Agenda

B/24/01

NSS BOARD FORMAL
THURSDAY, 21 MARCH 2024 COMMENCING 1030HRS GYLE SQUARE, EDINBURGH (AND VIA TEAMS)

NSS Chair: Keith Redpath

1030 – 1200 hrs

1. Welcome and Introductions – **Keith Redpath, NSS Chair**

2. Items for Approval

2.1   Minutes of the previous meeting held on   December 2023 and Matters Arising **[B/24/02 and B/24/03]** – **Keith Redpath, NSS Chair**

2.2   Board Forward Programme **[B/24/04]** – **Keith Redpath, NSS Chair**

2.3   Annual Governance Report - NSS Corporate Governance Framework 2024-2025 **[B/24/05]** – **Carolyn Low, Director Finance, Corporate Governance and Legal Services**

2.4   NSS Strategic Framework **[B/24/06]** - **Lee Neary, Director Strategy, Performance and Service Transformation**

3. Items for Scrutiny

3.1   Chairs Report (verbal) – **Keith Redpath, NSS Chair**

3.2   Chief Executive's Report (verbal) – **Mary Morgan, NSS Chief Executive**

3.3   Integrated Performance Report **[B/24/07]** – **Lee Neary, Director Strategy, Performance and Service Transformation**

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Chair	Keith Redpath
Chief Executive	Mary Morgan

3.4   NSS Risk Report and Issues Report **[B/24/08]** **- Lee Neary, Director Strategy, Performance and Service Transformation**

4. Items for Information

4.1   Public Inquiries Update **[B/24/09]**

4.2   NSS Committees Approved Minutes and opportunity for Committee Chair's to highlight material items **[B/24/10]**

- NSS Audit and Risk Committee 6.12.23 (Approved)
- NSS Clinical Governance Committee 30.11.23 (Approved)
- NSS Finance, Procurement and Performance Committee 8.11.23 (Approved)
- NSS Staff Governance Committee 8.11.23 (Approved)
- NSS Staff Governance Committee 8.2.24 (Draft)

5. Any other business

1200-1230 *In Private Session – under NSS Standing Orders paragraph **5.22.1** The Board is still in the process of developing proposals or its position on certain matters and needs time for private deliberation*

6. NSS Budget 2024-2025 **[IPB/24/01]**– **Carolyn Low, Director Finance, Corporate Governance and Legal Services to follow**

7. NSS 1 Year and 3 Year Plans **[IPB/24/02]- Lee Neary, Director Strategy, Performance and Service Transformation to follow**

Date of next meeting: Friday, 28th June 2024 at 10.30am, Gyle Square, Edinburgh (and via Teams)

Minutes (DRAFT)

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF MEETING HELD ON FRIDAY 15 DECEMBER 2023 IN BOARDROOMS 1&2, GYLE SQUARE, EDINBURGH AND VIA TEAMs DIGITAL PLATFORM AT 1030HRS

B/24/02

Present:
Keith Redpath, NSS Chair
Lisa Blackett, Non-Executive Director
Ian Cant, Employee Director
John Deffenbaugh, Non-Executive Director
Gordon Greenhill, Non-Executive Director
Arturo Langa, Non-Executive Director
Beth Lawton, Non-Executive Director
Carolyn Low, Director of Finance
Mary Morgan, Chief Executive
Lorna Ramsay, Medical Director
Alison Rooney, Non-Executive Director

In Attendance:
Serena Barnatt, Director of HR and Organisational Development
Hayley Barnett, Assoc. Dir. Governance and Board Services (Board Secretary),
Martin Bell, Director Practitioner and Counter Fraud Services
Julie Critchley, Director NHS Assure
Steven Flockhart, Director of Digital and Security (DaS)
Matthew Neilson, Assoc. Dir. Customer & Stakeholder Engagement
Marc Turner, Director Scottish National Blood Transfusion Service
Lynsey Bailey, Committee Secretary [Minutes]

Apologies:
Lee Neary, Director of Strategy, Performance and Service Transformation

Observers:
Liz Maconachie (Audit Scotland) (TEAMs)
Margaret O'Brien (Member of the Public)
Duncan Wilson (Member of the Public)
7 Members of NSS Staff

1. WELCOME AND INTRODUCTIONS

1.1 The Chair welcomed all to the meeting and noted those in attendance, observers and apologies received.

2. DECLARATIONS OF INTEREST

2.1 There were no declarations of interest or transparency statements made in respect of any item on the agenda.

Chair   Keith Redpath
Chief Executive   Mary Morgan

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

3.   APPOINTMENT OF VICE-CHAIR

3.1   Following the departure of Ms Julie Burgess at the end of her term of office, Members were advised that G Greenhill had been nominated as her successor for the role of Vice-Chair of the NSS Board. Members agreed the appointment of G Greenhill.

Decision: To appoint Mr Gordon Greenhill as Vice-Chair of the NSS Board.

4.   MINUTES OF THE PREVIOUS MEETING HELD 27 SEPTEMBER 2023 AND MATTERS ARISING [Papers B/23/34 and B/23/35 refer]

4.1   Members reviewed the draft minutes and approved them pending the correction of some minor typos and an update to the In Attendance list.

4.2   Members considered the action list and were content for all actions to be closed, as per the updates and recommendations.

Decision: To approve the minutes of the Board meeting held on 27 September 2023, subject to the minor typographical changes noted in the meeting.

Decision: To close all actions from the 27 September 2023 Board meeting.

5.   RISK APPETITE REVIEW [paper B/23/36 refers]

5.1   Members were taken through the paper, which provided an update to Risk Appetite statement approved by the Board in December 2022. Members were advised of a change to the business risk appetite and were given an example of what the change in business risk would mean (i.e., some decisions would no longer be made without confirmation of funding and there would be a greater level of scrutiny and challenge). Members briefly discussed how risk was reported and the ways this could be more explicit going forward. Following these discussions, Members were content to approve the risk appetite.

Decision: To approve the Risk Appetite.

6.   STRATEGIC RISK REVIEW [paper B/23/37 refers]

6.1   Members were given an overview of the development of the paper, which contained details of the proposed NSS Strategic Risks, and the engagement involved. They commended the work that had been done. Looking at the mitigation actions and residual scores, Members felt it would be useful to get a sense of progress and timeframe. They were advised that this would come through the risk register itself and that this would be monitored.

6.2   Members fed back about the executive summary and suggested there should be no assumption of knowledge because of any potential prior engagement through other Committees. They also acknowledged that this paper was specifically on how strategic risks were captured and recorded in the risk register rather than how any response and mitigations would be managed, which would come through the usual risk reporting.

Decision: To approve and adopt the strategic risks as presented.

Action: To ensure paper authors were aware that executive summaries should be written without any assumption of potential prior knowledge – Board Services

7. RISK MANAGEMENT STRATEGY [paper B/23/38 refers]

7.1 Members were taken through the paper, which was part of the review of the Integrated Risk Management Approach (IRMA) and set out the context, roles and responsibilities,. Members were also given an overview of the feedback received from the NSS Audit and Risk Committee. Members welcomed the paper but felt it could elaborate more on some of the implications and taking collective responsibility. They fed back that the bullet points in section 4 on the risk management approach needed some refinement, and in section 5, the second paragraph was a combination of definition and benefit so needed a little further development. Subject to these amendments, Members were content to approve the strategy.

Decision: To approve the Risk Management Strategy subject to the amendments requested.

Action: To amend the Risk Management Strategy as follows:
- **elaborate more on some of the implications and taking collective responsibility;**
- **Refine the bullet points in section 4 on the risk management approach;**
- **Further develop the second paragraph of section 5.**

8. CONSULTATION RESPONSE TO ETHICAL STANDARDS COMMISSIONER – STRATEGIC PLAN 2024 – 2028 AND THE DRAFT STANDARDS COMMISSION FOR SCOTLAND STRATEGIC PLAN 2024 – 20287 [paper B/23/39 refers]

8.1 Members reviewed the report which proposed a draft response to the Ethical Standards Commissioner's consultation on his Draft Strategic Plan 2024 – 28 and a draft response to the Standards Commission for Scotland Strategic Plan 2024 – 2028. Following a brief discussion, they were content to approve the responses proposed.

Decision: To approve the proposed NSS Board response to the Ethical Standards Commissioner's consultation on his Draft Strategic Plan 2024 – 28, and the proposed Standards Commission for Scotland Strategic Plan 2024 – 2028 response, as presented.

9. CHAIRS REPORT

9.1 The Chair provided a verbal update for Members and highlighted the following:

9.1.1 NSS's Annual Review had recently taken place – the letter from the Minister was still to be received but the day had gone well and the Chair wished to record their thanks to the staff involved for all their efforts;

9.1.2 The Non-Executive Director recruitment process was underway for successors to J Burgess and J Deffenbaugh. It was hoped to have the recommendations from the recent interviews approved imminently by Scottish Government to allow the new Non-Executive Directors to start on 1 February 2024.

9.1.3 Along with the Chief Executive, the Chair had visited SNBTS staff at Raigmore in Inverness.

9.2 As it was J Deffenbaugh and L Ramsay's final Board meeting, the Chair thanked them both on behalf of the Board for all their work and support during their time with NSS.

Decision: To note the update provided.

10. CHIEF EXECUTIVE'S UPDATE

10.1 The Chief Executive provided Members with a verbal update on activities since the last Board meeting and this was intended to augment other substantive Board agenda items. Members noted the following:

10.1.1 The Chief Executive wished to echo the Chair's thanks to L Ramsay and J Deffenbaugh and provided an overview of the recruitment for L Ramsay's successor, along with an overview of the interim arrangements that would need to be in place;

10.1.2 Events/Visits/Meetings:

10.1.2.1 1 October and 1 November 2023 – Site visits to Aberdeen and Inverness

10.1.2.2 7 November 2023 – annual Asbestos Awareness Refresher training and Board cyber security training for board members;

10.1.2.3 13 November 2023 – community pharmacy visit,

10.1.2.4 14 November 2023 – NSS live Connected event;

10.1.2.5 17 November 2023 – Scottish Hindu Association's Diwali celebration;

10.1.2.6 Executive and Senior Manager mid year reviews were completed and considered at the Remuneration and Succession Planning Committee on 28 November 2023.

10.1.2.7 29 November 2023 – second Senior Leaders Forum event;

10.1.3 The NHS Scotland Counter Fraud Strategy had been launched.

10.1.4 A Memorandum of Understanding between NSS and Police Scotland (PS) had been signed to underpin the intention to work closely together where possible. The NSS Chief Executive would be meeting with the Assistant Chief Constable in early 2024, specifically to understand and learn more about how PS established strong business support services on a "Once for.." basis and how to engage better on services of mutual interest

10.1.5 Business planning for year 2024/25 was well underway – a "Budget Summit" was scheduled to take place for 18-19 December 2023. A draft of the NSS strategy was also being finalised and would be shared with the Board and EMT in the coming week. Members were given an overview of the process and timescales for feedback, review, submission and launch

Decision: To note the verbal updated provided.

11. NSS INTEGRATED PERFORMANCE REPORT [paper B/23/40 refers]

11.1 Members discussed the report in detail, which summarised NSS performance as at the end of October 2023 and commended it as an excellent report. G Greenhill sought clarity about the use of the word "near" in paragraph 3.4.1.3, referring to 24/7

availability of the Community Health Index (CHI) system. It was clarified that this was to reflect that there would always be downtime required for maintenance etc., although any downtime would be minimised to get as close to 24/7 availability as possible. Members also sought and received clarification about some climate sustainability points.

11.2 Members discussed ways of linking the constituent reports even more to better identify any potential or emerging problem areas. It was suggested that Statistical Process Control should be considered as a topic to re-visit at a future seminar once the new Non-Executive Directors were in post. Members were keen, where there was not a like for like comparison, to either find a way to provide that or highlight a re-baselining of the figures.

11.3 With 11 deliverables at Amber, Members asked if there was any way of giving an indication of the anticipated end of Q3 position. They were given an overview of the real-time position, acknowledging that some deliverables were subject to external parties. They were also assured that consideration would be given to introducing more up-to-date commentary in the report. Members went on to discuss pharmacy payments and received an updated on the work of the Incident Management Team's work in responding to the challenges with the new Data Capture Validation and Pricing system. In terms of Sustainability, Members were also updated on the recent Finance Procurement and Performance Committee seminar and encouraged to view the recording of it when it was made available.

11.4 Members asked if the financial position report was net of the Scottish Government savings. They received an overview of the impact of the savings and how they were being managed. Members were also provided with an update on the National Boards collaboration work and the subsequent discussions at the NHSScotland Board Chief Executives' meetings.

Decision: To note the NSS Performance to the end of October 2023.

Action: To circulate paper FPPC/23/33 to Members.

12.   ITEMS FOR INFORMATION

12.1 Members were content to note, in full, the contents of the following papers which had been presented for information:

12.1.1 Public Inquiries **[paper B/23/41 refers]**

12.1.2 NSS Committees Approved and Draft Minutes **[paper B/23/42 refers]**

12.1.3 Board Forward Programme **[paper B/23/43 refers]**

Decision: To note the items provided for information.

13.   ANY OTHER BUSINESS

13.1 There was no other competent business to discuss.

Meeting closed at 1200 hours.

Meeting type: Formal

No	Date	REPORT TITLE	ACTION	ACTION OWNER	DEADLINE	CURRENT STATUS
1.	9.3.23	NSS Corporate Governance Framework **[B/23/37]**	To update framework with comments from Members and publish.	Hayley Barnett		**Recommend for Closure.** **Closed 30.6.23**
2.	9.3.23	NSS BUDGET 2023-24 [Presentation]	PRACTICAL project to be added to CGQIC forward programme for a future meeting.	Board Services	Immediately.	**Recommend for Closure.** **Closed 30.6.23**
3.	9.3.23	Risks and Issues **[B/23/06]**	To include 'professional statement' for all future reporting.	Hayley Barnett	Future reporting	**Recommend for Closure.**
4.	30.6.23	Minutes of previous meeting held on 9 March 2023 **[B/23/12]**	To provide context on point raised by J Burgess in relation to external grant process.	Board Services	Immediately	In progress
5.	30.6.23	Actions **[B/23/13]**	To confirm date for Data Strategy Seminar Session	Board Services	Immediately	**Recommend for Closure.** Date confirmed as 24.11.23.
6.	30.6.23	NSS Quality Management and Quality Improvement Strategy **[B/23/15]**	To update framework to provide clarity on the changing terminology in relation to quality management.	Lee Neary	Future Reporting	**Recommend for closure.** NSS has adopted the HIS Quality Framework and as such will be aligning the language to that and translating the terminology into our local context for NSS staff. The programme

						team is currently attending SMT meetings with each NSS Directorate to provide a progress update and explain the shift in focus from Quality Improvement to Quality Management. **Closed 27.9.23**
7.	30.6.23	NSS Quality Management and Quality Improvement Strategy **[B/23/15]**	To ensure quarterly reporting against the strategy to be available for all Committees.	Lee Neary	Future Reporting	**Recommend for closure.** This will be developed through the Performance and Metrics workstream in the QM programme. **Closed 27.9.23**
8.	30.6.23	Integrated Performance Report **[B/23/16]**	To ensure future reporting included a full executive summary for sustainability appendix.	Julie Critchley	Future reporting	**Recommend for closure.** Full appendix and narrative have now been added to reporting. **Closed 27.9.23**
9.	30.6.23	Integrated Performance Report **[B/23/16]**	To meet J Deffenbaugh to discuss the narrative in relation to the report.	Lee Neary	Future reporting	**Recommend for closure.** Meeting took place on 31st July – JD/HB/LN attended. **Closed 27.9.23**
10.	30.6.23	Integrated Performance Report **[B/23/16]**	To include SPC charts with full articulation in future reporting.	Lee Neary	Future reporting	**Recommend for closure.** SPC charts have been included in reporting where applicable and

						future iterations of the report will provide further charts/narrative. **Closed 27.9.23**
11.	30.6.23	Integrated Performance Report **[B/23/16]**	To provide additional narrative on accident rate vs incidents in relation to Health & Safety information.	HRD	Future reporting	**Recommend for closure.** A note has been included on the People Report Accident/Incident Management slides to outline how the 'Accident Rate' is currently calculated. **Closed 27.9.23**
12.	30.6.23	Annual Reports from Committees 2022-2023 **[B/23/17]**	To update title on the NSS Clinical Governance and Quality Improvement annual report section 2.2 to reflect activity against core duties.	Board Services	Immediately	**Complete. Recommend for closure. Closed 27.9.23**
13.	27.9.23	Board and Committee Meeting Timetable 2024-25 **[B/23/24**	To circulate dates to all Members as approved in the meeting, noting a time change to 1030 start for future meetings.	Board Services	Immediately.	**Recommend for closure.** All dates to be circulated on 2.10.23
14.	27.9.23	Scottish Government/NSS Draft Framework Agreement **[B/23/25]**	To ensure consistency of how NSS is identified in documentation.	Associate Director Strategy, Performance & Communications	Immediately	**Recommend for closure.** Complete – framework now published.
15.	27.9.23	Integrated Performance Report **[B/23/28]**	To circulate NSS Finance, Procurement and Performance paper relating to funding and proposals for savings.	Board Services	Immediately	**Recommend for closure.** Complete as at 28.9.23
16.	15.12.23	Strategic Risk Review **[B/23/37]**	To ensure paper authors were aware that executive summaries should be written without any assumption of potential prior knowledge.	Board Services	Future Reporting	**Recommend for closure.**

17.	15.12.23	Strategic Risk Review **[B/23/37]**	To amend the Risk Management Strategy as follows: - elaborate more on some of the implications and taking collective responsibility; - Refine the bullet points in section 4 on the risk management approach; - Further develop the second paragraph of section 5.	Director SPST	Future Reporting	**In progress**
18.	15.12.23	NSS Integrated Performance Report **[B/23/40]**	To circulate paper FPPC/23/33 to Members.	Board Services	Immediately	**Recommend for closure.**

NSS BOARD FORWARD PROGRAMME 2024-2025

Meeting Date	Detail	Executive Lead	Report Author	Purpose
28.6.24				
For Approval	Minutes	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Actions	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	NSS Annual Report and Accounts (In Private)	Director of Finance, Corporate Governance & Legal Services		Annual Board Report
	Audit Scotland Annual Audit Report (In Private)	Director of Finance, Corporate Governance & Legal Services		Annual Board Report
	Board Forward Programme	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
For Scrutiny	Chairs Report (verbal)	NSS Chair		Standing Board Report
	Chief Executive's Report (verbal)	NSS Chief Executive		Standing Board Report
	NSS Committee Annual Reports	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Annual Report
	Integrated Performance Report	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Board Report
For Information	Public Inquiries Update	Director SPST	Public Inquiries Team	Standing Board Report
	NSS Committee Approved Minutes and Opportunity for Committee Chair's to highlight material items	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Standing Board Report
27.9.24				
For Approval	Minutes	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Actions	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Annual Feedback and Complaints Report	Director SPST	Associate Director Strategy, Performance & Communications	Annual Standing Report
	Calendar of Board Meetings	Director of Finance, Corporate Governance & Legal Services	Board Services	Annual Standing Report
	Board Forward Programme	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Risk Review	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Committee Report
For Scrutiny	Chairs Report (verbal)	NSS Chair		Standing Board Report
	Chief Executive's Report (verbal)	NSS Chief Executive		Standing Board Report
	Integrated Performance Report	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Committee Report
For Information	Public Inquiries Update	Director SPST	Public Inquiries Team	Standing Board Report
	NSS Committee Approved Minutes and Opportunity for Committee Chair's to highlight material items	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Standing Report

20.12.24				
For Approval	Minutes	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Actions	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Board Forward Programme	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
For Scrutiny	Chairs Report (verbal)	NSS Chair		Standing Board Report
	Chief Executive's Report (verbal)	NSS Chief Executive		Standing Board Report
	Integrated Performance Report	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Committee Report
For Information	Public Inquiries Update	Director SPST	Public Inquiries Team	Standing Board Report
	NSS Committee Approved Minutes and Opportunity for Committee Chair's to highlight material items	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Standing Board Report
	Risk Appetite Review	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Annual Report
	Strategic Risk Review	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Annual Report
	Risk Management Strategy	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Annual Report
Meeting Date	**Detail**	**Executive Lead**	**Report Author**	**Purpose**
28.3.25				
For Approval	Minutes	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Actions	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	NSS Corporate Governance Framework	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Annual Board Report
	NSS Strategic Framework	Director, SPST	Associate Director Strategy, Performance & Communications	Annual Board Report
	Board Forward Programme	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
For Scrutiny	Chairs Report (verbal)	NSS Chair		Standing Board Report
	Chief Executive's Report (verbal)	NSS Chief Executive		Standing Board Report
	Integrated Performance Report	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Committee Report
For Information	Public Inquiries Update	Director SPST	Public Inquiries Team	Standing Board Report
	NSS Committee Approved Minutes and Opportunity for Committee Chair's to highlight material items	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Standing Report

NHS National Services Scotland

Meeting:	**NSS Board**
Meeting date:	**21 March 2024**
Title:	**Annual Governance Report**
Paper Number:	**B/24/05**
Responsible Executive/Non-Executive:	**Carolyn Low, Director of Finance, Corporate Governance and Legal Services**
Report Author:	**Hayley Barnett, Associate Director Governance and Board Services (Board Secretary)**

1.   Purpose

1.1   This paper presents the Board with the annual review of the National Services Scotland (NSS) Corporate Governance Framework (GCF) approval, the Corporate Policy Development Framework approval the NSS Standing Financial Instructions (SFI) Reporting Framework and the Board Governance Development Plan for approval.

2.   Recommendation

2.1   It is recommended that the Board:

2.1.1   approve the Corporate Governance Framework (CGF);
2.1.2   approve the Corporate Policy Development Framework;
2.1.3   approve the adoption of the NSS SFI Reporting Framework;
2.1.3   approve the Board Governance Development Plan; and,
2.1.4   delegate authority to the Board Secretary to make minor administrative changes to the documentation throughout the year to ensure accuracy.

3.   Executive Summary

3.1   The Blueprint for Good Governance (BGG) in NHS Scotland, Second Edition was published on 23 December 2022 by DL (2022) 38, to provide NHS Boards

with guidance on how to deliver and sustain good governance. The guidance aims to improve the effectiveness of governance in the NHS by requiring that the Boards' governance arrangements are subject to continuous review and development.   This annual governance report presents the Board with a series of documents for approval to deliver continuous improvement within NSS governance.

Corporate Governance Framework (CGF)

3.2   In response to the publication of the BGG, a full review of NSS's key corporate governance documentation was carried out and was brought together under a CGF (March 2023). The key documents included within the CGF are: Standing Orders; Committee Terms of Reference and Delegated Functions (ToRs); Scheme of Delegation; Statutory Financial Instructions (SFIs), and the Code of Conduct for Board Members.   Each document has been attached at the appendices.

3.3   There are minor administrative changes proposed to the Standing Orders, the Scheme of Delegation and Code of Conduct for Board Members. Examples include change in post titles, document names, dates, and officer remits.

3.4   Each set of Committee ToRs were considered in detail by the relevant Committee. Like the other CGF documents, minor administrative changes have been proposed. The following substantive changes are noted below.

    3.4.1 Consideration of Risk has been reflected consistently and aligned with recent changes to Risk Management, as agreed at the December meeting of Board.

    3.4.2 Committee requirements to annually report to Board have been clarified.

    3.4.3 The sustainability remit and reporting requirements has been reflected throughout the Finance Performance and Procurement Committee (FPPC) ToRs.

    3.4.4 The remit of the Remuneration and Succession Planning Committee has been refocused as a Remuneration only sub-committee of the Staff Governance Committee. The Staff Governance Committee will not be given the detail of confidential employment issues that are considered by the Remuneration Committee: which can only be considered by Non-Executive Directors of the Board. This is explicitly set out in the ToRs for both the Remuneration Committee and the Staff Governance Committee and reflects guidance from Scottish Government and good practice across most health boards.

    3.4.5 Reference to the BGG has been added to all ToRs.

Standing Financial Instructions (SFIs)

3.5   It is proposed to remove the section on Gifts, Donations and fundraising ("non-public funds") due to the closure of the Trinity Park Foundation and the low financial levels of any donation for NSS.   It is also proposed that Section 7.07 regarding the annual report of all [ex gratia] payments to the Remuneration Committee is removed to reduce duplication of reporting as all ex-gratia payments over £15,000 / £25,000 are reported to the Audit and Risk Committee. Finally, it is proposed that an additional requirement to report a new income contract above £500,000 to be approved by the Finance, Performance and Procurement Committee.

3.6   In addition, Section 13 Capital Investment, Private Financing, Fixed Asset Registers has been fully redrafted, but all previous content remains within the SFIs. There are also minor administrative changes proposed throughout the SFIs to reflect changes to job titles, areas of responsibility and links to updated policies.

3.7   A Framework for reporting SFI adverse events has been created which aims to set out a consistent and co-ordinated approach to the identification, reporting and management of SFI adverse events and allow good practice to be actively promoted, creating an environment where adverse events are seen as opportunities to learn. This is attached at appendix 9.

3.8   The Board must also approve committee membership for 2024/25 which has been attached at appendix 7. Following membership approval by Board, each Committee will consider and agree the position of Vice-Chair at its next meeting. To allow an opportunity for newly appointed non-executives to participate in a variety of committees and ensure succession planning is in place, the Chair is proposing to review Committee membership again in autumn 2024. Any proposed change would return to the Board for consideration and approval. The Board agreed all Board and Committee dates at the September 2023 Meeting as per Standing Orders.

3.9   Finally, it is also proposed that the corporate report template is amended to include Impact Analysis – 4.1 Quality and Value changing from Quality and Patient Care to support report authors to focus on the outcomes that matter to people, optimising use of health and care resources, and contributing to a more sustainable health and care system. Guidance will also be provided to report authors.

Corporate Policy Development Framework

3.10   The BGG sets out the responsibilities of Boards in relation to policy approval and review. The NSS Standing Orders are also clear that the NSS Board must approve the arrangements for the approval of policies within NSS (Standing Order 6.2.12).

3.11   The NSS approach to policy development and approval has been reviewed and the Policy Development Framework, attached at appendix 8. This proposed framework sets out the corporate approach to developing and approving all policy documents within NSS going forward.

3.12   The proposed Framework sets out roles and responsibilities, consultation requirements, and the assurance and approvals process.   For assurance purposes, the Corporate Governance Oversight Group (Chaired by the Director of Finance, Corporate Governance and Legal Services with senior officers from across the organisation) will produce a monthly report for the NSS Executive Management Team (EMT) to provide assurance that policies are being effectively developed within NSS. Substantive new and reviewed policies would be submitted to the relevant NSS Standing Committee for approval and an annual report would be presented to the NSS Board.

Board Governance Development Plan

3.12 As Board members will be aware, a revised self-assessment questionnaire was developed for Boards to assess how well they are doing against the BBG, Second Edition. All Board Members, Executive Management Team and a small number of senior officers who regularly engage with the Board were offered the opportunity to complete the self-assessment questionnaire in November 2023.

3.13 A Self-Assessment Development session was held on 21 February 2024 to consider the results, identify strengths and development needs and agree improvement actions. The output of the session has been collated into the Board Governance Development Plan, attached at appendix 10, for consideration and approval.

Board Seminar Programme

3.14 The Board Development Sessions and Seminar timetable for 2024/25 has also been attached at appendix 11. This has been developed following proposals for seminar topics being raised at previous Board meetings, the 2023 Offsite or by members of the Executive Team.

4. Impact Analysis

4.1 Quality/ Patient Care

4.1.1 There is no direct impact on the quality of care (and services) associated with this paper.

4.2 Equality and Diversity, including health inequalities

4.2.1 An equality impact assessment is not required for this report.

4.3 Data protection and information governance

4.3.1 Data protection and information risks fall within the remit of the Audit and Risk Committee. Amended ToRs and an expanded Scheme of Delegation with a detailed Information Governance section will support good governance in this area.

5. Risk Assessment/Management

5.1 Risk falls within the remit of the Audit and Risk Committee. Amended ToRs, alignment with the SFIs and Scheme of Delegation will provide clarity of roles and responsibilities in relation to Risk Management.

5.2 There is no requirement for any additional risks to be added to the Risk Register at this stage.

6. Financial Implications

6.1 The SFIs set out the financial governance arrangements of the organisation. Alignment of corporate governance documentation is an essential component of the organisational financial controls.

7. Workforce Implications

7.1 Clarity of roles and responsibilities within governance documentation will support a better organisational understanding of governance responsibilities.

8. Climate Change and Environmental Sustainability Implications

8.1 Climate Change and Environmental Sustainability sits within the FPPC remit. Amended FPPC ToRs to set our responsibilities and reporting requirements for NSS will ensure matters are fully considered.

9. Route to Meeting

9.1 Executive Management Team – February 2024.

10. List of Appendices and/or Background Papers

10.1 Appendix 1 – Corporate Governance Framework Introduction
Appendix 2 – Standing Orders
Appendix 3 – Committee Terms of Reference and Delegated Functions
Appendix 4 – Scheme of Delegation
Appendix 5 – Standing Financial Instructions
Appendix 6 – Code of Conduct for Board Members
Appendix 7 – Committee Membership, 2024/25
Appendix 8 – Corporate Policy Development Framework
Appendix 9 – NSS Standing Financial Instructions Reporting Framework
Appendix 10 – Board Governance Development Plan
Appendix 11 – Board Development Sessions and Seminars Programme 2024-2025

CORPORATE GOVERNANCE FRAMEWORK

March 2024 Version 3

DOCUMENT CONTROL SHEET

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Revision History:

Version:	Date:	Summary of Changes:
V2	30 June 2023	Changes to Clinical Governance and Quality Improvement Committee Terms of Reference following Board Approval, Appendix 3.2 – committee name to CGC, and addition of two annual reports to item 6.3.6- Medical Staff Revalidation and Appraisal and IR(M)ER Advisory Group. 'Clinical' added at 6.1.2.
		Minor typo/title changes to the Scheme of Delegation made under delegated authority to the Board Secretary.
		Section 5 - Scheme of Delegation arising from the SFIs, Awarding Contracts as per SFI 9.03 and contract extensions, Procurement Strategy and Professional Advice. And Section 8: Non Pay Expenditure.

		Approved Alternate Officer amended to Head of Governance and Sustainable Procurement. Healthcare Associated Infections (HAI) Lead added to table 3.3, pg 6. 'Clinical' removed from Director of Nursing Responsibilities – Quality Improvement, Pg 23.

CORPORATE GOVERNANCE FRAMEWORK

1 – INTRODUCTION

1.1   National Services Scotland's (NSS) Corporate Governance Framework (CGF) is based on the general principles of the <u>UK Corporate Governance Code</u> and the <u>NHS Scotland Health Boards and Special Health Boards – Blueprint for Good Governance (BGG) Second Edition</u>.

1.2   The <u>UK Corporate Governance Code</u> defines corporate governance as the system by which organisations are directed and controlled.

1.3   The <u>NHS Scotland Health Boards and Special Health Boards – Blueprint for Good Governance Second Edition</u> includes a definition of governance in healthcare and has been developed for use by NHS Scotland. This definition has been expressed as:

"Governance is the means by which NHS Boards direct and control the healthcare system to deliver Scottish Government policies and strategies and ensure the long-term success of the organisation. It is the ability to ask questions and make decisions to improve population health and address health inequalities, while delivering safe, effective and high quality healthcare services. It is to be distinguished from executive-led operational management."

1.4   The Blueprint also identifies ten principles of good governance. These are:

1. Good governance requires the Board to set strategic direction, hold executives to account for delivery, manage risk, engage stakeholders and influence organisational culture.

2. Good governance requires a Board that consists of a diverse group of people with the necessary skills, experience, values, behaviours and relationships.

3. Good governance requires that roles, responsibilities and accountabilities at Board and executive level are clearly defined and widely communicated.

4. Good governance requires an assurance framework that aligns strategic planning and change implementation with the organisation's purpose, aims, values, corporate objectives and operational priorities.

5. Good governance requires an integrated governance system that coordinates and links the delivery of strategic planning and commissioning, risk management, assurance information flows, audit and sponsor oversight.

6. Good governance requires operating guidance that is agreed, documented, widely communicated and reviewed by the Board on a regular basis.

7. Good governance requires regular evaluation of governance arrangements to ensure it is proportionate, flexible and subject to continuous improvement.

8. Good governance requires an active approach that anticipates and responds to risks and opportunities which could have a significant impact on the delivery of corporate objectives, the Board's relationships with stakeholders and the management of the organisation's reputation.

9. Good governance requires a collaborative approach that ensures the organisation's systems are integrated or aligned with the governance arrangements of key external stakeholders.

10. Good governance requires governance arrangements that are incorporated in the organisation's approach to the management of day-to-day operations and the implementation of change.

1.5 The NSS CGF sets out the governance framework for the organisation. This includes; the **Standing Orders** to regulate conduct of business at the NSS Board and Committee meetings; the **Committee Terms of Reference and Delegated Functions** (ToRs) to define the functions delegated by the Board to each committee; the **Scheme of Delegation** to delegate power to individual officers within the NSS Management Structure; the **Standing Financial Instructions** to provide sound control of financial and related activities; the **Code of Conduct for Board Members** to set out the standards of conduct that Board members must adhere to.

1.6 To meet the expectation in the BGG, and ensure the arrangements are subject to continuous review and development, the CGF will be reviewed annually, as per Standing Orders. The Board and Committee meeting dates for the relevant year will be appended to the CGF.

NATIONAL SERVICE SCOTLAND (NSS) - INTRODUCTION

2.1 NSS is a Non-Departmental Public Body (NDPB), accountable to Scottish Ministers. NSS was established as the Common Services Agency in 1974 under The National Health Service (Functions of the Common Services Agency) (Scotland) Order 1974, with a mandate to provide national strategic support services and expert advice to Scotland's health sector whilst maximising health impacts and cost savings.

2.2 In 2013, the Public Services Reform (Functions of the Common Services Agency for the Scottish Health Service) (Scotland) Order 2013 extended the remit of NSS enabling the provision of services to other bodies, including local authorities and government departments.

2.3 The framework within which NSS operates is agreed with Scottish Government (SG) and is set out within the Scottish Government – NHS NSS

[Framework Agreement, 2023](#). It defines the key roles and responsibilities which underpin the relationship between NSS and the SG.

2.4   The Scottish Ministers are ultimately accountable to the Scottish Parliament for the activities of NSS and its use of resources. Their responsibilities include:

- agreeing NSS's strategic aims, objectives and key targets as part of the corporate planning process;
- agreeing the budget for NSS, and securing the necessary Parliamentary approval;
- approve the Code of Conduct of the NSS Board;
- approve pay remits or proposals and superannuation arrangements for the staff, Chief Executive, Chair and Board members;
- Lay the accounts of NSS before the Scottish Parliament;

2.5   The roles and responsibilities of the Board and NSS officers are set out within the other sections of the CGF.

STANDING ORDERS

(NHS National Services Scotland (NSS) is the common name for the Common Services Agency (CSA) for the Scottish Health Service)

March 2024

**STANDING ORDERS FOR THE PROCEEDINGS
AND BUSINESS OF NHS NATIONAL SERVICES SCOTLAND NHS BOARD**

1 General

1.1 National Services Scotland (NSS) was established as the Common Services Agency in 1974 under The National Health Service (Functions of the Common Services Agency) (Scotland) Order 1974.

1.2 These Standing Orders for regulation and the conduct and proceedings of the Common Services Agency (more commonly known as NSS) Board are in line with The Common Services Agency (Membership and Procedure) regulations (1991 No.564 (S.49).

1.3 The procedures set out below also take into account the terms of The Health Boards (Membership and Procedure) (Scotland) Regulations 2001 (2001 No. 302), as amended up to and including The Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016 (2016 No. 3), where appropriate, to better align with the Health Boards that it serves.

1.4 The NHS Scotland Health Boards and Special Health Boards - Blueprint for Good Governance Second Edition (issued through DL (2022) 38) has informed these Standing Orders. The Blueprint states Boards are primarily responsible for the delivery of the five primary functions of governance. These are described as:

1.4.1 Setting the direction, including clarifying priorities and defining change and transformational expectations.
1.4.2 Holding the Executive Leadership Team to account by seeking assurance that the organisation is being effectively managed and change is being successfully delivered.
1.4.3 Managing risks to the quality, delivery, and sustainability of services.
1.4.4 Engaging with key stakeholders, as and when appropriate.
1.4.5 Influencing the Board's and the wider organisational culture.

Further information on the role of the Board, Board members, the Chair, Vice-Chair, and the Chief Executive is available on the NHS Scotland Board Development website (https://learn.nes.nhs.scot/17367/board-development)

1.5 The Scottish Ministers shall appoint the members of the Board. The Scottish Ministers shall also attend to any issues relating to the resignation and removal, suspension, and disqualification of members in line with the above regulations.

1.6 Any statutory provision, regulation, or direction by Scottish Ministers, shall have precedence if they conflict with these Standing Orders.

1.7 Any one or more of these Standing Orders may be varied or revoked at a meeting of the Board by a majority of members present and voting, provided the notice for the meeting at which the proposal is to be considered clearly

states the extent of the proposed repeal, addition, or amendment. Standing Order 1.6 will not be capable of suspension.

1.8   The Board will annually review its Standing Orders.

1.9   Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances. The Scottish Ministers may by determination suspend a member from taking part in the business (including meetings) of the Board. Paragraph 5.4 sets out when the person presiding at a Board meeting may suspend a Board member for the remainder of a specific Board meeting. The Standards Commission for Scotland can apply sanctions if a Board member is found to have breached the NSS Code of Conduct for Board Members, and those include suspension and disqualification. The regulations set out at 1.2 also set out grounds for why a person may be disqualified from being a member of the Board.

Board Members – Ethical Conduct

1.10   Members have a personal responsibility to comply with the NSS Code of Conduct for Board Members. The Code has been issued by the Scottish Ministers, with the approval of the Scottish Parliament, as required by the Ethical Standards in Public Life (Scotland) Act 2000, as amended. Complaints of breaches of the NSS Code of Conduct for Board Members are investigated by the Ethical Standards Commissioner and adjudicated upon by the Standards Commission for Scotland.

1.11   The Board has appointed a Standards Officer (Associate Director for Governance and Board Services). This individual is responsible for carrying out the duties of that role, however he or she may delegate the carrying out of associated tasks to other members of staff. The Board's appointed Standards Officer shall ensure that the Board's Register of Interests is maintained. When a member needs to update or amend his or her entry in the Register, he or she must notify the Board's appointed Standards Officer of the need to change the entry within one month after the date the matter is required to be registered.

1.12   The Board's appointed Standards Officer shall ensure the Register is available for public inspection at the principal offices of the Board at all reasonable times and will be included on the Board's website.

1.13   Members must always consider the relevance of any interests they may have to any business presented to the Board or one of its committees. Members must observe paragraphs 5.5 - 5.11 of these Standing Orders and have regard to Section 5 of the NSS Code of Conduct (Declaration of Interests) for Board Members.

1.14   In case of doubt as to whether any interest or matter should be declared, in the interests of transparency, members are advised to make a declaration and not to participate in consideration of that item.

1.15 Members must comply with Section 3.13 - 3.21 of the NSS Code of Conduct for Board Members in relation to gifts and hospitality. Having done so there is no need to register any gifts and hospitality.

1.16 The Standard's Officer shall provide a copy of these Standing Orders to all members of the Board on appointment. A copy shall also be held on the Board's website.

2 Chair

2.1 The Scottish Ministers shall appoint the Chair of the Board.

3 Vice-Chair

3.1 The Chair shall nominate a candidate or candidates for Vice-Chair to the Cabinet Secretary. The candidate(s) must be a non-executive member of the Board. The Board's Whistleblowing Champion and Board Members who are employees of the organisation are disqualified from being Vice-Chair. The Cabinet Secretary will in turn determine who to appoint based on evidence of effective performance and evidence that the member has the skills, knowledge and experience needed for the position. Following the decision, the Board shall appoint the member as Vice-Chair. Any person so appointed shall, so long as he or she remains a member of the Board, continue in office for such a period as the Board may decide.

3.2 The Vice-Chair may at any time resign from that office by giving notice in writing to the Chair. The process to appoint a replacement Vice-Chair is the process described at paragraph 3.1.

3.3 Where the Chair has died, ceased to hold office, or is unable for a sustained period to perform his or her duties due to illness, absence from Scotland or for any other reason, then the Board's Standard's Officer should refer this to the Scottish Government. The Cabinet Secretary will confirm which member may assume the role of interim chair in the period until the appointment of a new chair, or the return of the appointed chair. Where the Chair is absent for a short period due to leave (for whatever reason), the Vice-Chair shall assume the role of the Chair in the conduct of the business of the Board. In either of these circumstances references to the Chair shall, so long as there is no Chair able to perform the duties, be taken to include references to either the interim chair or the Vice-Chair. If the Vice-Chair has been appointed as the Interim Chair, then the process described at paragraph 3.1 will apply to replace the Vice-Chair.

4 Calling and Notice of Board Meetings

4.1 The Chair may call a meeting of the Board at any time and shall call a meeting when required to do so by the Board. The Board shall meet not less than once in every three months in any given year and will annually approve a forward schedule of meeting dates.

4.2   The Chair will determine the final agenda for all Board meetings. The agenda may include an item for any other business; however, this can only be for business which the Board is being informed of for awareness, rather than being asked to make a decision. No business shall be transacted at any meeting of the Board other than that specified in the notice of the meeting except on grounds of urgency. The Chair must rule that it is a matter of urgency and give the reasons for the ruling to be noted in the minutes. The item must be made known at the start of the meeting when the order of business is decided.

4.3   Any member may propose an item of business to be included in the agenda of a future Board meeting by submitting a request to the Chair. If the Chair elects to agree to the request, then the Chair may decide whether the item is to be considered at the Board meeting which immediately follows the receipt of the request, or a future Board meeting. The Chair will inform the member which meeting the item will be discussed. If any member has a specific legal duty or responsibility to discharge which requires that member to present a report to the Board, then that report will be included in the agenda.

4.4   In the event that the Chair decides not to include the item of business on the agenda of a Board meeting, then the Chair will inform the member in writing as to the reasons why.

4.5   A Board meeting may be called if one third of the whole number of members including at least two members who are also not officers signs a requisition for that purpose. The requisition must specify the business proposed to be transacted. The Chair is required to call a meeting within 7 days of receiving the requisition. If the Chair does not do so, or simply refuses to call a meeting, those members who presented the requisition may call a meeting by signing an instruction to approve the notice calling the meeting provided that no business shall be transacted at the meeting other than that specified in the requisition.

4.6   Before each meeting of the Board, a notice of the meeting (in the form of an agenda), specifying the time, place and business proposed to be transacted at it and approved by the Chair, or by a member authorised by the Chair to approve on that person's behalf, shall be circulated to every member to be available to them at least three clear days before the meeting. The notice shall be distributed along with any papers for the meeting that are available at that point.

4.7   With regard to calculating clear days for the purpose of notice under 4.6 and 4.9, the period of notice excludes the day the notice is sent out and the day of the meeting itself. Additionally, only working days (Monday to Friday) are to be used when calculating clear days; weekend days and public holidays should be excluded.

       Example: If a Board is meeting on a Wednesday, the notice and papers for the meeting should be distributed to members no later than the preceding Thursday. The three clear days would be Friday, Monday, and Tuesday. If the

Monday was a public holiday, then the notice and papers should be distributed no later than the preceding Wednesday.

4.8 Lack of service of the notice on any member shall not affect the validity of a meeting.

4.9 Board meetings shall be held in public. A public notice of the time and place of the meeting shall be provided at least three clear days before the meeting is held. The notice and the meeting papers shall also be placed on the Board's website. The meeting papers will include the minutes of committee meetings which the relevant committee has approved. The exception is that the meeting papers will not include the minutes of the Remuneration Committee. The Board may determine its own approach for committees to inform it of business which has been discussed in committee meetings for which the final minutes are not yet available. For items of business which the Board will consider in private session (see paragraph 5.22), only the Board members will normally receive the meeting papers for those items, unless the person presiding agrees that others may receive them.

5 Conduct of Meetings

Authority of the Person Presiding at a Board Meeting

5.1 The Chair shall preside at every meeting of the Board. The Vice-Chair shall preside if the Chair is absent. If both the Chair and Vice-Chair are absent, the members present at the meeting shall choose a Board member who is not an employee of a Board to preside.

5.2 The duty of the person presiding at a meeting of the Board or one of its committees is to ensure that the Standing Orders or the committee's terms of reference are observed, to preserve order, to ensure fairness between members, and to determine all questions of order and competence. The ruling of the person presiding shall be final and shall not be open to question or discussion.

5.3 The person presiding may direct that the meeting can be conducted in any way that allows members to participate, regardless of where they are physically located, for example, videoconferencing, teleconferencing. For the avoidance of doubt, those members using such facilities will be regarded as present at the meeting.

5.4 In the event that any member who disregards the authority of the person presiding, obstructs the meeting, or conducts himself/herself inappropriately the person presiding may suspend the member for the remainder of the meeting. If a person so suspended refuses to leave when required by the person presiding to do so, the person presiding will adjourn the meeting in line with paragraph 5.12. For paragraphs 5.5 to 5.21, reference to 'Chair' means the person who is presiding the meeting, as determined by paragraph 5.1.

5.5   The Board will be deemed to meet only when there are present, as per paragraph 5.3 and entitled to vote, a quorum of at least one third of the whole number of members, including at least two members who are not employees of a Board. The quorum for committees will be set out in their terms of reference, however it can never be less than two Board members.

5.6   In determining whether a quorum is present the Chair must consider the effect of any declared interests.

5.7   If a member, or an associate of the member, has any pecuniary or other interest, direct or indirect, in any contract, proposed contract or other matter under consideration by the Board or a committee, the member should declare that interest at the start of the meeting. This applies whether that interest is already recorded in the Board Members' Register of Interests. Following such a declaration, the member shall be excluded from the Board or committee meeting when the item is under consideration and should not be counted as participating in that meeting for quorum or voting purposes.

5.8   Paragraph 5.7 will not apply where a member or an associate of theirs, interest in any company, body or person is so remote or insignificant that it cannot reasonably be regarded as likely to affect any influence in the consideration or discussion of any question with respect to that contract or matter. In March 2015, the Standards Commission granted a dispensation to NHS Board members who are also voting members of integration joint boards. The effect is that those members do not need to declare as an interest that they are a member of an integration joint board when taking part in discussions of general health & social care issues. However, members still must declare other interests as required by Section 5 of the NSS Code of Conduct for Board Members.

5.9   If a question arises at a Board meeting as to the right of a member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting be referred to the Chair. The Chair's ruling in relation to any member other than the Chair is to be final and conclusive. If a question arises about the participation of the Chair in the meeting (or part of the meeting) for voting or quorum purposes, the question is to be decided by the members at that meeting. For this latter purpose, the Chair is not to be counted for quorum or voting purposes.

5.10   Paragraphs 5.6-5.9 shall equally apply to members of any Board committees, whether they are also members of the Board, for example stakeholder representatives.

5.11   When a quorum is not present, the only action that can be taken are to either adjourn to another time or abandon the meeting altogether and call another one. The quorum should be monitored throughout the conduct of the meeting in the event that a member leaves during a meeting, with no intention of returning.

The Chair may set a time limit to permit the quorum to be achieved before electing to adjourn, abandon or bring a meeting that has started to a close.

Adjournment

5.12 If it is necessary or expedient to do so for any reason (including disorderly conduct or other misbehaviour at a meeting), a meeting may be adjourned to another day, time, and place. A meeting of the Board, or of a committee of the Board, may be adjourned by the Chair until such day, time and place as the Chair may specify.

Business of the Meeting

The Agenda

5.13 If a member wishes to add an item of business which is not in the notice of the meeting, he or she must make a request to the Chair ideally in advance of the day of the meeting and certainly before the start of the meeting. The Chair will determine whether the matter is urgent as per paragraph 4.2, and accordingly whether it may be discussed at the meeting.

5.14 The Chair may change the running order of items for discussion on the agenda at the meeting. Please also refer to paragraph 4.2.

Decision-Making

5.15 The Chair may invite the lead for any item to introduce the item before inviting contributions from members. Members should indicate to the Chair if they wish to contribute, and the Chair will invite all who do so to contribute in turn. Members are expected to question and challenge proposals constructively and carefully to reach and articulate a considered view on the suitability of proposals.

5.16 The Chair will consider the discussion, and whether a consensus has been reached. Where the Chair concludes that consensus has been reached, then the Chair will normally end the discussion of an item by inviting agreement to the outcomes from the discussion and the resulting decisions of the Board.

5.17 As part of the process of stating the resulting decisions of the Board, the Chair may propose an adaptation of what may have been recommended to the Board in the accompanying report, to reflect the outcome of the discussion.

5.18 The Board may reach consensus on an item of business without taking a formal vote, and this will be normally what happens where consensus has been reached.

<u>Voting</u>

5.19   Where the Chair concludes that there is not a consensus on the Board's position on the item and/or what it wishes to do, then the Chair will put the decision to a vote. If at least two Board members ask for a decision to be put to a vote, then the Chair will do so. Before putting any decision to vote, the Chair will summarise the outcome of the discussion and the proposal(s) for the members to vote on.

5.20   Where a vote is taken, the decision shall be determined by a majority of votes of the members present and voting on the question. In the case of an equality of votes, the Chair shall have a second or casting vote. The Chair may determine the method for taking the vote, which may be by a show of hands, or by ballot, or any other method the Chair determines.

<u>Board Meeting in Public</u>

5.21   While the meeting is in public the Board may not exclude members of the public and the press (for the purpose of reporting the proceedings) from attending the meeting.

<u>Board Meeting in Private</u>

5.22   The Board may agree to meet in private to consider certain items of business. The Board may decide to meet in private on the following grounds:

5.22.1 The Board is still in the process of developing proposals or its position on certain matters and needs time for private deliberation.

5.22.2 The business relates to the commercial interests of any person and confidentiality is required, for example, when there is an ongoing tendering process or contract negotiation.

5.22.3 The business necessarily involves reference to personal information and requires to be discussed in private to uphold the Data Protection Principles.

5.22.4 The Board is otherwise legally obliged to respect the confidentiality of the information being discussed.

5.23   The minutes of the meeting will reflect when the Board has resolved to meet in private.

<u>Minutes</u>

5.24   The names of members present at a meeting of the Board, or of a committee of the Board, shall be recorded in the minute of the meeting. The names of other persons in attendance shall also be recorded.

5.25   The Board's Standard's Officer (or his/her authorised nominee) shall prepare the minutes of meetings of the Board and its committees. The Board or the

committee shall review the draft minutes at the following meeting. The person presiding at that meeting shall sign the approved minute.

6 Matters Reserved for the Board

<u>Introduction</u>

6.1 The Scottish Government retains the authority to approve certain items of business. There are other items of the business which can only be approved at an NHS Board meeting, due to either Scottish Government directions or a Board decision in the interests of good governance practice.

6.2 The matters reserved to the Board are:

6.2.1 Corporate Governance Framework, including the Standing Orders, terms of reference of all its committees and appointment of committee members, Standing Financial Instructions, and the Scheme of Delegation.

6.2.2 Organisational Values.

6.2.3 The strategies for all the functions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval.

6.2.4 Annually, The Delivery Plan (following consideration by Scottish Government).

6.2.5 Corporate objectives or corporate plans which have been created to implement its agreed strategies.

6.2.6 Risk Management Policy.

6.2.7 Financial plan for the forthcoming year, and the opening revenue and capital budgets.

6.2.8 Annual accounts and report. (Note: This must be considered when the Board meets in private session. To respect Parliamentary Privilege, the Board cannot publish the annual accounts, or any information drawn from it before the accounts are laid before the Scottish Parliament. Similarly, the Board cannot publish the report of the external auditors of their annual accounts in this period.)

6.2.9 Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the <u>Scottish Capital Investment Manual</u>.

6.2.10 The Board shall approve the content, format, and frequency of performance reporting to the Board.

6.2.11 The appointment of the Board's chief internal auditor. (Note: This applies either when the proposed chief internal auditor will be an employee of the Board, or when the chief internal auditor is engaged through a contract with an external provider. The audit committee should advise the Board on the appointment, and the Board may delegate to the audit committee oversight of the process which leads to a recommendation for appointment.)

6.2.12 Arrangements for the approval of all policies.

6.2.13 The system for responding to any civil actions raised against the Board.

6.2.14 The system for responding to any occasion where the Board is being investigated and/or prosecuted for a criminal or regulatory offence.

6.3   The Board itself may resolve that other items of business be presented to it for approval.

7   Delegation of Authority by the Board

7.1   Except for the Matters Reserved for the Board, the Board may delegate authority to act on its behalf to committees, individual Board members, or other Board employees. In practice this is achieved primarily through the Board's approval of the Standing Financial Instructions (NSS SFI's) and the Scheme of Delegation.

7.2   The Board may delegate responsibility for certain matters to the Chair for action. In such circumstances, the Chair should inform the Board of any decision or action subsequently taken on these matters.

7.3   The Board and its officers must comply with the NHS Scotland Property Transactions Handbook, and this is cross-referenced in the Scheme of Delegation.

7.4   The Board may, from time to time, request reports on any matter or may decide to reserve any particular decision for itself. The Board may withdraw any previous act of delegation to allow this.

8   Execution of Documents

8.1   Where a document requires to be authenticated under legislation or rule of law relating to the authentication of documents under the Law of Scotland, or where a document is otherwise required to be authenticated on behalf of the Board, it shall be signed by an executive member of the Board, or any person duly authorised to sign under the Scheme of Delegation in accordance with the Requirements of Writing (Scotland) Act 1995. Before authenticating any document, the person authenticating the document shall satisfy themselves that all necessary approvals in terms of the Board's procedures have been satisfied. A document executed by the Board in accordance with this paragraph shall be self-proving for the purposes of the Requirements of Writing (Scotland) Act 1995.

8.2   Scottish Ministers shall direct which officers of the Board can sign on their behalf in relation to the acquisition, management, and disposal of land.

8.3   Any authorisation to sign documents granted to an officer of the Board shall terminate upon that person ceasing (for whatever reason) from being an employee of the Board, without further intimation or action by the Board.

9 Committees

9.1 Subject to any direction issued by Scottish Ministers, the Board shall appoint such committees (and sub-committees) as it thinks fit. The Blueprint for Good Governance, Second Edition identifies the committees which the Board must establish.

9.2 As of 1 April 2024, the NSS Board has appointed the following Standing Committees:

9.2.1 NSS Audit & Risk Committee
9.2.2 NSS Finance, Procurement & Performance Committee
9.2.3 NSS Clinical Governance Committee
9.2.5 NSS Staff Governance Committee

9.3 As of 1 April 2024, the NSS Board has appointed a Remuneration Committee, as a sub-committee of the Staff Governance Committee whose primary function is to ensure the application and implementation of fair and equitable pay systems on behalf of the Board, as determined by Ministers and the Scottish Government, and described in MEL (1993) 114 and subsequent amendments.

9.4 The Board shall appoint the chairs of all committees and sub-committees established through these Standing Orders. The Board shall approve the terms of reference and membership of the committees. The Board shall review these as and when required and shall review the terms within 2 years of their approval if there has not been a review.

9.5 The Board shall appoint committee and sub-committee members to fill any vacancy in the membership as and when required. If a committee is required by regulation to be constituted with a particular membership, then the regulation must be followed.

9.6 Provided there is no Scottish Government instruction to the contrary, any non-executive Board member may replace a committee member who is also a non-executive Board member, if such a replacement is necessary to achieve the quorum of the committee.

