

# Agenda

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B/20/72a

**NHS National Services Scotland Board**  
**Monday, 21<sup>st</sup> December 2020**  
**Commencing at 0930 hours, TEAMS platform**

1. **Apologies for Absence**

2. **In Attendance**

Mary Morgan Director, SPST  
Matthew Neilson, Assoc. Dir Corporate Affairs and Communications  
Karen Nicholls, Committee Services Manager (Minutes0)  
Jacqui Jones, HRD  
Deryck Mitchelson, Director D&S

3. **Welcome and Introductions**

Keith Redpath

**ITEMS FOR APPROVAL**

4. **Minutes of meeting held on 23<sup>rd</sup> September 2020 and Matters Arising**

Keith Redpath

**B/20/73**  
**B/20/74**

5. **Register of Interests**

ALL

**B/20/75**

**ITEMS FOR SCRUTINY**

6. **Chair's Update**

Keith Redpath

**B/20/83**

7. **Chief Executive's Update**

Colin Sinclair

**Verbal**

8. **Risk Appetite and Risk Management Update**

Marion Walker/  
Matthew Neilson

**B/20/77**  
**B/20/77a**

9. **People Report**

Jacqui Jones

**B/20/78**

10. **Finance Report**

Carolyn Low

**B/20/79**

11. **Digital & Security Update**

Deryck Mitchelson

**B/20/80**

12. **Updates from Governance Committees [Highlight Reports]**

**B/20/81**

**Items for Information Only**

13. **Forward Programme**

**B/20/82**

Chair Keith Redpath  
Chief Executive Colin Sinclair

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

**14. Approved Committee Minutes**

- |   |                |
|---|----------------|
| 14.1 NSS Audit & Risk Committee held on 28 May 2020                                   | <b>B/20/84</b> |
| 14.2 NSS Audit & Risk Committee held on 17 June 2020                                  | <b>B/20/85</b> |
| 14.3 NSS Audit & Risk Committee held on 10 August 2020                                | <b>B/20/86</b> |
| 14.4 NSS Finance, Procurement & Performance Committee held on 26 August 2020          | <b>B/20/87</b> |
| 14.5 NSS Staff Governance Committee held on 27 August 2020                            | <b>B/20/88</b> |
| 14.6 NSS Clinical Governance & Quality Improvement Committee held on 4 September 2020 | <b>B/20/89</b> |
| 14.7 NSS Audit and Risk Committee held on 15 September 2020                           | <b>B/20/90</b> |

**Date of Next Formal Meeting – 24th March 2021**

# Minutes (Approved)

## NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF MEETING HELD ON 23 SEPTEMBER 2020 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

- Present:** Keith Redpath, NSS Chair  
 Julie Burgess, Non-Executive Director  
 Kate Dunlop, Non-Executive Director  
 John Deffenbaugh, Non-Executive Director  
 Lorna Ramsay, Medical Director  
 Alison Rooney, Non-Executive Director  
 Colin Sinclair, Chief Executive  
 Carolyn Low, Director of Finance
- In Attendance:** Gordon Beattie, Director of National Procurement [Items 14 & 15]  
 Jacqui Jones, Director of HR and Workforce Development [Items 1-13]  
 Deryck Mitchelson, Director of Digital and Security [Items 1-13]  
 Mary Morgan, Director, Strategy, Performance and Service Transformation  
 Matthew Neilson, Associate Director – Strategy, Performance and Communications [Items 1-13]  
 Lynsey Bailey, Committee Secretary [Minutes]
- Apologies:** Rachel Browne, Audit Scotland  
 Ian Cant, Employee Director  
 Mark McDavid, Non-Executive Director  
 Mark Taylor, Audit Scotland
- Observing:** Inire Evong, Audit Scotland  
 Stephanie Knight, Scottish Government

### ACTION

1. **INTRODUCTION**
  - 1.1 Mr Redpath welcomed all to the meeting which was being held virtually via the TEAMS platform.
  - 1.2 Before starting the formal business of the meeting, Mr Redpath asked the Board Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.
2. **MINUTES AND MATTERS ARISING [Papers B/20/55, B/20/56 and B/20/57 refer]**
  - 2.1 Members noted the minutes from 26 June and, following a brief discussion, approved them in full. Members then considered the minutes of 14 August and, following another brief discussion, also approved them in full.



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Chair                      Keith Redpath  
 Chief Executive        Colin Sinclair

- 2.2 Members noted that majority of actions were either completed or covered by the agenda. In respect of the action to review Personal Protective Equipment (PPE) spend for future reporting, Members agreed this could be closed – they had been provided with the initial details and were content this would be monitored through the Finance, Procurement, and Performance Committee.

### **3. FEEDBACK ON RAMS**

- 3.1 Mr Sinclair spoke to his presentation on the process and outcomes for this year's Resource Allocation Meetings (RAMs), noting both the content overlap with other items on the agenda and the increasingly challenging and changeable current landscape. The response to the COVID 19 pandemic would continue be a major focus in the coming months so the work around Test, Trace and Vaccinate, and increasing testing capacity, would be a critical priority.

NSS would also play a major part in supporting NHS Scotland remobilisation. Members noted the other immediate priorities identified over the coming months, the key pieces of work which were part of the longer term focus, NSS's proposed strategic intent up to 2024, and the longer term opportunities and current risks. Members were updated on the status of the NSS recovery programme and how that was expected to progress.

- 3.2 Mrs Jones spoke to the slides summarising the workforce needs and planning, highlighting the focus on supporting staff working from home, embedding new ways of working to allow increased flexibility, and finding ways to maintain a positive staff experience.

Ms Low then spoke to the slides outlining the financial plans and the next steps, highlighting that the Scottish Government would be publishing its financial plans for 2021/22 and beyond in December 2020 and NSS's financial planning would be revisited in light of that.

There was a working assumption that COVID 19 related activities would be fully funded on a limited, non-recurring basis, and some of the fixed costs would be recovered. Following discussion about exploring opportunities to increase income generation, Members noted that this would form part of a wider strategy for delivering a balanced position rather than being taken in isolation. Members were very content and assured by the RAM update, and commended the clear, concise messages.

### **4. FLU VACCINATION PLAN [Paper B/20/61a refers]**

- 4.1 Members noted the paper, which summarised the preparations and plans for delivering this year's flu vaccine.

Members were given an overview of the system for monitoring the uptake and attendance at appointments. Members also discussed the possibilities for capturing data on staff who received the vaccine through their GP or a pharmacy. Members acknowledged that this would be reliant on staff voluntarily submitting that information but even though it was not likely to be fully reflective, it would be an enhancement on previous years' data.

Members discussed the communication plans for promoting the clinics, which would involve Board and EMT members, and were supportive. However, there was recognition this may be perceived as giving mixed messages and staff may experience a significant level of discomfort or reluctance about coming into the office for a vaccination - particularly in light of the newly announced restrictions. Members felt that it would be important to acknowledge that it may feel contradictory but



reassure staff that an appointment would involve minimal time in the office, emphasise the importance of flu vaccinations in supporting the COVID response, and highlight that travel/attendance for health and care appointments was a valid and appropriate exception.

Mrs Rooney summarised the discussions which had taken place around the flu vaccination plans at the recent NSS Clinical Governance Committee and Dr Ramsay gave an overview of the priority groups which had been identified to receive more personalised communication. The Board approved the plan as presented.

## **5. NSS FEEDBACK AND COMPLAINTS ANNUAL REPORT 2019-2020 [Paper B/20/71 refers]**

- 5.1 Members were pleased to note that there were no emerging themes or concerns in relation to feedback and complaints received, and that NSS's acknowledgement and handling rate remained consistently high.

Mrs Morgan highlighted the inclusion of the customer survey feedback and NSS's responses, as well as the new report format which provided consistency with other reporting. Members appreciated the new format and commended the work done to maintain NSS's track record in this area.

Members sought and received clarity on the definitions of customer effort, advocacy and customer satisfaction and Mr Neilson agreed to provide this context in future. Members asked if it would be possible to use Statistical Process Control data and were advised that this was being worked towards. Mr Neilson and Mr Deffenbaugh agreed to discuss this outside of the meeting. The Board approved the Annual report for publication.

**Action: Mr Neilson and Mr Deffenbaugh agreed to discuss use of Statistical Process Control to present data in future versions of the Feedback Report.**

**M Neilson/  
J Deffenbaugh**

## **6. CHAIR'S REPORT [Paper B/20/60 refers]**

- 6.1 Mr Redpath took Members through his update. In particular, he highlighted the overview of the recruitment arrangements put in place following Mr Sinclair's announcement of his intention to retire in March 2021.

Members were also provided with an update on the current non-executive recruitment, noting that the last few candidates were due to be interviewed the following day and a final outcome was expected in around three to four weeks' time.

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

- 7.1 Members were advised that all Boards would be reviewing their planning for the next six months to ensure they were as prepared as they could be to meet the challenges likely to emerge in that time. Members were keen that the Chief Executives' Group thoroughly considered how resources like the Louisa Jordan hospital could be used to ensure that any response to increases in COVID 19 over the winter would not have the same impact on elective procedures as the initial response at the start of the pandemic.

On a personal note, Mr Sinclair wished to record his thanks for the well wishes he had received following the announcement of his intention to retire.

**8. PEOPLE REPORT [Paper B/20/61 refers]**

- 8.1 Members discussed the paper, which provided updates on a range of workforce issues such as sickness absence, case management, training, staff turnover, appraisals, recruitment, and occupational health, safety and wellbeing.

Members were pleased to note that the sickness absence rate had remained low in spite of the pandemic, with the short-term absence rate at the lowest rate it had been in the previous three years and only a small increase in the long-term absence rate.

Members were provided with an overview of the analysis undertaken into the impact of the increase in remote working on the accuracy of absence data, and the work being done to mitigate this. Members expressed concerns regarding any inaccuracy in the absence data, and where that might stem from, but they were advised that managers themselves did have accurate absence data. The issue was ensuring it was being properly recorded in each of the relevant centralised systems, as this needed to be done separately for each system. Members were assured that any errors in this had mainly arisen from staff adapting to new ways of working, which HR was supporting them with.

Members were very supportive of finding ways to allow these separate systems to share data more readily so that it only needed to be entered once.

- 8.2 Mrs Jones went on to highlight HR's work in supporting the establishment of the National Contact Tracing Centre, and exploring provision of a shared service to Social Security Scotland. Members asked about modern apprenticeships and were provided with an overview of the plans in place to continue NSS's commitment to that initiative.

On a more general note, Members were keen to understand how they would be assured about how managers were adapting their management style in line with remote working. Mrs Jones provided an overview of the current survey, which was being used to take a "temperature check" and identify any remedial steps that might need to be taken. Members would be updated on the survey results and outcomes through the People Report as appropriate.

**9. FINANCE REPORT [Paper B/20/62 refers]**

- 9.1 Members discussed the report in full, which advised that NSS was on track for meeting its financial objectives. In particular, Members were pleased to note that positive conversations had taken place with Scottish Government colleagues in respect of finalising the 2020/21 funding position and confirming the planning assumptions for future years.

Members acknowledged that, although the risk that NSS would not receive full funding for its COVID-19 support work was low, it would remain a risk until funding was allocated.

Members were briefly taken through the other actions underway, which had been agreed by the EMT or was being led by Ms Low. Members were assured that the strategic priorities over the next six months were being taken into account, any underspend that was not involved in remobilising services would be returned, and that the capital programme was on track. Members thanked Ms Low for her reassuring report.

## 10. DIGITAL AND SECURITY UPDATE [Paper B/20/63 refers]

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

Members were also given an update on digital platform work and the positive direction this had taken. The efforts made during the COVID-19 response work had meant NSS's reputation had never been higher in respect of Digital and Security. The relationship with Scottish Government was also stronger, with clear recognition of NSS's strengths and capabilities. Members were pleased to note the good progress which continued to be made.

## 11. UPDATES FROM GOVERNANCE COMMITTEES [Paper B/20/64 refers]

- 11.1 Members noted the reports provided from the other committees. In particular, Ms Burgess wished to highlight two points of discussions at the recent NSS Audit and Risk Committee (ARC) in particular.

The first highlight was the work to embed the Information Governance agenda following its inclusion in the ARC's remit. This had gone well and would be developed over future meetings. The second highlight from ARC was the discussion regarding service audit and the challenges in getting recognition of the progress made in recent months.

Ms Low assured Members that she was liaising with Mr Neil Thomas at KPMG to agree a solution. Members asked to receive monthly updates from Ms Low and gave her their full support in her approaches to KPMG.

Mrs Rooney wished to highlight the Clinical Governance Committee's decision to support a programme of undergraduate nursing student placements within NSS, as this was a particularly exciting new development.

**Action: Ms Low to provide monthly updates to Board Members on progress towards finding a solution in respect of Service Audit challenges. C Low**

## 12. ITEMS FOR INFORMATION ONLY

- 12.1 Members had received the following items circulated for information only:
- NSS Staff Governance Committee Annual Report 2019-20 [paper **B/20/66** refers]
  - NSS Finance, Procurement and Performance Committee held on 26<sup>th</sup> February 2020 approved minutes [paper **B/20/67** refers]
  - NSS Staff Governance Committee held on 7<sup>th</sup> February 2020 approved minutes [paper **B/20/68** refers]
  - NSS Audit & Risk Committee meeting held on 4<sup>th</sup> December 2019 approved minutes [paper **B/20/69** refers]
  - NSS Clinical Governance Committee meeting held on 2<sup>nd</sup> March 2020 approved minutes [paper **B/20/70** refers]

Other than requesting a brief amendment to paper B/20/69 to reflect Ms Burgess's attendance at that meeting, Members noted the papers as provided.

## 13. ANY OTHER BUSINESS

- 13.1 Members were advised that a development session was being planned for 21 October 2020, which would be focussed on active governance.

**In Private Session****14. NSS REMOBILSATION PLAN**

- 14.1 Members discussed and noted the contents of the paper provided. Following assurances and clarification around availability of resources and the range of services in scope, Members approved the plan.

**15. WAREHOUSE CAPACITY**

- 15.1 The Board considered a report in regard to the above and thereafter heard Mr Beattie speak to the contents of the paper. Following some additional points of clarification on lease terms and how this aligned with existing capacity, Members agreed they were happy to approve the proposal, subject to confirmation from the Scottish Government about the necessary funding.

**16. DATE OF NEXT MEETING**

- 16.1 The next ordinary meeting of the Board was scheduled to take place on Monday, 21 December 2020.

There being no further business the meeting was closed at 1302 hrs

B/20/74

## NSS FORMAL BOARD ACTION LIST 2020-21



CLOSED

Ref Item	Action	Responsible	Deadline	Status
<b>FROM 23 SEPTEMBER 2020</b>				
2020-09-23 Item: 5	<b>NSS Feedback and Complaints Annual Report 2019-20</b> M Neilson and J Deffenbaugh to discuss use of statistical Process Control to present data in future versions of the feedback report.	M Neilson/ J Deffenbaugh	Outwith meeting	
2020-09-23 Item: 11.1	<b>Updates from Governance Committees</b> C Low to provide monthly updates to Board Members on progress towards finding a solution in respect of Service Audit challenges.	C Low	Outwith meeting	Discussed at NSS Audit & Risk Committee held on 2.12.20
<b>FROM 14 AUGUST 2020 – NO ACTIONS RECORDED FOR THIS MEETING</b>				
<b>FROM 26 MAY 2020</b>				
2020-05-26 Item: 9	<u>Digital and Security Update</u>			
2020-05-26 Item: 9.1	D Mitchelson and L Ramsay to provide further update on the implications of a further delay in the GP-IT system.	D Mitchelson/ L Ramsay	26.6.20	NSS were responsible for the implementation of the project not venter approval. Mr Mitchelson advised that there were ongoing meetings in Scottish Government (SG) looking at this in detail and at this stage there were no additional clinical risks. Mr Mitchelson would continue to monitor the situation and report back as necessary to the Board.
2020-05-26 Item: 9.2	D Mitchelson to provide a description of what 'modelling' means in the context of his future reports.	D Mitchelson	26.6.20	
2020-05-26 Item: 10.3	<b>Finance Update</b> C Low and C Sinclair to review PPE spend in more detail for future reporting.	C Low/ C Sinclair	Future meeting.	Closed.

2020/21 REGISTER - AS AT 21.12.20

Changes during year

Changes since last report to Board

B/20/75

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	Advisory Board Member (Health) of Interim Partners, part of the New Street Group	Wale King Associates - NHS Elect (England)	Nil	Nil	School Governor for Oathall Community College, Haywards Heath, West Sussex.	Nil
		Director, Wale King Associates	Trustee, St Peter's and St James' Hospice in Mid Sussex				Trustee, St Peter's and St James' Hospice in Mid Sussex.	
Ian Cant	Nil	Nil	Nil	Nil	Nil	Nil	Chair Unison Scottish Health Care Branch (wef 26/03/15)	Nil
John Deffenbaugh	Nil	Director, Frontline Consultants Ltd	Director, Frontline Consultants Ltd	Nil	Nil	Nil	Nil	Nil
		Director, Glasgow Repertory Company		Nil	Nil	Nil		Nil
		Chair, Alan Dunlop Architects						
		Non-Executive Director, Education-Scotland						
Kate Dunlop	Nil	Non-Executive Director, Accountant in Bank	Nil	Nil	Nil	Nil	Nil	Nil
Carolyn Low	Nil	Nil	Nil	Nil	Nil	Nil	Company Secretary, Breeze Media Ltd (Unpaid)	Nil
Mark McDavid		Non-Executive Chair, Heck! Food Ltd Thirsk Food Logistics Ltd (Trading as HECK)	Nil	Nil	Nil	Nil	Chair, Trinity Park Foundation	
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	Chartered Marketer, Chartered Institute of Marketing	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 Member, Talent Management Board Member, Student Mental Health and Wellbeing Group	Nil Nil Nil
Keith Redpath (1.8.19)	Nil	Care Inspectorate - Member <del>Scottish Social Services Council - Member - Until 31.8.19</del> Management Consultant Musician - self employed	Nil	Nil	Nil	Nil	Nil	Nil
Arturo Langa	Nil	Consultant Psychiatrist (NHS Lanarksh	Nil	Nil	Nil	Nil	Non-Executive Member of the Court - Queen Margaret University Member - British Medical Association Member - Royal Society of Medicine Member - Royal College of Psychiatrists Member - General Medical Council Member - Medical and Dental Defence Union Scotland Member - Apollo Informal Investments	Nil



<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>21 December 2020</b>
<b>Title:</b>	<b>Risk Appetite B/20/77</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Mary Morgan, Director, SPST</b>
<b>Report Author:</b>	<b>Marion Walker, Risk Manager Lead/ Matthew Neilson, Associate Director, SPC, SPST</b>

## 1 Purpose

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

- Decision

**This report relates to a:**

- Government policy/directive

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

- Effective

## 2 Report summary

### 2.1 Situation

In line with best practice NSS is required to have a risk appetite statement and to review it on a regular basis. A revised risk appetite statement was agreed by the Audit and Risk Committee (ARC) at its 2 December 2020 meeting and is being presented to the Board for approval.

### 2.2 Background

A session on NSS's appetite to risk within each impact category (business, staff, clinical and reputational), together with risks with information governance implications, was held at the Strategic Board Development session on 1 November 2019. Further engagement has taken place with the Chief Executive and Strategy and Performance Team and it has been agreed that the present "high" appetite for Business, and "medium" appetite for Staff risks, remains appropriate.

During March 2020 the Information Governance Committee (IGC) reviewed the "low" appetite to information governance risks and were supportive of the "low" information governance appetite rating.

On 2 December 2020 the Audit and Risk Committee reviewed the risk appetite statement and provided their support to this statement, attached as Appendix A.



## **2.3 Assessment**

The Risk Appetite Statement has gone through all the appropriate governance routes and has been updated where comments have been made. The final statement is appended to this document.

Consideration has been given to the impact Covid-19 has had on the current risk appetite statement, and in our opinion this statement remains appropriate. The high appetite to business risk reflects the new services being requested from NSS and the additional financial pressures it is under. NSS safeguards its reputation and Communications assist with media guidance and lines to ensure NSS's medium appetite to reputational risk. The medium appetite to staff risk is supported during these challenging times with additional policies and procedures in place to support staff. NSS maintains its low appetite to clinical risks with patient safety being paramount.

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

Risk management is the culture, processes and structures we use to manage risks. NSS has a low appetite to clinical risks, which are governed by the Clinical Governance Committee.

### **2.3.2 Workforce**

NSS has a medium appetite to staff risk which are governed by the Staff Governance Committee.

### **2.3.3 Financial**

All risks in NSS are assessed for their financial impact. NSS's appetite to Business risk is high with governance undertaken through the Finance, Procurement and Performance Committee.

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

In NSS we have implemented a comprehensive risk management approach at a strategic and operational level to help improve our business activities. Risk management is used by NSS to assist with reducing its negative impacts and identify opportunities for improving outcomes. The Risk Appetite Statement forms part of our risk management approach and sets the level of risk NSS is willing to take. Where risks to new and on-going activities are identified that fall outside of our preferred level of risk appetite, NSS will always attempt to mitigate the likelihood or impact of the risk to a level judged to be acceptable in the prevailing conditions.

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

All projects and services associated with risks are required to carry out an equality impact assessment.

### **2.3.6 Other impacts**

Any other impacts faced by the organisation will be assessed against our Integrated Risk Management Approach (IRMA) and managed accordingly.

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

Engagement has taken place with the Audit and Risk Committee, Information Governance Committee, Deputy Senior Information Risk Owner (SIRO), Associate Director, Strategy Performance and Communication (SPC), Strategy and Performance Team and NSS Chief Executive.

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

NSS's appetite to risk has been considered previously by the following, which has informed the development of the content presented in this Risk Appetite Statement.

- NSS Board/Executive Management Team Strategic Development Session November 2019
- ARC December 2019
- IGC and Deputy SIRO March 2020 (out with meeting)
- CEO January 2020
- ARC December 2020

## **2.4 Recommendation**

**Decision** - Board Members are requested to agree the NSS Risk Appetite Statement attached as Appendix A.

## **3 List of appendices**

The following appendices are included with this report:

- Appendix A, Risk Appetite Statement

## Appendix A

### 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, that fall outside our preferred level of risk appetite, 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.

Risk Category	Current Risk Appetite	Why
Business	High	NSS places high importance on services and processes. NSS has a high risk appetite aimed at improving its frontline services and the corporate services that underpin them. The high risk appetite also allows NSS to explore opportunities to enable health and care transformation with new services.
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. Building and 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 enabling health and care transformation with new services.
Staff	Medium	Staff are critical to NSS achieving its objectives. NSS therefore invests heavily to support and develop its people to thrive and be successful. 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>Meeting:</b>	NSS Board
<b>Meeting date:</b>	21 December 2020
<b>Title:</b>	Risk Management Update <b>B/20/77a</b>
<b>Responsible Executive/Non-Executive:</b>	Mary Morgan, Director, SPST
<b>Report Author:</b>	Marion Walker, Risk Manager Lead, SPST Matthew Neilson, Associate Director, SPC, SPST

## 1 Purpose

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

- Agreement that the risk register represents an accurate position of risks to NSS.

**This report relates to a:**

- Emerging issue
- Government policy/directive
- Local policy

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

- Effective

## 2 Report summary

### 2.1 Situation

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

### 2.2 Background

All risks are being managed appropriately by risk owners, and at 30 November 2020, NSS has four red risks on the NSS Risk Register. The Red and new Amber risks have been reviewed and challenged according to IRMA guidance.

### 2.3 Assessment

The risk profile remains the same although the number of risks has nearly halved, due to PHI and CLO reviewing and closing risks. A review of corporate risks will be undertaken by the EMT in January 2021 to identify any missing risks. At present less than half the SBUs are meeting the standard for completing mandatory risk and resilience training and the overall training performance is amber. The overall position is regularly reviewed by the EMT and SBU Senior Teams.

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

Risk management is the culture, processes and structures we use to manage risks. Clinical risks are considered by the Clinical Governance Committee. None of the risks considered within this report has identified clinical as their primary or secondary risk category.

### **2.3.2 Workforce**

Staff risks are considered by the Staff Governance Committee. One risk under consideration within this report has identified staff impact as their secondary risk category, PGMS Service Delivery (5636).

### **2.3.3 Financial**

All risks in NSS are assessed for their financial impact. All four red risks have potential financial impacts of greater than £1 million.

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

All risks are being monitored and managed in line with the IRMA

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

All projects and services associated with risks are required to carry out an equality impact assessment.

### **2.3.6 Other impacts**

No other relevant impacts have been identified

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

All communications and engagement in relation to these risks has been undertaken in line with IRMA.

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

The Executive Management Team (EMT) reviewed all corporate red risks at its meeting on 23 November 2020.

The Board sub-committees have reviewed all corporate red and new amber risks at their November and December 2020 meetings, within their areas of responsibility:

## **2.4 Recommendation**

- Consider the risk profile for the organisation and agree that the risk register represents an accurate position of risks to NSS. Challenge the report should there be areas of concern to Members that are not highlighted or explained within the report.
- Advise of any amendments to the list of strategic risks.
- Note improvements made to the risk management approach.

### **3 List of appendices**

The following appendices are included with this report:

- Appendix 1, Summary of Red Risk as at 30 November 2020
- Appendix 2, Strategic Risks as at 30 November 2020

## RISK MANAGEMENT UPDATE

### 1. NSS Risk Register

#### 1.1 Summary

The risk management update is presented to formal Board meetings twice a year in line with the NSS Integrated Risk Management Approach (IRMA). The risk management update was last presented to the 1 November 2019 Board meeting. The delay was caused by the suspension of regular Board business to focus on dealing with the outbreak of COVID-19 in Scotland.

NSS management groups and Board Sub-Committees have reviewed the corporate NSS risks (Red and new Amber) by risk category on a regular basis. The volume of risk faced by NSS has halved over the last year with reduction in all areas of risk with the exception of staff. Levels of risk have reduced, with red risks reduced by a fifth, amber risks by a third and green risks by three-quarters, mainly due to a full review of all corporate risks and the movement of PHI to PHS.

The EMT has reviewed and challenged the corporate red risks on the NSS Risk Register monthly during the period and are undertaking a risk workshop in January 2021 to ensure that all risk to NSS are captured within the risk register. This will ensure that all risks arising from the Annual Operating Plan/Remobilisation plan have been captured and all risks to NSS in relation to the projects and programmes of work it leads on are also captured.

The Board and Sub-Committees have also reviewed their strategic risks regularly, ensuring these are up to date and in line with current strategic thinking. Risks have then been updated by risk owners to reflect the comments received by the Board and EMT.

The tables and charts below summarises the movements in risks since the last report to the Board in November 2019. This covers the period from 30 September 2019 to 30 November 2020, and show the active managing of all risks, including red risks, in the period.

Risk Rating	Sept '19 No of risks	Movements				Nov '20 No of risks
		New risks	Closed risks	Transfers in	Transfers out	
<b>HIGH</b>	5	5	(2)	8	(12)	4
<b>MEDIUM</b>	54	15	(19)	15	(28)	37
<b>LOW</b>	35	1	(14)	3	(16)	9
<b>Total</b>	94	21	(35)	26	(56)	50

As at 30 November 2020 there were 50 corporate risks held on the NSS Risk Register, a net decrease of 44 in the period. While a number of new risks were identified they have been managed effectively, closed or mitigated down to an Amber or Green risk rating.

A summary of the Corporate Red risks on the NSS Risk Register as at 30 November 2020 is provided in Appendix 1. In summary:

Current red risks	Previous red risks
<ul style="list-style-type: none"> <li>• 4561 Brexit</li> <li>• 4577 IG Legislation Breach (from amber)</li> <li>• 5671 nDCVP Programme</li> <li>• 6121 Unstructured and Unclassified Data</li> </ul>	<ul style="list-style-type: none"> <li>• 5710 Current DCVP System (to amber then closed)</li> <li>• 5742 GP IT re-provision fails to continue functionality (now green)</li> <li>• 5881 Coronavirus (now amber)</li> <li>• 5782 nDCVP additional costs following proposal review (closed)</li> <li>• 5241 Economy / Financial Landscape (closed and replaced with amber risk 6205 Inability to meet Financial Targets)</li> <li>• 3608 SNBTS Medical staff (now amber)</li> <li>• 2904 Health Protection Capacity &amp; Resilience (now managed by Public Health Scotland)</li> <li>• 6005 Scope and Scale of Covid-19 Services (now amber)</li> <li>• 6004 Advance Payments for PPE Stock (now amber)</li> <li>• 5523 National Security Operations Centre (now amber)</li> <li>• 5619 Centre of Excellence Programme - ARHAI and Built Environment (now amber)</li> <li>• 5521 Networking &amp; Information Systems Directive (now amber)</li> <li>• 3394 P&amp;CFS Bespoke Systems - DCVP &amp; MIDAS (now managed at SBU level)</li> </ul>

A reference guide to the Health Impact scores and our risk scoring matrix, likelihood descriptions and impact descriptions are contained within the ARC Teams channel.

## 1.2 Risks by Category

The corporate risks on the NSS Risk Register as at 30 November 2020 are summarised below by Risk Category.

Risk Rating	Risk Category				Nov '20 No. of Risks	% of total
	Business	Staff	Clinical	Reputational		
<b>HIGH</b>	3	0	0	1	4	8%
<b>MEDIUM</b>	12	4	5	16	37	74%
<b>LOW</b>	3	0	2	4	9	18%
<b>Total</b>	<b>18</b>	<b>4</b>	<b>7</b>	<b>21</b>	<b>50</b>	<b>100%</b>
<i>Total Sept'19</i>	41	4	17	32	94	

The number of risks in Business, Clinical and Reputational categories has decreased in the period with the number of Staff risks remaining the same.



### 1.3 Risk Profile

The current risk profile for NSS corporate risks is shown below.

