over the coming weeks to establish priorities for the programme going forward.

The current programme activities are as follows:

### **Sustainability**

This is a clinically led activity which is seeking to design a tool to provide a means of identifying practices where future sustainability could be threatened. Good progress has been made but additional clinical time is likely to be required.

### **Enabling the MDT Environment**

Solution design workshops have been held with key stakeholders that will build understanding on what needs to change. Further work will be done to consult with user groups not so far engaged.

### Prescribing

Initial meetings have been held with SG departments and early work has commenced, however it is recognised this work stream is a longer term activity, initial work will be for NSS to help to join up the various parts of SG who will require to sponsor activities like digital prescribing.

### GMS Phase 2

This workstream will provide a data gathering tool that will assist in provision of data on both workforce and also expenses data. The provision of the data gathering tool is being led by PHI. This work stream will be a crucial element in future GMS contract negotiations and will need to deliver within the agreed timescales

### IG Framework for LIST and Primary Care Quality Improvement

Data gathering well underway ahead of work to describe and refine the current process as a first step. PHI are leading on this and the intention is to create a user friendly framework that all parties will be comfortable with.

### Geospatial Data Collection and Analysis

Tool being designed by PHI is on track for testing with sites identified and planning underway for a national rollout.

In addition to the commission covering these activities, a further commission was issued asking NSS to work in partnership with NHS24 to bring forward a proposal to manage GP IT related projects as a single programme. This work is being led by the IT SBU Director.

### **Future Programme Activities**

It is recognised that all the activities listed above will be multi year activities. Therefore the programme will be discussing with the PCD the objectives and targets for 19/20 with a view to receiving a further commission.

In addition to this PCD have also requested NSS (P&CFS) reviews a proposal submitted previously on how to manage the substantial quantity of paper clinical records. It is likely that substantial space is being taken up in practices storing records. It maybe that this space can be re-tasked for MDT purposes. The premises survey being done by HFS will provide helpful information for this work.

### **National Boards Collaboration**

The expectation of the PCD is that National Boards will collaborate across the range of activities and this will be overseen via the STDM Board. The Service Transformation and Demand Management Board was originally a collaboration between NHS 24 and SAS. It has been meeting for several years. It is being re-tasked and re-shaped. The first meeting of the re-shaped board was in December 2018. Mary Morgan and Lucy Munro attended this meeting and noted that the agenda is still transitioning from the board's original purpose to its new one.



# Practising Realistic Medicine in NHS NSS



PRACTISING REALISTIC MEDICINE

<p>CHANGE OUR STYLE TO SHARED DECISION MAKING?</p>	<p>BUILD A <b>PERSONALISED</b> APPROACH TO CARE?</p>
<p>REDUCE HARM AND WASTE?</p>	<p>REDUCE <b>UNWARRANTED VARIATION</b> IN PRACTICE AND OUTCOMES?</p>
<p>MANAGE RISK BETTER?</p>	<p>BECOME IMPROVERS AND INNOVATORS?</p>

# **hello** my name is...

**Dr Alex Stirling**

Realistic Medicine Clinical Lead  
Clinical Directorate, NHS NSS

NSS Board  
1<sup>st</sup> February 2019

# What is Realistic Medicine?

“Realistic Medicine puts the person receiving health and care at the centre of decision-making and creates a **personalised approach** to their care. Its aim of **reducing harm and waste** and simplifying care while **managing risks** and **innovating to improve** are essential to a well-functioning and sustainable NHS.”



# The Vision

*‘By 2025, **everyone** who provides healthcare in Scotland will demonstrate their professionalism through the approaches, behaviours and attitudes of Realistic Medicine’.*

# NHS Lanarkshire Care Home Continence Improvement.

The Care Home Continence Improvement project was led by:

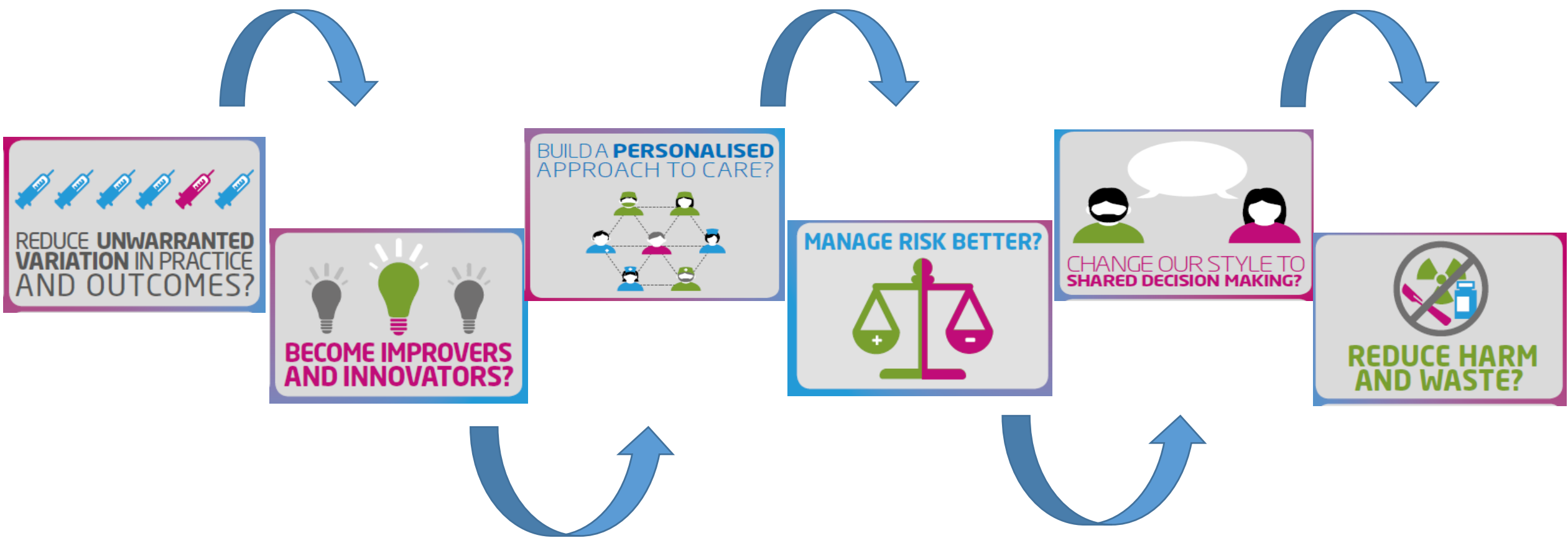
**Jean Donaldson**

Associate Director of Nursing, South Lanarkshire Health and Social Care Partnership

**Alice MacLeod**

Nurse Advisor National Procurement NHS National Services Scotland





NHS  
Lanarkshire  
Care Home  
Continence  
Improvement.



REDUCE UNWARRANTED VARIATION IN PRACTICE AND OUTCOMES?



BECOME IMPROVERS AND INNOVATORS?

MANAGE RISK BETTER?



BUILD A PERSONALISED APPROACH TO CARE?



CHANGE OUR STYLE TO SHARED DECISION MAKING?



REDUCE HARM AND WASTE?



BECOME IMPROVERS AND INNOVATORS?

MANAGE RISK BETTER?



BUILD A PERSONALISED APPROACH TO CARE?



CHANGE OUR STYLE TO SHARED DECISION MAKING?



REDUCE UNWARRANTED VARIATION IN PRACTICE AND OUTCOMES?



BECOME IMPROVERS AND INNOVATORS?

MANAGE RISK BETTER?



CHANGE OUR STYLE TO SHARED DECISION MAKING?



REDUCE HARM AND WASTE?



REDUCE UNWARRANTED VARIATION IN PRACTICE AND OUTCOMES?

MANAGE RISK BETTER?



CHANGE OUR STYLE TO SHARED DECISION MAKING?



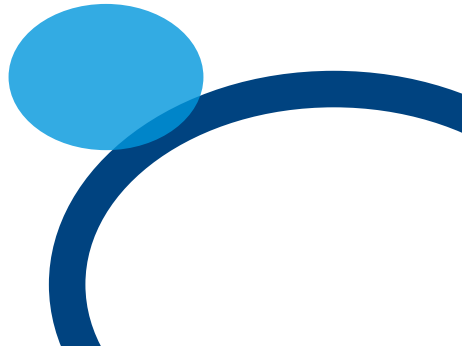
REDUCE HARM AND WASTE?

# The future is value

- Values (pl.) principles or standards of behaviour; one's judgement of what is important in life
- *synonyms:* [principles](#) · moral principles · [ethics](#) · moral code
- Value (sing.) the regard that something is held to deserve; the importance, worth, or usefulness of something.
- *synonyms:* [merit](#) · [worth](#) · [usefulness](#) · [use](#) · [utility](#) · [practicality](#)

Language is very powerful.  
Language does not just describe  
reality. Language creates the reality  
it describes.

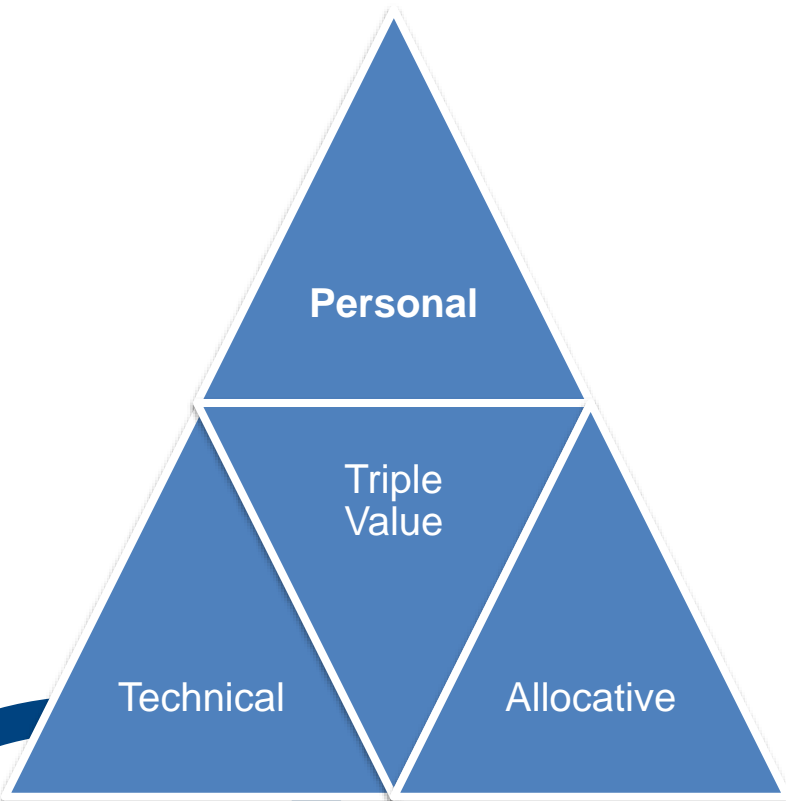
— *Desmond Tutu* —



# Triple Value

## Value:

*“what is gained relative to what we give up- the benefit relative to the cost” (IOM 2008)*



### Allocative Value

- How well resources are distributed to different sub groups in the population. Maximising value for whole population.

### Technical value

- How well the allocated resources are used by ALL those in need– cost/benefit – can be non financial; quality, safety, efficiency, reducing waste, productivity.

### Personalised value

- How well the decisions relate to the values of each individual



# What does RM mean for non patient facing services ...

- Improved decision making by consistent framing of value
- Shift debate from cost and quality to value & value in relation to populations served
- Encouraging optimal use of resources – re-investing where will achieve most value
- Populations - high-quality provision not necessarily high value
- Reducing waste (role for NSS staff internally & externally to reduce – stock management, transport costs, non defective products etc)
- How can “services” within NSS demonstrate their alignment with national priorities and “value”?

## Asking the Right Questions Matters

**To help ensure you have all the information you need to make the right decisions about your care, please ask your healthcare professional:**

- Is this test, treatment or procedure really needed?
- What are the potential benefits and risks?
- What are the possible side effects?
- Are there simpler, safer or alternative treatment options?
- What would happen if I did nothing?

Choosing Wisely  
UK

 REALISTIC  
MEDICINE

 Healthier  
Scotland

# NSS Cycle for Improvement



# How can you help?

- Promote a culture of Stewardship
- Ask critical questions in all committees and keep RM on the agenda
- Continued support for QI
- Support for improving the planning cycle

## REALISING REALISTIC MEDICINE

### 'REALISTIC'

1. HAVING OR SHOWING A SENSIBLE AND PRACTICAL IDEA OF WHAT CAN BE ACHIEVED OR EXPECTED.
2. REPRESENTING THINGS IN A WAY THAT IS ACCURATE AND TRUE TO LIFE.

### CREATING CONDITIONS

#### COMMUNICATE



#### CONNECT



#### COLLABORATE



#### CULTURE



### THE VISION

BY 2025, EVERYONE WHO PROVIDES HEALTHCARE IN SCOTLAND WILL DEMONSTRATE THEIR PROFESSIONALISM THROUGH THE APPROACHES, BEHAVIOURS AND ATTITUDES OF REALISTIC MEDICINE



Ingredients:

CHANGE OUR STYLE TO SHARED DECISION MAKING?	IS A PERSONALISED APPROACH TO CARE?
REDUCE HARM AND WASTE?	REDUCE UNWARRANTED VARIATION IN PRACTICE AND OUTCOMES?
MANAGE OUR BUDGET?	BECOME IMPROVERS AND INNOVATORS?



**NSS Board**  
**Friday, 1 February 2019**

**People Report December 2018**

**B/19/12**

### **Purpose**

The purpose of this paper is to inform the NSS Board of progress against the key workforce targets in the Great Place to Work Plan and to provide a summary of key workforce information as at 31 December 2018.

### **Recommendation**

The Board are asked to note the information contained in the report and the key discussion points summarised below.

### **Timing**

The report covers the month of December 2018.

### **Summary**

Sickness absence for NSS has breached the 4% target with a financial year to date position of 4.08% an increase of 0.03% from the November year to date (YTD) position. However, for the month of December there is a decrease to 3.84% in sickness absence. To explain the increase in YTD and decrease in Month there are a number of contributing factors. The YTD Absence percentage will capture any retrospective absence which may have been entered following the production of the monthly reporting. In addition the calculation for the absence percentage is an average based on hours lost due to sickness against hours worked, both of which can fluctuate depending on the changes in employee WTE, Turnover and period specific.

HR have been monitoring the monthly sickness absence rates and have identified that there have been occasions where the monthly percentage has increased following the production of the monthly report due to late submission of absence information into workforce systems. HR will be communicating clear instruction to managers about the importance of entering absence in a timely manner.

With all the support mechanisms in place we are forecasting that the year end position will be on or slightly under the 4% target. A number of SBUs are above the 4% target and measures are in place to manage these sickness absence levels.

The new NSS Case Management, NSS Learning Development and NSS Health and Safety dashboards are now live with access granted to all EMT members. In reviewing the Case Management dashboard it is evident that a number of cases are taking longer to bring to a conclusion than would be expected, although this will be dependent on all the circumstances and context surrounding the case. The Director of HR and Workforce Development has launched a review of cases with the HR Services team in order to identify what processes can be put in place to move cases forward appropriately, but with more pace.

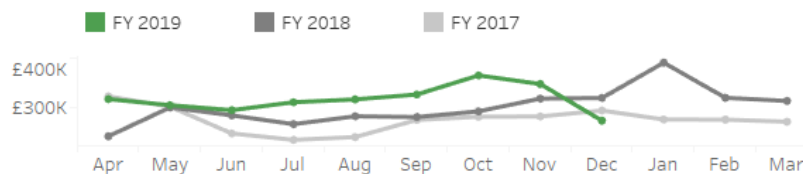
There are no issues to report overall in respect to turnover. All other workforce measures are on target including RIDDORs and statutory and mandatory training.

## **Health and Safety**

The total number of RIDDORs for 2018/19 remains at two. However, the accident incident rate for December shows a slight decrease over November and the overall position remains at amber. The highest rate of accidents over the year continues to be in slips and trips, struck by a falling/moving object and collision with object. HR continue to work closely with SBU Directors on improving Health and Safety within their areas.

## **Impact on Hours/Cost (Current Month)**

The number of hours lost due to sickness absence for the month of December has declined to 18,667 hours, which is to be expected due to the overall reduction in the Sickness Absence current month rate, this is primarily related to the reduction in Short Term Absence. This in turn means a decrease in the current month cost of absence to £275,489.