9.7 The Board's Standing Orders relating to the calling and notice of Board meetings, conduct of meetings, and conduct of Board members shall also be applied to committee and sub-committee meetings. The general expectation is that committee and sub-committee meetings shall not be held in public, and the associated committee papers shall not be placed on the Board's website, unless the Board specifically elects otherwise.

9.8 Generally, Board members who are not members of a committee may attend a committee meeting and have access to the meeting papers. However, if the committee elects to consider certain items as restricted business (in private), then the meeting papers for those items will normally only be provided to members of that committee. The person presiding the committee meeting may

agree to share the (private) meeting papers for restricted business papers with others.

9.9   The Board shall approve a calendar of meeting dates for its committees and sub-committees. The committee and sub-committee chair may call a meeting any time and shall call a meeting when requested to do so by the Board.

9.10   The Board may authorise committees to co-opt members for a period up to one year, subject to the approval of both the Board and the Accountable Officer. A committee may decide this is necessary to enhance the knowledge, skills, and experience within its membership to address a particular element of the committee's business. A co-opted member is one who is not a member of National Services Scotland NHS Board and is not to be counted when determining the committee's quorum.

AUDIT AND RISK COMMITTEE TERMS OF REFERENCE

1. Remit

1.1 The National Services Scotland (NSS) Audit and Risk Committee (ARC) is established in accordance with Scottish Public Finance Manual, the Scottish Government Audit and Assurance Committee Handbook (3 April 2018) and is established as a committee of the NSS Board.

1.2 The purpose of the Committee is to provide independent advice and support the Chief Executive (as the Board's Accountable Officer) and the Board in their responsibilities of risk, control and governance and meeting their assurance needs.

1.3 The Committee has no executive authority and is not charged to make or endorse any decisions. The Committee may draw attention to strengths and weaknesses in internal control and make recommendations for how such weaknesses might be dealt with.

1.4 The Board authorises the committee to:
  1.4.1 Investigate any activity which is within its terms of reference, and in doing so, is authorised to seek any information it requires from any Board member or employee. All members and employees are directed to co-operate with any request made by the Committee.
  1.4.2 Obtain specialist ad-hoc advice at the expense of the organisation, subject to the budgets agreed by the Board and the Chief Executive.
  1.4.3 Co-opt additional members for a period not exceeding one year to provide specialist skills, knowledge, and experience.

1.5 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. Membership

Membership

2.1 Membership shall comprise six non-executive members of the Board. The Board must ensure that at least one member has recent and relevant financial experience. A Committee Chair shall be nominated by the Board Chair and thereafter confirmed by the Board. The Committee will then select a Vice-Chair from among the membership to deputise for the Committee Chair as required.

2.2 The Chair of the Board, any stakeholder member and any employee of the Board may not be a member of the Committee.

2.3 The Board may appoint independent external members if there is an insufficient number of non-executive Board members to form the Committee.

2.4 The Board will appoint independent external Committee members for a period of no more than three years but may re-appoint a member if the Board is satisfied with the member's contribution.

Attendees

2.5 The Committee will routinely invite the Chief Executive, Director of Finance, Chief Internal Auditor, and a representative of the external auditor to attend its meetings. The Committee may invite other officers to attend meetings to support the consideration and discussion of agreed items of business.

Private Meetings

2.6 The Committee may agree to meet in private to consider certain items of business without any non-members present. The Committee may also meet in private with the internal auditors and external auditors as required. This should happen at least once a year at a minimum.

2.7 The minutes of the meeting will reflect when the Committee has resolved to meet in private.

3. Quorum

3.1 The Committee is quorate when there are three non-executive Board members present.

4. Meetings

Frequency of Meetings

4.1 The Committee shall meet as required but not less than four times a year.

Minutes of Meetings

4.2 Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

4.3 The Minutes of the Committee will be presented for information to the next scheduled meeting of the NSS Board, in either approved or draft format, as the means of updating the Board on the work of the Committee.

5. Reporting Arrangements

5.1 The Committee Chair will provide a report to the Board and the Chief Executive after each meeting of the committee. A copy of the minutes may form the basis of this report. The Chief Internal Auditor and the external auditor should receive a copy of the report.

5.2 The ARC will provide an annual report to the Board to provide assurance as set out in the remit at 1. This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts and the content of the report will reflect the requirements set out in paragraphs 5.5 and 5.6 of the Scottish Government Audit and Assurance Committee Handbook (3 April 2018).

5.3 The Committee will develop a work plan to discharge its remit and duties, which will determine the information that it requires at meetings and consequently the agenda for those meetings. The Committee will normally require at every meeting:

5.3.1 A report on: all strategic and red corporate risks and issues; red reputational and information governance risks and issues contained in the NSS corporate risk register, along with any appropriate risks flagged by the Director. Reports will incorporate associated management actions as set out in the Integrated Risk Management Approach.

5.3.2 Progress reports from the internal and external auditors, including details of any work they have performed and the key issues that have emerged.

5.3.3 Identified information governance risks.

6. Delegated Functions:

6.1 The delegated functions of the committee are:

6.1.1 Supporting the Chief Executive and the Board identify and formulate their assurance needs regarding risk management, governance, and internal control.

6.1.2 Reviewing and constructively challenging the assurances that have been provided as to whether their scope meets the needs of the Chief Executive and the Board.

6.1.3 Reviewing the comprehensiveness, reliability and integrity of those assurances, i.e., considering whether they are founded on reliable evidence, and that the conclusions are reasonable in the context of that evidence.

6.1.4 Drawing attention to weaknesses in systems of risk management, governance, and internal control, and making suggestions as to how those weaknesses can be addressed.

6.1.5 Review annually the risk appetite of NSS in relation to risk categories.

6.1.6 Commissioning further assurance work for areas that are not being subjected to sufficient review.

6.1.7 Seeking assurance that management are remedying previously identified areas of weakness.

6.1.8 Monitor and review NSS's performance and compliance in respect of Information Governance and Data Protection legislation and processes.

6.2 The Committee will specifically advise the Board and Chief Executive on:

6.2.1 The strategic processes for risk, control, and governance and the governance statement, and how they support the achievement of the Board's strategies and objectives.

6.2.2 The accounting policies, the annual accounts, and the Board's annual report. This includes the process for review of the accounts before they are submitted for audit, levels of error identified, and management's letter of representation to the external auditors.

6.2.3 The planned activity and results of both internal and external audit.

6.2.4 The performance of the internal audit function.

6.2.5 The adequacy of management response to issues identified by audit activity, including external audit's management letter or report.

6.2.6 The effectiveness of the internal control environment.

6.2.7 Assurances relating to the corporate governance requirements for the Board.

6.2.8 The appointment of the Chief Internal Auditor, the Internal Audit Charter and Internal Audit Opinion.

6.2.9 The purchase of non-audit services from contractors who provide audit services.

6.2.10 The Board's policies, procedures, and processes where they relate to risk management, governance, and internal control. Examples are the Board's Standing Orders, Standing Financial Instructions, Scheme of Delegation, risk management policy, ethical conduct, prevention of bribery and corruption, fraud management policy and action-plan, and Whistleblowing.

6.2.11 The skills required for committee effectiveness, to inform the selection of members of the committee.

6.2.12 Review annually the nature of and expenditure incurred by each Directorate on the employment of Management Consultants in the preceding year.

6.2.13 Review annually all detailing all losses written off and special payments made including ex-gratia payments made to staff in line with Section 18 of NSS SFIs – Losses and Special Payments

6.2.14 Review annually NSS's Fraud and Other Illegal Acts Register

6.2.15 Review reports presented on instances of banking accounts being overdrawn

6.3 In addition, the committee also has specific duties in relation to information governance:

6.3.1 Consider and scrutinise NSS's compliance with relevant legislation, duties under Common Law and performance against national standards

with regards to information governance. This duty covers the following components of information governance: Caldicott Guardianship and Confidentiality; Data Protection; Information Security; Freedom of Information and Records Management.

6.3.2 Review at each meeting reports on performance relating to information governance matters across NSS and satisfy itself that appropriate progress is being made to improve the quality of information governance across NSS.

6.3.3 Satisfy itself that NSS has processes in place to monitor and report information governance incidents, risks, and complaints.

6.3.4 Review at each meeting identified information governance risks, issues, and complaints, and satisfy itself that appropriate action has been taken, lessons learnt, and improvements implemented.

7. Supplementary Information for Boards and Committee Members

7.1 The [Scottish Government Audit and Assurance Committee Handbook (3 April 2018)](#)

7.2 The NHS Scotland Board Development website also has a wealth of material on NHS Scotland which is relevant to governance, risk management, and internal control.
https://learn.nes.nhs.scot/17367/board-development

CLINICAL GOVERNANCE COMMITTEE TERMS OF REFERENCE

NHS
National
Services
Scotland

1. Remit

1.1 The National Services Scotland (NSS) Clinical Governance Committee (CGC) is established in accordance with the guidance given in MEL (1998) 75, reinforced by MEL (2000) 29, and is established as a committee of the NSS Board.

1.2 The purpose of the Committee is to provide assurance to the NSS Board that the clinical activities of NSS are appropriately governed and monitored as to their safety, quality and effectiveness and that Quality Improvement and Realistic Medicine are at the core of its work.

1.3 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. Membership

Membership

2.1 Membership shall comprise six non-executive members of the Board, including the Board Chair. The Committee Chair shall be nominated by the Board Chair and thereafter confirmed by the Board. The Committee will then select a Vice-Chair from among the membership to deputise for the Committee Chair as required.

Attendees

2.2 The Medical Director and Director of Nursing shall be the lead executive officers to the Committee and will arrange for such other officers to attend as required by the business of the committee.

3. Quorum

3.1 The Committee is quorate when there are three non-executive Board members present.

4. Meetings

Frequency of Meetings

4.1 The Committee shall meet as required but not less than four times a year.

Minutes of Meetings

4.2 Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

4.3   The Minutes of the Committee will be presented for information to the next scheduled meeting of the NSS Board, in either approved or draft format, as the means of updating the Board on the work of the Committee.

Private Meetings

4.4   The Committee may agree to meet in private to consider certain items of business without any non-members present.

4.5   The minutes of the meeting will reflect when the Committee has resolved to meet in private.

5.   Reporting

5.1   The CGC is to report activities and progress to the NSS Board as described in these terms of reference. The CGC is to determine the style and content of these reports, subject to guidance and direction by the NSS Board.

5.2   The CGC will produce an Annual Report of the Committee's activities to provide assurance as set out in remit at 1.   This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts.

6.   Delegated Functions

6.1   The CGC will provide assurance to the Board that:

6.1.1 Process and reporting arrangements are in place, as required, in order to provide assurance that the clinical and related activities under NSS direction and control are at all times appropriately governed and monitored as to their safety, quality and effectiveness.

6.1.2 All aspects of clinical Quality Management are reflected including Quality Planning, Quality Improvement and Quality Control and the application of the principles of Realistic Medicine.

6.1.3 Clinical activity is challenged from the perspectives of equity, inequality/ equality, diversity, and value (expressed as triple value).

6.1.4 Services compliance with clinical and product regulatory requirements is in place.

6.1.5 The Clinical and Patient Safety Strategic Risk is being managed and mitigated appropriately. The Strategic clinical and patient safety risk(s) plus red clinical and patient safety risks and issues contained in the NSS corporate risk register, along with any

appropriate risks flagged by the Medical Director. Reports will incorporate associated management actions as set out in the Integrated Risk Management Approach.

6.2 The CGC will provide advice, as required, to the Board on the clinical impacts of any new service developments proposed for adoption by NSS.

6.3 In order to assure themselves, the CGC will review and scrutinise reports on:

6.3.1 Clinical adverse events, Duty of Candour events, clinical risks and complaints (related to safety of services or clinical staff fitness to practice) including their identification, causes, management, learning identified and service improvement and implementation.

6.3.2 Blood, cells and tissue safety to satisfy itself that appropriate action is being taken to provide an adequate and safe supply and on product regulatory compliance.

6.3.3 Healthcare Acquired Infection in NSS as per required national policy on HAI, using the HAI reporting template.

6.3.4 Major NSS programmes in support of clinical services.

6.3.5 Activity relating to national clinical governance functions delivered by NSS, e.g., screening, and dental.

6.3.6 Annual reports on:
- Infection Prevention and Control
- Duty of Candour
- Research, Development, and Innovation
- Clinical Professional Appraisal and Revalidation
- Medical Staff Revalidation and Appraisal
- Patient Group Directions Audit
- IR(M)ER Advisory Group
- Relevant Intellectual Property activity facilitated by Scottish National Blood Transfusion Service (SNBTS).

FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE - TERMS OF REFERENCE

1. **Remit**

1.1 The NHS National Services Scotland (NSS) Finance, Procurement and Performance Committee (FPPC) is established, as a committee of the Board

1.2 The purpose of the Committee is to provide an independent and objective view and keep under review the financial position of NSS, procurement and sustainability activity and performance management, and provide assurance to the NSS Board that suitable arrangements are in place to secure economy, efficiency, and effectiveness in the use of all resources, and that the arrangements are working effectively.

1.3 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. **Membership**

Membership

2.1 Membership shall comprise six non-executive members of the Board, including the Board Chair. A Committee Chair shall be nominated by the Board Chair and thereafter confirmed by the Board. The Committee will then select a Vice-Chair from among the membership to deputise for the Committee Chair as required.

Attendees

2.2 The Director of Finance, Corporate Governance and Legal Services shall be the lead executive officer to the Committee and will arrange for such other officers to attend as required by the business of the committee.

2.3 The Chief Executive and Directors of National Procurement (NP), Strategy, Performance, and Service Transformation (SPST) and NHSScotland Assure will also be in attendance.

3. **Quorum**

3.1 The Committee is quorate when there are three non-executive Board members present.

4. Meetings

Frequency of Meetings

4.1   The Committee shall meet as required but not less than four times a year.

Minutes of Meetings

4.2   Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

4.3   The Minutes of the Committee will be presented for information to the next scheduled meeting of the NSS Board, in either approved or draft format, as the means of updating the Board on the work of the Committee.

Private Meetings

4.4   The Committee may agree to meet in private to consider certain items of business without any non-members present.

4.5   The minutes of the meeting will reflect when the Committee has resolved to meet in private.

5. Reporting

5.1   The FPPC is to report activities and progress annually to the NSS Board as described in these terms of reference. The FPPC is to determine the style and content of these reports, subject to guidance and direction by the NSS Board.

5.2   The FPPC will produce an Annual Report of the Committee's activities to provide assurance as set out in remit at 1. This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts.

6   Delegated Functions

6.1   The delegated functions of the Committee are:

6.1.1 To scrutinise and recommend to the Board for approval:
       6.1.1a Annual, 3-year or 5-year (as required) Delivery Plan and Financial Plans prepared consistent with statutory financial responsibilities.

       6.1.1b Draft annual NSS Delivery Plan for submission to the Scottish Government.

       6.1.1c NSS Property and Asset Management Strategy and action plan.

       6.1.1d NSS Climate Sustainability Strategy and action plan.

       6.1.1e NSS Standing Financial Instructions, .

6.1.2   To approve:

6.1.2a At Outline Business Case or Full Business Case stage property transactions undertaken in accordance with the NHS Scotland Property Transactions Handbook.

6.1.2b NHS Scotland Procurement Strategy, Workplan and Annual Report.

6.1.2c NSS Procurement Strategy, Workplan and Annual Report.

6.1.2d Any procurements which require the authority of the Board under NSS Standing Financial Instructions.

6.1.2e Budget limits and set business performance targets for all Directorates except in respect of earmarked funds allocated for specific purposes by Scottish Government.

6.1.2f The NSS Public Bodies Climate Change Duties Report.

6.1.2g New Income contracts above £500,000.

6.1.3   In order to assure themselves, the FPPC will review and scrutinise reports on:

6.1.3a Financial and operational performance against plans and delivery against Delivery Plan targets, and to consider the appropriateness and effectiveness of current and planned management actions.

6.1.3b Any occurrences where the Standing Financial Instructions have not been followed and reports specifically required by the SFIs (see appendix 1).

6.1.3c The performance of programmes delivered by NSS on behalf of NHS Scotland.

6.1.3d Delivery against the NSS Financial Sustainability Plan.

6.1.3e The Strategic business risks plus red business risks and issues contained in the NSS corporate risk register, along with any appropriate risks flagged by the Director of Finance, Corporate Governance and Legal Services. Reports will incorporate associated management actions as set out in the Integrated Risk Management Approach.

6.1.3f The content of financial reporting and information presented to the Board

6.1.4g The performance against delivery of the NSS climate sustainability objective including the National Sustainability Assessment Tool (NSAT) and the Sustainability Performance Report.

6.1.4   To review the financial aspects and make recommendations for any Business Cases beyond the scope of delegated financial authority before it is presented to the Scottish Government for approval. All business cases shall comply with the Scottish Capital Investment Manual.

Appendix 1 – Reports specifically required by SFIs.

SFI Reference	Requirement	Frequency	Lead officer as per Scheme of Delegation
6.07	Family Health Services Payments – payments and performance	Regular Reported to ARC via Service Audit	Director of Practitioner and Counter Fraud Services
6.07	Family Health Services – financial governance and control	Regular Reported to ARC via Service Audit	Director of Finance, Corporate Governance and Legal Services
6.12	Exceptions to procurement guidelines.	Quarterly	Director of Finance, Corporate Governance and Legal Services
6.28	Advance payment (non-contractual) for goods/services.	Annual	Director of Finance, Corporate Governance and Legal Services
8.04	Procurement staff/CLO advice not accepted	Quarterly	Director of National Procurement
8.12/9.14	Sole Source Justification report.	Annual	Director of Finance, Corporate Governance and Legal Services
9.13	Supplier management activity.	Annual	Director of National Procurement

STAFF GOVERNANCE COMMITTEE - TERMS OF REFERENCE

1. Remit

1.1 The NHS National Services Scotland (NSS) Staff Governance Committee (SGC) is established in accordance with the guidance given in the Staff Governance Standard 4th Edition published by the Scottish Government in June 2012 and is established as a committee of the NSS Board.

1.2 The purpose of the committee is to is to support and maintain a culture within NSS where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone and is built upon partnership and collaboration. It will ensure that robust arrangements to implement the Staff Governance Standard are in place and monitored.

1.3 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. Membership

Membership

2.1 Membership shall comprise six non-executive members of the Board (including the Board Chair and Employee Director) and four trade union representatives, nominated by the Joint Trade Unions. A Committee Chair shall be nominated by the Board Chair and thereafter confirmed by the Board. The Committee will then select a Vice-Chair from among the membership to deputise for the Committee Chair as required.

Attendees

2.2 The Director of Human Resources and Organisational Development shall be the lead executive officer to the Committee and will arrange for such other officers to attend as required by the business of the committee.

3. Quorum

3.1 The Committee is quorate when there are three non-executive Board members present and one trade union representative present.

4.   Meetings

<u>Frequency of Meetings</u>

4.1   The Committee shall meet as required but not less than four times a year.

<u>Minutes of Meetings</u>

4.2   Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

4.3   The Minutes of the Committee will be presented for information to the next scheduled meeting of the NSS Board, in either approved or draft format, as the means of updating the Board on the work of the Committee.

<u>Private Meetings</u>

4.4   The Committee may agree to meet in private to consider certain items of business without any non-members present.

4.5   The minutes of the meeting will reflect when the Committee has resolved to meet in private.

5. Reporting

5.1   The SGC is to report activities and progress annually to the NSS Board as described in these terms of reference. The SGC is to determine the style and content of these reports, subject to guidance and direction by the NSS Board.

5.2   The committee will submit an annual report to give the Board assurance around the detail of staff governance arrangements and monitoring process and to assure the Board that the SGC's aims are being met.

5.3   The NSS Partnership Forum has a key role in the delivery and implementation of the Staff Governance Standards through the Great Place to Work Plan (Staff Governance Action Plan). Regular reports from the Partnership Forum will be received to SGC to provide the necessary evidence and assurance.

6. Delegated Functions

6.1   The delegated functions of the Committee are to:

6.1.1 Review evidence of attainment and maintenance of the Staff Governance Standard through the Great Place to Work Plan (Staff Governance Action Plan).

6.1.2 Take responsibility for timely submission of all staff governance information required for national monitoring arrangements.

6.1.3 Ensure an effective system of Governance and oversight for the management, safety and welfare of the workforce including a strategic workforce planning strategy.

6.1.4 Monitor and evaluate strategies and implementation plans relating to people management.

6.1.5 Approve the monitoring of organisational policies related to workforce, ensuring compliance with National Workforce Policies.

6.1.6 Approve any policy amendment, funding, or resource submission to achieve the Staff Governance Standard, providing support as required to drive forward.

6.1.7 Provide staff governance information for the statement of internal control.

6.1.8 The Strategic staffing risks plus red staff risks and issues contained in the NSS corporate risk register, along with any appropriate risks flagged by the Director of HR and Organisational Development. Reports will incorporate associated management actions as set out in the Integrated Risk Management Approach.

6.1.9 Review quarterly the NSS complaints report in the context of staff risk.

6.1.10 Review Quarterly and Annual Whistleblowing Reports.

6.1.11 Provide assurance that systems and procedures are in place to manage the issues set out in MEL (1993) 114 (amended) (carried out by the Remuneration Committee).

REMUNERATION COMMITTEE TERMS OF REFERENCE

1. Remit

1.1 The NHS National Services Scotland (NSS) Remuneration Committee is established, in accordance with MEL (1993)114 and subsequent amendments.

1.2 The Remuneration Committee is established as a sub-committee of the Staff Governance Committee and through the Staff Governance Committee, required to provide assurance that systems and procedures are in place to manage the issues set out in MEL (1993)114 so that the overarching staff governance responsibilities can be discharged.

1.3 The purpose of the committee is to ensure the application and implementation of fair and equitable pay systems on behalf of the Board.

1.4 The Committee will work within the principles of the Blueprint for Good Governance – Second Edition, to ensure effective management, improved performance, and good outcomes for all stakeholders.

2. Membership

Membership

2.1 Membership shall comprise the Chair of the NSS Board and at least three Non-Executive Members of the NSS Board, of which one must be the Employee Director, and one of whom shall act as Chair.

Attendees

2.2 The Director of Human Resources shall be the lead executive officer to the Committee and will arrange for such other officers to attend as required by the business of the committee. The Chief Executive will be in attendance.

2.3 Attendees will not be present when the Terms and Conditions of their own post are being discussed.

3. Quorum

3.1 The Committee is quorate when there are three non-executive Board members present.

4. Meetings

Frequency of Meetings

4.1 The Committee shall meet as required but not less than twice a year.

<u>Minutes of Meetings</u>

4.2   Minutes of the proceedings of the Committee shall be drawn up by or on behalf of the Board Secretary and submitted for approval to the next meeting of the Committee.

<u>Private Meetings</u>

4.3   The Committee may agree to meet in private to consider certain items of business without any non-members present.

4.4   The minutes of the meeting will reflect when the Committee has resolved to meet in private.

5. Reporting

5.1   The Remuneration Committee is to report activities and progress annually to the NSS Staff Governance Committee and to the NSS Board to provide assurance as set out in remit at 1. This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts.

5.2   The Staff Governance Committee will not be given the detail of confidential employment issues that are considered by the Remuneration Committee: these can only be considered by Non-Executive Directors of the Board.

5.3   The Committee must approve Consultants' Discretionary Points annually.

6. Delegated Functions
6.1   The delegated functions of the committee are:

   6.1.1 Comply with any Scottish Government Health Directorates directions and take into consideration any relevant guidance on remuneration or terms and conditions of employment;

   6.1.2 Review and approve all Terms and Conditions of Employment, including job descriptions, terms of employment, basic pay, performance pay (if applicable) and all benefits associated with each post;

   6.1.3 Review and approve annual performance objectives, including overseeing the review of performance against these objectives at the mid-year point and agreeing any revisions to the objectives during the course of the year;

   6.1.4 Consider and approve the assessment of performance at the year-end and any changes to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period, and ensure onward submission for approval to the

National Workforce Performance Management Committee in the required timescales;

6.1.5   Approve any responsibility allowances or any temporary regrading for staff in the Executive cohort and review the overall position on an annual basis;

6.1.6   Ensure that effective arrangements are in place for carrying out 6.1.2-6.1.4 above in respect of members of the Senior Management Cohort;

6.1.7   To approve all new or additional jobs created for AfC band 8c, 8d, 9 and Executive Grades. In addition, they will agree all appointments where the lower half of the range, will not secure the preferred candidate. The Committee can delegate authority to the Chair to approve the functions noted above to prevent delays in appointments. A report on decisions will be submitted to the next meeting of the Committee;

6.1.8   To approve all termination settlements which exceed £75,000. An annual report of all such instances will be presented to the Remuneration Committee;

6.1.9   To review and approve annually the Discretionary Points awarded by the NSS Committee on Consultants' Discretionary Points, for reporting to the NSS Board and to provide confirmation of the process followed in the allocation of the points;

NHS NATIONAL SERVICES SCOTLAND

SCHEME OF DELEGATION

SCHEME OF DELEGATION

1. INTRODUCTION

1.1   National Services Scotland (NSS) Board has developed and approved this Scheme of Delegation.

1.2   This Scheme of Delegation should be implemented together with the requirements of the Board's Standing Financial Instructions and all other policies and procedures.

1.3   Any reference to a statutory or other provision shall be interpreted as a reference amended by any subsequent legislation.

1.4   This Scheme of Delegation delegates power to individual officers within the management structure. The holders of those positions can further delegate to other employees. Delegation must be made in writing. Nevertheless, the holders of the positions identified in the Scheme of Delegation remain personally accountable, and the actions of the individuals to whom they delegate.

1.5   If a position identified in the Scheme of Delegation is vacant, or an officer with delegated authority is not available, then the matter should be referred up to the next level of authority as described in the relevant section of this Scheme of Delegation.

1.6   The Board has delegated authority to the Standard's Officer to approve amendments relating to job titles in this Scheme of Delegation (and wider Corporate Governance Framework), so as to keep it up to date with any changes to the organisation's management structure.

2. MATTERS RESERVED TO THE BOARD

2.1 The Scottish Government retains the authority to approve certain items of business. There are other items of the business which can only be approved at an NHS Board meeting, due to either Scottish Government directions or a Board decision in the interests of good governance practice.

2.2 The following matters shall be reserved for agreement by the Board:

a) Corporate Governance Framework including the Standing Orders, terms of reference of all its Committees and appointment of Committee members, Standing Financial Instructions, and the Scheme of Delegation
b) Organisational Values
c) The strategies for all the functions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval
d) Annually, the Delivery Plan for submission to the Scottish Government for its approval
e) Corporate objectives or corporate plans which have been created to implement its agreed strategies
f) Risk Management Policy
g) Financial plan for the forthcoming year, and the opening revenue and capital budgets
h) Annual accounts and report
i) Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the Scottish Capital Investment Manual
j) The Board shall approve the content, format, and frequency of performance reporting to the Board
k) The appointment of the Board's chief internal auditor
l) Arrangements for the approval of all policies
m) The system for responding to any civil actions raised against the Board
n) The system for responding to any occasion where the Board is being investigated and / or prosecuted for a criminal or regulatory offence

2.3 The Board itself may resolve that other items of business be presented to it for approval.

3. MATTERS DELEGATED TO OFFICERS

3.1 The Chief Executive

The Chief Executive, as Accountable Officer, can exercise delegated authority across all NSS services and functions.

The Chief Executive is authorised to take such measures as may be required in emergency situations, subject to consulting, where possible, the Chair of the Board, and the relevant Committee Chair. Such measures that might normally be outwith the scope of the authority delegated by the Board or its Committees shall be reported to the Board or appropriate Committee as soon as possible thereafter.

The Chief Executive is authorised to give a direction in special circumstances that any official shall not exercise a delegated function subject to reporting on the terms of the direction to the next meeting of the appropriate Committee.

3.2 The Executive Management Team (EMT)

The Executive Management Team (EMT), led by the Chief Executive is the senior management decision making body for NSS.

The EMT is appointed by the Board and given authority by the Board to act in accordance with its remit.

The EMT has the primary responsibility for the implementation of change and the day-to-day management of operations.

The EMT manages the business of the Board by reviewing and endorsing Board-wide strategies, policies and actions to ensure a corporate position is achieved prior to submission to the NSS Board and, where appropriate, its Standing Committees for consideration and approval.

3.3 Appointed Officers

There are a number of roles that NSS must appoint due to legislative (or other) requirements that are referenced within this Scheme of Delegation. A summary table of these Officers has been included below for reference.

Role	Area of Responsibility	Delegated to
Accountable Officer	To be the principal adviser to the Board. To provide operational leadership to staff working for NSS and to ensure that its aims and objectives are met, its functions are delivered, and its targets are met through effective and properly controlled executive action.	Chief Executive

Standards Officer	To support and promote a high standard of conduct of Board Members.	Associate Director of Governance and Board Services
Senior Information Risk Officer	To monitor and review the organisation's compliance with applicable information security legislation, regulation, and standards	Director, Digital & Security
Data Protection Officer	To monitor and review the organisation's compliance with applicable data protection legislation, regulation, and standards.	Data Protection Officer
Fraud Liaison Officer	To act as the first point of contact between Counter Fraud Services and NSS.	Associate Director of Finance Operations
Caldicott Guardian	To ensure NSS satisfy the highest practical standards for handling patient identifiable information.	NSS Medical Director
Whistleblowing Executive Lead	To ensure Whistleblowing Standards are functioning across the organisation.	Director of Nursing
Healthcare Associated Infections (HAI) Lead	To ensure Healthcare Associate Standards are implemented across the organisation.	Director of Nursing

4. SCHEME OF DELEGATION ARISING FROM BOARD STANDING ORDERS

Reference in Standing Orders	Area of Responsibility	Committee Approval Required	Delegated to
SO 1.11	Maintenance of Register of Board Members interests		Standards Officer
SO 1.8 & 9.2	Preparation of Update for the Corporate Governance Framework	Board	Standards Officer
SO 7.3	Execution of documents on behalf of Scottish Ministers relating to property transactions	Finance, Procurement and Performance Committee	Chief Executive or Director of Finance (All signatures to be in accordance with the Property Transactions Manual)

5. SCHEME OF DELEGATION ARISING FROM THE STANDING FINANCIAL INSTRUCTIONS

A scheme of delegation operates for various Standing Financial Instructions (SFIs), each of which is described in the tables that follow the list below. The list below therefore includes a cross reference to the relevant section of the Standing Financial Instructions. The Scheme of Delegation should be read in conjunction with the SFIs.

Reference in SFIs	Area of Responsibility	Committee Approval Required	Delegated to
Section 1: General	SFIs are in place, up to date and observed	Finance, Procurement and Performance Committee and Board	Director of Finance, Corporate Governance and Legal Services
	Reporting SFI adverse events (breaches)	Finance, Procurement and Performance Committee and then on to relevant Committee.	Director of Finance, Corporate Governance and Legal Services
Section 4: Suspected Theft, Fraud and Other Irregularities	Notification to appropriate agency of discovered fraud/criminal offences	Audit and Risk Committee	Fraud Liaison Officer (Associate Director of Finance Operations) **Approved Alternate Officer(s):** Chief Executive
Section 5: Audit and Financial Performance Arrangements	Provision of Internal Audit Service as detailed in SFI 5.03	Audit and Risk Committee	Director Strategy, Performance and Service Transformation. **Approved Alternate Officer(s):** Director of Finance, Corporate

			Governance and Legal Services
	Provision of Service Audit as detailed in SFI 5.08	Audit and Risk Committee	Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Director Strategy Performance and Service Transformation Director of Digital and Security Associate Director of Finance Operations
	Appointment of External Auditor	Scottish Ministers	Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Associate Director of Finance Operations
Section 6: Financial Planning and Budget Control	Prepare and submit financial plans in accordance with the requirements of Scottish Government (Revenue and Capital)	Finance, Procurement and Performance Committee and Board	Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Deputy Director of Finance

			Associate Director of Finance Operations
	Preparation and Submission of Budgets		Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Deputy Director of Finance Associate Director of Finance Operations
	Devise, introduce and maintain systems of financial control		Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Deputy Director of Finance Associate Director of Finance Operations
	Delegation of Budgetary Control		Chief Executive **Approved Alternate Officer(s):** Director of Finance, Corporate Governance and Legal Services
	Authority to use non-recurring budget to fund		Chief Executive

	recurring expenditure		**Approved Alternate Officer(s):** Director of Finance, Corporate Governance and Legal Services
	Approve expenditure not covered by an approved budget	Board, delegated to Finance, Procurement and Performance Committee, over £1m	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000
	NSD Virement - allocation of revenue funds to national services		Director of National Specialist and Screening Division.
	Family Health Services – payments and performance	Finance, Procurement and Performance Committee	Director Strategy, Performance and Service Transformation **Approved Alternate Officer(s):** Director of Finance, Corporate Governance and Legal Services
	Family Health Services – financial governance and control	Finance, Procurement and Performance Committee	Director of Finance, Corporate Governance and Legal Services
Section 7: Staff Appointments, Remuneration and related matters	Staff employment contracts and appointments as set out in SFI 7.02	Remuneration Committee and Board	Director of HR and Organisational Development

	Approval of a termination settlement under £75,000 and submission of annual report	Remuneration Committee over £75,000	Chief Executive up to £75,000
	Ex gratia payments and annual reports.	Board, delegated to Finance, Procurement and Performance Committee, over £1m and Remuneration Committee	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000
Section 8: Non-Pay Expenditure	Procurement Strategy and professional advice.	Finance, Procurement and Performance Committee	Director of National Procurement **Approved Alternate Officer(s):** Head of Governance and Sustainable Procurement
Section 9: Tenders, Quotations and Contracting Requirements	Maintenance of systems for the invitation, receipt, safe-keeping and selection of tenders and quotations		Director of National Procurement
	Approval of tenders for goods, services or works outwith the Directorate budget or business plan.	Board, delegated to Finance, Procurement and Performance Committee, over £1m	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000
	Annual Report – Sole source justification	Finance, Procurement and Performance Committee	Chief Executive or Director of Finance, Corporate

			Governance and Legal Services **Approved Alternate Officer(s):** Director of National Procurement
	Awarding Contracts as per SFI 9.03 and contract extensions.	Board, delegated to Finance, Procurement and Performance Committee, over £1m	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000 Director up to £100,000
	Procurement Strategy and professional advice.	Finance, Procurement and Performance Committee (Board when Committee assess this is required due to reputational risk)	Director of National Procurement **Approved Alternate Officer(s):** Head of Governance and Sustainable Procurement
	Contract/Framework agreements on behalf of Scottish Ministers NHSS or combinations of public bodies	Contracts Approvals Board	Chief Executive more than £5m+ (following the PCF Approval Board) Up to £5m Director of Finance, Corporate Governance and Legal Services, Director of Strategy, Performance and Service

			Transformation , Director of National Procurement and for IT approvals the Director of Digital and Security (following the PCF Approval Board) Up to £2m Director of Strategy, Performance and Service Transformation, Director of National Procurement and for IT approvals the Director of Digital and Security (following the PCF Approval Board)
	To act as a proxy for NHS Scotland Health Board Capital Expenditure Procurements		Director of National Procurement Above £500,000 Head of Strategic Sourcing Up to £500,000 Relevant Category Manager Less than £100,000
	Maintain a public register for all contracts in excess of £50,000		Director of National Procurement
Section 10: Tenders, Quotations and Contracting	Approval of research services outwith Directorate budget		Director of Finance, Corporate Governance and Legal Services

Requirements for Research	Approval and variation of research contract award (including collaborative agreements)	Board, delegated to Finance, Procurement and Performance Committee, over £1m, following approval of CE.	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000 Director up to £100,000
	Notification of research contract with an estimated expenditure of more than £1m (in total)	Finance, Procurement and Performance Committee	Director of Finance, Corporate Governance and Legal Services
Section 11: Appointment of advisers and non-permanent staff	Departure from contract of employment and fee aligned to an established job description		Director of HR and Organisational Development and Director of Finance, Corporate Governance and Legal Services
Section 12: Income Generation and Intellectual Property	Entering Income Agreements that does not meet authority criteria set out in SFI 12.02		Director of Finance, Corporate Governance and Legal Services and/or Chief Executive
	Determination of charges outwith directorate income generation strategy (or externally governed)		Director of Finance, Corporate Governance and Legal Services and/or Chief Executive
	Approval of proceeding with participation or investment in any legal entity (e.g. joint venture)		Director of Finance, Corporate Governance and Legal Services
Section 13: Capital Investment, Private Financing,	Approval of Capital of expenditure	Board, delegated to Finance, Procurement and Performance	Chief Executive up to £1m

Fixed Asset Registers		Committee, over £1m	Director of Finance, Corporate Governance and Legal Services up to £500,000
	Implementation of Capital Investment Procedures		Director of Finance, Corporate Governance and Legal Services
	Approve Asset Control Procedures		Director of Finance, Corporate Governance and Legal Services
	Approve arrangements of receipts		Director of Finance, Corporate Governance and Legal Services
Section 14: Banking arrangements	Approval of subsidiary bank accounts and banking procedures including corporate purchasing cards		Director of Finance, Corporate Governance and Legal Services
Section 15: Stocks and Stores	Approve the management, control and safety of stocks		Director of Finance, Corporate Governance and Legal Services
	Purchase replenishment stock and issue stock		Director of National Procurement Director of Scottish National Blood Transfusion Service Director of Digital and Security
	Purchase replenishment stock and issue stock from the Scottish Government Health Resilience Unit Pandemic Stock for		Director of National Procurement

	the following sectors: Healthcare Sector, Acute Hospital Sector, Independent Sector, GP, Scottish Ambulance Service, Social Care Sector		
Section 16: Annual Report and Accounts	Preparation of Annual Report and Accounts	Audit and Risk Committee Board	Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Associate Director of Finance Operations
	Preparation of the governance statement		Director of Finance **Approved Alternate Officer(s):** Standards Officer (Associate Director of Governance and Board Services)
Section 17: Information Governance	Implementation of financial governance systems.		Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Deputy Director of Finance
	Information governance, freedom of	Audit and Risk Committee	Director of Digital and Security (SIRO)

	information and data protection		**Approved Alternate Officer(s):** Head of Information & Cyber Security (Deputy SIRO)
Section 18: Losses and Special Payments	Writing off of losses	Board, delegated to Finance, Procurement and Performance Committee, over £1m	Chief Executive up to £1m Director of Finance, Corporate Governance and Legal Services up to £500,000 Director All expenditure contained in Annual Financial Plan in accordance with SFIs
	Maintenance of the Losses and Special Payments Register and associated reported requirements	Audit and Risk Committee	Director of Finance, Corporate Governance and Legal Services **Approved Alternate Officer(s):** Associate Director of Finance Operations

6. SCHEME OF DELEGATION ARISING FROM OTHER AREAS OF CORPORATE GOVERNANCE

Clinical Governance – Table 6.1
Staff Governance – Table 6.2
Risk Management and Emergency Planning – Table 6.3
Performance Management – Table 6.4
Information Governance – Table 6.5

CLINICAL GOVERNANCE – TABLE 6.1

Ref	Area of Responsibility	Committee Approval Required	Delegated to	Approved Alternate Officer(s)
6.1.1	Clinical Governance (includes Strategy/Framework; clinical adverse events; Duty of Candour; clinical risk; clinically related complaints)	NSS Clinical Governance Committee	NSS Medical Director	Director of Nursing
6.1.2	Clinical Quality Improvement	NSS Clinical Governance Committee	Director of Nursing	NSS Medical Director
6.1.3	Compliance with clinical regulatory requirements (includes clinical professional regulations, medical device regulations, IR(ME)R,)	NSS Clinical Governance Committee	NSS Medical Director	Director of Nursing
6.1.4	Research, Development and Innovation (including research governance, Intellectual Property)	NSS Clinical Governance Committee	NSS Medical Director	Director of Healthcare Science
6.1.5	Blood, Cells and Tissue Safety and product regulatory compliance.	NSS Clinical Governance Committee	Director, Scottish National Blood Transfusion Service (SNBTS)	Medical Director, SNBTS
6.1.6	Healthcare Associated Infection	NSS Clinical Governance Committee	Director of Nursing	NSS Medical Director

STAFF GOVERNANCE – TABLE 6.2

Ref	Area of Responsibility	Committee Approval Required	Delegated to	Approved alternate officer
6.2.1	Staff Governance Framework and compliance	Staff Governance Committee	Director of HR and Organisational Development	
6.2.2	Workforce Strategy	Staff Governance Committee	Director of HR and Organisational Development	
6.2.3	Equality and Diversity	Staff Governance Committee	Director of HR and Organisational Development	Associate Director, HR and Workforce Development
6.2.4	Whistleblowing	NSS Staff Governance Committee	Director of Nursing	Director Strategy, Performance and Service Transformation

RISK MANAGEMENT AND EMERGENCY PLANNING – TABLE 6.3

Ref	Area of Responsibility	Committee Approval Required	Delegated to	Approved alternate officer
6.3.1	Risk Management – including risk framework, governance, risk appetite and internal controls	Audit and Risk Committee	Director Strategy, Performance and Service Transformation	Associate Director of Strategy, Performance, Communications
6.3.2	Statutory and Regulatory Compliance	Audit and Risk Committee	Director Strategy, Performance and Service Transformation	Associate Director Strategy, Performance and Communications
6.3.3	Business Continuity and Emergency Planning	Finance, Procurement and Performance Committee	Director Strategy, Performance and Service Transformation	Associate Director of Strategy, Performance, Communications

| 6.3.5 | Health and Safety | Staff Governance Committee | Director of HR and Organisational Development | Head of Healthy Working Lives |
| 6.3.6 | Fire Safety | Staff Governance Committee | Director of NHS Scotland Assure | Head of Estates & Facilities |

PERFORMANCE MANAGEMENT – TABLE 6.4

Ref	Area of Responsibility	Committee Approval Required	Delegated to	Approved alternate officer
6.4.1	Approval of Performance Management Framework and oversight of the system.	Finance Planning and Performance Committee	Director Strategy, Performance and Service Transformation	Associate Director of Strategy, Performance and Communications

INFORMATION GOVERNANCE – TABLE 6.5

Ref	Area of Responsibility	Committee Approval Required	Delegated to	Approved alternate officer
6.5.1	Oversight of Information Governance, Strategy and Systems	Audit and Risk Committee	Director Digital and Security (SIRO)	Head of Information & Cyber Security (Deputy SIRO)
6.5.2	ATOS (non eHealth) Services		Director of Digital and Security	Director of Cloud Engineering & Operations
6.5.3	eHealth Services		Director of Digital and Security	Director of Cloud Engineering & Operations
6.5.4	Data Protection Act	Audit and Risk Committee	Director of Digital and Security (SIRO)	Head of Information & Cyber Security (Deputy SIRO)
6.5.5	Freedom of Information Policy	Audit and Risk Committee	Director of Digital and Security (SIRO)	Head of Information & Cyber Security (Deputy SIRO)

6.5.6	Records Management Plan	Audit and Risk Committee	Director of Digital and Security (SIRO)	Head of Information & Cyber Security (Deputy SIRO)
6.5.7	Caldicott Guardian	Audit and Risk Committee	Medical Director	NSS Deputy Caldicott Guardian
6.5.8	Oversight of financial data governance	Audit and Risk Committee	Director of Finance, Corporate Governance and Board Services	Deputy Director of Finance

APPENDIX 1 - DIRECTOR RESPONSIBILITIES

HR Directorate (Human Resources and Workforce Development)
Serena Barnatt – Director of Human Resources and Organisational Development
- o Human Resources
- o Workforce Development
- o Learning & Development
- o Healthy Working Lives
- o Occupational Health

Finance Directorate
Carolyn Low – Director of Finance, Corporate Governance and Legal Services
- o Payroll
- o Finance
- o Legal Services
- o Corporate Governance
- o Counter Fraud Services (CFS)
- o Scottish Infected Blood Support Scheme (SIBSS)
- o Mesh Compensation Scheme (Mesh)
- o Clinical Negligence and Other Risks Indemnity Scheme (CNORIS).

Strategy, Performance and Service Transformation Directorate
Lee Neary – Director of Strategy, Performance and Service Transformation
- o Communications
- o Planning
- o Resilience
- o Programme Management Services
- o National Contact Centre
- o Practitioner Services
- o Scottish Dental Practice Board (SDPB)

NHS Assure Directorate
Julie Critchley – Director of NHS Assure
- o Engineering
- o Research and Intelligence
- o Property and Capital Planning
- o Decontamination
- o Sustainability
- o ARHAI, Oxygen Therapy
- o Mammography
- o FM Services

National Procurement Directorate
Gordon Beattie – Director of National Procurement
- o NP centre of expertise service for NHS Scotland
- o National Commercial and Logistics Services
- o NHS Scotland National Distribution Service, three warehouses stock over 9,000 product lines

- National frameworks inc. medicines, medical and general products, IT, workforce, community services, innovation and catering
- Procurement and Commercial services to NSS

National Specialist and Screening Directorate

Susan Buchanan – Director of National Specialist & Screening Division

- Screening programmes including breast screening etc.
- Specialist networks

Digital and Security Directorate

Steven Flockhart – Director of Digital and Security

- National Digital Programmes
- Service Management & Operations
- NSS Application Development & Support
- SWAN
- Microsoft 365

Scottish National Blood Transfusion Services (SNBTS) Directorate

Marc Turner – Director of Scottish National Blood Transfusion Service

- Donor & Transport Services
- Tissues Cells and Advanced Therapeutics – Good Manufacturing Practice
- Tissues Cells and Advanced Therapeutics Development
- Manufacturing
- Quality & Regulatory Compliance
- Patient Services
- Planning, Performance & Business Support

Clinical Directorate

Sharon Hilton-Christie – Medical Director

- Caldicott Guardian
- Clinical Governance
- Compliance with clinical regulatory requirements
- Research, Development and Innovation

Clinical Directorate

Jacqui Reilly – Director of Nursing

- Quality Improvement
- Healthcare Associated Infection
- Whistleblowing

Standing Financial Instructions

April 2024 – March 2025

Contents

Section 1: Introduction

General

1.01 Background

These Standing Financial Instructions ("SFIs") replace all previous instructions and are issued for compliance by all officers of the Common Services Agency, more commonly known as NHS National Services Scotland (and referred to as NHS National Services Scotland or NSS throughout these Standing Financial Instructions) from 1 April 2024.

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

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

1.02 The purpose of the scheme of control is:

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

NSS shall exercise financial supervision and control by:

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

1.03 Responsibilities & Application of the SFIs

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

Should any difficulties arise regarding the interpretation or application of any of the SFIs then the advice of the Director of Finance, Corporate Governance and Legal Services must be sought before you act.

1.04 Compliance

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

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

Any adverse event to these SFIs must, on discovery, be reported immediately to the Director of Finance, Corporate Governance and Legal Services who will discuss the matter with the Chief Executive and/or Director to determine the proper action to be taken. The views of internal audit and/or Counter Fraud Services may also be taken depending on circumstances. Adverse events will be reported to the Finance, Procurement and Performance Committee in line with appendix IV and the SFI reporting framework to be issued to FPPC.

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

1.05 Variation and Revocation

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

1.06 Terminology

The following terminology applies throughout these Standing Financial Instructions:

(a) "Accountable Officer" means the Scottish NHS Officer responsible and accountable for funds entrusted to NSS. The Accountable Officer will be responsible for ensuring the proper stewardship of public funds and assets. For NHS National Services Scotland it will be the Chief Executive.

(b) "Board" means the Board of NHS National Services Scotland.

(c) "Budget" means a resource, expressed in financial terms, proposed by the Board for the purpose of carrying out, for a specific period, any or all the functions of NSS.

(d) "Budget Holder" means the director or employee with delegated authority to manage finances (Income and Expenditure) for a specific area of the organisation.

(e) "Chief Executive" means the chief officer of NSS.

(f) "Contract" means any arrangement giving rise to right and obligations between NSS and any one or more third parties whether legally enforceable or otherwise.

(g) "Director of Finance, Corporate Governance and Legal Services" means the chief financial officer of NSS.

(h) "Executive Management Team (EMT)" means the committee of executive officers of NSS appointed by the Board and given authority by the Board to act in accordance with its remit.

(i) "Financial Services" means the central finance function of NSS.

(j) "Framework Agreement" means a framework agreement in terms of the Public Contracts (Scotland) Regulations 2015.

(k) "Director" means the chief officer of a Directorate of NSS; "Legal Advisor" means the properly qualified person appointed by NSS to provide legal advice.

(l) "Officer" means employee of NSS or any other person holding a paid appointment or office with NSS.

(m) "NSS" means NHS National Services Scotland, the common name of the "Common Services Agency for the Scottish Health Service"; and

(n) "SGHSC" means the Scottish Government Health and Social Care Directorate.

(o) Virement – the reallocation of budget authority

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

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

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

Section 2: Responsibilities of Chief Executive, Director of Finance, Corporate Governance and Legal Services, Directors and Employees

2.01 Responsibilities of Chief Executive as Accountable Officer

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

Accountable Officers must comply with the terms of the Memorandum to National Health Service Accountable officers, and any updates issued to them by the Principal Accountable Officer for the Scottish Government.

2.01 (a)   General Responsibilities

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

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

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

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

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

2.01 (b)   Specific Responsibilities

The Accountable Officer is required to:

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

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

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

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

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

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

Ensure that effective management systems appropriate for the achievement of the organisation's objectives, including financial monitoring and control systems have been put in place.

Ensure that risks, whether to achievement of business objectives, regularity, propriety or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them.

Ensure that best value from resources is sought, by making proper arrangements to pursue continuous improvement having regard for economy, efficiency and effectiveness, and in a manner which encourages the observance of equal opportunities requirements.

Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs for performance in relation to those objectives.

Ensure that managers at all levels are assigned well defined responsibilities for making best use of resources, including a critical scrutiny of output and value for money.

Ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

Ensure that the Directors, employees and all new appointees are notified of and understand their responsibilities within the SFIs.

2.01 (c)   Regularity and Propriety of Expenditure

The Accountable Officer has a particular responsibility for ensuring compliance with Parliamentary requirements in the control of expenditure. A fundamental requirement is that funds should be applied only to the extent and for the purposes authorised by Parliament in the Budget Acts (or otherwise authorised by Section 65 of the Scotland Act 1998). Parliament's attention must be drawn to losses or special payments by appropriate notation of the organisation's Accounts. In the case of expenditure approved under the Budget Act, any payments made must be within the scope and amount specified in that Act.

All actions must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional Codes of Conduct. Care must be taken to avoid actual, potential, or perceived conflicts of interest when employing external consultants and their staff.

2.01 (d)   Advice to the Board

The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board on all matters of financial propriety and regularity, and more broadly, as to all considerations of prudent and economical administration, efficiency and effectiveness.

If the Accountable Officer considers that, despite their advice to the contrary, the Board is contemplating a course of action which they consider would infringe the requirements of regularity or propriety, and that they would be required to take action that is inconsistent with the proper performance of their duties as Accountable Officer, they should inform the SGHSCD's Accountable Officer, so that the Department if it considers it appropriate, can intervene and inform the Scottish Ministers. If this is not possible, the Accountable Officer should set out in writing their objection and the reasons, to the proposal. If their advice is overruled, and the Accountable officer does not feel that he or she would be able to defend the proposal to the Audit Committee of the Scottish Parliament, as representing value for money, he or she should obtain written instructions from the Board for which he or she is designated, and send a copy of their request for instruction and the instruction itself as soon as possible to the External Auditor and the Auditor General for Scotland.

2.01 (e)   Absence of Accountable Officer

The Accountable Officer should ensure that they are generally available for consultation, and that in any temporary period of unavailability a senior officer is identified to act on their behalf.

If the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, NSS will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.

Where the Accountable Officer is unable by reason of incapacity or absence to sign the Annual Report and Accounts in time for them to be submitted to the Auditor General, the Board may submit unsigned copies, pending the return of the Accountable Officer.

2.02 Responsibilities of the Director of Finance

Provision of financial advice to the Board and its employees.

Implementing the Board's financial policies and for co-ordinating any corrective action necessary to further those policies.

Ensuring that sufficient financial records are maintained to show and explain the Board's transactions and to disclose, with reasonable accuracy, the financial position of the Board at any time.

The design, implementation and supervision of systems of internal financial control incorporating the principles of separation of duties and internal checks.

The preparation and maintenance of such accounts, certificates, estimates, records and reports as the Board may require for the purpose of carrying out its statutory duties and responsibilities.

Setting accounting policies consistent with Scottish Government guidance and generally accepted accounting practice.

2.03 Responsibilities of all Directors and Employees

All directors and employees of the Board, severally and collectively, are responsible for:

- security of the Board's propriety,
- avoiding loss.
- exercising economy and efficiency in the use of NSS resources.
- complying with the requirements of the Board's Standing Orders, Standing Financial Instructions, Financial Procedures and the Scheme of Delegation.
- reporting on discovery of any non-compliance of the SFIs to the Director of Finance, Corporate Governance and Legal Services.

All staff must be aware of the Fraud Management Policy (including the Fraud Action Plan) and the Whistleblowing Policy. The Counter Fraud Champion (also the Chair of the Audit and Risk Committee) is responsible for ensuring the requirements of Fraud Action Plan are met, and processes followed in every relevant situation.

The Director should ensure that these SFIs and associated documents are made known to all staff within the Directorates and ensure that they are adhered to.

Any contractor, or employee of a contractor, who is empowered by NSS to commit NSS to expenditure or who is authorised to obtain income will be covered by these instructions. It is the responsibility of the Director to ensure that such persons are made aware of this.

For all members of the Board and Executive Management Team and employees who carry out a financial function, the form in which financial records are kept and the manner in which those members discharge their duties must be to the satisfaction of the Director of Finance, Corporate Governance and Legal Services.

Section 3: Code of Conduct

3.01 Introduction

The Model Code of Conduct for Members of Devolved Public Bodies (nhs.scot) was issued by the Scottish Ministers on 7 Dec 2021, with the approval for the Scottish Parliament, as required by the Ethical Standards in Public Life etc, (Scotland) Act 2000 . Its purpose is to set out the conduct expected of those who serve on the Boards of public bodies in Scotland.

The Code has been developed in line with the nine key principles of public life in Scotland. The financial responsibilities are set out in this section. The code of conduct for Board members of NSS are discussed further in the NSS standing orders.

3.02 General Principles

There is a general presumption against the giving or receipt of gifts and hospitality by employees of NSS. All employees should: -

- Not put themselves in a position where their official and private interests may conflict.
- To be aware off the presumption of influence on a potential purchasing decision or strategic decision relating to the business objectives of NSS; and
- Not make use of their official positions to further their private interests.
- These guidelines should be read in conjunction with section 3 on bribery.

3.03 Activities involving the use of official information or experience

Any employee of NSS (other than medical or dental staff engaged in clinical practice) is required to obtain permission from the relevant Director, before undertaking any form of private work which involves the use of official NHS information or their NHS experience.

All media broadcasts or television appearances by employees of NSS on matters relating to the work of NSS should be regarded as official duty, and no question of payment to individuals will normally arise. However, if the work of preparation for the media broadcast/television appearance involves private, as well as official time, the Chief Executive may, at their discretion, allow an employee to retain the whole or part of any fee as appropriate.

3.04 Outside Occupation

Employees of NSS are not allowed to accept any outside employment which would require their attendance at any time during their normal working hours with NSS. Employees should notify NSS if they propose to take up outside employment which would, when both or more

employments are combined, result in their average working week exceeding the maximum working week laid down in the Working Time Regulations 1998, currently 48 hours per week.

Employees are advised not to engage in outside employment which may conflict with their NHS work or be detrimental to it.