		Score	Likelihood					Total	Sept '19
			Rare	Unlikely	Possible	Likely	Almost Certain		
			1	2	3	4	5		
Impact	Catastrophic	5		10	3			13	6
	Major	4		3	13	1		17	40
	Moderate	3		5	8	6		19	42
	Minor	2			1			1	6
	Negligible	1						0	0
Total			0	18	25	7	0	50	
		Sept '19	0	35	51	8	0		94

The changes to our risk profile (increase or decrease in number of risks) in the period from 30 September 2019 to 30 November 2020 are summarised in the heat map below.

		Score	Likelihood					Total Change
			Rare	Unlikely	Possible	Likely	Almost Certain	
			1	2	3	4	5	
Impact	Catastrophic	5		+7				7
	Major	4		(8)	(14)	(1)		(23)
	Moderate	3		(13)	(11)	+1		(23)
	Minor	2		(3)	(1)	(1)		(5)
	Negligible	1						0
Total change			0	(17)	(26)	(1)	0	(44)

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

- The risk profile remains the same although the number of risks has nearly halved, with risks reduced in all three rating categories. This movement is due to PHI undertaking a review of their risks, closing some and reclassifying others as operational level, prior to transferring the remainder of these risks to PHS. In addition, CLO undertook a review of their risks closing some risks and reclassifying others as operational level risks. NSSs revised strategy and general management of risks by SBUs results in the remainder of the risk movement during the year.

- In terms of likelihood no Red risks have been classified as “Almost Certain”.
- In terms of impact, risks 4561 Brexit, 4577 IG Legislation Breach and 6121 Unstructured & Unclassified Data, have been classified as “Catastrophic”.

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

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

- Business risks – Finance, Procurement & Performance Committee on 19 November 2020 requested that SBUs be reminded to keep risks updated and ensure updates provided regularly on mitigating actions. Risk Lead to undertake;
- Staff risks - Staff Governance Committee on 19 November 2020. Report well received;
- Reputational risks – Audit and Risk Committee (ARC) on 2 December 2020. Agreed the NSS Risk Appetite Statement for approval at next Board meeting, supportive of a risk assurance framework and requested that SBUs be reminded to keep risks updated; and
- Clinical risks - Clinical Governance Committee on 2 December 2020. The report was well received with Committee Members stated their confidence in the process whereby the Clinical Directorate review corporate risks. The Clinical Leadership Forum development session on clinical governance, to be held on 15 December 2020, was noted.

Information Governance risks across all of the above categories were also reviewed during the period, with responsibility for these risk moving from the Information Governance Committee to the ARC. The most recent review took place on 2 December 2020. The Information Governance Group continues to review fully all risks with an information governance impact.

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

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

During the period risks 1155 IT Security Infrastructure, 5322 Brexit risk to supply chain, 4766 Decision Makers and 3474 Volume of Change and Workload Prioritisation were closed and risk 3394 P&CFS Bespoke Systems - DCVP & MIDAS is now being managed as a SBU risk. There risks have been removed from the strategic ‘watch-list’.

Details of the strategic risks have been included as Appendix 2.

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

The Risk Register is continually updated to ensure that it fulfils the needs of the Risk Champions and stakeholders. This risk register forms part of the Strategy, Performance and Service Transformation project. An options appraisal has been agreed by the SPST Senior Management Team to move the current risk register system to a new risk register system using a custom app developed in house by the DaS ServiceNow Team.

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

## Performance Management Tool

A replacement performance management system is under discussion to replace the previous Decision Support Tool (DST) which ceased operation early 2020. Until a replacement performance tool is operational the EMT receive reports run from the NSS Risk Register to review corporate risks and issues.

## Integrated Risk Management Approach (IRMA) guidance

A short life working group of Risk Champions undertook the annual review of IRMA, and working with colleagues in Human Resources (HR) and Marketing and Communications, a number of changes to the staff and reputation impact categories, including the effects of social media, were made. Risk impact descriptions and categories were also updated to ensure alignment with resilience guidance. The Risk and Resilience Group approved the revised IRMA in May 2020, and following its approval the revised IRMA was circulated to ARC Members, for information.

## Risk Appetite Statement

In line with best practice NSS is required to have a risk appetite statement and to review it on a regular basis. A revised risk appetite statement was developed by the ARC at its meeting on 4 December 2019 and agreed by ARC on 2 December 2020, ahead of its request for formal approval by the NSS Board today. The delay was caused by the suspension of regular Board business to focus on dealing with the outbreak of COVID-19 in Scotland. The risk appetite statement, from 1 February 2019, remains in place until the approval of the revised statement.

## Risk Champions Group Meetings

Risk Champion meetings are held quarterly with the latest meeting held on 9 December 2020. The meeting was a join meeting between Risk Champions and Resilience Leads and focuses on continuous improvement to risk and resilience management within NSS.

## **6. Risk Management Training**

The Risk and Resilience (R&R) eLearning awareness module forms part of the mandatory training for all NSS staff. All staff are required to complete this training on a rolling three yearly basis. SBUs have been set a target to achieve 90% or more. At present less than half are meeting the standard and the overall training performance is amber. Below are details of the mandatory R&R eLearning undertaken by SBU's as at 31 October 2020.

<b>SBU</b>	<b>% Completed</b>
SNBTS	95
Clinical Directorate	94
Practitioner & Counter Fraud Services	94
Finance	91
Procurement Commissioning & Facilities	89
Digital and Security	86
Central Legal Office	85
HR & Workforce Development	81
Strategy Performance and Service Transformation	75
<b>TOTAL</b>	<b>87</b>

The lower level of completed risk and resilience training within SPST is due to the large influx of new staff in the National Contract Trace Centre. This will be addressed by the completion of all mandatory training by these staff. The overall position is regularly reviewed by the EMT and SBU Senior Teams.

HR are in the process of migrating the training modules from LearnPro to Turas. As a result of this a short life working group including Risk Champions and Resilience Leads are developing a revised R&R training module. This revised training module will go live April 2021 for all staff.

## Appendix 1: Summary of Red Risk as at 30 November 2020

### Reputational (Red/High)

ID	Date Raised	SBU	Title	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Health Impact		Financial Impact
										Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	
4561	15/05/2017	NSS	Brexit	There is a risk that the UK's exit from the European Union impacts on the way that NSS operates due to resultant change in membership/access to EU organisations and institutions in which NSS SBUs participate	03/12/2020	15	10	31.12.20 ↔	Business	500,000-5,000,000	2	>£1,000K

## Business (Red/High)

ID	Date Raised	SBU	Title	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Health Impact		Financial Impact
										Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	
5671	12/09/2019	PCFS	nDCVP Programme	There is a risk that New DCVP (Data Capture Validation and Pricing) will not be delivered to agreed costs and timescales.	27.11.2020	16 <sup>1</sup>	6	21.06.22 ↓	Reputational	0	0	>£1,000K
4577	25.05.2017	NSS	IG legislation breach	There is a risk that NHS NSS breaches relevant legislation in relation to information due to incomplete organisational preparation for new laws e.g. in data protection and also due to inadequate staff awareness of these laws, their responsibilities and understanding of policies, procedures and safeguards in place	27.11.2020	15	12	31.03.21 ↑ ↓	Reputational	0	0	>£1,000K
6121	09/09/2020	NSS	Unstructured & Unclassified Data	There is a risk that due to the amount of unstructured and unclassified data held on the corporate storage areas, including Microsoft shared server environment, NSS will become non-compliant with governance and security legislation.		15	8	21.12.21 New	Reputational	4	1	>£1,000K

<sup>1</sup> On 2 December 2020 risk 5671 nDCVP was mitigated to amber

## Appendix 2 Strategic Risks as at 30 November 2020

### Reputational (Red/High)

Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
15/05/2017	NSS	Brexit (4561)	There is a risk that the UK's exit from the European Union impacts on the way that NSS operates due to resultant change in membership/access to EU organisations and institutions in which NSS SBUs participate	03/12/2020	15	10	31.12.2020 	Business	500,000-5,000,000	2	>£1,000K

### Business (Red/High)


Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
12.09.2019	PCFS	nDCVP Programme (5671)	There is a risk that New DCVP (Data Capture Validation and Pricing) will not be delivered to agreed costs and timescales.	27/11/2020	16 <sup>1</sup>	6	21.06.2022 	Reputational	0	Nil	>£1,000K

## Reputational (Amber/Medium)

										Health Impact	
Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
17/07/2018	SNBTS	UK Infected Blood (Langstaff) Inquiry (5114)	There is a risk the UK Infected Blood (Langstaff) Inquiry may lead to additional cost and adverse reputational impact for SNBTS/NSS.	27/11/2020	12	8	31.3.2021 ↔	Business	<5,000	Nil	£100K-£250K
17.12.2019	NSS	Primary and Community Care Strategic Theme (5800)	There is a risk that NSS fail to deliver the strategic intent of the Primary and Community Care theme due to lack of join up and/or engagement with key stakeholders, internally and externally.	16/10/2020	9	6	31.03.2022 New	Business	0	Nil	£100K-£250K
31.05.2019	DaS	National Security Operations Centre (5523)	There is a risk that there will not be sufficient funding for a National health Security Operations Centre (SOC) as recommended by SG and Gartner review	23/11/2020	10	5	31.12.2020 ↔	Business	0	Nil	Nil



## Business (Amber/Medium)

Date Raised	SBU	Title and ID	Risk Description	Last Update	Risk Rating	Residual RAG	Proximity date/ Movement on prior period	Secondary Category	Health Impact		
									Number of People Affected [scale 0 to 5,000,000]	Extent of Potential Adverse Impact [scale 0 (low) to 5 (high)]	Financial Impact
17/10/2018	NSS	Clinical Waste Management Contingency (5230)	There is a risk that NSS, in its urgency to secure clinical waste disposal capacity, enter into legally binding arrangements with suppliers at additional cost.	03/12/2020	2	2	15.01.2021 	Reputational	0	Nil	>£1,000K
05.09.2019	SPST	PGMS Service Delivery (5636)	There is a risk that PgMS cannot meet the surge in demand from Scottish Government, Health Boards and National Health Portfolio Delivery in response to the Covid 19 pandemic. PgMS operate a fully cost recoverable service therefore any unforeseen reduction in demand could also result in an adverse financial impact.	02/12/2020	9	6	31.12.2020 New	Staff	<5,000	Nil	>£1,000K

<sup>i</sup> On 2 December 2020 risk 5671 nDCVP was mitigated to amber

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>21 December 2020</b>
<b>Title:</b>	<b>People Report – November 2020</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Jacqui Jones, Director of HR and Workforce Development   B/20/78</b>
<b>Report Author:</b>	<b>Jacqui Jones, Director of HR and Workforce Development</b>

## 1 Purpose

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

- Scrutiny and discussion on a range of workforce issues presented in the paper and in the slide deck.

**This report relates to a:**

- Annual Operation Plan

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

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The purpose of this paper is to provide the Board with a range of workforce data and information for the month of November 2020 in order to allow for discussion on issues of concern and also for the Board to agree on any actions which it feels are necessary.

### 2.2 Background

N/A

## 2.3 Assessment

Overall NSS remains in a positive position on the range of workforce issues which are shown in detail in the attached presentation but some of which are highlighted below. In particular sickness absence and the seasonal flu vaccination programme.

Sickness absence continues to reduce with the position in November at 2.53% which is the lowest point this year. HR carried out a review of sickness absence to determine if this has been a genuine reduction in sickness absence or under reporting. The result of this exercise concludes that this does represent a genuine return to work of 166 employees during the period April to November 2020.

There has been a reduction in the number of employees on Special Leave due to a COVID-19 related absence, where previously 19 employees tested positive in addition to those self-isolating for a range of reasons. There are currently five people on Special Leave due to a COVID-19 related absence (as at 9 December); one employee tested positive for COVID-19, two employees are self-isolating due to a household member showing symptoms, and two employees isolating due to underlying health conditions. All employees work within PCF SBU.

The staff seasonal flu vaccination programme commenced in November with clinics scheduled to 18 December. The main focus has remained on vaccinating the staff groups determined as priority 1 and 2. These are staff providing direct patient care and we have included the warehouse staff and IPC clinical staff in ARHAI in priority 1 category. Direct support workers are those staff who we require to come into a building to work and are in priority 2. As at 9 December we had vaccinated 51% of frontline staff with a further 178 staff, including 16 frontline staff, informing us that they had received their vaccine elsewhere. The total NSS staff vaccinated is 45.37%.

This is an improvement on previous years. In 2019 42.78% of frontline staff were vaccinated which was a 2.78% improvement on the previous year. In 2018 a total of 32% of staff were vaccinated and in 2019 38.1% of staff were vaccinated.

A programme board has been established along with project support to lead the staff COVID-19 vaccination programme. The first staff to be vaccinated, which is those in patient facing roles which meet the definition as determined by the Scottish Government, of which there are 40 will be vaccinated by the Territorial Board they are aligned to.

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

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

- **National Contact Tracing Centre** – as noted previously HR continue to support the implementation of the NSS National Contact Tracing Centre (NCTC) and PHS Protecting Health Directorate as part of the national Test and Protect programme. Phase 2 of the planned recruitment into the NCTC will conclude by w/c 14 December, although the on-boarding and training of the new starts will continue into January 2021. The recent recruitment has been into the NCTC Bank with candidates

being sourced from the original Scottish Government expression of interest pool. Phase 3 of the recruitment plan is being finalised with a focus on moving the reliance on the 3<sup>rd</sup> party providers to surge capacity with the NCTC having greater resilience through its Core or Bank workforce.

- **Social Security Scotland** – an initial programme scoping and costing exercise has concluded however NSS will better understand the detailed requirements and timings for this programme of work early 2021.
- **Once for Scotland Policies** – the Once for Scotland Programme Board met on 30 November and agreed that the work which will look at the remaining PIN policies will commence again on 1 April 2021 and will see work beginning on the Supporting Work Life Balance Policies.
- **iMatter** – a pulse survey was issued to all boards and focused on overall well-being and staff experience of work during the COVID-19 period. The results have now been shared with all staff. Analysis of the results will be presented to Partnership Forum on 17 December, where it will be discussed if we require to review and potentially adapt the Great Place to Work Plan.

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

N/A

### **2.3.2 Workforce**

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

### **2.3.3 Financial**

N/A

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

N/A

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

N/A

### **2.3.6 Other impacts**

N/A

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

Workforce data is made available in real time form via Tableau system to all SBU Directors and Managers across NSS. The HR Business Partners engage with the SBUs to provide additional information breakdowns for fuller discussion.

The information is also available to our Trade Union colleagues for their considerations as appropriate.

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

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

- Executive Management Team at the meeting on 14 December 2020.

## **2.4 Recommendation**

- Discussion – Examine and consider the implications of a matter.

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1, NSS People Report – November 2020 (slide deck)

**Jacqui Jones**  
**Director of HR and Workforce Development**  
**14 December 2020**

# NSS People Report

November 2020

# Summary

## **COVID-19**

There are currently five employees (9 December) on COVID-19 related Special Leave, two - Household Self Isolating, two – Underlying Health Conditions and one – COVID-19 Positive. There have been a total of 93 employee requests to be tested for COVID-19 with 60 being eligible for testing.

## **Absence**

Sickness absence is at 2.53% at the end of November. Many SBUs are showing significantly lower sickness absence rates than previous years and the cost of sickness absence attributable to anxiety/stress/depression has reduced by 24.04% when compared to the same period as last year.

## **Statutory Training**

Compliance with 3 Year mandatory training is currently above 90% and statutory training is close to the agreed targets. 2 Year Compliance has fallen below the 10% threshold. There has been a decrease in statutory training in November, due to the significant number of new hires, particularly into SPST (Contact Tracing workforce). This relates specifically to the Fire Safety course which was launched in April of this year. There is an expectation that compliance should continue to increase. However, it should be recognised that with constant increases to the workforce, this increase in compliance will not become evident for some time.

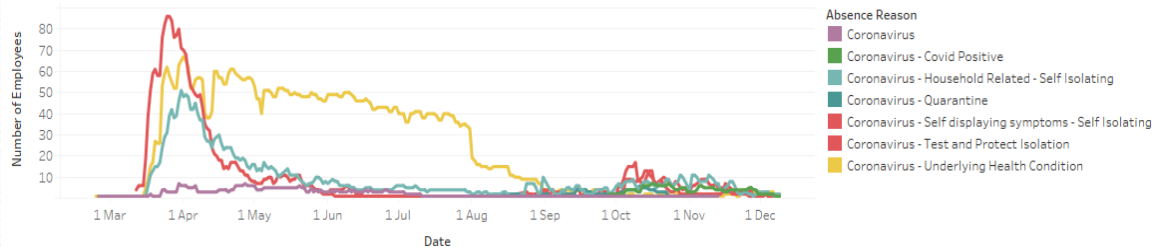
## **Recruitment**

There has been a significant increase in applicants for posts within SPST and PgMS. Recruitment into the range of Contact Tracing roles remains a high priority. Within DaS there has been a high number of requests for recruitment to support COVID-19 response work and contractor/agency worker conversion to fixed term contracts is currently being undertaken.



# COVID-19 Special Leave

Total Absent Employees



As of 9 December, there have been a total of 19 employees who have tested positive for COVID-19, with one employee still on Special Leave for Coronavirus – COVID-19 Positive. This employee works within PCF SBU, and is located in the warehouses. There are four other employees on a COVID-19 related Special Leave, all within PCF: two are absent due to Household Self Isolating and two due to underlying health conditions.

17 employees have so far had to quarantine after being in a country on the Government quarantine list. Currently all employees have returned to work. There has been a total of 680 Special Leave Absence requests due to COVID-19.

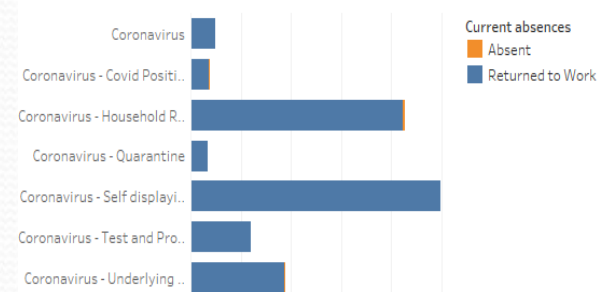
A total of 93 tests have been requested for employees (six of which have been previously tested). Of these 93, 62 have been deemed eligible for testing, the majority of which are in SNBTS.

Employees tested:

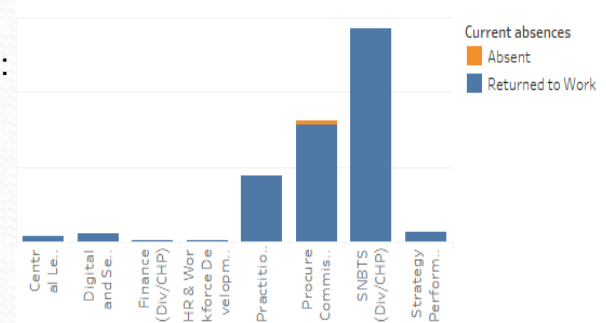
- SNBTS – 56
- PCF – 5
- Clinical – 1

A total of 51 tests have also been requested for household members.

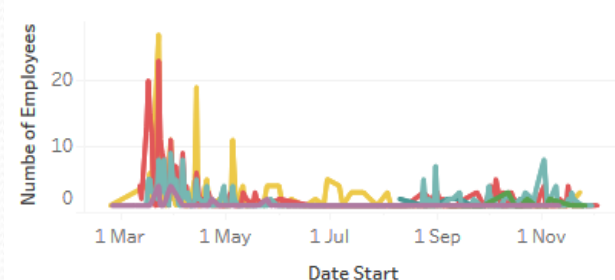
COVID-19 Absence Reasons



SBU Breakdown

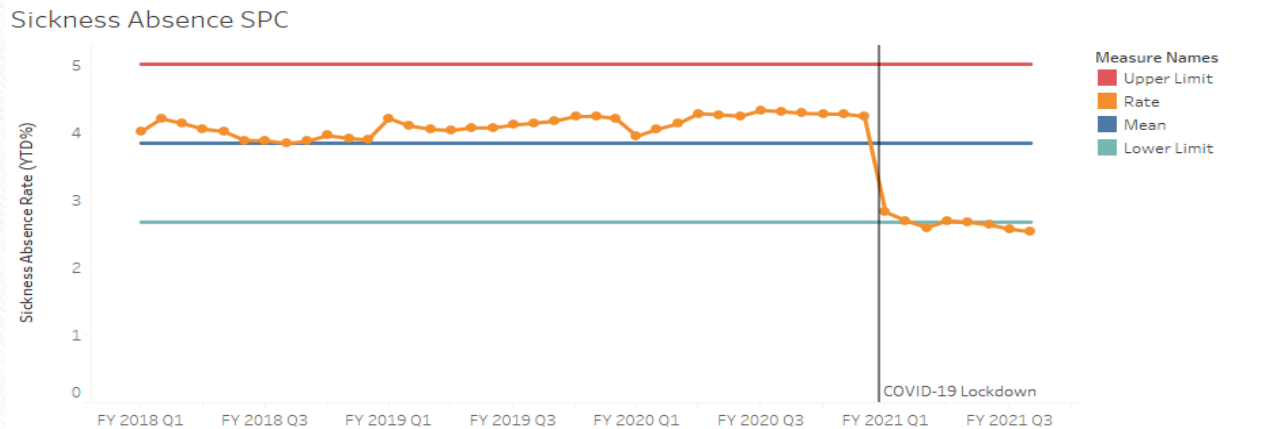


New Absences





# Statistical Process Control



The NSS sickness absence has seen a significant reduction this FY, and a further decrease from October to November (from 2.57% to 2.53%). The YTD figure remains below the Lower Control Limit (LCL) which has been calculated at 2.67%. Sickness Absence SPC trend has seen very little movement month to month from the beginning of this FY.

**SPST SBU** is below the LCL, with minimal changes from the previous month. There has been no change to **Clinical SBU** which has seen a 0.00% Sickness Absence rate for the eighth consecutive month.

**CLO, HR, P&CFS, Finance, SNBTS** and **PCF SBUs** are sitting above the LCL but are noticeably lower than pre-lockdown. **DaS SBU** is now slightly above the LCL (0.76%).

Again there has been minimal changes from the previous month's figures. Sickness absence has remained below the Lower Control Limit since employees have been advised to work from home.

# Sickness Absence

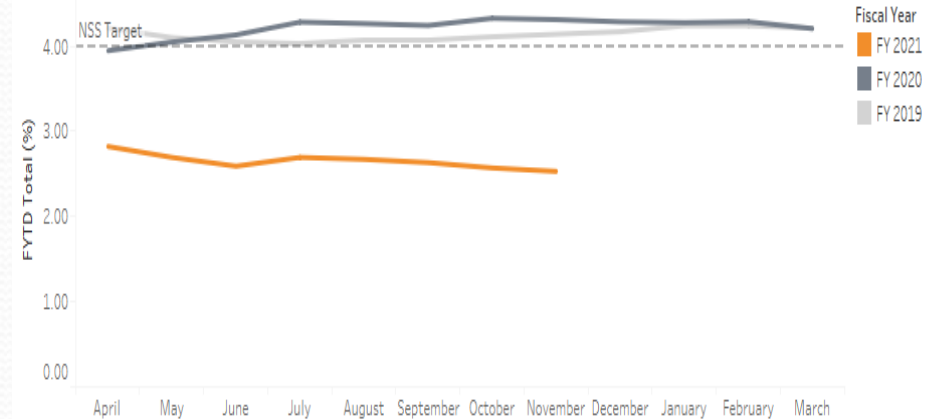
NSS Sickness Absence rate was at 2.53% in November the lowest recorded rate this year.

LT absences have reduced from 2.73% at the end of the previous FY, and are at 1.73% in November (a decrease from the previous month which was at 1.79%). ST absence rate has increased slightly from the previous month (0.78% to 0.80% in November).

There has been an overall reduction of absences when compared to the previous FY – 376 absences recorded in November of 2019, and 176 recorded in 2020.

PCF continues to be the SBU with the highest absence rate (4.85% YTD), and Clinical the lowest (0% YTD).

SA Trend



## Highlights

There has been a 10.47% increase in hours lost from the previous month (10,398 in October, 11,487 in November) and a 33.46% decrease when compared to the same period in the previous year.

- **Anxiety/Depression/Stress** – Continues to be the most common reason for absences. The number of hours lost has decreased from the previous month (4,547 in October, 3,632 in November). When compared to the previous FY, the number of hours lost has reduced by 15.32% (38,246 hours in current FY compared to 45,166 hours lost in FY 2020). The cost when compared to previous FY has reduced by 24.04%. This reduction may be due to a number of reasons including staff being able to work more flexibly from home.
- **Other Known Causes- Not Otherwise Classified** – the second most common reason for absence in November (995 hours lost), this was the eighth most common reason in October (489 hours lost). November has seen an increase of 103.48% in hours lost and a 162.04% increase in cost for this absence reason. This is 20.61% of the total YTD cost for this absence reason in November alone.
- **Other Musculo-Skeletal Problems** – the third most common reason for absence in November, was the fourth most common reason for absence in October. There has been a 28.75% increase in hours lost (1,030 in November, 800 in October), and a 32.60% increase in cost.



# Case Management

There are 125 employees on an Active Trigger in November, of which 40 (32%) are currently being supported through HR.

The number of new triggers has decreased slightly from the previous month (31 in October, 45 in November).

The Case Management protocol, which prioritises cases to be heard during the pandemic is being reviewed by a shortlife working group, which includes representation from the business. The outcome will be presented to WPTC.

## Breakdown of Active Cases

Attendance = 46 active cases (-)

Capability = 60 active cases (-7)

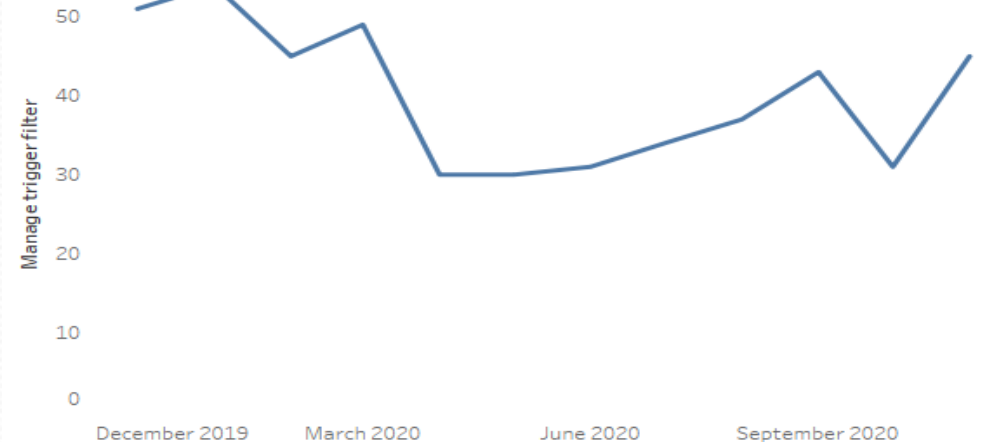
Conduct = 16 active cases (-)

Dependency = 0 active case (-)

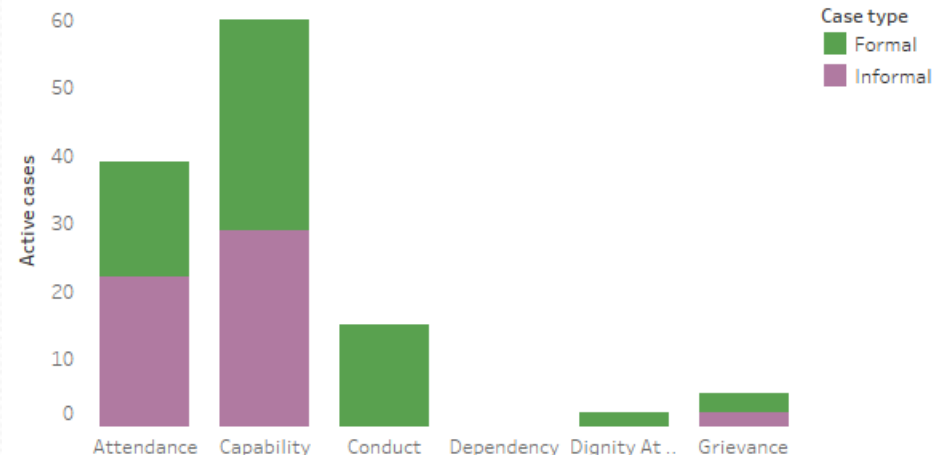
Dignity at Work = 2 active cases (-1)

Grievances = 5 active cases (-)

### New Triggers



### Active case SBU



# Turnover

NSS turnover rate is at 4.51% YTD, and forecasted to end the FY at 6.29%.