This is the lowest recorded cost of absence for the month of December over the past three financial years, and is the second reporting month in a row where the cost of absence has decreased. It is also noted that the cost of absence at the end of December is over £52,000 lower than the cost of absence at the end of the last quarter.

- Anxiety/stress/depression is still the main cause for sickness absence, where it has seen an increase of 167 hours in December to 6,378 hours. This has caused an increase in cost of £6,176.24 in December to £95,634.60.
- Gastro-intestinal problems has become the second biggest reason for sickness absence despite the cost of absence having decreased.
- Cough/cold/flu has decreased by around £2,000 from November to December.

## **Staff Turnover and Workforce Numbers**

Turnover trend for NSS for December 2018 has increased to 0.71% for the current month, compared to 0.22% in November, which is expected due to a higher number of employees leaving the organisation, with 20 employees leaving in December compared to only eight in November. The YTD turnover has increased to 6.83% but is forecasted to still sit under the 7% target at the end of the financial year.

There is no noticeable change to the workforce breakdown.

## **Statutory and Mandatory Training**

NSS remains on target to meet requirements of both mandatory and statutory training across the workforce.

## **Case Management and Recruitment Activity**

HR Services supported an average of 70 formal, active cases throughout December which, again, was a reduction of 10% on the previous month.

The number of cases being supported through the framework of Management of Capability and Promoting Attendance remained consistent with the previous month (73%).

Reports available from the call management system indicate that around 30% of case management calls logged have not got a clear plan of action in place by line managers and this includes a number of cases where staff are absent from work. Further work is underway to explore these issues and, where appropriate, using the escalation route within HR to ensure cases are being managed, that clear action plans are in place and individuals are being given the necessary support.

One new Dignity at Work case was logged with HR Services in December and no cases resulted in dismissal from service.

Recruitment activity during December saw a drop in the number of posts advertised which was 23 as opposed to 35 in November; this would be expected for the time of year. This allowed the recruitment team to focus on posts at conditional and unconditional stages, with 50 posts being closed during December. The overall time to hire working days continues to remain tight and inline with targets. Process continues on the configuration of Job Train and initial user acceptance testing will take place across January.

## **Public Health Body**

Work has commenced in relation to the HR/People requirements to support the transition to the new Public Health Body. HR staff in both NSS and Health Scotland have met to progress the work-plan for the key deliverables with progress being made in a number of areas. The HR service catalogue, model of service delivery and an estimate in the amount of HR time consumed by PHI has been provided to the HR steering group. Further work on HR metrics, Key Performance Indicators and HR policy is required and ongoing.

There are no workforce issues to highlight at this point.

## **iMatter**

iMatter action plans – as at 8 January 2019, 258 out of 328 teams had completed their action plan and created storyboards.

**Jacqui Jones**  
**Director of HR and Workforce Development**  
**23 January 2019**



# HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE <November 2018> NSS BOARD MEETING

## NSS AUDIT AND RISK COMMITTEE – 5 December 2018

B/19/13

### Issues & Risks for the Board's Attention

#### Key Audit Matters:

Internal Audit: The Committee were updated on the outcomes of the IT Risk Workshop which had identified five key areas which could benefit from specific review and would feed into the audit plan

The Committee were broadly content with the scope and timescales of the planned audits for 2019/20. The only adjustments requested were whether GP IT, CHI and Child Health, and Office 365 could be reviewed as a totality, and pushing the audit of the new Public Health Body back to Quarter 2. The Committee were also keen that consideration be given to how the behavioural/values work could be brought in to the planned audits. They also agreed that there was merit in factoring National Board collaboration work into the plan but that it should be kept under review to avoid any duplication, and monitor whether it would be better covered by external audit.

External audit: The annual audit plan was noted.

#### Key Risk Matters:

The risk report was accepted though assurance was sought and received that the risk regarding lack of suitably trained staff for Office 365 implementation did not extend to other similar IT projects.

Members were broadly content with the risk appetite with only a minor wording change suggested.

### Emerging Themes for Board Awareness e.g. changing trends in elements of NSS performance

- 

### Governance Improvements e.g. actions which have strengthened governance of Committee and should be shared

- Following an update on developments in Service Now for the recording and reporting of feedback, concerns and complaints, the Committee discussed the duplication of reports at committees and agreed this was something that would be worth reviewing in light of these developments, which could allow reporting by exception more easily.

### Other Matters of Interest

- The Committee noted the overview report of the NHS in Scotland. They were optimistic that this could enable a different conversation across Scotland and generate the political and public will to make necessary changes.

# HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE <November 2018> NSS BOARD MEETING

## NSS CLINICAL GOVERNANCE COMMITTEE – 5 December 2018

### Issues & Risks for the Board's Attention

- The Duty of Candour Procedure had been activated for the first time and the Committee requested an update on how the process had gone at their next meeting in March 2019.

### Emerging Themes for Board Awareness e.g. changing trends in elements of NSS performance

- The Committee were updated on the work of IT in respect of clinical governance monitoring systems, the Community Health Index and Child Health Transformation Programme, the Scottish Radiology Transformation Programme, and the implications of the new Medical Devices Regulations for software.
- The Committee were assured regarding revalidation and registration of NSS clinical professionals

### Governance Improvements e.g. actions which have strengthened governance of Committee and should be shared

- The Committee requested that the Executive Management Team develop a strategy around clinical governance and quality.

### Other Matters of Interest

- The Committee received a presentation on Realistic Medicine from Dr Alex Stirling.
- The Committee discussed the proposed new dental governance arrangements and the next steps for implementation.

## HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE ----- NSS BOARD NSS FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE

### Issues & Risks for the Board's Attention

- The Committee discussed the Information Governance risk, asking for a comparison with other organisations and a legal interpretation from CLO.
- Risk 5230 (Clinical Waste Management Contingency) was added to the Committee's watch-list. Members also asked for the risk regarding Brexit to be refreshed and added once this had been done.

### Emerging Themes for Board Awareness e.g. changing trends in elements of NSS performance

- The Committee were provided with a demonstration of the LearnPro Financial Guidelines training module, which had been developed by NSS in-house but had the potential to be shared across NHSScotland. National Boards were also working together to try and develop a common set of SFIs.
- NSS was forecast to meet its statutory financial targets, with a projected break-even position for revenue and capital, and a slight overachievement against the CRES target.
- The Committee was updated on the work in Procurement, specifically in respect of innovation, Brexit planning and the response to the issues around clinical waste management.

### Governance Improvements e.g. actions which have strengthened governance of Committee and should be shared

- 

### Other Matters of Interest

-

# HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE <November 2018> NSS BOARD MEETING

## NSS STAFF GOVERNANCE COMMITTEE – 30 November 2018

### Issues & Risks for the Board's Attention

- 

### Emerging Themes for Board Awareness e.g. changing trends in elements of NSS performance

- There was recognition of the “upstream” work already done having the positive downstream results (e.g. application of the lessons learned through the feedback over the last year leading to a downturn in the overall numbers of complaints)
- NSS had achieved positive iMatter results given the period of change the organisation was going through, with the actions emerging from the results being built into the Staff Governance Action Plan and Great Place To Work plan.
- An overall review of the redeployment service was being carried out, factoring in the anticipated organisational changes in the coming years.

### Governance Improvements e.g. actions which have strengthened governance of Committee and should be shared

- The Committee felt that the level of information in papers was allowing for more strategic discussions to take place, focussing on the “upstream” work (e.g. a mechanism being put into place to enable/support better follow-up on the calls HR received asking for advice, especially those regarding sickness absence)

### Other Matters of Interest

- Ms MacLennan offered a demonstration of the Service Now reporting system at a future meeting.

## HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE <November 2018> NSS BOARD MEETING

### NSS REMUNERATION AND SUCCESSION PLANNING COMMITTEE – 17 December 2018

#### Issues & Risks for the Board's Attention

- Reporting from TURAS was still unavailable and Members therefore asked for other reassurance by SBU that Appraisals and PDPs were taking place.

#### Emerging Themes for Board Awareness e.g. changing trends in elements of NSS performance

- 

#### Governance Improvements e.g. actions which have strengthened governance of Committee and should be shared

- Members will take part in a course on Recruitment Training for Managers to increase knowledge of current procedures in NHSScotland.

#### Other Matters of Interest

- Members received an update on Project Lift
- Members noted the mid-year appraisals for the executive cohort had taken place.

2018/19 REGISTER - AS AT 25/01/2019

Changes during year

Changes since last report to Board

B/19/14

Board Member	Gifts & Hospitality	Remuneration	Related Undertakings	Contracts	House, Land & Buildings	Shares & Securities	Non Financial Interests	Election Expenses
Julie Burgess	Nil	Advisory Board Member (Health) of Interim Partners Director, Wale King Associates	Advisory Board Member (Health) of Interim Partners, part of the New Street Group. Trustee, St Peter's and St James' Hospice in Mid Sussex	Wale King Associates - NHS Elect (England)	Nil	Nil	School Governor for Oathall Community College, Haywards Heath, West Sussex. Trustee, St Peter's and St James' Hospice in Mid Sussex	Nil
Ian Cant	Nil	Nil	Nil	Nil	Nil	Nil	Chair Unison Scottish Health Care Branch (wef 26/03/15)	Nil
Jane Davidson	Nil	Chief Executive, NHS Borders	Nil	Nil	Nil	Nil	Member - Managers In Partnership Member - Institute of Chartered Accountants Scotland	Nil
John Deffenbaugh	Nil	Director, Frontline Consultants Ltd	Director, Frontline Consultants Ltd	Nil	Nil	Nil	Nil	Nil
Kate Dunlop	Nil	Chair, Alan Dunlop Architects Non-Executive Director, Education Scotland Non-Executive Director, Accountant in Bankruptcy	Nil	Nil	Nil	Nil	Nil	Nil
Elizabeth Ireland	Nil	Self Employed Locum GP Part-time salaried-GP at Cos Lane Medical Practice, Glenrothes	Nil	Nil	Nil	Nil	NHS Chairs' Representative, CMO task Force - Improving Services for Victims of Rape and Sexual Abuse Member, National Health and Social Care Delivery Plan Board Fellow of Royal College of Physicians Honorary Chair, University of Stirling Member, Medical & Dental Defence Union, Scotland Member, BMA	Nil
Carolyn Low	Nil	Nil	Nil	Nil	Nil	Nil	Company Secretary, Breeze Media Ltd (Unpaid)	Nil
Mark McDavid	Nil	Non-Executive Chair, Heck! Food Ltd Thirsk Food-Logistics Ltd (Trading as HECK)	Nil	Nil	Nil	Nil	Chair, Trinity Park Foundation	Nil
Lorna Ramsay	Nil	Nil	Nil	Nil	Nil	Nil	Member, Faculty of Medical Leadership and Management (FMLM) Member, Faculty of Public Health UK Member, Scottish Association of Medical Directors (SAMD) Member, British Medical Association (BMA) Member, Medical and Dental Defence Union of Scotland (MDDUS)	Nil
Alison Rooney	Nil	Chief Executive - Royal College of Surgeons, Edinburgh	Nil	Nil	Nil	Nil	Nil	Nil
Colin Sinclair	Nil	Nil	Nil	Nil	Nil	Nil	Chair, National Infertility Group Member, Data Management Board, Scottish Government Member (representing NHSS CEOs) of Strategic Leaders Group for the Scottish Leaders Forum. Member, Digital Health and Care Strategy Group Member Scottish Medicines Consortium Member, Infrastructure Delivery Group	Nil

# minutes (DRAFT FOR APPROVAL)

NHS NATIONAL SERVICES SCOTLAND (NSS)

**B/19/15**

**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD ON WEDNESDAY 5 DECEMBER 2018 IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH COMMENCING AT 1018HRS**

- Present:** Mr Mark McDavid – Non-Executive Director (Chair)  
Mr John Deffenbaugh – Non-Executive Director  
Mrs Kate Dunlop – Non-Executive Director  
Ms Alison Rooney, Non Executive Director
- In Attendance:** Ms Inire Evong – Audit Scotland  
Mr Troy Hutson – KPMG  
Professor Elizabeth Ireland – NSS Chair  
Ms Carolyn Low – Director of Finance  
Mr James Lucas – Internal Auditor, KPMG  
Ms Louise MacLennan – Head of Equality and Engagement [Item 10]  
Mrs Mary Morgan – Director of Strategy, Performance and Service Transformation  
Mrs Lynn Morrow – Corporate Affairs and Compliance Manager  
Mr Andy Shaw – Internal Auditor, KPMG  
Mr Colin Sinclair – NSS Chief Executive  
Mr Mark Taylor – Audit Scotland  
Mrs Marion Walker – Risk Manager Lead [Items 8 and 9]  
Mrs Lynsey Bailey – Committee Secretary [Minutes]
- Apologies** Ms Jane Davidson – Non-Executive Director

## ACTION

### 1. WELCOME AND APOLOGIES

- 1.1 Mr M McDavid welcomed all to the meeting and noted the apologies received. There were no conflicts of interest declared in respect of any items on the agenda.

### 2. MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 13 SEPTEMBER 2018 AND MATTERS ARISING [papers ARC/18/86 and ARC/18/87 refer]

- 2.1 Following a brief discussion of the minutes of the NSS Audit and Risk Committee meeting held on 13 September 2018, Members requested correction of the statement in minute 5.1 regarding concerns about papers being written for the person who had asked for them. This was to be changed to say that the Committee would prefer more contextualisation. Pending this correction, Members were content to approve the minutes as a true record.
- 2.2 Members noted that, in respect of the June 2019 meeting date, there was a risk that the slightly compressed paper production timeline would make it more difficult to meet the given paper deadlines. However, the auditors would be working as best they could to mitigate this. Regarding action 5.2 (payroll services audit and clarification of decision on NHS24), Mr Sinclair had met with the Chief Executive of NHS24 and the issue had been resolved.



#### Headquarters

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

Chair  
Chief Executive

Professor Elizabeth Ireland  
Colin Sinclair

- 3. REPORT ON INTERNAL AUDIT STATUS INCLUDING COMPLETED REVIEWS** [paper **ARC/18/88** refers]
- 3.1 Members discussed the paper presented, which summarised the progress against the 2018-19 annual internal audit plan. Members noted that two reviews (digital transformation, and transformation governance) had now merged, and were provided an overview of some updated timelines. Members sought and received assurance about IT capacity and whether NSS could support the strategic plans laid out. They also discussed transformation governance and how NSS would facilitate the necessary changes, recognising the importance of governance, progress and service value.
- 4. IT RISK WORKSHOP** [paper **ARC/18/89** refers]
- 4.1 Members were provided with an overview of the background and structure of this workshop, facilitated by the internal auditors, to review the high risk capability areas for IT. Five specific risks had emerged which the workshop participants agreed would benefit from specific review (listed in priority order):
- IT talent and people management;
  - Vendor and supplier risk management;
  - Solution development;
  - End User Computing;
  - IT infrastructure and architecture.
- 4.2 Cyber security had also been identified as a high-level risk which should remain a priority. Members received assurance of NSS's position in respect of cyber security and were pleased to note that it had been recommended for a recurring annual review. Members were keen to see future-proofing and a "Once for Scotland" approach featuring in future audits/planning in light of NHS Education for Scotland's digital strategy. They were assured that this would be included going forward. Members were reminded that this was not a full, formal audit although it would feed into the audit plan.
- 5. DRAFT 2019/20 INTERNAL AUDIT PLAN** [paper **ARC/18/90** refers]
- 5.1 Members discussed the development of the 2019/20 draft internal audit plan and noted that it was based on an estimate of 200 days (which had some contingency built in). Members received a detailed breakdown of the reviews planned and timescales. GP IT re-provisioning was discussed and there was scope for including Office 365 implementation. Members were assured that these reviews would be a total health check, and that the risks identified at the IT workshops were also being factored in. Members expressed concerns that, as the Community Health Index (CHI) and Child Health transformation programme review was scheduled for Q4, there was potential for identifying any issues too late in the process. However, they were assured regarding the timing. Members discussed whether there could be a way to time the audits of large projects to allow the lessons learned to filter through for other similar projects which were at an earlier stage, to build up expertise and make best use of the audit time.
- 5.2 Members were also keen to avoid duplication of audits for projects which may be better covered through other routes (e.g. NES Digital Strategy). While the need to engage regarding the longer term picture was recognised, Members were advised that accountability would always sit with the organisation best placed to deliver. The IT projects on the list were examples where NSS had a directive from the Scottish Government to deliver and, therefore, the accountability for it. Members asked whether GP IT, CHI and Child Health, and Office 365 could be reviewed as a totality. KPMG advised they would be



**ACTION**

happy to do that, if they were awarded the next internal audit contract. Members asked about the theory of change and behavioural/values work, and how could this be brought in to the planned audits. Again, KPMG agreed to take that on board, should they be awarded the contract.