3.05 Confidentiality

No employee of NSS shall use for their own benefit or gain, or divulge to any persons, firms, companies or other organisation whatsoever, any confidential information belonging to NSS, or relating to its affairs or dealings, which may come to the employee's knowledge during the course of their duties. Employees will not disclose confidential information or information which should reasonably be regarded as being of a confidential or private nature, without the express consent of a person or body authorised to give such consent, or unless required to do so by law. Employees should note that if they cannot obtain such express consent, they should assume it is not given.

Notwithstanding this, any employee who has genuine concerns about operational issues and service delivery, particularly if the concerns relate to health and safety, malpractice or fraud has a right and responsibility to raise these. Further details of how staff should raise concerns are outlined in the NSS Whistle blowing policy and the Fraud Management Policy.

3.06 Contracts and use of services of NSS contractors

On starting employment, all NSS staff must declare any financial interests or relationships (e.g. Honorary positions held) with any manufacturer, supplier or contractor, with whom the NSS has, or is likely to enter into a contractual relationship, or any financial or other interests which may affect NSS's decisions. In addition, any employee engaged in ongoing activity or a project involving third parties must declare any relevant financial or other interests at the earliest opportunity to their Director and comply with any consequent requests or instructions made by NSS. Any NSS staff leading activities or projects with third parties must, at initiation and at all meetings, thereafter, seek positive confirmation as to any such interests which those NSS staff present may have and take action accordingly. Any interests declared must be properly recorded in the minutes and records of the meetings.

Board Members have a duty to declare any interests at any meeting when they are acting in their capacity as a Board Member. If a Board Member declares an interest, then the Member must remove themselves from the meeting.

In addition, Board Members, Directors, Senior Managers and Senior Procurement staff of NSS will be asked quarterly to confirm their declarable interests.

No employee of NSS may purchase goods from, or use the services of, a contractor on preferential terms for private purposes, if these terms are given directly or indirectly because of the contractual or other official business relationship (whether potential or actual), between the contractor and NSS.

3.07 Acceptance of Gifts

For the purpose of this section, a gift shall be taken to mean any personal, material and/or financial advantage or reward, which can include material items such as calendars, stationery etc.

Employees must never ask or seek any gift. Where gifts are sent to an employee, these should only be accepted when the gift is of minimal or nominal value and in any case where the value is presumed to be less than £5. All other gifts should be returned to the sender.

It is recognised that, on occasion, a gift may be received from a patient or a donor as a "thank you" for services received. These gifts would be difficult to refuse without causing offence. If they are of low intrinsic value, the principles outlined above should be applied. Should they be expensive, the Director should be consulted for a view on acceptance.

In all cases in relation to gifts, it is recognised that it is NSS who is the owner of the received gift and not the individual employee.

Casual gifts offered by contractors or others e.g. at Christmas time should be declined.

3.08 Acceptance of Hospitality

For the purpose of this section, hospitality shall be taken to mean an offer of food, drink, invitations to events, travel and/or accommodation.

As a guiding principle, hospitality should be refused. Modest hospitality, provided it is normal and reasonable in the circumstances, e.g. lunches in the course of working visits, may be acceptable when the scale of hospitality is similar to that which the NHS would be likely to offer in the circumstances. Where hospitality is provided at free events or conferences - where the object is to maintain knowledge or develop networks – this may be accepted, provided the hospitality is proportionate,

For the avoidance of doubt, tickets to national sporting events or similar should be refused.

3.09 Procedure for completing and recording forms

Full guidance on accepting and recording of gifts and hospitality can be found on the Service Now portal.

3.10 Reporting

An annual report of all accepted gifts and hospitality offered and accepted will be submitted to the EMT and Audit and Risk Committee for noting.

3.11 Use of official Accommodation, Equipment or Vehicles

No employee of the NSS may make use of, or make available for use, official accommodation, equipment, supplies, services or vehicles, for private purposes, without the prior permission of the Chief Executive.

Employees should not use, or in any way enable others to use, public bodies resources imprudently, unlawfully, for any political activities or matters relating to these or improperly.

Employees should not make inappropriate or unauthorised use of IT systems e.g. email and Internet access. The NSS guidelines governing the use of IT systems should be referred to for further guidance.

3.12 Bribery

The Bribery Act 2010 came into force on 1 July 2011 and makes it a criminal offence to take part in 'active' or 'passive' bribery or to fail to prevent bribery in an organisation:

(a) Active bribery (section 1 of the Act) makes it an offence for a person to offer, give or promise to give a financial or other advantage to another individual in exchange for improperly performing a relevant function or activity.

(b) Passive bribery (section 2 of the Act) makes it an offence for a person to request, accept or agree to accept a financial or other advantage in exchange for improperly performing a relevant function or activity.

(c) Bribery of a foreign public official (section 6 of the Act) makes it an offence to offer, promise or give a financial or other advantage to a foreign public official with the intention of influencing the official in the performance of their official function. Previously such payments may have been known as Facilitation Payments.

(d) Corporate offence (section 7 of the Act) states that an organisation may be liable if it fails to have adequate procedures in place to prevent bribery.

Employees must be committed to the prevention of bribery and all forms of corruption. NSS operates a zero-tolerance approach to bribery committed by any person working at NSS and any person who provides services for or on behalf of NSS and that any allegation of bribery by a Board member or employee will be investigated in accordance with relevant processes and procedures and may be reported to the authorities, as appropriate.

The NSS approach to addressing fraud, which includes bribery, is set out in Section 4.

Section 4: Suspected Theft, Fraud and Other Irregularities

4.01 Introduction

This section should be read in conjunction with the Fraud Management Policy and the Fraud Action Plan.

The following procedures should be followed, as a minimum, in cases of suspected theft, fraud, embezzlement, corruption, bribery or other financial irregularities to comply with the above guidance.

In addition, guidance and recommendations issued from time to time by NSS Counter Fraud Services to combat fraud should also be considered and implemented where necessary.

4.02 Theft, Fraud, Embezzlement, Corruption, Bribery and Other Irregularities

NSS has a Fraud Management Policy and Action Plan, in accordance with Scottish Executive HDL(2005)5. All NSS staff should be aware of the content of this plan and their responsibilities in relation to the prevention and detection of fraud including bribery and corruption and their duty to report any suspicious activity.

The Fraud Action Plan is reviewed annually, amended as appropriate, and submitted to the Audit and Risk Committee for re-endorsement annually.

The Chair has the responsibility to designate a Non-Executive Member of the Board who is also a member of the Audit and Risk Committee as the Counter Fraud Champion (CFC). Their role is to raise the profile of counter fraud initiatives and publicity across the organisation. The CFC will support the Fraud Liaison Officer (FLO), whose role it is to co-ordinate action where there are reasonable grounds for believing that an instance of fraud, theft, embezzlement, corruption, bribery, or other financial irregularity has occurred. Contact details for the CFC and FLO can be found in the Fraud Management Policy and on the finance pages on geNSS.

It is the FLO's responsibility, supported by the CFC where appropriate, to inform as they deem appropriate, the Police, Counter Fraud Services (CFS), the appropriate director(s), the Appointed External and Internal Auditors, the Chief Executive and the Chair of the Audit and Risk Committee, where such an occurrence is suspected. It should be noted that CFS does not routinely investigate the crime of theft, unless systematic losses have occurred, and the use of covert surveillance is being considered.

Where any officer has grounds to suspect any of the above activities has occurred, they should report this to the FLO without delay. The FLO will ensure that there is consultation

with CFS as set out in the Fraud Management Policy. It is essential that preliminary enquiries are carried out in strict confidence and with as much speed as possible.

Where the suspicion involves an Executive or Non-Executive Director the matter will be reported to the CFC. It is the CFC's responsibility, supported by Counter Fraud Services, to co-ordinate any such investigation. The CFC will inform the appointed External and Internal Auditors and the Chair of the Board, where the allegation relates to the Chair of the Board the CFC will inform Scottish Government.

If, in exceptional circumstances, the CFC, the FLO and the Head of Internal Audit are unavailable the officer should report the circumstances to the Chief Executive who will be responsible for informing CFS. As soon as possible thereafter the FLO should be advised of the situation.

Where preliminary investigations suggest that prima facie grounds exist for believing that a criminal offence has been committed, CFS will undertake the investigation on behalf of, and in co-operation with NSS. At all stages the CFC, the FLO and the Head of Internal Audit will be kept informed of developments on such cases. All referrals to CFS must also be copied to the Appointed Auditor.

4.03 Remedial Action

As with all categories of loss, once the circumstances of a case are known the CFC will be required to take immediate steps to ensure that so far as possible these do not recur. However, no such action will be taken if it would prove prejudicial to the effective prosecution of the case. It will be necessary to identify any defects in the control systems which may have enabled the initial loss to occur, and to decide on any measures to prevent recurrence.

4.04 Reporting to SGHSC

While normally there is no requirement to report individual cases to SGHSC there may be occasions where the nature and/or scale of the alleged offence or the position of the person or persons involved, could give rise to national or local controversy and publicity. Moreover, there may be cases where the alleged fraud appears to have been of a particularly ingenious nature or where it concerns an organisation with which other public health sector bodies may also have dealings. In all such cases, SGHSC must be notified of the main circumstances of the case at the same time as an approach is made to CFS.

4.05 Responses to Press Enquiries

Where the publicity surrounding a particular case of alleged financial irregularity attracts enquiries from the press or other media, the Chief Executive will ensure that the relevant officials are fully aware of the importance of avoiding issuing any statements, which may be regarded as prejudicial to the outcome of criminal proceedings or potential actions of CFS. Advice on such issues will be provided by CFS.

4.06 National Fraud Initiative

NSS participates in the National Fraud Initiative coordinated by the Audit Commission for the prevention and detection of fraud and other financial irregularity. As part of this initiative NSS is required to share financial data including payroll data with the Audit Commission who will compare this data with other public sector bodies to highlight potential fraud. NSS through the FLO will investigate all queries arising through the initiative and take action in accordance with its findings.

Section 5: Audit and Financial Performance Arrangements

5.01 Audit and Risk Committee

In accordance with Standing Orders the Board will establish an Audit and Risk Committee, with clearly defined terms of reference, which will provide an independent and objective view of internal control.

5.02 Finance, Procurement and Performance Committee

In accordance with Standing Orders the Board will establish a Finance, Procurement and Performance Committee, with clearly defined terms of reference, which will provide an independent and objective view on any financial matters referred to it by the Board.

5.03 Director of Finance, Corporate Governance and Legal Services

The Director of Finance, Corporate Governance and Legal Services is responsible for:

1) ensuring there are arrangements to review, evaluate and report on the effectiveness of internal financial control including the establishment of an effective internal audit function.

2) ensuring that the internal audit is adequate and meets the NHS best practice.

3) ensuring that an Internal Audit Plan is prepared for the consideration of the Audit and Risk Committee. The plan must cover:
    a) strategic audit plan covering the coming three years; and
    b) a detailed plan for the coming year.

4) ensuring that an annual Internal Audit Report is prepared for the consideration of the Audit and Risk Committee. The report must cover:
    a) a clear opinion on the effectiveness of internal control in accordance with current controls assurance guidance issued by SGHSC including for example compliance with control criteria and standards.
    b) major internal financial control weaknesses discovered.
    c) progress on the implementation of internal audit recommendations; and
    d) progress against plan over the previous year.

The Director of Finance, Corporate Governance and Legal Services, the Head of Internal Audit or their authorised representatives and CFS in relation to a fraud investigation will have

authority, without necessarily giving notice, and on production of identification, to require and receive:

1) access at all reasonable times to any land, premises or employee of NSS.

2) access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature (in which case, he will have a duty to safeguard that confidential nature).

3) the production or identification by any employee of any NSS cash, stores, or other property under the employee's control; and

4) explanations concerning any matters under investigation.

5.04 Irregularities

Whenever any matter arises which involves, or is thought to involve, irregularities concerning stores or other property of NSS or any suspected irregularity it will be notified immediately to the Fraud Liaison Officer (FLO) who will inform Counter Fraud Services and the Director of Finance, Corporate Governance and Legal Services. Where appropriate, the Director of Finance, Corporate Governance and Legal Services will inform the Chief Executive and the Head of Counter Fraud Services.

Any decision to involve the police in cases of misappropriation and other irregularities not involving fraud or corruption will be taken by the Chief Executive and the Director of Finance, Corporate Governance and Legal Services. Such decisions will be taken after obtaining appropriate advice from NSS Counter Fraud Services.

Further details pertaining to suspected theft, fraud, embezzlement, corruption, bribery and other irregularities are contained at Section 4.

5.05 Audit Reporting

Annual and longer-term audit plans will be prepared and laid before NSS's Audit and Risk Committee for approval by 31 March preceding the audit year commencing 1 April, or at such other time as the Committee may approve.

5.06 Internal Audit

Detailed Internal Audit Reports will be submitted to and agreed with management following all audit visits. Management must respond formally to audit reports within five working days of receipt of the final draft. The finalised report will be provided to the relevant Director, Director of Finance, Corporate Governance and Legal and NSS's statutory auditor.

Each year NSS's Internal Audit Service provider will prepare and present to the Audit and Risk Committee an annual Internal Audit Report which summarises internal audit findings in

the preceding year. This will be submitted before 30 June following the audit year in question.

Periodic review of the responses to agreed actions will be carried out by the Internal Auditors and the findings presented to the Audit and Risk Committee.

5.07 External Audit

The Public Finance and Accountability (Scotland) Act 2000 places responsibility on the Auditor General for Scotland to decide who is to undertake the external audit of each health body in Scotland.

The appointed External Auditor will conduct their audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board as required by the Code of Audit Practice approved by the Auditor General for Scotland.

5.08 Service Audit

Annual Service Audit Reports will be submitted to and agreed with management following audits of the key services we provide to NHS Boards. Management must respond formally to audit reports within three weeks of receipt. The finalised reports will be provided to the Director, Director of Finance, Corporate Governance and Legal Services, NSS's statutory auditor and to the Audit and Risk Committee.

Each Service Auditor Report will provide an opinion on the controls in place and how effectively they have been operating during the year under review. This will be submitted before 30 June following the audit year in question.

The report will also detail the exceptions that were identified during the course of the testing, and management's responses to these. Management will be required to ensure that action is taken to address the risks or issues identified by the agreed deadlines.

Periodic review of the actions taken will be carried out by the Service Auditors and the findings presented to the Audit and Risk Committee.

5.09 Risk Management

The Audit and Risk Committee is responsible for overseeing the risk management framework for NSS.

The Chief Executive is responsible for reviewing the effectiveness of the system of internal control, which includes the maintenance of an NSS risk register. The NSS risk register should be reviewed by the Board, Board Committees and Executive Management Team and management teams as set out in the NSS Integrated Risk Management Approach (IRMA).

The Directors are responsible for ensuring that risk registers are appropriately maintained and reviewed, and that appropriate risk management strategies and practices are adopted within their Directorates as outlined in the IRMA.

Section 6: Financial Planning and Budget Control

6.01 Introduction

NSS has a responsibility to prepare and submit financial plans in accordance with the requirements of SGHSC to the Board and to SGHSC, ensuring that the budgets reconcile to such plans.

NSS will perform its functions within the total of funds allocated by Scottish Ministers and through income from other Health Boards and from other sources. All plans, financial approvals and control systems will be designed to meet this obligation.

NSS's income consists of four elements:

- the NSS baseline allocation which is to be treated as an aggregate sum.

- specific additional allocations of funding for projects and services sponsored by SGHSC and managed by NSS on behalf of NHSScotland.

- bottom sliced allocation from other Health Boards to fund National Services provided by NSS; and

- Income earned from trading with other Health Boards and other third parties.

NSS's financial planning cycle in respect of all income and expenditure will be co-ordinated with its business planning arrangements and timetables as approved by the Board. The financial plans will be reviewed in detail by the EMT and the Finance, Procurement and Performance Committee before being put to the Board for approval.

All requests for additional funding and income whether capital or revenue should be made using the Service Now Demand portal. Requests will be approved and prioritised on both an annual basis through the Resource Allocation Meetings and monthly at the EMT meetings.

The funding for specific ring-fenced projects will be agreed in advance of the project's commencement with NSS and SGHSC and will be supported by request through the Demand tool in the Service Now portal and an approved business case where required by SGHSC. The Director of Finance, Corporate Governance and Legal Services should be notified of any such projects at the earliest opportunity and will be responsible for ensuring funding is secured via additional allocations.

Services funded through bottom slicing will agree the budget with those Health Boards involved. Retrospective adjustments will be made at the same time for any over/underspend from the previous period.

The financial planning cycle in respect all NSS functions, including projects, programmes and services managed by NSS on behalf of NHSScotland will be co-ordinated with SGHSC's planning cycle.

6.02 Preparation of budgets

The Directors will prepare and submit budgets, which reconcile to the approved financial plan to Director of Finance, Corporate Governance and Legal Services in line with the agreed timetable for NSS. Such budgets will:

1) be prepared within the limits of available funds as advised by the Director of Finance, Corporate Governance and Legal or SGHSC in the case of additional allocations.

2) meet any requirements of the Board and SGHSC.

3) be in accordance with the aims and objectives set out in the Annual Operating Plan and reflected in the Directorate's Business Plan

4) accord with workload, workforce plans and funded establishment; and

5) identify potential risks and opportunities.

The Directors will be required to formally approve the delegated budget for their Directorate on an annual basis.

6.03 New Funding Requests

The Director is responsible for securing additional revenue or capital funds for new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. All additional funding, whether through NSS or SGHSC allocations or income from health boards or third parties must be requested through the Business Case process in the Service Now Demand portal. This will ensure the Board have full visibility of all funds they are accountable for.

Once approved these additional funds will form part of the budget for the duration of the project, programme or service.

6.04 Systems of budgetary control

The Director of Finance, Corporate Governance and Legal Services will monitor financial performance against budget and will ensure that a performance management process is in place to periodically review the finance plan.

The Director of Finance, Corporate Governance and Legal Services will have a right of access to budget holders on budget-related matters and be entitled to receive relevant information accordingly promptly and fully.

The Director of Finance, Corporate Governance and Legal Services will devise, introduce and maintain systems of budgetary control, and all staff of NSS will ensure compliance with these systems.

Such systems will incorporate:

1) monthly financial reports to the Board in a form approved by the Board containing:
    a) income and expenditure to date showing trends and forecast year-end position.
    b) capital projects spend and projected outturn against plan on a monthly basis.
    c) comparison of the agreed annual workforce establishment to the actual in month, year to date and forecast position.
    d) specific programme level reporting in respect of all major projects, programmes and services managed by NSS on behalf of NHSScotland, in line with the specific requirements defined by the Finance, Procurement and Performance Committee.
    e) explanations of any material variance from Directorate's Finance Plans (material being defined as the higher of 10% and £100,000). For the purpose of reporting, materiality should be considered in relation to the total income, and the total pay and non-pay expenditure; and
    f) details of corrective action where necessary and the Director of Finance, Corporate Governance and Legal Services view of whether such actions are sufficient to correct the situation.
    g) investigation and reporting of variances from financial, workload and workforce budgets, including a requirement for finance staff to escalate any significant changes to income and expenditure to both the Director of Finance, Corporate Governance and Legal Services and the Director.

2) monitoring of management action to correct variances; and

3) arrangements for the authorisation of budget transfers in the case of NSS's general allocation.

4) arrangements for the return of specific additional allocations or proposed virement in line with agreed conditions of funding award for funds managed by NSS on behalf of NHSScotland (see section 6.06 for rules of virement).

The Director is responsible for ensuring that:

1) any likely overspending or reduction of income, which is not offset by corresponding reduction in expenditure, which cannot be met by virement within agreed limits is not incurred without the prior consent of the Director of Finance, Corporate Governance and Legal Services in respect of the general allocation, in addition to SGHSC in respect of ring-fenced funds.
2) the amount provided in the approved budget is not used in whole or in part for any other purpose other than that specifically authorised subject to the rules of virement.

The monthly financial returns from Directorate's will report actual results against a revised budget reflecting in year allocations.

6.05 Budget limits and Delegation

The budgets adopted by NSS will be set so as to ensure that it meets the financial targets to contain its Revenue and Capital expenditure in each year within the limits approved by SGHSC and to meet the targets set by SGHSC regarding Cash Releasing Efficiency Savings (CRES) and cash requirement.

The Board will approve budget limits and set business performance targets for all Directorate's except in respect of earmarked funds allocated for specific purposes by SGHSC. Overall responsibility for budgetary control will rest with the Chief Executive, who is the Accountable Officer of NSS.

The Chief Executive will, in turn, delegate this responsibility to senior officers in NSS within the context of an agreed performance assessment framework.

Each Director is the designated budget holder and is accountable to the Chief Executive and to the Board for the financial performance of their Directorate.

The Chief Executive and delegated budget holders must not exceed the budgetary total or virement limits set by the Board or SGHSC for NSD earmarked funding and other funds managed by NSS on behalf of NHSScotland (including eHealth) (see Appendix I).

Any budgeted funds within NSS's general allocation not required for their designated purpose(s) revert to the immediate control of the Chief Executive, subject to authorised use of virement (see below). In relation to earmarked funds and other funds managed by NSS on behalf of NHSScotland, budgeted funds not required for their designated purpose revert to the immediate control of either SGHSC's Director of Finance, Corporate Governance and Legal Services or Health Board Chief Executives as appropriate, subject to the authorised use of virement (see below).

As part of monthly financial reporting arrangements, the Director with delegated authority to manage earmarked funds and other funds managed by NSS on behalf of NHSScotland, must report formally to the Director of Finance, Corporate Governance and Legal Services where budgeted funds are not required.

The Director of Finance, Corporate Governance and Legal Services will be responsible for making arrangements to return un-required funds to SGHSCD in line with agreed protocols.

Non-recurring budgets will not be used to finance recurring expenditure without the prior approval of the Chief Executive or Director of Finance, Corporate Governance and Legal Services, or SGHSC as appropriate.

Within NSS's general allocation, the Chief Executive, Director of Finance, Corporate Governance and Legal Services or the Board, as appropriate, must approve expenditure not covered by an approved budget in advance. Further details are contained at Appendix I.

Irrespective of the approved budget levels, commitment of expenditure by budget holders must comply with procurement rules (see section 7 to 11). Approval of any contract award should be in accordance with section 9 and the approval levels set out in 9.02 and 9.05 below.

6.06 Virement

Virement is the re-allocation of budget authority. It involves reducing the level of budget at one or more Budget Centres and correspondingly increasing the level of budget at one or more other Budget Centres.

There is an over-riding requirement on the Board to contain expenditure within NSS's Revenue Resource Limit (RRL); it may, therefore, be necessary in certain circumstances for the Chief Executive to impose virement and vary the budget of an individual Budget Holder.

Subject to the foregoing rules, planned or fortuitous savings within delegated limits (see Appendix 1) may be redeployed within NSS's general allocation provided that the Director has verified that:

(a) they do not arise from major alterations in service provision.

(b) they are not part of an efficiency savings initiative.

(c) the level of service defined in the Business Plan has been or will be achieved.

(d) details of the savings figures have been provided to the Director of Finance, Corporate Governance and Legal Services.

(e) non-recurring savings are not committed recurrently.

(f) the Budget Centre in total is expected to remain within budget by the end of the year.

(g) the alternative use does not conflict with NSS policy.

In the case of NSD's earmarked funding allocation, the Director of NSD has delegated authority from SGHSC to allocate revenue funds to national services, and to make a virement of funds between individual national services. Such actions should be within the earmarked allocation for commissioning national healthcare and screening services to ensure that the actual costs of specialist and screening services needed by residents of Scotland are met, as far as possible, within the overall earmarked allocation made available by SGHSC, provided that:

a) the level of service defined in National Healthcare and Screening Service Agreements has been or will be achieved.

b) waiting times are within the limits set by SGHSC.

c) funding shifts do not generate major service change unless prior approval by SGHSC has been granted.

d) use or application of savings across the total earmarked funds of NSD (subject to the virement reference above) should be agreed in conjunction with the relevant funding bodies, i.e. SGHSC for top sliced allocation for designated specialist and screening services and NHS Boards for NHS Scotland financial risk share arrangements; and

e) savings against earmarked funds of NSD will not be used to support NSS activity; similarly, NSS funds will not be used to support activity funded through NSD.

The Director of NSD must report significant virements to the Director of Finance, Corporate Governance and Legal Services in the first instance and to the National Corporate Finance Network.

Virement within earmarked capital / non-recurring funds and in respect of funding managed by NSS on behalf of NHSScotland is only permitted with prior approval of SGHSC.

For the avoidance of doubt, virement between projects and programmes within eHealth must be specifically approved by the Deputy Director (eHealth) in SGHSCD.

All virements must be recorded in the finance ledger against the appropriate service.

6.07 Family Health Service Payments

NSS is responsible for the payments to primary care practitioners, Scottish Infected Blood Scheme and MESH payments on behalf of the NHS Scotland territorial Health Boards. Cash is drawn down from Scottish Government on a monthly basis to ensure payment to all contractors under the Medical, Pharmacy, Dental and Ophthalmic contractor streams.

The Director of Practitioner Services is responsible for the processing of claims and maintenance of related master file data and other activities that will be outlined in the "Practitioner Services Directorate & Finance, Governance and Legal Services Directorate Service Agreement" to be agreed during 2024/25.

The Director of Finance, Corporate Governance and Legal Services is responsible for:

a) the accuracy and timeliness of the payments to practitioners and for the flow of accurate and timely information to practitioners, NHS Boards and the SGHSC regarding these payments.

b) all aspects of financial control, the management of cash requirements and the processing of payments,

c) setting the delegated authority limits for the authorisation of payments on a monthly basis,

d) regular reviews of financial controls,

e) reviewing and approving changes to financial controls and

f) other activities as outlined in the "Practitioner Services Directorate & Finance, Governance and Legal Services Directorate Service Agreement" to be agreed during 2023/25.

The Finance, Procurement and Performance Committee will receive regular reports from the Director of Finance, Corporate Governance and Legal Services on financial governance, control and performance in year.

6.08 Financial consequences of change

The Director of Finance, Corporate Governance and Legal Services will keep the Chief Executive and the Board informed of the financial consequences of changes in policy, pay awards and other events and trends affecting budgets and will advise on the financial and economic aspects of future plans and projects.

Section 7: Staff Appointments, Remuneration and related matters

7.01 Remuneration Committee

In accordance with Standing Orders, the Board will establish a Remuneration Committee, with clearly defined terms of reference, specifying which posts fall within its area of responsibility, its composition, and the arrangements for reporting.

7.02 Staff Appointments

The Board will delegate responsibility to a manager for:

   a) ensuring that all employees are issued with a Contract of Employment in a form approved by the Board; and

   b) dealing with variations to, or termination of, contracts of employment.

   c) both in a form which complies with employment legislation.

No officer of the Executive Management Team or employee may engage, re-engage, or regrade employees, either on a permanent or temporary nature, or hire agency staff, or agree to changes in any aspect of remuneration:

   a) unless within the limit of their approved budget and funded establishment; or

   b) in exceptional circumstances if authorised to do so by the Chief Executive.

The Board will approve or delegate to a Board Committee the approval of procedures presented by the Chief Executive for the determination of commencing pay rates, condition of service, etc, for employees.

All employee contracts will conform to relevant standard NHS terms and conditions. Any variation from standard terms and conditions will require prior approval of the Director of Human Resources and Workforce Development.

The Remuneration Committee will approve all new or additional jobs created for Agenda for Change band 8c, 8d, 9 and Executive grades. In addition, they will agree all senior appointments where the lower half of the salary range will not secure the preferred candidate.

7.03 Processing of Payroll

The Director of Finance, Corporate Governance and Legal Services is responsible for ensuring that appropriate arrangements exist for:

a) specifying timetables for submission of properly authorised time records, expense claims and other notifications.

b) the final determination of pay and allowances.

c) making payment on agreed dates; and

d) agreeing method of payment.

The Director of Finance, Corporate Governance and Legal Services will issue instructions regarding:

a) verification and documentation of data.

b) the timetable for receipt and preparation of payroll data and the payment of employees and allowances.

c) maintenance of subsidiary records for superannuation, income tax, national insurance contributions and other authorised deductions from pay.

d) security and confidentiality of payroll information.

e) checks to be applied to completed payroll before and after payment.

f) authority to release payroll data under the provisions of the Data Protection Act and National Fraud Initiative.

g) methods of payment available to various categories of employees and officers.

h) procedures for payment by bank credit to employees and officers.

i) procedures for the recall of cheques and bank credits.

j) pay advances and their recovery.

k) maintenance of regular and independent reconciliation of pay control accounts.

l) regular reconciliation of key standing data between the payroll system and the Human Resources Business Systems.

m) a system to ensure the recovery from leavers of sums of money and property due by them to NSS.

n) procedures for reclaiming expenses incurred wholly, necessarily and exclusively for business purposes.

o) procedures for the recovery of any over/under payments; and

p) procedures for the regular review of protection payments to ensure compliance with policy.

Appropriately nominated managers and EMT members have delegated responsibility for:

a) completing and authorising time records, and other notifications in accordance with the Director of Finance, Corporate Governance and Legal Services' instructions and in the form prescribed by the Director of Finance, Corporate Governance and Legal Services.

b) submitting time records, and other notifications in accordance with agreed timetables; and

c) submitting termination forms in the prescribed form immediately upon knowing the effective date of an employee's or officer's resignation, termination or retirement. Where an employee fails to report for duty or to fulfil Executive Management Team obligations in circumstances that suggest they have left without notice, the Director of Finance, Corporate Governance and Legal Services must be informed immediately.

Regardless of the arrangements for providing the payroll service, the Director of Finance, Corporate Governance and Legal Services will ensure that the chosen method is supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangements are made for the collection of payroll deductions and timely payment of these to appropriate bodies.

7.04 Termination Settlements

In the case of a termination settlement, a cost/benefit statement must be prepared for submission to the Director of Finance, Corporate Governance and Legal Services to demonstrate the financial effect of the decision. This statement will be in a form approved by the Remuneration Committee. In all cases, the appropriate Director, the Director of HR and

Workforce Development, and the Director of Finance, Corporate Governance and Legal Services must sign the statement in support.

Where the full cost of the settlement exceeds £75,000, the case must be submitted to the Chair of the Remuneration Committee for prior approval. The Chief Executive will be responsible for authorising settlements where the total cost is less than £75,000. An annual report of all such instances will be presented to the Remuneration Committee by the Chief Executive.

Approval from or notification to SGHSC of any settlement agreements will be done in conjunction with relevant guidance issued by SGHSC.

Prior to payment of any termination settlement the Head of Payroll Services will ascertain from the Director of Finance, Corporate Governance and Legal Services and the Director of HR and Workforce Development that the settlement has been duly authorised.

7.05 Organisational Change

The Director is responsible for setting out the requirements and following the Organisational Change Policy. A full financial appraisal must support the organisation change programme and be submitted to the Change Oversight Group (COG) for approval.

The financial budget for any established posts is removed from the Directorate budget as a gross saving and reinvested within the NSS Workforce Resource Team as required.

7.06 Extension to Pay during periods of absence

The line manager with support from HR advisors is responsible for requesting an extension to pay during extended periods of absence. The Section 14 Workforce review panel, chaired by the Director of Finance, Corporate Governance and Legal Services will assess the circumstances of the individual and where appropriate approve any extension to pay.

7.07 Ex Gratia Payments

All ex-gratia payments made to staff will be approved in line with section 18 on losses and special payments. An annual report of all such payments in excess of delegated limits per appendix II will be presented to the Audit and Risk Committee by the Director of Finance, Corporate Governance and Legal Services.

7.08 Trade Union Facility Time

All trade union representatives are required to submit the time spent on trade union activities on a biannual basis to the Head of Payroll Services. This information will be used to support

the required disclosures for the Annual Report and Accounts and other regulatory disclosures.

Section 8: Non-Pay Expenditure

8.01 Introduction

This section deals with obtaining goods, works or services solely for NSS use.

All procurement activity must be undertaken in line with the Scottish Government Procurement Journey and all specific NHSScotland procurement policies.

The NSS procurement team will provide advice and support to the Directorate's on all aspects of procurement to ensure compliance with all relevant Acts and regulations. The NSS Procurement Team will manage all route 2 and 3 procurement requirements as defined within the Scottish Government Procurement Journey,

Capital works must be undertaken in line with the requirements set out in the Scottish Government Scottish Capital Investment Manual and the Construction Procurement Handbook or any subsequent amendment or revision of those documents issued by Scottish Government.

It is the responsibility of everyone involved in the process of commitment of Non-Pay Expenditure to familiarise themselves with the requirements commensurate with their intended procurement. Guidance can be sought from and will be provided by the NSS Procurement team.

8.02 Delegation of Authority

Each Director will designate an officer(s) who will be empowered, within defined limits, to authorise the creation of NSS's official purchase orders on behalf of their respective Directorate. The authorisation of a Purchase Order commits expenditure on behalf of NSS and, following completion of the relevant procedures, the disbursement of NSS funds to the supplier.

8.03 Responsibilities

The Chief Executive is responsible for

- setting out procedures on the seeking of professional advice regarding the supply of goods and services in line with SGHSC guidance and recognised best practice.

The Director of Finance, Corporate Governance and Legal Services is responsible for ensuring:

- instructions are issued for staff regarding the handling, checking and payment of accounts and claims within the Finance Operations team.

- where appropriate, the expenditure is in accordance with regulations and all necessary authorisations have been obtained.

- the account is arithmetically correct.

- appropriate entries have been made in purchasing and payment systems, registers, inventories, stores or similar records as required.

- appropriate expenditure code numbers are charged with the cost.

- payments for goods and services are only made once goods and services are received.

- appropriate segregation of duties for placing orders, receipting goods and services and authorising payment of invoices.

- ensure that appropriate arrangements are in place for the prompt payment of accounts and claims. Payment of contract invoices will be in accordance with contract terms, or otherwise, in accordance with national guidance.

- only invoices with a valid purchase order number will be paid.

- VAT has been appropriately applied; and

- the account is in order for payment.

The Director is responsible for:

- compliance with the guidance and limits specified by the Director of Finance, Corporate Governance and Legal Services.

- the purchase of goods is in accordance with Scottish Government Procurement Journey and NHSScotland procurement policies.

- ensuring the procedures are followed when placing an order and invoking competitive quotation or tendering arrangements are outlined in Section 9.

- where consultancy advice is being obtained, the procurement of such advice must be in accordance with Section 11.

- goods and services are received timeously and accurately.

- no contract will be entered into, or purchase order issued for any item or items to any organisation or person which has made an offer of gifts, inducement, reward or benefit to directors or employees,

- no requisition/order or contract acceptance is placed for any item or items for which there is no budget provision unless authorised by the Director of Finance, Corporate Governance and Legal Services on behalf of the Chief Executive.

8.04 Requisitioning of goods and services

The requisitioner or officer placing the order, in choosing the goods to be supplied (or the service to be performed) and the procurement process to be followed must always seek to obtain the best value for money for NSS and NHS Scotland. In so doing, where deemed appropriate, the advice of NSS's procurement staff and where appropriate CLO shall be sought. Where this advice is not acceptable to the requisitioner, the Director of Finance, Corporate Governance and Legal Services (and/or the Chief Executive) must be consulted. Details of any such occurrences should be reported quarterly as appropriate to the Finance, Procurement and Performance Committee

Full guidance for ordering and receipting of goods and services can be found on the knowledge base of the Finance and Procurement Service Now portal.

Section 9: Tenders, Quotations and Contracting Requirements

9.01 Introduction

These Standing Financial Instructions define the arrangements for tendering or receipt of quotations and contracting requirements. They apply for procuring or ordering goods or services for which no applicable public sector contract or framework agreement currently exists that NSS can use.

The Director of Finance, Corporate Governance and Legal Services is responsible for ensuring the maintenance of systems for the invitation, receipt, safe-keeping and selection of tenders and quotations, which will include a register of tenders.

9.02 Thresholds for Purchasing of goods, services and works

The thresholds for the purchasing/ordering of all goods, services and works are as follows: -

Thresholds	Purchasing Process
Contract value < £10,000	Achievement of value for money should be demonstrated. Where possible, this will be through receipt of three competitive quotations from reputable suppliers. (In the absence of such quotes, the purchaser must be prepared to justify the procurement route chosen to the Director of Finance, Corporate Governance and Legal Services if asked to do so).
Contract value > £10,000 and < £50,000 (except public works) Public Works <£2m	Procurement Journey Route 1
Contract value £50,000 or more over its lifetime (4 years maximum) (except public works) Public Works £2m or greater	Procurement Journey Route 2. This must be done with full advice and guidance of NSS procurement, CLO and other technical advisers as required. The contract must be advertised on Public Contracts Scotland.
Contract with an estimated value equal to or greater than the published thresholds detailed within SPPN 08/2019 (see 8.07 below)	Procurement Journey Route 3 This must be done with full advice and guidance of NSS procurement, CLO and other technical advisors as required. The contract must be advertised on Public Contracts Scotland.

In order to ensure that value for money is achieved it is essential that a sufficient number of competent, financially sound suppliers with adequate capacity to undertake the work or provide the goods or service are identified. As part of value for money, due regard to other relevant organisational policies is important, for example, policies in relation to corporate social responsibility, sustainability and risk management.

In the case of Goods and Services, the estimated value of the contract must include all possible options under the contract. For example, if the contract allows NSS to aggregate requirements, purchase additional supplies or services or extend the contract period beyond its original duration, the financial implications of these must be included in the estimate of the potential contract value, even if the likelihood of taking up these options is small. This will assist in ensuring the appropriate best practice procurement route is chosen.

In the case of Works, purchasers are required to estimate the value of the whole works project, irrespective of whether or not it comprises a number of separate contracts for different activities, stages or phases of an individual project.

Any contract with an anticipated value of over £50,000 must be routed through the NSS Procurement team. The NSS Procurement manager will ensure that standardised NSS procurement processes are followed and that NSS complies fully with regulations and SG policy.

In certain circumstances, public procurement regulations may not apply. This is permitted using the general exclusions and Specific Situations of the Public Contracts (Scotland) Regulations 2015 Sections 4 or 7 through 18 or by being a service listed in Schedule 3 of the aforementioned regulations. To ensure probity the Sole Source Justification form should be completed in these circumstances. If the purchase is of an ongoing nature, a single form for the requirement should be completed at the start of each financial year and attached to the initial Purchase Order for NSS Procurement records. All subsequent Purchase Orders should reference the initial Purchase Order number. The Sole Source Justification form is located on the Service Now portal at [Sole Source Justification - Finance & Procurement (service-now.com)](). These exemptions require careful consideration and the advice of the NSS Procurement team must be sought at the earliest opportunity if circumstances may require their use.

No tender may be invited for goods, services or works unless the estimated expenditure is included in the Directorate's Budget or Business Plan or has been previously approved by the Chief Executive.

Tender submissions should be sought by use of the SG supported e-Tendering system or the Public Contracts Scotland web portal or another approved Public Sector web portal.

All Tenders must be appraised against the Scottish Procurement Document (SPD). This is a statutory requirement that ensures all mandatory & discretionary exclusion criteria are appropriately assessed for each bidder. Where existing Framework Agreements are to be used, the procedures set out in that Agreement must be followed. Guidance on the use of the SPD should be sought at all times from the NSS Procurement team.

Where, in exceptional circumstances, three competitive written quotations or tenders cannot be provided by reputable suppliers the tender process and selection must be approved by the Chief Executive or the Director of Finance, Corporate Governance and Legal Services via a sole source justification on Service Now (see link above). The Director of Finance, Corporate Governance and Legal Services will present, on an annual basis, a report to the Finance, Procurement and Performance Committee detailing the nature and justification for any such circumstances.

The Director must:

- be satisfied that all required processes and procedures in compliance with public procurement regulations have been adhered to prior to accepting a tender.

- ensure that all accepted tenders have the appropriate details entered onto the NSS contract register which will be maintained by the NSS Procurement Department.

- ensure that all tender documentation, reports and records must be retained and stored in line with NSS document management and retention policy.

- ensure that every contract contains a clause entitling NSS to cancel the contract and to recover from the contractor the amount of any loss resulting from such cancellation if the contractor or their representative, with or without their knowledge, has colluded in tendering for the contract or any other contract with NSS or has employed any corrupt or illegal practice in obtaining or executing that or any other contract with NSS.

An officer or executive having a pecuniary interest, whether direct or indirect, in any tender with NSS must declare this interest to the Director of Finance, Corporate Governance and Legal Services who must ensure such details are entered in the Register of Pecuniary Interest. Such officers must also disqualify themselves from any involvement in the tender procedures.

Except where otherwise agreed all contracts will be in writing and subject to the Law in Scotland.

9.03 NSS Contract / Framework Agreement

Prior to award on behalf of NSS itself of any contract or Framework Agreement or call off by NSS of any Framework Agreement (or extension of any contract or Framework Agreement or call off same), where the annual amount (or amount relating to the extension period if shorter) which NSS is committing to pay is:

- less than £50,000, three quotes are required, and approval is required from Director.

- £50,000 to £100,000 must follow formal procurement regulations and approval is required from the Director.

- more than £100,000 but less than £500,000 approval is required as above and the Contracts Approvals Board and the Director of Finance, Corporate Governance and Legal Services

- more than £500,000 but less than £1 million approval is required from Contracts Approvals Board and then from the Chief Executive.

- More than £1m are reported to the NSS Board through the Finance, Procurement and Performance Committee, following approval from the Chief Executive as above.

9.04 Contract Extensions

Wherever practicable, approval for contract extensions should be sought on a timely basis so that should extension approval not be granted that there is sufficient time to run the appropriate procurement process set out in these SFIs. For all contract extensions which require authorisation by the Chief Executive or the NSS Board, NSS procurement must seek CLO advice and ensure approval is sought in sufficient time to run an appropriate procurement process or an exemption must be agreed by the Chief Executive and reported to the NSS Board.

9.05 Contracts on behalf of Scottish Ministers, NHSScotland or combinations of public bodies

Prior to the new financial year, the Director of National Procurement will provide the Finance, Procurement and Performance Committee with a procurement strategy detailing all planned contracts/framework agreements awards. Based on an assessment of financial and reputational risk the Committee will identify those contracts/framework agreements which will require approval by the Board.

For contracts/framework agreements awards not identified as requiring Board approval by the Finance, Procurement and Performance Committee the following approval strategy will apply based on the estimated/expected **total annual value** or uptake under the Contract or Framework Agreement:

- less than £2 million, approval is required from the Director of National Procurement, the Strategic Sourcing Director and the Director of DaS for IT-related contracts.

- more than £2 million but less than £5 million, approval is required from the Contracts Approvals Board (Director of Finance, Corporate Governance and Legal Services, Director of National Procurement, Strategic Sourcing Director and for IT approvals the DaS Director).

- more than £5 million, approval is required from the Chief Executive of NSS following the Contracts Approval Board.

No award or execution of a contract or a Framework Agreement shall be made by or on behalf of NSS without appropriate authority or in advance of an Approval Certificate being issued.

All NSS officers and employees should be aware of the importance of acting within statutory powers and functions and the requirement of written records.

Verbal contracts are not acceptable. Care must be taken to ensure Contracts and/or Framework Agreements are not concluded informally. Correspondence on contractual issues should contain a statement that the letter or e-mail is not intended to form a contract and that NSS will not be bound by any terms unless and until incorporated within a formal award or document entered into by NSS which satisfies Section 3 of the Requirements of Writing (Scotland) Act 1995.

9.06 NHS Scotland Health Board Capital Expenditure Procurements

Where Equipping Projects are performed by NSS, either by direct engagement or under a Service Level Agreement (SLA) with Health Boards and under their own SFIs, with Purchasing Approvals on spend by the Health Board Project Teams under their Capital Expenditure Budget for the Project and with our Procurement Team operating as a proxy Health Board procurement team, the following approval levels will apply.

•   less than £100,000, approval is required from the relevant procurement Category Manager

•   more than £100,000 but less than £500,000, approval is required from the Head of Strategic Sourcing

•   more than £500,000, approval is required from the Director of National Procurement

The above approval levels only apply to contracts where purchase orders are raised by Health Boards and there is no NSS financial commitment.

General Requirements

9.07 Advertising of contracts

In accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and threshold values set out in SPPN 08/2019 over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be in accordance with the Procurement Reform Act (Scotland) 2014, any contract between £50,000 and threshold value over its lifetime is considered a regulated contract. Guidance in tendering these contracts must be sought from NSS Procurement.

9.08 Signing of contracts

The official signing of any contract or framework agreement that requires Board approval (as per sections 9.02 and 9.04 above) will be sealed with the Common Seal of the Common Services Agency.

The Director of Finance, Corporate Governance and Legal Services must ensure the segregation of duties between negotiating and the signing of contracts. Contracts entered into by NSS for services for NSS or provided on behalf of NHSScotland must be approved by the Director of Finance, Corporate Governance and Legal Services or the Chief Executive.

9.09 Record of contracts

To effect compliance with the Procurement Reform (Scotland) Act 2014, NSS utilises the Public Contracts Scotland (PCS) web portal contract register functionality to maintain a public register of all contracts in excess of £50,000 in value. The Director of Finance, Corporate Governance and Legal Services will receive a copy of the register on an annual basis.

9.10 Variations to contracts

All agreements with suppliers/contractors to vary contracts for supplies/works of a revenue or capital nature must be in-line with procurement regulations and will require approval should additional expenditure meet thresholds detailed in line with Section 9.

Claims from suppliers/contractors which are not clearly within the terms of the contract concerned will be referred to the Procurement Department, who will inform Chief Executive and/or Director of Finance, Corporate Governance and Legal Services, if necessary, before agreement is reached and any payments are made.

Where completion of a contract is delayed the matter will be referred to the Director of Finance, Corporate Governance and Legal Services for further action.

With regard to contracts for works (capital expenditure), the contract will specify the circumstances that will occur before a variation is appropriate. The officer authorised to supervise and control the work must ensure these conditions are observed before authorising any contract variation.

9.11 Interim and final payments

Officers authorised by Directors to supervise and control work under contracts (including both revenue and capital contracts) will certify payments to suppliers/contractors and approve through the PECOs order system as work is completed.

9.12 Communications

All contracts (other than for a simple purchase permitted within the Scheme of Delegation and excluding Service Agreements for national specialist healthcare and screening services), leases, tenancy agreements and other commitments which may result in a liability must be notified to the Director of Finance, Corporate Governance and Legal Services in advance of any commitment being made.

9.13 Contract and Supplier Management

Each Directorate is responsible for ensuring that key contracts and suppliers are managed effectively to ensure agreements meet performance requirements and provide value for money.

Key suppliers should be identified and managed on a quarterly basis utilising the segmentation tool and balanced scorecard within the Scottish Government Procurement Journey (see link - Planning and Governance | Procurement Journey)

Each Directorate will be required to provide an annual report to the Finance Performance and Procurement Committee on supplier management activity.

Section 10: Tenders, Quotations and Contracting Requirements for Research

10.01 Introduction

This section defines the arrangements for tendering or receipt of quotations and contracting requirements specifically for purchasing research services.

Research and development services, being a Specific Situation of the Public Contracts (Scotland) Regulations 2015, are generally considered an exclusion from the public procurement regulations.

However:
a) if the benefits of the research accrue exclusively to NSS for use in the conduct of NSS' own affairs; **and**
b) NSS wholly fund the research from its own budget,
then the public procurement regulations do apply and section 9 of these SFIs applies rather than this section 10.

If only one or less of the above conditions apply then the research is considered an exclusion to the public procurement regulations as the research is not considered a commercial contract and the arrangements, as set out below, apply.

The Director is responsible for ensuring that all research contracts comply with current legislation and the Standing Financial Instructions (SFIs), as appropriate.

10.02. Thresholds for Purchasing of Research Services

The thresholds for the purchasing all research services are as follows: -

Thresholds	Purchasing Process
Contract value < £10,000	By value for money. Where possible, through receipt of three competitive quotations from reputable providers. (In the absence of such quotes, the purchaser must be prepared to justify the rationale for not seeking three quotations to the Director of Finance, Corporate Governance and Legal Services (if asked to do so).
Contract value > £10,000 and < £50,000	By invitation – seeking three quotations from reputable providers without having to advertise the research contract.
Contract value £50,000 or more over its lifetime (4 years maximum)	By advertisement – advertising the contract on the NSS site. This can be an open or restricted invitation to tender.

The other purchasing process that exists for research services:

- A non-competitive direct award process, used in exceptional circumstances, where three competitive written quotations or tenders cannot be provided. Notable reasons for awarding a research contract directly to a single, identified external research provider are extreme urgency or intellectual property rights.

In order to ensure that value for money is achieved a sufficient number of suitably qualified providers with adequate capacity to undertake the research services are identified.

The estimated value of the contract must include all possible options under the contract. For example, if the contract allows NSS to aggregate requirements, purchase additional supplies or services or extend the contract period beyond its original duration, the financial implications of these must be included in the estimate of the potential contract value even if the likelihood of taking up these options is small. This will assist in ensuring the appropriate purchasing process is chosen.

No tender may be invited for research services unless the estimated expenditure is included in the Directorate's Budget or has been previously approved by the Director of Finance, Corporate Governance and Legal Services. Estimated expenditure must be approved prior to the purchasing process commencing.

10.03 Research contract award approval

Prior to award on behalf of NSS of any contract, where the **total amount** (or amount relating to the variation if shorter) which NSS is committing to pay is:

- less than £50,000, three quotes are required, and approval is required from Director.

- £50,000 to £100,000, research contract is advertised, and approval is required from the Director.

- more than £100,000 but less than £500,000 approval is required as above and the Director of Finance, Corporate Governance and Legal Services.

- more than £500,000 approval is required from the Director of Finance, Corporate Governance and Legal Services and then from the Chief Executive.

- more than £1 million are reported to NSS Board through the Finance, Procurement and Performance Committee, following approval from the Chief Executive as above.

General Requirements

10.04 Advertising and notification of research contracts

In accordance with the Public Contracts (Scotland) Regulations 2015, research contracts, if they meet the criteria in section 10.01 above are considered excluded contracts. Research contracts above £50,000 over its lifetime are advertised on the NSS site.

All research tenders, above £50,000, are appraised against the Scottish Procurement Document (SPD). This ensures all mandatory & discretionary exclusion criteria are appropriately assessed for each bidder. Where existing Framework Agreements are to be used, the procedures set out in that Agreement must be followed.

A research contract with an estimated expenditure of more than £1 million (in total) will be notified to the Finance, Procurement and Performance Committee, via the Director of Finance, Corporate Governance and Legal Services at the contract advertisement stage.

10.05 Research contract agreement signature

The official signing of any contract or framework agreement must follow the financial thresholds and associated personnel set out in section 9 above.

Except where otherwise agreed all contract agreements will be in writing and subject to the Law in Scotland.

10.06 Record of research contracts

The Directorate must maintain a research contract register for all commissioned research contracts. The Director of Finance, Corporate Governance and Legal Services shall receive a copy of the research contracts register as requested.

10.07 Interim and final payments

Officers authorised by Directors to supervise and control work under contracts (including both revenue and capital contracts) will certify payments to suppliers/contractors and approve through the PECOs order system as work is completed.

10.08 Research contract variations

Where research contract variations including extensions require additional expenditure, approval for the variation must be sought before agreement is made with the external research provider. For contract variations where the original contract was routed through the Research Office, the Research Office must be notified in the first instance. Approval shall be in line with the financial thresholds and associated personnel set out in section 9 above.

Contract variation agreement signature shall be line with section 9 above.

Wherever practicable, approval for contract variations including extensions should be sought on a timely basis so that should approval not be granted there is sufficient time to run a purchasing process as appropriate.

Claims from external research providers which are not clearly within the terms of the contract concerned will be referred to the Head of NSS Procurement, if necessary, before agreement is reached and any payments are made. Where completion of a contract is delayed the matter will be referred to the Director of Finance, Corporate Governance and Legal Services for further action.

10.09 Research collaboration agreements

Where research collaboration agreements require expenditure (including staff time) by NSS, approval for the collaboration must be sought before agreement is made with the other collaborators.

Collaboration agreement signature shall be line with section 3 above.

10.10 Communications

All research contracts which may result in a liability must be notified to the Director of Finance, Corporate Governance and Legal Services in advance of any commitment being made.

Section 11: Appointment of advisers and non-permanent staff

11.01   Introduction

These Standing Financial Instructions define the procedures to be followed in the selection and appointment of Advisers and staff not on open-ended contracts and should be read in conjunction with Sections 8 and 9.

Provider	Process
Legal Advisers	CLO must act as appointed legal advisers on all legal matters unless approval has been granted by Chief Executive
Management Consultants/ Contractors (individuals and companies)	The authority limits in section 9 also apply. See sections 11.02 to 11.08 below
Agency staff	In line with all establishment posts, agency and contractor staff will be recorded on the relevant NSS Business Systems to ensure compliance with the National Directory and NHS Mail access for all members of staff and to allow for effective monitoring of all staff across NSS. Agency staff must be appointed in line with the NSS Agency Workers Process including a requirement to utilise any national procurement framework or contract in place for such staff within NHSS. Completion of an online "check of employment status for tax" must also be carried out prior to the start of any engagement. The authority limits in section 9 also apply
Secondees	Before appointing any Secondees to work in NSS, the relevant Director must be consulted and their approval to proceed should be given prior to proceeding with any appointment
Temporary/Fixed Term Employees	Normal HR recruitment

11.02   Definition

Contractors are used by NSS -

a) to provide specific expertise which may not be readily available within NSS.
b) to perform a task within a defined time span; or
c) to provide an outside objective view on a particular matter.

11.03   Specification of need

In considering the need for Management Consultants/Contractors it is essential that the following processes are adhered to: -

1) <u>Define assignment to be undertaken</u>: The nature of the task requires to be identified and a specification with the timescale prepared. This will enable the quantity and quality of professional skill required to be assessed.

2) <u>Consider alternative means of undertaking assignment</u>: Having prepared the specification it should be possible to consider whether the Directorate's own staff can undertake the assignment, within normal working hours, in overtime hours or on a secondment basis. If this is not possible the option of involving other Directorate's staff on a secondment or chargeable basis should be explored <u>before</u> any consideration of an outside source is made. Should outside support be necessary the suitability of temporary staff should be considered before finally deciding to progress to the process leading to the appointment of Management Consultants/Contractors.

3) <u>Define the basis of the consultancy</u>: It is necessary to decide the appropriate method of appointment, for example if the end date of the assignment and timescale can be clearly identified a block fee would be appropriate. However, it is recognised that it is not always possible to do this and in such circumstances a day rate basis would be appropriate.

11.04   Procedures for appointment

The applicable procurement procedures and limits set out in sections 8, 9 and 10 must always be followed.

11.05   Appointment considerations for the Director

•   For each appointment an online assessment through HMRC must be completed to determine the employment status for tax purposes for the engagement.

•   Contract of employment and fee must be aligned to an established job description, any departure from this must be approved by the Director of HR and workforce Development and the Director of Finance, Corporate Governance and Legal Services.

•   Appropriate consideration is given to the particular experience and reputation of the individual(s)/organisation.

•   The individual(s)/organisation is competent to undertake the assignment and retain documentary evidence of their consideration.

- Professional competence is vetted, and evidence retained.

- Where the appointment is made due to lack of specific expertise being available within NSS, arrangements should be made wherever practical for knowledge or skills transfer into NSS to occur. The anticipated knowledge or skills transfer should be documented and tracked thereafter.

- Conducting a review of the effectiveness and value for money of the assignment prior to the departure of, or as soon as practicably possible thereafter, the appointed Management Consultant/Contractor. Internal Audit, or any other body as may be required, should record the details of such review for the purposes of any subsequent independent scrutiny for ensuring that the work undertaken in the assignment has been carried out satisfactorily, will certify invoices for work done and will ensure that the fee charged is correct.

- Throughout the whole procurement process of developing need, specification, tendering, appointment and payment, the officers involved in the exercise are responsible for ensuring that best value for money is obtained.