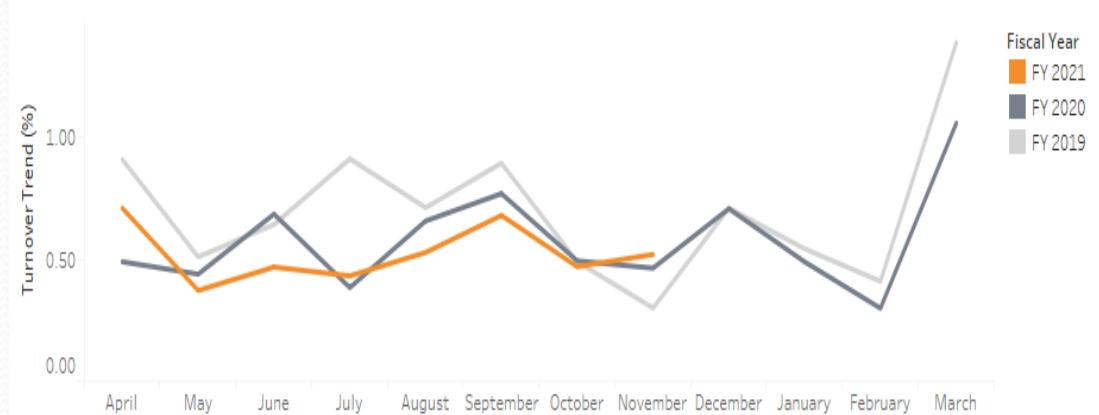
**New Starts** – 116 employees started in November, a total of 399 YTD.  
 SPST – 91 (80 within Contact Tracing)  
 SNBTS – 13  
 DaS – 4  
 PCF – 3  
 Finance – 3  
 HR & Workforce Development – 1  
 CLO – 1

**Leavers** – 13 employees left in November, a total of 141 YTD.  
 PCF – 6  
 SPST – 4 ( 3 within Contact Tracing)  
 SNBTS – 1  
 HR – 1  
 P&CFS – 1

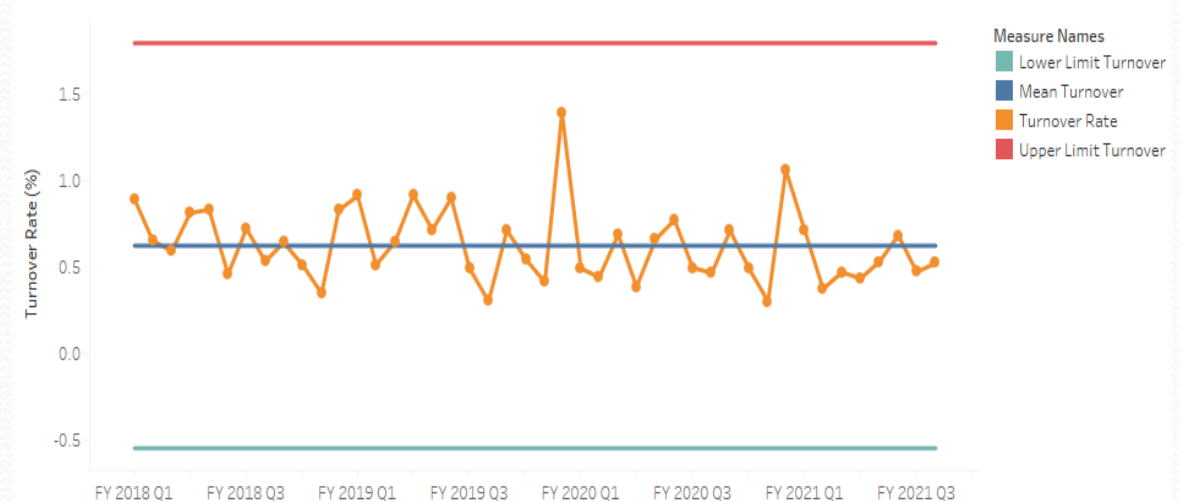
**Leaving reason**

New Employment with NHS Scotland – 4  
 Vol. Resignation- Other – 4  
 Retirement – Age – 3  
 Other – 1  
 End of FTC – 1

Turnover trend

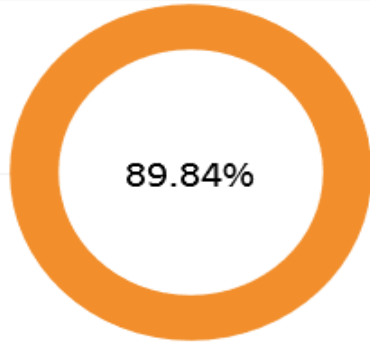


Turnover SPC

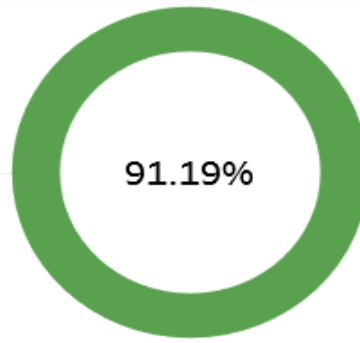


# Mandatory/Statutory Training

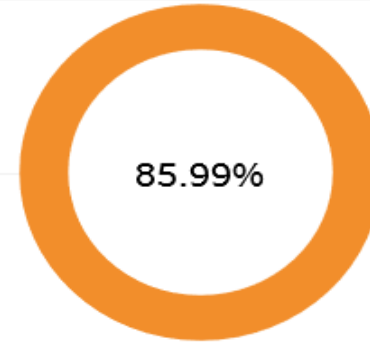
2 Year Compliance



3 Year Compliance



Statutory Compliance

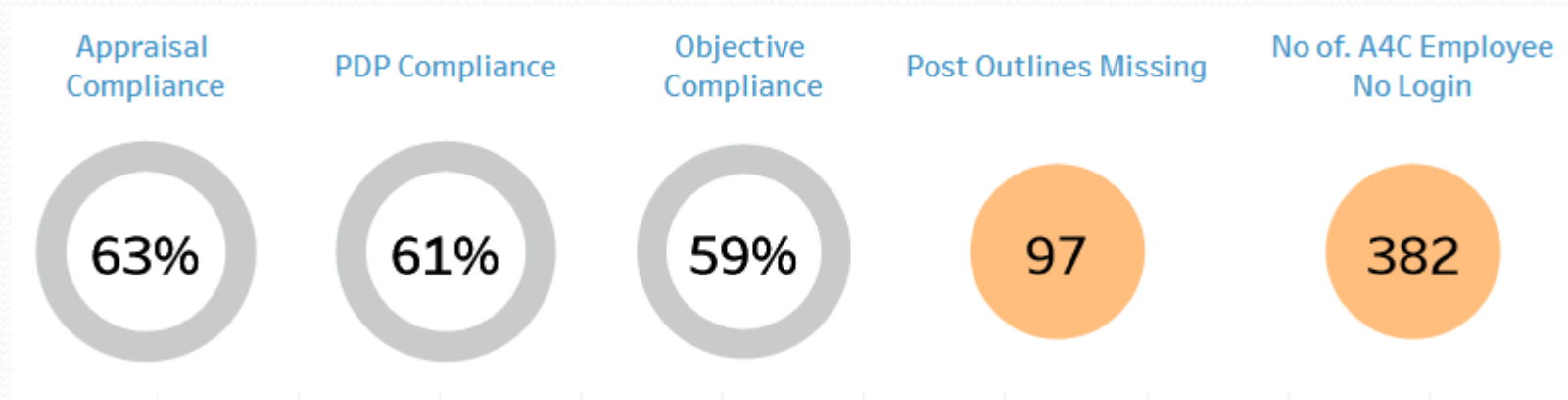


2 Year Compliance has decreased from 90.19% to 89.84%, 3 Year Compliance has decreased from 91.47% to 91.19% and Statutory has increased from 85.37% to 85.99%. Both Statutory and now 2 Year Compliance are sitting below the 10% threshold.

Fire Safety and Information Governance are the only courses which do not meet the 10% compliance threshold, at 85.99% and 89.84% respectively. The fire safety course was introduced in April 2020, and completion rate varies across SBUs.



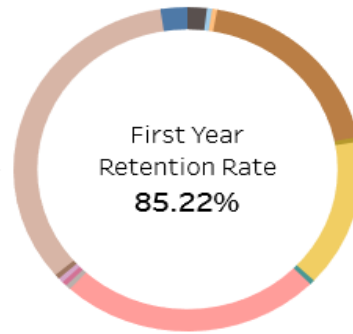
# Turas Appraisal



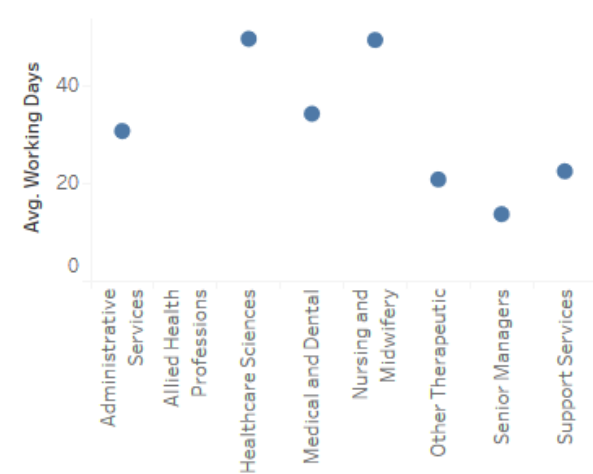
There has been a decrease across Turas Compliances at NSS level for the month of November. Appraisal Compliance has decreased from 64% to 63%, PDP from 64% to 61% and Objective Compliance from 62% to 59%. This decrease is due to a number of employees expiring (last appraisal/PDP/Objective has been out with the Rolling Year for a variety of reasons), as well as new employees who have not had any entered on to the system yet.

- DaS – Appraisal 71% (-), PDP 70% (-2%), Objective 69% (-)
- CLO – Appraisal 92% (-), PDP 88% (-1%), Objective 83% (-2%)
- Clinical – Appraisal 69% (-4%), PDP 64% (-2%), Objective 77% (+13%)
- HR – Appraisal 76% (+1%), PDP 64% (-3%), Objective 69% (+3%)
- PCF – Appraisal 71% (-), PDP 64% (-2%), Objective 63% (-3%)
- SNBTS – Appraisal 62% (+1%), PDP 57% (-2%), Objective 60% (-1%)
- SPST – Appraisal 36% (-5%), PDP 42% (-6%), Objective 43% (-6%)
- Finance – Appraisal 56% (-), PDP 54% (-7%), Objective 43% (-3%)
- P&CFS – Appraisal 62% (-1%), PDP 65% (-2%), Objective 53% (-4%)

# Recruitment



Time to Hire

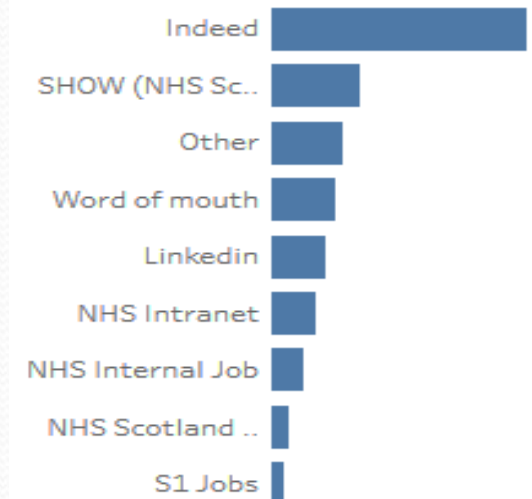


There have been 211 jobs advertised within the 2020/2021 FY. There are currently 51 live posts. There have been 1,788 applicants in November, an increase from 1,443 applicants in October.

YTD, there have been 2,706 vacancies advertised (79.45% Fixed Term Contract) - 2,409 have been created to respond to the potential demand for the National Contact Tracing Centre (NCTC), which now sits within the SPST SBU - 835 of these relate to the staff bank. Recruitment has been steady into the NCTC pending the recruitment strategy being finalised with Public Health Scotland.

Application Completion Rate has decreased slightly from previous month (38.61% in October), Offer Acceptance Rate has increased (89.03% in September). These figures are due to the increase of applications for Contact Tracing roles.

Applied through Adverts





# Occupational Health, Safety & Wellbeing

## **Health & Safety Update:**

No RIDDOR reports were submitted to the Health and Safety Executive during November 2020. NSS have to date have submitted three RIDDOR reports to the Health and Safety Executive.

Online accident and incident reporting through ServiceNow went live across NSS on 1 December. Information and guidance is available on HR Connect and drop in sessions with Line Managers and Investigators are currently being planned for December.

## **Occupational Health Update:**

There continues to be an increased demand for services due to the pre-employment checks required for Contact Tracers and other new staff.

COVID-19 Staff Vaccination planning is currently underway, with a Programme Board in place along with Project Management support. Phasing across staff groups, clinic requirements, vaccine storage and distribution and vaccinator requirements, training and communications to deliver this programme across NSS and other National Boards with an SLA in place (NES, HIS, PHS) will be agreed by the Programme Board.

## **Wellbeing Update:**

Development of the virtual 'Wellbeing Hub Channel' which will allow all staff to access to chat, discuss concerns and identify support called the Safe Space Channel will be launched and tested across HR on 10 December, with a wider roll out during December, including initial planned drop in sessions where staff can access one to one conversations with Mental Health First Aiders.

OHSAC will be considering and discussing the Wellbeing Action Plan as work on developing this further was paused during the pandemic and targeted measures were put in place to deal with specific Covid related wellbeing issues.

Several meetings have been delivered with the current Mental Health First Aiders to identify their role and responsibilities and what support is required to enable them to promote services across NSS.



# NSS Flu Programme

Clinic attendance remains at 94% with 1,428 appointments (as at 9 December) attended across both phases of the flu clinics.

All staff clinics are currently being delivered with clinics scheduled to 18 December.

- Weekly communications continue to highlight the importance of receiving a vaccination
- There is a daily review of demand to identify if more clinics are required to be arranged

In summary:

- 1,428 appointments have been attended
- 51% of NSS Frontline staff have been vaccinated
- 178 NSS staff, including 16 frontline staff, have advised that they have received their vaccine outside of the NSS Flu Programme
- The NSS Total Vaccinated (attended/future bookings & externally vaccinated) is at 1638, which is 45.37% of total NSS Headcount.

Board Totals	Future Bookings	Cancelled by Employee	Single Appointments Cancelled by Occ Health	Bulk Cancelled By Occ Health	Did Not Attend	Attended	% Appointments Attended	Attended and Future Bookings Total
National Services Scotland	32	318	156	205	97	1428	94%	1460
NSS Frontline Staff	7	74	83	16	33	485	94%	492

Cancelled & Rebooked	Cancelled Only	Overall Cancellation rate (did not rebook)	Externally Vaccinated
189	129	8%	178
42	32	6%	16

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>21<sup>st</sup> December 2020</b>
<b>Title:</b>	<b>Financial Performance – Month 8 B/20/79</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Carolyn Low, Director of Finance</b>
<b>Report Author:</b>	<b>Carolyn Low, Director of Finance</b>

## 1 Purpose

This is presented to the Board for scrutiny and discussion in relation to NSS financial performance.

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

- Annual Operation Plan and associated Financial Plan

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

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

This report presents NSS's financial performance for the period to 30<sup>th</sup> November 2020 (Month 8)

### 2.2 Background

This report forms part of NSS's formal financial management arrangements and is produced as a result of routine financial management and reporting processes.

The position stated will be used to report to SG Health Finance monthly through the FPR, and is reported routinely to FPPC and the Board to support overall governance arrangements.

### 2.3 Assessment

#### 2.3.1 Quality/ Patient Care

None

### 2.3.2 Workforce

None

### 2.3.3 Financial

The report confirms that NSS is on track to meet all of its financial objectives.

<b>NSS Targets</b>	<b>Year to Date £000</b>	<b>Forecast Outturn £000</b>	<b>RAG</b>
Revenue Outturn	6,912	0	<b>G</b>
NSS CRES Savings Total	2,516	5,723	<b>G</b>
NSD CRES Savings Total	10,148	14,363	<b>G</b>
Capital Outturn	0	0	<b>G</b>

### 2.3.4 Risk Assessment/Management

The report highlights the following financial risks:

- Outstanding funding allocations for annual revenue (£57m) and COVID19 expenditure (£212m)
- Advance payment risks to secure appropriate supply chains for PPE (£19.9m)

Although the sums involved are significant, the risk is considered to be low. Advance payment risk continues to reduce as ordered supplies are received.

In addition, a number of capital programmes highlight a potential delay in delivery schedules due to Covid-19 and EU exit. These will be monitored closely.

### 2.3.5 Equality and Diversity, including health inequalities

None

### 2.3.6 Other impacts

None.

### 2.3.7 Communication, involvement, engagement and consultation

The position reported reflects the position agreed between Finance and SBU directors as part of the routine financial management and reporting process. All Covid-19 expenditure reported is in line with formal governance arrangements agreed with SG and all relevant parties have been involved and engaged where appropriate:

### 2.3.8 Route to the Meeting

The financial position at an SBU level is agreed between SBU directors and Finance business controllers, then a consolidated position produced for EMT. Actions agreed will be managed collectively by EMT.

This report has shared with EMT at its meeting on 14<sup>th</sup> December 2020.

## **2.4 Recommendation**

- The Board is asked to note the positive financial position at Month 8

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No 1: NSS Financial Performance – Month 8

# NSS Financial Performance

1st April - 30th November 2020

Director of Finance  
15<sup>th</sup> December 2020

# NHS National Services Scotland Board

## Financial Performance – November 2020

### Executive Summary

#### Performance Summary

NSS is forecasting full achievement of statutory financial targets for 2020/21.

The year to date revenue under spend of £6.9m reflects significantly reduced activity within NSD commissioned services of £6.5m. Forecasts for NSD assume a breakeven outturn as any remaining funding would be returned to Boards as agreed by NSSC. The expected return to Boards is currently forecast as £8m.

The net SBU trading position is an underspend of £0.4m. Further detail by SBU is shown in slide 5 highlighting variances across different areas but none are considered material.

A balanced position for NSS is forecast subject to receipt of outstanding BAU allocations and the final 30% of Covid-19 allocations to be agreed in January.

#### Key Messages

SG have awarded an allocation of £395m to cover 100% of Covid-19 expenditure up to 30th June plus a sum equivalent to 70% of indicative commitments to end March 2021. The final 30% funding has increased from £154m to £212m due to changing requirements on PPE, Testing and Contact Tracing. This is due to be allocated in January. SG have been fully engaged on areas of additional pressure.

SG have confirmed the return to NSS of £1.5m relating to unplanned National Board Collaboration contributions in 20/21. This, combined with slippage on planned SBU development funding of £1m and the retained contingency of £0.5m is giving rise to a potential in year surplus of £3m. EMT are considering options to utilise these resources, with a focus on ensuring service sustainability and invest to save proposals.

Capital funds are over committed by £312k. There is likely to be some slippage in expenditure, but if not a revenue to capital transfer will be requested to cover.

NSS Targets	Year to Date £000	Forecast Outturn £000	RAG
Revenue Outturn	6,912	0	G
NSS CRES Savings Total	2,516	5,723	G
NSD CRES Savings Total	10,148	14,363	G
Capital Outturn	0	0	G

#### Risks and Issues

- NSS has received its baseline & £535m additional allocations from SG to date with outstanding general allocations of £57m still outstanding.
- The level of anticipated allocation is significantly greater in 20/21 due to the Covid-19 support services that NSS has delivered across NHS Scotland and beyond. £212m remains outstanding and will be reviewed in January by SG. It is deemed low risk.
- It should also be noted that NSS has paid certain PPE suppliers in advance of goods being received in order to secure orders – all such instances have been approved by the Director of Finance. This liability stands at £19.9m but is decreasing.
- Risks have been flagged in certain capital programmes highlighting a potential delay in delivery schedules due to Covid-19 and EU exit. These will be monitored closely.
- A significant element of funding for NHS Assure is likely to be returned to SG due to delays in recruiting.

# NHS National Services Scotland Board

## Financial Performance – November 2020

### COVID-19

NSS Covid Expenditure	M8 YTD £000	Revenue 2020/21	Capital 2020/21
Personal protective equipment	201,691	320,003	-
COVID-19 screening and testing for virus	29,245	80,528	18,488
Louisa Jordan costs	25,459	33,560	24,801
Equipment & Sundries	24,221	24,221	24,115
Contact Tracing Costs	9,292	22,759	-
Additional Transport/Freight	9,849	11,999	-
Private Healthcare	10,426	10,426	-
Additional hospital drug spend	4,000	4,000	-
Digital, IT & Telephony Costs	5,249	7,087	-
Estates & Facilities cost	3,723	5,767	-
Loss of income	2,334	3,422	-
Clinical Waste (NSS)	1,912	1,912	-
Convalescent Plasma - SNBTS	-	1,604	187
Additional Staff Costs (excludes overtime)	1,192	1,625	-
Immunisation Costs (COVID-19)	2,054	2,441	146
Mail Costs - P&CFS Shielding Letters	1,110	1,270	-
Additional staff overtime and enhancements	1,744	2,144	-
Flu Programme Delivery Costs	3,699	3,901	-
Developing Treatment for COVID-19 - SNBTS	341	462	-
Automated red cell phenotyping	77	230	-
Deep cleans	99	130	-
Smart Blood Fridges	-	52	164
Communications	41	41	-
Hire of Vehicle - Blood Donation SNBTS	33	33	-
CLO Charges	6	7	-
Offsetting savings - Health	(446)	(646)	-
<b>Total</b>	<b>337,350</b>	<b>538,979</b>	<b>67,901</b>
			<b>606,879</b>

#### Year to date

- Allocations received £395m, Q1 + Q2-4 70%
- The majority of the actual YTD spend £337m, relates to Covid-19 support services which NSS is providing on behalf of NHS Scotland
- Local, direct NSS costs (e.g. overtime £1.7m YTD) are impacting the NSS bottom line and have now been included in the LMP. Offsetting savings from travel etc reduce this funding requirement and are netted off in the LMP funding request.

#### Forecast Outturn

- NSS is forecasting additional costs of £607m in 2020/21 in relation to Covid-19.
- The main element of this cost is PPE (£320m) and Louisa Jordan (£58m) – it should be noted that the build costs for Louisa Jordan are currently recorded as revenue but may be reclassified as capital.
- Similar to the YTD position, the forecast assumes that national support services will be fully funded. NSS has ensured that appropriate financial governance is in place with all Covid-19 spend before commitment.

# NHS National Services Scotland Board

## Financial Performance – November 2020

### SBU Operational Performance

#### Year to date

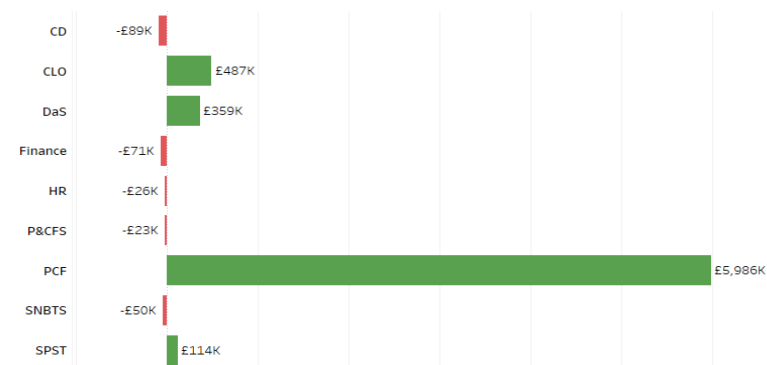
At 30 November, SBUs reported a net operating surplus of £6.9m. This comprises NSD surplus of £6.5m with additional surplus across other areas of £0.4m

- PCF– £6.5m reduced expenditure across NSD services. A slight recovery is expected over remaining months, but a full year forecast underspend of £8m is expected and will be returned to Boards as agreed by NSSC. £0.5m overspend in other areas of PCF due to overtime, loss of income and non pay costs.
- CLO – Surplus of £487k due to Vacancies £197k, income £96k and Non Pay £193k
- Clinical – Deficit of £89k consists of additional staff cost £199k, Non Pay savings (£149k) and Income below budget by £39k.
- P&CFS– Reduced Income £144k from closure of SHSC and additional Non Pay costs of (£207k), but vacancies have been significant with full year vacancy target of £327k already achieved reducing the year to date overall underspend of £23k.
- DaS – Surplus of £359k due to underspend on SG Programmes £460k are offsetting over spends in BAU activity of £102K

#### Forecast Outturn

- DaS - Forecasting £44k deficit due to additional staffing costs
- HR - £51k deficit forecast due to increased demand from SBU' s for OD & Employee Relations support.
- PCF - Forecasting £14k overspend. Logistics is assumed breakeven as additional staff and storage costs will be funded. Similarly cost pressures in other directorates arising from overtime will be funded via Covid and/or offsetting savings.
- SNBTS - £67k surplus, assumes COVID and UK Blood Inquiry costs (£450k) in FY21 will be funded
- SPST- £113k surplus due to staff vacancies now under recruitment
- P&CFS - £44k surplus due to pay underspend offsetting Atos contract pressures

#### Revenue variances – Year to Date



#### Revenue variances - Forecast Outturn



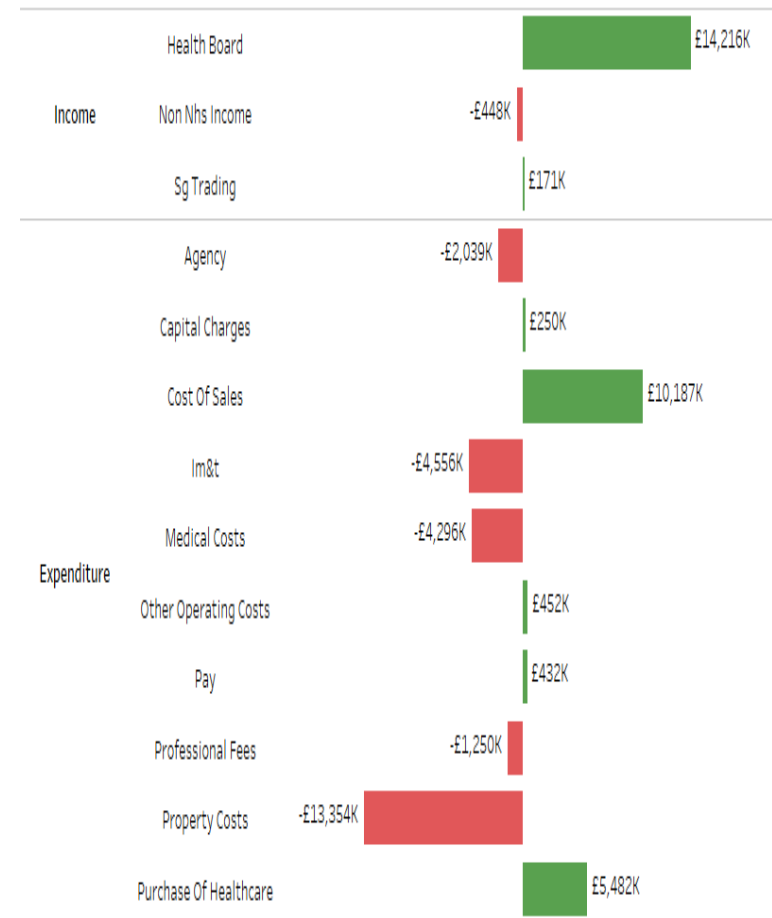


# NHS National Services Scotland Board Financial Performance – November 2020 Revenue Analysis

## Year to date

- The significant variances across Income; NDC sales down (£11.7m) Waste Contingency +£14.5m, Seasonal Flu +£4.3m, Oxygen £1m and additional income for ATOS Core £4.1m.
- Pay is overspent by £1.6m, including Agency variance of £2.0m. Additional overtime and excess costs related to Covid of £1.8k included for the first 8 months. By SBU the pay variance is PCF £1.1m (Brexit £0.5m and O/T), DaS £0.3m, HR £0.4m, Clinical £0.2m and SPST £0.2m. Additional income partially offsets this in DaS and HR.
- Cost of Sales relates to product supplied through the NDC, and plasma. This has reduced significantly due to cancellation of elective surgery over the last few months. (note this excludes PPE)
- IM&T costs are higher due to additional CCN's for ATOS Core (£5.5m) but corresponding recharges in Other Operating costs and income to offset.
- Property Costs – the adverse variance relates to Clinical Waste Contingency costs within PCF £14.5m. This is a 'pass through' cost with no impact to NSS' bottom line as it is funded by Health Board income, which has a corresponding positive variance. Other property costs are lower than phased budget mainly due to lower property maintenance and backlog costs.
- Medical costs relate to higher uptake of flu vaccines. £4.2m additional costs so far this year. This is funded by Health Boards.
- Purchase of Healthcare reflects reduced expenditure via NSD services

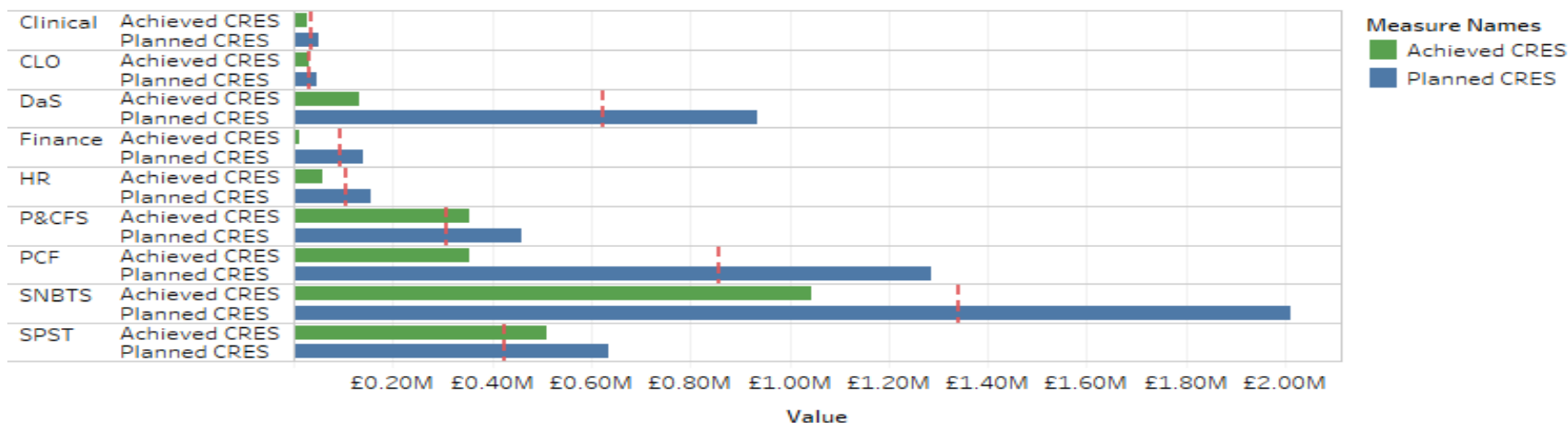
## Revenue variance analysis – Year to Date



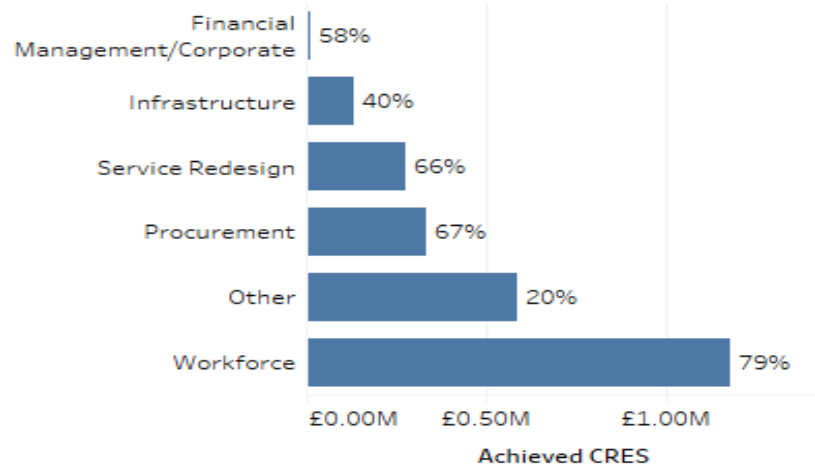
# NHS National Services Scotland Board Financial Performance – November 2020 Delivery of Cash Releasing Efficiency Savings

## CRES Savings - Achieved vs Planned

--- = YTD Target CRES



## CRES Savings - Value and % of budgeted savings identified



NSD annual savings target is £9.9m with £14.3m forecast. Additional savings from increased usage of recombinant products and under activity on specialist services will result in exceeding savings target by £4.4m. Any savings will be reinvested into priority services or returned to Boards, as agreed by NSSC governance.