- 5.3 Members agreed that there was merit in having something on National Board collaboration work in the plan but that it should be kept under review to avoid any duplication, and monitor whether it would be better covered by external audit. Members had concerns that the service improvement audit sounded like a customer survey but were assured that it would be about assessing the process used. The audit of the new public health body seemed to be scheduled too early in the year and Members agreed that pushing it back to quarter two would be better. Members noted the financial controls audit complemented the equivalent external audit and that the property monitoring audit would only be needed if there was a relevant property transaction. The remaining planned audits seemed to be self-explanatory and Members were content with their proposed scope and timescales.

**6. DRAFT ANNUAL AUDIT PLAN** (paper **ARC/18/91** refers)

- 6.1 Ms Evong spoke to her paper, which laid out the planned scope and timing of the 2018/19 external audit of NSS. Members considered the risks identified, noting that the first two (management override of controls, and fraud) were standard requirements. Members were also provided with an overview of the areas of interest selected to feature in the reports. Members discussed alignment of internal and external plans, and striking a balance between formal reporting and a more discursive approach.

**7. NHS OVERVIEW REPORT** (paper **ARC/18/92** refers)

- 7.1 Members noted the report, which provided an overview of the NHS in Scotland, and made some key observations and recommendations. Members recognised the importance of the statements despite the challenges being laid out and were pleased that this could enable some potentially difficult conversations. The report would be presented at the Scottish Parliament, and the Public Audit Committee would take it forward and decide what report they wished to make on the back of it. Members were advised that there was agreement with what the report said and an appetite to make the necessary changes although there were no straightforward answers.

- 7.2 Members were optimistic that this could enable a different conversation across Scotland and generate the political and public will to make changes. Unpopular decisions may need to be made in future but, as the message was now more urgent, the report provided the rationale for that. Members were supportive of the message in the report and recognised that it was ultimately the responsibility of the Health Boards to act on it. Both Professor Ireland and Mr Sinclair were keen to map the report's recommendations to NSS's strategy as far as possible for discussion at the NSS Board meeting in February 2019.

**E Ireland/  
C Sinclair**

**8. RISK MANAGEMENT: QUARTERLY UPDATE** (paper **ARC/18/93** refers)

- 8.1 Members discussed the paper which provided an update on risk management activity since the last report in September 2018. In particular, the report highlighted any red and new amber reputational risks on the register. Members noted that the clinical waste issue had generated three different risks (5230, 5231 and 5232). They were provided with clarification as to why it had been deliberately split at this point, and were assured regarding the mitigations in place. In respect of the risk regarding lack of suitably trained staff for Office 365 implementation, Members sought and received assurance

**ACTION**

that this risk did not extend to other projects (e.g. Community Health Index and Child Health transformation programme, or GP IT). Members also raised the issue about risk of dependency on a single supplier and were assured that this was taken into consideration.

**9. RISK MANAGEMENT: RISK APPETITE** (paper **ARC/18/94** refers)

- 9.1 Members were broadly content with the risk appetite. However, they felt that the term “flexible approach” would perhaps be better replaced with “considered and responsive approach”.

**10. QUARTERLY FEEDBACK, CONCERNS AND COMPLAINTS REPORT** (paper **ARC/18/95** refers)

- 10.1 Ms MacLennan took members through the paper, which summarised the number and nature of feedback received by NSS and how it had been responded to. Particular highlights were the decrease in the number of complaints, the work being done in SNBTS (e.g. donor education programme) and the inclusion of the “you said, we did” section in the report. Members were also updated on the improvements to recording and reporting being developed through the Service Now system and Ms MacLennan agreed to demonstrate this at a future meeting. Members discussed the duplication of reports at committees and agreed this was something that would be worth reviewing in light of the change to Service Now, which could allow reporting by exception more easily. Members also enquired about the provision of feedback from the Non-Executives to the staff providing the information and were assured that this was passed back.

**L MacLennan****11. DRAFT TERMS OF REFERENCE** [paper **ARC/18/96** refers]

- 11.1 Members briefly discussed the Committee’s existing Terms of Reference and agreed that, for the next meeting, it would be useful to have a gap analysis in relation to the Scottish Government’s Audit and Assurance Committee handbook. Members also suggested looking at any areas of overlap with the Finance, Procurement and Performance Committee. As the NSS Board’s development session in March 2019 would focus on governance, there may also be updates identified through that. Members discussed paragraph 73 of the NHS Overview report regarding room for improvement in scrutiny arrangements. Consideration of corporate governance would be key, with clear guidance as to what should be covered.

**12. SELF ASSESSMENT** [paper **ARC/18/97** refers]

- 12.1 Mrs Morrow had completed an initial draft Self Assessment checklist, in conjunction with the Scottish Government’s Audit and Assurance Committee handbook. Members were asked for suggestions of any additions or amendments to be sent to Mrs Morrow following the meeting. They discussed the role of finance teams, the internal audit charter and internal audit staffing, and a number of minor amendments were agreed at this point. Mrs Morgan provided an overview of the informal internal audit and lessons learned work done ahead of regulatory inspections within the Scottish National Blood Transfusion Service. Members were advised that there was lots of this kind of work being done within NSS, which tended not to feature directly in reports at this level. However, Members were assured that it did factor into the Executive Management Team’s discussions on the audit plans. Members were keen that they had more visibility of this in future. Subject to the minor amendments agreed, Members were content with the checklist.

**ACTION****13. COMMITTEE HIGHLIGHTS REPORT FOR THE NSS BOARD** [paper **ARC/18/98** refers]

- 13.1 Mrs Bailey agreed to draft up the Sub-Committee Highlights Report and send it to Mr McDavid for approval to issue with the papers for the next formal NSS Board meeting on Friday, 2 February 2019. **Mrs Bailey**

**14. ANY OTHER BUSINESS**

- 14.1 Mr Sinclair advised Members that there would be a Chief Executive's planning call taking place that afternoon regarding Brexit. However, there were no major issues anticipated to emerge from this call.

**15. DATE OF NEXT MEETING**

- 15.1 The next NSS Audit and Risk Committee meeting would be held on Friday, 29 March 2019 at 0930hrs.

**FOR INFORMATION**

There being no further business the meeting finished at 1222hrs

# minutes (APPROVED)

<b>B/19/16</b>
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## NHS NATIONAL SERVICES SCOTLAND (NSS)

**MINUTES OF AUDIT AND RISK COMMITTEE MEETING HELD ON THURSDAY 13 SEPTEMBER 2018 IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH COMMENCING AT 0930HRS**

**Present:** Mark McDavid, Non-Executive Director (Chair)  
John Deffenbaugh, Non-Executive Director  
Kate Dunlop, Non-Executive Director  
Alison Rooney, Non Executive Director

**In Attendance:** Martin Bell, Acting Director of Strategy and Governance  
Inire Evong, Audit Scotland  
Laura Howard, Finance  
Robert Hutton, Implementation Manager, GP IT Project [Item 3]  
Elizabeth Ireland - NSS Chair  
Paul Kelly, Scott Moncrieff  
Caroline Lang, Board Secretary [Minutes]  
Carolyn Low, Director, Finance and Business Services  
James Lucas, Internal Auditor, KPMG  
Louise MacLennan, Head of Equality and Engagement [Item11]  
Eilidh McLaughlin, Associate Director, Corporate Affairs and Compliance  
Mary Morgan, Director, SNBTS [Item 4]  
Lynn Morrow, Corporate Affairs and Compliance Manager  
Sarah Riches, Business Analyst, GP IT Project Team [Item 3]  
Louise Roberts, NSS Fraud Liaison Officer [Item 10]  
Andy Shaw, Internal Auditor, KPMG  
Colin Sinclair, NSS Chief Executive  
Mark Taylor, Audit Scotland  
Marion Walker, Risk Manager Lead [Item 9]  
Gordon Young, Head of Services, CFS

**Apologies** Jane Davidson, Non-Executive Director

## ACTION

### 1. WELCOME AND APOLOGIES

- 1.1 Mr M McDavid welcomed all to the meeting and noted the apologies received. Members were advised that Mr Robert Hutton, Implementation Manager, GP IT Project, Ms Sarah Riches, Business Analyst and Ms Mary Morgan, Director SNBTS would be in attendance for specific items on the agenda. There were no matters of interest declared.



#### Headquarters

Executive Office, Gyle Square, 1 South Gyle Crescent,  
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Chair  
Chief Executive

Professor Elizabeth Ireland  
Colin Sinclair

**2. MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 22 JUNE 2018 AND MATTERS ARISING [papers ARC/18/67 and ARC/18/66 refer]**

2.1 The Minutes of the NSS Audit and Risk Committee meeting held on 22 June 2018 were accepted as a true record. Members noted progress on actions from the previous meeting and that the majority had been completed, programmed into a future meeting, or were covered in the main Agenda.

2.2 Mr M Taylor commented that item 10.1 had been helpful, but more distinction re reporting was required, and there was still work to do on the details of the audits. He agreed to provide wording for these outwith the meeting. **Action: Mr M Taylor to provide detailed wording.**

**M Taylor**

**3. GP IT RE-PROVISIONING [paper ARC/18/69 refers]**

3.1 Mr R Hutton took members through the paper and confirmed that the NSS Finance, Procurement and Performance committee had been included in the financial discussions. He added that there had also been engagement with clinicians. Five risks had been identified during this process and had been circulated to the Committee with the papers. This included one risk if the project was not taken forward and a further four if it was. Members discussed the risks in detail.

3.2 Risk 5179 – members discussed the implications if the project did not go ahead. Prof E Ireland added that as a practising GP it was essential that it was implemented, but further thought needed to be given to mitigating actions relating to this particular risk. Mr R Hutton responded that this was detailed in the full business case for approval. This would be delivered 23<sup>rd</sup> September 2018 and would be passed to Scottish Government on 24<sup>th</sup> September 2018. Ms A Rooney commented that there was a risk to NSS if the business case was deemed inadequate by Government, as well as further risk around allocation of funding which was not in NSS' gift. Members agreed that this was a compound risk and not a single one. Ms K Dunlop added that as there were no final details on the digital strategy, the reputation risk would be to NSS, and an additional worry could then focus on clinical impact on patients.

3.3 Mr J Deffenbaugh asked for clarity into what NSS influence was in this arena, and how the situation had become so potentially risky for NSS. He asked for further reassurance on whether the business case was future proof, i.e. lifespan etc, and whether there was a future view of the issues and challenges involved in the project. Mr R Hutton replied that the programme was not just a 'fit and drop' in Scotland as the English system was very different, this would lead to another year of customisation for it to be ready for Scotland. It was therefore part of the governance of the project to mitigate this by looking firstly at common requirements rather than wait for the bespoke Scottish programme. He continued that NSS was pushing hard on the interfaces and would work with the digital platforms as soon as this was possible and also on capital funding. He added that this had been done because to start again from scratch would take another five years to progress. Mr J Deffenbaugh asked for confirmation on who the sponsor of the project was, and Mr R Hutton confirmed that it had been commissioned by the eHealth group.

3.4 Risk 5180 Members noted that this related to a financial risk for NSS if the contracts were signed prior to confirmation of funding from Government. Ms

C Low confirmed that this would not happen and that as it was the eHealth group that commissioned it the money would be available. She added that announcing a preferred bidder did not constitute a contract to purchase. Ms A Rooney reflected that if one of the risks was reputational around NSS failure to deliver on time, and if that had a critical dependency on the procurement to get contractual arrangements then was there an option to engage with, but not announce, the preferred supplier if suppliers would agree to this. Mr R Hutton would reflect on this and report back as necessary

**R Hutton**

- 3.5 Risk 5181 Focused on getting the right NSS resource/team in place and what contingency had been built into the business case to mitigate this. Mr R Hutton responded that a 20% contingency had been included to allow for a flexible workforce and the use of contractors if there were skills gaps that could not be covered in a timely fashion. All agreed that the NSS Board and Non-executive Directors would need to keep a close eye on this going forward. Mr C Sinclair commented that in terms of resourcing issues there were three major projects for NSS to plan for; Office 365, CHI and Child Health Index. The GP IT contract would be the focus of the new governance group at the October meeting and depend on the confirmation from Scottish Government around the funding. Prof E Ireland asked for regular reports on this project to flow through to the NSS Board, if necessary via an ad-hoc meeting depending on timing. **Action: Add to forward programme for NSS Board.**

**Board Secretary**

#### 4. **REPORT ON INTERNAL AUDIT STATUS INCLUDING COMPLETED REVIEWS** [paper **ARC/18/70** refers]

- 4.1 Mr A Shaw took members through the paper and advised that since the completion of the audit the recruitment of the new NSS Information Technology SBU Director had taken place and a risk workshop had been set up. There was also an acknowledgement that the rebate review would take place shortly.

- 4.2 Public Health Body (PHB) [paper **ARC/18/71** refers] Members reviewed the report which also focused on governance arrangements that would be required during the transition to the new PHB. It was recognised that NSS governance was quite complex and the main theme running through the report was the requirement for more detailed planning, but that internal governance was good. Ms M Morgan advised that internal governance arrangements made the audit process difficult due to its complexity. She continued that the audit had also looked at the impact of other shared services e.g. national collaboration, but the report had been compiled as a 'point in time' and things had moved on since then. Some of this had been mitigated as the date for the PHB had now been announced and it was now possible to say that most of the audit findings had therefore be completed. Mr J Deffenbaugh asked for clarification on future scenarios and it was confirmed that this was being looked as part of the overarching National debate, but it was likely the NSS would provide a shared service to the new body.

- 4.3 Prof E Ireland commented that there was a lot of reassurance around process and this should be another area of focus for the NSS Board development sessions in October 2018. She was also keen to see it built into the 2-5 year scenario piece being undertaken by Ms C Low. **Action: Board Secretary to add to forward programme for Board offsite.**

**Board Secretary**

## 5. SERVICE AUDIT PROGRESS REPORTS

5.1 National IT Services Contract Audit Report (paper **ARC/18/72** refers) Mr P Kelly informed Members that detailed planning had taken place with ATOS and that work would start within the next few weeks. He continued that three actions from the May meeting around what was in scope and what was not had been confirmed as:

- i. GP – Outwith
- ii. PACS – this would be transitioning over in-year
- iii. Breast-screening – although not appearing in the table would be included as a sample application. Updated delivery model may have an end to end audit in light of the feedback received at the May meeting.

Members discussed this section in detail and reflected that there were still some issues with the supplier (ATOS) and there was a requirement for more consistency in their people, but that there was a good process. Mr J Deffenbaugh asked for assurance on how this could be moved to Green from Amber (RAG status). Mr P Kelly confirmed that there was a commitment from them to do this by September and he would report back to the next meeting. There was further discussion relating to vendor management and asked that this be raised by Scott Moncrieff and Gordon Sommerville (NSS). Following a brief discussion, Members agreed that they would prefer more contextualisation within the reports being presented in future. Mr M Bell also agreed to liaise with the Directors of both NSS IT and NSS Practitioner and Counter Fraud SBUs be asked to attend future meetings, and send appropriately empowered deputies if they were unable.

**Action: Mr M Bell to action on behalf of the Committee.**

**M Bell**

5.2 Payroll Services Audit Report (paper **ARC/18/73** refers) Mr P Kelly took members through the report and noted the comments and actions it contained. Further clarity was sought over the decisions relating to NHS24 and payroll. Mr M McDavid asked for clarification on why this was done and reported back to next meeting. Mr C Sinclair advised that he would provide this detail to Mr M McDavid outwith the meeting. **Action: CS to meet with MMcD outwith meeting on discussion with NHS24.**

**CS/MMcD**

5.3 Practitioner Services Audit Report (paper **ARC/18/74** refers) Members noted the content of the report in full and the update on actions completed.