11.06   Tendering Arrangements

In all circumstances, the arrangements for tendering set out in Section 9 will be followed.

11.07   Functional continuity

Where for whatever reason it is decided to extend the appointment of a Management Consultant/Contractor, and this will increase the value of the initial or current assignment sufficient to move it into a higher value band (see Section 9) the materiality of any such extension should be measured and appropriate legal advice sought from CLO prior to the approval of the Chief Executive and/or the Director of Finance, Corporate Governance and Legal Services. The approval of the Chief Executive and/or the Director of Finance, Corporate Governance and Legal Services must be obtained before proceeding to extend the appointment.

CLO advice should be sought and the Chief Executive's and/or the Director of Finance, Corporate Governance and Legal Services' approval must be obtained in all cases where the value or timescale of the extension cannot be estimated.

11.08   Audit and Risk Committee Reporting Requirements

NSS's Audit and Risk Committee can, at any time, call for the justification of expenditure on Management Consultants.

The Director of Finance, Corporate Governance and Legal Services will present, on an annual basis, a report to the Audit and Risk Committee detailing the nature of and expenditure incurred by each Directorate on the employment of Management Consultants in the preceding year.

Section 12: Income Generation and Intellectual Property

12.01   Introduction

This Standing Financial Instruction applies to all income generation (excluding SGHSC allocations) entered into by NSS, whether or not contractually binding, for the supply of goods and/or services by it to another party and for which money will be receivable by NSS. It applies to "contracts" with NHSScotland bodies, other public sector bodies and to all arrangements with private sector bodies.

Contracts with SGHSC are not subject to this section of the Standing Financial Instructions.

12.02   Authority Levels

Directorate's may enter into income generating activities with outside parties on their own authority provided that:

1) the limits set out in Appendix III are adhered to.

2) NSS's standard terms and conditions of business/service level agreement apply.

3) if denominated in a foreign currency, approval has been obtained from Director of Finance, Corporate Governance and Legal Services as described below; and

4) section 12.06on legal entity participation or investment is not relevant.

Any income agreement which does not meet all of the criteria above requires prior approval by the Director of Finance, Corporate Governance and Legal Services and/or Chief Executive.

Income agreements are frequently negotiated over a period of time which may be prolonged and often require to be ratified as soon as terms and conditions are agreed in order to avoid financial loss through further delay. Where authority from a higher level is required, officers should plan for and provide prior warning to all officers whose authority may be required.

12.03   Determination of charges

Each Director will review on at least an annual basis the charges for services provided by the Directorate. Unless such charges are fixed externally or are governed by specific SGHSC regulations and/or legislation, the Directorate income strategy, including charging principles and proposals for the revision of charges, will be submitted to the Chief Executive and Director of Finance, Corporate Governance and Legal Services for consideration and approval in advance of such revised charges being published. This will be formally approved as part of the annual business planning process.

In setting the level of fees and charges, Directors should ensure the full recovery of all costs including capital costs represented by capital charges. For recurring income streams there should be a yearly review as part of the budget process to ensure that full recovery of costs is being achieved.

Where day rates form the basis of any fees and charges the approved NSS day rates should be used. Any variation from the approved day rates must be agreed with the Director of Finance, Corporate Governance and Legal Services.

Planned cross subsidisation is not permitted and marginal costing may only be used when unplanned spare capacity arises during the year.

Charges to the private sector may be set at any level that the market will bear, provided the price covers all direct and indirect costs.

In order to preserve the real value of income, increases recommended should have regard to at least the current rate of inflation.

12.04   Foreign Currency

Business should normally be conducted in sterling. Any Sales which are to be denominated wholly or in part in a foreign currency must be pre-notified to the Director of Finance, Corporate Governance and Legal Services at the earliest opportunity.

Foreign currency transactions will normally only be acceptable in "hard" currencies such as US dollars, the Euro or Swiss Francs. Other major world currencies will be acceptable where business is conducted with the appropriate country.

Foreign currency transactions in excess of £2million require to receive advance authorisation through the Government Banking Service. Such transactions will be referred to the Director of Finance, Corporate Governance and Legal Services for arrangement.   Government accounting regulations require NSS to minimise the cost of its overseas (banking) transactions while protecting public funds against loss and uncertainty due to foreign exchange movements. NSS will therefore take steps to minimise its exposure to foreign exchange risks, for example by entering into forward exchange contracts, but must not speculate on foreign exchange movements.

12.05   Third party contracts and agreements

Under certain circumstances NSS may enter into non-financial contracts and agreements with third parties. All such agreements should be approved by the relevant Director. The Director should ensure that an appropriate approval process is followed prior to "sign off" in line with Scottish National Blood Transfusion Service Business Development Execution of Agreement Checklist.

12.06   Intellectual Property and Other Guidance

Directorate's must comply with MEL(2000)13: "Fund Raising, Income Generation and sponsorship within the NHSiS" at all times.

The registration, other forms of protection, management and exploitation of Intellectual Property Rights (e.g. a brand, patent, domain name, etc.) is subject to compliance with current NSS Intellectual Property Policy and Scheme of Delegation.

Consideration should be given to using the services of Scottish National Blood Transfusion Service's Business Development Department which has particular expertise and experience in providing services necessary for the identification, protection and exploitation of IP as this is a frequent occurrence within Scottish National Blood Transfusion Service R&D programmes and third-party collaborations. Any such requests should be made via the office of the Director, Scottish National Blood Transfusion Service. An annual report on all relevant IP activity facilitated by Scottish National Blood Transfusion Service Business Development Department will be provided to the NSS Board/ Chief Executive via the NSS Clinical Governance Committee.

NSS participation or investment in any legal entity (e.g. joint venture) is subject to prevailing legislation and SGHSC guidance and is subject to approval by the Minister. Before proceeding, legal and procedural advice is required, and any activity in this area must be advised to and approved by the Director of Finance, Corporate Governance and Legal Services.

12.07   Notification of income to the Director of Finance, Corporate Governance and Legal Services

All accounts for income due to NSS will be raised under arrangements approved by the Director of Finance, Corporate Governance and Legal Services.

The Director is responsible for the new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. All new income streams from health boards or third parties must be entered through the Business Case process in the ServiceNow Demand portal for approval by the appropriate authority.

12.08   Recovery of outstanding debt

The Director of Finance, Corporate Governance and Legal Services will ensure that appropriate systems are maintained for the recovery of outstanding debts in line with the Debt Management Policy.

The Director of Finance, Corporate Governance and Legal Services is responsible for the recovery of outstanding debts and will ensure agreed credit control procedures are exercised to minimise any loss to NSS.

Outstanding debts that are not recoverable and are to be written off will be dealt with in accordance with the approved procedures for losses (see Section 17 below).

Section 13: Capital Investment, Private Financing, Fixed Asset Registers

13.01   Capital Investment

The Director of Finance, Corporate Governance and Legal Services will ensure that:

a) there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon business plans.

b) adequate arrangements are in place for the effective management of all stages of capital schemes and for ensuring that schemes are delivered on time and to cost.

c) capital investment is not undertaken without confirmation of the availability of resources to finance all revenue consequences, including capital charges; and

d) All capital programme requests are agreed and prioritised by the Property and Asset Management Board.

e) For all capital expenditure a proposal should be produced in line with the NSS Business Case Process.

The Director is responsible for securing capital funds for new projects, programmes or services for NSS or delivered by NSS on behalf of NHSScotland. New projects must be requested through the Business Case process in the ServiceNow Demand portal. Funding will be approved and prioritised on an annual basis through the Resource Allocation Meetings, and any new requirements in year will be approved by the EMT at the monthly meeting. This will ensure the Board have full visibility of all funds they are accountable for.

The Director of Finance, Corporate Governance and Legal Services will issue procedures for the regular reporting of expenditure and commitment against authorised expenditure.

The Chief Executive, Director of Finance, Corporate Governance and Legal Services or the Board, as appropriate, must approve capital expenditure not covered by an approved budget in advance. Further details are contained at Appendix I.

The approval of a capital programme will not, of itself, constitute approval for expenditure on any scheme. The Director of Finance, Corporate Governance and Legal Services will issue to the manager responsible for any scheme:

a) specific authority to commit expenditure.

b) authority to proceed to tender; and

c) approval to accept a successful tender.

The Director of Finance, Corporate Governance and Legal Services will ensure procedures governing the financial management, including variations to contract, of capital investment projects and valuation for accounting purposes are issued. These procedures will fully take into account the delegated limits for capital schemes included in guidance from SGHSC.

13.02   Asset Registers

Director of Finance, Corporate Governance and Legal Services is responsible for the maintenance of registers of assets, including the form of any register and the method of updating, and arranging for a physical check of assets against the asset register to be conducted at least once a year.

The minimum data set to be held within these registers will be as specified in the Scottish Capital Accounting Manual as issued by SGHSC.

Additions to the fixed asset register must be clearly identified to an appropriate budget holder and be validated by reference to:

a) Properly authorised and approved agreements, architect's certificates, supplier's invoices and other documentary evidence in respect of purchases from third parties.

b) Stores, requisitions and wages records for own materials and labour including appropriate overheads; and

c) Lease agreements in respect of assets held under a finance lease and capitalised.

Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to authorisation documents and invoices (where appropriate).

The Director of Finance, Corporate Governance and Legal Services will approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

The value of each asset will be indexed to current values in accordance with methods specified in the Scottish Capital Accounting Manual issued by SGHSC.

The value of each asset will be depreciated using methods and rates as specified in the Scottish Capital Accounting Manual issued by SGHSC.

The Director of Finance, Corporate Governance and Legal Services will ensure that capital charges are calculated and accounted for as specified in the Scottish Capital Accounting Manual issued by SGHSC.

A small equipment registers as specified by the Director of Finance, Corporate Governance and Legal Services will be maintained within NSS. This register will incorporate high value and portable items of equipment, e.g. IT equipment, that do not fall within the scope of Capital Expenditure. The register will be in a format approved by the Director of Finance, Corporate Governance and Legal Services and a full count of identified items will occur at a time period specified by the Director of Finance, Corporate Governance and Legal Services. Any discrepancies will be noted in writing to the Director of Finance, Corporate Governance and Legal Services who will investigate as appropriate.

13.03   Security of assets

The overall control of fixed assets is the responsibility of the Chief Executive.

The Director of Finance, Corporate Governance and Legal Services must approve asset control procedures (including fixed assets and donated assets). This procedure will make provision for:

a) Recording managerial responsibility for each asset.

b) Identification of additions and disposals.

c) Identification of all repairs and maintenance expenses.

d) Physical security of assets.

e) Periodic verification of the existence of condition of, and title to, assets recorded.

f) Identification and reporting of all costs associated with the retention of an asset.

All discrepancies revealed by verification of physical assets to fixed asset register will be notified to the Director of Finance, Corporate Governance and Legal Services.

Whilst each employee and officer have a responsibility for the security of the property of NSS, it is the responsibility of the Board and Executive Management Team members and senior employees in all disciplines to apply such appropriate routine security practices in relation to NSS property as may be determined by the Board. Any breach of agreed security practices must be reported in accordance with instructions.

Any damage to NSS's premises, vehicles and equipment, or any loss of equipment, stores or supplies must be reported by Board and Executive Management Team members and employees in accordance with the procedure for reporting losses. (See Section 18)

Where practical, assets will be marked as NSS property.

Upon the closure of premises or transfer of functions a physical check of all items will be conducted. All items held will be detailed on a list certified by the responsible officer, together with their disposition.

Section 14: Banking arrangements

14.01   General

The Director of Finance, Corporate Governance and Legal Services is responsible for the management of NSS's banking arrangements and for advising NSS on the provision of banking services and operation of accounts.

NSS will operate the bank accounts in accordance with all relevant guidance issued by SGHSC.

The Government Banking Service (GBS) will hold NSS's main bank account. Where necessary, subsidiary bank accounts will be held with a commercial bank. All such bank accounts should be authorised by the Director of Finance, Corporate Governance and Legal Services.

14.02   Banking Procedures

The Director of Finance, Corporate Governance and Legal Services must agree in writing with NSS's bankers the conditions under which each account will be operated.

The Director of Finance, Corporate Governance and Legal Services will ensure that detailed instructions on the operation of bank and GBS accounts are prepared which must include:

a) the conditions under which each bank account is to be operated.

b) those authorised to sign cheques or other orders drawn on NSS's accounts; and

c) the arrangements to be made for payments that may be required in other currency denominations.

14.03   Bank balances

All NSS accounts must be kept in positive balance. Any instance of an account being overdrawn, no matter how temporary, should be reported to the Audit and Risk Committee.

14.04   Provision of Imprests

The Director may request the Director of Finance, Corporate Governance and Legal Services to provide imprest accounts for the purposes of defraying minor expenses. The request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

All imprest accounts will be reviewed annually for appropriateness.

14.05   Corporate Purchasing Cards

The Director may request the Director of Finance, Corporate Governance and Legal Services to provide the use of a corporate purchase card for the purposes of procuring goods and services, where only card payment method is available the request will be in the form of a statement of case and will be by exception where existing processes cannot meet the requirement.

It is the responsibility of the Director to nominate a card holder or card user for their own area.

All corporate purchase card transactions will be reviewed annually for appropriateness by the Associate Director of Finance with the Director.

Daily and single transaction limits will be set by the Director of Finance, Corporate Governance and Legal Services based on the expected use of the card. Increases to those limits must be submitted by the card holder and approved by the Director of Finance, Corporate Governance and Legal Services.

14.06   Treatment of receipts

The Director of Finance, Corporate Governance and Legal Services is responsible for ensuring appropriate arrangements are in place for approving the form of all agreement forms, or other means of officially acknowledging or recording monies received or receivable.

All electronic receipts received on behalf of NSS will be recorded and deposited in accordance with the arrangements authorised by the Director of Finance, Corporate Governance and Legal Services. No deduction may be made from such money to meet expenditure of any kind.

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Section 15: Stocks and Stores

15.01   Introduction

Stocks and stores are those goods normally utilised in day-to-day activity but which at any point in time have not yet been consumed (excluding capital assets).

15.02   Custody of stocks

The management, control and safe custody of stocks will be the responsibility of Directors who may delegate responsibility for specific items to appropriate managers.

The Directors will institute a system, approved by the Director of Finance, Corporate Governance and Legal Services, for the management, control and safety of stocks. Any stock loss should be considered for further investigation under Section 4 and any subsequent write off be dealt with in accordance with Section 18.

15.03   Stores records

The Director of Finance, Corporate Governance and Legal Services will specify the form of stores records to be utilised, in conjunction with the control systems in place.

15.04   Movement of stocks

The Director of Finance, Corporate Governance and Legal Services will ensure appropriate arrangements are in place to control the receipt and issue of stocks designed to safeguard the assets of NSS.

15.05   Valuation of stock

Stock will be valued in line with agreed accounting practice. The use of average purchase price is deemed to represent cost where appropriate. Cost includes an appropriate allocation of overheads. Work in Progress will be valued at the cost of direct materials plus other conversion costs.

15.06   Slow moving and / or obsolete stock

Directors will institute a system, approved by the Director of Finance, Corporate Governance and Legal Services, for the identification of slow moving and obsolete stock and for the condemnation, disposal and replacement of all unserviceable items.

Those stocks that have deteriorated or are no longer suitable for their intended purposes or usable for any other reason or may become obsolete or deteriorate before all of the stocks can be used, will be written down to their net realisable value. Where this is considered necessary, a report giving full reasons for the write down will be sent to the Director of Finance, Corporate Governance and Legal Services in such a form to enable a report to be prepared for the Chief Executive and the Board of the National Services Scotland. Details of all write downs will be included in the Annual Accounts of NSS and reported in accordance with the losses procedures (see Section 18 and Appendix II).

Any stocks disposed of must be recorded and advised to the Director of Finance, Corporate Governance and Legal Services for inclusion in such a form to enable a report to be prepared for the Chief Executive and the Board. The report will include details of the method of disposal employed, and the costs and/or income accruing.

15.07   Stock levels

Directors will ensure that excess stocks are not held unnecessarily in any part of the supply chain.

Optimum levels of stock must be established by Directors and subjected to continuous monitoring and review as part of the management process.

Unless operational circumstances dictate otherwise, suppliers should be encouraged to hold goods until they are required by direct delivery.

15.08   Stock taking

In order to monitor the effectiveness of measures taken to control stock, a regular programme of stock taking must be established. All stocks will be counted and recorded at least once during each financial year. Unless a programme for 'perpetual inventory' exists, all stocks will also be counted, valued and reported as at 31 March each year.

15.09   Stock certificates

At each year-end it will be the Directors responsibility to supply the Director of Finance, Corporate Governance and Legal Services with a certificate for each store that details the value of stock held. The Director of Finance, Corporate Governance and Legal Services will agree the precise format of this certificate.

15.10   Stocks held on behalf of SGHSC

NSS holds and manages a significant value of Scottish Government controlled stock including covid anti-viral, emergency planning and flu vaccination stock. The management of

this stock is performed by NSS as governed by the service level agreement dated 1 September 2015 between NSS and SGHSC. Regular reporting on this stock is provided by NSS to SGHSC in line with the requirements as noted in the service level agreement mentioned.

15.11   Delegation of authority

The Scottish Government Health Resilience Unit (SGHRU) team have delegated authority to purchase replenishment stock and issue stock from their Pandemic Stock to National Procurement for the following sectors:

- Healthcare Sector
- Acute Hospital Sector
- Independent Sector GP
- Scottish Ambulance Service
- Social Care Sector

15.12   Reporting

The Director for National Procurement will maintain an accurate and up-to-date record of stock balances, issues and replenishment order status. Weekly status reports and areas of risk will be provided and flagged.

15.13   Escalation

In the event there is a dispute over the management of the stock this will be initially resolved at an operational level and if required escalated to the Director of National Procurement and the lead manager of the SGHRU.

Section 16: Annual Report and Accounts

16.01   Introduction

Statutory Annual Report and Accounts will be completed each year for submission to the Board, prior to onward submission to SGHSC. These will be prepared in accordance with the provisions of the National Health Service (Scotland) Act 1978 and other related regulations in force.

16.02   Basis for preparation

The Annual Report and Accounts will comply with:

- International Financial reporting standards, as applied to the NHS.

- The accounting and disclosure requirements of the Companies Acts.

- The requirements of the Annual Accounts Manual issued by SGHSC.

The Annual Report and Accounts shall give a true and fair view of the income and expenditure, total recognised gains and losses, balance sheet and the cash flow statement.

16.03   Chief Executive Responsibilities

Preparation of the Governance Statement, which he or she shall seek appropriate assurances from the Directors and that of the Head of Internal Audit, with regard to the adequacy and effectiveness of internal control throughout the organisation.

16.04   Director of Finance, Corporate Governance and Legal Services Responsibilities

- Will ensure the maintenance of such detailed financial records as are required under relevant statute and regulations that will form the basis for the preparation of the Annual Accounts of NSS. (see also Section 17 – Information Governance).

- Issue an Annual Report and Accounts completion timetable to Directorate's and Financial Services detailing requirements and associated responsibilities for the provision of information in support of the Annual Accounts process.

- Agree with the External Auditors the timetable for production, audit and approval by the Board of the Annual Report and Accounts by for the Auditor General for Scotland and SGHSC.

16.05   Approval of Annual Report and Accounts

The Annual Report and Accounts will be reviewed by the Audit and Risk Committee, which has responsibility of recommending approval of the Accounts by the Board.

Following the formal approval by the Board, NSS will submit to SGHSC the approved Annual Report and Accounts and such reports prepared in accordance with the requirements of SGHSC and any relevant guidance contained in the Annual Accounts Manual issued by SGHSC.

Section 17: Information Governance

17.01   Financial Information Systems

The Director of Finance, Corporate Governance and Legal Services, who is responsible for the accuracy and security of the financial data of NSS, will:

a) devise and implement any necessary procedures to ensure adequate protection of NSS's financial data, and related computer hardware and software, for which s/he is responsible from accidental or intentional disclosure to unauthorised persons, deletion or modification, theft or damage, having due regard for Data Protection principles.

b) ensure that adequate controls exist over financial data access, entry, processing, storage, transmission, deletion, disposal and output to ensure security, privacy, accuracy, completeness, and timeliness of the data, as well as the efficient and effective operation of the system.

c) ensure that adequate controls exist such that the computer operation used in relation to financial procedures is separated from development, maintenance and amendment.

d) ensure that a secure, adequate, management (audit) trail exists through the computerised system used in relation to financial procedures and that such computer audit reviews as s/he may consider necessary are being carried out. All audit data will be held securely and only accessed by those authorised to access it in line with their business duties.

e) all policies and procedures will be in line with NSS corporate information governance related policies, procedures and guidelines.

The Director of Finance, Corporate Governance and Legal Services will satisfy them self that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Development, test and live financial systems shall be appropriately segregated to reduce the risk of unauthorised access to and corruption of live data. Where this is undertaken by another organisation, assurances of adequacy must be obtained from them prior to implementation. Any new financial systems or amendments to existing financial systems must be implemented in line with NHS Scotland Information Security Policy and Standards including HDL (2006) 41 and DL(0215)17. Where the new system or amendment involves the processing of personal data then the development will follow appropriate assessment of any data protection risks.

In the case of all computer systems which are to be utilised by the majority of the Directorate's, the Director of DaS will be responsible for maintaining:

a) details of the outline design of the system.

b) in the case of packages acquired either from a commercial organisation, from the NHS Scotland, or from another public sector organisation, the operational requirement.

The Director of Finance, Corporate Governance and Legal Services will ensure that contracts for computer services for financial applications with another health organisation or any other agency will clearly define the responsibility of all parties for the security, data protection, privacy, accuracy, completeness, and timeliness of data during processing, transmission and storage. The contract should also ensure rights of access for audit purposes and that all applications and/or systems are purchased, developed, implemented, operated and decommissioned in line with the NHS Scotland Information Policy and Standards. Where the contract includes the processing of personal information it will be set in compliance with Data Protection principles and NHS CEL 25 (2011).

Where another health organisation or any other agency provides a computer service for financial applications, the Director of Finance, Corporate Governance and Legal Services will periodically seek assurances that adequate controls are in operation, and they conform to the NHS Scotland Information Security Policy and Standards. If this other organisation is processing personal data as part of the financial application, the assurances sought should, as a minimum, include those set out in NHS CEL 25 (2011).

Where computer systems have an impact on corporate financial systems the Director of Finance, Corporate Governance and Legal Services will satisfy them self that:

a) systems acquisition, development and maintenance are in line with corporate policies such as NHS Scotland Information Security Policy and Standards.

b) data produced for use with financial systems is secure, adequate, accurate, complete and timely, and that a management (audit) trail exists.

c) staff authorised by/on behalf of the Director of Finance, Corporate Governance and Legal Services staff have authorised appropriate access to such data in line with their job duties; and

d) such computer audit reviews as are considered necessary are being carried out.

17.02   Data Protection Act

NSS must comply with provisions and principles of data protection law, including, but not restricted to, the EU General Data Protection Regulation, the Data Protection Act 1998 and the Data Protection Act 2018 including any amendments, subsequent orders under the said Acts or revisions thereto.

NSS's nominated Data Protection Officer is responsible in overall terms for promoting and advising on compliance with the Acts. All staff members must act in compliance with the Acts by observing the NSS Data Protection Policy and approved Information Governance policy and guidelines.

17.03   Freedom of Information

The NSS Freedom of Information, EIR & ROPSI Policy provides a framework for ensuring that NSS complies with the relevant legislation in respect of Freedom of information requests.

Further information is available on the Freedom of Information page of geNSS at geNSS (scot.nhs.uk)

The three relevant pieces of legislation are:

- Freedom of Information (Scotland) Act 2002 (referred to in this Policy as "FOISA")
- Environmental Information (Scotland) Regulations 2004 ("EIRs")
- The Re-Use of Public Sector Information Regulations 2015 ("ROPSI")

Any member of staff may receive a Freedom of Information or Environmental Information Regulation request, either via email, hand-written letter or verbally. On receipt of the request this should be sent to the Corporate FOI team via email to nss.foi@nhs.scot.

17.04   Management, Retention and Disposal of Administrative Records

NSS must comply with the Public Records (Scotland) Act 2011 and the records management guidance set out in the Code of Practice on Records Management issued under Section 61 of the Freedom of Information (Scotland) Act 2002. CEL 31 (2010) Records Management: NHS Code of Practice (Scotland) provides guidance on the retention and disposal of administrative records.

Policies in relation to the above will be approved by the NSS Board in accordance with Standing Orders.

Section 18: Losses and Special Payments

18.01   General

SGHSC has delegated authority to NSS to write-off losses and make special payments up to certain limits. Details are given in Appendix II. For payments to be made above the levels specified SGHSC prior approval must be obtained.

The Board in turn will delegate its responsibility to the Chief Executive and Director of Finance, Corporate Governance and Legal Services to approve write-off and authorise special payments.

On a regular basis and at least annually, the Director of Finance, Corporate Governance and Legal Services on behalf of the Chief Executive will submit a report to the Audit and Risk Committee detailing all losses written off and special payments made.

The Director of Finance, Corporate Governance and Legal Services is responsible for ensuring the maintenance of a Losses and Special Payments Register for recording: -

- the circumstances
- the amount / value involved
- the action taken
- the date of write-off authority

This Register will form the basis of NSS's Annual Scottish Financial Return (SFR 18) which is included in NSS's Annual Accounts.

The Chief Executive may delegate to nominated officers, authority to make ex-gratia payments below approved thresholds in line with procedures pertaining to such payments, e.g. compensation payments. All such payments must be notified to the Director of Finance, Corporate Governance and Legal Services and reported to the Audit and Risk Committee on at least an annual basis and reported in the Annual Accounts in accordance with the approved procedure for losses.

The Director of Finance, Corporate Governance and Legal Services will be authorised to take any necessary steps to safeguard NSS's interests in bankruptcies and company liquidations.

Section 19: Non Public funds donated

18.01   General

Receipts of non public funds such as donations and funds from charitable activities will be donated to the Territorial Health Board which is associated with the geographic source of the funds. Should there be any subjectivity over the geographic source of the funds, then the Director of Finance, Corporate Governance and Legal Services will determine to which Territorial Board the funds should be passed to.

Appendix I

Protocol for the commitment of resources

Level of Authority   **Delegated Limit**

1.1 Capital Expenditure within NSS's Baseline Allocation

(a) Director of Finance, Corporate Governance and Legal Services

The commitment of funds in respect of projects having a total gross cost of up to £500,000 in value which accord with the agreed Directorate's strategy approved by the Board.

(b) Chief Executive

The commitment of funds in respect of projects having a total gross cost of up to £1.0million in value which accord with the agreed Directorate's strategy approved by the Board.

(c) The Board

The commitment of funds in respect of projects having a gross total cost exceeding £1.0million.

These arrangements are also subject to delegated capital limits as specified by SGHSC in the Scottish Capital Investment Manual, where the delegated limit for all capital projects is £1m. For capital projects greater than £1m approval is also required from the Capital Investment Group of SGHSC.

2.1 Revenue Expenditure within NSS's Baseline Allocation

(a) Director

All expenditure contained in the Annual Financial Plan, including developments and the specified use of non-recurring funds, subject to the executive approval procedures contained in Standing Financial Instructions and in accordance with agreed policies on, for example, recruitment.

(b) Director of Finance, Corporate Governance and Legal Services

a) The commitment of pre-planned individual developments where funds become available up to £500,000 in value which accord with the agreed

Directorate's Strategy but are not included in the Annual Financial Plan for that year.

b) The utilisation of non-recurring funds not in the Financial Plan or covered by the delegated arrangements detailed above up to a total of £500,000 per development.

(c)   Chief Executive

a) The commitment of pre-planned individual developments where funds become available up to £1million in value which accord with the agreed Directorate's Strategy but are not included in the Annual Financial Plan for that year.

b) The utilisation of non-recurring funds not in the Financial Plan or covered by the delegated arrangements detailed above up to a total of £1million per development.

(d)   NSS Board

The bringing forward of pre-planned individual Revenue developments over £1million in value and the commitment of non-recurring resources not in the plan in excess of the limits specified above.

2.2 Revenue Expenditure for specific projects funded through separate SGHSC allocation

Project Director

The commitment of funds up to the total gross cost of the agreed revenue budget as specified in the approved Business Case.

2.3 Revenue Expenditure for Services provided by NSS on behalf of other Health Boards

Director

The commitment of funds up to the total gross cost of the revenue budget set in agreement with the relevant Health Boards.

Appendix II

Losses: delegated limits

The delegated limits are as per SGHSC circular CEL (2010) 10 are as follows:

		Delegated Authority (per case) £
	Theft / Arson / Wilful Damage	
1	Cash	15,000
2	Stores/procurement	30,000
3	Equipment	15,000
4	Contracts	15,000
5	Payroll	15,000
6	Buildings & Fixtures	30,000
7	Other	15,000
	Fraud, Embezzlement & other irregularities (inc. attempted fraud)	
8	Cash	15,000
9	Stores/procurement	30,000
10	Equipment	15,000
11	Contracts	15,000
12	Payroll	15,000
13	Other	15,000
14	**Nugatory & Fruitless Payments**	15,000
15	**Claims Abandoned**	
	(a) Private Accommodation	15,000
	(b) Road Traffic Acts	30,000
	(c) Other	15,000
	Stores Losses	
16	Incidents of the Service –	

	- Fire	30,000
	- Flood	30,000
	- Accident	30,000
17	Deterioration in Store	30,000
18	Stocktaking Discrepancies	30,000
19	Other Causes	30,000

Losses of Furniture & Equipment

And Bedding & Linen in circulation:

20	Incidents of the Service - Fire	15,000
	- Flood	15,000
	- Accident	15,000
21	Disclosed at physical check	15,000

		Delegated Authority (per case) £
22	Other Causes	15,000

Compensation Payments - legal obligation

23	Clinical	250,000
24	Non-clinical	100,000

Ex-gratia payments:

25	Extra-contractual Payments	15,000
26	Compensation Payments - Ex-gratia - Clinical	250,000
27	Compensation Payments - Ex-gratia - Non-Clinical	100,000
28	Compensation Payments - Ex-gratia - Financial Loss	25,000
29	Other Payments	2,500

Damage to Buildings and Fixtures:

30	Incidents of the Service	

		– Fire	30,000
		- Flood	30,000
		- Accident	30,000
		- Other Causes	30,000
31	**Extra-Statutory & Extra-regulatory Payments**		Nil
32	**Gifts in cash or kind**		15,000
33	**Other Losses**		15,000

Appendix III

Sales contracts and income generation

AUTHORITY LIMITS

All income generation requires the prior approval of the Director of Finance, Corporate Governance and Legal Services or Chief Executive if the total lifetime value of a sales contract or Service Level Agreement (SLA) is or could be in excess of the undernoted limits.

Directorate	SG Funding, Income Generated from NHSScotland and Third Parties (£)	Grant Income (£)
Scottish National Blood Transfusion Services	100,000	500,000
Finance, Corporate Governance and Legal Services	100,000	100,000
National Procurement	100,000	500,000
Specialist and Screening Services	100,000	500,000
NHSScotland Assure	100,000	500,000
Practitioner Services	100,000	500,000
Digital and Security	100,000	100,000
Clinical	100,000	100,000
Human Resources and Workforce Development	100,000	100,000
Strategy, Performance and Service Transformation	100,000	100,000

Third Party contracts, SLAs, new sources of income generation and grant income whose value is or could exceed £1m requires the approval of the Finance, Procurement and Performance Committee prior to entering into any commitment with the customer. Conditional approval may be intimated in writing by the Director of Finance, Corporate Governance and Legal Services.

Appendix IV

Director of Finance, Corporate Governance and Legal Services Checklist

Reference	Requirement	Frequency	Committee
1.04	Adverse Events to SFIs.	Earliest opportunity	Finance, Procurement and Performance Committee
18.01	Ex Gratia payments to staff.	Annual	Audit and Risk Committee
8.04	Exceptions to procurement guidelines.	Quarterly	Finance, Procurement and Performance Committee
8.04	Advance payment (non-contractual) for goods/services.	Annual	Finance, Procurement and Performance Committee
9.02	Sole Source Justification report.	Annual	Finance, Procurement and Performance Committee
11.08	Spend on Management Consultancy.	Annual	Audit and Risk Committee
14.03	Any instance of being overdrawn with bank.	Earliest opportunity	Audit and Risk Committee
18.01	Report of losses and special payments made.	Annual	Audit and Risk Committee

Code of Conduct for Board Members of National Services Scotland

CONTENTS

SECTION 1: INTRODUCTION TO THE NSS CODE OF CONDUCT FOR BOARD MEMBERS

1.1   This Code has been issued by the Scottish Ministers, with the approval of the Scottish Parliament, as required by the Ethical Standards in Public Life etc. (Scotland) Act 2000 (the "Act").

1.2   The purpose of the Code is to set out the conduct expected of those who serve on the boards of public bodies in Scotland.

1.3   The Code has been developed in line with the nine key principles of public life in Scotland. The principles are listed in Section 2 and set out how the provisions of the Code should be interpreted and applied in practice.

My Responsibilities

1.4   I understand that the public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. I will always seek to meet those expectations by ensuring that I conduct myself in accordance with the Code.

1.5   I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all situations and at all times where I am acting as a board member of National Services Scotland (NSS), have referred to myself as a board member or could objectively be considered to be acting as a board member.

1.6   I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all my dealings with the public, employees and fellow board members, whether formal or informal.

1.7   I understand that it is my personal responsibility to be familiar with the provisions of this Code and that I must also comply with the law and NSS rules, standing orders and regulations. I will also ensure that I am familiar with any guidance or advice notes issued by the Standards Commission for Scotland ("Standards Commission") and NSS, and endeavour to take part in any training offered on the Code.

1.8   I will not, at any time, advocate or encourage any action contrary to this Code.

1.9   I understand that no written information, whether in the Code itself or the associated Guidance or Advice Notes issued by the Standards Commission, can provide for all circumstances. If I am uncertain about how the Code applies, I will seek advice from the Standards Officer of NSS, failing whom the Chair or Chief Executive of NSS. I note that I may also choose to seek external legal advice on how to interpret the provisions of the Code.

Enforcement

1.10   Part 2 of the Act sets out the provisions for dealing with alleged breaches of the Code, including the sanctions that can be applied if the Standards Commission finds that there has been a breach of the Code. More information on how complaints are dealt with and the sanctions available can be found at **Annex A**.

SECTION 2: KEY PRINCIPLES OF THE NSS CODE OF CONDUCT FOR BOARD MEMBERS

2.1   The Code has been based on the following key principles of public life. I will behave in accordance with these principles and understand that they should be used for guidance and interpreting the provisions in the Code.

2.2   I note that a breach of one or more of the key principles does not in itself amount to a breach of the Code. I note that, for a breach of the Code to be found, there must also be a contravention of one or more of the provisions in sections 3 to 6 inclusive of the Code.

The key principles are:

Duty
I have a duty to uphold the law and act in accordance with the law and the public trust placed in me. I have a duty to act in the interests of NSS of which I am a member and in accordance with the core functions and duties of that body.

Selflessness
I have a duty to take decisions solely in terms of public interest. I must not act in order to gain financial or other material benefit for myself, family or friends.

Integrity
I must not place myself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence me in the performance of my duties.

Objectivity
I must make decisions solely on merit and in a way that is consistent with the functions of NSS when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.

Accountability and Stewardship
I am accountable to the public for my decisions and actions. I have a duty to consider issues on their merits, taking account of the views of others and I must ensure that NSS uses its resources prudently and in accordance with the law.

Openness
I have a duty to be as open as possible about my decisions and actions, giving reasons for my decisions and restricting information only when the wider public interest clearly demands.

Honesty
I have a duty to act honestly. I must declare any private interests relating to my public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership
I have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of NSS and its members in conducting public business.

Respect

I must respect all other board members and all employees of NSS and the role they play, treating them with courtesy at all times. Similarly, I must respect members of the public when performing my duties as a board member.

SECTION 3: GENERAL CONDUCT

Respect and Courtesy

3.1   I will treat everyone with courtesy and respect. This includes in person, in writing, at meetings, when I am online and when I am using social media.

3.2   I will not discriminate unlawfully on the basis of race, age, sex, sexual orientation, gender reassignment, disability, religion or belief, marital status or pregnancy/maternity; I will advance equality of opportunity and seek to foster good relations between different people.

3.3   I will not engage in any conduct that could amount to bullying or harassment (which includes sexual harassment). I accept that such conduct is completely unacceptable and will be considered to be a breach of this Code.

3.4   I accept that disrespect, bullying and harassment can be:

    a) a one-off incident,
    b) part of a cumulative course of conduct; or
    c) a pattern of behaviour.

3.5   I understand that how, and in what context, I exhibit certain behaviours can be as important as what I communicate, given that disrespect, bullying and harassment can be physical, verbal and non-verbal conduct.

3.6   I accept that it is my responsibility to understand what constitutes bullying and harassment and I will utilise resources, including the Standards Commission's guidance and advice notes, NSS's policies and training material (where appropriate) to ensure that my knowledge and understanding is up to date.

3.7   Except where it is written into my role as Board member, and / or at the invitation of the Chief Executive, I will not become involved in operational management of NSS. I acknowledge and understand that operational management is the responsibility of the Chief Executive and Executive Team.

3.8   I will not undermine any individual employee or group of employees, or raise concerns about their performance, conduct or capability in public. I will raise any concerns I have on such matters in private with senior management as appropriate.

3.9   I will not take, or seek to take, unfair advantage of my position in my dealings with employees of NSS or bring any undue influence to bear on employees to take a certain action. I will not ask or direct employees to do something which I know, or should reasonably know, could compromise them or prevent them from undertaking their duties properly and appropriately.

3.10   I will respect and comply with rulings from the Chair during meetings of:

    a) the NSS Board, its committees; and
    b) any outside organisations that I have been appointed or nominated to by NSS or on which I represent NSS.

3.11   I will respect the principle of collective decision-making and corporate responsibility. This means that once the Board has decided, I will support that decision, even if I did not agree with it or vote for it.

Remuneration, Allowances and Expenses

3.12   I will comply with the rules, and the policies of NSS, on the payment of remuneration, allowances and expenses.

Gifts and Hospitality

3.13   I understand that I may be offered gifts (including money raised via crowdfunding or sponsorship), hospitality, material benefits or services ("gift or hospitality") that may be reasonably regarded by a member of the public with knowledge of the relevant facts as placing me under an improper obligation or being capable of influencing my judgement.

3.14   I will never **ask for** or **seek** any gift or hospitality.

3.15   I will refuse any gift or hospitality, unless it is:

    a) a minor item or token of modest intrinsic value offered on an infrequent basis;
    b) a gift being offered to NSS;
    c) hospitality which would reasonably be associated with my duties as a board member; or
    d) hospitality which has been approved in advance by NSS.

3.16   I will consider whether there could be a reasonable perception that any gift or hospitality received by a person or body connected to me could or would influence my judgement.

3.17   I will not allow the promise of money or other financial advantage to induce me to act improperly in my role as a board member. I accept that the money or advantage (including any gift or hospitality) does not have to be given to me directly. The offer of monies or advantages to others, including community groups, may amount to bribery, if the intention is to induce me to improperly perform a function.

3.18   I will never accept any gift or hospitality from any individual or applicant who is awaiting a decision from, or seeking to do business with, NSS.

3.19   If I consider that declining an offer of a gift would cause offence, I will accept it and hand it over to NSS at the earliest possible opportunity and ask for it to be registered.

3.20   I will promptly advise NSS's Standards Officer if I am offered (but refuse) any gift or hospitality of any significant value and / or if I am offered any gift or hospitality from the same source on a repeated basis, so that NSS can monitor this.

3.21   I will familiarise myself with the terms of the Bribery Act 2010, which provides for offences of bribing another person and offences relating to being bribed.

Confidentiality

3.22   I will not disclose confidential information or information which should reasonably be regarded as being of a confidential or private nature, without the express consent of a person or body authorised to give such consent, or unless required to do so by law. I note that if I cannot obtain such express consent, I should assume it is not given.

3.23   I accept that confidential information can include discussions, documents, and information which is not yet public or never intended to be public, and information deemed confidential by statute.

3.24   I will only use confidential information to undertake my duties as a board member. I will not use it in any way for personal advantage or to discredit NSS (even if my personal view is that the information should be publicly available).

3.25   I note that these confidentiality requirements do not apply to protected whistleblowing disclosures made to the prescribed persons and bodies as identified in statute.

Use of Public Body Resources

3.26   I will only use NSS's resources, including employee assistance, facilities, stationery and IT equipment, for carrying out duties on behalf of NSS, in accordance with its relevant policies.

3.27   I will not use, or in any way enable others to use, NSS's resources:

   a) imprudently (without thinking about the implications or consequences);
   b) unlawfully;
   c) for any political activities or matters relating to these; or
   d) improperly.

Dealing with NSS and Preferential Treatment

3.28   I will not use, or attempt to use, my position or influence as a board member to:

   a) improperly confer on or secure for myself, or others, an advantage;
   b) avoid a disadvantage for myself, or create a disadvantage for others or
   c) improperly seek preferential treatment or access for myself or others.

3.29   I will avoid any action which could lead members of the public to believe that preferential treatment or access is being sought.

3.30   I will advise employees of any connection, as defined at Section 5, I may have to a matter, when seeking information or advice or responding to a request for information or advice from them.

Appointments to Outside Organisations

3.31   If I am appointed, or nominated by NSS, as a member of another body or organisation, I will abide by the rules of conduct and will act in the best interests of that body or organisation while acting as a member of it. I will also continue to observe the rules of this Code when carrying out the duties of that body or organisation.

3.32   I accept that if I am a director or trustee (or equivalent) of a company or a charity, I will be responsible for identifying, and taking advice on, any conflicts of interest that may arise between the company or charity and NSS.

SECTION 4: REGISTRATION OF INTERESTS

4.1   The following paragraphs set out what I have to register when I am appointed and whenever my circumstances change. The register covers my current term of appointment.

4.2   I understand that regulations made by the Scottish Ministers describe the detail and timescale for registering interests; including a requirement that a board member must register their registrable interests within one month of becoming a board member, and register any changes to those interests within one month of those changes having occurred.

4.3   The interests which I am required to register are those set out in the following paragraphs. Other than as required by paragraph 4.23, I understand it is not necessary to register the interests of my spouse or cohabitee.

Category One: Remuneration

4.4   I will register any work for which I receive, or expect to receive, payment. I have a registrable interest where I receive remuneration by virtue of being:

   a) employed;
   b) self-employed;
   c) the holder of an office;
   d) a director of an undertaking;
   e) a partner in a firm;
   f) appointed or nominated by NSS to another body; or
   g) engaged in a trade, profession or vocation or any other work.

4.5   I understand that in relation to 4.4 above, the amount of remuneration does not require to be registered. I understand that any remuneration received as a board member of this specific public body does not have to be registered.

4.6   I understand that if a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under Category Two, "Other Roles".

4.7   I must register any allowances I receive in relation to membership of any organisation under Category One.

4.8   When registering employment as an employee, I must give the full name of the employer, the nature of its business, and the nature of the post I hold in the organisation.

4.9   When registering remuneration from the categories listed in paragraph 4.4 (b) to (g) above, I must provide the full name and give details of the nature of the business, organisation, undertaking, partnership or other body, as appropriate. I recognise that some other employments may be incompatible with my role as board member of NSS in terms of paragraph 6.7 of this Code.

4.10   Where I otherwise undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and how often it is undertaken.

4.11   When registering a directorship, it is necessary to provide the registered name and registered number of the undertaking in which the directorship is held and provide information about the nature of its business.

4.12   I understand that registration of a pension is not required as this falls outside the scope of the category.

Category Two: Other Roles

4.13   I will register any unremunerated directorships where the body in question is a subsidiary or parent company of an undertaking in which I hold a remunerated directorship.

4.14   I will register the registered name and registered number of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which I am a director and from which I receive remuneration.

Category Three: Contracts

4.15   I have a registerable interest where I (or a firm in which I am a partner, or an undertaking in which I am a director or in which I have shares of a value as described in paragraph 4.19 below) have made a contract with NSS:

   a) under which goods or services are to be provided, or works are to be executed; and
   b) which has not been fully discharged.

4.16   I will register a description of the contract, including its duration, but excluding the value.

Category Four: Election Expenses

4.17   If I have been elected to NSS, then I will register a description of, and statement of, any assistance towards election expenses relating to election to NSS.

Category Five: Houses, Land and Buildings

4.18   I have a registrable interest where I own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of NSS.

4.19   I accept that, when deciding whether or not I need to register any interest I have in houses, land or buildings, the test to be applied is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as being so significant that it could potentially affect my responsibilities to NSS and to the public, or could influence my actions, speeches or decision-making.

Category Six: Interest in Shares and Securities

4.20   I have a registerable interest where:

   a) I own or have an interest in more than 1% of the issued share capital of the company or other body; or
   b) Where, at the relevant date, the market value of any shares and securities (in any one specific company or body) that I own or have an interest in is greater than £25,000.

Category Seven: Gifts and Hospitality

4.21   I understand the requirements of paragraphs 3.13 to 3.21 regarding gifts and hospitality. As I will not accept any gifts or hospitality, other than under the limited circumstances allowed, I understand there is no longer the need to register any.

Category Eight: Non–Financial Interests

4.22   I may also have other interests and I understand it is equally important that relevant interests such as membership or holding office in other public bodies, companies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described. In this context, I understand non-financial interests are those which members of the public with knowledge of the relevant facts might reasonably think could influence my actions, speeches, votes or decision-making in NSS (this includes its committees and memberships of other organisations to which I have been appointed or nominated by NSS).

Category Nine: Close Family Members

4.23   I will register the interests of any close family member who has transactions with NSS or is likely to have transactions or do business with it.

SECTION 5: DECLARATION OF INTERESTS

Stage 1: Connection

5.1   For each particular matter I am involved in as a board member, I will first consider whether I have a connection to that matter.

5.2   I understand that a connection is any link between the matter being considered and me, or a person or body I am associated with. This could be a family relationship or a social or professional contact.

5.3   A connection includes anything that I have registered as an interest.

5.4   A connection does not include being a member of a body to which I have been appointed or nominated by NSS as a representative of NSS, unless:
   a) The matter being considered by NSS is quasi-judicial or regulatory; or
   b) I have a personal conflict by reason of my actions, my connections or my legal obligations.

Stage 2: Interest

5.5   I understand my connection is an interest that requires to be declared where the objective test is met – that is where a member of the public with knowledge of the relevant facts would reasonably regard my connection to a particular matter as being so significant that it would be considered as being likely to influence the discussion or decision-making.

Stage 3: Participation

5.6   I will declare my interest as early as possible in meetings. I will not remain in the meeting nor participate in any way in those parts of meetings where I have declared an interest.

5.7   I will consider whether it is appropriate for transparency reasons to state publicly where I have a connection, which I do not consider amounts to an interest.

5.8   I note that I can apply to the Standards Commission and ask it to grant a dispensation to allow me to take part in the discussion and decision-making on a matter where I would otherwise have to declare an interest and withdraw (as a result of having a connection to the matter that would fall within the objective test). I note that such an application must be made in advance of any meetings where the dispensation is sought and that I cannot take part in any discussion or decision-making on the matter in question unless, and until, the application is granted.

5.9   I note that public confidence in a public body is damaged by the perception that decisions taken by that body are substantially influenced by factors other than the public interest. I will not accept a role or appointment if doing so means I will have to declare interests frequently at meetings in respect of my role as a board member. Similarly, if any appointment or nomination to another body would give rise to objective concern because of my existing personal involvement or affiliations, I will not accept the appointment or nomination.

SECTION 6: LOBBYING AND ACCESS

6.1   I understand that a wide range of people will seek access to me as a board member and will try to lobby me, including individuals, organisations and companies. I must distinguish between:

a) any role I have in dealing with enquiries from the public;
b) any community engagement where I am working with individuals and organisations to encourage their participation and involvement, and;
c) lobbying, which is where I am approached by any individual or organisation who is seeking to influence me for financial gain or advantage, particularly those who are seeking to do business with NSS (for example contracts/procurement).

6.2   In deciding whether, and if so how, to respond to such lobbying, I will always have regard to the objective test, which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard my conduct as being likely to influence my, or NSS's, decision-making role.

6.3   I will not, in relation to contact with any person or organisation that lobbies, do anything which contravenes this Code or any other relevant rule of NSS or any statutory provision.

6.4   I will not, in relation to contact with any person or organisation that lobbies, act in any way which could bring discredit upon NSS.

6.5   If I have concerns about the approach or methods used by any person or organisation in their contacts with me, I will seek the guidance of the Chair, Chief Executive or Standards Officer of NSS.

6.6   The public must be assured that no person or organisation will gain better access to, or treatment by, me as a result of employing a company or individual to lobby on a fee basis on their behalf. I will not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which I accord any other person or organisation who lobbies or approaches me. I will ensure that those lobbying on a fee basis on behalf of clients are not given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming.

6.7   Before taking any action as a result of being lobbied, I will seek to satisfy myself about the identity of the person or organisation that is lobbying and the motive for lobbying. I understand I may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that I understand the basis on which I am being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code and the Lobbying (Scotland) Act 2016.

6.8   I will not accept any paid work:

a) which would involve me lobbying on behalf of any person or organisation or any clients of a person or organisation.

b) to provide services as a strategist, adviser or consultant, for example, advising on how to influence NSS and its members. This does not prohibit me from being remunerated for activity which may arise because of, or relate to, membership of NSS, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

ANNEX A: BREACHES OF THE CODE

Introduction

1. [The Ethical Standards in Public Life etc. (Scotland) Act 2000](#) ("the Act") provided for a framework to encourage and, where necessary, enforce high ethical standards in public life.

2. The Act provided for the introduction of new codes of conduct for local authority councillors and members of relevant public bodies, imposing on councils and relevant public bodies a duty to help their members comply with the relevant code.

3. The Act and the subsequent Scottish Parliamentary Commissions and Commissioners etc. Act 2010 established the [Standards Commission for Scotland](#) ("Standards Commission") and the post of [Commissioner for Ethical Standards in Public Life in Scotland](#) ("ESC").

4. The Standards Commission and ESC are separate and independent, each with distinct functions. Complaints of breaches of a public body's Code of Conduct are investigated by the ESC and adjudicated upon by the Standards Commission.

5. The first Model Code of Conduct came into force in 2002. The Code has since been reviewed and re-issued in 2014. The 2021 Code has been issued by the Scottish Ministers following consultation, and with the approval of the Scottish Parliament, as required by the Act.

Investigation of Complaints

6. The ESC is responsible for investigating complaints about members of devolved public bodies. It is not, however, mandatory to report a complaint about a potential breach of the Code to the ESC. It may be more appropriate in some circumstances for attempts to be made to resolve the matter informally at a local level.

7. On conclusion of the investigation, the ESC will send a report to the Standards Commission.

Hearings

8. On receipt of a report from the ESC, the Standards Commission can choose to:

   - Do nothing;
   - Direct the ESC to carry out further investigations; or
   - Hold a Hearing.

9. Hearings are held (usually in public) to determine whether the member concerned has breached their public body's Code of Conduct. The Hearing Panel comprises of three members of the Standards Commission. The ESC will present evidence and/or make submissions at the Hearing about the investigation and any conclusions as to whether the member has contravened the Code. The member is entitled to attend or be represented at the Hearing and can also present evidence and make submissions. Both parties can call witnesses. Once it has heard all the evidence and submissions, the Hearing Panel will decide about whether or not it is satisfied, on the balance of probabilities, that there has been a contravention of the Code by

the member. If the Hearing Panel decides that a member has breached their public body's Code, it is obliged to impose a sanction.

Sanctions

10. The sanctions that can be imposed following a finding of a breach of the Code are as follows:

- **Censure**: A censure is a formal record of the Standards Commission's severe and public disapproval of the member concerned.
- **Suspension**: This can be a full or partial suspension (for up to one year). A full suspension means that the member is suspended from attending all meetings of NSS. Partial suspension means that the member is suspended from attending some of the meetings of NSS. The Commission can direct that any remuneration or allowance the member receives as a result of their membership of NSS be reduced or not paid during a period of suspension.
- **Disqualification**: Disqualification means that the member is removed from membership of the body and disqualified (for a period not exceeding five years), from membership of the body. Where a member is also a member of another devolved public body (as defined in the Act), the Commission may also remove or disqualify that person in respect of that membership. Full details of the sanctions are set out in section 19 of the Act.

Interim Suspensions

11. Section 21 of the Act provides the Standards Commission with the power to impose an interim suspension on a member on receipt of an interim report from the ESC about an ongoing investigation. In deciding about whether or not to impose an interim suspension, a Panel comprising of three Members of the Standards Commission will review the interim report and any representations received from the member and will consider whether it is satisfied:

- That the further conduct of the ESC's investigation is likely to be prejudiced if such an action is not taken (for example if there are concerns that the member may try to interfere with evidence or witnesses); or
- That it is otherwise in the public interest to take such a measure. A policy outlining how the Standards Commission makes any decision under Section 21 and the procedures it will follow in doing so, should any such a report be received from the ESC can be found here.

12. The decision to impose an interim suspension is not, and should not be seen as, a finding on the merits of any complaint or the validity of any allegations against a member of a devolved public body, nor should it be viewed as a disciplinary measure.

ANNEX B: DEFINITIONS

"Bullying" is inappropriate and unwelcome behaviour which is offensive and intimidating, and which makes an individual or group feel undermined, humiliated or insulted.

"Chair" includes Board Convener or any other individual discharging a similar function to that of a Chair or Convener under alternative decision-making structures.

"Code" is the code of conduct for members of your devolved public body, which is based on the Model Code of Conduct for members of devolved public bodies in Scotland.

"Cohabitee" includes any person who is living with you in a relationship similar to that of a partner, civil partner, or spouse.

"Confidential Information" includes:
• any information passed on to NSS by a Government department (even if it is not clearly marked as confidential) which does not allow the disclosure of that information to the public;
• information of which the law prohibits disclosure (under statute or by the order of a Court);
• any legal advice provided to NSS; or
• any other information which would reasonably be considered a breach of confidence should it be made public.

"Election expenses" means expenses incurred, whether before, during or after the election, on account of, or in respect of, the conduct or management of the election.

"Employee" includes individuals employed:
• directly by NSS;
• as contractors by NSS, or
• by a contractor to work on NSS's premises.

"Gifts" a gift can include any item or service received free of charge, or which may be offered or promised at a discounted rate or on terms not available to the general public. Gifts include benefits such as relief from indebtedness, loan concessions, or provision of property, services or facilities at a cost below that generally charged to members of the public. It can also include gifts received directly or gifts received by any company in which the recipient holds a controlling interest in, or by a partnership of which the recipient is a partner.

"Harassment" is any unwelcome behaviour or conduct which makes someone feel offended, humiliated, intimidated, frightened and / or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

"Hospitality" includes the offer or promise of food, drink, accommodation, entertainment or the opportunity to attend any cultural or sporting event on terms not available to the general public.

"Relevant Date"   Where a board member had an interest in shares at the date on which the member was appointed as a member, the relevant date is – (a) that date; and (b) the 5th April immediately following that date and in each succeeding year, where the interest is retained on that 5th April.

"Public body" means a devolved public body listed in Schedule 3 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

"Remuneration" includes any salary, wage, share of profits, fee, other monetary benefit or benefit in kind.

"Securities" a security is a certificate or other financial instrument that has monetary value and can be traded. Securities includes equity and debt securities, such as stocks bonds and debentures.

"Undertaking" means:
a) a body corporate or partnership; or
b) an unincorporated association carrying on a trade or business, with or without a view to a profit.