Certain SBUs have found difficulty in delivering planned CRES initiatives on a recurring basis due to Covid-19. For the majority this is compensated by non recurring savings and therefore a forecast breakeven outturn.

DaS is behind target, as £840k was expected to be delivered via Staff savings from a new Target Operating Model which is currently on hold. Productivity savings via additional income will partly compensate.

# NHS National Services Scotland Board

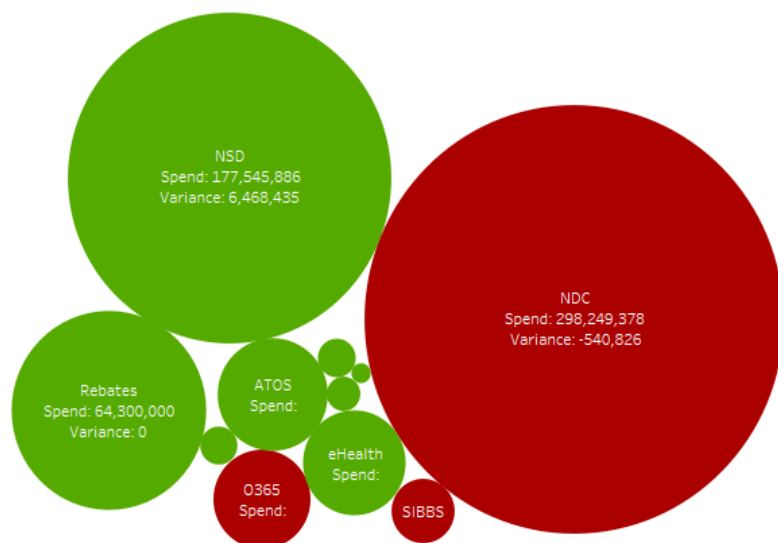
## Financial Performance – November 2020

### Services delivered on behalf of NHS Scotland

#### Year to date

- NSS manages services on behalf of NHS Scotland with a YTD budget of £615m. Overall a PCF underspend of £5.9m is reported due to NSD £6.5m and £0.5m overspend in Logistics.
- eHealth SLA, PACS, Rebates, GPIT, Scotcap and CHI are all delivering within plan with minor YTD over spend within SIBBS & O365.

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



#### NSD

- The NSD budget is currently £6.5m under spent at the end of November.
- £2.0m of the under spend relates to transplant/Implant services with very low activity. £3.2m is due to lower pricing and different prescribing patterns for patients receiving recombinant products. £0.9m is associated with treatment holidays (due to Covid-19) for IMD patients, plus other savings linked to low cross border activity over the last 8 months.
- NSD continue to report a break-even forecast for 2020/21 as NSSC have instructed NSD to use any under spend in the following areas;-
  - Covid related costs for NSD services not covered by Board mobilisation plans
  - Start up and recovery costs of specialist and screening services due to service disruption.
  - To fund Covid Boards antigen testing (in Inverness) and viral genotyping (in Edinburgh & Glasgow)
  - Return remainder to, currently estimated at £8m. This will be presented to Board Chief Executives in December.
- The underlying assumptions around the NSD financial projection will be updated in-line with emerging Health Board plans so that any deviation from the annual budget is reported timeously and formally to SG via the NSS LMP.

# NHS National Services Scotland Board Financial Performance – November 2020 Scottish Government Funding Allocation Tracker



## Received

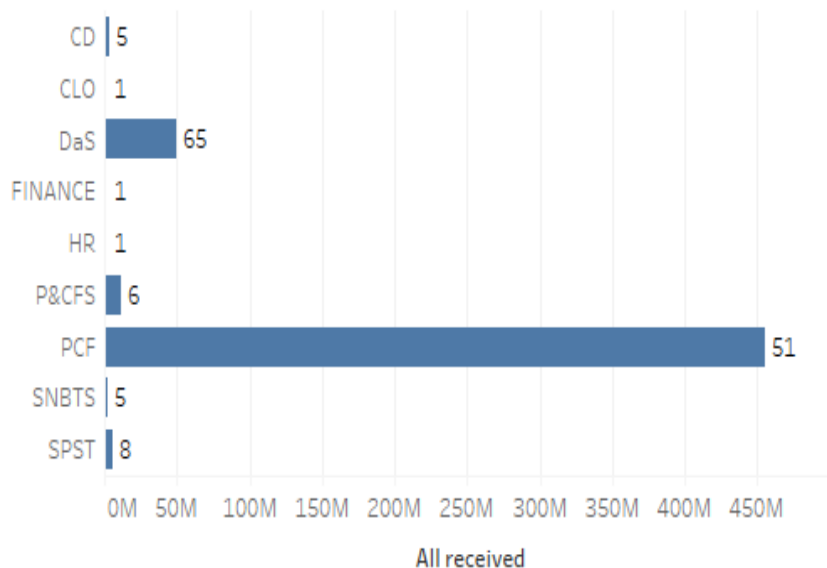
Baseline funding of £336m and additional allocations of £535m have been received to date, including Covid £398m.

## Outstanding

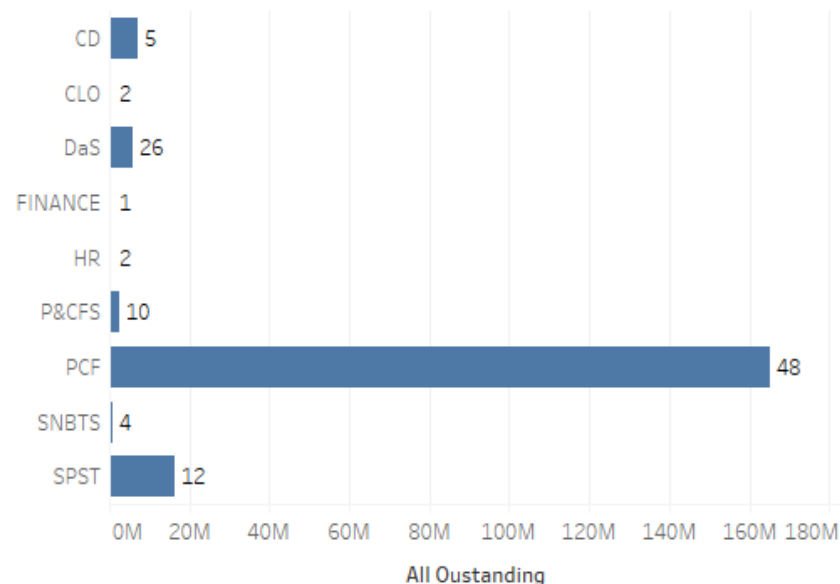
£57m remains outstanding which is 86 individual allocations, plus £212m related to Covid spend.

Business Controllers have established the level of risk for the outstanding allocations excluding Covid, currently as Green £55m and Amber £2m. Amber risk allocations include 19/20 c/f allocations of £1.2m and CLO/CFS pharma cases £0.4m.

### SG Allocations - Amounts and No. of Allocations Received



### SG Allocations - Amounts and No. of Allocations Outstanding



# NHS National Services Scotland Board Financial Performance – November 2020 Capital Programme Delivery

## Year to date

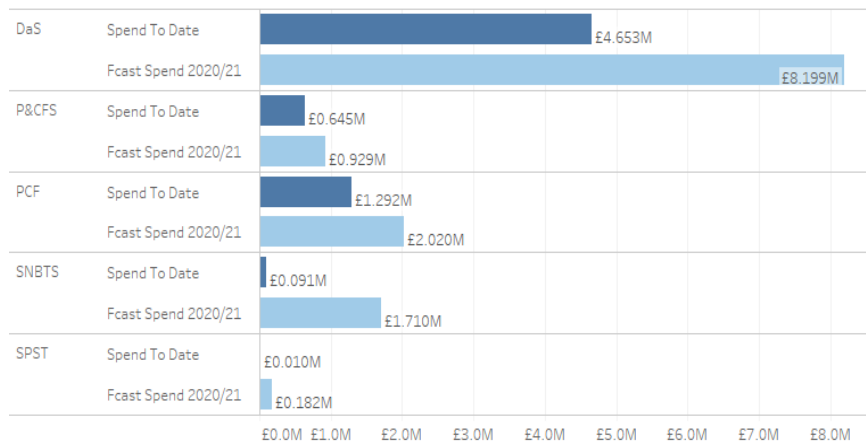
Budget for the full year is £12.114m, comprising NSS allocation of £2.927m, SG capital of £8.595m and carry forward £0.592m

Total expenditure year to date on capital projects is £6.7m which is 55% of full year budget.

All capital funds are committed. Current projects are being reviewed to establish any potential slippage otherwise there would be a requirement for a revenue to capital transfer.

Covid-19 capital (£67.9m) not included currently until treatment confirmed with SG. This relates to accounting treatment of the NHS Louisa Jordan assets and equipment purchased for Covid-19 held on behalf of SG and Boards.

## Capital Expenditure - SBU Forecast versus YTD Spend



## NSS CAPITAL DEVELOPMENT FUNDING

£000

Opening position	Opening AOP	2,927
	19/20 slippage allocation	592
	19/20 Radiology	-182
	19/20 Property Works	-500
<b>Opening position total</b>		<b>2,837</b>
Critical projects approved	On Session Digital Redesign Phase 3	-119
	Medical Transfusion Data collection	-28
	High Content Screening System TCAT	-200
	nDCVP	-1,000
	Flowcytometer replacement	-350
	Equipment Rolling Replacement	-315
	SNBTS Fleet Modernisation	-300
	Breast Screen Unit	-630
	Warehouse Management System	-126
	Robotic Process Automation	-50
	Franklin Covey All Access Pass (AAP)	-30
<b>Committed</b>		<b>-3,149</b>
<b>Over committed</b>		<b>-312</b>

## SG CAPITAL DEVELOPMENT FUNDING

£000

Opening position	CHI	6,654
	QAS	1,500
Additional approved	Covid - Convalescent Plasma programme	187
	Breast Screen Unit additional cost	90
	Covid - COVID-19 Smart Blood Fridges	164
<b>Total SG Funding</b>		<b>8,595</b>



**NSS**  
**Finance**

<b>Meeting:</b>	<b>Board Meeting</b>
<b>Meeting date:</b>	<b>21 December 2020</b>
<b>Title:</b>	<b>Digital and Security COVID-19 Programmes Update <b>B/20/80</b></b>
<b>Responsible Executive/Non-Executive:</b>	<b>Deryck Mitchelson, Digital and Security Director</b>
<b>Report Author:</b>	<b>Karen Young, Portfolio Services Director (Interim) &amp; Shelley Brackenridge, Digital Office Director</b>

## 1 Purpose

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

- Awareness and discussion in relation to NSS National Programme delivery

**This report relates to a:**

- NHS Board/Integration Joint Board Strategy or Direction

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

- Effective

## 2 Report summary

### 2.1 Situation

Digital and Security were requested to present the status and key deliverables of the national Programmes & COVID-19 Portfolios to the Board for awareness and consideration. The programmes included are: -

- **COVID-19**
- **e-Rostering**
- **National PACS Re-Provisioning**
- **Phase 2 Local Health Board PACS V12 Technical Refresh**
- **CHI/Child Health Systems**
- **GP IT Re-Provisioning**
- **National O365**

## 2.2 Background

Digital and Security continue to progress the National Programmes and have recently added e-Rostering to the portfolio. The Programmes are presented and are governed through the NSS PSG, engagement with Public Health Scotland and Scottish Government as required.

## 2.3 Assessment

Further details can be found in Appendix1.

Programme	Status
COVID-19	Green
e-Rostering	Green
National PACS Re-Provisioning	Green
Phase 2 Local Health Board PACS V12 Technical Refresh	Amber
CHI/Child Health Systems	Green
GP IT Re-Provisioning	Amber
National O365	Amber

The overall position is generally positive with GPIT being managed to revised timelines. Licencing issues with 0365 need to be resolved and could involve some cost for Boards but discussion are underway with all key stakeholders.

### 2.3.1 Quality/ Patient Care

Scope captured in Programme governance

### 2.3.2 Workforce

Resource plans managed within each Programme

### 2.3.3 Financial

Budgets remain on track with underspend forecast in PACS re-provisioning and GPIT. PACS V2 also projecting an underspend due to pause as a result of COVID-19 priorities albeit Scottish Government fully aware and engaged.

Further details can be found in Appendix1.

### 2.3.4 Risk Assessment/Management

Risk managed within each Programme and overarching risks included in NSS risk review

### 2.3.5 Equality and Diversity, including health inequalities

N/A

### 2.3.6 Other impacts

N/A



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

- Regular reviews are conducted Fortnightly as part of NSS PSG and DaS include status updates as part of all Board packs for awareness and discussion

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

- Regular item requested to be presented to the Board.

## **2.4 Recommendation**

- **Awareness and discussion** – For Members' information only.

## **3 List of appendices**

The following appendices are included with this report:

- **Appendix 1: NSS National Programme delivery**

## Appendix 1: NSS National Programme delivery

### COVID-19 Portfolio

#### Background

Digital and Security have provided an extensive portfolio of capabilities and services to support the National pandemic response throughout 2020.

Test and Protect and associated dashboards are fully operational. Integrated solutions including hospitality apps and portals have been introduced as an ongoing stream of development requests directed by Scottish Government in response to managing through the COVID-19 response and recovery.

More recently as a result of the rapid deployment of Service Now in the end to end solution for contact tracing, a further commission to use this scalable asset in response to a National Vaccination capability has been received.

#### Status

The overall RAG status of the Programme is **Green**.

Test & Protect continues to provide a robust solution across Scotland in management of the pandemic. Dashboards and data storage continue to be enhanced to meet the requirements of the Scottish Government however given recent volume scalability requirements, some redesign has now been initiated to provide increased scalability. Data modelling tools using Artificial Intelligence has been deployed to support Health Boards across Scotland to predict demand thus enabling planning at a regional level.

Check-in/Check-out launched on 14 December enabling the hospitality sector in Scotland to manage and monitor citizens through their venues in a controlled manner. This cross functional delivery partnered with DHI and completed volume testing to assure confidence in the solution ahead of launch.

Following recent approval, a new Vaccination capability utilising Service Now is fully underway with MVP due in January.

CO3 V1 (citizen self-service registration and tracking) is due to complete 18 December and a further commission to start V2 has already been received. In addition, a further request to work on a solution for Outbreak management has been received and both areas will require full scope review and estimations to enable DaS to schedule and on board resources as necessary.

#### Budget

COVID-19 return (LMP) - £13.2m (next return is due for the end of Q3 (Dec)).

### e-Rostering Programme

#### Background

The e-Rostering Programme was established by the NHSS Business Systems Programme Board, to implement a single national time recording and rostering system, to eliminate duplication and waste.

The initial phase of this Programme (Procurement) has almost completed, with the Programme Board concluding that the preferred bidder from the procurement process should be awarded a 10 year contract and therefore commence the national implementation programme. This decision was also ratified by the Chief Executives.

## **Status**

The overall RAG status of the Programme is **Green**.

On the 18<sup>th</sup> November, the Programme was passed to DaS to finalise the contract and progress the implementation across NHSScotland. A small team has been set up to carry out a Due Diligence activity, with support from Procurement and CLO colleagues. The primary focus of this work is to establish agreed an agreed implementation schedule with the Boards, in order that formal Back to Back agreements can be put in place with each of the Boards. Once these are complete, the Contract will be able to be signed.

## **Budget**

The FBC identified the cost to be £62.2m to implement and run the e-Rostering system over a 10-year period. This is broken down into: -

- Total running costs (£58.1m) over ten years
- Implementation Costs (£4.4m) incurred over the first 6 years whilst the system is set up in each of the 21 boards.

Scottish Government have committed £2m over the first two years to support implementation of the Early Adopter Boards. The remaining funding will be provided by Boards. The FBC identifies that the efficiencies/financial benefits that will be achieved by Boards through adoption of the system will cover the costs of their implementation and running costs.

## **National PACS Re-Provisioning Programme**

### **Background**

In April 2020, the Digital Health and Care Directorate in Scottish Government, commissioned NSS to carry out the PACS Re-Provisioning Programme with the aim of having new contractual arrangements for a “Once for Scotland” PACS system before the end of January 2023. A PACS Re-Provisioning Team has been formed and a PACS Re-Provisioning Board established. Both are accountable to the newly formed Enabling Technologies Board.

## **Status**

The overall RAG status of the Programme is **Green**.

The Programme is in Phase 1 – Pre Procurement and is on schedule. The Initial Agreement was approved by the PACS Re-Provisioning Programme Board on 3<sup>rd</sup> December and will be presented to the Enabling Technology Board on 9<sup>th</sup> December for approval to proceed to the Outline Business Case.

## **Budget:**

There is a forecast underspend for 2020/21 which Scottish Government are aware of. This is due to a staggered start to the programme and efficient use of “blended team” resources across all PACS activities. Budget for 2021/22 agreed as part of the Commission Process with the Programme Sponsor.

## **Phase 2 Local Health Board PACS V12 Technical Refresh Programme**

### **Background**

The PACS V12 Technical Refresh Programme involves 15 Health Boards. This technical refresh will also consolidate the number of Local PACS Sites from 31 to 22.

## **Status**

The overall RAG status of the Programme is **Amber** as there is a risk that COVID-19 will impact on planned activities during the first quarter of 2021.

The Programme was on schedule (pre COVID-19) to March 2020, with 9 out of 22 sites being implemented. There was a “COVID-19 pause” and a major re-planning exercise with the remaining Health Board eHealth/radiology teams, the supplier and NSS which resulted in a re-baselined plan for the remaining rollout of the programme. The final rollout will be GGC South consolidation in February 2022.

Phase 2 implementations restarted in August 2020 with Western General, RIE and Sick Kids in NHS Lothian all being successfully completed by 7<sup>th</sup> October and NHS Fife go-live on 8<sup>th</sup> December.

**Budget:**

There is a forecast underspend for 2020/21 due to COVID-19 pause.

## **CHI/Child Health Systems**

### **Background**

In 2014, NSS was commissioned to develop a Business Case to modernise the CHI (Community Health Index) system, the GP Patient Registration system (GPRS), the Child Health systems and the Scottish Immunisation Recall System (SIRS). This ultimately resulted in a procurement exercise and the awarding of contracts for a single replacement system for CHI and GPPRS, and a new, single Scottish Child Public Health & Wellbeing System (SCPHWS). In addition to implementing these systems, the Programme also encompasses the delivery of a new standards-based National Integration Platform for Scotland with the potential to substantially simplify and reduce costs for future implementation of national and local systems.

### **Status**

The overall RAG status of the Programme is **Green**.

The CHI and GPPRS Project is progressing extremely well and continues to report a RAG state of Green for Time, Quality/Benefit and Cost. The Child Health (SCPHWS) Project had recently reported Amber (at risk) for Time, but is now reporting Green following a short re-planning activity. Contributing factors included SME resource from Health Boards being reprioritised away from the Project onto flu and Covid-19 activities.

The new CHI system will go-live March 2021 and will run concurrently with the Legacy CHI. July 2022 will see the Legacy Child Health systems replaced with SCPHWS system and full go-live for New CHI and GPRS, with Legacy CHI decommissioned in November 2022.

### **Budget**

The Programme budget is £67.7m and the overall ‘whole life’ cost remains within the financial envelope (baselined at FBC v3, May 2018). Revised costs from NSS Digital and Security may result in a favourable outturn for 2020/21.

## **GP IT Re-Provisioning**

### **Background**

NSS was commissioned by Scottish Government in 2014 to carry out a procurement exercise to re-provision GP IT systems. Ultimately, that resulted in three suppliers (EMIS Health, Eva and Cegedim) being appointed to the Framework Agreement and, as set out in the agreement, had until February 2020 to develop their GP IT systems to deliver Tranche 1 of the Scottish requirements, and pass Accreditation Testing. First deployments were originally expected from the summer of 2020. However, all suppliers subsequently indicated that they were unable to meet the contractual deadline for delivery of Tranche 1. The Programme has been working with these suppliers to develop their systems in line with the Scottish requirements. These systems will not be available to Health Boards until they are fully tested and accredited.

## Status

The overall RAG status of the Programme is **Amber**.

Based on the current supplier delivery plans and their revised timescales for solution delivery, the project continues to report an Amber status.

Cegedim's development partner (Sopra) suffered a cyber-attack, which halted development work, resulting in a delay of two months. Restorative works took place and are now complete. This does not breach target deployment date however does increase the level of risk. First deployment remains unchanged and is scheduled for Summer 2021. EMIS and Eva have targeted Summer 2022 for their respective first deployment.

Meetings continue with Health Boards to discuss preparation activities for direct award, development of local business cases, and other preparatory activities.

## Budget

The Programme budget for 20/21 is c£1.3m with a forecast underspend of c£100k due, in the main, to COVID-19, which Scottish Government are aware of.

## National O365

### Background

In 2016, NSS, on behalf of NHSScotland, signed a contract with Microsoft for a national O365 license agreement to replace the previous Microsoft Enterprise Wide Agreement for licensing. In November 2018, NHS Digital informed NHSScotland of the need to migrate off the NHSMail platform by September 2020, however due to Covid-19 response, this was put back to December 2020. In addition, with the onset of Covid-19, the Programme was asked to accelerate the rollout of Teams to NHSScotland, to facilitate remote working.

## Status

The overall RAG status of the Programme is **Amber**.

MS Teams was successfully rolled out to over 160k users in 3 weeks. Since then, over 35K Teams channels have been established, over 300K calls have taken place, over 500K meetings and over 2M instant messages sent.

The migration from NHSMail to O365 mail will complete in December 2020, with the overall Programme concluding in March 2021 as it moves into BAU. On completion of the migration tasks and a move into a steady state, the Programme will revert to Green.

It should be noted that there have been some issues, the most significant with regards to the mail migration, in relation to evidencing compliance to a particular clinical security standard. A full Clinical Safety Case was completed in this regard and has been presented to NHS Digital along with an application for a compliance certificate. No issues are anticipated. Additionally, following a "Grace Period" for licensing, work has been progressing to ensure that the license usage is reflective of need and a full True-Up Audit will take place with each Board by January 2021. This audit will identify the license needs for NHS Scotland for Year 4 onwards.

## Budget

The Programme budget for 20/21 is c£3.9m and is on target.

**HIGHLIGHTS FROM NSS BOARD SUB-COMMITTEES SINCE SEPTEMBER 2020 NSS BOARD MEETING****FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE – 19 November 2020****Issues & Risks for the Board's Attention**

- The Committee encouraged NSS to make best use of its resources to avoid potential staff burnout, and consider the point at which an emergency response becomes business as usual.
- The Committee were keen that NSS should not be constrained by awaiting confirmation of specific, upfront funding in order to take forward initiatives that would demonstrably be of much wider benefit

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

- The Committee heard a presentation on the progress of the Finance Transformation work.
- The Committee noted and approved the externally focused National Procurement Annual Report for 2019/20.
- The Committee agreed to delay the Best Value self-assessment by 12 months due to the ongoing pandemic response

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

- The Committee discussed the “Red” measures in the Annual Operating Plan and balancing visibility of what needed to be monitored or improved, and recognising what had been placed on an agreed pause or delayed due to external factors outwith NSS's control.

**Other Matters of Interest**

- None to report.

## STAFF GOVERNANCE COMMITTEE – 19 November 2020

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

- None to report.

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

- NSS was beginning to understand the issues affecting staff arising from COVID-19 but there was still further work to be done on this.
- The Committee heard an update on Pulse Survey results and discussed the need for positive and realistic communications to give as much certainty as possible at work.
- Ongoing theme in discussions around role of managers and adapting their management style in the current environment.

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

- None to report.

### **Other Matters of Interest**

- The Committee commended the contribution of NSS to the ongoing national pandemic response.
- The Committee heard updates on the delivery of flu vaccinations and preparations for COVID-19 vaccinations.

## CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT COMMITTEE – 2 December 2020

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

- None to report.

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

- The Committee were updated on the various challenges and pressures that the Scottish National Blood Transfusion Service was currently facing and were assured by the actions being taken in response.
- The Committee heard a presentation on a proposed product safety approach to Clinical Safety in Scotland and how it would bring Scotland in line with best practice used elsewhere.
- The Committee was updated on the finalisation of the National Screening Oversight Function establishment, with clarity provided on NSS's duties in relation to that.

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

- None to report.

### **Other Matters of Interest**

- The Committee approved the annual reports for Clinical Staff Revalidation, Medical Staff Appraisal, and Patient Group Directions.



## AUDIT AND RISK COMMITTEE – 2 December 2020

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

- The Committee had a robust discussion on internal audit of the procurement investigation and were content to approve the report.
- In respect of Service Audit, the Committee were keen that KPMG work with NSS to either get to a wholly unqualified opinion, or agree how the opinion could be presented to the stakeholders to align more closely with previous language and phrasing used.
- Audit Scotland notified the Committee that the timetable for the audit of final accounts is likely to be delayed again but they would seek to minimise that delay as far as possible

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

- The Committee were advised by the Internal and External Audit Teams that, due to the ongoing demands of the COVID-19 response on NSS, the timescales for development of the draft audit plans had needed to be altered. However, they would still be finalised within the normal deadlines.

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

- The Committee received an overview of the development of a Board Assurance Framework around risk, and looked forward to seeing the proposed approach being taken forward.

### **Other Matters of Interest**

- The Committee approved the Fraud Management Policy for 20/21, subject to a minor clarification

B/20/82

**NSS Board Forward Programme 2021 – draft as at 21.12.20**

<b>Dates</b>	<b>24.3.21</b>	<b>25.6.21</b>	<b>30.9.21</b>	<b>2.12.21</b>	<b>Development Session</b>	<b>Development Session</b>	<b>Development Session</b>
<b>Apologies/Additional Attendees</b>							
Every meeting	Minutes/Actions	Minutes/Actions	Minutes/Actions	Minutes/Actions			
<b>FOR APPROVAL</b>							
Standing Items	NSS 5 Year Plan NSS AOP/Remob Plan 21/22 Review of Risk Appetite Pub. Sector Equalities Duties Report [L Mac]	NSS Annual Report and Accounts ARC Annual Report  End of Year Performance Report Register of Interests					
Additional requests							
Items moves/deferred							
<b>FOR SCRUTINY</b>							
Standing Items	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update	Chair's Report CEO's report Year end Standing Financial Instructions Fraud Report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests Update on Sturrock Action Plan	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests Update on Sturrock Action Plan	Chair's Report CEO's report Finance Report Performance Report People Report D&S Report ARC update NSS Strategy Update Register of Interests Update on Sturrock Action Plan			

		Committee Annual Reports					
Additional Requests							
Items removed/deferred							
<b>FOR INFO ONLY</b>							
Standing Items	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees	NSS Policies Approved Mins all Governance Committees			
Additional requests							
Items removed/deferred							

Note: All Board Members to receive Fire Training on a 2-year cycle (last completed June 2019)

**Meeting:** NSS Board  
**Meeting date:** 21<sup>st</sup> December 2020  
**Title:** Chairs Report **B/20/83**  
**Author:** Keith Redpath

## 1 Purpose

This Report is presented to the Board for scrutiny of the Chair's actions.

## 2 Report summary

The Report provides a summary of the Chairs activities since the last Board meeting.

## 3 CEO Recruitment

As the Board already knows, the recruitment process concluded on 18<sup>th</sup> November and resulted in the post being offered to and accepted by Mary Morgan, our current Director of Strategy, Performance and Service Transformation and Deputy Chief Executive.

I would like to thank my Board non-executive colleagues for their support throughout the process as well as the contributions from the Interim NHS Scotland Chief Executive and Chief Executive of NHS Forth Valley who made up the recruitment panel.

I should also record my appreciation to our Director of HR, Jacqui Jones, for her advice to me throughout the process and to her team for the efficient and effective manner in which they carried through the process.

## 4 Non Executive Recruitment

This is the first formal opportunity I have had to record the appointment of our new Non-Executive Directors.

Lisa Blackett, Gordon Greenhill and Arturo Lange were formally appointed to the Board with effect from 19<sup>th</sup> October 2020 for a period of four years.

Arturo Lange also has been appointed as the Whistleblowing Non-Executive Director and will fulfil the statutory duties as set out in The Public Services Reform (The Scottish Public Services Ombudsman) (Healthcare Whistleblowing) Order 2020, as well as the normal responsibilities of any other Non-Executive Director.

Also since the last Board meeting, the Cabinet Secretary for Health and Wellbeing has confirmed the reappointment of Alison Rooney for a second 4-year period on the NSS Board from 26<sup>th</sup> June 2021.

## **5 Annual Review**

For completeness and for public record, I have attached a copy of the outcome letter from the Annual Review (Appendix 1). I would again want to record my appreciation to the executive team for the hard work that went into the production of the required information for the Annual review and obviously to every member of staff across the organisation for their respective contributions to the over-whelmingly positive performance in every part of NSS.

This year our revised approach to recognising excellence in NSS was a real testament, if we ever needed one, of that commitment right across the organisation.

Given that some 500 members of staff were 'live' on that event and that was 5 times the number who would attend a normal event, I have suggested that even though we might be able to meet collectively by the time of the next awards, we should reflect on how best we should approach this as we go forward.