## 6. EXTERNAL AUDIT 2017/18 UPDATES

6.1 Members noted the content of the report in full and the update on actions completed.

## 7. ANNUAL AUDIT REPORT (paper **ARC/18/76** refers)

7.1 Members noted the content of the report in full and the update on actions completed. It was acknowledged that a great deal of work had taken place and this was made easier by the good working relationships Audit Scotland had with NSS colleagues and the finance team. Mr M McDavid thanked Audit Scotland and Ms C Low's finance team for their valued contribution.

- 7.2 Prof E Ireland added that there was potentially an issue with the date of the NSS Audit and Risk Committee meetings in June to allow appropriate scrutiny and she would discuss this with the Board secretary prior to setting dates for the next financial year. **Action: Board secretary to look at dates for Audit and Risk meetings for next year.** **Board Secretary**
- 7.3 After further discussion it was agreed that collaborative working and workforce skills would be looked at as part of the NSS Board development session in October 2018. **Action: Board Secretary to add to agenda for October meeting.** **Board Secretary**
- 8. INTERNAL AUDIT ACTIONS REPORT** (paper **ARC/18/77** refers)
- 8.1 Members review the paper and noted the extensions requested on three audit actions.
- 9. RISK MANAGEMENT UPDATE** (paper **ARC/18/78** refers)
- 9.1 Ms M Walker took members through the paper and it was noted that an additional 8 red risks submitted/changed since the report had been compiled.
- i. Three risks relating to CLO and Anderson House
  - ii. Two new red business risks relating to Microsoft 365 – i) suitability of staff and ii) lack of preparation in the business.
- Ms A Rooney advised that it would have been good to have had a short update paper prior to the meeting around these changes. She asked for clarification on why the Microsoft 365 risk was red – Mr M Bell advised that he had spoken with the new IT Director (Mr Deryck Mitchelson) and it related to the implementation team workload. He had identified the use of contractors to support this if required as a mitigating action. Members voiced some concern about the likelihood of this as three major projects would be running in tandem and asked for more information and updates going forward
- 9.2 Prof E Ireland also expressed her concern that the Committee was only learning of 8 Red risks at the meeting and asked that in future such changes be circulated to all members outwith the meetings ensuring they were able to deploy their responsibility as a sub-committee of the NSS Board. **Action: M Bell/Board Secretary**
- 9.3 Mr J Deffenbaugh asked that NSS risk management and understanding be discussed at the forthcoming Board development session. **Action: Board Secretary to add to forward programme for development session.** **Board Secretary**
- 10. FRAUD UPDATE**
- 10.1 Quarterly Update (paper **ARC/18/79** refers) Members noted the report in full.
- 10.2 CFS Flash Report 2017/18 (paper **ARC/18/80** refers) Members noted the paper and asked that Fraud training for the NSS Board take place early in 2019. **Action: Board Secretary to add to forward programme.** **Board Secretary**
- 10.3 CFS Year End Report 2017/18 (paper **ARC/18/81** refers) Included in previous item.



**11. QUARTERLY FEEDBACK, CONCERNS AND COMPLAINTS REPORT**  
(paper **ARC/18/83** refers)

- 11.1 Ms L Maclennan took members through the paper and highlighted the significant increase in complaints in SNBTS relating to opportunity to donate. This was being mitigated by SNBTS through extra training on queue management. It should also be noted that SNBTS now had a dedicated management resource for Complaints to ensure closure in an appropriate timeframe.
- 11.2 Members were also informed that the Changepoint software contract was not being renewed in NSS and there was therefore an opportunity to bring together various governance tools, including complaints, into a new platform making it easier to enter, track and report on them. This would not be the public facing portal, but would allow proper focus and reporting on trends etc going forward. Prof E Ireland expressed the committees support for a digital option but asked that it be user friendly.
- 11.3 Members thanked Ms Maclennan for her report and looked forward to receiving updates on the new system to a future meeting.

**12. COMMITTEE HIGHLIGHTS REPORT FOR THE NSS BOARD**

- 12.1 The following items to be included in the about report to the NSS Board;
- i. Issues and Risks – GP IT; approval of finance; business case
  - ii. Internal plan progressing well.
  - iii. Public Health Scotland – positive around governance but recognition around shared services piece for future planning.
  - iv. Once for Scotland theme – workforce and collaboration
  - v. Capability and capacity to manage the work coming into NSS

**13. ANY OTHER BUSINESS**

- 13.1 No additional items of business were discussed.

**14. DATE OF NEXT MEETING**

- 14.1 The next NSS Audit and Risk Committee meeting would be held on Wednesday, 5 December 2018 at 0930hrs.

**15. FOR INFORMATION**

- 15.1 NSS Audit & Risk Committee Forward Programme 2018 [paper **ARC/18/84** refers] – Members noted the paper which had been circulated for information only.

**NOTE: Minutes were transcribed by Karen Nicholls from Caroline Lang notes.**

There being no further business the meeting finished at 1240hrs

B/19/17

# Minutes (DRAFT FOR APPROVAL)

## NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

### MINUTES OF MEETING HELD ON FRIDAY, 30 NOVEMBER 2018 IN ROOM 030, GYLE SQUARE EDINBURGH, COMMENCING 0950 HOURS

**Present:** Mr John Deffenbaugh – Non-Executive Director [Chair]  
Mr Ian Cant – Employee Director  
Mrs Susan Cook – UNISON  
Mr Tam Hiddleston – UNISON  
Mr Gerry McAteer – UNISON

**In Attendance:** Ms Jane Fewsdale - HR Workforce Information, Systems & Business Support Manager  
Mrs Jacqui Jones – Director of HR & Workforce Development  
Ms Louise MacLennan - Head of Equality and Engagement  
Mr Neil Redhead – Head of Operations  
Mr Colin Sinclair - Chief Executive  
Mrs Lynsey Bailey – Committee Secretary [Minutes]

**Apologies:** Professor Elizabeth Ireland – NSS Chair  
Mr Mark McDavid – Non-Executive Director

#### ACTION

#### 1. APOLOGIES AND INTRODUCTIONS

- 1.1 Mr J Deffenbaugh welcomed all to the meeting and noted apologies as above. Members were asked to declare any interests in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES AND MATTERS ARISING FROM STAFF GOVERNANCE COMMITTEE MEETING HELD ON 28 SEPTEMBER 2018 [papers SG/18/53 & SG/18/54 refer]

- 2.1 Following a brief discussion, Members approved the minutes of the meeting held on 16 February 2018, pending a correction of the attendance list to show Mr Cant as an apology, corrections to the paper references, and the inclusion of the policies for noting.

- 2.2 Members noted the updates provided on the action list and noted the following:

- An overall NHSScotland Non-Executive lead on whistleblowing was due to be appointed, which may provide more structure in respect of Boards' own Non-Executive Whistleblowing Champion roles. Mr Deffenbaugh asked for a paper at the next meeting on this.
- Wording would be provided for the minutes to confirm regarding the leadership "launch"
- Mental ill-health absence figures would be covered in People Report but, in addition, the Tableau system allowed Directors to see the real-time information. Members confirmed that they were content to accompany the regular People Report with a high-level overview of Tableau.

HR

#### 3. NSS PARTNERSHIP FORUM UPDATE [SG/18/55 refers]

- 3.1 Members noted the content of the NSS Partnership Forum update.
- Mr Sinclair, as Senior Responsible Officer, was doing what he could to progress the HR Shared Services work but the pace was slower than would be

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Chair  
Chief Executive

Professor Elizabeth Ireland  
Mr Colin Sinclair

ACTION

preferred. For the other National Boards' Partnership Forums, this was not as high up on their agenda as other priorities tended to take over.

- Members asked how lessons learned from the Aroma re-branding at Gyle Square were being taken forward and were assured that this would be part of the review. The biggest concern was that the values had not been evidenced in how it had been handled and the subsequent reputational impact. Members requested a paper at a future meeting on lessons learned for assurance.

C Sinclair/  
I Cant

#### 4. HR PEOPLE REPORT

4.1 Members noted the content of paper **SG/18/56**, which provided an update on HR case management, the management of employee capability, sickness absence figures and workforce issues. The highlights were as follows:

- Sickness absence figures were still below target and remaining steady in the split between long and short-term. However, the biggest cause of sickness absence was still anxiety, stress, and depression;
- No new incidents to report under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR), and there had also been a decrease in the overall accident rate.
- For case management, a mechanism was being put into place to enable/support follow-up on the calls HR received asking for advice, especially those regarding sickness absence;
- NSS had achieved positive iMatter results given the period of change the organisation was going through, and actions from the results were being built into the Staff Governance Action Plan and Great Place To Work plan.

2.2 Members made the following observations:

- In respect of sickness absence management, Members initially were concerned that managers were asking for advice, but then not seeming to "process" that advice. However, Members were reassured that this had been identified and was being addressed.
- In recognition that, in cases of mental ill health, the manager in some cases contributed to the problem, Members received an overview of the mental health training and support available
- Having a breakdown of absence costs was useful and helped highlight how much could be saved by reducing sickness absence. By continuing the work being done so far, NSS would begin to see this emerging in future reports.
- Members were keen on promoting the idea that, in some cases and where appropriate, working from home could also help, but there was also recognition of the cultural obstacles to this which should be tackled.
- Members recognised the challenges in respect of historical case management and how the work being around training for managers, along with the leadership programme, would position NSS better.
- As a result, Members hoped to see both absence figures (and associated costs) and the case management workload decreasing, e.g. "upstream" work delivering "downstream" results.
- For future reports, Members asked if the figures for the number of hours lost could also be included and agreed that pages 6-10 (People Report Guidance) were no longer necessary.

HR

#### 5. OCCUPATIONAL HEALTH, SAFETY, WELLBEING AND FIRE QUARTERLY REPORT [paper SG/18/57 refers]

5.1 Members discussed the paper and noted the key highlights:

- Members were pleased to note significant improvements arising from the behavioural and general awareness training to try and reduce accidents and sickness absence.

**ACTION**

- The tender process was now underway for an electronic Health and Safety management system, which should make all reporting much easier.
- The flu vaccination campaign was ongoing (just over 770 staff have been vaccinated so far, uptake looked to be around the same as last year). Members discussed the various challenges in improving the uptake, also noting that some staff may go to their GP or local pharmacy instead and NSS had no mechanism for capturing this.
- In the overall fire update, Members were pleased to note all risk assessments had carried out in timescales. They were also provided with an overview of fire incidents the Fire Safety review and an update on the fire training figures.
- The new fire safety e-learning module had, in principle, been approved but concerns and issues had been identified regarding the local information that should be covered through induction.
- Members were updated on SNBTS's pilot programme highlighting personal responsibility and noted that a full report would be brought to a future meeting.

**6. RESOURCING OVERVIEW [paper SG/18/58 refers]**

6.1 Mrs Jones took members through the paper which provided an update on workforce resource team and redeployment figures.

- HR would be doing some work around helping staff who have been on the register longer than 12 months.
- An overall review of the redeployment service was being carried out. Organisational change was anticipated for NSS in the coming years and this was being factored in.
- Members were assured that staff on the redeployment register were being given meaningful work placements. There were a few occasions when this had not gone as intended, but these were the exceptions and HR recognised that this needed to be addressed.

**7. NSS STAFF RISKS – RED AND AMBER [paper SG/18/59 refers]**

7.1 Members noted the contents of the paper:

- There had been no real movement in the risk profile, although a red corporate risk had been added regarding clinical waste and Members were assured by the overview of the plans in place.
- Regarding Brexit, Members were updated on the questionnaire response so far and provided with an overview of the issues with the Home Office's pilot settlement scheme. Members commended the work being done by HR around this.
- Members discussed the impact of the settlement scheme issues. As it was not known how many people would be looking to use it, the plan was to maintain the current levels of communications and continue to process re-imbursalment claims for the related fee payments. There was recognition that clarity may also need to be provided for situations where a member of staff's partner/spouse was the one directly impacted.
- Members felt that there were some risks being reported which seemed to be "business as usual". They were advised that these risks were included solely for information and assurance. On that basis, Members requested that future reports more clearly identified which risks were to be discussed and which were included for assurance (highlighting the mitigations in place for the latter).
- Members also requested that the next report included some of the risks relating to upcoming organisational change.

**HR****HR**

**ACTION****8. WORKFORCE STRATEGY**

8.1 Mrs Jones spoke to presentation (paper **SG/18/60**) which updated on the progress with the NSS workforce strategy:

- Members initially expressed concerns that the focus was now on staff as the area to save money but were reassured that this was an attempt to fully illustrate the implications of budgetary challenges when reporting back to the Scottish Government.
- Members were keen that the focus for the strategy was on what NSS needed/wanted as an organisation, with the Scottish Government requirements being factored into how it would be achieved.
- Members were assured the draft 2019/20 workforce strategy would be available for their next meeting in February 2019.

**HR****9. PUBLIC HEALTH BODY [paper SG/18/61 refers]**

9.1 Members were provided with an update on the transfer of staff to Public Health Scotland, covering workforce governance arrangements, key deliverables, employee engagement, current positions and timescales. Members were pleased to note the work was progressing well. However, there were challenges in relation to the resource required from a Trade Union perspective and ensuring the right input. Members asked that Mr Kenny Small, as leader of the HR Project Initiation Document Steering Group, be invited to a future meeting

**L Bailey****10. QUARTERLY FEEDBACK REPORT [paper SG/18/62a refers]**

10.1 Members noted the paper, which summarised of the number and nature of feedback received relating to staff and how it had been responded to:

- Members were pleased to see application of the lessons learned over the last year (particularly around communications to donors) and the inclusion of a "You Said, We Did" section.
- Overall, there had been a downturn in the number of complaints.
- Members felt this was a good example of upstream activity shaping downstream results.
- Ms MacLennan offered a demonstration of the Service Now reporting system at a future meeting, and agreed to link in with Mrs Jones on this.

**L MacLennan****11. NSS STAFF GOVERNANCE COMMITTEE TERMS OF REFERENCE**

11.1 Members noted paper **SG/18/63** and that it had been refreshed early this year so no major changes were envisioned. They were invited to provide any feedback to Mrs Bailey as soon as possible to enable her to provide an updated draft for approval at the next meeting in February 2019.

**All****12. ITEMS FOR THE DRAFT INTERNAL AUDIT PLAN**

12.1 Members had nothing to add to the draft Internal Audit Plan at this time.

**13. OTHER RELEVANT COMMITTEE GOVERNANCE ISSUES**

13.1 There was nothing from the other committees which would not have already been covered at the NSS Board.

**14. ITEMS FOR THE SUB-COMMITTEE HIGHLIGHTS REPORT [paper SG/18/64 refers]**

14.1 Members agreed that the following should be covered within the highlights report:

- Recognition of good work "upstream" having positive "downstream" results
- More in depth discussions were taking place around the "upstream" activities,
- More strategic conversations were able to take place,
- Plans were progressing for management of future organisational change

**15. REVIEW OF MEETING [paper SG/18/65 refers]**

- 15.1 Members commended the quality of the papers. They felt there had not been much decision-making required this time but recognised this could be due to the timing, and that there had been some actions requested. Members agreed that the conversations had been reflective and effective and the risks discussion was more reassuring. Members were happy with the overall value and effectiveness of the meeting and felt that the smaller list of attendees helped discussions. However, it was still important for paper authors to be present where at all possible. Members asked to have the spotlight session on induction at the next meeting in February 2019 and to try and ensure Trade Union representation at all remaining spotlight sessions. Mr Deffenbaugh asked Mrs Cook to take this meeting review item at the February 2019 meeting.

**16. ANY OTHER COMPETENT BUSINESS**

- 16.1 Members had no further business to raise at this point.

There being no further business, the meeting finished at 1240hrs.

# Minutes (APPROVED)

B/19/18

## NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

### MINUTES OF MEETING HELD ON FRIDAY, 28 SEPTEMBER 2018 IN ROOM 5, NATIONAL DISTRIBUTION CENTRE, CANDERSIDE, COMMENCING 0930 HOURS

**Present:** Mr John Deffenbaugh – Non-Executive Director [Chair]  
 Mr Tam Hiddleston – UNISON  
 Professor Elizabeth Ireland – NSS Chair  
 Mr Gerry McAteer – UNISON  
 Mr Mark McDavid – Non-Executive Director

**In Attendance:** Mr Iain Cruwys – Logistics Director, PCFS (Item 1)  
 Mr Paul Cushley – Director of Dentistry  
 Ms Jane Fewsdale – HR Workforce Information, Systems & Business Support Manager [Items 1-5]  
 Mrs Mairi Gaffney – Head of Healthy Working Lives  
 Ms Louise MacLennan - Head of Equality and Engagement  
 Ms Angela Paton – HR Workforce Information and Systems Team Leader [Items 1-5]  
 Mr Neil Redhead – Programme Manager, Health Facilities Scotland  
 Mr Colin Sinclair – Chief Executive  
 Ms Aileen Stewart – Interim Associate Director of HR  
 Mrs Lynsey Bailey – Committee Secretary [Minutes]

**Apologies:** Mr Ian Cant – Employee Director  
 Mrs Susan Cook – Unison  
 Mrs Jacqui Jones – Director of HR and Workforce Development

**ACTION**

**1. APOLOGIES AND INTRODUCTIONS**

1.1 Mr J Deffenbaugh welcomed all to the meeting and noted apologies as above. Members were asked to declare any interests in the context of the Agenda items to be considered. No interests were declared.