NHS
National
Services
Scotland

NSS BOARD

CHAIR	Keith Redpath, NSS Chair
VICE-CHAIR	Gordon Greenhill, Non-Executive Director
MEMBERS	Alison Rooney, Non-Executive Director
	Arturo Langa, Non-Executive Director
	Lisa Blackett, Non-Executive Director
	Beth Lawton, Non-Executive Director
	Maria McGill, Non-Executive Director
	Paul Buchanan, Non-Executive Director
	Ian Cant, Employee Director
	Mary Morgan, Chief Executive
	Carolyn Low, Director of Finance, Corporate Governance and Legal Services
	Sharon Hilton-Christie, Medical Director

NSS BOARD COMMITTEES

AUDIT & RISK COMMITTEE

CHAIR	Beth Lawton, Non-Executive Director
VICE-CHAIR	Appointment to be made at Audit and Risk Committee Meeting 16 May 2024
MEMBERS	Gordon Greenhill, Non-Executive Director
	Arturo Langa, Non-Executive Director
	Alison Rooney, Non-Executive Director
	Paul Buchanan, Non-Executive Director
	Maria McGill, Non-Executive Director

FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE

CHAIR	Gordon Greenhill, Non-Executive Director
VICE-CHAIR	Beth Lawton, Non-Executive Director
MEMBERS	Keith Redpath, NSS Chair
	Lisa Blackett, Non-Executive Director
	Ian Cant, Non-Executive Director
	Maria McGill, Non-Executive Director

REMUNERATION COMMITTEE

CHAIR	Ian Cant, Employee Director
VICE-CHAIR	Lisa Blackett, Non-Executive Director
MEMBERS	Keith Redpath, NSS Chair
	Alison Rooney, Non-Executive Director
	Gordon Greenhill, Non-Executive Director

CLINICAL GOVERNANCE COMMITTEE

CHAIR	Alison Rooney, Non-Executive Director
VICE-CHAIR	Arturo Langa, Non-Executive Director
MEMBERS	Keith Redpath, NSS Chair Maria McGill, Non-Executive Director Beth Lawton Non-Executive Director Lisa Blackett, Non-Executive Director

STAFF GOVERNANCE COMMITTEE

CHAIR	Lisa Blackett, Non-Executive Director
VICE -CHAIR	Appointment to be made at the Staff Governance Committee Meeting 2 May 2024
MEMBERS	Keith Redpath, NSS Chair Arturo Langa, Non-Executive Director Beth Lawton, Non-Executive Director Ian Cant, Employee Director Paul Buchanan - Non-Executive Director Trade Union Representatives (4)

POLICY DEVELOPMENT FRAMEWORK

1. INTRODUCTION

1.1 [The NHS Scotland Health Boards and Special Health Boards – Blueprint for Good Governance Second Edition](#) requires NHS National Services Scotland (NSS) to establish and maintain a robust framework for the development, approval and management of policies and other associated documents.

1.2 This framework aims to ensure that:

- There is a consistent and clear approach to policy development, consultation, approval, dissemination and communication;
- Policies in use are current, relevant, up to date, have clear ownership, and formal approval and are always easily accessible by staff;
- The impact of policies is fully assessed and understood;
- There is a well-controlled process (see Appendix 4) for the development and governance of policies as it is central to a robust system of internal control;
- NSS complies with relevant legislation, governance, audit and controls assurance requirements;
- NSS adheres to the requirements set out in the Blueprint for Good Governance.

2. PURPOSE AND SCOPE

2.1 This Policy Development Framework sets out the corporate approach to developing and approving policy documents within NSS (see 2.3 for any policy excluded from this process). It applies to the creation and revision of all policies and applies to all staff involved in the writing, reviewing, approving and implementing policies.

2.2 The Framework also extends to procedures and guidelines that act as implementation tools for policies and are contained within their appendices. The Framework does not apply to stand-alone procedures and guidelines.

2.3 In addition policies developed by NSS, there are also [Once for Scotland National Workforce Policies](#) which are mandated for use across all of NHS Scotland. This Framework does not apply to any NSS Workforce; Health and Safety; or Once for Scotland National policies which will be considered by the Workforce Policy Terms and Conditions (WPTC) or Occupational Health and Safety (OSHAC) Committees.

2.4 The Framework does also not apply to Scottish National Blood Transfusion Service (SNBTS) clinical policies.

2.5 Although the policies noted in 2.3 and 2.4 are excluded from this Framework, all final policies should be submitted to the Associate Director of Governance and Board Services for inclusion on the Corporate Policy Register and for

inclusion in assurance reports to the Executive Management Team and the NSS Board.

3. DEFINITIONS

3.1 **Policy -** A policy is a written corporate document which gives direction and approach around a clearly defined subject/area. It enables management and staff to make correct decisions, deal effectively and comply with relevant legislation, Scottish Government circulars, organisational rules and good working practices.

3.2 **Procedure -** A procedure is a standardised series of actions taken to achieve a task so that everyone undertakes it in an agreed and consistent way to achieve a safe, effective outcome

3.3 **Guidelines -** Guidelines provide standards and principles to assist staff in demonstrating actions and behaviours that are consistent and adhere with a particular policy.

4. POLICY DEVELOPMENT PRINCIPLES

4.1 All Board Policies must meet the following principles and standards:

- are aligned to the NSS Values and Strategic Objectives;
- are evidence-based;
- have a clear rationale with reasons for having a specific policy clearly articulated;
- is clear about its scope;
- meets the requirements set out in this Policy Development Framework in relation to consultation and engagement, working in partnership, impact assessment, format and style, approval pathways, communication and dissemination, and review.

4.2 In considering the effectiveness of the policy, Policy Leads should:

- ensure that objectives, outcomes, inputs, processes, impacts and implementation are monitored, and be clear about the purpose and goals.
- establish what will be monitored and why. If the policy structure is clear, and the provisions are focused, monitoring will be more manageable.
- monitor the objectives of the policy within a continuous cycle of review to ensure the highest quality provision for all patients and staff.

5. ROLES AND RESPONSIBILITIES

5.1 Areas of responsibility are set out in the [Scheme of Delegation](#) which delegates power to individual officers within the management structure.

5.2 Executive Lead

5.2.1 The Executive Lead (policy owner) is responsible for:

- Ensuring ownership of the appropriate policies under their area of responsibility
- initiating and/or approving the development of a new policy and supporting procedure documents and guidelines for NSS;
- ensuring that the policy is developed in a robust way, the requirements of the Policy Development Framework are followed, and Assurance Checklist (Appendix 1) is complete;
- allocating a Policy Lead (see 5.3 for definition) to lead the development of a new policy;
- providing advice to their nominated Policy Lead throughout the policy development process;
- notifying the Associate Director of Governance and Board Services (see 5.4 for definition) of the policy to be developed with an indicative timescale for completion;
- ensuring that policies within their area of responsibility are reviewed within the agreed review period, or agreeing an extension if appropriate;
- identifying the need for any required policy amendments e.g., guidance or legislation changes and appoint a Policy Lead to take forward changes.
- Present the draft policy to the Corporate Governance Oversight Group and/or EMT and relevant Standing Committee, if required.

5.3 Policy Lead

5.3.1 The Policy Lead is responsible for:
- meeting the requirements for consultation, review of evidence, impact assessments and document format as set out in the Policy Development Framework;
- ensuring that the policy is approved by the appropriate approval body in line with the NSS Standing Committee Terms of Reference;
- the implementation of the policy, including timescales for roll-out, training, ongoing communication and review;
- providing the Associate Director for Governance and Board Services with materials for a policy consultation to be launched via NSS Communication Channel Stay Connected;
- ensuring that the policy is reviewed at the stated date.

5.4 Associate Director of Governance and Board Services

5.4.1 The Associate Director is responsible for policy management within NSS. This includes:

- overall responsibility for Policy Development Framework
- providing advice on the policy framework and processes through the Corporate Governance function.
- ensuring implementation of the framework, including the development and maintenance of a policy management system

- reviewing the framework and processes to ensure it remains fit for purpose
- ensuring a system is in place for staff access to all policies.
- alerting Executive Leads (see 5.2 for definition) 6 months before a policy expires (and monthly reminders thereafter)
- Ensuring regular communications go out to staff via NSS Communication Channel Stay Connected on policy consultations and new policies;

5.5 Line Managers

5.5.1   Line managers are responsible for:

- ensuring policies are accessible for all their staff
- ensuring staff have read and understood the relevant policies
- ensuring systems exist to identify staff training needs on the implementation of new and updated policies.

5.6 Employees

5.6.1   Employees are responsible for:

- ensuring that their working practices cohere with all policies relevant to their area of work. Where an employee feels that this does not happen, they should raise this with their line manager, in the first instance.

5.7 Corporate Governance Oversight Group

5.7.1   The Corporate Governance Oversight Group will review all policies, with the exception of NSS Workforce; Health and Safety; or Once for Scotland National policies, before they are added to the Corporate Policy Register. This group will advise if the policy requires to go to EMT and or a NSS Board Standing Committee for final approval.

6. POLICY DEVELOPMENT

6.1 The development of a policy must be authorised by an Executive Lead who will allocate a Policy Lead to lead the policy development.

6.2 The Policy Lead must ensure the development of the policy follows the relevant route map detailed in Appendix 4**.**

6.3 Policy Leads will be expected to examine the existing policy landscape and provide assurance of the absence of duplication. Where there is potential overlap in content, the Policy Lead will be required to liaise with other relevant policy leads to ensure coherence. Policy leads should also pay cognisance to complementary policies in their particular area of business in order to promote a wider suite of policies within their published document, as necessary.

6.4 The Policy Lead may wish to establish a working group to progress the policy development.

6.5 Consultation and Engagement

6.5.1 All new and existing policies must be developed with the involvement of key stakeholders and undergo appropriate consultation on their content prior to seeking approval for the policy. All staff consultations will be available to review and comment on, on the Corporate Governance SharePoint site. All staff communications, via Stay Connected (or equivalent publication) will be issued advising staff of any open policy consultations.

6.5.2 **All consultation should be proportionate to the level of change** (e.g. minor changes mid review (e.g., changes to job titles, committee names and dates).

6.5.3 Policies can cover any area within NSS's remit. Policy Leads must identify and appropriately and proportionately involve all relevant stakeholders, both affected by the policy, and responsible for its implementation.

6.5.4 The Policy Lead must consider the target audience of the Policy and consult, as appropriate, with the groups, and staff side, which will be impacted by the policy and/or need to comply with the policy. The target audience should be recorded on the Policy.

6.5.5 The Policy Lead must advise the Associate Director of Governance and Board Services if the policy requires all staff consultation for inclusion on the Corporate Governance SharePoint site and in Stay Connected (or equivalent publication).

6.5.6 Examples of appropriate consultation may include individual(s) with expertise in their fields, working groups which includes staff side representatives, or service user groups.

6.5.7 Executive Leads should also consider if the policy should go to the Executive Management Team for consultation, if so, this should be done through Informal Executive Management Team (EMT). The Chief Executive will approve items which will be considered at Informal EMT.

6.5.8 If an Executive Lead decides to take a draft policy to EMT for consideration, this should be submitted to the Associate Director of Governance and Board Services. If you are unsure about whether a policy should be presented to the EMT, please contact the Associate Director of Governance and Board Services.

6.6 Public Consultation

6.6.1 Policy Leads must also ensure that any statutory requirements for public consultation and involvement are complied with where required and should consult Planning with People: Community Engagement and Participation Guidance.

6.6.2 Consideration should be given to the need for formal public consultation where a significant change to services is proposed, with the considerations and process for this set out within the guidance.

6.7 Format

6.7.1 All new policy documents, with the exception of the Once for Scotland policies, must be written in line with the Policy Document Template (Appendix 2). Existing policy documents not being taken through the Once for Scotland framework, not currently in this format should be placed into this template when next reviewed.

6.7.2 To ensure that policies can be found easily the title should start with a key word, and not the word policy. Changing the name of a policy should be avoided as this can cause confusion, however, where this is required, the previous policy title should be clearly stated.

6.7.3 All policy documents must be written in a style which is concise and plain English. Consideration should be given to the expected audience for the policy and the level of understanding of technical terms. To ensure clarity, the definitions section of the policy should be used to make these more accessible.

6.7.4 Policies should be in a standard format which meets disability access standards, in accordance with the template at Appendix 2.

6.7.5 A policy must use definite terms such as 'must, will, is' and avoid words such as 'should' and 'may'. A full Proof-Reading Checklist is available at Appendix 3.

6.8 Impact Assessment

6.8.1 Impact assessment is an integral part of the process of developing a policy. As a minimum, all policies must consider the following:

- **Quality/Patient Care -** this should include details of any positive and negative impact on the quality of care (and services).

- **Equality and Diversity, including health inequalities** – confirmation that an Equality Impact Assessment has been undertaken and found no risks or issues or an Equality Impact Assessment has been undertaken and identified x issues/risks.

Where the latter is the case, the assessment clearly showing mitigations should be included. See Section 6.10.

- **Data Protection and Information Governance** - NSS is legally obliged to ensure that NSS and/or your local Data Protection Officer are involved in all matters relating to how we process and protect personal data. Personal data is defined as "information that relates to an identified or identifiable individual." In this section, you should include details of:

    - The consultation with your Directorate Data Protection lead and, where appropriate relevant experts and data processors (those who process data on your behalf), especially where you are introducing new, or substantial changes to existing, systems and processes that handle personal data; training programmes and operational procedures that impact the appropriate handling of personal data.

    - A summary of the actions taken to help you identify and minimise the data protection risks of what you want to do before you start the processing of personal data, including a link to your data protection impact assessment.

- **Finance and Workforce Impacts -** Advice should be sought from the relevant Finance and HR Business Partners, where required, regarding cost and workforce implications.

- **Climate Change and Sustainability -** Policy Leads should ensure that Sustainability and Environmental Social Governance (ESG) considerations are holistically integrated into policy development to support a strong sustainability culture within the organisation:

    - Environment: Negative and positive impacts on a policy and its respective area of operations will have on the natural environment and what controls will be put in place to mitigate the impacts.

    - Social: Consider elements that can affect societal wellbeing for patients, staff and visitors and if this can be improved.

    - Economic Improve financial performance through economic sustainability. Examples include recycling and/or re-using valuable materials to lower operating costs and reduce the intensity of resource consumption.

6.9 Assessing Risk

6.9.1   Policy Leads are required to complete the [Integrated Risk Management System](#) Tool in order to inform their policy development or review.

6.9.2   The tool is designed to assist the lead in articulating the risk management impacts of any new policy development, including:

- Detailing any risks that may emerge as a by-product of this new policy;
- Planned actions to mitigate those risks;
- The extent to which the new policy supports the mitigation of existing corporate risks.

  and, if relevant:

- The risk to the organisation were this policy to be withdrawn and not replaced.

6.9.3   Guidance on completing the risk assessment tool is also available via the link above. Completed assessments should be submitted along with the Assurance Checklist in Appendix 1.

6.10 Equalities

6.10.1 [Equalities Impact Assessment](#) (EQIA) is a legal requirement under the Public Sector Equality Duty for policy development or review. Policy Leads must complete an EQIA to ensure policies:

- Eliminate unlawful discrimination, harassment and Victimisation
- Advance equality of opportunity between groups of people with different protected characteristics
- Foster good relations between different protected characteristic groups.

6.10.2 An Assurance Checklist, to ensure all of the requirements have been considered, is provided at Appendix 1. The completed checklist should be made available to the relevant CGOG when presenting the policy, along with the separate EQIA/DPIA and Risk Assessment Tool. A Policy cannot be presented to an CGOG without a fully completed Assurance Checklist and associated assessments. The policy owner must ensure that the completed Equality Impact Assessment and the policy approval checklist accompany the policy for approval by the relevant Policy Oversight Group.

7. POLICY APPROVAL AND IMPLEMENTATION

7.1 Scrutiny and Approval

7.1.1 The Blueprint for Good Governance in NHS Scotland, Second Version is clear that *Boards should ensure that operational policies are subject to approval and regular review by the Board and the standing committees.*

7.1.2 The Corporate Governance Oversight Group will review all policies, (with the exception of any NSS Workforce; Health and Safety Once for Scotland National policies and SNBTS Clinical Policy) before they are added to the Corporate Policy Register. This group will advise if the policy requires to go to EMT and or a NSS Board Standing Committee for final approval.

7.1.3 When the consultation process has taken place (see section 6.1) and policy drafted or reviewed, the draft policy should be submitted to the Associate Director of Governance and Board Services. In advance of submission to the Corporate Governance Oversight Group, the Corporate Governance Team will carry out a quality assurance check, which will ensure it is compliant with the defined style and format in this process document.

7.1.4 The Corporate Governance Team will review the completed checklist and liaise with the Policy Lead regarding any queries prior to submission to the Corporate Oversight Group.

7.1.5 The Corporate Governance Oversight Group will advise the Executive Lead and Policy Lead of the outcome of their review.

7.1.6 It is then the Executive Lead's responsibility to submit the final draft policy and completed checklist (see Appendix 1) to EMT and/or appropriate Standing Committee for final approval and onward implementation.

7.1.7 The Executive Lead will notify the Corporate Governance Team of the approval to allow the Team to update the policy register and publish the approved policy.

7.2 Assurance

7.2.1 The Corporate Governance Oversight Group will produce a monthly report for the NSS Executive Management Team (EMT) to provide assurance that policies are being effectively developed within NSS. This report will provide an overview of all new policies before they

submitted to the relevant NSS Standing Committee and those due for review in the following six months.

7.2.2 EMT can request any that any policy (new or for review) goes to Informal EMT for a formation discussion or EMT for review before going to the relevant standing committee.

7.2.3 An annual report will be presented to the NSS Board.

7.3 Communication

7.3.1 Following approval, the Executive Lead will ensure the policy is provided to the Corporate Governance team for publication Corporate Governance SharePoint Site and, where appropriate, ensure information is included in the NSS Communication Channel Stay Connected (or equivalent Corporate Communication).

7.3.2 The Executive Lead will also have responsibility for highlighting the consultation to any relevant stakeholders.

7.4 Implementation

7.4.1 Although staff will be alerted regularly to new policies in Stay Connected, managers are also required to put in place communication and implementation plans for their area of responsibility to ensure that all staff who the policy is relevant to are made aware of it and their individual responsibilities in relation to its implementation.

8. AMENDMENTS TO POLICY

8.1 For amendments, which can either be minor or extensive, the process is detailed in the route map at Appendix 4.

9. REVIEW OF POLICY

9.1 All policies should be reviewed every three years as a minimum, or sooner if there is a specific legislative or service requirement or change in guidance, law or practice. It is the Executive Lead's responsibility to act on any requirements resulting in potential changes to policies they have responsibility for.

9.2 When policies are due for review the Associate Director for Governance and Board Services will advise the Executive Lead and Policy Lead six months in advance of the policy review date. A reminder will be sent out each month following the initial notification. The Policy Lead must follow the route map. The Equality Impact Assessment also has to be reviewed as part of this process

9.3 Reviews should take account of:

- The effectiveness of the current policy;
- Changes to organisational and national policy and context
- The ongoing requirement for the policy.

9.4 A guide to undertaking policy evaluation is available from the Scottish Government: Evaluation for policy makers - A straightforward guide

9.5 Authorised Extensions

9.5.1 If the review of the policy will take longer than the six-month review period, but the policy guidance is still current, the policy owner should seek authorisation from the Corporate Governance Oversight Group. The Associate Director for Governance and Board Services will ensure the extension request is considered by the Group.

9.5.2 If the policy has breached its review date without a request for an extension and with no explanation as to the reason, the matter will be brought to the attention of the Corporate Oversight Group for discussion and action.

10. IMPLEMENTATION OF THE POLICY DEVELOPMENT FRAMEWORK

10.1 This framework will be reviewed three years from the date of approval.

11. KEY CONTACT

Associate Director Governance and Board Services
NHS National Services Scotland
Gyle Square, 1 South Gyle Crescent,
Edinburgh
EH12 9EB
Hayley.Barnett@nhs.scot

ASSURANCE CHECKLIST

All draft policy documents, with the exception of NSS workforce; Health and Safety; or Once for Scotland National policies, must be submitted along with a copy of this completed checklist for quality assurance prior to being put forward for approval through the following routes.

This checklist also extends to procedures and guidelines that act as implementation tools for policies. This checklist does not require to be completed for stand-alone procedures and guidelines.

CHECKLIST	
Title of Policy	
Brief description of document being developed and its purpose:	
Please tick the box that best describes the document being developed	

Policy A corporate document which gives direction and approach around a clearly defined subject/area.	
Procedure A standardised series of actions taken to achieve a task so that everyone undertakes it in an agreed and consistent way to achieve a safe effective outcome.	
Guideline A standard or principle to assist staff in demonstrating actions and behaviours that are consistent and adhere with a particular policy.	
Policy Lead:	
Executive Lead (policy approver):	
Date approved for development:	

DEVELOPMENT OF POLICY (IF RELEVANT)	
Name and duration of working group set up to develop the policy;	
Members of the working group:	
Comments from working group:	

CONSULTATION ON POLICY					
Has the document been developed in partnership?	YES		NO		
If no, please explain why:					
If yes, comments from Staff Side representatives:					
Which groups or committees have been consulted on the draft document?					

Actions and comments received from consultation	Actions adopted				Reason for not adopting
	Yes		No		
	Yes		No		
	Yes		No		
	Yes		No		
	Yes		No		

Impact Assessments		
Have the following been considered:	YES	NO
Quality/Patient Care		
Equality Impact Assessment		
Data Protection Impact Assessment		
Finance and Workforce Impacts		
Risk Assessment		
Climate Change and Sustainability		
If no, please explain why:		

APPROVAL ROUTE (To be completed by the by Corporate Governance Team following consideration by the Corporate Governance Oversight Group)	
Date considered by the Corporate Governance Oversight Group	
Comments from the Corporate Governance Oversight Group	

PUBLICATION SITES OF POLICY	
Where the policy will be published or made available externally, it should include a clear statement on how alternative formats (e.g., alternative languages, large print, audio CD) can be requested, including contact details, in line with the Board's Accessible Information Policy. Electronic versions of policies, including those placed on the intranet, should be in PDF files where possible or read-only	
Policy SharePoint site (will be actioned by the Corporate Governance Team)	Yes – all policies to be available here
HRConnect	Yes/No
NSS website *	Yes/No
Stay Connected article* (will be actioned by the Corporate Governance Team)	Yes/No

POLICY DOCUMENT TEMPLATE (to be completed for all NSS Policies, including NSS Workforce and Health and Safety policies (but with the exception of those under the Once for Scotland Framework)

Printed copies must not be considered the definitive version

DOCUMENT CONTROL			
Policy Name			
Policy Lead			
Executive Lead			
Scope (applicability)		**Version No.**	
Status:		**Implementation date:**	
Last review date:		**Next review date:**	
Approved by:		**Approval date:**	
Equality Impact Assessed:		**Assessment date:**	
Data Protection Impact Assessed:		**Assessment date:**	

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Proof Reading Checklist

Please consider the following when proofreading your document, before submitting them to a peer, manager, or another stakeholder. This helps maintain a consistent approach and reduces work at a later stage in the process.

Area to Review	Consideration to be given	Check
Abbreviations and acronyms	Ensure acronyms are written in full the first time you use them, including what the acronym will be later in the report, such as Executive Management Team (EMT). Thereafter you can just use the initials.	
Accessibility	All policies must be fully accessible to the intended audience. Word has a function that checks this automatically.	
	The general presentation is simple and clear.	
	There are no sentences I need to read more than once to understand.	
	The policy is easy to navigate.	
	Page numbering is consistent.	
	Number pages X of Y.	
	Paragraph numbering is consistent throughout.	
	Minimise the use of technical language or point the reader to a glossary if further information or explanation is required.	
Bullet Points	All bullets use the same characters.	
	All bullets are aligned throughout the policy.	
	Spacing is consistent.	
Formatting	The text must be Arial 12 point.	
	Heading font and spacing are consistent	
	Margins are consistent throughout	
	Tables are simple and in the same format throughout	
Grammar	Refer to NSS's style guide	
	Sentences are complete with the correct use of subjects (nouns or pronouns) and verbs	
	Subject and verb agreement e.g. singular subject and singular verb	
	Correct and consistent tense is used throughout.	
	Sentence length is appropriate - read aloud, which should help identify if the sentence is too long or does not make sense. Ensure you use punctuation as appropriate – use a colon: or a semi-colon; correctly to split a sentence (if this is appropriate) or if more appropriate, to split one sentence into two	

	shorter sentences without stilting how the paragraph flows.	
Numbers	In the text, the numbers one to nine should be typed in full. Numbers 10 and above should be in the figures. A comma should be used after the thousands in numbers with four digits or more. A number at the start of a sentence should always be typed as a word. When numbers are mentioned in more than one place (in a table, in the text, in the introduction, on a graph), are they consistent? Are the correct signs used (+, −)?	
Punctuation	No incorrect apostrophes have been used e.g., grocer's, grocers,' grocers	
	Every quotation and bracket used opens and closes	
	Capital letters are used ONLY when required and not spuriously (e.g., for proper names)	
Referencing	All cross-referencing refers to the correct appendix, figure, or page	
Spelling	Spell check has been run	
	Check any special terminology	
	Check for typos not picked up in spell check - from/form etc	
	Check correct usage – effect/affect; there/their	
Tables	Is the use of a table the best way to present information?	
Version Number	Update the version number after each time something is edited	
Vocabulary	Does the file name make sense?	
	Do you know the meaning of all the words used and are they used correctly.	
	Has the same word been used too often – find an alternative	
	Is the language used appropriate i.e. is it relevant to the document.	

Review of Policy Process

Appendix 4

Review of an NSS Policy document is required due to:

    (a) Policy Review date approaching;
    (b) Changes to an existing policy are necessary

Appropriate Lead Executive Director to appoint a Policy Lead to review existing document and determine whether required changes are minor, major or the document is no longer required

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Minor changes mid review (e.g., changes to job titles, committee names and dates)

Policy Lead to make minor amendments necessary and seek approval of the updated policy from the Lead Executive Director

Policy Lead to forward updated policy and Executive Lead's approval to Corporate Governance Team who will present to the CGOG for review.

The Executive Lead and Policy Lead will be advised of the outcome of the CPOG review and any further actions required.

If no further action is required, The Corporate Governance team will updated the policy register with minor changes made

The Corporate Governance Oversight Group will review and advise the Policy Lead (via the Corporate Governance Team) of the approval route – GPOG approved, requires to go to EMT, requires Standing Committee or alternative action is required.

If EMT or Standing Committee approval is required, Executive Lead to progress.

Executive Lead to advise the AD of the EMT/Standing Committee decision.

AD publishes final version as indicated on the checklist and updates policy register

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Major changes and full review (e.g. changes to practice/staff responsibilities)

Policy Lead to undertake a full review of the existing policy document following the requirements of the Policy Development Framework

Policy Lead to effectively consult and engage with relevant stakeholders as set out in the Policy Development Framework

Policy Lead to send draft document to Corporate Governance Team along with the checklist for quality assurance.

Corporate Governance Team to raise any queries regarding the checklist, the Policy Lead to update the checklist and draft policy document as appropriate

The Corporate Governance Team will submit the final draft policy along with the updated checklist to the Corporate Governance Oversight Group for review

Policy Lead to carry out any further publications of the policy and implementation of the policy.

Not required (e.g. document no longer needed)

Policy Lead to undertake a full review of the existing policy document following the requirements of the Policy Development Framework

Policy Lead to seek Lead Executive Director's approval to withdraw the document including clear rationale for this request on the policy checklist

Request for the withdrawal of the policy and confirmation of the Lead Executive Director's approval to be forwarded to the Corporate Governance team, who will submit the request to the CGOG for review.

Corporate Governance term will archive the document, remove from the hosting area and note on the Corporate Policy Register

Standing Financial Instructions Reporting Framework

Contents

Section 1: Introduction

1.01 Background

The Standing Financial Instructions ("SFIs") and supporting policies and procedures detail the financial responsibilities adopted by NHS National Services Scotland. Their purpose is to provide sound control of NSS's financial and related activities and are carried out in accordance with the law and Scottish Government policy. They form part of the overall NSS Governance Framework along with the NSS Standing Orders, the Schedule of Matters Reserved to the Board and the Scheme of Delegation therein.

The SFIs are reviewed by management on an annual basis and approved by the Board at the start of the financial year.

1.02 Aims:

This Framework aims to set out a consistent and co-ordinated approach to the identification, reporting and management of SFI adverse events and allow good practice to be actively promoted, creating an environment where adverse events are seen as opportunities to learn.

This includes:

- raising staff awareness of SFI adverse event reporting i.e. what and how to report
- an electronic adverse event management system to facilitate reporting and review of events for all NSS staff.
- supporting all NSS staff to manage adverse events in a timely and effective manner.
- providing the opportunity for learning from adverse events by ensuring that feedback is shared across NSS and nationally, as appropriate, to support wider learning and improvement .
- ensuring the highest possible standard for all adverse event reviews.
- providing assurance to the Board Governance Committees that recommended improvements are implemented and learnings shared
- ensuring that any legal and statutory requirements, for example to regulatory authorities, the Scottish Government and individuals affected by SFI adverse events, are met.

Adverse events are a key source of intelligence on how effective controls have been in the past and so have a clear place in understanding and improving the control environment. As well as learning from when things do go wrong, there should assessments of future risks and preventing issues occurring in the first place.

1.03 Scope

This framework applies to adverse events relating to the NSS Standing Financial Instructions. While this SFIs reporting framework aims to align SFI adverse events with other types of adverse events such as clinical and information governance and to national framework for such incidents as outlined in the report issued by Healthcare Improvement Scotland in December 2019 entitled "Learning from adverse events through reporting and review. A national framework for Scotland", it takes into account the specific requirements of the SFIs.

It applies to all permanent, temporary or honorary staff who work for or are under contract to NSS.

1.04 Overarching Principles

There are a number of principles which support the aims and purpose of this framework as outlined below:

Emphasis on learning and promoting best practice - focusing on learning at all levels, across services within NSS and nationally, where appropriate. Quality Improvement methodology are considered where deficiencies in processes or actions lead to adverse events.

Systems approach - adverse events act as a 'window' into NSS. This is important to allow reflection on the weaknesses of systems, or in some cases, the strengths, and prevent future adverse events.

Openness about failures – adverse events are identified, reported and managed in a timely manner. Reviews of events happen frequently and quickly following their occurrence. Adverse event reporting would be expected to increase as a more open culture is encouraged.

Just culture – individuals are treated fairly. Organisational culture is based upon the values of trust, openness, equality and diversity which encourages and supports staff to recognise, report and learn from adverse events.

Positive safety culture – avoidance, prevention and mitigation of risks is part of the NSS approach to all its activities and this is recognised at all levels of the organisation. Decisions relating to the management of adverse events are risk-based, informed and transparent to allow an appropriate level of scrutiny. This is supported by the NSS Integrated Risk Management Approach.

Personal, professional and organisational accountability – everyone is responsible for taking action to prevent adverse events, including speaking up when they see practice that is not consistent with the SFIs, in line with the NSS Whistleblowing policy.

Teamwork – everyone who works for NSS is an essential and equal member of the team and needs to be valued, treated well and empowered to work to the best of their ability. Teamwork is recognised as the best defence of system failures and NSS will explicitly . encourage and foster teamwork within a culture of trust, mutual respect and open communication.

Supporting cultural change is at the heart of this framework. NSS strives to achieve a positive safety culture that is open, just and informed, in which reporting and learning from error is seen as good practice.

Section 2: Definitions

2.01 Definitions

An **SFI adverse event** is an event that caused or could have caused a financial loss as a result of a SFI non-compliance or an event which while it did not result in a financial loss, did not comply with the requirements of NSS SFIs.

Section 3: Managing an adverse event

The circumstances surrounding each adverse event will vary in terms of:

- Level of actual or potential financial loss
- Requirement to report to regulatory authorities
- Whether laws were broken
- Potential reputational harm to NSS.
- numbers of people involved

Therefore, the response to each adverse event will be proportionate to its scale, scope, complexity and opportunity for learning.

2.01 Stages of adverse event management

The Healthcare Improvement Scotland national framework for Learning from adverse events identified 6 stages of adverse event management.

1. Risk assessment and prevention
2. Identification and immediate actions following an adverse event.
3. Initial reporting and notification
4. Assessment and categorisation
5. Review and analysis
6. Improvement planning and monitoring

2.02   Stage1: Risk assessment and prevention

Avoidance, prevention and reduction of risks is the primary defence to prevent adverse events occurring. Risk assessment and prevention is a continuous process and should take place regularly. Where there is potential risk, mitigating actions must be put in place that are proportionate to the risk to prevent it occurring, or if this is not possible, minimise the likelihood and impact. These should be recorded and managed via the NSS Risk Register.

Managing and learning from when things go wrong is an integral component of risk management processes and supports risk prevention. This information can act as an early indicator that a system is not functioning effectively, and analysing trends can provide valuable insight into where improvements may be required.

Risk in NSS is managed in line with the NSS Integrated Risk Management Approach (IRMA)

NSS strives to ensure that an environment exists that is open, just and informed, in which reporting and learning from error is the norm.

2.03   Stage 2: Identification and immediate actions following an adverse event

Actions should be taken immediately limit any financial loss are a result of the adverse event.

The line manager should be notified at the first opportunity that an adverse event has occurred and that report will be made per stage 3.

2.04   Stage 3: Initial reporting and notification

All SFI adverse events should be reported to the nominated representative of the Director of Finance, Corporate Governance and Legal Services. This is the Associate Director: Finance Operations at brian.mccabe2@nhs.scot. This should happen as possible after an adverse event has been identified.

The following information should be communicated

- The date and time of the adverse event or near miss.
- The name and contact details of the reporter.
- A brief description of the adverse event or near miss.
- Any immediate actions taken including any remedial action taken to minimise risk of recurrence of the adverse event or near miss.

2.05 Stage 4: Assessment and categorisation of Adverse Events

Each adverse event will be graded by the Associate Director: Finance Operations to determine the appropriate level of review and escalation required for each adverse event and the potential for learning to prevent future adverse events. High level definitions are set out below.

Category 1 (or "Significant Adverse Events): Significant financial loss (>£1m) or severe impact on reputation and stakeholder relations.

Category 2: Intermediate financial loss (between £1m and the value per appendix II "Losses delegated limits" of the SFIs.

Category 3: Low financial loss (lower than the value per appendix II "Losses delegated limits" of the SFIs **or** repeated technical breaches of the SFIs

Category 4: No financial loss but technical breaches of SFIs.

In certain circumstances the exact scale of financial loss and or the date that it becomes realised may not be fully known. Due to the nature of estimates, a specific adverse event may be recategorized once further information is known.

2.06 Stage 5: Review and analysis

The purpose of the review is to determine what happened, how it happened, why it happened, and whether there are learnings to avoid the re-occurrence of this events or similar events. It should follow the principles of a just culture and take a systems approach. The review aims to examine the underlying processes to identify if any system failures occurred which contributed to the adverse event. The review process can also identify good practice that should be shared, or learning points that are not directly related to the adverse event, but can have an impact on improving the system

2.07 Stage 6: Improvement planning and monitoring

A key objective is to seek as far as is practical to avoid a reoccurrence of the adverse event. If recommendations for improvements in controls are made, a plan should be implemented which should set out how each recommendation from the review will be actioned, monitored, implemented, measured and resultant learning shared. The plan should include responsible owners, timescales for delivery and review dates.

The outcome of the review and improvement plan should be shared with those who reported and were involved in the adverse event.

Learning, improvements and best practice should be actively promoted and implemented locally and nationally.

Evaluation of the effectiveness of adverse events processes, including obtaining feedback from those involved, should be undertaken regularly.

2.08 Reporting requirements

Categories 1 to 3 adverse events as described in Section 2.01 d) above will be communicated to the Executive Management Team and the Finance, Procurement and Performance Committee (FPPC) in line with SFI requirements.

All category 1 adverse events are described as "Significant Adverse Events" and are required to be reported to Healthcare Improvement Scotland (HIS) following direction from the Cabinet Secretary to HIS in 2019. See Adverse events management within NHS Scotland - gov.scot (www.gov.scot)

Category 4 adverse events will not routinely require reporting to EMT or FPPC however if a financial impact is deemed at a later point to have been identified, multiple technical breaches are identified or the technical breach has not been resolved in a timely manner, then the Category 4 adverse event will be escalated to a higher Category and communicated to FPPC.

The degree of detail requiring disclosure will be increase by category of adverse event with the greatest detail provided for Category 1 adverse events.

Adverse events that involve Fraud will be communicated to Counter Fraud Services for investigation.

Losses in excess of Delegated Limits as outlined in the SFIs will be reported to Scottish Government as required.

Appendix 10 - NSS Board Governance Development Plan 2024/2025

Priority Area	Blueprint Function	Objective	High Level Action	Lead	Timeline	Intended Good Governance Outcome
Functions	Setting the Direction	To embed a 'digital first' approach across NSS	To hold a Board Development session on improving digital literacy and use of information to support good governance.	Hayley Barnett, Associate Director of Governance and Board Services (Board Secretary)	Dec-24	Board Members hold the necessary skills and experience to carry out their scrutiny role.
Functions	Holding to Account	To enhance assurance provided to Board Members	To refresh the Board Assurance Framework	Hayley Barnett, Associate Director of Governance and Board Services (Board Secretary)	Dec-24	An assurance framework that aligns strategic planning and change implementation with the organisation's purpose, aims, values corporate objectives and operational priorities.
Functions	Risk Management	To fully embed our new approach to Risk Management across the organisation	(a) To develop reporting that links the NSS strategic objectives to our strategic risks, the key controls to mitigate and minimise these risks, with the key assurances of these controls identified.	Matthew Neilson, Associate Director of Strategy, Performance and Communication & Hayley Barnett, Associate Director of Governance and Board Services (Board Secretary)	Dec-24	An integrated governance system that co-ordinates and links the delivery of strategic planning and commissioning, risk management, assurance information flows, audit and sponsor oversight.

Functions	Risk Management		(b) To support the implementation of a new risk system	Matthew Neilson, Associate Director of Strategy, Performance and Communication	Mar-25	An integrated governance system that co-ordinates and links the delivery of strategic planning and commissioning, risk management, assurance information flows, audit and sponsor oversight.
Enablers	Diversity, Skills and Experience	To champion equality, diversity and inclusion across NSS	(a) To update and refresh current guidance and templates for staff completing Equality Impact Assessments, including the report writing guidance section on Equalities and Diversity, including health inequalities.	Matthew Neilson, Associate Director of Strategy, Performance and Communication	Sep-24	Operating guidance that is agreed, documented, widely- communicated and reviewed by the Board on a regular basis.
Enablers	Diversity, Skills and Experience		(b) To work with other Boards to influence improvements in the appointments process for non-executives and Chairs, to help increase the numbers of people from less represented communities.	Hayley Barnett, Associate Director of Governance and Board Services (Board Secretary)	Sep-24	A Board that consists of a diverse group of people with the necessary skills, experience, values, behaviours and relationships.
Enablers	Roles, Responsibilities and Accountabilities	To support Committee best practice	To hold a Board Development session on the role and duties of a Chair and best practice for Non-Executive Director committee preparation.	Hayley Barnett, Associate Director of Governance and Board Services (Board Secretary)	Mar-25	Board Members hold the necessary skills and experience to carry out their scrutiny role.

Appendix 11 – Board Development Sessions and Seminar Programme 2024/25

Date	Type	Topics
19.04.2024	Development Session	Facilitated discussion/development
09.05.2024	Seminar	Performance Information Systems
08.08.2024	Seminar	Anchor Organisation
21/22.10.2024	Development Session	Horizon scanning with Executive Management Team
07.11.2024	Seminar	Leading in a Digital Age and Digital Literacy (linked to the Board Development Plan 2024/25)
13.02.2025	Seminar	NSS Budget 2025/26 and/or National Services Division Information Session

NHS National Services Scotland

Meeting:	**NSS Board**
Meeting date:	**Thursday 21 March 2024**
Title:	**NSS Strategic Framework 2024-2024**
Paper Number:	**B/24/06**
Responsible Executive/Non-Executive:	**Lee Neary, Director of Strategy, Performance and Service Transformation**
Report Author:	**Caroline McDermott, Head of Planning / Matthew Neilson, Associate Director, Strategy, Performance and Communications**

1.   Purpose

1.1   The NSS Strategic Framework 2024-2026 sets out how NSS will deliver against the needs of the NHS Recovery Plan 2021-2026, to support NHSScotland to address its multiple challenges, and help improve health outcomes.

2.   Recommendation

2.1   The Board is asked to approve the NSS Strategic Framework 2024-2026 and note the associated Implementation Plan.

3.   Executive Summary

3.1   Following discussion at the Board offsite in October and engagement with stakeholders, the NSS Strategy 2019-2024 has been replaced with a refreshed strategic framework that emphasises our purpose, vision, and strategic objectives, reinforces our strategic priorities, highlights our commitment to NHSScotland values and clarifies our core services.

3.2   It will remain in place through to 2026, ensuring alignment with the NHS Recovery Plan 2021-2026 and providing us with the flexibility to review and refresh our strategy and approach following the release of a new overarching strategy for NHSScotland, due in 2024/25.

3.3   The strategic framework will guide the development of our delivery plans with Scottish Government, functional plans, directorate plans and personal objectives, all of which set out the deliverables, milestones and actions that will drive the achievement of our strategic vision. Similarly, the new strategic risks were considered and agreed in line with this new framework.

3.4   The framework has been developed with the support and engagement of several stakeholders, including: NHSScotland Directors of Planning, who shared their priorities, opportunities and challenges; the Partnership Forum, who asked for a simpler and clearer strategic document that could be used by all staff; the Senior Leadership Forum, who were keen to have a strategy for use with their teams; and more generally with all staff through a Connected Live event.

3.5   Additionally, there was a general acknowledgement that specific attention should be given to how we engage stakeholders on the strategic framework, particularly our staff. Therefore, the documentation includes the supporting implementation plan for reference.

4.   Impact Analysis

4.1   Quality/ Patient Care

4.1.1   We anticipate that this strategic framework will deliver a positive impact on patient care as it seeks to improve/support the delivery of health services.

4.2   Equality and Diversity, including Health Inequalities

4.2.1   An Equality Impact Assessment of this strategic framework and the associated delivery plans are available on request.

4.3   Data Protection and Information Governance

4.3.1   The strategic framework does not incorporate any personal identifiable information. All images have been sourced from either the NHSScotland and NSS photo libraries or are stock images with the appropriate permissions in place.

5.   Risk Assessment/Management

5.1   The Board agreed a set of strategic risks at its meeting in December that align with the strategic framework. These are noted within our Three-Year Delivery Plan.

6. Financial Implications

6.1 There are no specific financial implications, but the strategic framework does require NSS to ensure financial sustainability. A three-year financial plan that accounts for all our services and delivery is reviewed annually and is agreed separately with Scottish Government.

7. Workforce Implications

7.1 There are no specific workforce implications, but the strategic framework does require NSS to ensure workforce sustainability. This requirement will be accounted for through the Great Place to Work and Workforce Plans agreed annually. The framework also highlights our commitment to NHSScotland values.

8. Climate Change and Environmental Sustainability Implications

8.1 There are no specific environmental implications, but the strategic framework does require NSS to ensure climate sustainability. This will be delivered through the NSS Environmental and Sustainability Strategy 2022 to 2040.

9. Route to Meeting

9.1 The new strategic approach was considered with the Board at its offsite meeting in October 2023. Board members were sighted on an early draft for comments in December 2023. These comments have been incorporated into the document. The strategic framework was also discussed and reviewed by the Executive Management Team in December 2023 and February 2024 and by the Partnership Forum in December 2023 and January 2024.

10. List of Appendices and/or Background Papers

10.1 Appendix A – NSS Strategic Framework 2024-2026
10.2 Appendix B – Implementation Plan

NHS National Services Scotland Strategic Framework

2024 - 2026
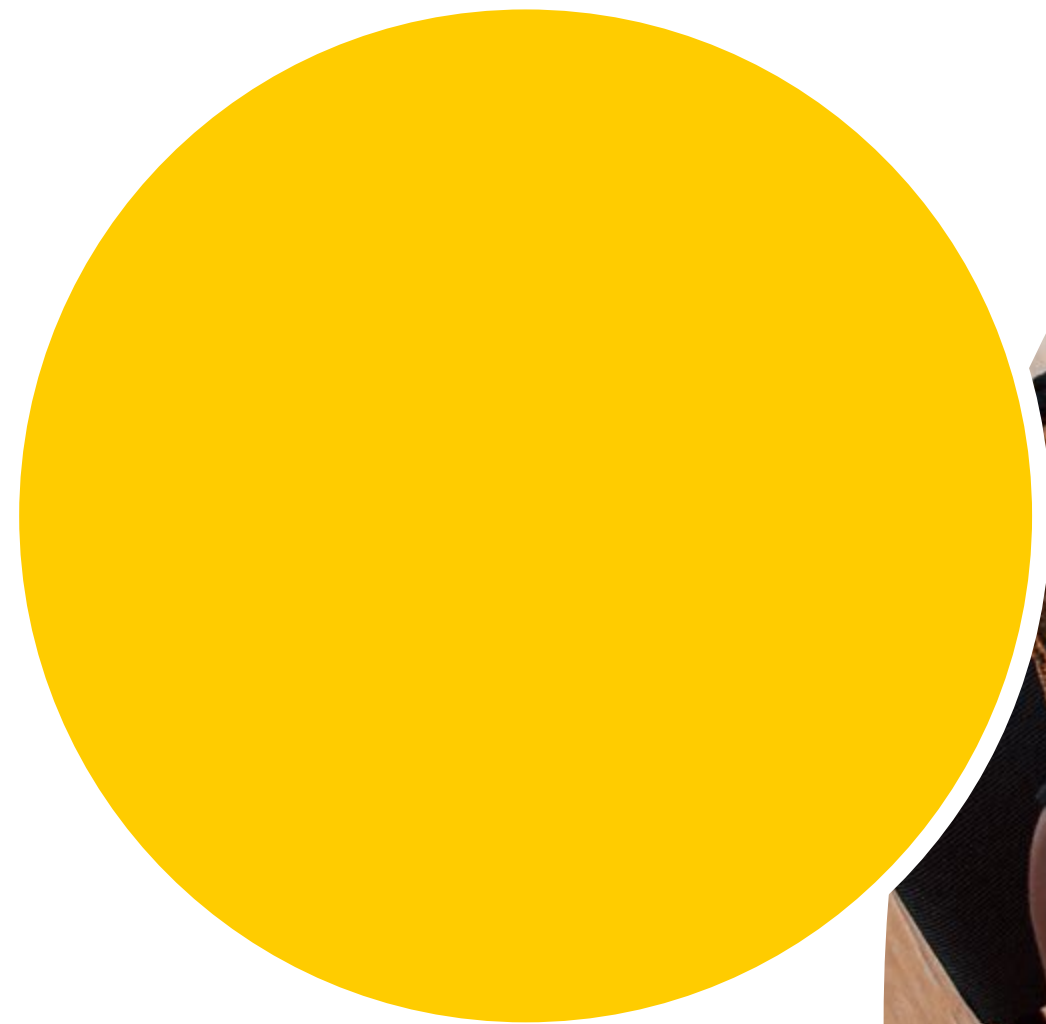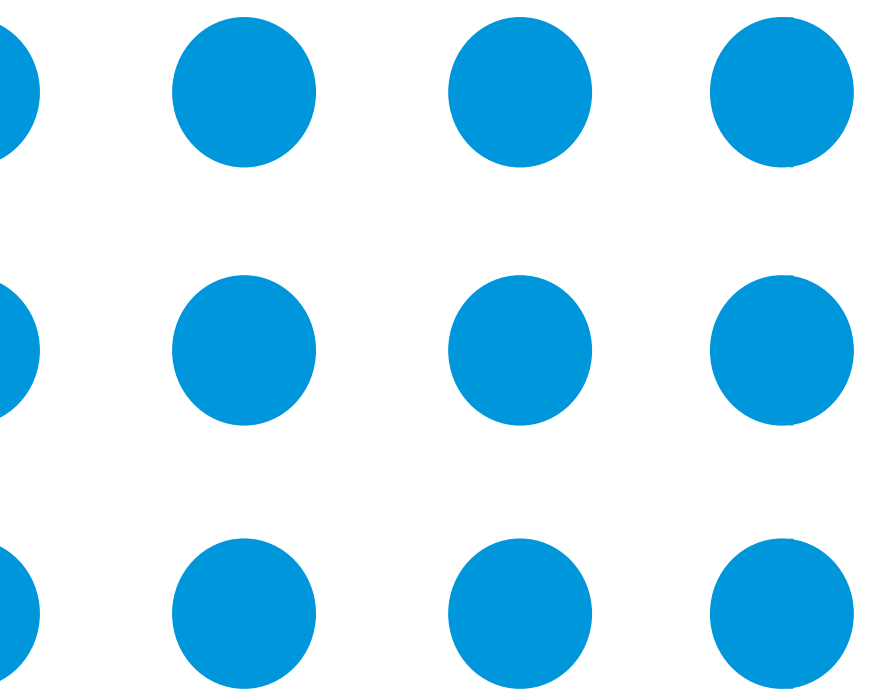
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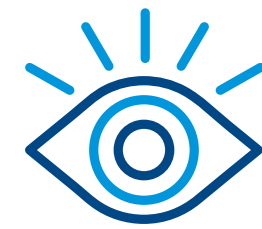
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This framework sets out our purpose, vision, values, priorities, and objectives.

Our strategic approach was agreed in 2019 and has served us well for the last five years, helping us to maintain our core services, create new services in support of Scotland's COVID-19 response and establish new relationships with organisations involved in health and care.

We believe this approach will continue to serve us well as we work with NHSScotland to address its challenges, support recovery and renewal across health and care and help improve health outcomes.

This is a refreshed version of our strategic framework and acts as the foundation to support the plans, commitments, and deliverables we will make in response to the health and care needs of the NHS and the people in Scotland. Our delivery plans set out more detail on how we will deliver against our framework.

vision

values

priorities

purpose

objectives

Our history

NHS National Services Scotland (NSS) was established to provide services that were common to all health boards in Scotland.

NSS started operating on 1 April 1974 because of The National Health Service (Functions of the Common Services Agency) (Scotland) Order 1974. Our mandate was to provide national strategic support services and expert advice to Scotland's health sector whilst maximising health impacts and cost savings. This remains central to our purpose as we approach our 50th anniversary.

In 2013, the Public Services Reform (Functions of the Common Services Agency for the Scottish Health Service) (Scotland) Order 2013 extended the remit of NSS enabling the provision of services to other bodies, including local authorities and government departments.

The following year, the Public Bodies (Joint Working) Scotland Act 2014 reinforced this requirement to maximise health, financial and environmental impacts by engaging with, and offering services to, the wider public sector in Scotland.

Our drivers
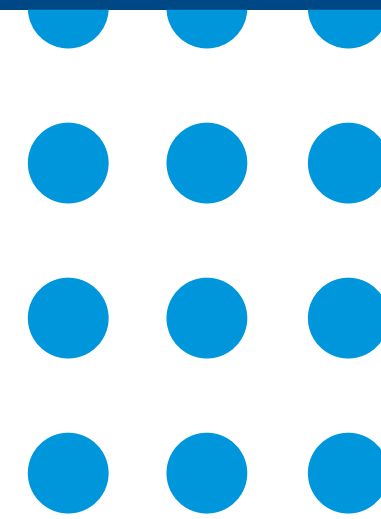
Our strategic approach is driven by the needs of our stakeholders and users.

Scotland is committed to working towards a more equal and just world and is a signatory to the United Nation's Sustainable Development Goals (SDGs). The goals require signatories to act in 17 areas and Goal 3 is focused on ensuring healthy lives and promoting wellbeing for everyone, or for all adults, young people and children.

Sustainable Development Goals - un.org/sustainabledevelopment/

In response to this commitment, Scotland has a [national performance framework](link) that supports us to achieve the SDGs. The framework sets out national outcomes and measures performance against them. One outcome is to ensure that people are healthy and active.

- Economy
- International
- Poverty
- Communities
- Children
- Education

- Fair work and business
- Health
- Environment
- Culture
- Human rights

[Scotland's National Performance Framework: Our Purpose, Values and National Outcome PDF](link)
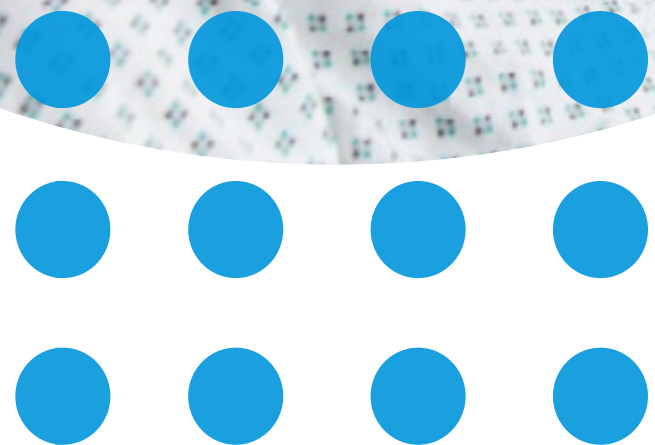
In pursuit of these national outcomes, Scottish Government set strategies and plans for health and care. The overarching plan that NSS is currently operating to is the NHS Recovery Plan. This was introduced in response to the challenges created by the COVID-19 pandemic. The plan is in place until 2026 and is the primary reason we have decided to continue with our existing strategic approach.
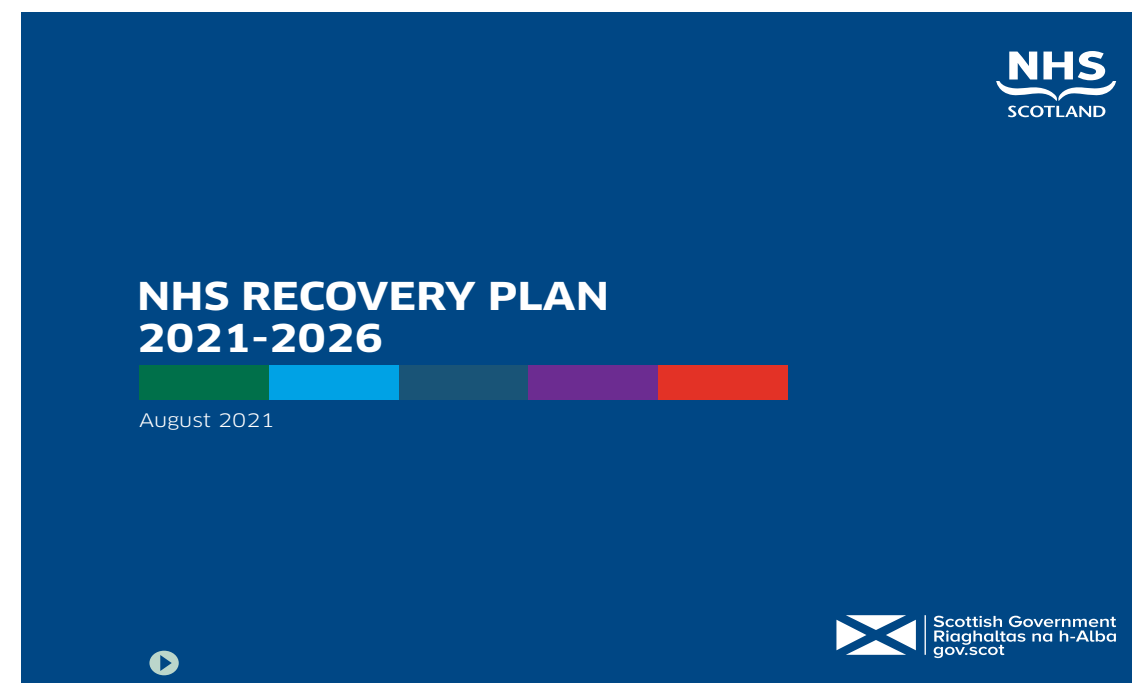
As part of our review of the NSS strategic framework, we undertook research to understand the collective needs of our primary stakeholders. We learned that they valued our support and wanted to ensure they fully utilised all our existing services. They could also see opportunities for us to help them with digital products and service adoption, service quality, tackling inequalities and implementing national priorities.