## **6 Board Governance**

Following on from the appointment of our new non-executives, we agreed at our development session that, having heard from our new colleagues about their areas of interest, I would bring forward recommendations to this meeting on revised memberships of our governance committees.

In doing so I have sought to add to the memberships of each committee with each having a minimum of 5 members. This should ensure that we do not have any issues in terms of meetings being quorate.

In proposing this I have ensured that each non-executive serves on three committees and the Board.

Lastly, while the Board agreed last year to rotate the chairs of a number of committees, we left the Chair of Staff Governance Committee (SGC) and Remuneration and Succession Planning Committee (REMCOM) with John Deffenbaugh. I have agreed with John that in order to ensure a more even distribution of workload that he would demit the Chair role of remcom and I have asked Ian Cant to take on the role as chair in Johns stead. Ian has been a long standing member of remcom and John will remain a member of the Committee.

I have attached as appendix 2 a revised list of committee memberships for the Board to consider and approve if satisfied.

Kate Dunlop will remain member of the committees she currently sits on until she demits office on 31<sup>st</sup> March 2021.

Lastly it is my intention, when I do year end reviews in spring 2021, to discuss with our new members their interest in taking on committee chair roles in the future. While we will have a stable and full roster of non-executives for the next 18/20 months, I do want to get us to a position where, in the knowledge that a period of board membership is going to be coming to an end, and where that person is currently chairing a Board committee, we can identify their successor some 12 months in advance.

## **7 Chairs National Activity**

There have been two sessions for Board Chairs since the last NSS Board meeting took place both with sessions with the Cabinet Secretary. A third was scheduled for today (21/12) but was cancelled by the Cabinet Secretary. Both these sessions have included sessions with John Connaghan where significant detail on the pandemic state as well as expectations from SG in terms of response and also remobilisation have been set out. At the second session we heard in details about the preparedness for the Covid19 vaccination programme from Caroline Lamb.

In terms of future sessions, I have arranged for Jim Miller and Jacqui Reilly to attend the Board Chairs session in January to present on the launch of NHS Assure from 1<sup>st</sup> April 2021.

I have also assumed the role of Vice Chair of the National Evaluation Committee having attended the recent specific training course. This is the group that evaluates the job descriptions (and thereby the grading and salary) for senior/executive manager jobs across all NHS Boards.

## **8 EMT Engagement**

As the Board knows I have weekly 1 2 1 sessions with the Chief Executive to keep up to date with developments across the organisation as well as the broader NSH system.

However, given that we have not been living in normal times, I felt that as we have not been in the office, I had not had the opportunities that I would normally have to engage with other EMT members. Not all of the Executive team have been either required or been able to attend Board meetings either. Therefore, I agreed with Colin that I would have individual 1 2 1 sessions with each of the EMT members. I completed these in the run up to the Chief Executive interviews and this allowed me to spend some time with each Director and hear some more detail about not just their Covid related activities but their BAU as well.

These lasted no more than an hour and hopefully were not too intrusive to their diaries, but I wanted to record my appreciation for their engagement with me. I found them universally helpful and informative and I hope that the EMT found them to be supportive as well. I am not proposing to make these a regular feature at this time but will review the need for them again as we progress through next year.

## **9 Recommendation**

The Board are recommended (1) to consider the contents of the Report and provide questions and/or comments to the Chair, (2) approve the proposed changes to the membership of Board Committees and (3) approve the appointment of Ian Cant as Chair of the Remuneration and Succession Planning Committee.

**Keith Redpath**

**Chair**

**10<sup>th</sup> December 2020.**



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Keith Redpath  
NHS National Services Scotland

Cc: Colin Sinclair

By Email.

7 November 2020

### **NHS NATIONAL SERVICES SCOTLAND (NSS) – ANNUAL REVIEW 2019/20**

1. I am writing to you following the Annual Review held on Monday 2 November 2020. I would like to record my thanks to you and Colin for the very helpful discussion and to all staff who were involved in the preparations for this meeting.
2. This letter summarises the main points discussed and the actions arising from the Review.

### **PRE-COVID PERFORMANCE TO END OF 2019/20**

3. It was helpful discussing NSS' performance in 2019-20. Meeting 92% of performance targets reflects the on-going efforts of the organisation to provide highly effective services and speaks to the professionalism and commitment of staff.
4. I recognise that you are making progress against targets that were not met and you indicated that you were assured that appropriate actions are being taken by the organisation. You will be aware in particular of the importance placed by the Scottish Government on the GP IT reprovisioning project.

### **COVID-19 INITIAL RESPONSE**

5. There is no doubt NSS has performed extremely well in responding to Covid-19 across a number of areas and I acknowledge the significant contribution that the Board has made to support services across Scotland, most notably:
  - the significant increase in activity by National Procurement relating to personal protective equipment (PPE) – both in terms of procurement and distribution - to meet the needs of Health and Social Care services nationally;
  - the support and expertise of HFS in the construction and maintenance of the Louisa Jordan Hospital and purchase of required equipment;

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- the roll out of Office 365 to facilitate home working, as well as the provision of additional digital support across NHSScotland;
  - the collaboration with Public Health Scotland to implement and manage Test and Protect; and
  - ensuring the availability and resilience of medical supplies.
6. I appreciate the very fast pace in which this work was undertaken and I was interested to hear your reflections on how NSS could further lead key areas of work, such as working with Scottish Enterprise to support the production of PPE and other supplies within Scotland. In addition to this, I encouraged you to approach the Care Inspectorate to offer further support and expertise from NHS Assure to help with their future infrastructure requirements and plans.

## FORWARD LOOK

7. I would like to thank you for all the work that you and your team have undertaken in setting out plans against the objectives and principles for safe and effective remobilisation.
8. You will be aware from correspondence that our four key priorities for the next phase to March 2021 are:
- securing exit from the acute pandemic phase through an effective mass population vaccination programme;
  - suppressing the virus through sustainable precision public health measures such as Test and Protect, Surveillance and Response;
  - keeping people alive and well through provision of essential health and social care services including those that promote wellbeing; and
  - supporting people through incentives and clear communication to comply with public health guidance.
9. It was interesting to hear how the Board is planning to deliver against these priorities through:
- supporting the delivery of COVID-19 vaccinations programme, by assisting with the logistics of procuring and distributing the vaccines and establishing a national framework to ensure there is a clear delivery plan;
  - continuing to demonstrate and build on NSS' capabilities to enable you to lead further improvements to infrastructure and systems across NHSScotland; and
  - ensuring resilience in the supplies of PPE and medical stock to help enable services to continue throughout the winter months and in response to EU Exit.
10. With regards to Test and Protect, and on tracing in particular, we discussed some of the immediate requirements to ensure workforce planning was being taken forward with the most appropriate modelling. I understand you were taking this forward with Scottish Government officials as an immediate action.
11. We also discussed the challenges in finding the most efficient and appropriate means of engaging with the public, especially given the criticism of the effectiveness of other systems used in England. I would continue to encourage you to give appropriate consideration to communications used, and working closely with Territorial Boards,

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

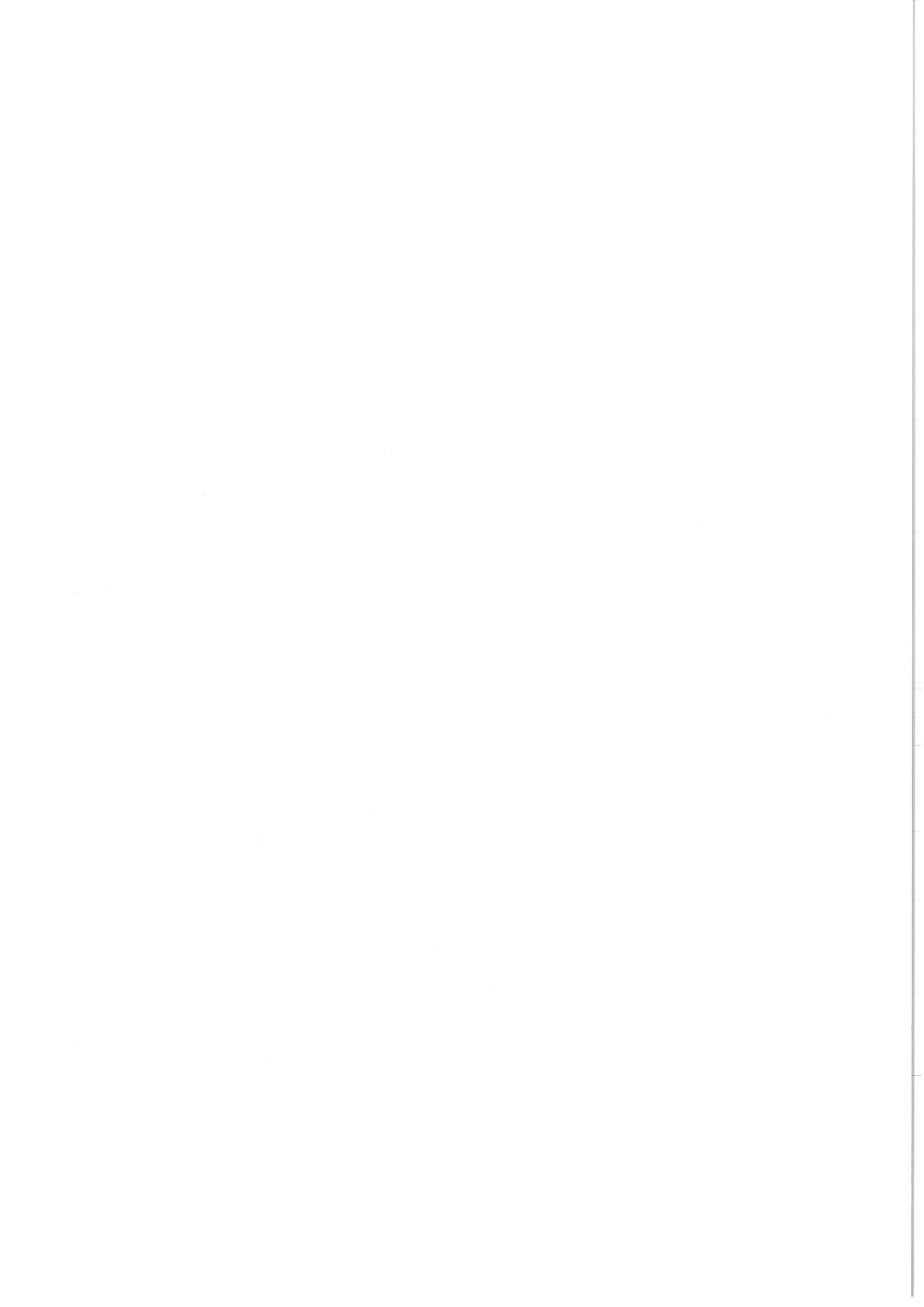
raising awareness and promoting Test and Protect to ensure it is effectively reaching all stakeholder groups.

12. On Vaccinations, you provided a helpful update on the delivery programme. Given some of the workforce challenges that you mentioned, I am keen to ensure that appropriate consideration is given to those retired clinicians and other staff who have offered their services in supporting the work of the NHS in response to the pandemic.
13. I was pleased to hear of the successful work of the Board's Programme Management Team, with skills often outsourced to private contractors being delivered by core NSS staff. I would like a greater awareness of the work of this team across all of Health and Social Care to ensure they are involved and utilised to bring further benefits and improvements to programmes of work going forward.

## FINAL REMARKS

14. I would ask that you extend my gratitude to NSS staff for the excellent work being carried out in a number of different areas. The breadth of discussion points at the Annual Review was a reminder of the vitally important role NSS has played in response to the pandemic.
15. I would also encourage you to further consider what support the organisation can give in driving forward transformation and improvement across the sector, recognising that the Covid-19 pandemic has made us think more seriously about how we might deliver services differently. In this regard, I believe NSS has an important role.
16. Finally I would like to acknowledge that this was Colin's final annual review and to thank him for the significant contribution he has made, particularly over the last few years as Chief Executive of NSS. I wish him well for the future.

*Kind regards*  
  
**JEANE FREEMAN**



# MEMBERSHIP LISTS

as from 21.12.20

**Headquarters**  
Executive Office  
Gyle Square  
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EDINBURGH EH12 9EB  
Telephone 0131 275 6675  
Fax 0131 275 7530  
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## NSS BOARD

<b>CHAIR</b>	Keith Redpath, NSS Chair
<b>VICE CHAIR</b>	Julie Burgess, Non-Executive Director
<b>MEMBERS</b>	Julie Burgess, Non-Executive Director Ian Cant, Employee Director John Deffenbaugh, Non-Executive Director Kate Dunlop, Non-Executive Director Carolyn Low, Director, Finance and Business Services Mark McDavid, Non-Executive Director Alison Rooney, Non-Executive Director Colin Sinclair, Chief Executive Lorna Ramsay, Medical Director Arturo Langa, Non-Executive Director Lisa Blackett, Non-Executive Director Gordon Greenhill, Non-Executive Director
<b>EXECUTIVE LEAD</b>	Colin Sinclair, Chief Executive

## NSS BOARD SUB-COMMITTEES

### AUDIT & RISK COMMITTEE

<b>CHAIR</b>	Julie Burgess, NSS Vice-Chair/Non-Executive Director
<b>MEMBERS</b>	John Deffenbaugh, Non-Executive Director Kate Dunlop, Non-Executive Director Gordon Greenhill, Non-Executive Director Arturo Langa, Non-Executive Director Alison Rooney, Non-Executive Director
<b>EXECUTIVE LEAD</b>	Carolyn Low, Director of Finance and Business Services
<b>SECRETARY</b>	NSS Board Services ( <a href="mailto:nss.boardservices@nhs.net">nss.boardservices@nhs.net</a> )

### FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE

<b>CHAIR</b>	Mark McDavid, Non-Executive
<b>MEMBERS</b>	Lisa Blackett, Non-Executive Director Julie Burgess, Vice-Chair/Non-Executive Director Ian Cant, Non-Executive Director Gordon Greenhill, Non-Executive Director Keith Redpath, NSS Chair
<b>EXECUTIVE LEAD</b>	Carolyn Low, Director of Finance and Business Services Jim Miller, Director of Procurement, Commissioning and Facilities
<b>SECRETARY</b>	NSS Board Services ( <a href="mailto:nss.boardservices@nhs.net">nss.boardservices@nhs.net</a> )

## REMUNERATION AND SUCCESSION PLANNING COMMITTEE

<b>CHAIR</b>	Ian Cant, Employee Director
<b>MEMBERS</b>	Julie Burgess, Non-Executive Director John Deffenbaugh, Non-Executive Director Keith Redpath, NSS Chair Alison Rooney, Non-Executive Director
<b>EXECUTIVE LEAD</b>	Jacqui Jones, Director, HR and Workforce Development
<b>SECRETARY</b>	NSS Board Services ( <a href="mailto:nss.boardservices@nhs.net">nss.boardservices@nhs.net</a> )

## CLINICAL GOVERNANCE COMMITTEE

<b>CHAIR</b>	Alison Rooney, Non-Executive Director
<b>MEMBERS</b>	Lisa Blackett, Non-Executive Director (from 21.12.20) Gordon Greenhill, Non-Executive Director (from 21.12.20) Arturo Langa, Non-Executive Director (from 21.12.20) Mark McDavid, Non-Executive Director Keith Redpath, NSS Chair
<b>EXECUTIVE LEAD</b>	Lorna Ramsay, Medical Director Jacqui Reilly, Nurse Director
<b>SECRETARY</b>	NSS Board Services ( <a href="mailto:nss.boardservices@nhs.net">nss.boardservices@nhs.net</a> )

## STAFF GOVERNANCE COMMITTEE

<b>CHAIR</b>	John Deffenbaugh, Non-Executive Director
<b>MEMBERS</b>	Lisa Blackett, Non-Executive Director Ian Cant, Employee Director Susan Cook, Trade Union Representative Arturo Langa, Non-Executive Director Tam Hiddleston, Trade Union Representative Gerry McAteer, Trade Union Representative Mark McDavid, Non-Executive Director Suzanne Milliken, Trade Union Representative Keith Redpath, NSS Chair
<b>EXECUTIVE LEAD</b>	Jacqui Jones, Director, HR and Workforce Development
<b>SECRETARY</b>	NSS Board Services ( <a href="mailto:nss.boardservices@nhs.net">nss.boardservices@nhs.net</a> )



# Minutes

<b>B/20/84</b>
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## NHS NATIONAL SERVICES SCOTLAND (NSS)

### MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON THURSDAY, 28 MAY 2020 COMMENCING AT 0930 HRS

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mrs Kate Dunlop, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director

**In Attendance:** Mr Lee Dobbing, Service Auditor, KPMG  
Mr James Lucas, Internal Auditor, KPMG  
Ms Rachel Brown, External Auditor, Audit Scotland  
Ms Inire Evong, External Auditor, Audit Scotland  
Mrs Carolyn Low, Director of Finance  
Mr Deryck Mitchelson, Director Digital & Security  
Mr Andy North, Service Auditor, KPMG  
Mr Colin Sinclair, NSS Chief Executive

**Apologies** Mr John Deffenbaugh, Non-Executive Director

## ACTION

### 1. WELCOME AND APOLOGIES

1.1 Ms Burgess, as the new Committee Chair, welcomed all to the meeting and noted the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

### 2. MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 14 DECEMBER 2019 [paper ARC/20/10 refers]

2.1 The minutes of the previous NSS Audit and Risk Committee (ARC) meeting, held on 4 December 2019, were accepted as a true and accurate record.

### 3. MATTERS ARISING [paper ARC/20/11 refers]

3.1 Members noted that the majority of actions were completed, covered by the current agenda or scheduled for a future meeting. Members noted that the agenda had been truncated in accordance with the changes to Governance that had been agreed at the NSS Board meeting held on 26 March 2020. This had been put in place as part of the response to COVID-19 pandemic.

3.2 Ms Rooney asked whether NSS had seen an upsurge in Freedom of Information requests since the last meeting. Mr Sinclair advised that there had been an increase in late February/early March but would need to check whether this has been sustained. Members asked for a short paper to be prepared for the next full meeting. **Action: C Sinclair to liaise with Matthew Neilson for next meeting.** **C Sinclair**



#### Headquarters

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

Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

#### 4. NSS INTERNAL AUDIT STATUS UPDATE [paper ARC/20/13 refers]

##### 4.1 Mr Lucas took Members through the paper and highlighted the following;

The paper summarised completed audits to date and provided a status update on work in progress;

- Members noted that the P&CFS Governance and Complaints Handling Process Audits had now concluded and reports would be available for the next meeting.
- Two audits are still in progress -
  - Financial Controls Review- this year's focus was to be on stock management. Given the significant pressures on the PCF warehouse staff in responding to COVID-19 the review will now consider stock management arrangements in SNBTS. The SNBTS Financial Controls (Stock) audit was almost complete.
- Three audits in the plan for 19/20 have been carried forward into the Audit Plan for 20/21:
  - Programme Management (CHI, Child Health and GP IT Re provisioning)
  - Public Health Intelligence/Public Health Scotland
  - Clinical Waste Management Contingency – Financial Assurance
- Proposed changes to 20/21 plan have been made following discussions with CEO and Director of Finance to reflect the impact of COVID-19 and resultant reprioritisation of services.
  - Annual review of financial controls is brought forward and will focus on governance changes introduced as part of COVID-19 response.
  - Audit of Organisational Change process is now planned for Q4 – reflecting a pause on significant organisational change activity
  - A lessons learned review of the changes in governance introduced a part of COVID19 response will be carried out in Quarter 3
  - A further review of impact on Workforce, with a focus on wellbeing of staff is being developed.

##### 4.2 Mr Lucas added that KPMG would be as flexible as possible to accommodate any further reviews NSS considered useful and recognised the increased pressure on the organisation during the pandemic conditions. Mr Lucas highlighted that other clients are also looking at the impact of IT Infrastructure changes and cyber security protocols. Mr Bell advised that both P&CFS and D&S colleagues were working to produce guidance and additional training relating to information governance whilst working from home Mr Mitchelson added that whilst he welcomed the suggestion of an additional IT review, he believed this would not be necessary as there were already significant controls in place around cyber security and working from home, and this was also reflected in the recent Network and Information Systems Directive Audit that had taken place.



4.3 Ms Rooney welcomed the updated plan and asked whether the additional reviews identified would be included in the original 211 days of audit or would be carried out during the contingency provision. Mr Lucas advised that these would be an addition.

4.4 Ms Burgess thanked Mr Lucas for his report and asked that in light of the changes that had been made/proposed it would be sensible for Mr Lucas to present the updated plan to the next meeting. **Action: J Lucas to provided updated internal audit plan to next meeting.**

**J Lucas**

## **5. HIGH LEVELS FINDINGS [paper ARC/20/18 refers]**

5.1 Mr Lucas took Members through the High Level Findings Report and highlighted the following;

- Members were asked to note that at the current time there was no protocol to allow KPMG to downgrade findings once they had been published, and it should be noted that, had this been possible, the IT findings would not have been so high. Some findings were still open, but after discussions with Mr Mitchelson the intention was to revisit the findings, with the expectation that these would also be closed in the next few months. Significant progress had been made and Members should take comfort from this.
- The findings of the PgMS report had evolved considerably since the audit had taken place and it was also noted that this had been carried out during a period where PGMS were already working at improvements to governance. The findings were therefore high at the time but recommendations had now been implemented;

5.2 Members thanked Mr Lucas for his update and had no further questions.

## **6. SERVICE AUDIT REPORT AND OPINION [paper ARC/20/14 refers]**

6.1 Mr North took introduced the three Service Audit reports, noting that this was KPMG's first cycle of reporting as Service Auditor and that there had been differences in the approach taken this year to those in previous years.

6.2 Mr North highlighted the change in the scope of the IT service audit, which for the first time considers the controls carried out by both NSS and ATOS in delivering national IT services to Boards. It was hoped that the detail and rigour in reporting provided achieved the overall objective set by the board in changing Service Auditors after a number of years. Members were also asked to note that the IT report underpinned both the P&CFS and payroll reports and that the reports should be considered together on that basis. Mr North explained the format of the report to the committee and explained that in all three reports there were exceptions to the control objectives stated which resulted in a qualified opinion. This had arisen due to difficulty in obtaining evidence of the operation of the controls as defined in a structured and systematic manner. It was stressed that these exceptions did not indicate the absence of controls or fundamental control issues.

6.3 Members discussed the findings of each report in full and expressed concern at the qualified opinions and sought clarification of the context in which they were made as this was not immediately obvious from the reports. Mr Sinclair and Mr Redpath asked whether there had been a change in International Auditing Standard for this type of audit, and whether this would explain the significant difference between previous reports which were unqualified, and the audit opinion this year. Mr North advised that there had been no changes to the IAS 3402. He further clarified that under IAS 3402 there were three possible outcomes achieved:

- An Unqualified opinion where there had been no material exceptions to the controls as defined.
- Qualified opinions reflect findings which are considered material to the operation of the controls as defined.
- An adverse opinion would occur where controls were absent or failed.

Members asked that this therefore be clarified in the reporting as it was not made clear in the documents received as to what 'qualified' actually meant in this context.

6.4 Members asked for clarification on what the issues had been around obtaining evidence and Mr North responded that in the main these had been around evidence only being available on screen during any transaction and this had not been witnessed during the audit. Ms Low asked whether, in order to provide reassurance for NSS customers, there were any areas of real concern that NSS should focus on. Ms Low highlighted the following:

- For previous auditors where there had been any issues with obtaining evidence there would have been the opportunity for NSS colleagues to work with them to provide the assurance required. This did not appear to happen this year;
- The systems being reviewed are legacy products, designed 20 years ago to do things in a particular way which may not, now, provide the evidence in the way that the auditors may have expected it to be available.

Members reflected that this should be taken into account when scoping out future service audits. Mr Redpath added that in his experience the term 'material' issues would be used, he therefore sought assurance that the qualifications were not significantly material as to cause undue concern. After further discussion it became apparent that there were no material issues, the qualification was based on being unable, due to legacy systems, obtain specific evidence.

6.5 Ms Browne added that when the reports were circulated to Boards and reviewed by Audit Scotland, those studying them would be aware of the levels of qualification and their materiality. In this case as the level was 'qualified' not 'adverse' Boards may welcome comment on levels of risk, to assist them when making decisions on any additional audits they may wish to make for their own Boards. They would of course make their own decisions, but the terminology would be understood.

6.6 All agreed that for future testing, especially for P&CFS, it would be essential to ensure the scoping exercise reflected the type of controls, especially around the legacy systems, that should provide the necessary evidence that controls were fully adhered to. Mr North, Mr Bell and Mr Pinkerton to work together for future reporting. **Action: Mr Bell/Mr Pinkerton and Mr North to liaise re future evidence based testing.**

**M Bell/A North/  
A Pinkerton**

6.7 Members went on to discuss the payroll findings. Mr North advised that out of 5 objectives only one of those had been reported as qualified. This related to customer enquiries and what had been identified was a lack of evidence to demonstrate prioritisation. Ms Howard advised that this was already being addressed as part of the Transforming Finance programme and the introduction of ServiceNow platform which provides the detail required to provide this evidence. This will be rolled out to all NSS customers in 20/21.

6.8 The discussions and actions were summarised as:

- Further narrative and context to be included in reporting;
- Scope of evidence to be reviewed for future audits;
- Improvements in availability of evidence for future audits;
- Inclusion of materiality and risk of findings;
- NSS to produce an action plan around service descriptions.

Ms Low and Mr Bell to take bring an action plan around future audits to a future meeting of the Committee. **Action: Ms Low and Mr Bell to provide action plan to future meeting.**

**C Low/M Bell**

## 7. EXTERNAL AUDIT MANAGEMENT REPORT [paper ARC/20/19 refers]

7.1 Ms Browne took Members through her report which summarised the interim work on key controls in the financial systems. Members noted the caveat that this had all taken place pre-COVID and that this was being taken into account now that the testing was being done. Confirmation of final timings would be provided shortly.

7.2 Members noted the content of the paper and thanked Ms Browne for her update.

## 8. PROGRESS ON ANNUAL ACCOUNTS

8.1 Ms Howard provided Members with a short verbal update on progress on NSS Annual Accounts. It was noted that due to the NHS Scotland response to the COVID-19 pandemic, Scottish Government had approved an extension of up to three months to the final accounts process. NSS had continued to work as quickly as possible, and the accounts had been shared with the auditors three weeks later than normal. This was due to the fact that the NSS accounts could not be finalised until evidence from both Scottish Government and other Boards had been supplied. Testing was now underway and hopefully there would be no further delays. However, it was recognised that Audit Scotland work had also been affected by the pandemic.

8.2 Ms Browne thanked Members for their support and understanding of the additional pressures and potential delays and were being as flexible and pragmatic as possible to support Boards. There was an acknowledgement by Audit Scotland that many NSS staff had been central to the COVID-19 response and some of the aspects of the audit process had been postponed until the next financial year to support this. It was noted that these were all non-financial pieces.

8.3 Ms Browne was unable to provide a set date for when the process would be complete and NSS colleagues were providing information to Audit Scotland as fast as possible, which was very much appreciated. As soon as a firm date was available Ms Browne would be in contact to enable NSS to set up the appropriate Audit & Risk Committee and Board meetings to allow final signature. **Action: Audit Scotland to forward final dates to NSS once available.**

**R Browne**

8.4 Members thanked Ms Howard and Ms Browne for their updates.

**9. PROGRESS ON ANNUAL REPORT AND ACCOUNTS PARTS B – NOTE 1 ACCOUNTING POLICIES [paper ARC/20/16 refers] AND LOSSES AND SPECIAL PAYMENTS [paper ARC/20/17 refers]**

9.1 Members noted and approved the content of both papers and were content to approve/adopt as requested.

**10. ANY OTHER BUSINESS**

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

**11. DATE OF NEXT MEETING**

11.1 Members noted the next meeting was scheduled for Wednesday, 17 June 2020 at 09:30 on TEAMS. It was agreed that this would take the form of two separate sessions: 1. Normal Committee Business 2. Development Session focused on Annual Accounts.

There being no further business the meeting finished at 1145 hrs

# Minutes (APPROVED)

<b>B/20/85</b>
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**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 17 JUNE 2020  
COMMENCING AT 0930 HRS**

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mrs Kate Dunlop, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director  
Mr John Deffenbaugh, Non-Executive Director

**In Attendance:** Mr James Lucas, Internal Auditor, KPMG  
Ms Rachel Brown, External Auditor, Audit Scotland  
Ms Inire Evong, External Auditor, Audit Scotland  
Mrs Carolyn Low, Director of Finance  
Mr Colin Sinclair, NSS Chief Executive  
Mr Keith Redpath, NSS Chair  
Mr Deryck Mitchelson, Director of Digital and Security  
Mr Martin Bell, Director of Practitioner and Counter Fraud Services [Item 4]  
Ms Laura Howard, Associate Director of Finance Operations  
Mrs Mary Morgan, Director of Strategy, Planning, Service Transformation and Communications,  
Mrs Lynn Morrow, Corporate Affairs and Compliance Manager  
Mrs Marion Walker, Risk Manager Lead [Item xxx]  
Mr Matthew Neilson, Assoc. Dir. Strategy, Performance and Communications,  
Mr Neil Thomas, Partner KPMG

## Apologies

## ACTION

### 1. WELCOME AND APOLOGIES

1.1 Ms Burgess welcomed all to the meeting and noted the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared. She also advised that there would be a short development session after the main business of the Committee for Members only, led by Mrs Low.

### 2. MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 28 MAY 2020 [paper ARC/20/22 refers]

2.1 The minutes of the previous NSS Audit and Risk Committee (ARC) meeting, held on 28 May 2020 were accepted as a true and accurate record with the following amendments.