1.2 Mr I Cruwys had been invited by Mr J Deffenbaugh to provide a brief update on incidents reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR), and sickness absence at Canderside. Members noted:

- Members were pleased to note that there had been no RIDDOR reportable incidents at Canderside so far within the current reporting year;
- A redesigned workflow was now in place in the warehouse and would be a constantly evolving process;
- PCF had sought outside advice which had been broadly supportive, constructively critical in places and this had been taken on board;
- Mr I Cruwys was working with Customer Engagement and Development (CEAD) on re-vitalising the message around near-miss reporting;
- Good progress was being made overall with some areas slower than others. However, there was recognition that by the nature of the work done at Canderside, there were some things which would need to be different to the standard office environment and tailored to the business. The basis was the same in terms of policy and principle though and it was more joined up now that it had been previously.

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Chair  
 Chief Executive

Professor Elizabeth Ireland  
 Mr Colin Sinclair

ACTION

**2. MINUTES AND MATTERS ARISING FROM STAFF GOVERNANCE COMMITTEE MEETING HELD ON 11 MAY 2018 [papers SG/18/39 & SG/18/40 refer]**

2.1 Following a brief discussion, Members approved the minutes of the meeting held on 16 February 2018., pending a correction of E Ireland's title

2.2 Members noted the updates provided on the action list and noted the following:

- Mr J Deffenbaugh was still awaiting the details on the Whistleblowing Champion role. A Stewart agreed to raise this with J Jones;
- In the overall NSS Sickness absence reporting, there were still issues where reasons with numbers below 25 were showing as 0%. This was being investigated but it was taking longer than expected in identify a solution;
- Capacity and capability within workforce planning had emerged as a theme at the recent Audit and Risk Committee meeting. Members were keen this was considered in respect of IT projects, individual specialists (and potential "single points of failure" they represented), NSS's skills profile and succession planning etc.

A Stewart/  
J Jones

**3. HOMOLOGATION: NSS GREAT PLACE TO WORK PLAN [paper SG/18/41 refers]**

3.1 Members were content with what had previously been circulated although sought and received clarification around how NSS's Staff Governance objectives aligned to the Staff Governance Standards.

3.2 Members went to discuss the Values relaunch:

- There was less of a focus on what the words said and more on the behaviours being modelled to fit them;
- Members received an overview of the two hour team sessions being offered and quarterly leadership days;
- Members enquired about the use of values-based recruitment. They noted that for senior level positions they used psychometric testing and it was also built into competency-based interviews;
- Members were also pleased to note that CEAD was looking at an awareness campaign and the associated tools and materials;
- Members were keen for consideration to be given to how NSS could engender an environment where staff felt they would be listened to when they challenged.

Following this discussion, Members were keen that the Great Place to Work plan was slightly updated to include more of the detail on upstream Leadership actions that have downstream impact.

HR

**4. SPOTLIGHT SESSION – LEADERSHIP PROGRAMME AND ESSENTIAL LINE MANAGER TRAINING**

4.1 Members were provided with the background to the review of the Leadership Programme:

- Members were pleased to note that the focus was not solely on skills but on the mindset as well;
- Members discussed Project Lift and its aims, and framework, noting that it was mostly geared towards aspiring directors but had elements of talent management that could be more generally applied;
- Members noted that the revised Leadership Programme was more tailored and values based with development pathways that could be layered depending on the level of leadership training required;
- Digital solutions for delivery of the modules were also being investigated;
- Members were also provided with an overview of Essential Line Manager and



the modules that it consisted of;

- Mr P Cushley gave his personal overview of the Leadership Programme and Project Lift, adding he felt exposure to some of this early on in career development could be beneficial;
- Members were keen to capture some of the “energy” from induction;
- Consideration was also being given to maintaining a similar approach to covering Partnership Working as the previous industrial relations module;
- Members agreed that personal development should be looked at as an area for “spending to save”;
- Members were reassured regarding the number of staff that could access the leadership modules to get the benefit of cross-divisional working and developing a collegiate. Members also discussed cross-Board working opportunities– either on secondment or joining matrix style project teams;
- Members were keen to ensure that mechanisms were in place to fully realise the potential of this kind of career development opportunity. They were also keen to ensure mentoring was in place to support those who may need the additional confidence.

[**SECRETARY’S NOTE:** The following was due to be provided under the People Report item but was brought forward]

## 5. TABLEAU PRESENTATION

5.1 Ms J Fewsdale and Ms A Paton spoke to presentation which summarised the changes to the way HR data was being delivered. They provided a demonstration of the interactive tool, Tableau, which allowed access to real-time information for viewing trends, absence costs, turnover and workforce demographics.

- This was welcomed as a tool to allow decisions to be made;
- This re-enforced that mental ill health was NSS’s biggest challenge and that there was a need to consider how this was addressed;
- Inclusion of information about race and sexuality was part of public sector equality duty. It was helpful for generating more discussion at PF and would be helpful when it comes in for case management info too;
- Going back to sickness absence, Members were keen that “Other known causes” were further categorised so we can be assured that other numbers were not skewed;
- Members recognised there was a risk that having this level of information could lead conversations into operational territory. Members were assured that work would be done to ensure that the information was distributed appropriately to ensure that Members could be assured NSS was focussing its efforts to get the best results.

HR

## 6. NSS PARTNERSHIP FORUM UPDATE [SG/18/42 refers]

6.1 Members noted the content of the NSS Partnership Forum update. Mr C Sinclair advised the November 2018 meeting would be used to go over the outputs from the Board offsite and prepare for the first round of Resource Allocation Meetings.

## 7. HR PEOPLE REPORT

7.1 Members noted the content of paper **SG/18/43**, which provided an update on HR case management, the management of employee capability, sickness absence figures and workforce issues:

- Sickness absence figures had increased slightly. HR were still confident of achieving the target of 4% but work was being done to ensure this;
- Breaking down the absence figures, the number of short-term absences was decreasing but the number of long-term absences was increasing. Members were keen to establish the extent to which absences initially reported as

short-term ended up becoming long-term;

- NSS had achieved an overall iMatter response rate of 77% and team reports were due in the coming weeks. This response rate was up 3% from last year and benchmarked well against other Boards. Members asked about learning which could be taken from other Boards (e.g. West Midlands Ambulance Service) and were assured that this was being looked at;
- Mr C Sinclair provided an overview of his Chief Executive Roadshows, which had so far been positively received.

## **8. OCCUPATIONAL HEALTH, SAFETY, WELLBEING AND FIRE QUARTERLY REPORT [paper SG/18/44 refers]**

8.1 Mrs M Gaffney and Mr N Redhead took Members through the paper and noted the contents:

- Members noted that this report had not been merged with the People Report as previously suggested due to concerns that discussions may end up focussing on RIDDORS to the exclusion of other items;
- No new RIDDORS so far within the current quarter but there had been two in the first quarter of 2018/19. Both had occurred within SNBTS, were fully investigated and had been addressed accordingly;
- Flu vaccination clinics were planned to start in the latter half of October 2018.
- A new H&S system was being developed and this was also looking at making near miss reporting easier;
- Members were assured that NSS was well placed from a statutory and mandatory perspective;
- No notable issues had arisen from the recent fire risk assessments but reviews of unwanted fire alarm activations were being undertaken;
- Members discussed the timing of reports and how to provide the most up-to-date information, recognising that there was some information that would benefit from being included "out of quarter".

8.2 Members had a more in-depth discussion about the availability, procurement and supply of flu vaccine:

- Members were provided with an overview of how Scotland dealt with its supply and procurement, and how that varied from England;
- Members discussed the enhanced vaccine, noting the concerns about its sustainability as it was produced by a single supplier;
- The agreed current position for this year was to have some enhanced vaccine for the most vulnerable groups and but still maintaining the regular supply for the majority of patients. This would be reviewed in future though and Members received assurance about the expertise and consideration that had gone into this decision.
- Members were keen to see the figures for NSS staff uptake of the vaccine and any information that might be available on the impact of clinicians not taking it.

**M Gaffney**

## **9. RESOURCING OVERVIEW [paper SG/18/45 refers]**

9.1 Ms A Stewart took members through the paper which provided an update on workforce resource team and redeployment figures.

- Members were pleased to note the Workforce Support Programme and the work around that.
- NSS was well positioned at this point in time and Members commended the success of the Workforce Resource Team and Redeployment processes;
- Members recognised the challenging areas – namely encouraging recruiting managers to be less rigid in their required skill set for a role and more open to giving people a chance.

ACTION

- Members discussed the sickness absence figures for the Workforce Resource Team, noting that it only included those who had been displaced due to organisational change. Members asked that, in future, the figures included those in the pool for all reasons.

HR

## 10. EQUALITY UPDATE

10.1 Ms L MacLennan provided Members with an update on the Equalities work:

- Timescales for the implementation of the Reasonable Adjustment Passport (RAP) had been pushed back slightly to ensure that it did not become a “tick box” exercise;
- Feedback on the RAP had been received from disAbility Network and consideration was being given as to how it could be best recorded;
- A full update on user testing etc, for the RAP would be provided at the next meeting in December 2018;
- Members asked about other models out there that we could adopt and noted that this needed to be tailored to NHS policy and cover a broad base rather than focus on specific issues;
- Members asked if this work was being done on Once for Scotland basis. They were advised that the proposed testing would be helpful for providing scope to share across NHSScotland through Trade Unions, Occupational Health Leads etc.

## 11. QUARTERLY FEEDBACK REPORT [paper SG/18/46 refers]

11.1 Members noted the paper, which summarised of the number and nature of feedback received relating to staff and how it had been responded to:

- The report highlighted that SBUs were picking up on the learning and increased customer service training
- Model Complaints Handling “Train the Trainer” training had been rolled out, along with the guidance on dealing with vexatious complaints, managing deadlines etc,
- Members were pleased to see the progress that had been made and found the trend lines helpful.
- Members were advised that the increase in complaints relating to opportunity to donate had also been discussed at the Clinical Governance Committee earlier in the month.

## 12. NSS STAFF RISKS – RED AND AMBER [paper SG/18/47 refers]

12.1 Ms A Stewart took members through the paper :

- There were 2 new amber risks:-
  - 5163 (Occupational Health and Safety) - Members were assured that the appropriate mitigating actions had been identified and taken forward.
  - 5164 (Impact of EU withdrawal) – Members noted that an NHSScotland survey would be conducted to get more accurate information on the numbers of non-UK EU workers. NSS was conscious of the potential staff impact of the UK’s withdrawal from the EU and was keen to provide staff with the best possible support once the full implications of EU withdrawal were known. Members also briefly discussed the secondary impact in terms of funding for research and development and resilience around “single experts” in areas within the organisation.
- IT programmes were still awaiting approval for implementation and Members discussed the potential challenges around workforce planning and ensuring NSS was able to retain sufficient resource. This would also be monitored through both the Audit and Risk Committee and the Board;
- Members went back to discussion risk 5163 and whether this should be was a true risk or part of business as usual. They were assured this would be reviewed at the next EMT meeting.

**13. GOVERNANCE OF THE NHS IN SCOTLAND [paper SG/18/48 refers]**

13.1 Members were assured that NSS was well placed in terms of its governance arrangements, based on Scottish Government's presumed direction:

- Professor E Ireland provided an overview of the information she had received from the Cabinet Secretary for Health and Sport and Members noted that the priority would be governance.
- The Chair of NHS Greater Glasgow and Clyde was developing a framework/template and NSS seemed to be in line with that.

**14. OTHER RELEVANT COMMITTEE GOVERNANCE ISSUES**

14.1 Members were advised that conversations had taken place at the recent Clinical Governance Committee about the impact on staff within the National Screening Services Division of PCF arising from an additional ask on the Scottish Breast Screening Programme. The Information Governance Committee had also discussed the potential loss of staff expertise to Public Health Scotland and how that would be managed.

**15. ITEMS FOR THE SUB-COMMITTEE HIGHLIGHTS REPORT**

15.1 Members agreed that the following should be covered within the highlights report:

- The discussion about the Leadership Programme and OD Strategy.
- Presentation of information through Tableau.
- Opportunities for investment/allocation of resources to achieve best impact.
- Aligning reporting for the most up-to-date information.

**16. REVIEW OF MEETING**

16.1 Members fed back that they felt this had been a positive meeting. Presenters advised that they felt better placed and appreciated the direct feedback. Members were hopeful that Tableau would provide an opportunity to interrogate the data differently and potentially bring forward more "issues". Members agreed that the People Report and Occupational Health, Safety, Well-being and Fire report should be left as separate reports. Mrs L Bailey was asked to include a list of bullet points provided by Mr J Deffenbaugh for this item for future meetings.

**L Bailey****25. POLICIES FOR OVERSIGHT**

25.1 Members noted the following policies:

- NSS Flexible Working Policy [paper **SG/18/49**]
- Flexi-Time Guidelines [paper **SG/18/50**]
- NSS Zero Hours Contract Policy [paper **SG/18/51**]

**18. ANY OTHER COMPETENT BUSINESS**

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

There being no further business, the meeting finished at 1232hrs.

B/19/19

# Minutes (DRAFT FOR APPROVAL)

## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE

### MINUTES OF NSS CLINICAL GOVERNANCE COMMITTEE MEETING, HELD ON WEDNESDAY, 5 DECEMBER 2018 IN ROOM 030, GYLE SQUARE, EDINBURGH, COMMENCING AT 1400 HRS

- Present:** Ms Julie Burgess – Non-Executive Director [Chair]  
Ms Jane Davidson – Non-Executive Director [Teleconference]  
Professor Elizabeth Ireland – Chair of NSS
- In Attendance:** Ms Manira Ahmad – Head of Local Intelligence, PHI [Observer]  
Dr Paul Campbell – Clinical eHealth Lead, IT  
Mr Paul Cushley – Director of Dentistry [Item 8]  
Mr Deryck Mitchelson – Director of National Digital  
Mr Martin Morrison – Associate Director, P&CFS [Item 8]  
Dr Lorna Ramsay – Medical Director  
Professor Jacqui Reilly – Interim Nurse Director & Executive Lead for Clinical Governance  
Dr Alex Stirling – Consultant in Public Health Medicine [Item 4]  
Mr Colin Sinclair – NSS Chief Executive  
Professor Marc Turner – Medical Director, SNBTS [Teleconference – Item 6]  
Dr Mike Winter – Medical Director, PCF  
Ms Anne Ferguson – Committee Secretary [Minutes]
- Apologies:** Mr Mark McDavid – Non-Executive Director

#### 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. The Chair stated that the Clinical Governance Committee (CGC) was quorate. Members were asked to declare any interests in the context of the agenda items. None were declared.
2. **MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON THURSDAY, 13 SEPTEMBER 2018 [paper CG/18/50]**
  - 2.1 Members approved the minutes of the meeting held on Thursday, 13 September 2018.
3. **MATTERS ARISING AND ACTION LIST [paper CG/18/51]**
  - 3.1 The outstanding items on the action list were reviewed and the following points noted:
    - Ref 4.1 was marked as closed
    - Ref 5.1 was expected to be completed by teleconference on 19 December 2018. Any further reporting was to take place through the Finance, Procurement & Performance Committee.
    - Ref 6.1 the paper requested had been submitted (ref 18/54) thereby completing this action point. The matter was to be discussed on the agenda under item 8.
    - Ref 8.1 to be discussed under item 7 of the agenda.
    - Ref 10.1 a short paper was requested on the governance of all legacy shared services and its location within NSS for the March meeting. The governance and accountability of radiographers in the pilot currently being undertaken was still unanswered but was dependent upon the pilot outcome. If successful and



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Chair Professor Elizabeth Ireland  
Chief Executive Colin Sinclair

**ACTION**

radiographers were to be employed by NSS then potentially there would be an increased clinical risk as it was a new area of activity. The Committee also asked to be briefed by Dr L Ramsay and Professor J Reilly in due course on any issues from the implementation model in the event of this new service being introduced after the pilot.