Each year Scottish Government provides guidance to health boards on where to focus their services, known as recovery drivers. We believe our approach is broad enough to adapt and flex to the changing recovery drivers for health and care and the evolving needs of our stakeholders.

NHS
SCOTLAND

NHS RECOVERY PLAN 2021-2026

August 2021

Scottish Government
Riaghaltas na h-Alba
gov.scot
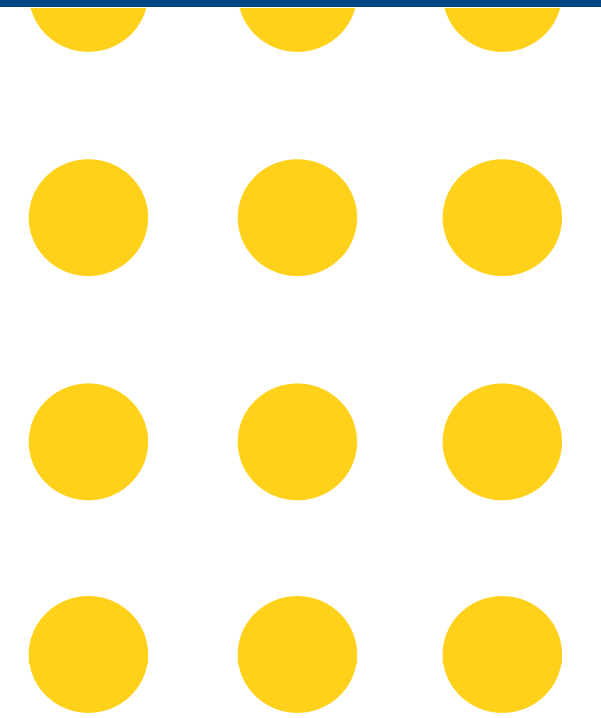
Our purpose is to provide national solutions to improve the health and wellbeing of the people of Scotland.

We know that people's experiences of health and care services are fundamental to their wellbeing and recovery.

We are proud to support NHSScotland and the wider needs of health and care to ensure that people in Scotland can lead healthy and active lives, and are appropriately cared for.

Remaining agile and refocusing our solutions and services on evolving needs is key to the trust placed on us by others.

NSS key stakeholders

- Public
- Scottish Government
- NHSScotland Health Boards
- Local Authorities
- Integration Joint Boards
- Staff
- Trade Unions
- Suppliers of goods and services to the NHS in Scotland.

Our vision

Our vision is to be integral to Scotland's health and care service.

Our wide-ranging national infrastructure, services and solutions will continue to play an important role in the recovery and renewal of health and care. Working with our stakeholders across health and care we want to ensure we deliver the right national solutions effectively and efficiently, so they benefit everyone in Scotland.

We will build on our knowledge gained from supporting Scotland's response to the COVID-19 pandemic. Although these were challenging times for all of health and care, the pandemic brought us improvements, including enhanced ways of working, increased engagement with our stakeholders and highlighted our key role to respond and help others in emergency situations.

We also recognise the responsibilities placed on us to manage one-third of the NHSScotland budgets. Our services include areas such as primary care payments, payroll management, national goods and services contracts, in-year procurements, and commissioning specialist and screening services. We will continue to drive efficiencies and gain best value from these areas that support better outcomes for patients.

As an anchor institution, we can have a positive impact on Scotland's economic recovery, support national outcomes that improve health and wellbeing, increase opportunities, and reduce inequalities.

Our anchors plan focuses on three areas:

- Procuring goods and services for NHSScotland that support local Scottish supply chains and deliver social value.

- Helping boards manage their estates so they support community, health and environmental benefits.

- Contributing to local employment opportunities.

Via our NHSScotland Cyber Centre of Excellence (CCOE) launched in 2022 we're developing a shared service capable of supporting NHSScotland with a range of cyber, information security and governance services.

Our implementation of the Scottish One Health Antimicrobial Use and Antimicrobial Resistance programme aims to reduce risk in the healthcare-built environment by providing specialist infection prevention and control expertise across NHSScotland.

Our roll out of the Inventory Management System to all territorial health boards across Scotland is enabling real-time accurate data management benefitting financial inventory management, improved consistency and standards across all areas of stock management, and the enhanced potential to mitigate risks in stock shortages or wastage.

Providing national solutions to improve the health and wellbeing of the people of Scotland.

Our Community Benefits Gateway in collaboration with Public Health Scotland, connects NHSScotland suppliers with third sector community organisations, with the aim to help improve the economic, social and environmental wellbeing of Scotland's communities.

Our leadership and enablement of Seer 2 — NHSScotland's national data and analytics platform and service — now supports over 20,000 users; enabling health boards, government, local government, emergency services, and academia access to a comprehensive view of shared data sets supporting operational decision making.

We implemented the NHSScotland Medicines Stockpile Recycling Programme to address high levels of pharmaceutical waste. By rotating medicines with short dates through our established supply routes we are helping NHSScotland minimise the disposal of expired stock.

Engagement with stakeholders has identified that there are future opportunities for NSS to further aid in the areas of digital, enhanced planning, collaboration, shared services and environmental sustainability.

Our values

We use our values to create an environment where employees can thrive and deliver great services.

The NHSScotland values are critical to how we work. They help us navigate challenges while ensuring we recognise and celebrate success.

No strategic framework can be delivered without the expertise, commitment and hard work of our staff, and we recognise the contribution they make to provide safe, efficient, effective, and high-quality services.

They underpin our annual Recognising Excellence Awards, when we celebrate the outstanding achievements of NSS staff who often go the extra mile to improve the health and wellbeing of the people of Scotland.

We understand the need for and actively support partnership working with our trade unions. Through the NSS Partnership Forum and our local forums we can work collaboratively with trade unions and ensure attainment of the NHSScotland Staff Governance Standard.

NHSScotland values

Care and compassion in how we work and treat each other.

Dignity and respect when we deal with other people and how they behave.

Quality and teamwork when we work together.

Openness, honesty, and responsibility to help make decisions.

Our priorities

Our three strategic priorities ensure we are integral to Scotland's health and care service.

We want to make sure that our users get the maximum possible value from our services and the wide-ranging skills and experience of our staff. Our priorities describe how we will support health and care organisations to achieve their goals and keep us focused on looking forward - identifying where we can help today, tomorrow and in the future.

Enable
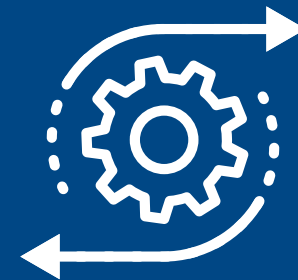
This is our **transformation** priority. It recognises how we can support programmes to implement new or improved national, regional, or local health and care solutions.

By harnessing the wide-ranging skills and expertise available in NSS, health and care partners can be assured of the delivery of services that provide high-quality care to patients and the public.

Underpin

This is our **improvement** priority. It challenges us to continually improve the quality of the services we provide that are essential to the functioning of the wider health and care system.

By continually improving our services we can also continue to offer a safe, strong and stable foundation for the healthcare system to deliver the best possible care and outcomes for the people of Scotland.

Assist
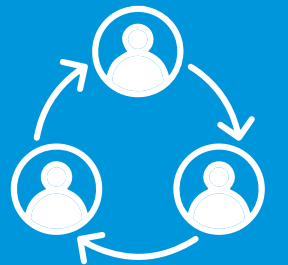
This is our **collaboration** priority. It encourages us to look beyond our existing areas and to start considering where we can help and provide support in the future.

By actively engaging and building relationships with stakeholders across all areas of health and care, NSS can respond quickly and appropriately to the needs of new policy requirements and health and care emergencies.

Our objectives

We have four strategic objectives to deliver against our strategic priorities.

We have objectives to help every member of staff and our stakeholders understand how we will implement our strategy and where we want to be in the future. They also ensure that all initiatives are aligned to the strategy.

Financial sustainability

To ensure we have a culture of financial stewardship that creates value for money by driving the effective use of resources, assets, and infrastructure.

We aim to achieve a breakeven position and agree a three-year financial plan each year to achieve this. We have a financial sustainability action plan in place to ensure financial control and meticulous budgetary management.

Climate sustainability

To embed climate sustainability in everything we do and support NHSScotland to achieve net zero greenhouse gas emissions by 2040.

We understand NSS will play a pivotal role in supporting NHSScotland to achieve its climate targets, and have developed the NHSScotland Climate Emergency and Sustainability Strategy and implemented our own NSS sustainability strategy.

Service excellence

To continuously improve the quality and value of our services, so they are safe, efficient, and effective and meet the needs of our service users and stakeholders.

We have established a quality management framework to enable us to meet this objective more effectively. All services have quality improvement plans in place and performance is assessed against a range of measures.

Workforce sustainability

To enable a diverse, knowledgeable and skilled workforce that can respond to the changing service needs of NHSScotland.

We want NSS to be a great place to work and agree a plan each year to help us achieve that goal. Our workforce plan is continually reviewed to ensure we are supporting and developing staff in line with service needs.

We provide services and advice to the NHS and wider public sector.

Since its inception, NSS has provided a wide range of national services that ensure health boards and other health and care partners can deliver their services with confidence.

Digital and security

Our expertise includes delivery and management of national digital platforms, supporting services and cyber security. Our innovative and person-centred scalable technology is delivered through local and national digital solutions, providing clinical informatics, and information security and governance.

National Contact Centre

We provide call centre services to the people of Scotland. This includes appointment booking and rescheduling, and providing advice, support and guidance to support them access health and care services.

Primary care support

We support general practitioners, dentists, opticians, community pharmacies and dispensing contractors to deliver primary care across Scotland. This includes managing contractor payments, maintaining an up-to-date patient registration database, medical record transfers and clinical governance for dental services.
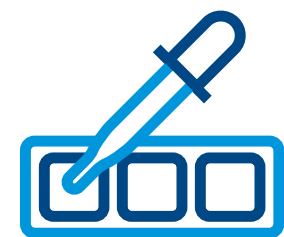
Specialist healthcare commissioning

We commission a range of specialist and rare condition treatments supporting NHSScotland to ensure equitable and affordable access to these services when needed. We also commission a range of screening programmes.

Population screening

From April 2024, a new team will bring together the different national screening functions delivered by NSS. They will be responsible for oversight, quality assurance and coordination at the national level of the six population screening programmes.

Legal

We provide specialist legal advice and assistance in most areas of law relevant to the public sector. With a wide range of experience, the Central Legal Office (CLO) provides clients with a comprehensive legal service. We have close links to Scottish Government and its legal service and counsel clients on a wide range of policy issues.
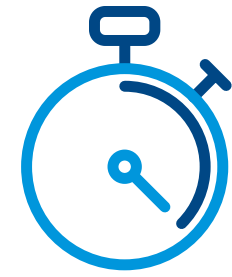
Programme management

We act as a national delivery provider and work with our partners to offer total solutions in portfolio, programme, project management and transformation services. By equipping our clients with the right people and approaches we can support the delivery of complex and challenging change programmes.

National procurement

We provide procurement services to NHSScotland. We work collaboratively to provide best quality, fit for purpose and best value commercial solutions – weighing up cost, added value and sustainability. Our expert logistics services include distribution, supply chain, warehouse operations, and fleet management. We also provide national eProcurement solutions.

Fraud prevention

We work in partnership with NHSScotland and across the Scottish public sector to provide a comprehensive service to reduce the risk of fraud and corruption. We're responsible for checking patient exemptions in respect of NHSScotland patient charges and collecting payments for incorrectly claimed exemptions.
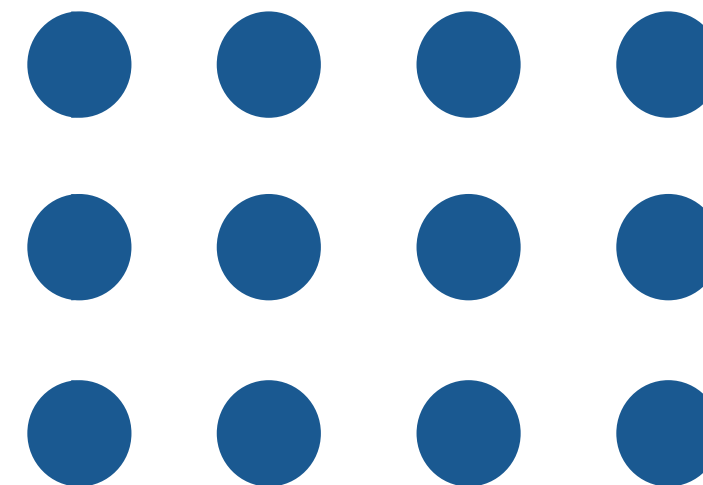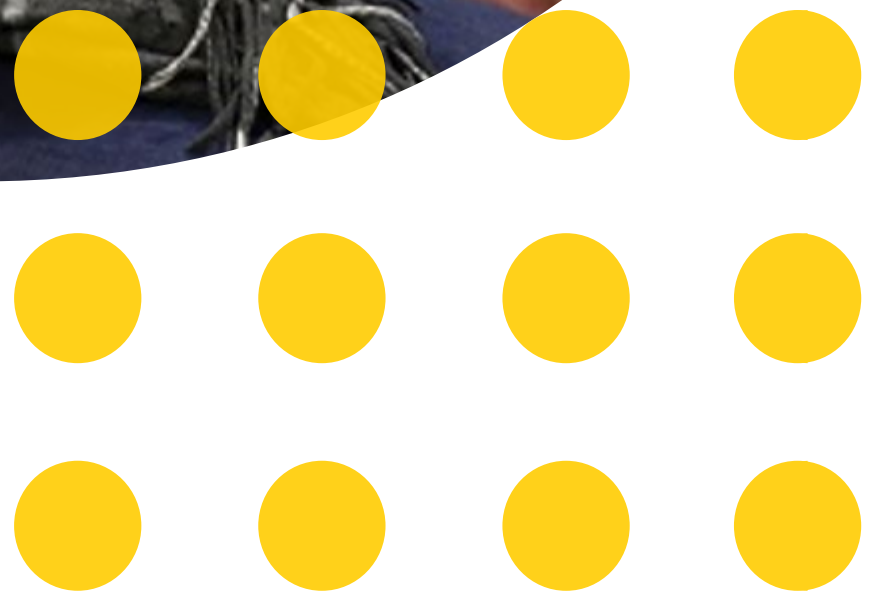
Blood, tissues and cells

The Scottish National Blood Transfusion Service (SNBTS) provides blood, tissues, and cells to NHSScotland, ensuring they are available, 24 hours a day, every day of the year. We also provide specialist treatment and therapeutic solutions, specialist testing and diagnostic services appropriate for all Scottish patient needs.

Corporate services

We provide corporate shared services to other boards. Our offer brings together five vital services: HR, Digital and Security, Facilities, Procurement and Finance. The Board Services team at NSS provides essential support for the effective functioning of NHSScotland Committees and the NSS Board and Committees. They work across the Corporate Governance Directorate to uphold high corporate governance standards.
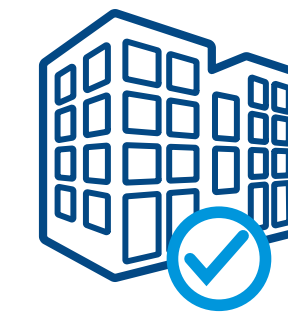
NHSScotland Assure

We deliver a coordinated approach to the improvement of risk management and quality in the healthcare environment across NHSScotland. We encompass services provided by Antimicrobial Resistance and Healthcare Associated Infection (ARHAI) Scotland and Health Facilities Scotland. Our goal is to promote excellence, protect patients from the risk of infection, and support better health outcomes for all.

Find out more about NSS at: nss.nhs.scot

General enquiries:

nss.feedback@nhs.scot

This document was designed by NHS National Services Scotland, in-house design team.

NSS Strategic Framework Implementation Plan

Strategy, Performance, Communications

Overview
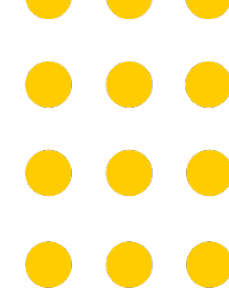
NSS will launch its updated strategic framework in April 2024. It sets out the direction of NSS within the wider strategic context in which we operate.

Our key aim for implementation is **to improve understanding and adoption of the NSS strategic framework**.

This implementation plan maps out our approach towards realising this.

Objectives

The following implementation objectives will support us to develop knowledge layers across different audiences.

NHS National Services Scotland

Educate (All)

To improve understanding of our strategic framework

Inspire (Internal)

To connect staff with our strategic objectives

Assure (External)

To strengthen trust and confidence in NSS

Audience

NHS National Services Scotland

Internal
- Staff
- Trade unions
- Managers
- Senior leaders
- Directors
- Board

External
- Scottish Government
- Ministers
- Health Boards
- Shared service partners
- Assist partners
- Public*

* Members of the public will be able to view details online and through social media but there will be no direct engagement.

Strategy

To support implementation, we will unify our communications approach through a theme of 'connections'. The key connections are:

- How it supports NHSScotland strategies.

- How it shapes our plans and deliverables.

- How it enables the achievement of health outcomes.

We will do this by connecting the strategic framework to real, relatable, and relevant examples of delivery.

We will also integrate it into our corporate induction materials and key leadership resources, e.g. Covey's The 4 Essential Roles of Leadership.
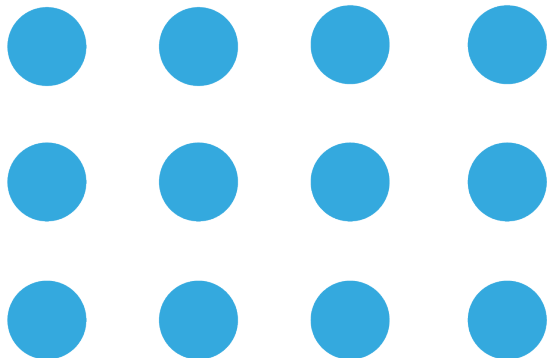
Implementation

Initial activity from April 2024 through Q1

INTERNAL

| SharePoint site and all staff communication | Connected Live and SLF sessions | Townhall presentation and video pack | New corporate induction materials |

Internal communications will be shaped around the strategic objectives and stories of performance.

EXTERNAL

| Published on NSS website | News release and social media | Correspondence for external stakeholders | Presentation pack to support events |

External communications will focus on our services, expertise and NSS facts.

Ongoing activity will align with existing activity, e.g. annual report and accounts

Success measures

	INTERNAL	EXTERNAL
Qualitative	• Staff feedback • Partnership feedback • Directorate feedback	• Social media comments • Health board feedback • Scottish Government feedback
Quantitative	• Connected audience numbers • Stay Connected engagements • SharePoint site statistics (TBC) • Document downloads (TBC)	• Social media impressions • Social media engagement rates • Website page traffic • Reposts

NHS National Services Scotland

Meeting:	**NSS Board**
Meeting date:	**Thursday 21 March 2024**
Title:	**Integrated Performance Report as at 31 January 2024**
Paper Number:	**B/24/07**
Responsible Executive/Non-Executive:	**Lee Neary, Director of Strategy, Performance and Service Transformation**
Report Author:	**Caroline McDermott, Head of Planning**

1.   Purpose

1.1   The Integrated Performance Report (IPR) summarises NSS service excellence, finance, people, and environmental performance at the end of January 2024 (M10).

2.   Recommendation

2.1   As responsible executive, I am assured that the performance contained within this report is being appropriately managed and escalated as necessary through established NSS processes.

2.2   It is recommended that the Board scrutinise and note NSS performance at the end of January 2024, accepting the assurance from the responsible executive.

3.   Executive Summary

3.1   Performance is broadly positive with 58% (14) of key performance indicators on track to meet agreed standards by year end and a further 30% (7) showing improvements on the previous reporting period.

3.2   Positive progress is being made against climate targets, with notable improvements and reductions in waste levels and fleet carbon dioxide, which aid our financial position as well as driving a positive environmental impact in line with Scottish Government targets. We also remain on track to achieve all our statutory

financial targets even with growing financial pressures. There have also been performance improvements in workforce sustainability, with sickness absence slightly decreasing and compliance with personal performance requirements increasing.

3.3   These are balanced against service challenges, such as pharmacy payments, where the situation is now improved and actual payments are being made as of February, and ongoing staffing issues in specific areas of the Scottish National Blood Transfusion Service and NHSScotland Assure, which are being managed by operational teams and recruitment support from HR.

3.4   Service Excellence

Table 1 – Service Excellence Key Performance Indicators

Performance Indicator	Standard	This report	Last report
Annual Delivery Plan Completion (Quarterly: Q3 position)	90%	81%	77%
User Satisfaction Score (Rolling: M10 position)	70%	61.3%	61.3%
User Effort Score (Rolling: M10 position)	62%	59.4%	59.4%
Net Promoter Score (Rolling: M10 position)	0%	9.7%	9.7%
Freedom of Information responded to within 20 days (Monthly M10 position)	100%	100%	100%
Freedom of Information acknowledged within 3 days (Monthly M10 position)	100%	100%	100%

3.4.1   There has been an improvement in Annual Delivery Plan achievement, with over 80% of deliverables now either delivered or on track to deliver. We anticipate some of the 10 behind schedule deliverables will move to completed following decisions from Scottish Government. For example, NCC funding has now been agreed and the COVID-19 status app has been decommissioned since the end of Quarter 3.

3.4.2   Good performance continues in relation to Freedom of Information (FOI) and additional oversight is in place for any FOIs relating to public inquiries. It should be noted that the number of FOI requests we receive continues to increase.

3.4.3   No new user surveys have taken place since the December report to the Board. Drops in user satisfaction and effort can be attributed to feedback from dental practitioners and actions were accounted for in the last report. As this is an annual survey it will be some time before the success of those actions will appear in our key performance indicators.

3.4.4.   The main service consideration relates to pharmacy verifications and payments, where the situation is improving following issues experienced with

the introduction of the new Data Collection, Verification and Processing system. An Incident Management Team was formed, and the activity is being managed as a corporate issue. There has been good progress following actions overseen by the Incident Management Team and actual payments, rather than an estimated payment, have been made since February. More detail can be found in the Board Risk and Issues Report.

3.5 Financial Sustainability

Table 2 – Financial Sustainability Key Performance Indicators

Performance Indicator	Forecast	This report	Last report
NSS Revenue Outturn (Core) (Monthly: M10 position)	**£0m**	**£2.3m**	**£1.4m**
NSS CRES Savings Total (Monthly: M10 position)	**£7.8m**	**£4.1m**	**£2.1m**
NSD CRES Savings Total (Monthly: M10 position)	**£5.1m**	**£2.9m**	**£2.0m**
NSS Capital Outturn (Monthly: M10 position)	**£0m**	**£0.7m**	**£0.6m**

3.5.1 We remain on track to meet all statutory financial targets and continue to support activity to help address financial pressures within NHSScotland. At present, this pressure is not showing a material impact on NSS performance, but we remain alert to the situation as it may have the potential do so in the future.

3.5.2 We are forecasting a breakeven revenue outturn position at year end. Directorates have been asked to consider savings initiatives and work within Scottish Government guidance to maintain a balanced three-year position. The current underspend of £2.3m primarily relates to national programmes and there is a potential correlation with behind schedule Annual Delivery Plan deliverables as delivery delays in national programmes, mostly resulting from supplier issues and legal challenges, are likely to have led to delays in expenditure. Further analysis will help us to understand if there is a relationship.

3.5.3 We expect to achieve a breakeven position for our capital outturn. The underspend is the result of a mismatch between the timing of planned versus actual spend for breast screening trailers, apheresis machines and SEER. There are no reported performance impacts because of the mismatch.

3.6 Workforce Sustainability

Table 3 – Workforce Sustainability Key Performance Indicators

Performance Indicator	Standard	This report	Last report
Sickness Absence (Monthly: M10 position)	4%	4.31%	4.67%
Staff Turnover (Cumulative: M10 position)	7%	8.04%	5.66%
Appraisal Compliance (Monthly: M10 position)	90%	83%	80%
Objective Setting Compliance (Monthly: M10 position)	90%	75%	69%
Personal Development Plan Compliance (Monthly: M10 position)	90%	74%	69%

3.6.1 Performance has improved since the last report with sickness absence reducing and compliance levels for appraisals, objective setting and personal development plans all increasing. There continues to be a tight focus on all areas of personal performance compliance as we transition through year end into the new financial year.

3.6.2 More analysis is needed to understand how absence and turnover levels is impacting service performance. Turnover will be driving some financial savings as all vacant posts are considered through vacancy management. However, specialist posts that are proving difficult to recruit against, e.g. biomedical scientist staff, manufacturing and patient services trainees, and clinical apheresis staff in the Scottish National Blood Transfusion Service, along with facilities engineering posts, are creating service pressures that require regular management action to ensure services are covered. All areas with hard to recruit roles are working closely with the recruitment team and there are two corporate red risks in relation to Scottish National Blood Transfusion staffing that are covered in more detail in the Board Risk and Issues report.

3.7   Climate Sustainability

Table 4 – Climate Sustainability Key Performance Indicators

Performance Indicator	Target	This report (Q3,23/24)	Last comparison (Q3,22/23)
General Waste Total (tonnes)	**Reduce**	**40**	67
Clinical Waste (tonnes)	**To be determined**	**23**	23
General Waste Recycled or Composted (tonnes)	**>70%**	**23**	-
Food Waste (tonnes)	**To be determined**	**2**	6
Fuel National Procurement Fleet (CO2)	**Reduce**	**304**	316
Gas CO2 (tonnes) – Metered Sites Only	**Reduce**	**751**	271
Electricity CO2 (tonnes) – Metered Sites Only	**Reduce**	**387**	477
Water M3 (volume) – Metered Sites Only	**Reduce**	**6,690**	5,680
Fuel SNBTS Fleet CO2 (tonnes)	**Reduce**	**80**	83

3.7.1   There has been reductions in waste, fuel, and electricity environmental impacts, when compared to last year. Waste improvements have been driven by a reduction in cardboard, confidential paper, food, and dry mixed recycling. Fuel reductions are the result of fewer journeys by the Scottish National Blood Transfusion Service and National Procurement. Electricity use was lower due to the closing of Meridian Court and a mild winter. The two areas of increase, gas and water, are because of the inclusion of the Shotts and Titan sites. All reductions have the potential to deliver financial savings as well as positive environmental outcomes.

3.7.2   Please note that all climate sustainability standards are being reviewed by the appropriate working groups as part of a new climate sustainability governance structure.

3.7.3   It is worth noting that we are required to complete an Annual Climate Emergency and Sustainability Report against the aims of DL (2021) 38 (A Policy for NHS Scotland on the Climate Emergency and Sustainable Development). Highlights from this year's report, covering 22022/23, are:

3.7.3.1   Building energy use decreased by 6.2% from 4,088.0 tCO_2e to 3,836.2 tCO_2e. This decrease is due to the closure of several sites including the Louisa Jordan Hospital.

3.7.3.2 The NHS fleet use decreased by 7.6% from 1,737.0 tCO_2e to 1,606.0 tCO_2e. This decrease is likely due to three factors: changes in delivery schedule; merging of loads into larger vehicle to reduce overall mileage; and a decrease in total number of NHS fleet vehicles.

3.7.3.3 Waste decreased by 21.3% from 47.2 tCO_2e to 37.6 tCO_2e. This is attributed to a peak in waste produced in 2021/22. This was due to staff clearing out several of the NSS sites after returning to work post-COVID-19.

3.7.3.4 Water use (including wastewater) has decreased by 71.1% from 18.7 tCO_2e to 5.4 tCO_2e, this in part was due to the closure of Louisa Jordan Hospital.

3.7.3.5 Business travel increased by 13% from 148.0 tCO_2e to 164.9 tCO_2e. This increase in business travel is likely a result of travel becoming more accessible after the COVID-19 pandemic.

4. Impact Analysis

4.1 Quality/ Patient Care

4.1.1 The Clinical Governance Committee provides oversight for all quality and patient care performance.

4.2 Equality and Diversity, including health inequalities

4.2.1 There are no specific issues arising from this performance paper.

4.3 Data protection and information governance

4.3.1 This paper contains management information only. All projects and programmes of work covered by this paper are reviewed for any data protection or information governance risks or implications and are therefore reported at a programme/project level. These are therefore not reported in this document.

5. Risk Assessment/Management

5.1 Risks are managed in line with the Integrated Risk Management Approach.

6. Financial Implications

6.1 As noted above.

7. Workforce Implications

7.1 As noted above.

8. Climate Change and Environmental Sustainability Implications

8.1 As noted above.

9.   Route to Meeting

9.1   Papers reporting performance for each strategic objective were scrutinised at the Finance Procurement and Performance Committee (service excellence, financial sustainability, climate sustainability) and Staff Governance Committee (workforce sustainability). All reports are subject to review by the Executive Management Team.

10.   List of Appendices and/or Background Papers

Appendix 1 – Service Excellence Report

Appendix 2 – Financial Performance Report

Appendix 3 – People Report

Appendix 4 – Climate Sustainability Report

Service Excellence Report as 31 January 24

March 2024

Summary

External facing delivery is broadly to plan and is detailed throughout this report:

- **Annual Delivery Plan** The Q3 report of the 23/24 ADP highlights that 81% of deliverables are on track, 17% behind schedule, 2% not likely to be achieved. Five deliverables are shown within the Change Control process.
- **Freedom of Information** acknowledgement and response has shown a general improvement after recent staff communication.
- **Service User metrics** are shown with detail for all Directorates where a survey had been held (no new surveys have been returned since last month). New surveys recorded for PC&FS have resulted in the overall NSS result dropping in all measures, an action plan is in place to manage these results.
- **Complaints data has been added to the report.** This is taken directly from the ServiceNow system from information inputted by staff. The data shows a trend of total complaints received and closed and complaint received and closed for Stage 1 and Stage 2. Stage 1 are less complex complaints, which should be responded to within 5 days and Stage 2 are more complex complaints which should be responded to within 20 days. Further work is being undertaken to provide information on reasons for complaints and response times.

Annual Delivery Plan Performance
Q3 December 23 Summary

ADP Progress Q3

1.89%
16.98%
81.13%

ADP Progress Q2

3.57%
21.43%
75.00%
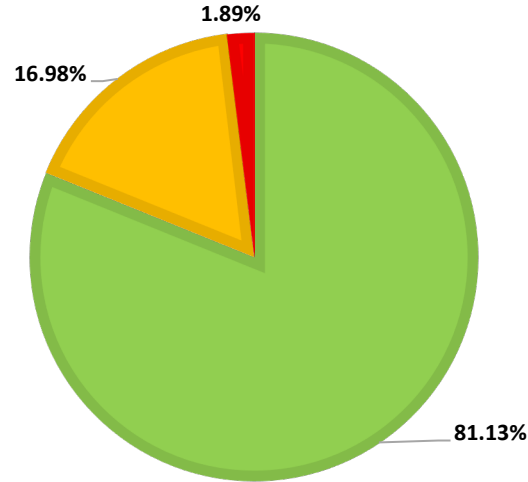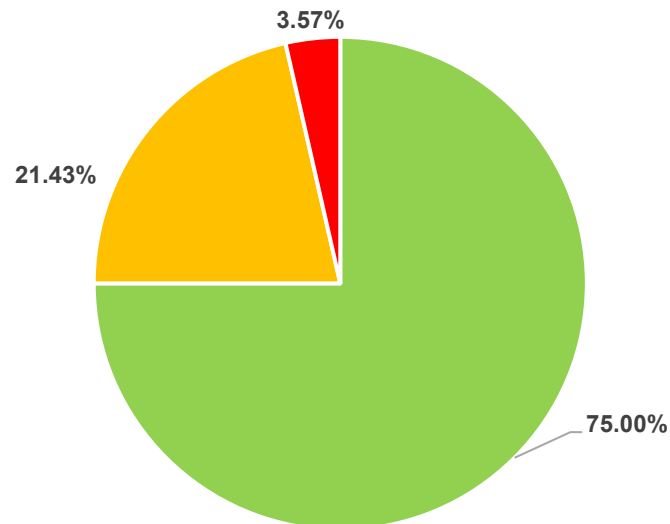
- The report demonstrates the large amount of activity taking place across NSS to meet the deliverables within the ADP.

- The Q3 update for the ADP 23/24 is as follows:
  - 81% (43) deliverables are on track or achieved (green), including one within Change Control.
  - 17% (9) deliverables are behind schedule (amber).
  - 2% (1) flagged as unlikely to be delivered (red).
  - 5 items are within the Change Control process, which is designed to reflect changes outwith our control in year. These have been agreed with SG Sponsor Office as part of the agreed process.
    - 1 non fossil fuel trial and the red deliverable on fuel will be moved to 24/25.
    - 1 Diagnostic Strategic Network Milestone is Green - ongoing and will be moved to 24/25..
    - 2 SVIP and VAM conversations and contributions will continue with PHS here.
    - 1 ANIA Innovation due to assurance role moving elsewhere.
  - This is an improvement on Q2 when green deliverables were at 75%.

- Examples of achievements and further explanations and examples of work ongoing to address amber and red items are included in this report. Of those behind schedule or not likely to be achieved, this is due to a variety of reasons. Whilst there are ongoing conversations with Scottish Government on the way ahead in relation to some deliverables, other deliverables relate to the complexity of delivering IT systems, working with a range of partners and suppliers.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Implement The Scan for Safety Programme: A wide approach to the tracking and tracing of high-risk implantable devices in Scotland through digital data capture at the point of care.	• Target Operating Model (TOM) has been outlined to the SfS Programme Board In October, outline agreed. Work is now ongoing to define the elements of the TOM in more detail, which will take place over the coming year.
Provide relevant clinical governance leadership, programme management and operational support for the new Community Glaucoma Service (CGS) and, dependent on the Scottish Government confirming its intentions regarding its future, the introduction of a new specialist supplementary eye examination structure within General Ophthalmic Services. TARGET – up to 20,000 registrations by March 2025.	• The Community Glaucoma Service continues to be the main focus for the New Eyecare Programme. NHS Greater Glasgow and Clyde and NHS Lanarkshire are both accepting patients in NESGAT qualified community practices. As at 10/01/24 P&CFS have received 305 registrations from NHS GGC and 4 from NHS Lanarkshire. Other Health Board expected to launch the service before end of March 2024 is NHS Western Isles. • Work is continuing with ATOS to develop the 'CGS Lite' solution and thereafter the business as usual solution. Proposed date for CGS lite Phase 1 is Summer of 2024, Phase 2 would be in October 2024 • Scottish Government have received funding for the GOS – Specialist Supplementary project which is due for implementation in late 2024. P&CFS are waiting for the funding letter which is due in January 2024.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Continue the provision of national Counter Fraud Services, with recoveries and cost avoidance of £4.2m by the end of 2023/24.	• £3.3m on target end Dec 23.
Support the appointment of a plasma product manufacturer and prepare a delivery plan for Plasma for Medicine following appointment of the manufacturer.	• The UK fractionation partner has been appointed and on track for getting Framework Agreement signed.
Deliver a strategic network for the long-term effects of COVID-19, including agreed workplans and priorities, and support Public Health Scotland's long COVID-19 data development for ongoing surveillance to help improve patient outcomes and ensure a national approach to service delivery.	• Logic Framework and minimum dataset agreed. • Model agreed with University of Leeds and roll out of app completed • Evaluation model agreed with network, tool being rolled out to 13 of 14 boards • Evaluation commissioned from University of Leeds with contract discussions ongoing. Digital app being implemented and data collection beginning as services roll-out

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Achieve financial sustainability.	• Significant progress continues against agreed actions. The scope of the plan has increased in line with recent SG Budget Announcement, overall NHSS financial position and need to reduce costs.
Publish a new Equity in Screening Strategy to increase access to screening and reduce inequalities in screening uptake. Early activity will focus on improving data and providing a baseline and basis for action.	• Equity strategy published in July 2023. • Equity Strategy Implementation Group established. Developer resource for intelligence platform secured in DaS and commenced work in October. Access to test environments secured.
Support the development of a pathway and specification for a late-stage abortion service, to support equitable and safe healthcare services for women.	• No Health Board came forward to express an interest in being a host Board and work with NSD on the full specification to take via NSSC. • NSD produced status and options paper which was shared with Scottish Government policy team to inform decisions on next steps. • This will also be taken to the NHSS Planning & Delivery Board on 12/12/23. This concludes the NSD work at present.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Support the development of a pathway and specification for a NHS Scotland young person's gender service.	• A draft specification will be finalised in Q4.
Develop and implement an Anchors Strategic Plan.	• Governance in place and self-assessment completed. • A review of the guidance (designed for territorial health boards) has been completed with Scottish Government and an NSS approach has been agreed. • Anchors strategic plan submitted to SG 27/10.
Deliver Perinatal Mental Health Managed Clinical Network priorities as agreed with Scottish Government and support the delivery of early years mental health actions in line with Scottish Government policy.	• Current work plan objectives on track • Ongoing discussion with SG re future priorities;
Manage clinical negligence claims.	• Activity is fully on track.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Continue to provide advice to health boards on the ongoing Public Inquiries, combining high-quality legal advice with efficiencies and financial synergies.	• There are three CLO teams actively engaged with hearings in both the Scottish and UK Inquiries. CLO continue to provide training for Boards as requested and there is a video available to assist witnesses to the Inquiries.
Baseline NHSScotland's product-based scope 3 emission reduction plan maturity on a supplier level basis. By 31 March 2024 we will have either contacted or will have a plan to contact all contracted product suppliers on National Procurement contracts to understand and gauge their net zero ambitions.	• Our approach is to work with NHS England on taking output from their "Evergreen" assessment this has pushed us ahead of our KPI current target at 89 supplier plans.
Cease Test and Protect Activity including decommission of Covid-19 digital solutions, and transition National Contact Centre services to support vaccination services and maintain readiness to respond to any new Covid-19 Variants and Mutations.	• Biometric authentication removed from COVID status app. Options for replacement of National Notification Service, which transfers test results with lite solution progressed.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Implement the target operating model for future state resilience including Personal Protective Equipment and PIPP national stockpiles in line with agreed timescale during 2023/24 and reduce storage use by over 50% by the end of Q4.	• Milestones met.
Ensure continued delivery of the Scottish Cancer Network commission from Scottish Government, ensuring smooth transition from Programme Delivery into to business-as-usual delivery.	• Completed in November • Prioritisation assessment of 2 new CMPs complete. New CMPs now mobilising with inaugural events held 4.12.23. CMP Clinical Leads recruitment in progress - awaiting advertisement. • CMP and NN stakeholder engagement planned. CMP Editorial Group and process being developed. Senior Portfolio Team recruited
Deliver agreed priorities for the National Strategic Network for Genomic Medicine, including both transformation activity and network deliverables, to support delivery of an equitable person-centred population-based genomics service and infrastructure for Scotland.	• Awaiting on SG ministerial approval. Target date moved to February 2024. • Transformation team developing a Transformation Delivery Plan to outline next step for transformation of services. Funding for 2023-2024 secured. Likely no new funding for 2024-2025 so instead the Transformation Team will refocus effort to develop a 2 year Transformation Strategy which should be available from January 2024. • Progress ongoing for the remaining cancer priorities; 6 of the testing pathways will be available from January 2024 for all centres with a further 2 available in two of the centres. The remaining 3 are under development.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Develop a National Primary Care Clinicians Database (NPCCD) with dental delivered by March 2026.	• Phase 1 of the dental development near to completion within agreed timelines.

NHS Scotland Assure will support NHS Scotland boards by reviewing Healthcare Built Environment (HBE) projects, including the NTC programme, through the NHSScotland Design Assessment Process (NDAP) and Key Stage Assurance Review (KSAR) at each required stage of the lifecycle programme. This will help boards to ensure they undertake an engaged and considered design approach which facilitates the procurement of well-designed, sustainable, healing environments, including minimising risk in the healthcare-built environment	• NDAP and KSAR workstreams prioritised and live stage engagements progressing well. 1 NDAP workshop held.
	• NHSScotland Assure are currently supporting health boards on a number of unsupported KSAR projects as follows:
	   o NHS Grampian ANCHOR Centre - Construction KSAR.
	   o NHS Forth Valley National Treatment Centre (Modular Facility) – FBC and Construction KSAR.
	• Other key projects nearing completion such as NSAIS and Golden Jubilee Phase 2 now require additional resource to complete.
	• Monklands Replacement Project has now moved into FBC design. We anticipate further resource required to support NDAP and KSAR commencing soon

Implement the Hepatitis B lookback process	• On track and supported by SNBTS and NCC.
National procurement will create a fully resourced contract workplan for green RAG status projects by 1 April 2024 that will deliver a cost neutral position across the 2023/24 national contract renewals portfolio; expected to be circa £10m for medicines savings, £10m for non-medicines pressures and £20m for cost avoidance for NHS Scotland.	• FY2023-24 workplan is Green status at the end of Q3. • Year-end out turn is forecast to exceed the neutral target due to significant secured savings in Medicines Category (c.£10M) and CITF (c£5M). • Planning for FY2024-25 workplan prioritisation and financial forecast has commenced, for sharing with health boards in Q4.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Continued delivery of the SNOMED CT programme.	• Programme website launched. • Quarterly Programme Board meeting held - Board happy with current priorities and progress. • 2 Public Health Scotland posts for Virtual Centre of Excellence gone to advert and deadline for applications closed. • Agreed plan in place with Programme Board for Outline Business Case - this is to be presented to Board at March meeting. • Training sessions held with LIMS (laboratory system) programme for using terminology Server to map LIMS codes to SNOMED CT. • Solution Architect assigned to programme.
Delivery of the CHI GPPRS Programme.	• New CHI live from 1st November 2023. Early Life support complete end November 2023. Project shutdown executed during December 2023. Any residual actions now BAU or subject to further commissioning by SG via the CHI/Child Health Programme Board.
Provide cyber support functions within NSS that provide services on behalf of all health boards.	• Networking application security monitoring tools MVP deployed and results being monitored. Investigating wider use of these tools as trial is ongoing.
Planning and advice in relation to IPC (Infection, Prevention, Control) and wider issues related to healthcare built environment and, where required, response to all NHS Scotland health board notified ARHAI incidents, outbreaks, and clusters within healthcare settings.	• Between October to December 2023, 67 separate incidents and outbreaks were reported to ARHAI Scotland. Of these, 10 requested support be provided by ARHAI Scotland, and this was provided.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Continue to manage the AtoS contract, including planning for future re-procurement or a replacement service.	• Outline business case produced, and funding agreed for digital transformation Discovery work ongoing of some elements, as first step of transformation of Atos services. BJSS appointed as a supplier and Phase 1 of this work is completed.
Begin use of SEER2 to support Data for Insight.	• Data Service's first two products, the Whole System and Winter Dashboard and the Social Care & Delayed Discharge Dashboard have been delivered in support of the NHSScotland Winter Plan and have been widely welcomed. Planning for the next phase is underway, led by Scottish Government..
Facilitate and manage the move to the SEER2 platform.	• The first products have been delivered on the Seer 2 platform in support of the NHS Scotland Winter Plan (see NSS-DaS-FY24-06). Work continues on completing content migration and has commenced on Data Trust technology
Plan for procurement and distribution of LFD tests; redistribution or disposal of laboratory equipment and right-size National Contact Centre service, retaining, decommissioning or augmenting digital solutions to support SG policy objectives.	• With regard to redeployment and disposal of laboratory equipment, those assets identified have been successfully transferred. Schedule of maintenance contracts to be drawn up in conjunction with National Procurement (for which NSS have included funding in the COVID testing 2024/25 business case).
Implement the Primary Care Data and Intelligence Platform.	• Programme Board and Executive Group established.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Develop a roadmap for all systems held within DHAC/eHealth service level agreement (SLA).	• The Digital Transformation Discovery Programme (DTDP) is underway for a restricted number of components, some of which are funded by the eHealth SLA. This work is focussed on National Screening and National Data Store elements. All other parts of the eHealth SLA are subject to ongoing improvement or reprocurement programmes i.e., PACS, Business Services, SWAN etc.
Develop a new system for practitioner services to support Child Health.	• Full agile based release cycle in place. Continuous development of minimum viable product until Winter 2024 underway.
Continue to manage SCI Gateway.	• Release 21.5 scoped to resolve adverse events raised, build complete, testing underway. • Release 21.6 scoped as a Docman 10 release. • Internal Lessons Learnt sessions completed and draft report produced.
Design and begin the build of the DPDP programme to replace paper prescriptions with a digital solution. The initial scope is "the end-to-end pathway across in-hours fixed general practice prescribers into community pharmacy dispensing".	• Initial build has started focused on 3 National Digital Platform services agreed by the programme board: API manager; audit; identity and access management. • The DPDP implementation plan has been drafted. High level options are being reviewed with a range of stakeholders which will help identify the key readiness aspects to be focused on. • The full Business Case for minimum viable product build is also being prepared and due to be submitted in Quarter 4.

Annual Delivery Plan Performance
Examples of Achievement

Deliverable	Achievement
Survey NHS Scotland Estate to establish where Reinforced Aerated Autoclaved Concrete (RAAC) is contained within buildings and to then identify, risk assess for any remedial action required.	• Programme accelerated to carry out high and medium likelihood surveys by end of Nov 2023. Boards have come forward with more buildings to be surveyed which have been added to the programme. • Programme is continually being reviewed to inform the order of the surveys being carried out based on information received, in particular in relation to asbestos. • Lack of asbestos information may cause delays to programme. Continue to raise awareness of issue with Boards.
Manage Phase 2 PACS RP Procurement.	• The legal challenge continued until 30 October 2023. • The lifting order was granted by the court at end of July 2023, appeal process finished 8th August and Programme Board agreed to UNPAUSE the programme in August. The final contract was signed by NSS on 8 December. • Full Business Case approved by SG, Board Chief Execs, DoFs, Breast Screening Director. • Phase 3 Outline Implementation Plan agreed with Sectra. • OGC Gateway Review 3 (Delivery) completed and outcome was 'Amber - Proceed to next stage of Programme'. • Communications issued to all stakeholders and Press Release to trade press coordinated through Sectra.
Manage phase 2 of NSS Payroll Services.	• Payroll service provided from 1 Feb.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Plan for procurement and distribution of LFD tests; redistribution or disposal of laboratory equipment and right-size National Contact Centre service, retaining, decommissioning or augmenting digital solutions to support SG policy objectives.	Home digital channel live for those citizens eligible for Antiviral treatments to register and order LFD kits. 1m new LFD test kits approved and delivery via UKHSA to National Procurement through Dec & Jan. Further 1.4m kits approved for 2024/25 by SG, local sourcing contract recommendation to NSS Contracts Board 20/12/2023. NCC business case submitted to SG 13/11/2023 - feedback provided on revised planning assumptions and target budget to achieve.	• Amber status relates to awaiting progress on NCC business case at Q3.. • **March Update** – 24 / 25 funding now agreed with Scottish Government and actions with respect to these activities will be included in 24/25 Plan. • Home channel now delivered and NCC business case approved
Plan for procurement and distribution of LFD tests; redistribution or disposal of laboratory equipment and right-size National Contact Centre service, retaining, decommissioning or augmenting digital solutions to support SG policy objectives.	SG directing extending the Covid Status app into 2024 with decommission due mid Jan 2024. No external comms to users planned so risk of failure demand to non-app channels including NCC.	• Further discussions with SG in Q4 regarding the closing of the digital app with any requests for Covid status certification transferring to NCC • **March Update** - Covid status app now decommissioned.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Manage Phase 3 PACS RP transition and implementation.	• Phase 3 Outline Implementation Plan agreed with Sectra. • Technical Solution Design workshops held with HB representatives, SWAN, Sectra and PACS stakeholders • Recruitment for Phase 3 resources has progressed. • Ph3 Stakeholder Engagement has commenced. All Board Chief Execs to nominate Board Lead by mid-January.	• Phase 3 Programme Initiation activities delayed due to slippage in Phase 2 finalisation due to Legal Challenge. These activities are progressing and will continue in parallel to detailed planning activities with Sectra, Incumbent supplier, Health Boards, RIS suppliers and other 3rd party suppliers during Q4.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Continue delivery of the GPIT Reprovisioning programme.	• Direct Awards Completed: Five health boards have completed a Direct Award with Cegedim. • Direct Awards In Progress: The programme team continue to engage with all health boards to ensure the process is complete in advance of the Framework expiry date on 31 January 2024. • Implementation: as of 31 December 2023: • Tayside – All 57 Vision practices in cohort now successfully migrated to central hosting • Grampian – 24 practices now successfully migrated to central hosting • Lothian – 36 practices now successfully migrated to central hosting • Lanarkshire – 26 practices now successfully migrated to central hosting	Data conversion/mapping tool (Stalis): NSS has reiterated to Cegedim the importance of ensuring a working migration tool (Stalis) is provided to Scotland. The Stalis delay has been escalated, at the request of the NSS programme team, by the Cegedim SRO to the Stalis MD. Regular progress checkpoints have now been established between NSS and Cegedim. The rollout target to migrate the first EMIS practice to the managed service remains February 2024.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Deliver a Strategic Asset Management System (SAMS) for NHSScotland to replace 2 existing systems.	• All Boards have signed off on their Strategic Asset Management System (SAMS) User Acceptance Testing (UAT) and have gone live with SAMS. • SAMS Capital Planning & Lifecycle Modelling training complete. All fire risk assessments from the Estate Asset Management System (EAMS) uploaded to SAMS for each Board.	• The Capital Planning & Lifecycle Modelling section of the SAMS requires users to have a PowerBi License. We are engaging with the NHSScotland Office 365 team to understand the impact of this for each Board and to understand what types of licenses are currently in place nationally. • To discuss and agree development plan for SAMS after go live and into next financial year. Work with Scottish Government and Micad to finalise the proposal for incorporating the Mental Health app within SAMS. Organise "mop-up" training sessions, AutoCAD training and drop in "ask the experts" sessions.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Manage the replacement of the Scottish Wide Area Network (SWAN).	• BT SWAN 2 Ecosystem established with Key Milestones for availability of Shared Services signed off at mid-November. • SWAN1-to-SWAN2 Interconnect (Transit Network) implemented and handed over for operational testing during December with "Early Adopters" scheduled for transition to commence January • x13 Call-off Contracts representing x73 organisations signed	• Call off Contract discussions with all SWAN Members continue in seeking to confirm requirements and establish transition plans.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Coordinate the National Cervical Exclusions Audit, ensuring all audit activity is completed within agreed timescales.	• Reporting functionality UAT has been delayed as the reports were not user friendly on system testing. Further changes are being scoped to improve the system. There are ongoing pressures on the IT supplier and the reports are competing with other urgent developments. Revised timelines for this work expected in January. Most Boards continue to make good progress on the audit.	• National Audit Team are working with IT supplier and cervical Programme Manager to ensure the work required to develop the reports is prioritised. It should however be noted that the IT supplier is also working on screening issues since CHI go live so IT resource is limited.

Annual Delivery Plan Performance
Behind schedule

Deliverable	Progress in Q3	Issues/Mitigations
Continue to support the rollout of eRostering across NHSScotland.	• Board implementations progressing well with only 1 board (NHS24) remaining to commence implementation. • 6 Boards now in BAU • 5 Boards now at Realisation stage • 5 Boards in Adoption stage • 4 Boards in Readiness & Deployment stages • 1 Board in Initiation • National Configuration (SafeCare) Expert Working Group Established • eESS Environment now commenced	• eESS integration delayed due to lack of supplier resource and technical issues. • Due to complete by end of Financial year.
Deliver the National Cyber Centre of Excellence (in partnership with Abertay University).	• Boards implementation under way with three successfully onboarded. Five scheduled for Q4.	• Recruitment continues to be main issue - attracting senior grades is proving challenging. Exploring Recruitment and Retention payments for suitable roles and exploring partnership approach with specialist agencies. Also looking at technological improvements in automation which will alleviate need for some roles.

Annual Delivery Plan Performance
Unlikely to be achieved

Deliverable	Progress in Q3	Issues/Mitigations
Reduce the carbon footprint of the NSS fleet of heavy good vehicles (HGVs) by installing a hydrotreated vegetable oil (HVO) tank at Coddington to provide fuel for the Menzies fleet.	• Timescales projecting a Q2 2024/25 completion which is outside Q4 2023/24 target date. • Lead time on actual HVO tank is 16-20wks which is more than expected. • Working with finance on 2024/25 budgets.	• NHS Assure and National Procurement senior teams aware. This is part of change control and linked to deliverable on carbon emissions reduction of fleet.. • **March Update - Brought forward to 24 / 25 Plan**

Annual Delivery Plan Performance
Change Control – request is for milestones to be amended

Deliverable	Issues	Issues/Mitigations
Support Net Zero ambition and reduce overall National Distribution Centre carbon footprint, implement non-fossil fuel trial and 'merge on wheels' (Cross Docking) to achieve a 20% reduction in fuel consumed by national distribution fleet by Q4.	The forecast scope of works to facilitate the change of fuel use for the HGV fleet has been delayed.	Move to Q1 & Q2 of 2024 – 2025 All installation and testing will be complete by Q1 24/25 with a revised ADP benefit realisation target commencing with Q 24/25 and a revised in year fossil fuel reduction target of 50% Yr - Yr being created. It follows, the reduction in external storage and improved stock positioning is helping to offset the environmental impact and achieve fossil fuel reduction as a result of reduced operating miles of HGV's. • **March Update - Brought forward to 24 / 25 Plan**

Annual Delivery Plan Performance
Change Control – request is for milestones to be amended

Deliverable	Issues	Issues/Mitigations
Establish and manage ongoing development and delivery of a Diagnostics Strategic Network (SSND) in 2023/24 supported by a core team within National Services Division.	**Q3** Website developed and live Facilitate engagement & consultation on draft SG Diagnostic Framework **Q4** Initiate mapping of local, regional and national services initiated to inform service planning. Continue facilitation engagement & consultation on draft SG Diagnostic Framework. SG create initial draft of Diagnostic Framework, co-produced with SSND. Start identifying transformation projects to be prioritised. Progress report to BCEs/Strategic Planning Board *including agreement on Year 2 deliverables.* SSND Programme team recruitment complete *(funding dependant)* The following deliverables can't be delivered through lacking funding to progress the development of a full transformation plan by the end of 2023/24 and dependency on National & Regional Planning SLWG outcomes and recommendations • Business case developed for initial investigation & assessment of new delivery models (Radiology) • Plan to transition existing structures (5 diagnostic networks and clinical/scientific leadership) under SSND agreed • High level diagnostics transformation plan drafted • SSND performance framework *(workplan)* in place	• This is now ranked as GREEN – on track • Initial mapping complete, but ongoing whilst focus areas for the network become clearer (especially in light of new strategic planning governance arrangements) • SSND continuing to facilitate discussions with diagnostic community and SG on focus areas, dependency on SG drafting Diagnostic Framework before being able to assist with consultation • Proposal approved by BCEs, transformation planning commenced • **<u>March Update</u> - Will be brought forward to 24 / 25 Plan once agreed.**

Annual Delivery Plan Performance
Change Control – request is to remove milestones

Deliverable	Update	Issues/Mitigations
Extend the COVID-19 and flu vaccines delivery model to other vaccines and develop a business case for new end-to-end digital systems and non-digital channels for vaccines.	**Q3 Milestone -** **Continue to seek opportunities to support Health Boards. SVIP projects for FY25-26.** SVIP is out of scope for the NCC commission for FY 24-25. Awaiting response from PHS on digital discovery and recommendations submitted in August 2023.	• Likely now that SVIP digital commission will come in for deployment in 2025/26 or later. Risks of continuing to use platforms developed quickly for COVID pandemic and increasingly ask them to support wider vaccination programme. • **March Update** - NSS will continue to contribute to PHS business case during the 24/25 financial year. • **No further monitoring in 23/24**
Support Public Health Scotland (PHS) for outbreak variants and mutations (VAM) beyond COVID-19 including supporting contract tracing activities; supply, distribution and registration of test kits; and call centre services	This was noted as a Change Control at end December, as engagement with PHS had not taken place to progress this, however engagement is now ongoing and a further update will be provided at end of March report.	• Scripts can be adapted at pace if a VAM occurs. NCC staff are used to working from scripts so minimal training will be required. • **March Update** - Engagement is now continuing with PHS. • **A further update will be provided in Q4 report.**

Annual Delivery Plan Performance
Change Control – request is to remove milestones

Deliverable	Update	Issues/Mitigations
Establish and provide procurement and assurance services to the ANIA innovation pathway (triage, strategic assessment and value cases) with recommendations to the Innovation Design Authority.	There was a partnership decision to transfer the assurance role to CfSD (Centre for Sustainable Delivery) ANIA programme team, so the commitment is no longer with NSS. The provision of procurement services continues.	Assurance role handed on to CfSD in December. Procurement services are business as usual. • **No further reporting in 23/24.**

Freedom of Information
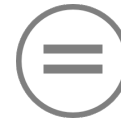
= **Common Variation**
Results show no major change in either direction at present.