2.2 Item 4.1 - SNBTS Donor Services Audit was scheduled for quarter 4. The audit mentioned related to stock control.



#### Headquarters

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

Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

**ACTION**

Item 6.8 - the letter wording was not changeable and would be as submitted. NSS would then manage engagement with customers around the content. Covering letters were produced and would be circulated after this meeting. **Action: C Low to provide copies of letters for K Nicholls to circulate.** Members also discussed the scope of evidence for future audits and where it should be made clear when evidence was not available due to legacy systems within NSS. The scope of evidence required would remain that same. Mr Sinclair added that he had positive discussions with the Auditors to look at the concerns and to understand the circumstances including an action plan for the future. Mr Neil Thomas, KPMG then introduced himself as the Partner for Health Care clients and replacement for Mr Andrew Shaw. Mr Bell added that plans in Practitioner and Counter Fraud Services were already progressing with KPMG and he could provide a quarterly report to the Committee on progress if required. Part of this action plan would include taking evidence over the year, rather than a one off session, as this would then provide the appropriate information from the legacy systems. Ms Burgess asked that this change approach to gathering evidence be recorded. **Action: Mrs Nicholls to update minutes accordingly.**

CL/KN

K Nicholls

**3. MATTERS ARISING [papers ARC/20/22 and ARC/20/30 refer]**

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

3.2 Item 6.6 Reporting to be added to forward programme for future meetings.

3.3 Item 3.2 Mrs Morrow presented a short paper to Members indicating frequency of Freedom of Information requests. Mr Deffenbaugh asked for additional detail on trends over the period and Mr Sinclair agreed to look at this for the next meeting. **Action: Mrs Morrow to work with the FOI lead to provide a further breakdown on information provided in this paper indicating the impact and complexity of FOIs during the COVID-19 pandemic period.**

L Morrow

**4. NSS INTERNAL AUDIT STATUS UPDATE (including Annual Report 2019-20 [paper ARC/20/23, ARC/20/24, ARC/20/25, ARC/20/26 and ARC/20/30 refer]**

4.1 Mr Lucas took Members through his papers and noted the following:

- Update on current status of audits. Members were asked to note that the SNBTS Quality Assurance audit had been deferred until end June 2020 due to impact of COVID-19 response.
- Quarter 1 reviews were in progress;
- Quarter 2 preparations were ongoing but additional conversations were required in relation to both Public Health Scotland and the financial controls deep dive;
- Additional conversations with all key stakeholders would be progressed;

4.2 Members discussed whether it would be useful to conduct a review around Personal Protective Equipment (PPE) during the COVID-19 pandemic work undertaken by NSS. Mrs Low advised that this would potentially be covered in the Financial Controls deep dive and governance review already programmed in. Mr Deffenbaugh added that a wider review of the impact on NSS plans by COVID-19 responses from a wider business resilience perspective might be more appropriate. Mr Sinclair commented that it would be useful to consider this for a future meeting and this would support any increased resilience role that NSS may be asked to fulfil. **Action: Mrs Nicholls to add PPE to forward programme for a future meeting.**

K Nicholls

4.3 As an aside Members asked that for future reporting across all front covers all sections were completed even if they were not pertinent. For example, the use

**ACTION**  
**K Nicholls**

of “n/a” for Equality and Diversity considerations could be misleading. **Action: Mrs Nicholls to review guidelines on completing front covers in general.**

4.4 Mr Lucas then took Members through the following papers separately.

Complaints Handling [paper ARC/20/25 refers] Members noted the following;

- Audit had focused on three SBUs - Digital and Security (DaS), Procurement Commissioning and Facilities (PCF), and Scottish National Blood Transfusion Service (SNBTS) - as these were identified as having the highest volumes of complaints due to the services they deliver;
- Processes were slightly inconsistent, but this was necessary to capture complaints in the most appropriate way;
  - SNBTS process was quite robust and their responses to complaints had been very good;
  - PCF had the most complaints due to the volume of work they did and only minor points were noted in the audit;
  - DaS were using Service Now to capture complaints internally but the results were not being fed back in a way that allowed them to be reviewed as part of the Audit and Risk Committee management reporting. Externally the approach was much less formal so work was now underway to look at a more structured way of doing this. This was therefore mostly about changes in protocol.
- Members noted that this was an area that had not been audited before and was not chosen because there was a perceived issue. There had been no incidents reported to the Ombudsman for NSS.

4.5 Members then discussed the report in detail and noted that the main issues were around consistency of how complaints were managed, and for DaS in particular there was work already underway to tighten this up and include any dissatisfaction. Members also noted that for stage 2 complaints there was generally a longer lead time for dealing with any complaints as it may relate to external issues (for National Procurement, this may be an issue with a third party product) outwith NSS control. Mrs Morgan added that work was in progress to look at how best to link the complaints handling process and reporting with customer experience and engagement by Mr Neilson and Mrs MacLennan, Head of Public Participation and Engagement. Mrs Morgan and Mr Neilson were then asked to provide an update on how this could align post COVID-19. **Action: Mrs Morgan and Mr Neilson to provide further update to a future meeting.** Ms Rooney asked for further clarity on how internal complaints were reported as the audit remit seemed to only be on external issues. Mrs Morgan responded that the audit had been commissioned to the Model Complaints Handling Process and this made no separation between internal and external complaints. Members noted that the audit report had been positive and constructive and looked forward to improvements from any lessons learned.

**M Morgan/  
M Neilson**

4.6 Practitioner and Counter Fraud Services Governance Audit [paper ARC/20/24 refers] Members noted the following;

- The audit had included a review of the organisation of contractor finances categorised into governance, processes and communications;
- The main finding had been around lack of visibility of senior programme lead/Head of Service;
- Potential benefits of making the changes had not been designed or articulated well;



**ACTION**

- In respect of timeframe slippage, Members noted that the Corporate Oversight Group had now put in place a mechanism for investigating any programmes with significant slippages;
- Messaging/communications around the programme of work had been inadequate;
- There was a challenge around generic job descriptions and their review.

Members noted the report in full and the actions that were now taking place to mitigate the findings. Mr Bell welcomed the report and thanked the Auditors for their work. He also recognised the support he had received from the Trade Unions involved in the organisational change process, and the lessons learned from the process. Members were content that this audit provided the appropriate assurances. Mr Deffenbaugh asked that Mr Bell bring a report to the NSS Staff Governance Committee on the process and lessons learned. **Action: M Bell to provide report on the organisational change and lessons learned to the Staff Governance Committee.**

**M Bell**

4.7 Financial Controls [paper ARC/20/26 refers] Members noted the following:

- The Audit had initially focused on PCF but due to the impact of COVID-19 and the massive increase in workload for PCF had been switched to a review of inventory controls in SNBTS;
- The overall report had recommended only minor improvements.

4.8 Members were content that the report provided assurance in relation to the audit remit and asked that for information, the most up to date version of the Internal Audit Charter be circulated to all. **Action: K Nicholls to obtain and circulate the Internal Audit Charter.**

**K Nicholls**

**5. NSS INTERNAL AUDIT PLAN 2020-21 [paper ARC/20/27 refers]**

5.1 Mr Lucas took Members through the Internal Audit Plan 2020-21 and outlined the changes that had been made at the request of NSS for post COVID-19 work.

5.2 Members discussed the paper in full and recommended that further thought be given to the plan in light of the impact of COVID-19 and any changes to strategy, including financial implications, which may affect the audits required going forward. Mr Redpath added that it was also important to consider the benefits of carrying out each internal audit as part of the criteria for commissioning them. Ms Low would discuss with Mrs Morgan outwith the meeting and bring back as appropriate. **Action: Ms Low and Ms Morgan to report back to future meeting.**

**C Low/  
M Morgan**

**6. UPDATE ON PROGRESS OF ANNUAL ACCOUNTS AUDIT (Audit Scotland)**

6.1 Ms Browne provided a verbal update on progress on the NSS Annual Accounts Audit and advised that the ongoing impact of COVID-19 work was affecting timelines. This had been recognised by the Scottish Government and an extension to submission deadlines had been agreed previously. She was therefore not able to currently offer a firm deadline for finalising the accounts, but the aim was to have this ready for August 2020. Members noted that the work already carried out had not found any issues to date. After a short discussion Members asked that an extra meeting of the Committee and the NSS Board be put in place for early/mid August to enable formal sign off of the Accounts. **Action: K Nicholls, C Low and R Browne to look at additional dates.**

**C Low/  
K Nicholls/  
R Browne**

6.2 Members thanked Ms Browne for her update and noted the extended timelines.

**ACTION****7. RISK MANAGEMENT QUARTERLY UPDATE [paper ARC/20/29 refers]**

7.1 Mrs Walker took Members through the update and noted the following;

- One new RED risk, and one risk had increased from AMBER to RED relating to the economy and financial landscape;
- IRMA had been reviewed and approved and was available to Members for information;
- The NSS Executive Management Team and various clinical groups had met to give appropriate challenge to risks, but it was noted that other governance groups had been paused during the response to COVID-19 and would resume when appropriate.

7.2 Members expressed some concern that the GP-IT risk was now registering as GREEN. Mrs Walker advised that the work done on mitigating actions had effected this change. Mr Sinclair added that the risk detailed was focused on one particular part of GP-IT, and it was this which had been mitigated, but there was an overarching risk which Mr Mitchelson was currently working on that would reflect the project progress as a whole. This would then appear on the report once it was finalised. Mr Redpath reflected that the risk relating to this was not within NSS control as it was for NSS to implement this programme, not negotiate the contract and associated timelines. Ms Burgess added that the concern was also around any associated clinical risks with the delays to GP-IT. This had been discussed at a Board meeting, so the concern was why this particular risk was not visible to the Audit and Risk Committee. Mrs Walker would work with Mr Mitchelson around this overall risk, including EMIS and report to a future meeting. **Action: Mrs Walker and Mr Mitchelson to provide update for next meeting.**

**M Walker/  
D Mitchelson**

7.3 Members discussed risk more generally, particularly those relating to the COVID-19 pandemic (Risk 5421) and asked that for future reporting the executive summary highlight any areas for the Committee to focus on, including any emerging risks. Mrs Morgan advised that there were also other governance groups that had oversight and the NSS Risk Management process and tool had recently been subject to internal audit and this had provided significant assurance around the approach. **Action: Mr Sinclair and Mrs Walker to review for future reporting.**

**C Sinclair/  
M Walker**

7.4 Members noted the content of the report in full.

**8. FRAUD ANNUAL REPORT [paper ARC/20/28 refers]**

8.1 Members noted the report in full and asked that for future reporting a separation be made between the service NSS provides for other Boards and Public Bodies and the internal fraud service for NSS. Members advised that this should also be the case for future reporting on CNORIS by CLO. **Action: L Howard to update report for future meeting.**

**L Howard**

**9. ANY OTHER BUSINESS**

9.1 Members had no further pertinent business to raise at this point.

**10. DATE OF NEXT MEETING**

10.1 The next scheduled meeting to take place on 15 September 2020. However, an additional meeting with single item agenda for the NSS Annual Accounts would be confirmed in due course.

There being no further formal business the meeting finished at 1205 hrs

# Minutes (APPROVED)

<b>B/20/86</b>
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**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 10 AUGUST 2020  
COMMENCING AT 0930 HRS**

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mrs Kate Dunlop, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director  
Mr John Deffenbaugh, Non-Executive Director

**In Attendance:** Ms Rachel Brown, External Auditor, Audit Scotland  
Ms Inire Evong, External Auditor, Audit Scotland  
Mrs Carolyn Low, Director of Finance

Mr Keith Redpath, NSS Chair  
Ms Laura Howard, Assoc. Dir. Finance Operations

**Apologies** Mr Colin Sinclair, NSS Chief Executive

## ACTION

### 1. WELCOME AND APOLOGIES

1.1 Ms Burgess welcomed all to the meeting and noted the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared. Members noted that this was a single item special meeting of the Committee to review and discuss the NSS Annual Accounts and Report 2019-20.

### 2. NSS ANNUAL ACCOUNTS AND REPORT 2019-2020 [paper ARC/20/34 refers]

2.1 Members went through the document in detail and asked that Management ensure a final proof read of the document was completed prior final submission to the Board. Mrs Low then took Members through the report and highlighted the following:

- The approach to the first section (performance) had been to make the document more accessible and like an Annual Report in its own right. The NSS Marcomms team had been instrumental in this more progressive approach. This included a statement from the Chief Executive, a meet the Chair introduction and then a more detailed view of NSS strategy and activities. Mr Redpath commented that work was still required on the Chair segment to expand the content if it was a required element. Ms Howard offered to meet outwith the meeting to review and update this section. **Action: Ms Howard and Mr Redpath to discuss further outwith meeting;**
- Payment Policy – Members asked for additional text to add perspective to the attainment percentages – Ms Howard to update appropriately. **Action: Ms Howard to update section;**

**L Howard/  
K Redpath  
L Howard**



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Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

**ACTION**

- Additional context around the financial implications of the COVID-19 response to be added. **Action: Ms Low to add text into this section;** **C Low**
- Audit & Assurance Section – text to be updated in line with Service Audit outcomes. **Action: Ms Low to add text;** **C Low**
- Item to be added to provide context on the removal of the NSS Information Governance Committee to be added as the decision was taken during the period of these accounts. **Action: Ms Low to update text;** **C Low**
- Additional context to be added to reflect that figures in the Board remuneration table related to leased cars. **Action: Ms Howard to update text;** **L Howard**
- Members noted that the workforce figures included in the report still reflected Public Health & Intelligence who did not transfer to Public Health Scotland until 1<sup>st</sup> April 2020;
- Reminder that the Trinity Park Foundation was a charity in its own right and did not need to be consolidated within these accounts;
- Further clarity on the implications of Public Health Scotland and what would remain within NSS;
- Recognition that the report only covered the beginning of the response to COVID-19 but that work was already underway in relation to Personal Protective Equipment (PPE). Mrs Low advised that this would form part of the report for 2020-2021;

2.2 Members thanked the team for their informative report and welcomed the changes to format and accessibility. They added that having had a development session as well as this meeting had provided extra scrutiny opportunities. This had been complimented by having all NSS Non-Executive Directors invited to the Audit & Risk Committee and that this should be replicated for future years. **Action: Committee Services Manager to add to forward programme.** **CSM**

**3. AUDIT SCOTLAND AUDIT REPORT 2019-2020 [paper ARC/20/35 refers]**

- 3.1 Mr Taylor took Members through his paper and highlighted the following;
- The audit was almost complete with some further queries awaiting final explanation;
  - Pleased to be able to propose the unqualified and unmodified certificate in the Audit Scotland letter;
  - Requirement to ensure the signed letter of representation from the Accountable Officer was available;
  - There would be an addition for a number of Boards this year around asset valuation uncertainty. This draws attention of the readers of the accounts to the fact that these figures are uncertain due to the Coronavirus Pandemic. This was not a qualification or a modification just additional information;
  - Audit Scotland were happy with the financial statements and policies.
- 3.2 Mr Taylor advised that the intention was to take the Accounts to the Board on Friday 14<sup>th</sup> August 2020 for signature. It was noted that due to COVID restrictions it would be necessary to provide electronic signatures for this year. All noted that the audit process had been done virtually due to these restrictions and Audit Scotland would like to pay tribute to all NSS staff who had been involved in the process.
- 3.3 Ms Burgess asked that it be recorded that despite being mentioned in the report NSS had yet to receive formal confirmation that expenditure due to the COVID-19 response would be fully funded by Scottish Government. Mr Taylor advised that if prior approval was available it would be added to reporting but for this year it was noted that whilst approvals were in place it had been necessary to make

**ACTION**

the purchases before this was formalised due to the speed on response required.

- 3.4 Mr Taylor continued that there was recognition of the significant quality of the performance section of the report, including recording of progress on prior year recommendations. It was also noted that there had been some areas of work that had been planned for this year that were not possible due to the COVID-19 response but these would be picked up again next year.
- 3.5 Members thanked Mr Taylor and Audit Scotland for their report and welcomed the content in full.

**4. NOTIFICATION FROM SPONSORED BODY AUDIT COMMITTEE TO SGHSCD [paper ARC/20/26 refers]**

- 4.1 Ms Howard took Members through the paper and highlighted that this was a letter to Scottish Government advising that there were no wider issues to be raised after the audit. This letter as confirmation of the findings.
- 4.2 Ms Burgess would be required to sign this letter at the end of the meeting, which she confirmed she was content to approve.

**5. ANY OTHER BUSINESS**

- 5.1 Members had no further pertinent business to raise at this point.

**6. DATE OF NEXT MEETING**

- 6.1 Next scheduled meeting to take place on 15 September 2020.

There being no further formal business the meeting finished at 1013 hrs

# minutes (APPROVED)

<b>B/20/87</b>
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## NHS NATIONAL SERVICES SCOTLAND BOARD

### MINUTES OF MEETING OF THE FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC) HELD VIA THE TEAMS PLATFORM, COMMENCING AT 0930HRS ON WEDNESDAY 26<sup>TH</sup> AUGUST 2020

**Present:** Mr Mark McDavid (Committee Chair)  
Ms Julie Burgess, Non-Executive Director  
Mr Keith Redpath, NSS Chair  
Mr Ian Cant, Non-Executive Director

**In Attendance:** Mr Colin Sinclair, Chief Executive  
Mrs Carolyn Low, Director, Finance and Business Services  
Mrs Mary Morgan, Director Strategy, Performance and Service Transformation  
Mr Gordon Beattie, Director National Procurement  
Mr Andrew McLean, Deputy Director of Finance [Item 3]  
Mrs Marion Walker, Risk Manager Lead [Item 10]  
Mrs Karen Nicholls, Committee Services Manager [Minutes]  
Ms Claire Winstanley (Observer)

**Apologies:** None

#### ACTION

#### 1. INTRODUCTIONS AND APOLOGIES FOR ABSENCE

1.1 Mr McDavid welcomed everyone to the meeting and apologies were noted as above. Members were asked if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES OF THE MEETING HELD ON 27 NOVEMBER 2019 AND MATTERS ARISING [papers FPP/20/02 and FPP/20/03 refer]

2.1 Following a brief discussion, Members approved the minutes of the meeting held on 27 November 2019 as a true record of discussions held.

2.2 Members noted that the majority of action items were either complete, items on the current agenda or had a longer lead time.

#### 3. FINANCE REPORTS [paper FPP/20/18, FPP/20/18a and FPP/20/19 refer]

3.1 Mrs Low introduced the papers to the Committee and advised that Mr McLean would then take Members through them in detail.

3.2 Mr McLean highlighted the following as part of the Finance update;

- Papers 18 and 18a reflected the quarter 1 NSS return to Scottish Government that was submitted on 14<sup>th</sup> August 2020. This document provided the starting point to inform funding allocations relating to COVID-19 response and reflects the position and forecast for NSS;
- Forecast overrun for NSS at quarter 1 was a significant underspend, however this was due to many National Services Division commissioned services stopped due to the pandemic response. Members noted that these services were starting to come back on-line and this would rectify the underspend with any residuals being returned to Boards as appropriate;



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Chair  
Chief Executive

Mr Keith Redpath  
Mr Colin Sinclair

- There was a summary table in the report focused on COVID-19 response costs and noted that the quarter 1 spend was mainly in relation to personal protective equipment (PPE). The year-to-date figures of £189 million with a forecast of £538 million which would include PPE, set up and take down of the Louisa Jordan Hospital and significant costs relating to Testing. This expenditure was deemed to be low risk with prior approval already granted by Scottish Government.;
- Members noted that the costs associated with Testing were, at this stage, in relation to expansion of laboratory support including analysers and reagents etc;
- Discussions were starting with Scottish Government in relation to the approach to resilience stocks for the future;
- Further discussion on management of the full supply chain in relation to PPE were also ongoing. Members noted that normal usage levels, for example surgical face masks which were normally used at a rate of 3.7 million per year but during COVID-19 response this had risen to 3.5 million per week, did mean that some stock levels would remain high and any risks were being managed to ensure any resilience stock levels were managed appropriately;
- Discussions were also on-going across the four UK governments to look at resilience, procurement and mutual aid;

3.3 Mr McLean then took Members through paper **FPP/20/19** and highlighted the following;

- Paper covered the period up to month 4 of the current financial year and was presented to provide assurance that NSS was still on course to meet its financial targets;
- Recovery planning and Resource Allocation Meetings were taking place and every Strategic Business Unit had revisited their financial plans to look at current state and forecasts;
- The bids for development funding from SBU's had been very aspirational and would require careful prioritisation over the next 18-months of the financial plan. Mr Redpath asked what the implications would be if these bids were not financed. Mr Sinclair advised that there was a mix of ask; some to enhance existing services; some drove cost reduction and this would be taken into account when prioritising;
- Initial analysis on current baseline position and business as usual had already identified further possible cost savings;

3.4 Having discussed the report in full Members thanked Mrs Low and Mr McLean for their update.

#### **4. OCCURRENCES WHERE THE NSS STANDING FINANCIAL INSTRUCTIONS HAD NOT BEEN FOLLOWED**

4.1 Mrs Low confirmed to Members that there had been no occurrences in this period.

#### **5. ANNUAL REVIEW OF THE NSS STANDING FINANCIAL INSTRUCTIONS**

5.1 Members noted that due to the changes to Governance made in response to the COVID-19 pandemic it had not been possible to review the Standing Financial Instructions when scheduled. However, an amendment to the document was discussed with Board Members in April 2020 to reflect revised procurement limits and authorisation for COVID related expenditure. There was no plan to make any additional changes to the SFI's at this time. Members noted that the formal review of the document would be scheduled for the February 2021 meeting of the Committee with the recommendations on any changes.



5.2 Mr Sinclair added that this was a good approach and it should be noted that NSS had procured things like Personal Protective Equipment (PPE) under emergency powers which meant that these were not put out to tender, or followed normal procurement processes. This was the right approach to take given the nature of the pandemic and the speed at which things were required. Mr Sinclair continued that he had no concerns about the decisions made and Scottish Government had been engaged and involved in them at all times. NSS had been very successful in obtaining products and also benchmarking the prices paid. Members thanked Mr Sinclair for his update and noted that normal procurement processes would be reinstated as soon as it was reasonable to do so. Mrs Low added that there would be a full review on all tenders approved through the procurement board in relation to COVID-19 responses and this would be provided to a future meeting of the Committee for information and reassurance. She added that this would also form part of the audit on financial controls. **Action: Members to be provided with an update on COVID-19 procurement/tenders at a future meeting.**

G Beattie

5.3 Members continued the discussion focusing on the following; Procurement via the existing commercial frameworks and the implications of this; the future of securing local provision of goods and how this could be supported going forwards. Mr Beattie led this discussions and Members welcomed the forward thinking approach to sourcing product.

5.4 Mr Redpath asked for further clarity on the threshold for posts being referred to the NSS Remuneration and Succession Planning Committee and whether all roles being appointed. It was felt that the monthly reporting seemed to be excessive. Mrs Low clarified that the People Report should contain information on all recruitment, and only those posts over the £75K limited referred to the RSPC for approval. Mrs Low would therefore discuss this further with Mrs Jacqui Jones, Director of HR and Workforce Development and review for future update in the SFIs. **Action: C Low and J Jones to review for future updates to SFIs.**

C Low/  
J Jones

5.5 Members thanked Mrs Low for her update and agreed that it was important that the SFI's were easily accessible to ensure compliance.

## 6. NATIONAL PROCUREMENT SCHEDULE

6.1 Mr Beattie provided Members with a verbal update and explained that the draft document would cover forecasting. The document was still in progress as there had been a pause in activity whilst the response to COVID work was conducted under emergency powers. This meant that reforecasting and a reset of the programme of work to allow reporting on Quarters 3 and 4 could be produced.

6.2 The national response to COVID-19 had meant that staff had been deployed into different work streams and discussions were now being had with Scottish Government to release some of their technical staff to enable them to do award panels virtually, but this would be for limited projects at this point in time. He continued that so far NSS had been able to identify about £70M cost avoidance in PPE.

6.3 Members thanked Mr Beattie for his update and looked forward to receiving the full report as soon as it was available, taking into account the COVID-19 response.

## 7. NSS ANNUAL PROCUREMENT REPORT 2019-20 [paper FFP/20/20 refers]

7.1 Members welcomed Mr Steven McLaughlin to the meeting to speak to the report. He advised that the report had been produced on the principles of openness and transparency which underpins all the work of NSS on behalf of clients and public authorities.

7.2 Members then discussed the report in full and noted the following;

- At its core NSS was a supplier/manager to ensure delivery of quality goods and services and to ensure this aligned with key objectives;
- There had been a focus on community benefits including looking at Apprenticeships for young people,
- Sustainability and recycling including repurposing of fishing nets into flooring;
- Working with supported businesses;
- Ensuring security staff at NSS facilities and other supported business reflected the 'real' living wage and working with HR and Public Health Scotland to become a living wage accredited employer;
- A focus on multi-national suppliers supporting SNBTS including sustainability;
- NSS now provided the procurement service to Public Health Scotland;
- Use of new digital tools to reduce admin time and focus on adding value to processes

7.3 Members thanked Mr McLaughlin for his informative report and asked the for future reporting it would be useful to have an indication of where NSS work had direct patient impact and any overall savings to NHS Scotland. **Action: SMcL to review SMcL for future reporting.**

7.4 PPE Update

7.5 Mr Beattie then provided Members with a short update on PPE specifically and focused on the following areas:

- There had been positive feedback from the NHS Board Chair's group to a paper produced by the NSS team;
- There had been a huge surge in demand that had placed considerable pressure on the warehouse staff but they had deal with this and done an excellent job, including provided extra stock where hospitals may have been uncertain on their requirements;
- Critical care equipment had been upscaled quickly to 900 beds with close collaboration with appropriate clinical teams;
- Involved in equipping laboratories etc and heavily involved in the creation of the Louisa Jordan Hospital.
- Pandemic stockpiles were being discussed with Scottish Government, including all Health and Social Care. This had included review of logistics, and set up of a call centre to cover all areas of Health & Social Care not just hospitals etc. Further work on modelling for the 2020 Winter period was underway with Scottish Government to ensure forecasting was up to date and appropriate to the ask;
- On-going discussions with colleagues across the Health & Social care arena to ensure the latest communications and stock status was available including a daily bulletin to increase visibility of availability;
- Any quality issues in relation to PPE were dealt with and there was a strong quality assessment process in place to deal with any issues as they presented;
- After modelling and forecasting with Scottish Government NSS had procured £112million items of PPE in preparation for the Winter period, and have agreed with the UK Government to work collaboratively and that the necessary consequential would be available;
- Discussions had taken place looking at how to sustain production in Scotland that had been mobilised to support the COVID-19 response and the investment that this would require and would therefore require UK Government buy in;
- Elective recovery programme was also being supported working closely with planning leads etc to ensure confidence in stock holdings and any pressure points identified;

- For Resilience programme and Health & Social Care in relation to the EU Exit preparations and the end of the transition phase plans were in place to restock to the agreed plan over the coming weeks;
- Discussions on the future role of NSS in terms of resilience support for the wider Health & Social Care arena and this would be reflected in future plans and modelling;
- Planning and modelling for any second wave of COVID-19 were ongoing and currently looking at securing enough stock to act as a buffer if required.

7.6 Members were very encouraged by the report and asked that their thanks be passed on to all those involved and recognised the important work and support NSS was providing.

## 8. RECOMMENDATION TO STANDSTILL AND AWARD FOR PROCUREMENT OF FRAMEWORKS SCOTLAND 3

8.1 Mrs Low took Members through the paper which was used to enable the construction of any capital investment infrastructure across NHS Scotland and NSS manage this for major construction work. This was a national framework and it would normally be put through the Procurement Board and then recommended for signature by Mr Sinclair. However, the NSS Standing Financial Instructions state that where this is significant expenditure/value of a contract it should come to the NSS Finance, Procurement and Performance Committee before it can proceed.

8.2 The paper recommends to Standstill and Award of Frameworks Scotland 3. Frameworks Scotland 3 provides a strategic and flexible approach to the delivery of publicly funded major construction projects across NHSScotland and replaces the current framework, Frameworks Scotland 2, which expires at the end of September 2020. This follows the same model as the previous two iterations of the Framework Scotland, and the new framework has an estimated value of £650 million over the five year duration for the projects which will be delivered by NHSScotland Boards.

8.3 Members expressed some concern that the paper was only just being seen by the Committee and Mrs Low advised that it had been through all governance processes, and the Central Legal Office had been involved throughout.

8.4 Members discussed the paper further and asked that in future papers such as this came into the view of the relevant Committees earlier on in the process. Mr Redpath asked for further information in relation to scoring and the number of organisations taking part in the process, including how many suppliers were included. Mrs Low would provide further details after discussion with Ms Jacqueline Kilcoyne, Capital Projects manager in PCF, the author of the paper and provide these outwith the meeting. **Action: C Low to provide update to Members outwith the meeting.** It was also noted that the process had been the same as the two previous iterations of the framework. Mr Sinclair put some context to the paper, in that the Committee were being asked to endorse the process, not approve it. It was noted that it was a complicated process and that NSS was not committing to any specific activity or volume of spend, but rather a framework approach to allow Health Boards to carry out work. Mr Sinclair added that the framework had been very effective for the last 10-12 years and had, for example, been used to commission and build the Louisa Jordan Hospital as part of the COVID-19 response. The Health Boards used the framework to enable the tender process for new builds etc to proceed more quickly.

**C Low**

8.5 Members thanked Mr Sinclair and Mrs Low for their information and agreed to provide any comments to Mrs Low as soon as possible after the meeting. **Action: All to provide any comments on the framework to Mrs Low outwith the meeting.**

**ALL**

8.6 All agreed that it was important for papers such as this one to be brought to the attention of the Committee much earlier in the process going forwards so that they could be programmed into business accordingly to allow debate and comment.

8.7 Mr McDavid asked whether this framework would have any bearing on the new Royal Hospital for Children and Young People. Mr Sinclair advised that neither this, nor the Queen Elizabeth Hospital in Glasgow had been procured through this framework as it was not generally used for such large projects. It was also noted that neither of the primary contracts for those particular builds were suppliers within the framework companies.

## 9. NSS ANNUAL OPEARTING PLAN Q1 UPDATE [paper FPP/20/22 refers]

9.1 Mrs Morgan took Members through the performance update on Quarter 1 on the Annual Operating Plan with the note that this particular plan was never approved by Scottish Government as the process was suspended due to the COVID-19 response, but NSS felt it was important to report on progress to the Committee.