**LR/JR**

#### **4. SPOTLIGHT SESSION: REALISTIC MEDICINE**

- 4.1 Dr A Stirling gave a presentation on realistic medicine (RM). The CGC was particularly interested to hear how it could contribute to NSS strategy and the connection to quality and governance from a NSS perspective. Dr A Stirling had been asked to speak about realistic medicine at the NSS Board and the Committee suggested using examples where this was already being implemented to help the board engage with this agenda. All members were invited to the RM event arranged for 20 March 2019 dedicated to shaping realistic medicine for NSS. This was to assist in articulating to members the value of NSS delivering realistic medicine. In addition to Dr A Stirling, NSS had a finance lead for realistic medicine and champions were being sought from the SBUs to embed this strategy into its usual business. Professor E Ireland recognised the balcony view opportunity for NSS to think strategically about the best way to capture realistic medicine decision making and communication learning in order to enable its future retrieval in a useful manner. Ms J Burgess enquired how realistic medicine linked into the NSS transformation agenda. Digital transformation would aid information sharing downwards with patients and clinicians to support shared decision making. Realistic medicine had a user focus and was useful for NSS in identifying work priorities. Dr A Stirling was asked to include the NSS posters in the realistic medicine presentation at the February NSS Board meeting.

**AS**

#### **5. IT SBU UPDATE**

Over the last year or so, the CGC had been increasingly interested in national IT systems led by NSS because of the implications on clinical practice and associated risks. Dr P Campbell gave an overview of the IT/ Digital SBU national adverse events in the last year, an update on the CHI and Child Health Transformation Programme and a presentation on PACS and RIS systems in the Scottish Radiology Transformation programme (SRTP).

- Clinical Governance Monitoring Systems - Complaint information was currently collated manually from a number of spreadsheets for the NSS Audit and Risk Committee and the CG Committee. There were also a number of adverse event monitoring systems in use e.g. Q pulse in NSS and other systems such as Datix in territorial boards. However there had been high level discussions lately in NSS about using a single platform across the whole of NSS and potentially NHS Scotland for this purpose and using a single system to record this information i.e. Service Now. Service Now offered the potential for real time reporting in a standardised format for NSS. There was some debate as to whether Office 365 would eventually replace Service Now although assurance had been received at the Executive Management Team meeting that both would work in tandem. Mr C Sinclair confirmed that NSS would use whichever system was deemed best for this purpose.
- CHI & Child Health Transformation Programme – governance of the new CHI and Child Health systems together with GP IT re-provisioning was taking place at Scottish Government level. The Scottish Government was to sign off these programmes and give NSS assurance to progress with these programmes in due course. Progress should be fed back at the next CGC meeting.
- Scottish Radiology Transformation programme – Dr L Ramsay confirmed that NSS was examining the required clinical governance responsibilities and accountabilities for reallocating radiology work across the NHS boards. It was noted that the premise of the SRTP pilot was to ensure radiographer resource was in the right place for the work needed for NHS Scotland. Demand optimisation was being deployed therein. Artificial Intelligence may also have a

**PC**

**ACTION**

role in the future to ensure efficiencies in the radiography and radiology resource. SRTP governance arrangements were outlined in the presentation. These underpinned the SRTP along with quality assurance and clinical pathways. Professor J Reilly suggested that feedback from the pilot should inform the legacy Business As Usual work for NSS and the boards and be presented to a future meeting by Mr Jim Cannon.

**JC**

- Quality Assurance in relation to medical devices changed in May 2017 from Directives to Regulations. The Medical Devices Regulations (MDR) required any software that manipulated data to be classed as a medical device. These regulations were to be implemented by May 2020 and work was currently being done on the implications for NSS software. Dr P Campbell agreed to contact the NSS Incident Reporting and Investigation Centre in HFS (PCF) as much work had already been done by this team on MDR. NSS work on MDR needed to be joined up across SBUs. This was a growth area in which NSS had a lot of expertise and would be followed up at the NSS board March Development Session when proposals about the NSS offer in this regard were to be discussed.

**PC****6. UPDATE ON BLOOD AND TISSUE SAFETY MEASURES [paper CG/18/52]**

6.1 Professor M Turner teleconferenced into the meeting but unfortunately the connection was insufficient to hold a meaningful discussion. It was therefore agreed that the following questions would be sent to Professor M Turner for a written response:

**AF/  
MT**

- i. IT System issues - please clarify the situation
- ii. Out of Hours Provision - Please clarify the impact of the out of hours provision issues
- iii. Infected Blood Inquiry –
  - a. NSS had a Duty of Care to those members of staff who had already gone through the Penrose Inquiry. The CGC would like to know how else NSS could support those involved other than providing support from Human Resources and Healthy Working Lives support.
  - b. What could NSS do to assist with the impact on SNBTS business and existing staff trying to manage the additional workload?
- iv. Human Tissue Bill – what were the issues & risks if this bill was implemented?

6.2 The risk to the reputation of the SNBTS of being involved in another inquiry was noted. It was proposed that Mr C Sinclair and Dr L Ramsay make contact with the Interim Director of SNBTS and Professor M Turner to discuss financing of NSS support to the new inquiry. This proposal was supported by members.

**CS/LR****7. NSD SCREENING RISKS [paper CG/18/53]**

7.1 At the previous meeting Dr M Winter had been asked to provide a paper outlining the risks associated with the various screening programmes to ensure NSD had the appropriate processes in place for these to be managed. Paper [CG/18/53] submitted by Dr M Winter was discussed and the following actions/points were noted:

- The CGC requested a copy of the National Screening Review document that had just been published
- The scope and terms of reference for the Scottish Breast Screening Service (SBSS) which had recently been submitted to SGHSCD were to be circulated to the CGC
- The Scottish Screening Committee was delegated to take responsibility for the screening programmes in the 14 territorial boards. NSS had a supportive role having responsibility and accountability for ensuring that the screening programmes were delivered, monitored and reviewed in light of best practice.
- The CGC accepted the governance of the risks, issues and processes with the screening programmes outlined in paper CG/18/53. However further assurance was requested by the CGC for the Scottish Breast Screening Service. A paper specifically addressing SBSS risks, issues and NSD processes for managing those risks was requested for the next meeting.

**MW****MW****MW**

**8. DENTAL UPDATE [paper CG/18/54]**

8.1 Mr P Cushley gave an update on developments concerning the transfer of the functions of the Scottish Dental Practice Board to NSS since the update to the last CGC meeting in September. It was explained to the committee that the Scottish Government was of the view that the governance arrangements for this in the future were solely a matter for NSS. Given the information contained within paper CG/18/54, the CGC was asked to make a decision on the model to be adopted for the new dental governance arrangements. The CGC decided to take an approach consistent with other clinical areas e.g. the SNBTS as it had been found to be robust. The new dental governance arrangements were to involve:

- A standing item for dental governance on the CGC agenda for the next 12 months
- Submission of a clinical governance report on dental matters to the CGC for each meeting
- Creation of a clinical governance group within P&CFS. Membership was to include key stakeholders. Minutes from these meetings were to be submitted to the CGC with the dental governance report.
- The Chair of the P&CFS Clinical Governance Committee was to attend the NSS CGC.
- Verification of dental payments was to be overseen by the audit and risk or finance and performance NSS Board sub-committee as appropriate.

8.2 The necessity for dental governance to be discussed at every CGC meeting was to be reviewed after 12 months with a view to a reduction in frequency.

ALL

8.3 On a practical level it was recommended that Mr P Cushley met with Professor J Reilly and Ms Carolyn Low to examine previous SDPB papers and ensure that all aspects of dental governance currently carried out by the SDPB had been taken into account in the new arrangements. Professor J Reilly and Dr L Ramsay were asked to produce an outline proposal for NSS dental governance for the February NSS Board meeting. The Terms of Reference for each of the NSS Board sub-committees taking on these new functions also needed to be updated. These papers should also come to the March NSS CGC.

PC/JR

JR/LR

8.4 The Scottish Government was working to an end date for the SDPB of 1 March 2019. NSS had been formally asked to take over the functions of the SDPB in a letter to Mr C Sinclair. A reply to that letter was required from NSS. It was apparent that the Regulations were unlikely to be amended to allocate the functions of the SDPB to NSS in time for 1 March especially if delayed because of Brexit. In this event a letter of comfort was required from the Scottish Government.

**9. NSS CLINICAL GOVERNANCE AND QUALITY STRATEGY**

9.1 Professor J Reilly gave a presentation on Quality Management and linking quality improvement to the existing quality assurance and control in place in NSS. It was proposed to adopt the NHSScotland HIS model of Quality Management Systems within the NSS Clinical Directorate. NSS therefore needed a strategy for quality and clinical governance and an annual workplan in order to ensure QI was embedded into the ways of working. The importance of linking it to the overarching NSS Board strategy was noted by Professor E Ireland. Professor J Reilly and Dr L Ramsay agreed to draft this and make a presentation to the NSS Board in May 2019.

JR/LR

**10. NSS CLINICAL ADVERSE EVENTS, RISKS AND COMPLAINTS QUARTERLY UPDATE [paper CG/18/55]**

10.1 Professor J Reilly gave an account of the number of adverse events, risks and complaints received last quarter. It was noted that the Duty of Candour policy had been used for the first time after an adverse event within the SNBTS. The NSS Board was to be notified that the first Duty of Candour procedure had been triggered. An update on how this process had gone from SNBTS was to be provided at the next CGC meeting.

JR/MT



- 10.2 Dr L Ramsay pointed out that it would be useful to have a denominator for the number of complaints to give this figure some context. Professor E Ireland stated that information reported to all the sub-committees of the NHS Board needed to be reviewed to ensure work was not being duplicated. Professor J Reilly indicated that one of the areas for improvement in the proposed clinical governance and quality new annual work plan was the reporting. The importance of being able to identify special cause from random variation in reporting was noted. Professor J Reilly suggested that statistical process control charts should be used for reporting. Professor E Ireland agreed and noted this should also be considered by other board sub committees.

JR

## 11. MEDICAL STAFF APPRAISAL [paper CG/18/56]

- 11.1 Members received an overview from Dr L Ramsay on the position regarding medical staff appraisal and revalidation documented in paper CG/18/56. The CGC was assured that all medical staff had been appraised, that all doctors working within NSS had been revalidated and that there had been no referrals to the GMC/GDC for conduct issues.

## 12. CLINICAL STAFF REVALIDATION [paper CG/18/57]

- 12.1 Professor J Reilly provided assurance that policies and processes were now in place to ensure all non-medical clinical staff working within NSS that required revalidation and re-registration had completed the process. The eESS system and regulator data had been checked and reported on for the first time to the committee. It was also noted that there was now a policy (Appendix one of the checking professional registration policy) within NSS to enable those that did not need a professional qualification for their current role but held such qualifications to maintain re-registration. It was noted that once the first three year cycle of revalidation for nurses ended, the percentage of NSS nurses that had been revalidated would be shown as 100% in the report.

## 13. CLINICAL DIRECTORATE REPORT [paper CG/18/58]

- 13.1 Members were pleased to note the Clinical Directorate report, which detailed the work undertaken by the Clinical Directorate since the last NSS Clinical Governance Committee meeting on 13 September 2018.

## 14. OTHER NSS GOVERNANCE COMMITTEE ISSUES

- 14.1 Audit & Risk Committee
- part of the internal audit plan for next year was to review the breast screening service
  - the CGC recommended use of Service Now to capture issues and complaints and improve analysis of this information
- 14.2 NSS Board Development Session
- review the Terms of Reference for all the NSS governance committees and update these to include dental governance
- 14.3 Staff Governance Committee
- data and statistics reported to this committee were to be reviewed.
- 14.4 Finance, Performance & Procurement
- virtual meeting of Scottish Government's newly formed governance oversight committee, the Digital Strategy Board, on 19 December to sign off GP IT Re-provisioning as well as the new CHI and Child Health systems. The approval of the DSB, plus confirmation of full funding will enable NSS to sign 5e contracts on behalf of SG.

## 15. ITEMS FOR THE SUB-COMMITTEE HIGHLIGHTS REPORT TO THE BOARD

- 15.1 These items were as follows:
- The new Medical Devices Regulations and its implications for software
  - The new dental governance arrangements and the next steps for implementation
  - The Duty of Candour Procedure had been activated for the first time

- Assurance could be provided to the NSS Board about revalidation and registration of NSS clinical professionals
- The CGC would like the Executive Management Team to develop a strategy around clinical governance and quality.

**16. ANY OTHER BUSINESS**

- 16.1 Following a meeting the previous day which had been held in response to questions in parliament about a neurosurgeon in NHS Tayside, Professor E Ireland reminded all about the importance of openness and transparency within NSS and the learning that could be gained from complaints. This was particularly relevant to the Clinical Governance Committee.
- 16.2 Ms J Davidson highlighted the importance of communicating the message correctly around the positive assurances received during these meetings. Positive assurance did not mean that all was well but that the CGC was aware of the current situation.
- 16.3 The Royal College of Physicians had begun writing articles on quality improvement and quality governance. Ms J Burgess had responded to an article and had been subsequently invited to a meeting. The Royal College of Physicians had established a quality collaborative, were well connected to thought leaders in governance and were shortly to run a quality governance fellowship. There were already eleven or twelve candidates for the course starting in February 2019. There were opportunities for NSS to link with this collaborative. It was noted that there were many organisations and Royal Colleges making similar offerings so NSS may need to consider its position in this regard.

**17. DATE OF NEXT MEETING**

- 17.1 Members noted the next meeting was scheduled for Wednesday, 21 March 2019 in Room G2, Meridian Court, Glasgow at 1400hrs.

There being no further business, the meeting finished at 1710hrs.

# Minutes (APPROVED)

B/19/20

## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE

### MINUTES OF NSS CLINICAL GOVERNANCE COMMITTEE MEETING, HELD ON THURSDAY, 13 SEPTEMBER 2018 IN BOARDROOM 2, GYLE SQUARE, EDINBURGH, COMMENCING AT 1400 HRS

- Present:** Ms Julie Burgess – Non-Executive Director [Chair]  
Professor Elizabeth Ireland – Chair of NSS  
Mr Mark McDavid – Non-Executive Director
- In Attendance:** Mr James Cannon – Programme Director, Scottish Radiology Transformation Programme [Item 10]  
Mr Paul Cushley – Director of Dentistry [Item 7]  
Mr Robert Hutton – Implementation Manager, GP IT Project Team [Item 5]  
Dr Hamish McRitchie – Medical Director, Scottish Radiology Transformation Programme [Item 10]  
Mr Martin Morrison – Associate Director, P&CFS [Item 7]  
Dr Lucy Munro – Associate Medical Director, Primary Care [Item 4]  
Ms Fiona Murphy – Director of National Specialist and Screening Services, PCF [Item 8]  
Dr Lorna Ramsay – Interim Medical Director  
Ms Jacqui Reilly – Interim Nurse Director & Executive Lead for Clinical Governance  
Ms Sarah Riches – Business Analyst, GP IT Project Team [Item 5]  
Mr Colin Sinclair – NSS Chief Executive  
Professor Marc Turner – Medical Director, SNBTS  
Dr Mike Winter – Medical Director, PCF  
Mrs Lynsey Bailey – Committee Secretary [Minutes]
- Apologies:** Ms Jane Davidson – Non-Executive Director

#### ACTION

1. **WELCOME, APOLOGIES AND DECLARATION OF INTERESTS**
  - 1.1 Ms J Burgess welcomed everyone to the meeting and noted the apologies as above. Members were asked to declare any interests in the context of the agenda items but none were declared.
2. **MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON MONDAY, 11 JUNE 2018 [paper CG/18/33 refers]**
  - 2.1 Members were content to approve the minutes of the meeting held on Monday, 11 June 2018, subject to a correction to the “Present” list and a few minor typos.
3. **MATTERS ARISING AND ACTION LIST [paper CG/18/34 refers]**
  - 3.1 The items on the action list were either in progress, scheduled for a future meeting, closed or covered within the agenda and papers for this meeting. Members discussed the clarification in respect of 14.1, that a general discussion on medicines would be held at the NSS Board meeting on Friday, 2 November 2018.