Variable Achievement
Results are mixed and it is unclear if the standard will be consistently achieved.

Responded to within/over 20 Days
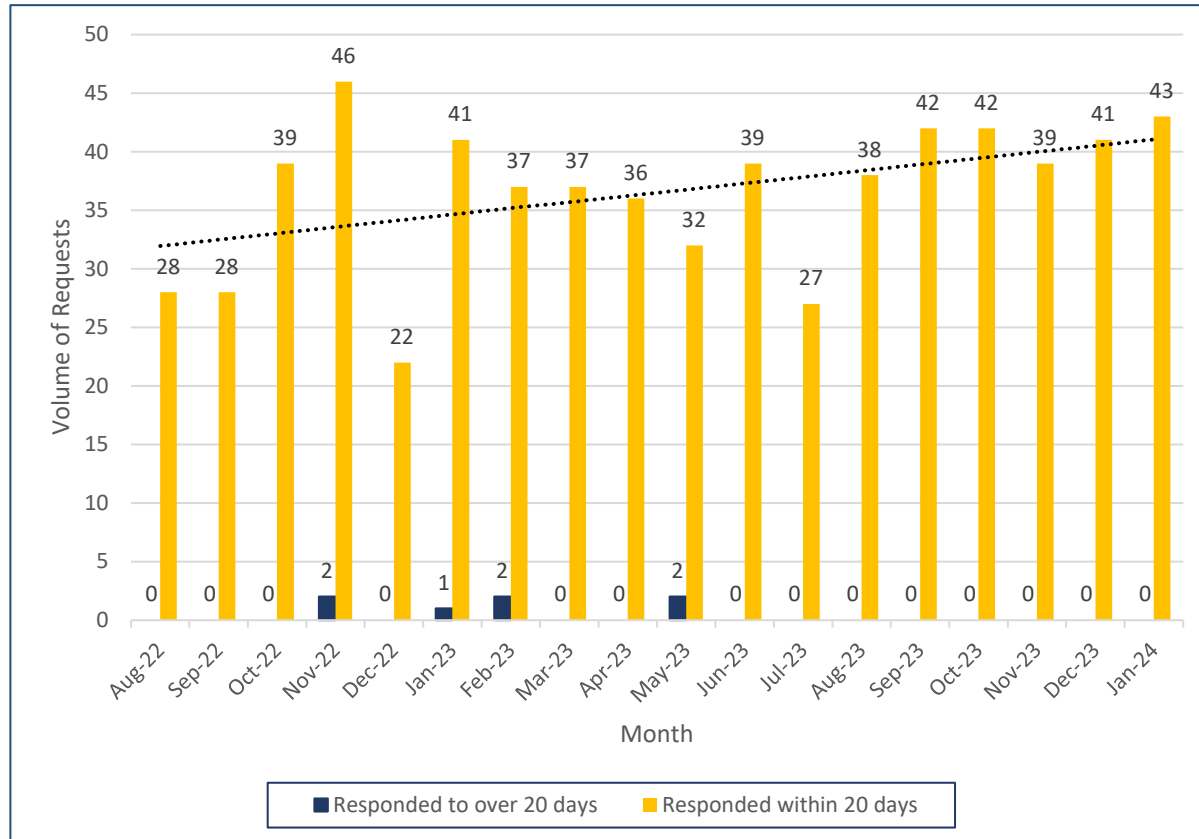
Acknowledged within 3 days

Freedom of Information Requests

NHS National Services Scotland

What is the data telling us?	There were no timeline breaches in January 2024. NSS are compliant under the regulatory KPI of acknowledgement of requests within 3 working days legislative response time KPI of within 20 working days. The top four categories of request (year to date) are: • Requests for personal information – 7% • NHSScotland level statistics – 41% • COVID Vaccine data – 4% • NHSScotland level waiting times – 4%
Why is that the case?	The recent communications campaign, aimed at staff, in relation to identifying a request under FOISA and sourcing & submitting information for possible inclusion in responses has made a difference as there has been one breach since July 23.
What actions are being taken?	Monitoring of all FOISA is still being carried out on a weekly basis meaning breaches can be identified early where they occur.
What learning is being applied?	All learning and weekly reviews are contributing to a continuous programme of review that will result in regular organisational reminders of the staff's legislative obligations under FOISA.
Definition	**FOI Requests acknowledged in 3 days -** % of FOI requested acknowledged within 3 days of receipt. **FOI Responses >20 Days –** Volume of FOI requests including those NSS failed to respond to within statutory 20-day timescale.

Customer Insight - Satisfaction

≡ Common Variation

↻ Variable Achievement
Results are mixed and it is unclear if the standard will be consistently achieved.
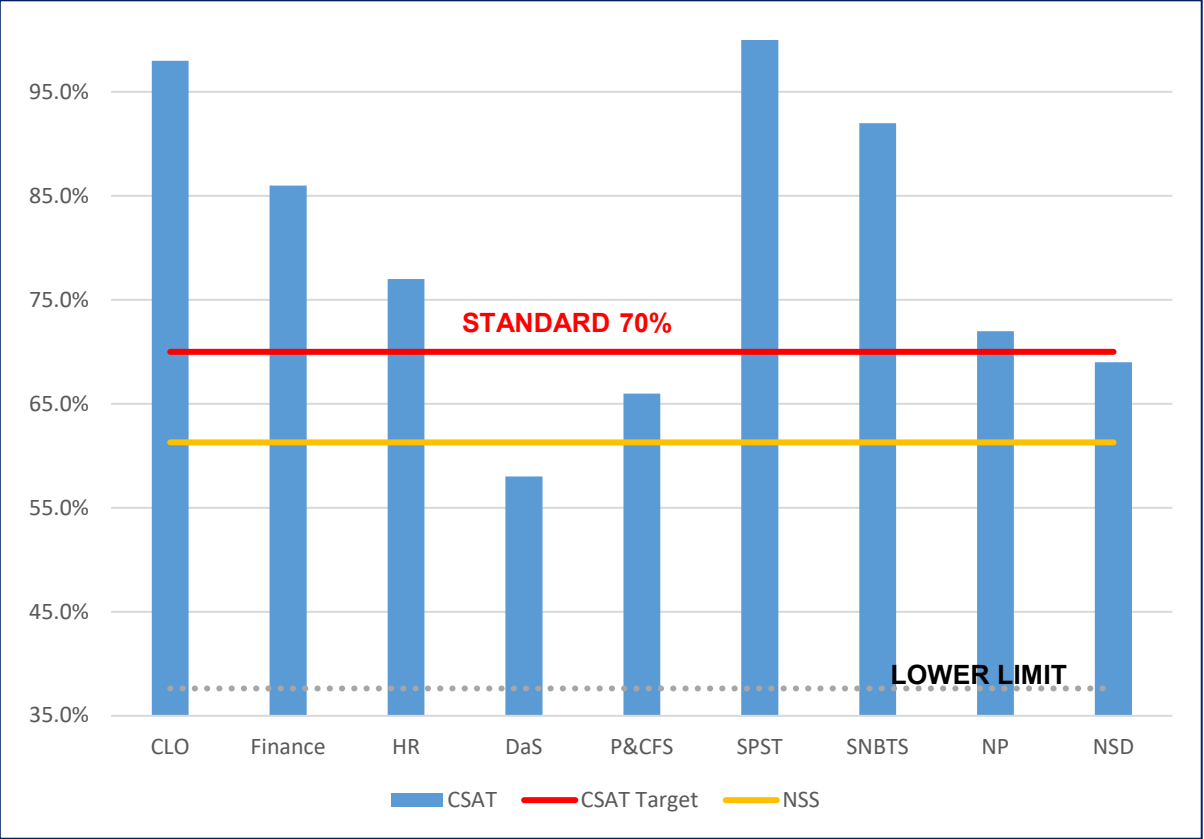
Area	Volume	CSAT	Survey Running From
CLO	186	98.0%	FY24
Finance	698	86.0%	FY23
HR	239	77.0%	FY22
DaS	638	58.0%	FY23
P&CFS	554	66.0%	FY24
SPST	17	100.0%	FY22
SNBTS	51	92.0%	FY23
PCF - NP	35	72.0%	FY23
PCF - NSD	130	69.0%	FY24

NSS	2548	61.3%	

Customer Insight - Satisfaction

What is the data telling us?	Service users are generally satisfied with the services across the majority of Directorates however due to low scores within one area of PC&FS the overall NSS score has fallen below target.
Why is that the case?	Feedback from Dental Practitioners has resulted in the overall PC&FS score dropping.
What actions are being taken?	An action plan has been put in place with several actions including: • Plan and prepare communication on roles and responsibilities. • Crib sheet in preparation - what change means for PSD vs practitioners. Rethink how to involve external stakeholders in changes from early stages. • Website tidy. Consider reviving new practitioner induction sessions in some shape/form, e.g., webinar, animation.
What learning is being applied?	As above.
Definition	Surveys are issued and results cumulate until a new survey is issued e.g., for HR this means the results shown are fall all responses to the survey issued in FY22 until now. HR, DaS & Finance issue "Real Time" surveys as well as these, we are working with these Directorates to include these results for Q4 FY24. Annual satisfaction score achieved by NSS services. User ratings of 4 and 5 divided by the total number of responses. Scoring scale is 1 to 5. The NSS Score is based on all services, which are weighted according to the service's percentage of NSS revenue. Score is updated following each new survey. The areas which will be surveyed later this year have been subsumed into the wider weightings at this time but will be split out when surveys are completed.

Customer Insight – Customer Effort

Variable Achievement
Results are mixed and it is unclear if the standard will be consistently achieved.
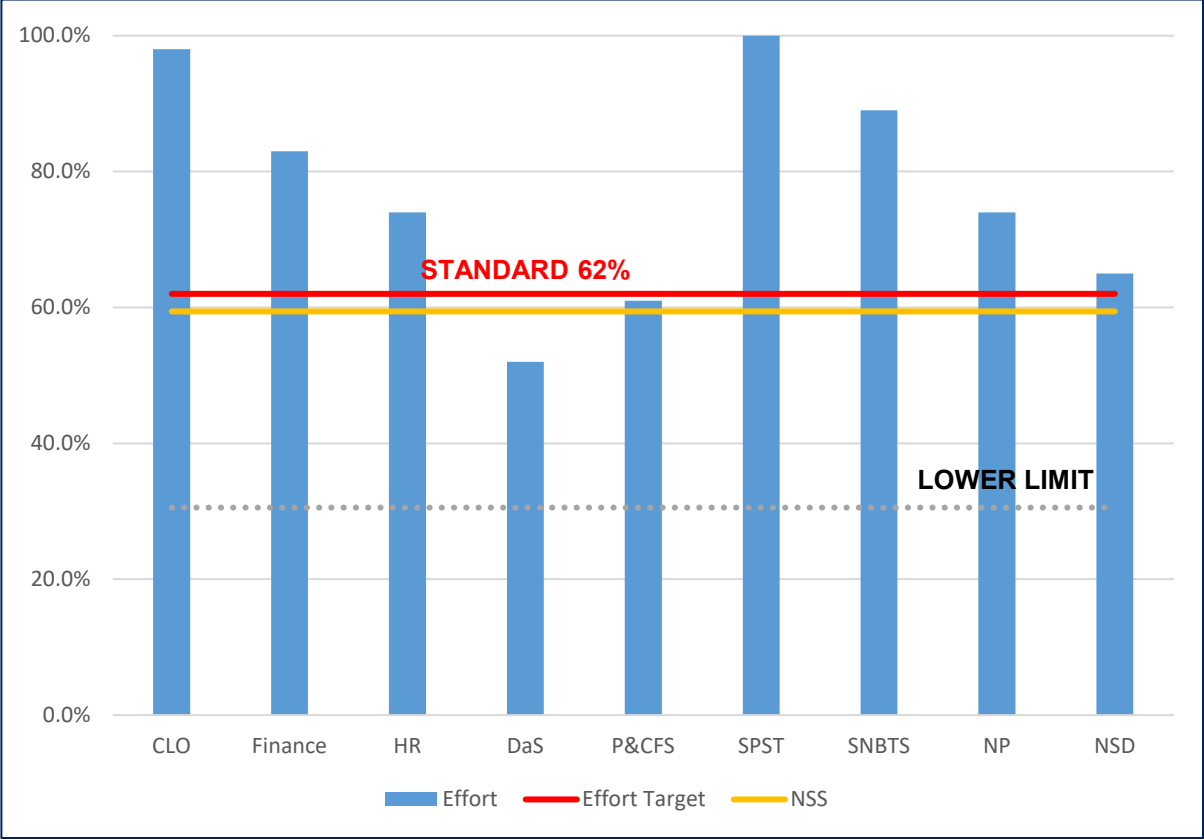
Area	Volume	Effort	Survey Running From
CLO	186	98.0%	FY24
Finance	698	83.0%	FY23
HR	239	74.0%	FY22
DaS	638	52.0%	FY23
P&CFS	554	61.0%	FY23
SPST	17	100.0%	FY22
SNBTS	51	89.0%	FY23
PCF - NP	35	74.0%	FY23
PCF - NSD	130	65.0%	FY24

NSS	2548	59.4%	

Customer Insight – Customer Effort

What is the data telling us?	Similar to the satisfaction metric: users are generally satisfied with the services across the majority of Directorates however due to low scores within one area of PC&FS the overall NSS score has fallen below target.
Why is that the case?	Feedback from Dental Practitioners has resulted in the overall PC&FS score dropping.
What actions are being taken?	An action plan has been put in place with several actions including: • Plan and prepare communication on roles and responsibilities. • Crib sheet in preparation - what change means for PSD vs practitioners. Rethink how to involve external stakeholders in changes from early stages. • Website tidy. Consider reviving new practitioner induction sessions in some shape/form, e.g., webinar, animation.
What learning is being applied?	As above.
Definition	Surveys are issued and results cumulate until a new survey is issued e.g., for HR this means the results shown are fall all responses to the survey issued in FY22 until now. HR, DaS & Finance issue "Real Time" surveys as well as these. Annual Effort Score achieved by NSS Services. Used to measure the ease of service experience of the user with the NSS. Scoring scale is 1 to 5. User ratings of 4 and 5 divided by the total number of responses. The NSS Score is based on all services, which are weighted according to the service's percentage of NSS revenue. Score is updated following each new survey. The areas which will be surveyed later this year have been subsumed into the wider weightings at this time but will be split out when surveys are completed.

Customer Insight – Net Promoter
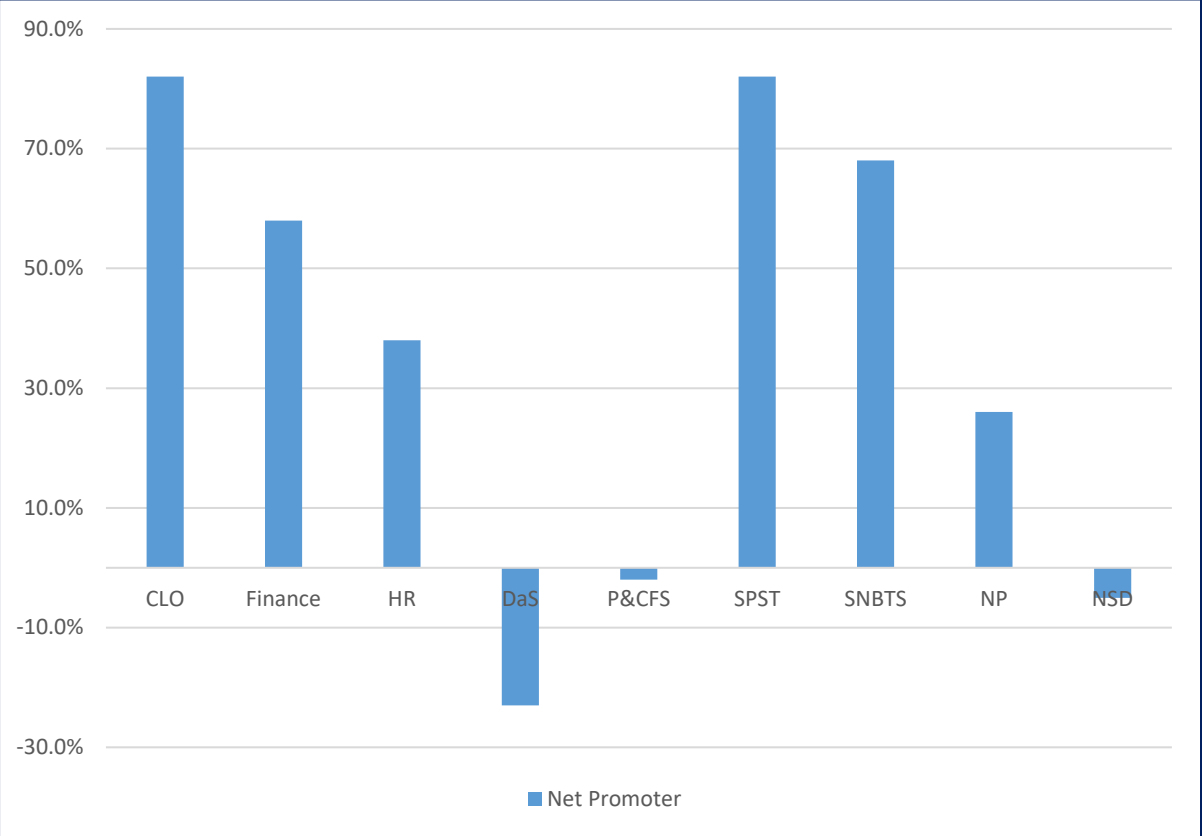
Area	Volume	Net Promoter	Survey Running From
CLO	186	82%	FY24
Finance	698	58.0%	FY23
HR	239	38.0%	FY22
DaS	638	-23.0%	FY23
P&CFS	554	-2%	FY24
SPST	17	82.0%	FY22
SNBTS	51	68.0%	FY23
NP	35	26.0%	FY23
NSD	130	-5.0%	FY24

NSS	2548	9.7%	

Customer Insight – Net Promoter

|	
What is the data telling us?	The Net Promoter score is an internationally recognised measure of service user loyalty and any score above zero is considered to be good. The majority of NSS services achieve this measure or better. The exceptions are NSD (-5%), PC&FS (-2%) and DaS (-23%).
Why is that the case?	As a commissioning organisation funding decisions by NSD for services/service development are not always well received. For DaS changes in service access take time to become readily adopted by service users.
What actions are being taken?	The NSD Operational Management Group are developing action plans to take on board feedback from their survey to address any concerns and develop appropriate communications around service decisions. The introduction of Business Change Managers and changing the way feedback is collected will lead to improvements in the NPS score. DaS have hired a number of Business Change Managers to help improve their overall results and are also moving to a "real time" survey model results of which will be updated at year end and are expected to have a positive impact on their results.
What learning is being applied?	As above.
Definition	Surveys are issued and results cumulate until a new survey is issued e.g., for HR this means the results shown are fall all responses to the survey issued in FY22 until now. HR, DaS & Finance issue "Real Time" surveys as well as these, we are working with these Directorates to include these results for Q3 FY24. Percentage of users who would recommend the NSS to a friend or a colleague. Also known as User Advocacy. Percentage of promoters (5 rating) minus the percentage of detractors (1 to 3 rating). Scoring scale is 1 to 5. The NSS Score is based on all services, which are weighted according to the service's percentage of NSS revenue. Score is updated following each new survey. The score can range from -100% to 100%. The areas which will be surveyed later this year have been subsumed into the wider weightings at this time but will be split out when surveys are completed.

Customer Insight – Complaints

Complaints Volume
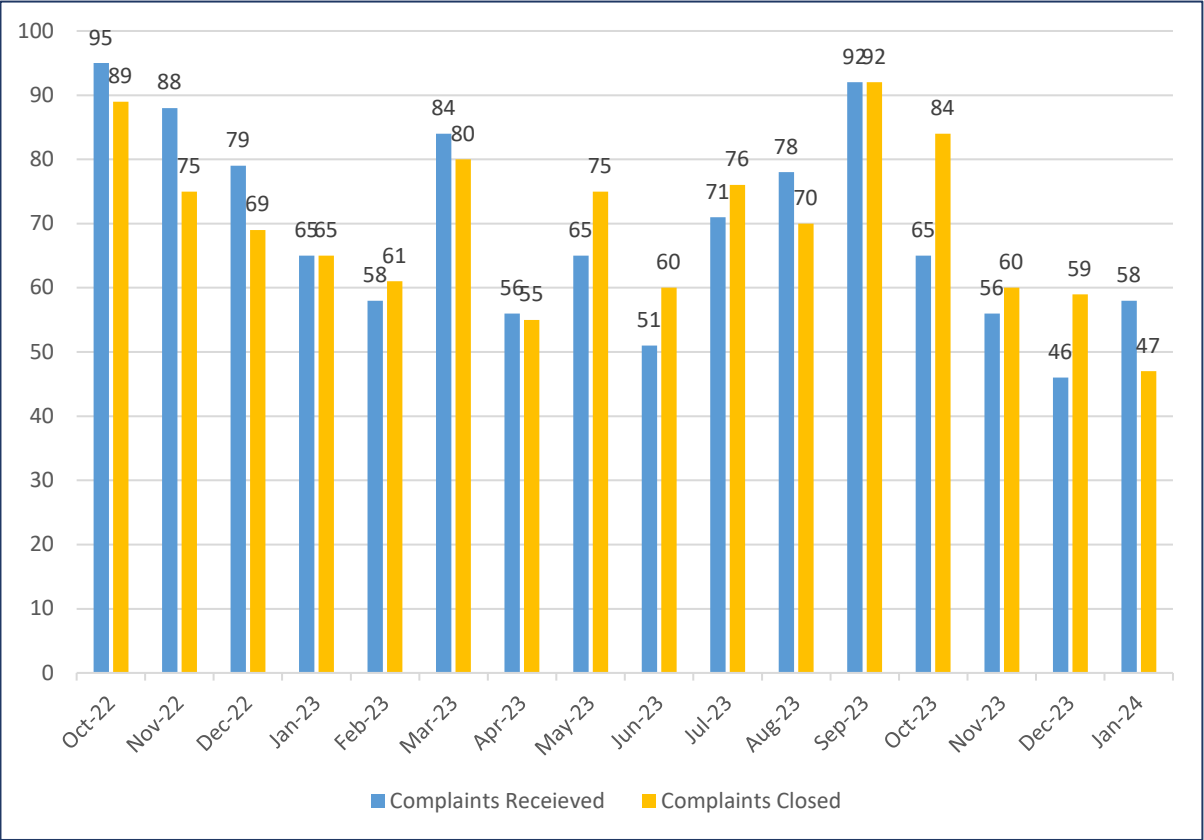
Stage complaint closed at

Customer Insight – Complaints

What is the data telling us?	There is variable trend in the complaints being received, with the majority in PCF, SNBTS and NCC.
Why is that the case?	These are direct public/stakeholder facing areas with high levels of interactions.
What actions are being taken?	Discussions are underway with the Customer Experience Team to help capture actions and learnings from this data going forward and tie it into the annual complaints report, along with more detailed analysis of types of complaint.
What learning is being applied?	See above.
Definition	All data is taken from ServiceNow and inputted by staff on front line. **Complaints Received** – Based on date a Complaint record is created on ServiceNow. **Complaints Closed** – Based on date a Complaint is marked as Closed on ServiceNow. **Stage 1 Complaints** – Closed within 5 days of receipt (this is defined by user so is open to user error). **Stage 2 Complaints** – Closed within 20 days of receipt (this is defined by user so is open to user error).

NSS Financial Performance

January 2024

Performance Summary

At the end of January, **NSS remains on track to meet all statutory financial targets:**

Revenue

The **YTD reported position is a £2.3m underspend**, which is a £0.9M favourable movement compared to M9. The movement has been driven by underspends in National Programmes within DaS and is expected to come back into line by year end. In addition, CLO and HR have improved their YTD position due to additional income, vacancies and a reduction in non-pay spend.

It is forecast that NSS will achieve a **breakeven position at year end**. This assumes that **unfunded pressures within NSD risk-share services (up to c£4.6M) will be funded by Boards** and **any surplus funds within NSS will be returned to SG on a non-recurring basis** to support the wider financial challenge.

NSS Targets	YTD £'000's	Forecast £'000's	RAG
Revenue Outturn	2,250	0	G
NSS CRES Total	4,114	7,813	G
NSD CRES Total	2,915	5,143	G
Capital Outturn	683	-	G

Capital

The YTD position is an underspend of £0.7m due to budget phasing for Breast Screening trailers, Apheresis Machines and SEER with a mismatch between the timing of planned spend versus actual spend. The FY forecast is a break-even position. There has been slippage in the installation of EV charging points with funding being carried into 24-25 to complete the work. The condition of Shotts site has delayed capital investment. Funding will be made available in 24/25 if project is to continue. NSS is holding c£8m medical ICU equipment in stock acquired during the pandemic. Boards could use c£4m of this equipment now but this requires additional CRL funding to be identified. NSS Finance continue to support discussions between Boards and SG Finance.

Key Messages

The level of financial pressure within NHS Scotland in FY23/24 and beyond is reflected in deficits forecast across Territorial Boards in particular. All Boards have been asked to review financial forecasts and consider options to reduce expenditure. This includes minimising discretionary spend, scaling back work that is not essential and considering filling vacancies based on its immediate need.

In line with the above, NSS must continue to ensure to protect its own financial position but also identify more areas where costs can be minimised in order to support the wider financial challenge.

There is a level of underlying financial risk across most NSS services – particularly NSD risk-share services. NSS awaits receipt of £97M of allocations from SG although the financial risk is very low (Slide 9). NSS must continue to drive its Financial Sustainability objective across all areas of service. Finance continues to drive areas of focus in the Financial Sustainability Plan. An update on progress is included at Appendix 1.

Risks & Issues

Funding – Revenue
NSS awaits formal confirmation of £97m of funding allocations from SG. It is anticipated that the allocations will be provided per requirements. However, NSS must continue to pursue options to minimise allocations required as SG are looking for opportunities to reduce the overall deficit with H&SC portfolio.

NSD
The FY financial risk within NSD has increased since M9 and continues to be driven by number of new patients likely to receive Cat-T cell therapy. NSD has identified £8.3M of non-recurring underspend across commissioned services in 23/24 but this is not sufficient to offset risk fully. **Boards have been kept informed on a monthly basis of the escalating pressure and NSD will ask CFN for additional funding in February.**

DaS
Currently forecasting a £0.3M overspend at year-end and which could worsen by an additional £0.4m should eHealth funding not be provided to cover programme costs in full. NSS Finance and SG Digital Health and Care Finance are meeting in the next few weeks to discuss and seek full confirmation of funding.

Underlying Financial Risk – P&CFS
After securing £1.3M additional funding from reserves, the P&CFS forecast is now balanced. Actions to address the Pharmacy payment backlog are progressing at pace and are **ahead** of schedule and recovery to contracted timeline is currently projected **before** end of March.

Actions for Finance

Grip & Control
Finance will work closely with business areas to ensure recent SG correspondence is implemented so that cost reduction is achieved but ensuring only essential spend in committed to support the overall challenge.

CRES
Finance will work with Directorates to ensure that appropriate in-year non-recurring measures are recorded as CRES, evidencing and reporting full delivery of CRES targets in-year. The CRES target is a subset of the overall revenue financial target / position.

Actions for Directorates

Budget Summit
The budget position will be taken to EMT on 19 February. Directorates have been asked to consider more savings initiatives including "service choices" in order to have enough options to deliver a balanced 3-year plan.

Choices & Impact
In-line with the overall financial position and SG correspondence, Budget Holders must ensure only essential spend is committed and full consideration is given to any discretionary non-essential expenditure. This is an integral part of the financial planning process also as we head towards FY24/25.

Income Accruals
Income accruals are now at £50M with £3.3M relating to FY22/23. Directorates have been provided with the detail of the income accrual and must check the validity of the income to be received and flag risks to finance colleagues so we can advise you of its financial implications. Any Sales Invoices to be raised must be processed as a matter of urgency.

Purchase Orders & Receipts
Directorates should also ensure that PO's and receipts are processed in a timely basis, so that the ledger and financial positions and forecasts are as accurate as possible (via source systems)

Demand – Funding Requests
Directorates are reminded that all requests for additional funding (from NSS and/or SG) should route through Demand (Service Now) in the first instance following agreed process and to ensure appropriate governance, scrutiny and support is in place

	On Track
	At Risk
	Off Track
	n/a

NHS National Services Scotland

Financial Performance (£M) - Outturn vs Plan						
	Revenue Outturn		Other Financial Targets			
Direct-orate	YTD	FY Forecast	CRES*	Capital	Summary of Position	Actions Required to deliver the 23-24 plan
Clinical	(0.0)	0.1	0.0		The FY position has deteriorated and now reporting a £0.2M overspend at year end. This has been driven by the reduced forecast for ANIA income.	Identify opportunities to address the current FY gap. Continue to review costs of programmes and funding requirements with SG as current run rate indicates potential for slippage and funding return.
CLO	(0.5)	(0.6)	- 0.0		The surplus within CLO has increased in the YTD and FY position. The surplus continuous to be driven by Litigation income being ahead of costs and also due to a small reduction in non-pay budgets. Property section continues to see a decrease in demand post COVID.	Closely monitor income forecasts within CLO so financial and identify and report on opportunities to reduce discretionary spend.
Finance	0.1	(0.0)	-		YTD overspend is driven by audit and improvement activity. It is anticipated that finance will deliver a balanced outturn at year end.	Continue to monitor costs of service improvement, including LEAN PGMS costs, additional Blackline Expertise and Activity Based Costing system costs.
HR	(0.5)	(0.4)	(0.0)		YTD and FY financial position continues to deliver a surplus predominantly driven by vacancies in the HR establishment. Uncertainty remains on the requirements of the non-pay budget with potential for further opportunities to be realised.	Continue to review non-pay commitments as currently expecting that those will be fully spent.
P&CFS	(0.1)	(0.0)	(0.0)	0.0	The YTD surplus is due to several factors including current vacancies, a reduction in overtime and additional income received for staff working in other directorates which was not expected. This has resulted in a reduction in the income required by NSS Finance Reserves in relation to the additional agency staff working on nDCVP. FY forecast to break-even and it is likely that P&CFS will be able to absorb some of these additional pressures internally due to current vacancies and the reduction in overtime.	Continue to closely monitor the two projects covered by NSS Development funding nDCVP and the AMS Digital Programme and flag any issues as soon as the develop.
Reserves	0.6	0.2	0.7	(0.0)	The YTD deficit is driven by the CRES target to be identified. The FY forecast assumes that the CRES target will be achieved but will not mitigate the pressures within the apprenticeship Levy.	Continue to review options to achieve £0.7M of CRES by year end.
SPST	(0.2)	(0.3)	- 0.0		The YTD position continues to trend towards an underspend. This is driven by vacancies in SPST and Customer experience offset by pressures within PGMS.	Continue to monitor the overall position for PGMS and Events team, identifying opportunities to increase income.

	On Track
	At Risk
	Off Track
	n/a

NHS National Services

Financial Performance (£M) - Outturn vs Plan						
Direct-orate	**Revenue Outturn**		**Other Financial Targets**		**Summary of Position**	**Actions Required to deliver the 23-24 plan**
	YTD	**FY Forecast**	**CRES***	**Capital**		
DaS	(0.6)	0.3	-	0.1	YTD surplus due to underspends in National Services and Programmes, offsetting deficits in the recovery of rechargeable work . Recharges included for January, however further work is required to ensure all costs are recovered. Operating deficit of £306K forecast, including a £283k deficit in BI team as unfunded work on the SEER2 platform has restricted the team working on other recoverable work and may increase further. There is a risk around receiving full funding from SG for the eHealth SLA, with a deficit forecast at £1.4m. Discussions are ongoing with SG to bridge this gap	DaS and finance must continue to work closely to understand and resolve: - Review the DaS recharges and forecasts d as a priority. - Cyber Security slippage and eHealth programme funding gap being managed to ensure that costs are within funding envelope.
Assure	(0.1)	0.4	(0.4)	-	FY deficit remains for Assure driven by additional facilities management spend. However, there is still uncertainty if the work will be completed by year end. CRES overachievement of £0.4M due to dilapidations cost reduction and the FY forecast assumes that this saving will sit within reserves. Capital surplus funding to be returned to SG due to delay in installation of EV charging and unexpected conditions at Shotts site. Funding paper submitted to SG on 15th and expecting no impact to NSS in 24-25 as funding will be made available based on requirements.	Continue to monitor FM and utilities costs closely and manage vacancies to ensure a balanced position is achieved.
NP	(1.7)	(0.7)	0.0		YTD underspend is driven by Logistics (£0.7M) and by an underspend in pay within Strategic Sourcing and non-pay spend within IT. Current vacancies and recruitment delays within Strategic Sourcing driving underspend in pay. Logistics income from sales for the current month is currently £1.1m higher than budget as at December 23. It is forecast that the pay and IT underspends will continue to drive underspends at year end and this assumes logistics will break even.	Main risk for NP is the reduction of COVID funding. Finance will support the business to establish the potential risk. CRES is being overachieved with non-recurring savings supporting the position.
SNBTS	0.0	0.3	0.2	(0.0)	The YTD position for SNBTS has improved vs M9 by £0.2M and FY still forecasting a small deficit. SNBTS has also confirmed the non-recurrent measures that offset the unidentified CRES which is now sitting at £0.2M unidentified.	SNBTS will continue to work to identify and realise opportunities to achieve a break-even but at this stage it is unlikely this will be achieved. SNBTS is also reviewing the capital accruals and associated back up in preparation for year end.
NSD	0.6	(0.0)	2.2	(0.1)	The YTD position for NSD has been maintained at £0.6M overspend, which is based on M10 Health Board returns. The balanced FY position assumes that £4.6M of pressure will be funded by HB. There is a risk that Boards may not be in a position to provide the additional funding required.	NSD will continue to review options to reduce pressures as much as possible and will request the funding required for 23-24 at the February CFN. Confirm capital forecast for NSD
Total	**(2.3)**	**(0.9)**	**2.6**	**-**		

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Revenue Analysis - Summary

NHS National Services Scotland

The YTD Revenue position for NSS is of an underspend of £2.3M vs plan. The graph summarises movement by area.

Income - overachieved by £31M vs YTD plan

Health Board Income – the main element of this variance is within NP £21m, CLO £1.8m and DaS £5.7m with a corresponding offset in non-pay costs

Other Income – includes higher than budgeted income in year across SPST International Engagement £1.1M, Child Health £0.4M and SWAN £0.3m, CLO £1.3m and SNBTS Manufacturing & TCAT £0.5m

Pay – £7M underspend vs plan

Total Pay – the net payroll underspend of £9.2m includes over and above vacancy factor. This has been offset buy additional agency (£1.3M) and secondments in (£1.1M).

Non-Pay - £33M overspend

Cost of Sales £20.3M overspent relates to logistics (£19.5M), increased oxygen concentrator costs (£0.5M), both of which are recharged in full to Boards with no impact to NSS bottom line for FY23/24

IM&T £4.6M overspent –Mostly driven by DaS - overspends relate mainly to e-Rostering and O365 costs with partial offset by slippage in Cyber Security. NP is also overspent vs budget by £0.5M. There is £0.7M of slippage within FVCV

Professional Fees £2.8M overspent CLO additional costs £3.4M relates to the additional outlays income and DaS at £0.4M over budget. This has been offset by NP Project underspend £1M

Medical Costs £1.5M overspent overspend in clinical directorate has had associated budget to match

Other Operating Costs Overspend in ATOS and eRostering vs plan as well as within International Engagement Team.

Covid-19 funding requirements for C-19 services have improved compared to previous month forecast with a further £6.9M reduction in funding required.

As part of the SG request to look at options to save additional funds in FY23/24, there was and is particular focus on the 'C-19' services in-line with demand levels, policy decisions and risk appetite. **Reductions have been identified across TP&V to achieve the SG additional savings requirement.**
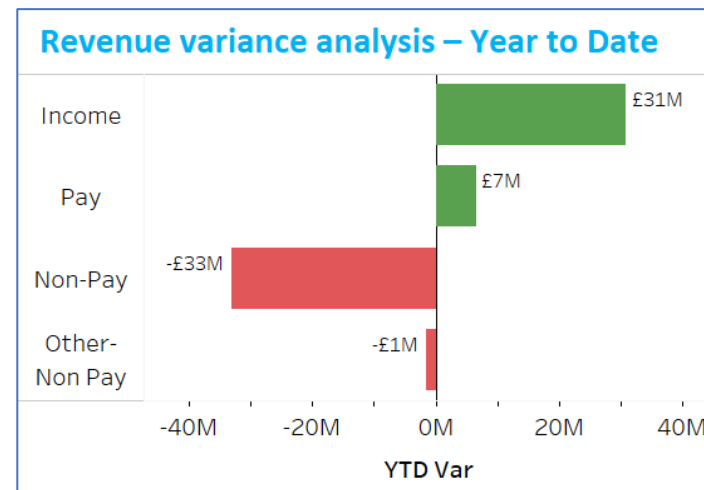
Revenue variance analysis – Year to Date

Category	YTD Var
Income	£31M
Pay	£7M
Non-Pay	-£33M
Other-Non Pay	-£1M

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Services delivered on behalf of NHS Scotland – excluding NSD

RAG

NHS National Services Scotland

FY23/24 Outturn

- The table on the right outlines the financial performance of services NSS manages on behalf of NHS Scotland and excludes NSD (see next slide).

- **The full year budget is £401m.** YTD spend is £0.3M lower than YTD budget of £320M. As at M10, it is forecast that all services will deliver a breakeven position at year end.

- Services delivering in line with phased budget are O365, eHealth SLA, SIBBS and MESH.

- Services delivering surplus vs phased budgets are NDC £677k, PACs £208k and CHI £23k underspent, but expected to breakeven at year end.

- Services delivering a deficit vs phased budget are e-Rostering £428k, Atos £185k and GPIT £52k, expect full year breakeven.

- NSD manages an additional £312M FY, which brings the total of managed services budget within NSS to £713M. NSD position including FY risks and opportunities review is detailed in the next slide.

Services delivered on behalf of Scotland - YTD Position

Hosted Fund	Expenditure	Variance
ATOS	£26,421K	-£185K
CHI	£4,612K	£23K
eHealth	£24,927K	£0K
eRostering	£5,467K	-£428K
GP IT	£2,065K	-£52K
MESH	£50K	£0K
NDC	£204,908K	£677K
O365	£32,220K	£0K
PAC's	£2,702K	£208K
SIBBS	£16,218K	£27K
Grand Total	£319,590K	£270K

NHS National Services Scotland – Executive Management Team
Risks and Opportunities – January 2024
Services delivered on behalf of NHS Scotland by National Services Division

RAG

NHS National Services Scotland

NSD Risks and Opportunities Summary at M10 (£M)

■ Increase   ■ Decrease   ■ Total

Risks & Opportunities not built into forecast and currently being reviewed by NSD
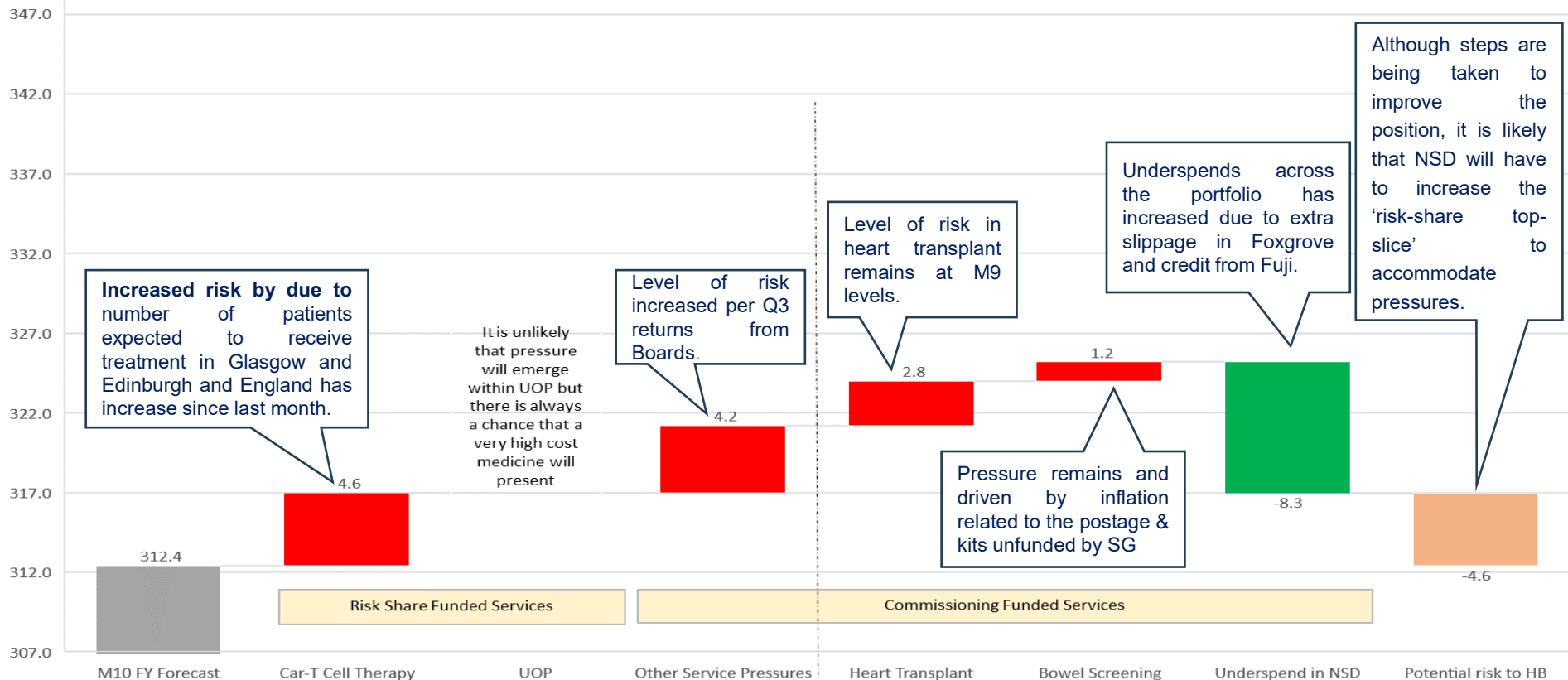
Increased risk by due to number of patients expected to receive treatment in Glasgow and Edinburgh and England has increase since last month.

It is unlikely that pressure will emerge within UOP but there is always a chance that a very high cost medicine will present

Level of risk increased per Q3 returns from Boards.

Level of risk in heart transplant remains at M9 levels.

Underspends across the portfolio has increased due to extra slippage in Foxgrove and credit from Fuji.

Although steps are being taken to improve the position, it is likely that NSD will have to increase the 'risk-share top-slice' to accommodate pressures.

Pressure remains and driven by inflation related to the postage & kits unfunded by SG

Risk Share Funded Services   Commissioning Funded Services

Values shown on chart:
- M10 FY Forecast: 312.4
- Car-T Cell Therapy: 4.6
- Other Service Pressures: 4.2
- Heart Transplant: 2.8
- Bowel Screening: 1.2
- Underspend in NSD: -8.3
- Potential risk to HB: -4.6

Categories: M10 FY Forecast | Car-T Cell Therapy | UOP | Other Service Pressures | Heart Transplant | Bowel Screening | Underspend in NSD | Potential risk to HB

NSD Risks and Opportunities

The graph above summarises the risk and opportunities within NSD FY revenue forecast, which has increased by £0.5M. This is based on the information NSD received from Boards at the end of January which helped firm up the year-end position. NSD will continue to pursue options to reduce the emerging pressure in risk share by utilising underspends elsewhere within the portfolio but at this stage in the year it is highly unlikely that this will be achieved. NSD has previously notified Health Boards that a top-up to risk share funding >£4m may be required – this will be reinforced at the February CFN. The Amber RAG status is based on the fact an overspend is forecast for NHS Scotland but NSS' RAG is green on the basis Boards have provided for this in their plans.

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Scottish Government Funding Allocation Tracker

RAG

SG Allocations Received

Additional allocations of £389k were received in January

Total additional allocations received is £218m YTD.

SG Allocations Outstanding

Currently c£97m allocation remains outstanding. The main outstanding allocations are :- PPE £34m, Logistics £17m, Vaccinations £13m, Covid Warehousing Funding £6m, Centre of Excellence £6m, SIBBS £4m and e Health £3m.

A paper is being presented to CFN in February seeking agreement on the Logistics top slice

The risk profile below is based on Business Controller assessment working with Directorates – and the majority as 'amber' is a fair reflection on the current funding position.

The £1.5M of 'red' allocations has been assumed to be forthcoming in the FY forecast. Within DaS, the eHealth allocation is at risk but NSS, in collaboration with SG Finance, is building this risk into any additional (net) savings return in FY23/24. **At a recent meeting with SG Finance, it was confirmed that NSS will imminently receive an additional savings letter (c£14m) - this will be achieved through a reduction in T&P allocation requirement.**

SG Allocations - Oustanding - Total Amount / No. of Allocations

Category	Amount / No. of Allocations
CD	-£0.10M / 2
DAS	£5.35M / 33
P&CFS	£5.58M / 10
PCF - NHS Assure	£10.62M / 19
PCF - NP	£64.19M / 26
PCF - NSD	£1.03M / 2
RES	£0.29M / 2
SNBTS	£0.02M / 5
SPST	£10.33M / 15

All Oustanding

SBU	Green	Amber	Red	Total
SNBTS	54		29	20
Reserves	286			286
DaS	-129	4,041	1,433	5,345
P&CFS	5,519	57		5,576
SPST	452	15,875		10,327
Clinical	-102			-102
NHS Assure	7,594	3,029		10,623
NP		64,188		64,188
NSD		1,028		1,028
	13,675	88,219	1,463	97,293

Allocations Received v Outstanding

Legend: Received 21/22, Received 22/23, Received 23/24, Allocation o/s 21/22, Allocations o/s 22/23, Allocations o/s 23/24

(X-axis: May, June, July, August, September, October, November, December, January, February, March; Y-axis: Millions)

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Delivery of Cash Releasing Efficiency Savings

RAG

CRES Target (£M)

- 2.6 Unidentified
- 0.2 High Risk
- 0.7 Medium Risk
- 0.8 Low Risk
- £1.1 non-recurring measures
- £7.5 or 59% CRES Achieved
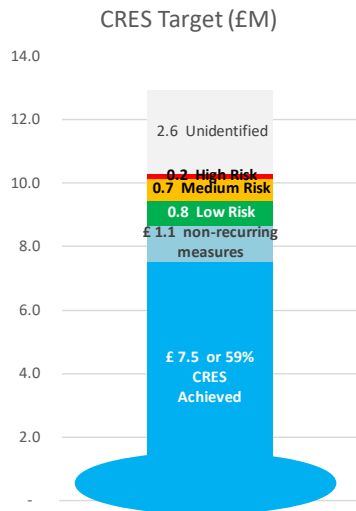
NSS CRES Performance Summary

The graphs and table show **reported achievement** of CRES to date and the forecast by risk level for the reminder of the year in £M. **This is essentially based on delivery against opening CRES plans**

At the end of M10, **NSS has reported achievement a total of £7.5M or 59% of its £13M CRES plan with a reduction in Meridian Court dilapidations costs of £0.5M** being achieved this month. NSS has also identified £1.1M of non-recurring measures to offset the unidentified CRES within SNBTS and NSD, decreasing the unidentified CRES to £2.4M.

Finance is working with Directorates to ensure all appropriate non-recurrent measures are formally declared as CRES so that NSS is reporting full CRES delivery in-year. The RAG status for NSS is green given savings have been delivered but have not been fully evidenced.

Directorates are required to ensure **a continued focus on FY23/24 position** and take any necessary **corrective actions** to ensure **financial balance** and **support NHS Scotland to reduce the deficit.**

It is also important to note that NSS awaits formal notification from SG that its CRES target will increase non-recurrently in FY23/24. An increased requirement of £14.4m is the planning assumption and we have delivered this via a reduction in allocation requirement (specifically TP&V > £17m) which we have agreed with SG Finance.

The outstanding unidentified CRES position is presentational and does not impact adversely on the financial position forecast for year end.

	YTD Achieved			Forecast by Risk Level			Total CRES Forecast	CRES to be identify to achieve target	Starting CRES Budget
	Recurring CRES	Non-Recurring CRES	Non-recurring Measure	Low	Medium	High			
Clinical	0.1	0.1	-	0.0	-	-	0.2	0.0	0.2
CLO	0.2	0.0	-	0.0	0.0	-	0.2	(0.0)	0.2
DAS	0.5	-	-	0.1	-	-	0.5	-	0.5
Finance	0.2	0.1	-	0.0	0.0	0.0	0.4	-	0.4
HR	0.1	-	-	-	0.0	-	0.1	(0.0)	0.1
NHSAssure	0.9	0.5	-	0.2	-	-	1.6	(0.4)	1.2
NP	0.1	0.2	-	0.0	0.1	-	0.4	-	0.4
P&CFS	-	0.2	-	0.0	-	-	0.2	(0.0)	0.2
Reserves	-	0.3	-	-	-	-	0.3	0.7	1.0
SNBTS	0.8	0.0	0.8	0.0	0.5	0.1	2.4	0.2	2.6
SPST	0.2	0.1	-	0.0	-	-	0.3	(0.0)	0.3
NSD	1.8	1.1	0.3	0.3	-	-	3.5	2.2	5.7
NSS Total	**4.9**	**2.7**	**1.1**	**0.8**	**0.7**	**0.2**	**10.3**	**2.6**	**12.9**

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Capital Programme Delivery

RAG	

FY23/24

YTD and FY Capital Position

As at M10, planned capital spend is forecast to breakeven by the end of the year.

This month there has been slippage within the planned work of the Assure directorate. The unexpected breakdown at Foresterhill reported last month has resulted in a program slippage to next financial year. In addition, the planned installation of EV chargers across the estate will also be completed next financial year.

Risks and Opportunities

The delay in Foresterhill will result in a capital funding requirement in 24/25. A portion of this has been committed contractually.

Delays in installing the EV charging system have been confirmed. This work is Grant funded and is held by SG. NSS have confirmed that this funding will be available to us in 24/25.

Work is continuing to review aged accruals. These could be released to fund any outstanding investment requests or be returned to the SG

There is no identified SG CRL funding for Boards to fund the transfer of capital stock from NSS Balance Sheet to operational use at Board level. Circa £250k of this stock has been issued to boards already this financial year.

Planning

This month the WSP program held two workshops with SNBTS and NP. The information from these will be incorporated into a document to build on our existing knowledge. Internally within finance this work aims to align individual directorate strategy with the long-term capital plan for NSS.

NSS CAPITAL DEVELOPMENT FUNDING		Budget	FY	Movement
Opening position	Opening AOP	2,927	2,927	0
	Ellen's Glen Funding	1,100	1,100	0
	Fuji compensation NSD		489	-489
	Vat Recoveries	0	60	-60
	Opening position total	**4,027**	**4,575**	**-549**
Critical projects approved	nDCVP		0	0
	SNBTS Equipment Rolling Replacement	-333	-410	77
	SNBTS - Clinical Apheresis Machines	-1,728	-1,628	-100
	Breast Screen Units	-800	-1,274	474
	DaS Network Replacement	-20	-89	69
	Meridian Court Replacement	-554	0	-554
	Foresterhill Steam Upgrades	-292	-200	-92
	Move to Titan	-54	-525	471
	SNBTS 22/23 slippage	-77	-77	0
	Warehouse Management System		-111	111
	Credit received in year		65	-65
	Committed	**-3,858**	**-4,249**	**391**
Available for Developments		**169**	**327**	**-158**

SG CAPITAL DEVELOPMENT FUNDING		Budget	FY	Movement
Confirmed	NIB Funding	172	172	0
	Electric Charging Points	550	0	550
Awaiting Confirmation	Breast Screen Unit - additional	135	135	0
	Shott's clinical waste site	200	0	200
	CHI	1,567	1,567	0
	CHI Additional	1,071	1,071	0
	SEER's	550	606	-56
	Revenue to Capital - Atos Tech Refresh	1,000	1,000	0
	Revenue to Capital - SNBTS	91	91	0
	Revenue to Capital - AMS Scanners	208	208	0
	Revenue to Capital - EV Charging Points Vat	130	0	130
	Electric Charging Points additional	100	0	100
			0	0
		5,774	**4,850**	**374**

NHS National Services Scotland – Executive Management Team
Financial Performance – January 2024
Reserves Overview

RAG

The 2023/24 Financial Plan included provision for various **identified opportunities and risks**. These are being managed in year within Reserves.

In month – SharePoint £0.5m and SNBTS £0.1m funding have been approved, Pharmacy funding requirement is to be confirmed and will be processed in M11.

At the end of January NSS has net revenue resources available of **c£1.5m.** The net revenue resource available can be used to mitigate against significant underlying financial uncertainty and risk.

Any surplus funds in Reserves as well as 23/24 spending plans not required must form part of our overall position so that NSS can maximise funding that can be returned to SG to support the wider position.