9.2 Members noted the progress to date and that 'business as usual' areas were working to target. Some areas had been diverted to focus on the COVID-19 response, such as Procurement, Commissioning and Facilties and Digital and Security. One area was currently showing a RED relating to the DCVP programme but this was being constantly monitored through the programme management structures and we regularly reported to the NSS EMT.

9.3 Mrs Morgan continued that the NSS Remobilisation plan had been submitted to Scottish Government but there had not yet been a response but would be fed into the Annual Operating Plan once approved. Mr Sinclair reminded all present that this document was confidential and should therefore not be shared outwith the meeting.

## 10. REVIEW OF BUSINESS RISKS [paper FPP/20/23 refers]

10.1 Mrs Walker, NSS Risk Manager Lead, took Members through the report and highlighted the following;

- There were two corporate level RED Risks relating to Information Governance Legislation and the Economy;
- Ten Amber risks, including a new one in relation to National Procurement product supply to the COVID-19 response;
- All risks have been fully reviewed and challenged by the relevant Heads of Service in Finance and governance groups.

10.2 Mr Redpath asked for clarification on appendix 1 where a Red business risk had a residual risk at Amber. Mrs Walker explained that some of the actions had already been addressed and there was a plan supporting this. The detail on these actions was recorded leaving a residual risk as Amber. Further work was being done on this particular risk by the NSS Senior Information Risk Officer (SIRO) and the risk was therefore still showing as RED until all mitigating actions had been completed. After further discussion Mr Sinclair noted that further work on the actions and notes relating to residual/current risk was required to ensure the Committee had a full view/understanding of the current state of any risk. Mrs Walker was asked to look at this outwith the meeting, in conjunction with Mr Sinclair, Mr Redpath and Ms Burgess for future reporting. **Action: M Walker to liaise as requested for future discussion.**

M Walker

## 11. RESILIENCE UPDATE [paper FPP/20/27 refers]

11.1 Mrs Morgan took Members through the paper and highlighted the following;

- There had been seven incidents during the period, one being COVID-19 and one where SNBTS had been mobilised to support a major incident in Glasgow.

Other incidents included specific digital issues with the Scottish Wide Area Network outage;

- The report also detailed the lessons learned processes that had taken place as a result of each incident.

11.2 Members thanked Mrs Morgan and noted the paper in full.

## 12. NSS REMOBILISATION PLAN – [CONFIDENTIAL PAPER FPP/20/21 refers]

12.1 Members noted the content of the plan and that this document remained confidential at this point in time. All present agreed that this was an excellent piece of work and the document had been well thought out and approached to ensure lessons learned, successes and workforce were celebrated and that once approved the document would then be aligned with new/different targets in the NSS Annual Operating Plan were appropriate.

## 13. NSS FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE ANNUAL REPORT TO THE BOARD [paper FPP/20/24 refers]

13.1 Members discussed the draft report and asked that further detail be added to incorporate more specifics around the work the Committee had undertaken during the year. Mrs Nicholls was asked to liaise with Mrs Dunlop, the previous Chair, and update the report for circulation to Members outwith the meeting. **Action: Mrs Nicholls to update document in conjunction with Ms Dunlop outwith the meeting and circulate to Members once updated.**

K Nicholls

## 14. BOARD HIGHLIGHTS REPORT [paper FPP/20/25 refers]

14.1 Members asked that the following items be added to the Board Highlights Report;

- NSS work on PPE;
- Annual Procurement Report;
- The Q1 finance report had been received and the Committee noted the importance of submissions to Scottish Government and the overall financial evaluation and funding still to be received in light of the NSS COVID-19 response and had received comfort around this funding;
- Further review of the NSS Standing Financial Instructions was to be carried out looking specifically at the rules around workforce reporting of new appointees and any in year changes made to reflect the COVID response, including those changes that may be retained going forward. This would be carried out during the lessons learned processes.
- Committee received assurances that NSS was prepared and planning for the European Union Exit process and any Phase 2 of COVID-19. **Action: Members asked that both these topics be added to the forward programme for the November meeting.**

Committee Secretary

## 15. ANY OTHER BUSINESS

15.1 There was no other pertinent business to discuss.

## 16. DATE OF NEXT MEETING

16.1 Meeting scheduled for 19<sup>th</sup> November 2020, via the TEAMS platform.

There being no further business, the meeting finished at 1255 hrs.

# Minutes (APPROVED)

**B/20/88**

## NHS NATIONAL SERVICES SCOTLAND (NSS)

### MINUTES OF STAFF GOVERNANCE COMMITTEE MEETING HELD ON THURSDAY, 27<sup>th</sup> AUGUST 2020 HELD VIA TEAMS, COMMENCING 0930HRS

**Present:** Mr John Deffenbaugh, Non-Executive Director [Chair]  
 Mr Tam Hiddleston, UNISON  
 Mr Gerry McAteer, UNISON  
 Mr Mark McDavid, Non-Executive Director  
 Mr Keith Redpath, NSS Chair  
 Mr Ian Cant, Employee Director  
 Mrs Susan Cook, UNISON

**In Attendance:** Mrs Mairi Gaffney, Head of Healthy Working Lives  
 Mrs Jacqui Jones, Director of HR & Workforce Development  
 Mr Colin Sinclair, Chief Executive  
 Ms Aileen Stewart, Interim Associate Director of HR  
 Ms Karen Nicholls, Committee Secretary Observer

**Apologies:** Ms Suzanne Milliken, Union Representative

#### ACTION

#### 1. WELCOME AND INTRODUCTION

1.1 Mr Deffenbaugh welcomed all to the meeting and noted apologies as above. Members were asked to declare any interests in the context of the agenda items to be considered. No interests were declared. Members noted that the meeting scheduled to take place on 5<sup>th</sup> May 2020 had been postponed as part of the streamlined governance approach to be used during the COVID-19 pandemic response.

#### 2. MINUTES AND MATTERS ARISING FROM NSS STAFF GOVERNANCE COMMITTEE MEETING HELD ON 7 FEBRUARY 2020 [papers SG/20/12 & SG/20/13 refer]

2.1 Following a brief discussion Members approved the minutes of the meeting held on 7 February 2020 as a true and fair record.

2.2 Members noted that there was only one outstanding item from matters arising focused on staff take up of flu vaccination (Item 6.2). Mr Deffenbaugh commented that at an external organisation he was familiar with the Board had led the way on encouraging staff to take vaccinations. Members went on to discuss the COVID-19 response and Mr Redpath advised that the Cabinet Secretary had requested that all Boards worked to improve staff uptake figures. The targets had not been met in NSS and were usually well below the recommended 60% of staff taking part in the flu programme. Members noted that there may some increase in uptake due to worries over COVID-19, however, the fact that most staff were working remotely would be a challenge.

2.3 Mrs Jones advised that this had already been discussed at the Executive Management Team meeting and a detailed Flu Action Plan for NSS was to be presented at the next meeting, including targets, timelines and plans for physical

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Chair: Keith Redpath  
 Chief Executive: Colin Sinclair

**ACTION**

presence in facilities as near to staff as possible. Mr Hiddleston commented that the plans would need to be very detailed and would be discussed at the NSS Partnership Forum. NSS was also exploring peer vaccination to increase the opportunities for staff to take up the vaccine. It was noted that NHS Tayside had adopted an individualised approach by writing to every member of staff and this was being explored by senior staff in NSS. Mr Sinclair added that this would also be a topic for his all staff briefing taking place later that day.

- 2.4 Ms Gaffney provided reassurance to Members that NSS plans were well advanced with safety as the biggest priority and these were discussed in detail at Occupational Health & Safety Advisory Committee (OHSAC) including appropriate risk assessments due to COVID-19 along with a full communications plan. Members noted that this would also form the basis for any COVID-19 vaccination programme once it was available. Mrs Jones advised that in order to get a full picture of how many staff in NSS had been vaccinated for flu there would need to be a mechanism for staff to record when they had received this outwith work. It was this that accounted for some of the low uptake percentages historically as NSS was only able to report on this who were vaccinated in work. Mr McAteer urged caution on this point as some who were in at risk groups were not keen to share with their employers.
- 2.5 Members briefly discussed the implications of any mass vaccination plan in response to COVID-19.
- 2.6 Mr Redpath and Board Members would be keen to support any NSS communications plans to encourage as many staff as possible to take up the vaccination opportunity.

### 3. **PEOPLE REPORT [paper SGC/20/14 refers]**

- 3.1 Mrs Jones took Members through the report and highlighted the following:
- Staff welfare was paramount and new ways of working had been introduced during the COVID-19 pandemic.
  - Continued pressure on HR staff due to the additional asks of the Test and Trace programme whilst trying to maintain BAU;
  - Improvement in sickness absence was welcome and further work was to be done to understand these figures;
  - Lots of work being done to improve figures for appraisals, pdp's and training – these were improving but had been affected during the pandemic response.
- 3.2 Mrs Jones continued that HR staff had done a tremendous job around the recruitment for the National Contact Tracing Centre in particular, as well as a staff bank with NHS Forth Valley. New ways of working had meant that all recruitment was being done in a virtual environment and was improving all the time. Some case management was still taking place, again in a virtual environment and social distancing.
- 3.3 Ms Stewart took Members through the rest of the report highlighting the following;
- News Ways of Working, including staff being redeployed to the COVID-19 response had been well received and the workforce response had been excellent and flexible to ensure priority services had been fully supported;
  - Staff and Trade Union colleagues had supported the continuation of case management where appropriate and this had been done virtually in most cases. However, where this was not appropriate suitable socially distanced venues had



**ACTION**

been found;

- The mini-survey to measure staff experience during the early days of the pandemic would shortly be released by Scottish Government was being fully prepared for to ensure as high a response rate as possible and ensuring all staff had the opportunity to take part. It was anticipated that the National Report would be available on 20<sup>th</sup> November. This would then be reviewed and the outcomes and analysis would be discussed at the Partnership Forum. This in turn would feed into the NSS Great Place to Work Action Plan. Trade Union colleagues would fully support this process.

3.4 Members then focused more on the new ways of working, including sickness absence and reporting on accidents when working from home. Mr Sinclair commented that in terms of the reduction in sickness absence it was important to establish whether this was due to people feeling that they should work as they were at home, or whether some of this reduction could be due to less stress due to not having to physically go into the office (i.e. commute, public transport, fatigue etc).

3.5 This now presented an opportunity to look more flexibly at how people work that would benefit both employees and the organisation. It was unlikely that any en-masse return to the office environment would be possible for the foreseeable future due to COVID-19, but this provided a real opportunity to look at what the future could possibly offer. Members also acknowledged that mental health issues during the lockdown must be taken into consideration as it may not be appropriate for all to work from home long-term. Mr McAteer and Mr Cant added that there had been no upsurge in staff contacting union representatives and this was generally a good marker of how staff morale was. However, this should be taken in the context that people may not wish to raise issues during a pandemic.

3.6 Mr Deffenbaugh thanked everyone for their input and summed up discussions as follows;

- Staff Experience – the impact of working in a totally different environment working from home;
- Sickness absence figures would be further reviewed and any lessons learned taken into account for future ways of working;
- Staff Survey to be carried out with final reporting due from Scottish Government in November.

3.7 Members asked that Mr Sinclair and Mrs Jones provide a brief update on lessons learned relating to staff during COVID to the next meeting. **Action: C Sinclair and J Jones to provide update to next meeting.** **C Sinclair/  
J Jones**

#### **4. NSS STAFF GOVERNANCE GREAT PLACE TO WORK ACTION PLAN YEAR 2 [paper SGC/20/15 refers]**

4.1 Ms Stewart took Members through the report and advised that the plan had been completed on the basis of the results from the iMatter report for NSS from the previous year. Due to the governance changes in response to COVID-19 this had not been presented to the Committee in May. This report therefore had been updated and reflected that COVID-19 responses should be included. The final version would therefore be discussed further at the NSS Partnership forum and the report presented to Committee prior to that taking place. The National iMatter survey had been paused for this year and be replaced with a much shorter Pulse Survey as discussed earlier in the meeting.

4.2 Members noted that the emphasis for this year had been to continue with the key performance indicators (KPI's) already identified. This would allow local feedback and updates on experiences during the pandemic and take into account results

from the shortened survey. This would all then feed into an updated action plan.

4.3 Mr McAteer commented that the methodology and progress were going in the right direction but the current pandemic and emergency responses could undermine this which would affect results as it would be reporting on totally different experiences. Members discussed this in full and Mr Cant and Mr Sinclair were both optimistic for the future as all NSS staff had made a massive response to the pandemic to ensure all services continued. The biggest challenge going forward would be to ensure that given the changed working conditions staff remained safe, trained and in the principles of the Great Place to Work Plan. Mr McDavid reiterated that the NSS scores, when benchmarked to other organisations, were excellent. He added that he detected a lot of work being done to ensure NSS got the good results it deserved. Mr Redpath added that this was all reflected in how staff had stepped up during the pandemic. Mrs Jones agreed with these comments but added that staff were working in challenging situations and it was important to ensure that staff and managers were supported appropriately in this new environment.

4.4 Members thanked Mrs Jones and Ms Stewart for their informative update and noted the content of the paper in full.

## **5. NSS PARTNERSHIP FORUM UPDATE**

5.1 Mr Sinclair and Mr Cant updated Members on the work of the NSS Partnership Forum during the six-month period since the last Committee meeting. Members noted that the Partnership Forum had become an emergency response and been held virtually. This was still the main focus of meetings and much of the discussions at the meetings mirrored what had already been discussed by Members at this meeting.

5.2 Members noted that in September the Partnership Forum would be focusing on the outcomes from the first round of Resource Allocation Meetings and the NSS strategy. In addition, discussions around the vaccination programmes and new ways of working would continue. In response to previous discussions the Partnership Forum had revisited their agenda and now looked at three main sections; Items for Discussion; Items relating to Performance and then Strategic Issues.

5.3 Members thanked Mr Sinclair and Mr Cant for their updates and looked forward to future reports.

## **6. NSS STAFF RISKS – RED AND AMBER [paper SGC/20/16 refers]**

6.1 Ms Fewsdale took Members through the report and advised that HR had raised a new Amber risk in relation to any detrimental effect on staff health and wellbeing as a result of the pandemic and what mitigating actions could be put in place to manage this. Members noted the following action plan in relation to this risk:

- Additional training for staff and line managers;
- Access to counsellor and coaching support on HR Connect;
- Any further interventions implemented where required;
- Opportunities to return to an office and on what basis;
- Support to up-skill managers to manage staff remotely.

Members noted that other staff risks identified similar themes and in response to muscular skeletal issues of working from home would also feature and require DSE

**ACTION**

assessments to be done on this new environment. Ms Gaffney advised that 1500 had already been submitted for review.

6.2 Ms Stewart added that it was also important to remember that some staff had not had the ability to work from home and their circumstances also required careful monitoring.

6.3 Mr Deffenbaugh thanked Ms Fewsdale for her informative report and reiterated that the one factor, that was key to all the discussion so far, was around how staff were communicated with.

## 7. NSS STAFF GOVERNANCE COMMITTEE ANNUAL REPORT 2019-2020

7.1 Members thanked all for compiling this report and welcomed the new format. All agreed that this was now ready to present to the NSS Board for information. Mr Redpath added that the format of this report should be shared with the other Board Committees and agreed to review this approach with Mrs Nicholls for other meetings. **Action: K Redpath and K Nicholls to review format of report with a view to share this with other Committees.**

**K Redpath  
K Nicholls**

## 8. OTHER RELEVANT COMMITTEE GOVERNANCE ISSUES

8.1 Members noted the following;

- NSS Audit & Risk Committee had focused on the NSS Annual Report and Accounts;
- NSS Remuneration and Succession Planning Committee had reviewed the year end appraisals for executive staff and this had been another strong performance year;
- NSS Finance, Procurement and Performance Committee had focused on finances relating to the COVID-19 response and NSS financial position, as well as remobilisation plans.

## 9. ITEMS FOR THE BOARD COMMITTEE HIGHLIGHTS REPORT

9.1 Mr Deffenbaugh made the following observations about the meeting:

- Assurance around the vaccination programmes looking at how to enhance the uptake of the Flu vaccine as a precursor to any COVID-19 programme;
- Assurance around staff experience and the work on the communications related to this;
- Work on going with line managers to ensure the right messages were getting across;
- Work on going with staff looking at the 'new' normal;
- Sickness absence figures were improving and work was underway to validate the figures so far;
- Request that for future meeting a lessons learned focus around COVID-19 around effective leadership and management of staff in a changed environment.

**10. ANY OTHER BUSINESS**

- 10.1 Members agreed that the following should be removed from the standing items for this Committee as it was no longer relevant to normal business - Public Health Scotland update. Ms Stewart advised that she would also be working with Mrs Nicholls and Mr Deffenbaugh to look at the forward programme to ensure the most appropriate items were included.

**11. REVIEW OF MEETING**

- 11.1 Members made the following observations about the meeting:

- The TEAMs environment was becoming more familiar and easy to use for both Chair and participants;
- Excellent papers supplied for the meeting;
- Further clarity on the new report template was required.

**12. DATE OF NEXT MEETING**

- 12.1 Thursday, 19<sup>th</sup> November 2020, 13.30 via TEAMs platform.

# Minutes (APPROVED)

B/20/89

## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE & QUALITY IMPROVEMENT COMMITTEE

### MINUTES OF NSS CLINICAL GOVERNANCE COMMITTEE MEETING, HELD ON 4 SEPTEMBER 2020, VIA TEAMS DIGITAL PLATFORM, COMMENCING AT 0930HRS

- Present:** Mrs Alison Rooney – Non-Executive Director [Chair]  
Mr Mark McDavid – Non-Executive Director  
Mr Keith Redpath – NSS Chair
- In Attendance:** Dr Lizzy Day, Scottish Clinical Leadership Fellow  
Mr Peter McLaughlin, Programme Director – PCF (deputising for Dr Wheelans)  
Dr Brendan O'Brien, Chief Clinical Informatics Officer  
Dr Lorna Ramsay – Medical Director & Executive Lead for Clinical Governance  
Professor Jacqui Reilly – Nurse Director & Executive Lead for Quality Improvement  
Mr Colin Sinclair – NSS Chief Executive  
Mr Calum Thomson, Head of Clinical Professional Development  
Professor Marc Turner – Medical Director, SNBTS  
Mrs Karen Nicholls, Committee Services Manager [Minutes]
- Apologies:** Dr Craig Wheelans – Interim Medical Director, PCF

#### ACTION

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

- 1.1 Mrs Rooney welcomed all to the meeting, her first as Chair of the committee, and noted the apologies above. Before starting the formal business of the meeting, Ms Rooney asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared.

#### 2. MINUTES OF CLINICAL GOVERNANCE COMMITTEE MEETING HELD ON 2 MARCH 2020 [paper CG/20/17 refers]

- 2.1 Following a brief discussion, Members approved the minutes from the previous meeting held on 2 March 2020, subject to the correction of Dr O'Brien's title.  
**Action: Board Services to update minutes.**

Board Services

#### 3. MATTERS ARISING AND ACTION LIST [paper CG/20/18 refers]

- 3.1 Members noted that the majority of items were either completed or covered by the agenda. Members were advised that, in respect of item 2020-03-02 13.1, the Safe Staffing guidance had not been received yet as the programme had been paused by Scottish Government. Professor Reilly assured Members that the guidance would be circulated once it had been issued. Regarding 2020-03-02, Members noted that the work on Terms of Reference had also been deferred due to COVID but this would now be picked up.

#### 4. CLINICAL TEAM UPDATE [paper CG/20/19 refers]

- 4.1 Members noted that the clinical team had been exceedingly busy and although many staff had been diverted to COVID-related work, a significant amount of regular activity had continued. Members were also pleased to hear that some



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Chair Keith Redpath  
Chief Executive Colin Sinclair

**ACTION**

of the work which had been paused at the beginning of the pandemic was now being restarted and acknowledged that there were a number of factors, like the pausing of Safe Staffing by the Scottish Government (SG), which had helped with this.

4.2 Dr Ramsay also highlighted the following;

- Innovation workstream picking up including the ScotCap work previously presented to the Committee which was now working towards accelerated adoption;
- Rapid implementation was also in progress on the Upper GI cyto-sponge programme;
- NHS Scotland would also focus on innovation as part of the COVID-19 recovery programme;
- NSS facilitating the new Innovation Steering Group;
- Medicines had seen a bigger pause and it was challenging to get all the Scottish Government Directorates involved together at one time. However, a paper had been presented to NES Digital around prescribing. This was particularly important, and useful, during the COVID-19 response and the move to video and telephone appointments etc but prescribing was still done on paper;
- Establishment of three new Services continues and were now running Centre of Excellence for Reducing Risk and Infection in the Healthcare Built Environment; Screening Oversight function and Dental Governance;
- Successful transition around Public Health Scotland and provided support and advice to their clinicians and professional leadership. Professor Reilly was currently providing senior nursing support under a MOU on a temporary basis with review of this over the longer term support required;
- New Scottish Clinical Leadership Fellow – Elizabeth Day had now joined the organisation and the Pharmacy Fellow would also be coming back to NSS to finish his time;
- Annual Reports for Duty of Candour and Infection to be presented at the meeting, but the Research and Innovation Annual reports would come to a future meeting **Action: To be added to forward programme for future meeting.**
- Close liaison with Boards, stakeholders and SG was ongoing around support for COVID-19.

**Board Services**

4.3 Ms Rooney asked that the thanks of the Committee be passed to all the clinicians for the substantial work they had done, with further recognition that a review of capacity may also be required going forward to ensure NSS was able to fulfil the clinical obligations.

4.4 Members thanked Dr Ramsay for her informative report and noted it in full.

## **5. UNDERGRADUATE NURSING IN NSS [paper CG/20/20 refers]**

5.1 Professor Reilly provided an overview of the reasons why NSS had never had undergraduate nurses in the past, and how the recent changes to the standards for education meant that a wider variety of nursing roles were being accounted for. The Continual Professional Development and learning practice placement assessment requirements also changed, as well as moving from a rigorous mentorship model to a wider supervision model. In light of these changes, the senior nurses in NSS had looked at this, noting that the pandemic had meant practice placements had to be revisited and there was a move to a national model on remobilisation through NHS Education for Scotland. There was a need to consider how placements could be broadened, as the social distancing

**ACTION**

requirements meant that the higher education colleges were struggling to get people in. This paper provided an overview of the considerations around NSS taking some of them on.

- 5.2 Members discussed the paper in full and were supportive of the recommendations. Ms Rooney suggested that this paper/programme of work should also be discussed at the NSS Staff Governance Committee. **Action: Add to forward programme for future NSS Staff Governance Committee.**

**Board Services**

**6. UPDATE ON CENTRE OF EXCELLENCE FOR REDUCING INFECTIONS AND RISK IN THE HEALTHCARE BUILT ENVIRONMENT [paper CG/20/21 refers]**

- 6.1 Professor Reilly took Members through the update and highlighted the following;

- The funding bid had been submitted to SG in March 2020 and funding for current year has been approved;
- Imminent decision around Anti-Microbial Resistance and Healthcare Acquired Infection (ARHAI) expected;
- Programme overall at Amber status due to timescales and ability to engage with Territorial Boards during a pandemic;
- There was now an SBAR detailing the minimum viable product to enable the Centre to launch on 1<sup>st</sup> April 2021. This would include compliance of all new builds already in the pipeline (this was now running in Procurement Commissioning and Facilities (PCF) strategic business unit (SBU);
- Rest of the programme being developed with a wide range of programme work around guidance, intelligence, training and education which would run concurrently.

- 6.2 Mr McDavid asked whether there had been a decision on whether the new centre would be regulatory. Professor Reilly advised that at the moment the new centre would not require any legislative changes and the NHS inspection function would continue to sit with Health Improvement Scotland (HIS). Talks were ongoing to strengthen existing relationships between NSS giving expert advice to HIS and ensuring inspections are risk based and proportionate. The role of the new centre and functions would be outlined in a SGHSCD Directors Letter (DL) to the Boards. NSS was therefore in discussion with them on how to strengthen this. Any differences would be outlined in the relevant Directors Letter (DL) from SG to the Boards. The intention for the Centre was to concentrate initially on the builds before they started with compliance and assurance checks required to be signed off by the Centre. Currently the main focus of the function was an interim compliance review of all new buildings.

- 6.3 Professor Reilly added that the right people were already in place, however, there may be capacity issues. This was being managed via a robust workforce plan and the intention was to 'grow our own' by upskilling, but also use consultants when necessary. Mr Redpath queried the fact that only year one funding had been agreed so far and Professor Reilly advised that the Centre was included in the Programme for Government and the Chief Finance Officer had said it would be funded. It was usual practice to only confirm one year of funding at a time. Mr Redpath also raised concern at the length of time it was taking to get official confirmation that NSS would be the governing body in this field. Members noted that this was a risk but it was being managed.

- 6.4 Members thanked Professor Reilly for her update and noted the paper in full.



**ACTION****7. PUBLIC INQUIRY [paper CG/20/22 refers]**

7.1 Professor Reilly took Members through the paper and noted the following;

- The Inquiry was launched in August 2020 with Lord Brodie as Chair;
- Professor Reilly would be the senior responsible officer within NSS for this inquiry;
- Evidence gathering had already commenced and Chris McVey, Programme Manager (HAI and IC) would be the coordinator;
- Recognition that the Terms of Reference for the Inquiry were wide and NSS involvement during the time in question had been around guidance;

7.2 Members noted the content of the paper and asked that this be a standing item for future meetings for the time being. **Action: Add to forward programme as standing item as a verbal update.** **Board Services**

**8. NATIONAL SCREENING OVERSIGHT FUNCTION [paper CG/20/23 refers]**

8.1 Dr Ramsay took Members through the update and highlighted the following;

- The proposal for a National Screening Oversight Function had been approved by the Scottish Screening Committee and the Chief Executives on how NSS would carry out this function. This was approved by the Cabinet Secretary;
- Work to establish this new function commenced during COVID-19 though with an amended approach and additional remit to oversee screening recovery;
- Interim arrangements were put in place and the service had to hit the ground running;
- Terms of Reference were almost completed and would be circulated to Members as soon as possible. **Action: L Ramsay to circulate TOR's when available;**
- Permanent team now being put in place and Gareth Brown (formerly from SG) would be attending the next meeting to update.

**L Ramsay**

8.2 Mr Redpath asked that for the next meeting the TORs for both this new function and the Scottish Screening Committee be available for comparison of roles and responsibilities. Members noted that the need for this new function had been a recommendation of the Scottish Screening Review. The intention was to review and evaluate the function after a period of two years. Relationships were also being developed with peers across the four nations to ensure learning opportunities were fully explored. Members asked that some form of benchmarking update be provided to a future meeting. **Action: L Ramsay to provide update to future meeting.** Dr Ramsay added that the response to COVID-19 had affected the workplan for the Breast Screening Review though it was expected this would be recovered, depending on any further pandemic issues, by year end.

**L Ramsay****9. SCREENING RECOVERY PLAN**

9.1 Dr Ramsay took Members through a short presentation outlining a single cohesive recovery plan that had been approved by the Scottish Screening Committee, CEOs and SG ministers. This was focused on safety and minimising inequalities. This would lead to some changes to programmes that would require modifications to business as usual, for example additional communications etc. NSS was also working with HIS to review the existing screening standards for each programme.

**ACTION**

9.2 Members noted that those patients at a higher risk had now been screened and this was all done in a managed way. Another stage of the process had been to evaluate readiness in each Board to proceed to next stage prior to execution. The main issues identified had been around capacity and availability of venues given the requirements of the COVID-19 response. Dr Ramsay advised that all programmes of work were now moving into Stage 3 recovery resumption of routine screening. Work was also ongoing with SG on cancer recovery, screening and endoscopy recovery plans and engaging with Boards in particular around bowel screening and colonoscopy capacity. The role of the new oversight function would then be to monitor what is happening in Stage 3 routine screening and to look closely at any access issues or inequalities and if different ways of working would support this. Dr Ramsay added that whilst there was a national approach this was not rigid as Boards were not at the same stages of readiness.

9.3 Members thanked Dr Ramsay for her informative update and presentation.

## 10. BREAST SCREENING REVIEW [paper CG/20/24 refers]

10.1 Members went through the paper and highlighted the following;

- Timetable for the programme of work had been extended by 6 months and the report would therefore be for presentation in March 2021;
- Review was at a critical stage and moving into key areas around access, uptake inequalities, service delivery points and location of service;
- There had been a lengthy process of commissioning data and this would assist the process greatly. The first test would be using the new cancer database;
- Good feedback had been received on those who did not engage with the programme and this would feed into the inequalities work;
- Eligible population remained static. Over 70's were currently out of scope but could self-refer. This was currently using 7% of the capacity and further work would be done to drill down into this;
- Artificial Intelligence (AI) Mammography – this would offer a huge opportunity and great potential if it could be harnessed. Scotland would be ready to move at pace on this once the evidence was available and to do early adoption and a significant innovation programme nationally and this would feed into the clinical strategy;

10.2 Mr Sinclair asked for timelines around the potential use of AI and Mr McLaughlin advised that clinical trials would be the next step. Currently there was only one company in this market place who NSS were working with and it was expected that mid-2021 would be the quickest it could be completed. This project was about the future, not a short term solution.

10.3 Mr Redpath asked for further clarity on what the governance role for this Committee was around this subject matter as the governance structure presented showed others as the decision making parties. Ms Rooney advised that the outcome of the review may provide a better view of this and once that had reported a decision could then be made on when this came back to the Committee and for what purpose. Dr Ramsay added that for the Breast Screening programme NSS had responsibility across all aspects from beginning to end, and this was the reason for it coming to Committee. **Action: L Ramsay/A Rooney and P McLaughlin to review how this would be reported to future meetings.**

**L Ramsay/  
A Rooney/  
P McLaughlin**

**ACTION**

10.4 Members thanked Mr McLaughlin for his informative update and looked forward to further reports via the National Screening Oversight function at future meetings.

**11. DENTAL GOVERNANCE UPDATE [paper CG/20/25 refers]**

11.1 Members went through the update provided by Mr Paul Cushley, which came for noting and information to the Committee.