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Chair Professor Elizabeth Ireland  
Chief Executive Colin Sinclair

#### 4. SPOTLIGHT SESSION: PRIMARY CARE

- 4.1 Dr L Munro spoke to presentation outlining the work being done in respect of supporting NSS's primary care service redesign offer. Members asked Mrs L Bailey to make the presentation available following the meeting. Members sought and received assurances around the project management, timescales for outputs, and that the appropriate communications were taking place between areas that needed to link up. They noted that that this work was aligning with the wider digital framework and that the Discovery phase was not dependant on other projects (e.g. GP IT re-provisioning etc) but the implementation phase would be. Members were keen to ensure there were appropriate contingencies in place for those areas where main solutions identified were not deemed to be appropriate.

#### 5. GP IT RE-PROVISIONING – CLINICAL RISKS [paper CG/18/36 refers]

- 5.1 Members were updated on the discussion from the Audit and Risk Committee meeting earlier that day, which had concluded that any commitment would be contingent on confirmation of the financial position. Members acknowledged that the biggest risk would be not doing it and discussed the implications of that. There would be a significant impact on patients should GP IT systems become unavailable. Members discussed references to delivery of new systems and using "implementation" instead. Members were also keen that, for these risks, clinical was not used as a primary or secondary risk category and that the clinical aspects were covered by applying the clinical flag. With respect to risk 5182 (timescales not being met by suppliers once appointed), Members wished to keep this as a watching brief and review the risks in the event of any delay that might arise. Overall, Members were content that the risks were sufficiently articulated to agree progression of the Full Business Case for approval. If these final updates would be ready in time for Board offsite in October 2018, Professor E Ireland would look to hold a short Commercial In Confidence session to get it approved.

[Secretary's Note: The following item was brought forward]

#### 6. DENTAL SERVICES UPDATE [paper CG/18/37 refers]

- 6.1 Mr P Cushley & Mr M Morrison spoke to the paper and a presentation, which detailed the options being put forward for dental governance structures following implementation of the Oral Health Improvement Plan. From an NSS perspective, the main difference would be that it would have direct, statutory duty rather than delegated authority for some of the work it already did in this area. Option 3 (reporting line through a Directors of Dentistry group) was the option that Scottish Government preferred. Members discussed the benefits and risks, as well as the next steps to enable this. Members agreed it would be useful to take time at the NSS Board meeting in November 2018 to discuss the impact of accepting the new statutory duties. In preparation for this, Members asked Mr P Cushley and Mr M Morrison to map out what these duties would entail and, if possible, also develop a slide covering the roles and responsibilities for NSS and the territorial boards, as well as the oversight, scrutiny and assurance mechanisms to be in place. Members were given a brief overview of the additional responsibilities that NSS would be taking on which would be mainly financial, clinical responsibility for operating dentists would continue to lie with the Board they operated within.

#### 7. UPDATE ON BLOOD & TISSUE SAFETY MEASURES

- 7.1 Professor M Turner spoke to his confidential paper **CG/18/36**, which provided an update on blood safety issues within the Scottish National Blood

Transfusion Service (SNBTS). The report covered the following areas:

- i. Transition to the Jack Copland Centre (JCC)
- ii. Regulatory and Professional Inspections and Audits
- iii. Tissue Manufacturing
- iv. Donor Faints
- v. Closure of Donor Notification Incident
- vi. UK Infected Blood Enquiry

7.2 Members noted the transition to the Jack Copland Centre was now practically complete and received updates on the recent inspections which had taken place. In respect of the tissue manufacturing update and the identified non-compliances with good practice guidelines, members were assured that the process redesign would address these. Members discussed the delayed donor faints and were provided with an overview of the preventative measures in place (i.e. asking donors to drink 500mls of water before donating in addition to the drink provided afterwards). Members were also updated on the UK Infected Blood Inquiry, and were pleased to note that SNBTS would be a core participant and was also better placed than other UK blood services due to the work previously done for the Penrose Inquiry.

## 8. BREAST SCREENING UPDATES

8.1 Members began by noting NSS response to Healthcare Improvement Scotland's draft screening standards (paper **CG/18/38**) and were advised that updates would continue to be provided as the standards developed further. Mrs F Murphy also provided a brief update to the SBAR paper on the final invitation risk (paper **CG/18/40**) in light of the Cabinet Secretary for Health's statement earlier in the day and assurance of arrangements in respect of any media interest arising from it. Moving on to the women in Scotland affected by the Public Health England incident (paper **CG/18/39**), Mrs F Murphy provided an update on the numbers identified. Members were assured that all affected women had been contacted and that uptake of appointments was being monitored. Members asked what was being done in respect of standardising the age parameters across all the breast screening programmes in the UK. Members noted that this would need to come from the UK National Screening Committee. Members discussed the proposal to try and evaluate the impact of missing the final screening and voiced concerns over the value in this and how accurate any conclusions could be given all the variable factors.

8.2 Going back to SBSS, Members were updated on the work to address issues of slippage that had arisen in the Scottish Breast Screening Programme (SBSP), specifically final and first invitations, as well as the overall slippage rate. However, at the request of the Cabinet Secretary for Health, NSD's phased plan of addressing final invitation slippage had been changed and all women affected had been contacted as a one group, increasing the ask on NSD in terms of managing this. However, Members were provided with an overview of the measures in place such as increased report running and actions plans for the problematic areas. Members felt assured by this but suggested that the Breast Screening corporate risk be reviewed. They also noted that a full review of breast screening services was being proposed. Finally, Members were given an overview of a "double-click" issue with the SBSP system (paper **CG/18/41**) which resulted in the duplication of results. They were assured that there had been no clinical impact as a result of this glitch and that there would be follow up with Atos to ensure it did not recur. Members were pleased to note that Atos had been very helpful in responding to this.

[**Secretary's Note:** The following item was brought forward]

**9. SCOTTISH RADIOLOGY TRANSFORMATION PROGRAMME CLINICAL GOVERNANCE [paper CG/18/45 refers]**

9.1 Members discussed the paper, which provided further information on the proposed governance arrangements for work underway within the Scottish Radiology Transformation programme (SRTP). Members agreed that it was still unclear in respect of staff in areas without a direct local Clinical Governance Committee, or who were substantively employed by one board but doing work for/within another. It was suggested that a route for determining this could be through following where the patient received services, and possibly any harm, as per Duty of Candour. In that situation, primary approach for clinical governance would be the Board that the member of staff was providing their services to. Using this as a starting point, Members asked for the paper to be developed further and brought back to a future meeting. They agreed that the SRTP itself could have a possible eventual home in the National Services Division as a Managed Clinical Network. In the pilot phase Members were content for the NSS Clinical Governance Committee to be the reporting mechanism, with a view to transitioning this to a more permanent home. Following on from this, and the earlier presentation on the dental governance framework, Members were keen to give consideration to all legacy shared services work, and its location within NSS.

**10. NSS CLINICAL ADVERSE EVENTS, RISKS & COMPLAINTS QUARTERLY UPDATE [papers CG/18/42, CG/18/43 and CG/18/44 refer]**

10.1 Members briefly discussed the papers, which provided an update on clinical adverse events, risks and complaints since the last meeting. There had been some increases although this was not cause for major concern. The single Category 1 and 2 adverse events highlighted had already been discussed in detail (women resident in Scotland who had been affected by the PHE Breast Screening Issue and the delayed donor faints). Members went on to discuss the use of syringe drivers in light of the Gosport enquiry and were assured that work was ongoing around monitoring the use of these devices and establishing a central register. Members were pleased to note that there were no red corporate clinical risks which remained open. Looking at the Amber risks, Members noted the update provided on the Scottish Electro Convulsive Therapy Accreditation Network, and the actions which had been taken to close off the risk. Members discussed the follow up on the review of the clinical flag and were assured about the work being done to embed it in processes.

10.2 Members were advised that there had been a slight increase in donor complaints in the wake of new appointment and queue management systems being introduced. Members noted the actions being taken to manage this and expected to see a decrease. Members also sought assurance regarding the uptake of Duty of Candour training and were advised that this was being monitored. The updates on Picture Archiving and Communications System (PACS), and the Community Health Index (CHI) and Child Health System were noted. Members asked to continue to see PACS updates until January 2019. They also noted that the CHI and Child Health had just reached the end of a 6 month pause and a preferred option was being identified. Members looked forward to an update on this at their next meeting in December 2018.

**11. GOVERNANCE OF THE NHS IN SCOTLAND [papers CG/18/47 & CG/18/48 refer]**

11.1 Members were given an overview of the Health and Sport Committee's report on the governance within NHSScotland and the Cabinet Secretary's response. Members were assured that NSS was well placed with its own policies,

**ACTION**

processes and practices, although recognised that there were always opportunities for continuous improvement. Following a brief discussion, Members were also satisfied in respect of the mechanisms for assurance that NSS had in place regarding the work of clinicians.

**12. CLINICAL DIRECTORATE REPORT [paper CG/18/46 refers]**

- 12.1 Members were pleased to note the Clinical Update report, which detailed the work undertaken by the Clinical Directorate since the last NSS Clinical Governance Committee meeting on 11 June 2018.

**13. OTHER NSS GOVERNANCE COMMITTEE ISSUES**

- 13.1 There had been nothing discussed at the other NSS governance committees which had a direct clinical governance impact.

**14. ITEMS FOR THE SUB-COMMITTEE HIGHLIGHTS REPORT TO THE BOARD**

- 14.1 Mrs L Bailey agreed to draft up the Sub-Committee Highlights Report and send it to Mrs J Burgess for approval to issue with the papers for the next formal NSS Board meeting on Friday, 2 November 2018. L Bailey

**15. ANY OTHER BUSINESS**

- 15.1 Members had no additional business to raise at this point.

**16. DATE OF NEXT MEETING**

- 16.1 Members noted the next meeting was scheduled for Wednesday, 5 December 2018 in Room 030, Gyle Square, Edinburgh at 1400hrs.

There being no further business, the meeting finished at 1710hrs.

# minutes (DRAFT)

B/19/21

FPP/18/41

## NHS NATIONAL SERVICES SCOTLAND BOARD

### MINUTES OF MEETING OF THE FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE HELD IN ROOM 030, GYLE SQUARE, EDINBURGH COMMENCING AT 1000HRS ON WEDNESDAY 5 SEPTEMBER 2018

**Present:** Julie Burgess, Non Executive Director  
Kate Dunlop, Non Executive Director (in the Chair)

**In Attendance:** Martin Bell, Interim Director, Strategy and Governance  
Peter Croan, Programme Director, NSD (Item 6)  
Caroline Lang, Board Secretary (Minutes)  
Carolyn Low, Director, Finance and Business Services  
Fiona Murphy, Director, NSD (Item 6)  
Colin Sinclair, Chief Executive  
Martin Street, Strategic Sourcing Director (Item 5)  
Marion Walker, Risk Manager Lead (Item 9)

**Apologies:** Ian Cant, Non-Executive Director  
Elizabeth Ireland, NSS Chair

#### ACTION

#### 1. INTRODUCTION AND APOLOGIES FOR ABSENCE

1.1 Ms K Dunlop welcomed everyone to the meeting and apologies were noted as above. Members were asked if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES OF THE MEETING HELD ON 30 MAY 2018 AND MATTERS ARISING [papers FPP/18/28 and FPP/18/29 refer]

2.1 The Minutes of the NSS Performance and Finance Committee meeting held on 30 May 2018 were accepted as a true record. Members noted progress on actions from the previous meeting and that the majority had been completed, programmed into a future meeting, or were covered in the main Agenda.

#### 3. NSS FINANCIAL PERFORMANCE UPDATE [paper FPP/18/30 refers]

3.1 Members were advised that as at July, NSS was expected to meet its targets. A number of key risks and assumptions underpinned that position and would continue to be monitored. Members were also pleased to note that NSS was on track to deliver a small over-achievement of CRES. Regarding NSS' overall revenue position, there were some pressures although variances were minor and was expected to remain on plan.

3.2 Members enquired about unfunded contracts and were assured that these were expected to be covered. Discussions with Scottish Government



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Chair Professor Elizabeth Ireland  
Chief Executive Colin Sinclair



**ACTION**

regarding the programme were good and it was projected income would be recovered, however this would need to be monitored in respect of Public Health and Intelligence (PHI). Members sought and received assurances regarding the accrual on pay in August noting detailed modelling had been done and the £1million accrual looked to be sufficient.

- 3.3 Members were provided with an update on the SBU trading position. The year to date position was showing some variance but this was manageable, however, Procurement, Commissioning and Facilities remained a concern which would require some mitigation.
- 3.4 Members discussed the reserves position, and it was noted that a mid-year formal review would take place. The outcome of the review would be reported to the next meeting of this Committee. The discussion then moved on to the Scottish Government eHealth funding position noting that Ms C Low had had positive engagement with the team in charge of this and provided and detailed breakdown of the position.
- 3.5 Members expressed concerns about the lack of productivity reported in section 8 of the CRES table. They were advised that more would be available at the off-site, however, the nature of NSS's work created difficulties in measurably demonstrating productivity. Concerns were also expressed around the long-term plans for funding for PHI rather than baseline and the need for recurring savings. It was also noted that government view that if no plan was received from the combined National Boards the assumption would be to use the same as the previous year. Mr C Sinclair confirmed that he would be comfortable with this from an NSS perspective i.e. the same contribution to the joint National Boards plan as 17/18 financial year.

**4. UPDATE ON eHEALTH ACTIONS**

- 4.1 Ms C Low confirmed that the majority of the eHealth actions on NSS had now been completed, but further time would be required to complete structural changes etc. She continued that there was a commitment to revise the management structure including senior positions and financial controls, and formal consultation around this would take place during October in partnership. Members noted that KPMG had been commissioned to look at and recommend actions as part of a more wide review of service and the structures required to deliver this. Ms C Low added that this had been extremely useful and gave a good insight into improvements in financial management that would be required.
- 4.2 Members thanked Ms C Low for her update and noted the progress against plan.

**5. UPDATE ON NATIONAL PROCUREMENT STRATEGY AND ANNUAL REPORT [paper FPP/18/33 refers] (Item taken out of agenda order)**

- 5.1 Mr M Street took members through a presentation on the NSS Centre of Excellence including how teams within National Procurement (NP) were structured to allow prioritisation etc. Ms K Dunlop asked for clarity on how NSS benchmarked in this area to back this up. Mr M Street provided comparisons to evidence this.
- 5.2 Members noted that page 9 of the report provided really good examples of how NSS was supporting this area. It was also noted that Scottish Government had asked NP to look more closely at GS1 technology and

**ACTION**

develop a business case for a more comprehensive programme relating to this. All agreed that the circular economy was important to NSS and it was crucial that this was reflected in job creation and modern apprenticeships etc. Innovation would also play a major role and it had been agreed with the Chief Scientists Office that NSS will create a hub to map the whole landscape to ensure everything is linked together in terms of research and NP would look to provide initial commercial discussions.

- 5.3 Members thanked Mr M Street for his presentation and asked a number of questions. Mr M Bell provided an example of how the work of NP had benefited NHS Fife during his secondment, but acknowledged that NSS was still not necessarily the first port of call for Health Boards. He also asked whether, with the introduction of the one version of Pecos, it would be possible to extend the function to the Care Home population and also logistics in general. Members also asked for more reflection on the longer term, 5 year view. Mr M Street agreed that these subjects needed further clarity going forward. All agreed that there were a lot of wider opportunities in procurement and logistics, especially in warehouse and distribution for the wider public sector. Mr M Street added that this would all need further clarity on contractual issues around the primary and social care agenda.
- 5.4 After a further discussion it was agreed the for future reporting to the sub-committee it would be useful to have some more detail on how NSS is contributing to the greater economy. The Chair thanked Mr M Street for his comprehensive report and looked forward to future reports.

**6. NSD FINANCIAL GOVERNANCE [paper FPP/18/33 refers] (Item taken out of agenda order)**

- 6.1 Ms F Murphy took Members through her update on current performance within National Services Division (NSD). It was noted that there was a positive quality indicator and a balance position was reported. In addition equity reporting was now coming more towards the centre regarding average gains and losses by the Health Boards. Ms F Murphy added that the report had already been seen by the relevant reference group and would be put to the Director of Finance then to Chief Executives Group. Mr C Sinclair advised Members that this report had come to the committee for reassurance given the issues around eHealth agenda. Ms K Dunlop added that this was a really good report and provided insight and clarity, especially around areas of sensitivity. Ms F Murphy advised that a new cleft surgeon would be starting in Glasgow in November adding to the team of two already in place and credit should be given to the team who have brought this service into a much better place.
- 6.2 Ms F Murphy also updated the Committee on the new role around national planning and the fact that as there was now a needs based assessment required it was noted that this had created an increased number of applicants.
- 6.3 Ms J Burgess thanked Ms F Murphy for the update and asked what was the NSS (NSD) role and how this fit alongside Health Improvement Scotland (HIS). Ms F Murphy replied that service reviews that were considered minor were started by NSD and if something of concern was found additional independent experts from England etc could be sourced. HIS would only be called in if the findings were major. Ms J Burgess observed that the membership was quite heavily weighted towards professionals. Ms F Murphy responded that although there was only one patient representative their role

**ACTION**

was to check that all applications and reviews had appropriate patient involvement.

6.4 Members thanked Ms F Murphy for her comprehensive update.

**7. ANNUAL REPORT - CNORIS [paper FPP/18/31 refers]**

7.1 Ms N Shippin took Members through the report and advised that the quarterly report was delivered to Boards, and the Annual Report was made public. Members noted that in Scotland £42 million was paid out, versus £1.9 billion in the rest of the UK. She added that there had been a change in the way payouts were made around brain damaged babies and this was now done as a small lump sum with future sums paid out for future care costs periodically. This had reduced the total in year, but meant that there was now a recurring cost of approximately £6 million per year.

7.2 Members noted the content of the report and noted that CNORIS improved outcomes for individuals and that a presentation had been made to the NSS Executive Management Team regarding claims against NSS.

7.3 Members thanked Ms N Shipping for her comprehensive report.

**8. OCCURENCES WHERE NSS STANDING FINANCIAL INSTRUCTIONS (SFIs) HAVE NOT BEEN FOLLOWED**

8.1 Ms C Low advised that there had been no occurrences where the NSS Standing Financial Instructions had not been followed.

**9. REVIEW OF BUSINESS RISKS ON NSS RISK REGISTER [paper FPP/18/34 refers]**

9.1 Mr M Bell took Members through the report and advised them that two additional red risks had been added since the report was compiled and these had been added as an appendix to the document. These both related to NSS Central Legal Office, where risks had been raised from amber to red. He added that after the last meeting of the group had asked that the number of interim appointments within NSS work had been done to look at this and the risk would be worked through as a result of this.

9.2 Members looked in detail at Risk 3394 and Mr M Bell agreed to discuss this further with the risk owner, Mr David Knowles, Director Practitioner and Counter Fraud SBU and report back to a future meeting if required. **Action: M Bell Mr M Bell to liaise with Mr D Knowles and report back to next meeting.**

**10. 2018/19 Q1 NSS PERFORMANCE REPORT [paper FPP/18/35 refers]**

10.1 Mr M Bell took members through the report and advised that the one red report was being dealt with and Mr C Sinclair had put out a communication to mitigate this. Members noted the two amber measures.

10.2 Members thanked Mr M Bell for his report and noted the content in full.

**11. RESILIENCE UPDATE [paper FPP/18/36 refers]**

11.1 Mr M Bell took members through the resilience update, noting that NSS had been benchmarked to the ISO standard and an NSS level strategy was being written and would be submitted for the September 2018 EMT. Ms J Burgess

**ACTION**

asked for reassurance around clinical and IT risks and whether resilience in this area was appropriate. Mr M Bell advised that support had been put in place and work was continuing around governance.

11.2 Members thanked Mr M Bell for his update and noted it in full.

**12. SCOTTISH GOVERNMENT BEST VALUE GUIDANCE [paper FPP/18/37 refers]**

12.1 Mr M Bell updated members on progress and advised that this was a mandated requirement which took place every two years. Sustainability had been achieved and it was believed that NSS would deliver on target. It was noted that the process seemed overly bureaucratic and Mr M Bell replied that it had been instigated 6 years earlier and had been needed at that time, but would raise whether this was still of value when the NSS return was put to government. **Action: Mr M Bell to feedback comments as part of the NSS Best Value return to government.** M Bell

**13. SUB-COMMITTEE HIGHLIGHTS REPORT FOR BOARD MEETING ON 7 SEPTEMBER 2018**

13.1 Members noted and were assured on the following areas:

Financial performance was on track.  
eHealth Actions were positive and there was now a broader strategic approach.  
Annual reports – reassured by the content.

**14. DATE OF NEXT MEETING**

14.1 The next meeting would take place on Friday, 23<sup>rd</sup> November 2018.

**15. ANY OTHER BUSINESS**

15.1 No further competent business matters were raised.

**TRANSCRIBED BY KAREN NICHOLLS FROM CJL NOTES**

There being no further business, the meeting finished at 1310hrs.

# minutes (DRAFT FOR APPROVAL)

NHS NATIONAL SERVICES SCOTLAND BOARD

B/19/22

**MINUTES OF THE MEETING OF THE PERFORMANCE AND FINANCE COMMITTEE HELD IN MEETING ROOM 5.5, MERIDIAN COURT, GLASGOW COMMENCING AT 1010HRS ON FRIDAY 23 NOVEMBER 2018**

- Present:** Ms Kate Dunlop – Non-Executive Director (in the Chair)  
Mr Mark McDavid – Non-Executive Director  
Ms Julie Burgess – Non-Executive Director
- In Attendance:** Mr Martin Bell – Associate Director of Planning, Performance and Service Delivery  
Ms Carolyn Low – Director of Finance  
Mrs Mary Morgan – Director of Strategy, Performance & Service Transformation  
Mr Colin Sinclair – Chief Executive  
Mr Martin Street – Strategic Sourcing Director [Item 6]  
Mrs Marion Walker – Risk Manager Lead [Item 7] (via teleconference)  
Mrs Lynsey Bailey – Committee Secretary [Minutes]
- Apologies:** Professor Elizabeth Ireland – NSS Chair

## ACTION

### 1. INTRODUCTION AND APOLOGIES FOR ABSENCE

- 1.1 Mrs Dunlop welcomed everyone to the meeting and apologies were noted as above. Members were asked if they had any interests to declare in the context of the agenda items to be considered but there were none.

### 2. MINUTES OF THE MEETING HELD ON 5 SEPTEMBER 2018 AND MATTERS ARISING [paper FPP/18/41 refers]

- 2.1 Members discussed the minutes of the meeting held on 5 September 2018. Members felt more clarification was needed around minute 3.5. Ms Low agreed to liaise with Mrs Bailey regarding this. Further clarification was also required around minutes 9.1 and 11.1 and Mr Bell agreed to provide Mrs Bailey with a form of words. Mrs Bailey agreed to re-circulate the updated version for approval.

**C Low/M Bell/  
L Bailey**

**[Secretary's Note:** Following discussions with Mr Bell and his team, it was agreed that both minute 9.1 and 9.2 should read as follows:

- 9.1 *Mrs M Walker took Members through the report on Business risks as at 31 July 2018. She advised Members that the two Amber risks in relation to the Central Legal Office (CLO) property move had been raised to Red risks on 1 August 2018 and full details of these risks were contained within appendix 1 of the report. Mrs M Walker advised that Human Resources were currently reviewing risk 4184 "NSS Workforce Effectiveness", following the comments made by the Members at the 30 May 2018 meeting.*
- 9.2 *Considering the strategic business risks Members commented on risk description and rating of risk 3394 "P&CFS Bespoke Systems – End of Life and Application Compliance". Following discussion, Members asked Mr M Bell to pass their comments to the risk owner, Mr David*

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*Knowles, Director, P&CFS and ask him to review the wording and rating of this risk.*

In addition, the first sentence of minute 11.1 was rewritten, and split, as follows: *“Mr M Bell took Members through the resilience update, noting that NSS had been benchmarked to the ISO business continuity standard and, as a result, an action had been identified to develop an NSS level strategy. This was being written and would be submitted to the September 2018 EMT.”*]

- 2.2 Members were advised that the actions from 5 September were either completed or covered by the agenda. In response to a specific query, and by way of assurance, Mr Bell provided an overview of the mitigations in place for risk 3394 (P&CFS Bespoke Systems - End of Life & Applications Compliance).

### **3. NSS FINANCIAL PERFORMANCE UPDATE [paper FPP/18/43a refers]**

- 3.1 Members noted the paper which provided an overview of NSS’s financial performance. This covered the revenue position, trading position, reserves, capital position, and Cash Releasing Efficiency Savings (CRES) as well as funds managed on behalf of NHSScotland. Members were pleased to note that NSS was forecast to meet its statutory financial targets, with a projected break-even position for revenue and capital, and a slight overachievement against the CRES target. Ms Low outlined the Property and Asset Management Strategy (PAMS), and the refinement of that process, to help manage the capital position. Members were also updated on the quarterly review process, and how the half-year reviews were being formalised to ensure a better handle on the overall financial position in light of the increasing budgetary constraints in the coming years.

- 3.2 Members discussed the reserves position and were advised that the figure was not in respect of a single year, although there was a limit to the amount that could be carried over from year to year. Members were keen to see some “Return on Investment” measures included in future reports. They were assured that consideration was being given to this. However, they also recognised that the impact of some expenditure may not be easily quantifiable in financial terms (e.g. productivity or time released). Members also sought and received assurances around the possible impact of the pay award and the mitigations in place for it.

- 3.3 Members were given assurance about the Oracle license renewal and the handling of duplicate payments received in error. In respect of software licenses in general, Members recognised that a lot of work was being done to consolidate and achieve savings. They were pleased to note that NSS had a reasonable reserves position but there was still a lot to be worked out, and prospective areas for investment to be considered. However, Members were satisfied that all was being well managed. Members acknowledged that over the coming years there may be less flexibility around how reserves could be used, but hoped this could prove to be a positive driver for strategic change.

### **4. EHEALTH ACTIONS - UPDATE ON LEARNPRO STANDING FINANCIAL INSTRUCTIONS (SFIs) MODULE**

- 4.1 Members received a demonstration of the LearnPro Financial Guidelines training module and agreed it was an excellent concept. They acknowledged that making it part of the mandatory training requirements ensured that awareness was raised, but enquired about tailoring the module to the level required for an individual’s role. Members felt that it was not only helpful in respect of fraud reduction, but also for good financial management. Ms Low advised that the training for all staff would cover the basics (code of conduct,

**ACTION**

bribery etc.) and staff with a higher level of responsibility would be directed to the appropriate additional training. Members were pleased to note that this LearnPro module had been developed by NSS in-house but had the potential to be shared across NHSScotland. National Boards were also working together to try and develop a common set of SFIs.

**5. OCCURRENCES WHERE SFIs HAVE NOT BEEN FOLLOWED**

- 5.1 Mrs Low advised Members that, since the last meeting, there had been no reported instances of NSS's Standing Financial Instructions being breached.

**6. NATIONAL PROCUREMENT CONTRACT SCHEDULE [paper FPP/18/46 refers]**

- 6.1 Mr Street spoke to the Strategic Sourcing report, which provided an overview of all contracts to be awarded in 2018/19. Members were advised that, at the mid-year point, the secured savings (based on what could be achieved when implemented by Health Boards) were £7.9m. They were pleased to note that this figure was expected to increase significantly in quarter 3 as a number of tenders were concluded. The figure for delivered savings (i.e. actually implemented in Health Board, based on activity from National Procurement in 2017/18 and early 2018/19) was £27.6m.

- 6.2 Moving on to the additional updates, starting with clinical waste, Members were provided with an overview of the issues which had arisen with the clinical waste contractor. They noted that this highlighted the need for more oversight of contract management for critical, major services. Members were briefed on the challenges and sensitivities around signing off the appointment of the new contractor. They were also assured around the contingency measures in place should any further issues arise.

- 6.3 Members were pleased to note that innovation had been moving higher up on the procurement agenda in the last 12 months. They were given an overview of the work being done to position procurement as an enabler and facilitator for innovation. The key focus was on achieving this, while also trying to move to quicker positive health outcomes. Members asked about how visible this activity was to other agencies. They were advised that there was a lot of work to be done in this respect but Scottish Government was trying to push those linkages more. Members acknowledged there were a lot of areas of overlap and briefly discussed ways in which NSS could position itself as a catalyst for innovation.

- 6.4 Members also received an overview of the work on Brexit planning. This involved identifying what needed to be done on a UK-wide level to align with the overall UK plan, what could be or needed to be done on a Scottish level, and then at health board level. Scottish Government had been positive about the role that National Procurement had played in developing this plan. However, there was a risk that, in preparing for a no deal scenario, the NHS could be left with surplus stock if/when a deal was made. Members sought and received assurances about the current supply of flu vaccine from a National Procurement perspective and noted that any issues being reported were to do with internal distribution at a more local level. Members discussed the impact of Brexit in terms of workforce costs, noting that while this was manageable, the biggest potential concerns were among the clinical cohort.

**7. REVIEW OF BUSINESS RISKS ON NSS RISK REGISTER [paper FPP/18/47 refers]**

- 7.1 Members noted that there were three open red risks, two of which were new since the last report. Members were provided with an overview of the red

**ACTION**

risks and were assured they were all within the risk appetite. Members discussed the Information Governance risk and why it had been upgraded (i.e. the scale of impact had increased, and the mitigations could only reduce the likelihood). Members felt it was still scored too highly overall so asked Mrs Walker to compare it with other organisations and ask Central Legal Office for a legal interpretation. Members agreed that risk 5230 (Clinical Waste Management Contingency) should definitely go on their watch-list. Members also asked whether there should be a risk regarding Brexit and Mrs Walker agreed to refresh the original risk raised. It was also agreed to include that on the watch-list once this was done.

**M Walker****8. 2018/19 QUARTER 2 (JULY-SEPTEMBER 2018) PERFORMANCE REPORT [paper FPP/18/48 refers]**

8.1 Ms McDermott spoke to the report, which updated on progress against NSS's Operational Delivery Plan (ODP) as at the end of September 2018. Members were assured that work was progressing but there had been no changes to the Red/Amber/Green status following recent EMT discussions. Members asked specifically for updates on two milestones (proposal to develop self sufficiency and ongoing capability in whole system modelling; and data submission and quality assurance of social care data). Ms McDermott agreed to provide that status update out with the meeting. Members suggested that consideration should be given to how NSS promoted its successes. They also felt it would be worth considering whether some of the targets set could be stretched (given that there was the option to update the ODP in-year). Members recognised that, while NSS's Scottish Government sponsor had an advocacy role, NSS could perhaps also challenge itself more.

**C McDermott****9. RESILIENCE UPDATE [paper FPP/18/49 refers]**

9.1 Members were pleased to note the continuing progress in this area, and that there had been no incidents to report since the last meeting. They were provided with an update on the development of the resilience strategy, along with the outcomes from a recent exercise. Members discussed linking the financial management tool to manage risk. Ms Low and Ms McDermott agreed to look into taking this forward. In respect of the IT resilience plan, Members were assured that the outstanding work had been complete, as well as updated on the Scottish Wide Area Network incident reporting.

**C Low/  
C McDermott****10. DRAFT INTERNAL AUDIT PLAN**

10.1 Members deferred this discussion as the draft internal audit plan was not yet available.

**11. MEETING DATES FOR 2019 AND DRAFT FORWARD PROGRAMME**

11.1 Following a brief discussion, Members confirmed the 2019 meeting dates and approved the draft forward programme [paper **FPP/18/50**].

**12. SUB-COMMITTEE HIGHLIGHTS REPORT**

12.1 Members agreed the key points for the Sub-Committee Highlights report to the next formal NSS Board meeting on Friday, 2 February 2019. Mrs Bailey would send a draft of the report to Mrs Dunlop as soon as possible.

**L Bailey****13. ANY OTHER BUSINESS**

13.1 Mrs Morgan was invited to provide feedback, which led to a discussion on the reporting routes and how to reduce duplication - in particular around the risk and resilience reports. Members agreed that it would be worth reviewing how



**ACTION**

these are presented, remembering the context and considering what could be (or needed to be) done differently.

**14. DATE OF NEXT MEETING**

- 14.1 Members were reminded that the next meeting was scheduled for Thursday, 14 February 2019 in room GS1.1, Gyle Square, Edinburgh.

There being no further business, the meeting finished at 1219hrs.