11.2 It was noted that the Scottish Dental Practice Board had not met during COVID-19, therefore the TORs for the new replacement body would need to be reviewed again.

11.3 After a short discussion Members asked that a further update to provide assurance that the appropriate governance was in place be brought to a future meeting as soon as an update was available. **Action: Add to forward Board Services programme for future meeting.**

**12. VACCINATION PROGRAMMES**

12.1 Dr Day took Members through a presentation providing an update on the current position to ensure the Committee was being kept up to date on this programme of work. Members noted that the intention was to have three vaccination programmes as follows;

- Standard Season Flu – the delivery model had been changed due to social distancing requirements and the responsibility for this sat with the Health Boards. Currently each was taking a different approach;
- Extended Flu programme – as per previous item
- COVID-19 programme
- Vaccine procurement and distribution, waste management, PPE distribution, practitioner payments under NSS remit and HBs may need other support e.g. IT. Members noted that the vaccines available would come from UK Government;
- Internal NSS Vaccine Group formed to ensure connected approach within NSS;
- Vaccine information was continually emerging and changing, possible time scale as early as late October
- Current prioritisation strategy from Joint Committee on Vaccination and Immunisation (JCVI)
- Frontline health and social care workers first group and then at risk groups;
- Service Delivery Programme overseen by Mary Morgan;

12.2 After a short discussion Members thanked Dr Day for her presentation and looked forward to future reporting.

**13. UPDATE ON BLOOD AND TISSUE SAFETY MEASURES [paper CG/20/32 refers]**

13.1 Professor Turner took Members through his update and highlighted the following;

- On site regulatory inspections and professional audits have been suspended since the last report of 20<sup>th</sup> February 2020 due to the COVI19 outbreak, however a number of desk top inspections have been carried out;
- The implementation of Directive 93/42/EEC–Medical Devices changed to Medical Device Regulation, (MDR) 2017/745 has been delayed to May

**ACTION**

2021. Directive 98/79/EC – In Vitro Diagnostic Medical Devices changed to In Vitro Diagnostic Regulation, (IVDR) 2017/746 will still be applied from May 2022;

- The IBI suspended hearings over the past 6 months but have continued to publish historical documents on their website. NSS have continued to respond to all requests in a timely manner;
- EU Exit - SNBTS preparations for EU Exit prior to the outbreak of COVID 19 included a review of key suppliers, consumables, country of origin and volume usage to enable SNBTS to secure procurement of at least 12 weeks stock to mitigate potential supply chain delays. Additional work on going to ensure MHRA and HTA licences to ensure they are fit for import and export to and from the EU if/when UK becomes a third country. Members asked whether this could impact Members of the European Blood Alliance and what impact this could have. Professor Turner advised that this risk was still there but was currently very quiet and a further update would be provided once there was a final decision on BREXIT;
- Scottish Government Organ Donation Opt-Out Scheme. Now working through the legal subtext and fully engaged from a tissues perspective;
- Gametes - HFEA licence for centralised storage of gametes was issued in June 2020 as scheduled;
- Cornea - The pandemic occurred just as SNBTS was preparing to send staff down to NHSBT Tissue Unit in Speke to be trained in eye retrieval. It was therefore agreed to postpone SNBTS eye retrieval within the central belt of Scotland for a few months;

13.2 Professor Turner then took Members through a detailed update on the implications of the COVID-19 pandemic and the challenges that had been faced by SNBTS. This had a significant impact on donor sessions due to the social distancing and travel restrictions. Provision had also moved to fixed centres and out of hospital facilities. This would in turn require additional funding which had formed part of the SNBTS RAM bid. He added that all related risks were being managed across the blood community and targeted communications through social media etc were taking place to encourage those with specific blood types to donate. Mr Redpath added that not with-standing the pandemic there had been no change in policy from the Board or SG on blood collection. Mr Sinclair added that he was fully supportive of Professor Turner and SNBTS approach during the pandemic. Members then discussed convalescent plasma. This, despite lack of high quality evidence, had seen a worldwide move towards treatment for COVID-19 patients, and discussions were ongoing with SG on how this would be funded going forwards.

13.3 Members thanked Professor Turner for his informative update and asked that their thanks be passed on to all SNBTS staff for their response to COVID-19.

*Note: At this point Mr Redpath left the meeting meaning it was no longer quorate and any decisions made would therefore be homologated at the following meeting.*

#### **14. NSS COVID RESPONSE: CLINICAL ACTIVITY [paper CG/20/26 refers]**

14.1 Dr Ramsay took Members through the update on clinical activity taking place in response to the NSS COVID programmes of work. She explained that the report included all clinical leadership and expertise that was being utilised in this

**ACTION**

response and the huge difference a cross sectional approach to working had been welcomed. Ms Rooney asked that it be recorded in the minutes the appreciation of the Committee of the breadth of work that had been undertaken. She particularly welcomed the proactive approach that came through the report, especially in relation to the Louisa Jordan Hospital and the Lighthouse Laboratories etc. Members also noted the advances made digitally including reporting and testing data and Mr Sinclair added that this was not just a replacement for 'Office' but offered huge clinical potential as we moved forward. These programmes would require exceptional governance and NSS would be right in the middle of it all. Ms Rooney asked for clarity on how the Committee could be assured that this was taking place and Dr O'Brien advised that there was a new governance structure being put in place that would feed into the NSS Committees. Members therefore asked that this be a standing item for future meetings. **Action: Add to forward programme.**

**Board Services**

14.2 Members thanked Dr Ramsay and Dr O'Brien for their informative report and look forward to future updates.

**15. NSS STAFF VACCINATIONS [paper CG/20/27 refers]**

15.1 Professor Reilly took Members through the paper and noted the following;

- SG targets for healthcare worker's vaccination had risen and work was underway in NSS to improve uptake from previous years;
- Endorsement of peer-to-peer vaccination being sought;
- Flu clinics would be done differently due to COVID-19 restrictions.

15.2 Members noted the paper in full and approved the content. It was noted that this would be homologated at the next meeting. **Action: Add to forward programme for homologation.**

**16. ADVERSE EVENTS REPORT [paper CG/20/28 refers]**

16.1 Mr Thomson took Members through the reports and noted that despite the Committee not sitting due to changes to governance as a result of the pandemic, the processes and governance had continued.

16.2 Members then discussed the report in full, including both the Q1 (20-21) and Q4 (19-20) information. Members were reassured that appropriate governance and lessons learned from Adverse Events was being managed appropriately.

**17. CLINICAL RISKS [paper CG/20/29 refers]**

17.1 Mr Thomson took Members through his paper and reminded all that this was a representation of all corporate clinical risks. It was noted that Clinical Directorate now reviewed all new corporate risks for any clinical aspects and provided appropriate challenge at an earlier stage.

17.2 Members discussed the risks in full and noted that there was one medium risk in relation to QMS email changes. Mr Thomson advised that this particular risk had been mitigated and was no longer in the major category. Ms Rooney asked for further information on this particular risk outwith the meeting. **Action: C Thomson to provide update outwith meeting.**

**C Thomson**

17.3 Members were content to note the paper.

**18. DUTY OF CANDOUR ANNUAL REPORT [paper CG/20/30 refers]**

18.1 Members noted the content of the report in full. Mr Thomson advised that this was an annual paper requested by SG and only one incident had been reported during the year. Members were advised that although the report had been anonymised the patient in question had multiple follow-ups after the incident and a lessons learned had been carried out.

**19. HEALTHCARE ASSOCIATED INFECTION ANNUAL REPORT (HAI) [paper CG/20/31 refers]**

19.1 Members discussed the paper in full and noted that NSS was fully compliant in mandatory training. There had been additional work throughout the pandemic that also fed into all aspects of HAI.

19.2 Members were content and welcomed this as a good example of an Annual Report to the Committee.

**20. MEDICAL DEVICES REGULATIONS UPDATE [paper CG/20/33 refers]**

20.1 Dr Ramsay presented the report and highlighted the following;

- Implications of this regulation on SNBTS were being reviewed and SNBTS was currently on track to meet the deadlines;
- Software had been identified as a medical device and work was ongoing with D&S. However, due to the pandemic this had been delayed and would resume in October;
- Work on a wider support for NHS Scotland was ongoing;
- The programme of work would require additional clinical informatics safety officer and a bid had gone into the RAM process to support this recruitment.

20.2 Members thanked Dr Ramsay for the information supplied and looked forward to further updates.

**21. CLINICAL GOVERNANCE AND QUALITY IMPROVEMENT ACTION PLAN [paper CG/20/34 refers]**

21.1 Mr Thomson advised that the framework had been approved last year but some parts of it had been delayed due to COVID. This paper included the updates made to reflect that. Members were assured this was a three-year plan, on the basis that completion of all the actions would take up to March 2021 with the following two years focussed on embedding that groundwork and taking it throughout the organisation. Members were content to approve the plan, subject to homologation.

**22.1 OTHER GOVERNANCE ISSUES**

22.1 There were no other governance issues to discuss.

**23. HIGHLIGHTS REPORT FOR THE BOARD**

23.1 Members agreed the following should be included in the Highlights Report to the Board

- Members support of the proposal in respect of undergraduate nursing
- Approval of peer vaccination.
- Approval of the annual reports for Duty of Candour and Healthcare Associated Infection

- Appreciation of the extent of the work done across NSS in relation to COVID and the capacity challenges this created which were being addressed by EMT
- Update on the new National Screening Oversight Function, which was formally part of NSS.

**24. ANY OTHER BUSINESS**

24.1 Members had no further business to raise.

**25. CLINICAL GOVERNANCE COMMITTEE FORWARD PROGRAMME [paper CG/20/35 refers]**

25.1 Mrs Nicholls agreed to update this for the next meeting following today's discussions. Members also discussed the possibility of a development session later the programme of work.

**26. REVIEW OF MEETING**

26.1 As she was still settling into the role of committee chair, Mrs Rooney invited Members to get back to her outwith the meeting with any feedback they might have.

**27. DATE OF NEXT MEETING**

27.1 The next meeting of the Committee was scheduled to take place at 0930hrs on 4 December 2020 via the TEAMS digital platform.

There being no further business, the meeting finished at 1330 hrs



# Minutes (APPROVED)

<b>B/20/90</b>
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**NHS NATIONAL SERVICES SCOTLAND (NSS)**

**MINUTES OF THE NSS AUDIT AND RISK COMMITTEE MEETING HELD ON 15 SEPTEMBER 2020 COMMENCING AT 0930 HRS**

**Present:** Ms Julie Burgess, Non-Executive Committee (Chair)  
Mr John Deffenbaugh, Non-Executive Director  
Mrs Kate Dunlop, Non-Executive Director  
Mrs Alison Rooney, Non-Executive Director

**In Attendance:** Mr Peter Croan, Head of Finance – NSD [Items 1 - 8]  
Mr Lee Dobbins, Service Auditor – KPMG  
Ms Inire Evong, External Auditor - Audit Scotland  
Ms Laura Howard, Associate Director - Finance Operations  
Mrs Carolyn Low, Director of Finance  
Mr James Lucas, Internal Auditor - KPMG  
Mrs Eilidh McLaughlin, Associate Director - Information Security and Governance  
Mr Deryck Mitchelson, Director – Digital and Security  
Mrs Mary Morgan, Director – Strategy, Performance, and Service Transformation  
Mrs Lynn Morrow, Corporate Affairs and Compliance Manager  
Mr Andy North Service Auditor – KPMG  
Dr Lorna Ramsay, NSS Medical Director [Items 11 - 23]  
Ms Trish Ruddy, NSS Privacy Advisor  
Mr Neil Thomas, Partner KPMG  
Mrs Marion Walker, Risk Manager Lead [Item 18]

**Apologies** Mr Colin Sinclair, NSS Chief Executive

## ACTION

### 1. WELCOME, APOLOGIES AND IN ATTENDANCE

1.1 Ms Burgess welcomed everyone to the meeting, noting the apologies and those in attendance. Before starting the formal business of the meeting, Ms Burgess asked the Committee Members if they had any interests to declare in the context of the Agenda items to be considered. No interests were declared. Mrs Nicholls then provided an overview and summary of how the new “Once for Scotland” template front covers should be completed by external contractors. Members provided some further feedback about trying to find appropriate flexibility within a one size fits all approach, as well as ensuring the front cover did not end up as solely a repetition of the main paper.

### 2. DRAFT MINUTES OF THE NSS AUDIT AND RISK COMMITTEE [ARC] MEETINGS HELD ON 16 JUNE 2020 AND 10 AUGUST 2020 [papers AR/20/37 and AR/20/38 refer]

2.1 Following a brief discussion on the minutes of the ARC meeting held on 16 June 2020, Members approved them as a true and accurate record, subject to the correction of some minor typographical errors. **Action: Mrs Bailey to correct L Bailey typographical errors in 16 June 2020 draft minutes.**



#### Headquarters

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EDINBURGH EH12 9EB

Chair: Mr Keith Redpath  
Chief Executive: Mr Colin Sinclair

**ACTION**

- 2.2 Members then discussed the minutes of the ARC meeting held on 10 August 2020, and were content to approve them as a true and accurate record.

**3. MATTERS ARISING [paper AR/20/39 refers]**

- 3.1 Members noted the updates provided which showed that that the majority of actions had been completed or were covered by the other items on agenda. They received the following verbal updates:

- 2020-06-16 Item:3.3 (Freedom of Information [FOI]) – Mrs Morrow was still collating the information on FOI trends during the pandemic response period and expected to bring this to the next ARC meeting scheduled for 2 December 2020. **Action: Mrs Morrow to bring paper on FOI trends during the pandemic response to the ARC meeting on 2 December 2020.**
- 2020-06-16 Item:4.5 (Aligning the post of Head of Public Participation and Engagement) – Members requested an update from Mrs Morgan, outwith the meeting, regarding the review of how to align the Head of Equality and Engagement role post-COVID 19. **Action: Mrs Morgan to provide an update regarding the review of how to align the Head of Equality and Engagement role post-COVID 19.**
- 2020-06-16 Item:4.8 (Internal Audit Status Charter) – Members had previously been sent the most recent Internal Audit Charter but Mr Lucas offered to re-send it on request.
- 2020-06-16 Item:7.2 (EMIS Risk) – Members were assured that this risk was now on the register and fully up to date.
- 2020-06-16 Item:7.3 (Emerging Risks) – Members were advised that Mrs Walker had done a piece of work on this and was scheduled to meet with Ms Burgess on 2 October 2020 to discuss it.
- 2019-09-12 Item:5.1 (NSS Case Study) – Members discussed whether this action was still relevant and agreed that it could be closed. They were also keen to record, as a learning point for the future, that NSS should ensure any such representations were captured as appropriately and accurately as possible.

**L Morrow (for  
02/12/20 ARC)**

**M Morgan**

**4. INTERNAL AUDIT STATUS REPORT [paper AR/20/40 refers]**

- 4.1 Mr Lucas spoke to the paper which provided a summary of progress against the internal audit plan. Members were pleased to note that three audits had been completed, along with one additional review from previous year, and the reports from these would be covered in the items to follow on the agenda. The report on the Clinical Waste Management Contingency audit had just missed the deadline for this meeting but Members were assured this would be presented at the next ARC meeting on 2 December 2020. All other audits were currently on track to be delivered in line with the plan.

**5. COMPLETED INTERNAL AUDIT: PROJECT MANAGEMENT [paper AR/20/41a refers]**

- 5.1 Members were pleased to note that, in respect of project management, significant improvements had been made in terms of controls. There had also been a number of conversations around contractor and vendor management which had identified potential future work in that area. Members welcomed the positive review and discussed how recommendations for future audits were being captured and progressed. Members sought and received clarification of the maturity scale and what the achieved level signified. They requested that consideration be given to including this information within the cover sheet to give

a better overall view. Members were also keen for NSS to consider how it leveraged its impact nationally in order to help continue improvements in IT.

**6. COMPLETED INTERNAL AUDIT: ENABLING PUBLIC HEALTH SCOTLAND [paper AR/20/41b refers]**

6.1 The Enabling Public Health Scotland audit had concluded that significant assurance with minor improvement opportunities could be provided. Members noted the contents of the report and commended the work of the team delivering the shared services involved, appreciating the magnitude of the task, and were also pleased to see good learning points identified

**7. COMPLETED INTERNAL AUDIT: SNBTS – QUALITY ASSURANCE [paper AR/20/41c refers]**

7.1 The SNBTS Quality Assurance audit had concluded that significant assurance with minor improvement opportunities could be provided. Members sought and received clarification on inconsistencies in references to the date of the next Quality Management Review Group meeting, and strongly supported the recommendations to address variations in regional practices.

**8. COMPLETED INTERNAL AUDIT: NSD GOVERNANCE [paper AR/20/41d refers]**

8.1 The NSD Governance audit had concluded that significant assurance with minor improvement opportunities could be provided. Members welcomed the positive report and complimented the team for their work. Mrs Low reminded Members this audit had been commissioned to ensure better visibility of those funds which NSS managed on behalf of other services but had no direct control over. Members were given assurance that there was significant ongoing monitoring through the corporate finance network, and that the reporting lines ensured NSS had sufficient insight and detail at Executive Management Team (EMT) level.

**9. EXTERNAL AUDIT UPDATE**

9.1 There was no external audit update due at this time.

**10. SERVICE AUDIT PLAN 2020/21 [paper AR/20/42 refers]**

10.1 Following the qualified audit opinion in June, a review had been undertaken to identify lessons learned and improvements which could be made in response. Mr Dobbing took Members through the document which noted the activities completed to date, outstanding areas of work, proposed and agreed changes in response to NSS feedback, and the proposed timelines for this. Members were pleased to note that, overall, Service Audit was in a better position than last year. However, the previously experienced challenges within Practitioner and Counter Fraud Services (PCFS) had not yet been fully addressed. A significant amount of work had been done but there was also a lot still to be done to manage expectations and provide context for NSS's customers. Unfortunately, at this point in the year, this meant that the audit opinion was a potential qualification if the control framework was not amended for the areas identified last year as exceptions. Members asked about a timeline and actions which could be taken to avoid this. KPMG had set out clear thoughts and guidance for the control frameworks needed, and re-iterated that gathering/retaining evidence from the start of the year would be key.

10.2 Members sought assurance about how a development journey could be shown and KPMG explained how time-bound exceptions could be used. Members were advised that a gap analysis was being done and, once finished, would allow NSS the opportunity to demonstrate progress. Members discussed

**ACTION**

working more in terms of a relative direction of travel and Mr North confirmed he was working with Ms Low to provide clear messaging for customers etc. Members were keen to hear the view of the Management Team following the gap analysis on what the gaps were and how they felt they could be addressed. There was some recognition that the impact of COVID 19 meant that there had been limitations to what could be done and how quickly anything could be moved forward. Members also recognised that a significant amount of work had been done but unfortunately, in this area, time was against us. Ms Low agreed to speak to Mr Martin Bell, Director of PCFS, to identify and facilitate any additional support he needed. Ms Low also agreed to provide an update to the Board on the control frameworks progress. Members also requested that additional information on slippage, and its impact, be added onto the timeline provided within the report.

**Action: Ms Low to speak to Mr Bell to identify and facilitate any additional support he may require around service audit.** C Low

**Action: Ms Low to provide an update to the Board on the control frameworks progress.** C Low

**Action: KPMG to consider including additional information on slippage, and its impact, to the timeline provided in the report** KPMG

**11. DRAFT MINUTES OF INFORMATION GOVERNANCE COMMITTEE (IGC) HELD ON 18 SEPTEMBER 2019 FOR APPROVAL [paper AR/20/43 refers]**

11.1 Members discussed the minutes of the IGC meeting held on 18 September 2019 and approved them as a true and accurate record, subject to the correction of some minor typographical errors. **Action: Mrs Bailey to correct draft minutes.** L Bailey

**12. INFORMATION GOVERNANCE INCIDENT AND RISK UPDATE [paper AR/20/44 refers]**

12.1 Mrs McLaughlin explained the more extended timescale this report needed to cover due to the Information Governance Committee being stood down and its agenda being brought under the ARC. Members noted that, in the period reported, there was less red risk overall with only one risk elevated within the period. Mrs McLaughlin went into some of the detail around some of the higher profile risks and Members as earlier, felt there was a need to summarise some of that information within the front cover to provide a more holistic view. In respect of amber risk 5755 (SMB1), Members expressed concerns that there appeared to be no reduction between current and residual risk but were assured this would be monitored. Members felt it would be useful to have clarification on the amber risks as to whether the residual risk had already been achieved or was subject to the proposed mitigations being in place. In respect of risk 4577 (IG Legislation Breach), Members were given an overview of the GDPR and information asset register challenges. but were pleased to note that additional resource would be in place from November 2020 to address this. The aim was to manage the risk down to Amber in the first instance and review from there.

12.2 Members were advised that some of the risks were on the list due to the Information Governance flag being applied but they were primarily reputational in nature. They were also assured that the EMT had visibility of this as well. Members noted the paper and the action points, and looked forward to further updates as appropriate. They recognised that this paper aimed to provide signposting, key messages, and assurance. This version was an initial version to help embed Information Governance within the ARC agenda. Members agreed that, in future, it could be combined with the adverse events and compliance reports. Members were also keen to see future content include critical thinking, analysis, detail on impact, and suggestions for the way forward.

## ACTION

**13. INFORMATION GOVERNANCE ADVERSE EVENTS [paper AR/20/45 refers]**

- 13.1 Members were taken through the contents of the paper, which provided assurance that that reported information governance adverse events were being appropriately progressed, managed and escalated as necessary and that effective governance had continued during the response to the COVID 19 pandemic. Mrs McLaughlin was pleased to confirm that, with regard to the Category 2 Event OCC 854/AE 835, all of the missing records had now been found and this would be closed off following completion of the lessons learned exercise. Members expressed concerns about the Business Classification Scheme access issues regarding staff having inappropriate access but were assured that the auditing and monitoring processes and mechanisms in place were the best possible mitigation. Members discussed how to achieve clarity around any themes and links between incidents. Members also discussed the need to balance reducing the numbers of incidents with encouraging reporting to allow sharing of lessons learned, as well as identification of specific trends and themes. Members added that it would be helpful to have some context around the severity of the incidents as it could help focus discussions.

**Action: Mrs McLaughlin to consider providing more context on the severity of incidents into the next report.**

**E McLaughlin**

[Secretary's Note: The following item was brought forward on the agenda]

**14. UPDATE ON INFORMATION SECURITY AND GOVERNANCE COMPLIANCE INCLUDING CALDICOTT UPDATE [paper AR/20/47 refers]**

- 14.1 Members discussed the paper, which provided assurance to members on the legislative requirements on NSS in relation to Information Security and Governance together with progress reporting on the strategic initiatives. Members were given an overview of the recruitment undertaken to strengthen the team, and the key work undertaken. Members wished to commend and acknowledge the work of the team to ensure that patients' personal data was safe and secure across the Test and Protect service.

**15. DATA PROTECTION OFFICER'S PRESENTATION ON LEGISLATIVE DUTIES IN RELATION TO REPORTING [paper AR/20/46 refers]**

- 15.1 Ms Ruddy spoke to her paper summarising the obligations under the General Data Protection Regulations (GDPR) and the Data Protection Officer's role, as well as updating on NSS's current status against each of the GDPR obligations. Members were pleased to note that NSS was in a very good position in respect of GDPR compliance. However, there was recognition that there would always be work to do as good record keeping and maintaining a comprehensive information asset register were the key to achieving the best level of compliance possible. Ms Ruddy highlighted three particularly complex Subject Access Requests which had been received and advised that an increase in these kind of requests was expected so work was being done on developing a consistent approach to them. Mrs McLaughlin agreed to give consideration to how reporting of simple mistakes that occur as a result of stress and time pressures could be made easier.

**Action: Mrs McLaughlin to consider ways to make it easier to report minor issues.**

**E McLaughlin**

**ACTION****16. INFORMATION GOVERNANCE COMMITTEE WORK PROGRAMME AND OUTSTANDING ACTIONS [paper AR/20/48 refers]**

- 16.1 Members noted the forward plan of agenda items for the IGC and were advised that consideration would be given to how best to embed these items within future ARC agendas.

**Action: Ms Burgess, Mrs McLaughlin and Mrs Bailey to look at updating the ARC forward programme to embed the information governance items.**

**J Burgess,  
E McLaughlin,  
L Bailey**

**17. INTERNAL AUDIT ACTIONS REPORT**

- 17.1 Mrs Morrow spoke to the report which provided an overview of NSS performance against Internal Audit Action, covering a longer period than usual due to COVID 19. Members were assured that there were no areas of concern - all extension requests could be attributed to COVID 19 and had appropriate mitigations in place. Members were content to approve the extensions.

**18. RISK MANAGEMENT UPDATE**

- 18.1 Mrs Walker took members through the paper, which provided details of all Red risks and any new Amber Reputational risks recorded on the NSS Risk Register as at 31 August 2020. The key highlights to note were:

- NSS's overall exposure to corporate Red risks had decreased to three within the period, with no new Red risks raised within the period and two risks mitigated from Red to Amber;
- There were currently 15 Amber Business risks on the risk register, an increase of five in the period;
- Three Digital and Security programme risks had been escalated to the corporate level register and were being managed as corporate Amber Reputational risks;
- The Committee could be assured that the Corporate Reputational risks were being appropriately monitored and managed in line with the Integrated Risk Management Approach.

- 18.2 Members asked about NSS's level of exposure in relation to the red risk headed "Economy/Financial Landscape". Mrs Walker agreed to take this back to the risk owners and find out. Members discussed the detail of the programme risks and why this was appearing differently and were reminded that this was in response to the previous risk audit. Members agreed that some of the more generalised risks could benefit from some clarification about which areas of the business were potentially more impacted or susceptible.

**Action: Mrs Walker to liaise with owners of the red risk headed "Economy/Financial Landscape" to get information on NSS's level of exposure.**

**M Walker**

**19. FRAUD UPDATE (INCLUDING ACTION PLAN REVIEW)**

- 19.1 Ms Howard spoke to the paper which covered an update on the National Fraud Initiative (NFI) work within NSS, the status of fraud investigations within NSS, key activities, and NSS's fraud awareness training statistics. Members were pleased to see the update had been tailored more specifically to NSS rather than the wider, national CFS work. Members noted the NFI process was on track for completion within the expected timescales, and that the updated Fraud Action Plan would be presented at the ARC on 2 December 2020.

**ACTION****20. NSS FEEDBACK, COMMENTS, COMPLAINTS AND CONCERNS QUARTERLY REPORT – DECISION ON FUTURE REPORTING**

- 21.1 Members discussed the committees this report had gone to in the past, and those which it no longer went to as a matter of course, and were keen to identify a single point of scrutiny. They agreed it should remain on the ARC agenda for now but asked that consideration be given to which committee would be best placed to review this report.

**21. COMMITTEE HIGHLIGHTS REPORT**

- 21.1 Members agreed the following items for the Committee Highlights Report to the Board:
- Internal audit was on track and the Committee had received four reports providing significant assurance
  - Some progress had been made in taking forward the process improvements identified for two of the service audit areas and work was ongoing in respect of the remaining area. However, it was anticipated at this point in the year that the audit opinion would still be partially qualified at year end although every effort would be made to avoid this.
  - The Information Governance agenda had been thoroughly considered and the Committee would be developing how that was covered in future
  - The Fraud Report was discussed, which provided reassuring updates on the National Fraud Initiative, internal fraud investigations, and NSS's fraud awareness training statistics

**22. ANY OTHER BUSINESS**

- 22.1 Members had no other business to raise at this point.

**23. DATE OF NEXT MEETING**

- 23.1 Members noted the next scheduled meeting was due to take place on 2 December 2020.

There being no further formal business the meeting finished at 1309hrs



# Agenda

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B/20/72a

**NHS National Services Scotland Board**  
**Monday, 21<sup>st</sup> December 2020**  
**Commencing at 0930 hours, TEAMS platform**

1. **Apologies for Absence**

2. **In Attendance**

Mary Morgan Director, SPST  
Matthew Neilson, Assoc. Dir Corporate Affairs and Communications  
Karen Nicholls, Committee Services Manager (Minutes0)  
Jacqui Jones, HRD  
Deryck Mitchelson, Director D&S

3. **Welcome and Introductions**

Keith Redpath

**ITEMS FOR APPROVAL**

4. **Minutes of meeting held on 23<sup>rd</sup> September 2020 and Matters Arising**

Keith Redpath

**B/20/73**  
**B/20/74**

5. **Register of Interests**

ALL

**B/20/75**

**ITEMS FOR SCRUTINY**

6. **Chair's Update**

Keith Redpath

**B/20/83**

7. **Chief Executive's Update**

Colin Sinclair

**Verbal**

8. **Risk Appetite and Risk Management Update**

Marion Walker/  
Matthew Neilson

**B/20/77**  
**B/20/77a**

9. **People Report**

Jacqui Jones

**B/20/78**

10. **Finance Report**

Carolyn Low

**B/20/79**

11. **Digital & Security Update**

Deryck Mitchelson

**B/20/80**

12. **Updates from Governance Committees [Highlight Reports]**

**B/20/81**

**Items for Information Only**

13. **Forward Programme**

**B/20/82**

Chair                      Keith Redpath  
Chief Executive      Colin Sinclair

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



**14. Approved Committee Minutes**

- |   |                |
|---|----------------|
| 14.1 NSS Audit & Risk Committee held on 28 May 2020                                   | <b>B/20/84</b> |
| 14.2 NSS Audit & Risk Committee held on 17 June 2020                                  | <b>B/20/85</b> |
| 14.3 NSS Audit & Risk Committee held on 10 August 2020                                | <b>B/20/86</b> |
| 14.4 NSS Finance, Procurement & Performance Committee held on 26 August 2020          | <b>B/20/87</b> |
| 14.5 NSS Staff Governance Committee held on 27 August 2020                            | <b>B/20/88</b> |
| 14.6 NSS Clinical Governance & Quality Improvement Committee held on 4 September 2020 | <b>B/20/89</b> |
| 14.7 NSS Audit and Risk Committee held on 15 September 2020                           | <b>B/20/90</b> |

**Date of Next Formal Meeting – 24th March 2021**