	Opening Assumptions	DEC EMT	JAN EMT	FEB EMT	
Available Revenue Funding	1,454,150	- 1,509,647	- 1,477,199	- 2,090,415	Reserves allocated, but will be offset by Depreciation £0.5m included below
Likely Opportunities	3,445,000	4,219,823	3,672,248	4,272,967	incl £1m Contingency, £0.5m A/L, WRP £0.4m, Depn £0.5m
Maximum Available	**4,899,150**	**2,710,176**	**2,195,048**	**2,182,552**	
Likely Risks / Pressures					
21/22 Underspend	490,000	490,000	490,000	0	Assuming won't be received, removed from Opportuniies too
Inventory Mgt System	633,700	0	0	0	Cost Pressure - funding expected from SG
Sharepoint		500,000	500,000	0	Actioned M10
Additional nDCVP expenditure					Actioned M6
Pharmacy Funding required		0	0		Funding confirmed by C Low
Additional Pharmacy Funding		350,000	350,000	140,000	Additional £350k funding agreed by C Low 6/12/23
nDCVP Capital for PHS changes		140,000	140,000	0	Confirmation required PHS require this funding
Transformation Fund Pressure		195,000	125,000	0	PgMS Addit Projects eRostering & Sustainability
Corporate Data System Improvements project		tbc	tbc	0	
VAT return in June (double recovery)		350,000	0	0	No impact credit prepaid from Reserves until correction processed
CNORIS overpayment c£250k		250,000	250,000	250,000	
Terumo BCT Europe NV - Credit Note processed 22/23 but invoice pro			113,216	0	Actioned M10
DaS Digital Transformation				250,000	To be confirmed by DaS
Total Risks / Pressures	**1,123,700**	**2,275,000**	**1,968,216**	**640,000**	
Net Position Revenue	**3,775,450**	**435,176**	**226,832**	**1,542,552**	
TOTAL POTENTIAL FUNDS AVAILABLE		**435,176**	**226,832**	**1,542,552**	

NHS National Services Scotland – IPR for Board
Financial Sustainability Action Plan Update (1)

Action	RAG	Comments

Increased Financial "Grip & Control"
• Systems & Processes
• Roles & Responsibilities
		This is a broad, overlapping action with various on-going elements such as:
		• **Staff Data / Directorate reconciliation**
		• Finance Charters – summarising and confirming roles and responsibilities
		• Systematic Review of Aged & High Value Accruals
		• Pecos Approval Rules & Limits
		• Increased scrutiny and controls over discretionary non-pay spend (CCSG)
		• Corporate Joiners, Movers, Leavers (CJML)
		• Workforce governance oversight:
		  • Refined support and information for Vacancy Review Panel
		  • Requirement for organisational change to be at least cost neutral reinforced.

Directorate Service Transformation		Finance continues to support emerging future NSS planning working closely with DaS and PgMS in terms of **wider transformation arrangements** Finance continues to work closely with all Directorates (and DaS; SNBTS; and NSD in particular) to **transform Financial Management arrangements** – with both Finance and Service Areas recognising the changes needed to support improved practice and ensuring roles and responsibilities as outlined in the Finance Charter are delivered in practice. Our **Lean work** is focusing on (1) the annual planning process, working with key stakeholders to ensure this is as efficient and effective as possible for the forthcoming FY24/25+ cycle and (2) implementing changes to the month end Financial Management Cycle - with **aims to reduce the cycle time; improve report content and timing; give early awareness of material issues to Key Decision Makers for information and/or decision making.** It is crucial that delegated budget holders are supported and informed to make the decisions around their delegated budgets by Finance – but Finance do not make decisions for the business.

NHS National Services Scotland – IPR for Board
Financial Sustainability Action Plan Update (2)

Action	RAG	Comments
Activity Based Costing	🟧	The project team has met with each Directorate to better understand readiness in terms of data maturity and capacity which is being used to inform an engagement and roll out plan. The project highlighted several financial structural / hierarchical inconsistencies across NSS which have been addressed through the FY23/24 budget process benefiting the wider financial management and reporting functions of Finance. A joint working session recently took place with Finance and SNBTS (H&I). Performance and financial data has been collected to create the costing model. **The Finance Lead for this Project has recently moved roles so we are currently considering backfill / support arrangements to ensure this is implemented in FY24/25.**
Business Finance PMO	🟩	PgMS and Finance continue to work closely to implement and embed a PMO within Finance. We aim to have significant milestones delivered by **31st March 2024**: • **CRES** – more rigorous tracking of actual savings delivery covering (1) Directorate Savings Plans including ROI from planned investments (2) Contract Approval Savings (3) Cost & Commercial Steering Group • **Cost Pressures** – similar to CRES, a more robust way of recording all Cost Pressures to support budget decisions and better understand cost drivers • **Business Cases / Funding Requests** – Finance leading but working with others to review existing processes end to end with a One NSS lens. Existing business case guidance and information has been made more accessible during Q2 We also recognise the need for consolidated NSS savings reporting into Boards / SG to summarise the favourable impact our services make to the wider budget **Ahead of the PMO being established, the principles have been applied to the Budget Summit process ensuring standardisation and completeness of data capture around savings, pressures and investments** **We have engaged DaS to provide a view on optimal technological solution and await**

NSS People Report – January 2024

Summary

NHS National Services Scotland

Headcount

The current headcount for NSS is **3,475** and the total 'Whole Time Equivalent' (WTE) is **3,313.4**. Last month there were a total of **3,474** staff with a WTE of **3,312.1**. Please note the headcount on the dashboard does <u>not</u> include agency and bank staff.

Turnover

NSS has recorded **310** new starts, **224** leavers and a turnover rate of **8.04%** this financial year. January recorded **21** new starts, **18** leavers and a turnover rate of **0.68%**.

Agency Staff and Fixed Term

There are currently **155** agency employees across NSS (**135** last month), the majority of these are within P&CF (**87**), PCF (**33**) and DaS (**26**). There are a total of **278** employees on fixed term contracts (**287** last month). The majority of these are within PCF (**74**), SPST-NCC (**53**), DaS (**52**) and SNBTS (**46**). There are **128** fixed term contracts expiring in the next six months. **37** fixed term contracts have been with NSS for more than four years (**40** last month).

Statutory and Mandatory Training

The compliance rates for January 2024 are **89%** for Statutory and **88%** for Mandatory training. The migration of training records for those with a 5-digit ID (consultants, visiting workers and agency staff) is on the workplan for NES.

Recruitment

In January there were **14 jobs** advertised (**24** last month) and **42 vacancies** in total (**34** last month). For the financial year, the total is **331 jobs** and **476 vacancies**. **Five** of the **316 jobs** are currently 'live' and at the 'advert' stage, **68%** of the jobs are for permanent positions and **30%** are for fixed-term (or secondment) posts and **2%** are for 'other' contract types.

Sickness Absence

The total sickness absence rate for the financial year is **4.39%** (4.39% last month), breaching the **4.00%** National target by **0.39%**. The total sickness absence rate for the month of January is **4.31%** (5.04% last month). The total cost of absence for the financial year is **£5.43m**. This time last year, the total cost of absence was **£3.87m**. January 2024 recorded a sickness absence cost of **£492k (£645k** last month).

Appraisal, Personal Development Plan (PDP) and Objectives

The compliance rates are currently at **83%** for Appraisal (**93%** last month), **75%** for Objective (**88%** last month) and **74%** for PDP (**87%** last month).

Sickness Absence - Statistical Process Control

The total sickness absence rate for the financial year is **4.39%** (same as last month), breaching the **4.00%** National target by **0.39%**. The total sickness absence rate for the month of January is **4.31%** (5.04% last month).

With the current headcount sitting at **3,313.4** (WTE), approximately **143** employees were off due to sickness in January (**167** last month).

Forecast - Based on the previous three years of absence data, year to date sickness absence is forecast to finish the year at **3.95%** for NSS.

SPC Directorate Breakdown

Between Lower Limit and Mean (0.23% - 3.07%)	Between Mean and Upper Limit (3.07% - 6.36%)
DaS, Finance	CLO, Clinical, HR, PCF , P&CF, SNBTS, SP&ST

Short Term / Long Term Sickness Absence Rates

Month	Short Term	Long Term
January 2024	Month: **1.68%** FY: **1.51%**	Month: **2.64%** FY: **2.88%**
December 2023	Month: **2.03%** FY: **1.48%**	Month: **3.01%** FY: **2.91%**

Sickness absence rates historically rise after each reporting month due to retrospective absence updates from line managers to SSTS. HR re-run sickness absence reports each month to maximise accuracy and capture retrospective changes.

Fig.1 Year to Date Total Sickness Absence SPC
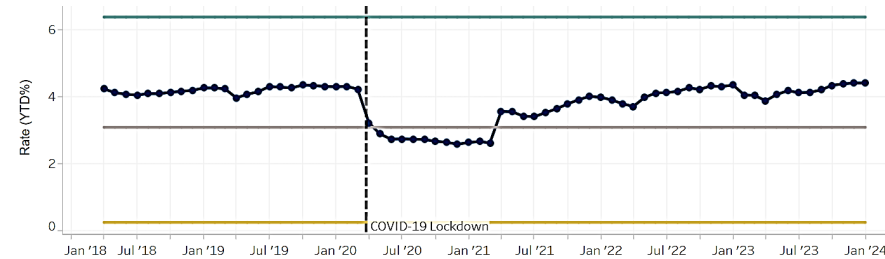
Fig.2 NSS Long and Short-Term Rolling 12 Months Absence Rates
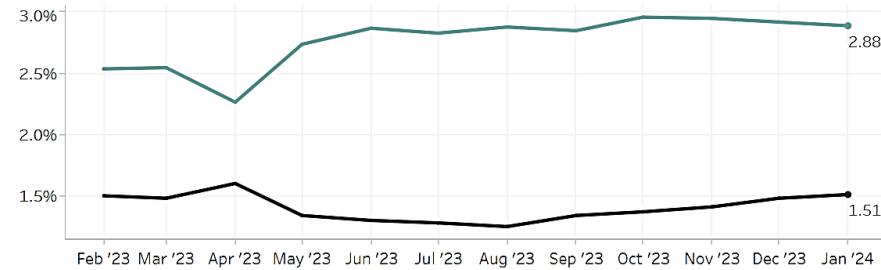
Fig.3 Year to Date Absence Data (5 Year Comparison)

		Long Term (%)	Short Term (%)	Total (%)
19/20	January	2.74%	1.53%	4.28%
20/21	January	1.76%	0.85%	2.61%
21/22	January	2.80%	1.16%	3.96%
22/23	January	2.72%	1.59%	4.33%
23/24	January	2.88%	1.51%	4.39%

Covid 19 Pandemic   Previous Year   This Month

Sickness Absence Cost

The total cost of absence for the financial year is **£5.43m**. This time last year, the total cost of absence was **£3.87m**. January 2024 recorded a sickness absence cost of **£492k (£645k** last month). Retrospective absences entered onto the system account for an average increase of **15-30%** in cost and hours lost, which will impact the current month's figure and will be reflected next month.

Fig.4 Top Reasons For Absence

1	Anxiety/stress/depression/other psychiatri..	£135,661	27.6%
2	Cold, cough, flu - influenza	£56,436	11.5%
3	Other known causes - not otherwise classifi..	£35,915	7.3%
4	Back problems	£32,167	6.5%
5	Chest & respiratory problems	£30,666	6.2%
6	Gastro-intestinal problems	£28,149	5.7%
7	Benign and malignant tumours, cancers	£27,077	5.5%
8	Injury, fracture	£19,399	3.9%
9	Heart, cardiac & circulatory problems	£19,138	3.9%
10	Covid-related illness	£16,310	3.3%

The Directorates with the highest cost of absence are SNBTS with **£161k** and PCF with **£138k**. Please see Fig.5 below:

Fig.5 Directorate Breakdown

1	SNBTS (Div/CHP)	£157,680	32.0%
2	Procure Commission Facilities (Div/CHP)	£116,994	23.8%
3	Strategy Performance & Service Transformation (Div/..	£63,128	12.8%
4	Digital and Security (Div/CHP)	£44,304	9.0%
5	Practitioner & Counter Fraud (Div/CHP)	£30,485	6.2%
6	Finance (Div/CHP)	£26,117	5.3%
7	Clinical (Div/CHP)	£21,037	4.3%
8	Central Legal Office (Div/CHP)	£17,943	3.6%
9	HR & Workforce Development (Div/CHP)	£10,945	2.2%
10	SPST-NCTC (Div/CHP)	£3,451	0.7%

Case Management

Case Management

There are currently **156** active cases (132 last month), with **20** cases opened and **two** cases closed in January 2024 (*See Fig.6*).

The Case Management team continues to work collaboratively with the HR Business Partners, acting on the absence trigger information to support any increasing absence rates across the Directorates. The recent absence trigger report has found that approximately 25 employees do not have an active case logged with HR and managers have been contacted for an update and asked to log a call to Service Now for HR guidance and support.

Weekly meetings are taking place with HR and Occupational Health to review the more complex cases, ensuring delays in process are kept to a minimum and any supportive mechanisms detailed in the Occupational Health reports are being considered by the line managers.

Absence Triggers

There are a total of **232** employees who have breached sickness absence triggers this month, of which **29%** have active cases with HR. A total of **591** employees have reached an absence trigger in the rolling year of which **32%** have active cases with HR.

Fig.7 Active Cases by Directorate

Directorate	Cases
Procure Commission Facili..	62
SNBTS	51
Practitioner & Counter Fr..	14
Central Legal Office	8
Strategy Performance & S..	7
SPST-NCTC	6
Digital and Security	5
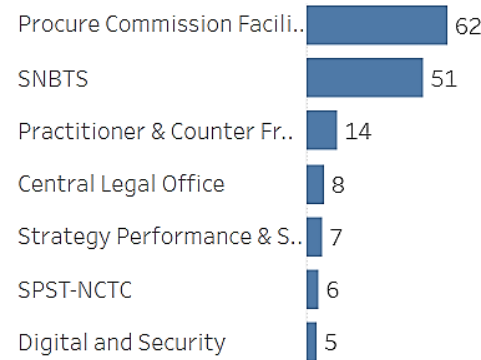
Fig.6 New (Opened) Cases and Closed Cases Trend

New Cases Trend — FY 2023, FY 2024

Closed Case Trend — FY 2023, FY 2024

Fig.8 Active Cases by Category

Category	Cases
Attendance	123
Capability	16
Conduct	12
Dependency	1
Dignity At Work	3
Grievance	3
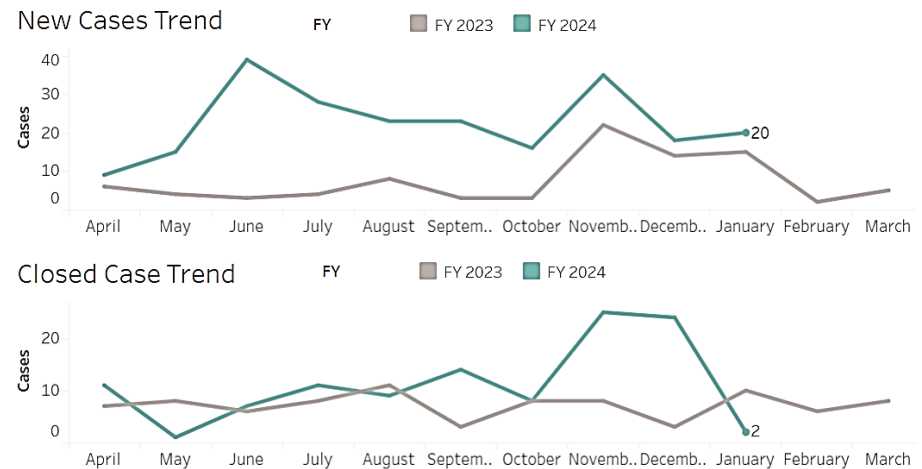
Turnover

Turnover Insights

NSS has recorded **310** new starts, **224** leavers and a turnover rate of **8.04%** this financial year (*see Fig.9*). January recorded **21** new starts, **18** leavers and a turnover rate of **0.68%**. Of the **224** employees who left, **18%** were on a Fixed Term contract and **82%** were on a Permanent contract.

The turnover forecast for the end of the financial year is **9.06%**, which is lower than the agreed target of **14.00%**.

Turnover by Directorate

Directorate	Turnover This Month	Turnover Last Month
CLO	1.45%	0%
Clinical	8%	0%
DaS	0.21%	0.43%
Finance	0%	0%
HR	3.19%	0%
P&CF	0.65%	0%
PCF	0.44%	0.88%
SNBTS	0.74%	0.85%
SPST-NCTC	0%	4.58%
SP&ST	0.78%	0.39%

Fig.9 Leavers Vs. New Starters This Financial Year

Division	Count leavers in FY (overall)	Count new starters in FY (overall)
Central Legal Office	8	4
Clinical	1	1
Digital and Security	29	24
Finance	10	10
HR & Workforce Development	13	13
Practitioner & Counter Fraud	20	22
Procure Commission Facilities	55	135
SNBTS	68	81
SPST-NCTC	7	1
Strategy Performance & Service Transformation	13	19
Grand Total	224	310

Top 5 Reasons for Leaving (FY)

Reason	Leavers
Vol. Resignation – Other	48
Other	46
New Employment Within NHS	45
Retirement - Age	33
Retirement - Other	13

Notes

- Turnover rates are produced from eEES National Team turnover reports and include bank staff. Therefore, NCC rates include bank.
- The new starts and leavers data is taken from the NSS Staff List data.
- HR WIS implemented a change in the reports to use 'Last day of working' instead of 'Effective End Date' for the new starts and leavers table counts.
- The turnover percentage includes bank staff.

Agency Length of Service

Agency

There are currently **155** (**155** WTE) agency employees across NSS. There were **135** agency staff last month. **147** (**95%**) of agency contracts are due to end within the next six months (*See Fig.10*).

Six agency employees have been with NSS for more than four years (*See Fig.11)* in the following Directorates:

Directorate	Agency Headcount
PCF	3
SNBTS	2
DaS	1

Agency Staff by Directorate (Main)

Directorate	Agency Headcount
P&CF	87 (56 last month)
PCF	33 (38 last month)
DaS	26 (27 last month)
SP&ST	6 (9 last month)

Agency Contracts Ending in 6 Months

Fig.10

Feb 24	Mar 24	Apr 24	May 24	Jun 24	Jul 24
4	123	3	9	7	1

Agency Length of Service

Fig.11

0-6 Months	6-12 months	1-2 Years	2-3 Years	3-4 Years	4+ Years
94	15	17	21	2	6
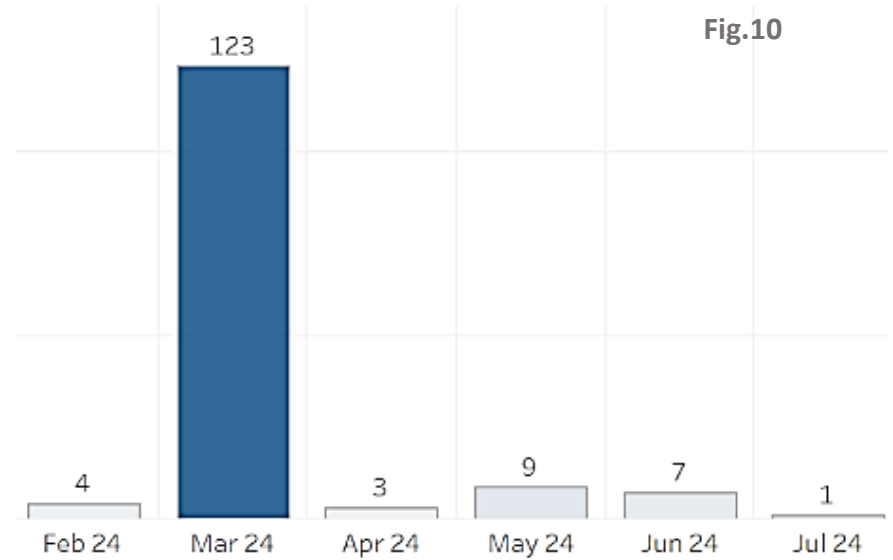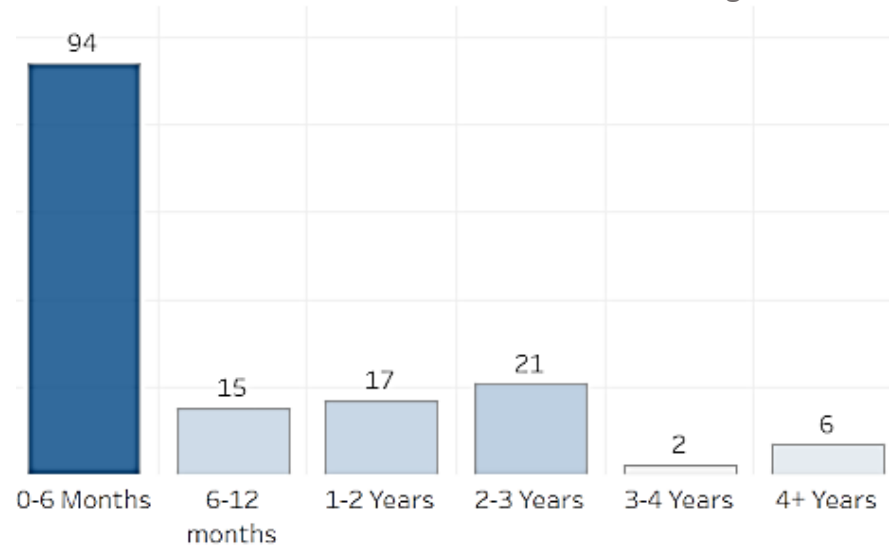
Fixed Term Length of Service

Fixed Term

There are currently **278** (**210.4** WTE) fixed term employees across NSS. There were **287** fixed term staff last month.

128 (**46%**) fixed term contracts are due to end within the next six months (*See Fig.12*).

37 fixed term contracts have been with NSS for more than four years (**40** last month) in the following Directorates:

Directorate	Headcount
SNBTS	11 (12 last month)
DaS	9 (10 last month)
PCF	7 (7 last month)
P&CF	4 (5 last month)
SP&ST	4 (3 last month)
CLO	0 (1 last month)
Clinical	1 (1 last month)
Finance	1 (1 last month)

Fixed Term Staff by Directorate (Main)

Directorate	Headcount
PCF	74 (76 last month)
SPST-NCC	53 (54 last month)
DaS	52 (52 last month)
SNBTS	46 (48 last month)

Fig.12

Fixed Term Contracts Ending in 6 Months

Month	Value
February 2024	8
March 2024	76
April 2024	15
May 2024	10
June 2024	12
July 2024	7

Recruitment
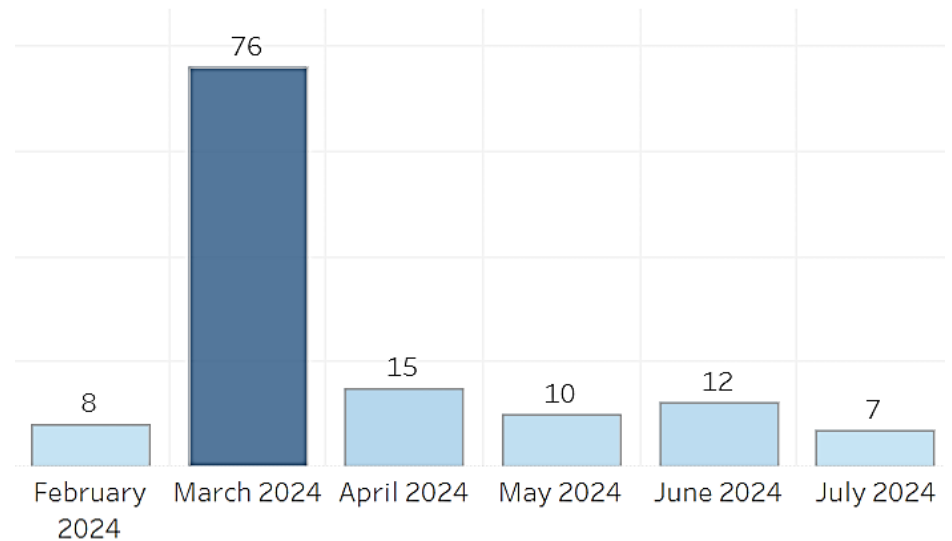
Highlights

In January there were **14 jobs** advertised and **42 vacancies** in total. Last month there was **24 jobs** advertised and **34 vacancies** in total. For the financial year, the total is **331 jobs** and **476 vacancies**.

Five of the **331 jobs** are currently 'live' and at the 'advert' stage (*See Fig.15*), **68%** of the jobs are for permanent positions and **30%** are for fixed-term (or secondment) posts and **2%** are for 'other' contract types (*See Fig.14*).

The current average time to hire for the last two years (24 month rolling sample), inclusive of HR and Hiring Manager involvement, is **97** working days (**95** working days last month) (*See Fig.13*).

Included within this timeframe is:

Fig.14

2%
30%
476 Vacancies
68%

- Permanent
- Fixed-term or Secondment
- Other

Fig.13

Timeline (Working Day Averages)

49	4	3	16	3	2	15	7	97
Time for Advert	Time to Shortlist and Recommend Interview	Time from Interview Recommend to HR Interview Email	Time from Interview Notification to Manager Offerin..	Time from Manager Offering Role to HR Processing Conditional Offer	Time from HR Offering Job to Candidate Accepting Job	Time for Pre Employment Checks	Time from Pre Employment Completion to Onboard Date	Total Time to Hire

HR Team   Hiring Manager Responsibility   Outwith NSS Responsibility

Please note 'time for advert' also includes the time taken to approve a new Job that can ultimately inflate the 'Total time to Hire'
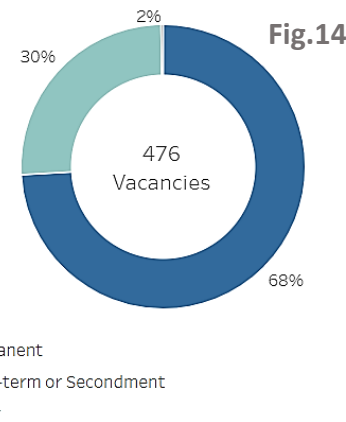
YTD Jobs by Job Status   Fig.15

Status	Value
Complete	153
Unconditional	74
Conditional	45
Interview	25
Shortlisting	14
Live Advert	5
On Hold	4
Job Closed – no OR no sui..	4
Shortlisting Complete	3
Vacancy Withdrawn	2
Held by Redeployment	2

0   50   100   150
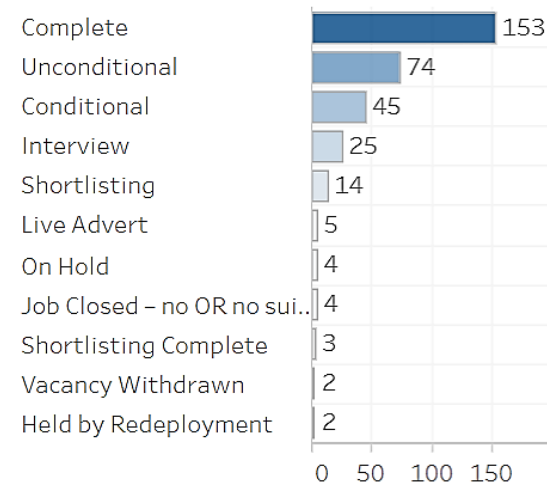
Note: In December 2022 report the time to hire analysis period moved from the full job train data set over four years to the 'last two years' or 24 month rolling sample. This provides a more accurate and recent time to hire and reflects improvements in recruitment processes.

Redeployment

Highlights

The total number of redeployees who have been added to the register this financial year is **53**, with **12** being added in January (*See Fig.17*). Of the **12** added this month, **92%** were due to their fixed term contract ending and the other **8%** due to 'Organisation Change'.

There are currently **29 active redeployees** on the register, **17%** of which are on a temporary work assignment, **48%** are seeking opportunities, **14%** are on secondment and **35%** are on a trial period (*See Fig.16*).

55% of active redeployees are on the register due to organisational changes and **45%** due to their fixed term contracts expiring.

Fig.17 12-month rolling year trend graph to show number of redeployees added each month

Fig.18 Active Redeployees by Directorate

Mandatory/Statutory Training

NHS National Services Scotland

Fig.19

Highlights

The compliance rates for January 2024 are:

- Statutory Compliance Rate – **89%**
- Mandatory Compliance Rate – **88%**
- Overall Compliance Rate – **88%**

Senior Leadership Teams have been asked to focus on ensuring compliance by the end of the fiscal year.

The migration of training records for those with a 5-digit ID (consultants, visiting workers and agency staff) is on the workplan for NES.
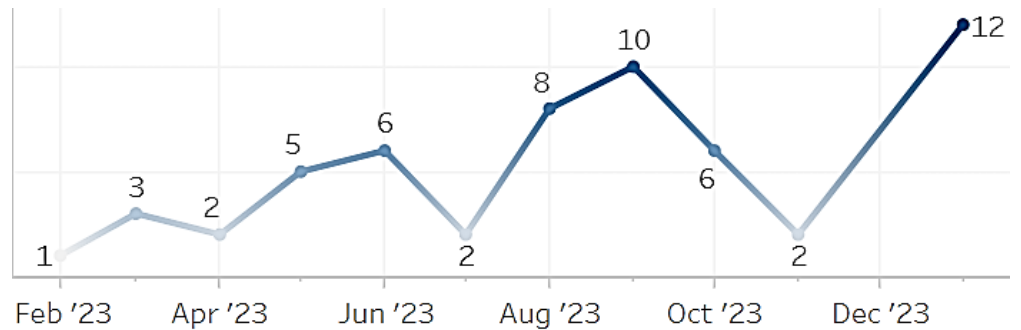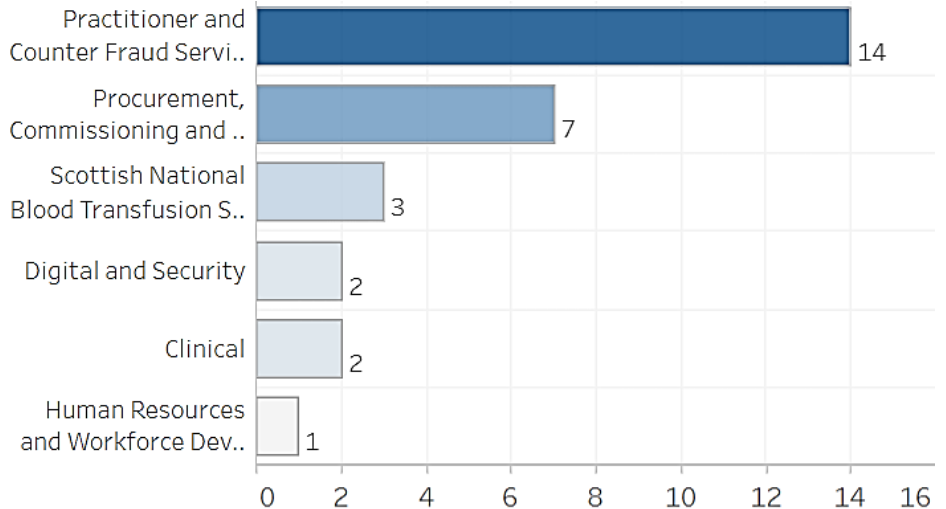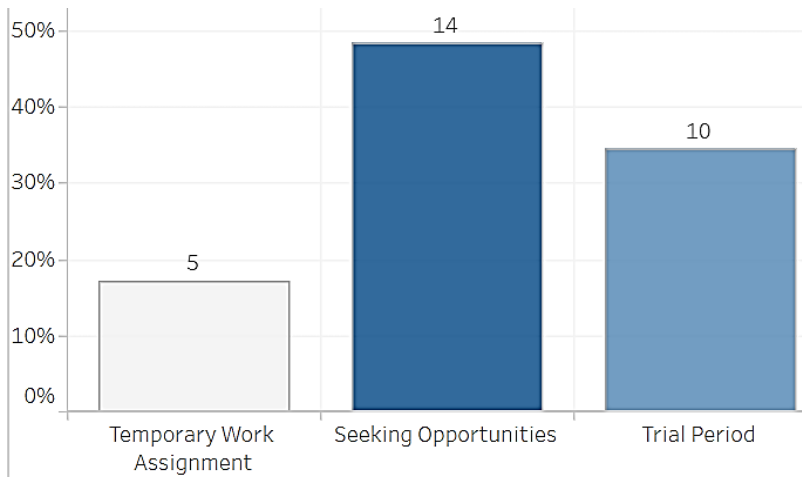
Please note that these employees are on Turas and that their course history is available to view by their respective line managers.

Whistleblowing

Please see updated compliance rates for January in the table on the right.

Please note that employees (non-management) who have completed any of the three whistleblowing courses are considered compliant and line managers who have completed either the line manager or senior manager course are considered compliant.

	Central Legal Office	Clinical	Digital and Security	Finance	HR & Workforce Development	Practitioner & Counter Fraud	Procure Commission Facilities	SNBTS	SPST-NCTC	Strategy Performance & Service Transforma..
Equality And Diversity	94%	96%	91%	79%	82%	93%	89%	87%	79%	83%
Fire Safety Awareness	97%	84%	90%	78%	86%	93%	87%	89%	89%	90%
Freedom Of Information	94%	96%	91%	76%	87%	93%	89%	87%	79%	85%
Health And Safety Induction	95%	96%	91%	75%	84%	94%	89%	86%	76%	84%
Information Governance In Action	89%	92%	90%	74%	86%	81%	85%	84%	68%	77%
Manual Handling Passport	91%	92%	92%	75%	82%	92%	89%	88%	76%	83%
Risk And Resilience	91%	92%	92%	73%	86%	91%	89%	87%	82%	84%
Staying Safe Online : Top Tips For Staff	98%	96%	93%	80%	90%	95%	90%	88%	95%	89%

Course	TURAS Headcount	Complete	Compliance %
Whistleblowing : Overview	3,284	2,514	77%
Whistleblowing : Manager	764	476	62%

Turas Appraisal

NSS Compliance Rates *

Fig.20

	Appraisal	Objective	PDP
Central Legal Office (Div/CHP)	100%	95%	96%
Clinical (Div/CHP)	100%	92%	85%
Digital and Security (Div/CHP)	74%	66%	66%
Finance (Div/CHP)	83%	43%	39%
HR & Workforce Development (Div/CHP)	90%	89%	82%
Practitioner & Counter Fraud (Div/CHP)	86%	74%	74%
Procure Commission Facilities (Div/CHP)	88%	81%	80%
SNBTS (Div/CHP)	78%	71%	71%
SPST-NCTC (Div/CHP)	80%	100%	95%
Strategy Performance & Service Transformation (..	85%	78%	78%

Appraisal Compliance	Objective Compliance	PDP Compliance
83%	75%	74%

Fig.21

Compliance was discussed at SLTs, and the importance of planning end of years and new objective/PDP setting meetings highlighted. Expectations are that end of years are not generally all completed by the end of the fiscal year so there may be a further drop before improving again at the end of April/May.

Additional Information:

- **366** employees started in the last 12 months

- **74** employees started in the last three months

- **339** employees have no Appraisal history

- **208** employees have no Objective history

- **226** employees have no PDP history

* Please note the compliance rates have been calculated by excluding the staff groups that are new starts, maternity leave, long term sick, career breaks, medical staff, bank staff, execs and movers within the organisation.

Completion Trend Graph — Appraisal Count, Objective Count, PDP Count

Annual Leave

NHS National Services Scotland
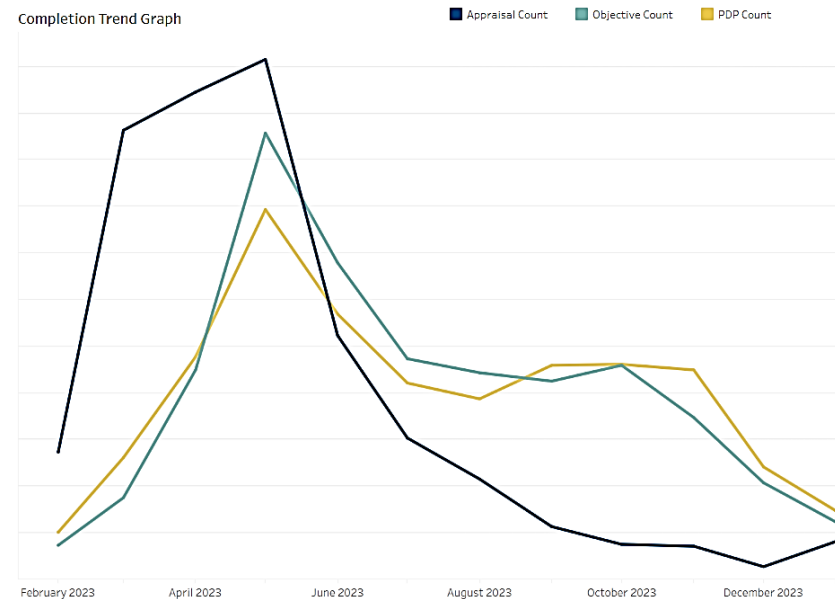
January 2024 indicates that approximately **87%** of annual leave has been planned or already taken and **13%** remaining for this financial year.

Division	Planned / Taken (%)	Remaining (%)
Clinical (Div/CHP)	86%	14%
SPST-NCTC (Div/CHP)	98%	2%
Central Legal Office (Div/CHP)	88%	12%
Digital and Security (Div/CHP)	86%	14%
Finance (Div/CHP)	80%	20%
HR & Workforce Development (Div/CHP)	85%	15%
Practitioner & Counter Fraud (Div/CHP)	90%	10%
Procure Commission Facilities (Div/CHP)	87%	13%
SNBTS (Div/CHP)	89%	11%
Strategy Performance & Service Transformation (Div/CHP)	87%	13%
NSS Total	**87%**	**13%**

Note: Information collated in this exercise is a combination from Crown Flexi and eESS/SSTS. This is only an estimate of employees of NSS and excludes Bank Staff, contingent workers, honorary contracts and secondees. Where employees don't use Flexi, eEES system data is used.

Health & Safety - Accident / Incident Management

NHS National Services Scotland

RIDDOR

There have been **six** RIDDORs submitted this financial year to the Health & Safety Executive (HSE) (*See Fig.22 for breakdown*).

SNBTS has had one '**Slip, trip, fall on the same level**', one **'Fall from height'** and one '**Exposure to/contact with a biological agent**'.

PCF has had one '**Exposure to/contact with a biological agent**', one **'Collision with Object/struck against stationery object or equipment'** event and one '**Slip, trip, fall on the same level**' event each.
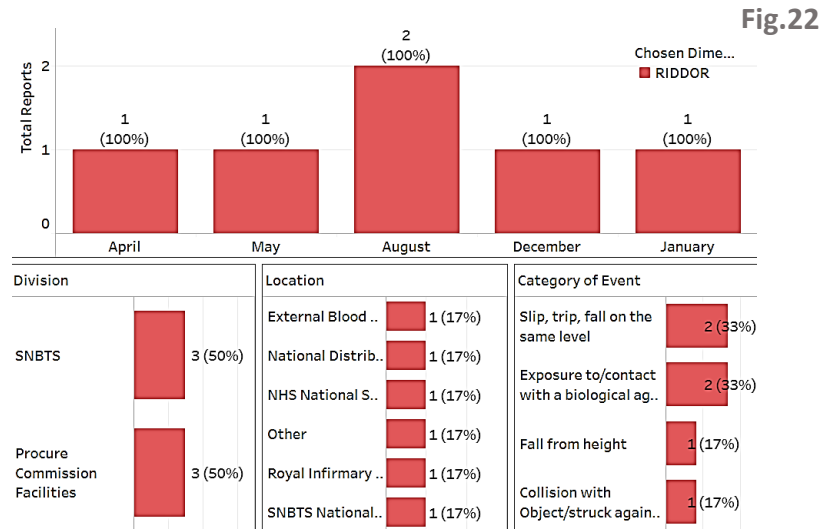
Accidents

A total of **six** accidents have been submitted in January and **69** for this financial year, resulting in **nine** days absence this financial year (*See Fig.23 for breakdown*).

The accident rate was **1.59** in January and **18.26** for this financial year which is well below the target of **35.42**. The average time to close an accident is **32 days** this financial year, which is **two days** above the agreed **30-day KPI**.

Note: Accident rate is calculated by dividing the number of Accidents / RIDDORs for that period by the total staff headcount in the OHSAC database per 1,000 employees.

Fig.22

Fig.23

Health & Safety - Accident / Incident Management

Fig.24
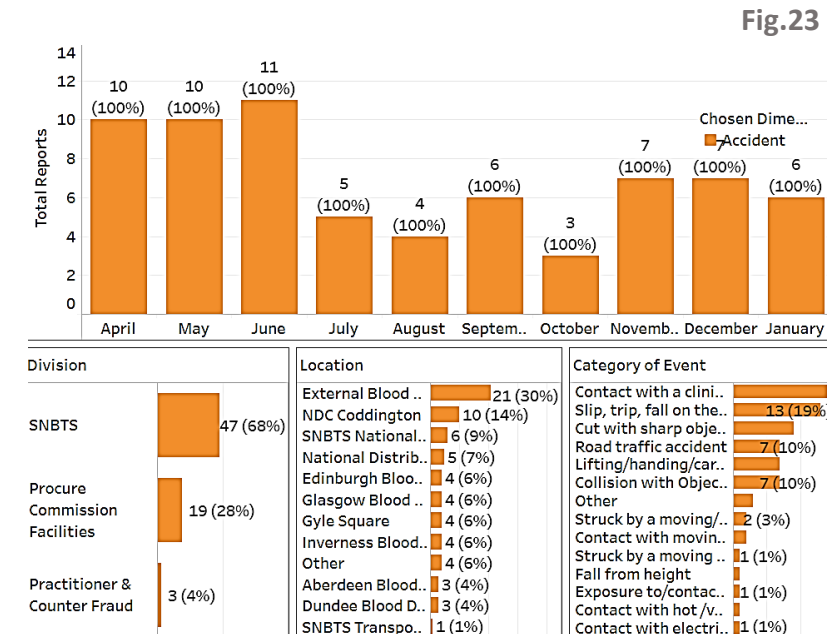
Incidents/near misses

A total of **nine incidents/near misses** have been recorded in January and **98** in total for this financial year. The average time to close an incident/near miss is currently at **39 days** for this financial year. A summary of this financial year's figures are presented in the charts (*See Fig.24*).

Time to Close Accident / Incidents

The average time to close an accident is **32 days** this financial year, which is **two days** above the agreed **30-day KPI.**

The average time to close an incident/near miss is **39 days** this financial year, which is **nine days** above the agreed **30-day KPI**.

Please note that if there are any improvements identified the accident/incident cannot be closed until all actions have been completed, this includes the ordering, delivery and installation of any equipment, contractor works etc.
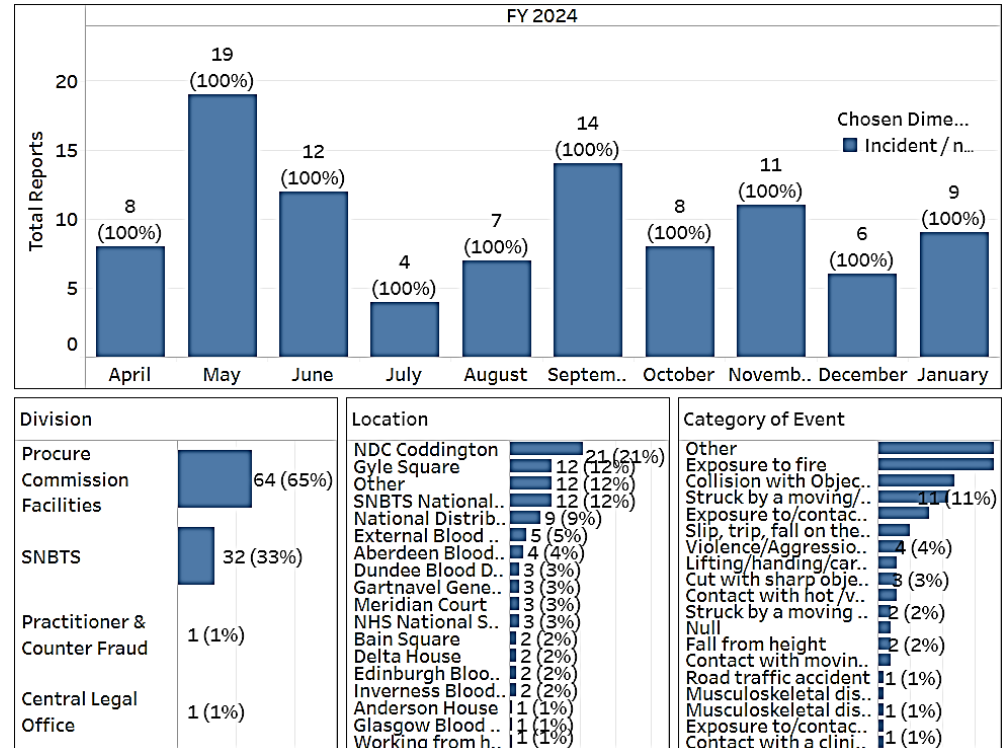
Occupational Health Activity

Management & Self-Referral/Review Appointments

In January there have been a total of **61** (**50** last month) appointments booked, of which:
- **50** were attended (**31** last month)
- **3** were DNA appointments (**2** last month)
- **6** pending appointments (**12** last month)
- **1** were rescheduled (**5** last month)
- **0** were cancelled (**0** last month)

Management and Self Referrals

In January there have been a total of **38** new referrals received (**24** last month), **375** referrals this financial year. The breakdown for this month is as follows:
- Management Referrals: **32** (84%)
- Self-Referrals: **6** (16%)

The main reason for referrals in January are in relation to anxiety/stress/depression and other psychiatric illness (**34%**). The **average time taken to triage** was **two days** in January, with **four days** on average for this financial year.

Pre-Placements

Nine pre-placements have been received in January (**25** last month) with **nine** cleared (**100%**). There have been **492** pre-placements this year.

DaS accounted for **33%** of the pre placements received in January, followed by SNBTS and PCF at **22%** each.

Fig.25 Appointment Information Overview (Financial Year)

Total Appointments	Total Attended Appointments	Total DNA Appointments	Total Rescheduled Appointments	Total Pending Appointments	Total Cancelled Appointments
536	426	28	32	46	2

Attended Appointments by SBU/Directorate

- SNBTS (Div/CHP): 175 - 41%
- Procure Commission Facilities (Div/C..): 101 - 24%
- Practitioner & Counter Fraud (Div/C..): 46 - 11%
- Digital and Security (Div/CHP): 31 - 7%
- Strategy Performance & Service Tra..: 30 - 7%
- SPST-NCTC (Div/CHP): 16 - 4%
- Central Legal Office (Div/CHP): 11 - 3%
- Finance (Div/CHP): 10 - 2%
- HR & Workforce Development (Div/C..): 6 - 1%

Attended Appointment Outcomes

- Go off work: 1
- Remain at work: 117 (110 Discharge)
- Remain off work: 64 (32 Discharge, 32 Review)
- Return to work: 38 (31 Discharge)
- Discharge: 174 (79%)
- Review: 46 (21%)
- Total: 220

Attended Appointment Trend (Select month to filter dashboard)

April 44, 43, June 39, 30, August 38, 47, October 51, 49, December 32, 50

Cancelled Appointment Trend (Select month to filter dashboard)

- April 2023: 4 DNA
- May 2023: 3 DNA, 2 Cancelled
- June 2023: 4 DNA
- July 2023: 1 DNA
- August 2..: 3 DNA
- September..: 2 Cancelled by Employee
- October..: 4 DNA
- November..: 3 DNA
- December..: 3 DNA
- January..: 3 DNA

Legend: DNA, Cancelled, Cancelled by Employee

Glossary

Financial Year – The financial year in the UK runs from April one year to April the following year. It's also known as the 'tax year' or the 'fiscal year'.

YTD – Year To Date. YTD is the <u>financial</u> year to date, starting in April and ending at the current reporting month.

FY 2024 – Financial Year 2024. Financial years are named using the year when the period ends. For instance, a financial year that runs from April 2023 to April 2024 is called FY 2024. So, financial year 2024 is the current FY.

Rolling Year – A rolling year or 'RY' captures the past 12 months of data. For example, reporting month January would capture 01/11/2022 – 31/10/2023, which is 12 full calendar months.

SPC – Statistical Process Control. The three essential components of a statistical process control chart include a central line for the average, an upper control line for the upper control unit and a lower control line for the lower control unit.

KPI – Key Performance Indicator.

WTE – Whole Time Equivalent. A full-time employee working 37.5 hours per week would equal a WTE of 1 (*37.5 / 37.5 = 1*), whereas a part-time employee working 30 hours per week would equal a WTE of 0.8 (*30 / 37.5 = 0.8*).

Executive Summary

- All performance indicator targets (**Slide 3**) are being reviewed by the appropriate working groups as part of the new governance structure.
    - Addition of two additional performance indicators have been proposed on this slide for the transport topic to provide a more holistic overview of NSS' transport CO_2 emissions.
    - Results indicate that for metered gas, electricity and water, usage has been higher for Q1- 2023/24 in comparison to the previous year. The reasons for this are as follows:
        - Gas increases within the quarter stemmed from correction of estimated billing for Meridian, Bain Square and Titan. JCC also had an increase in use.
        - Electricity within latest quarter includes Hassockrigg Eco Park for the first time which explains increased usage.
        - Increase in water due to inclusion of Hassockrigg Eco Park (2,393m^2) for first time reporting. This figure is an overestimate with an update and credit pending.

- The reporting slides **(Slides 4 - 18)** have been updated and now reflect 2023/24 Q2.
    - These slides highlight that JCC remains the highest energy consuming building, therefore additional work with key stakeholders (Mitie) is underway **(Slide 16)** to highlight the LED light replacement project.

- Providing progress update **(Slides 19 and 20)** on Ethics and Welfare Sustainability and Environmental strategy actions.

- Highlights from the NSS Sustainability Team from January 2023 – February 2024 can be seen in *Appendix 1*.

Performance Indicators

Performance Indicator	Target	Total Q2 – 2023/24	Total Q2 – 2022/23	Comments
General Waste Total (tonnes)	Reduce	56	62	Waste targets are based on the following Scottish Government targets by 2025: • Recycle 70% of remaining waste • Send no more than 5% of remaining waste to landfill • Reduce total waste arising in Scotland by 15% against 2011 levels • Reduce food waste by 33% against 2013 levels Other targets are based on the continual focus for reduction. Quality of data and improved reporting moving forward will track progress of General Waste Recycled. This data wasn't currently provided through the waste reporting portal.
Clinical Waste (tonnes)	*To be determined*	21	20	
General Waste Recycled or Composted (tonnes)	>70%	29	-	
Food Waste (tonnes)	*To be determined*	2	5	
Fuel National Procurement Fleet CO_2 (tonnes)	Reduce	304	311	For a more holistic view to NSS's transport use, two additional areas for reporting have been included here. Additional support from SUB leads will be required to collate this information across NSS in due course.
Fuel SNBTS Fleet CO_2 (tonnes)	Reduce	74	83	
Fuel Pool and Lease Car CO_2 (tonnes)	*To be determined*	-	-	
Fuel Logistics Fleet CO_2 (tonnes)	*To be determined*	-	-	
Gas CO_2 (tonnes) – Metered Sites Only	Reduce	286	271	**Note**: *These indicators reference metered NSS sites only.* • Gas increases within the quarter stemmed from correction of estimated billing for Meridian, Bain Square and Titan. JCC also had an increase in use. • Electricity within latest quarter includes Shotts for the first time which explains increased usage. • Increase in water due to inclusion of Hassockrigg Eco Park (2,393m^2) for first time reporting. This figure is an overestimate with an update and credit pending.
Electricity CO_2 (tonnes) – Metered Sites Only	Reduce	428	419	
Water M3 (volume) – Metered Sites Only	Reduce	7,726	5,680	

Total Waste by Type

- **Figure 2 -** Total Clinical, Food, General and Recyclable Waste Across all NSS Sites between Q2 in 2021/22 and Q2 in 2023/24.

- 2023/24-Q2 data has a huge reduction in cardboard compared to previous quarters and zero plastic and metal data.

- Engaging with waste contractors to gain clarity on data, discuss consistency & format in dat.

Figure 2: Total Clinical, Food, General and Recyclable Waste Across all NSS Sites Between Q2 in 2021/22 and Q2 in 2023/24.
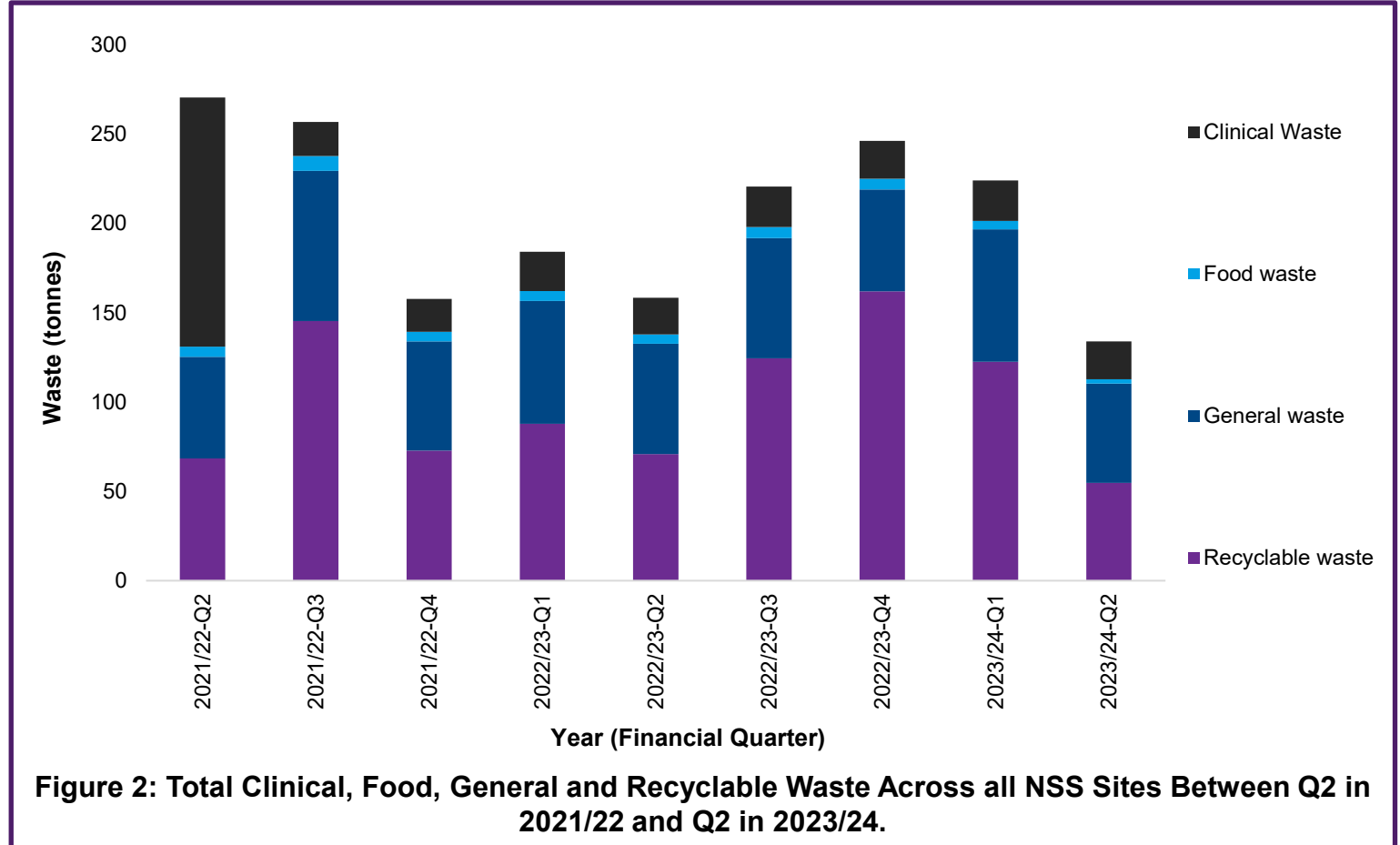
General Waste

Definition of general waste - Waste that does not contain recyclable content and does not fit into another waste stream.

- **Figure 3 -** Total General Waste for all NSS Buildings between Q2 2021/22 and Q2 2023/24.
  - Due to reporting quarterly, not seen here is a spike in October 2021.
  - This spike has been attributed to staff coming back to in person working after COVID-19 and clearing out the buildings.

Figure 3: Total General Waste for all NSS Buildings Between Q2 in 2021/22 and Q2 in 2023/24.
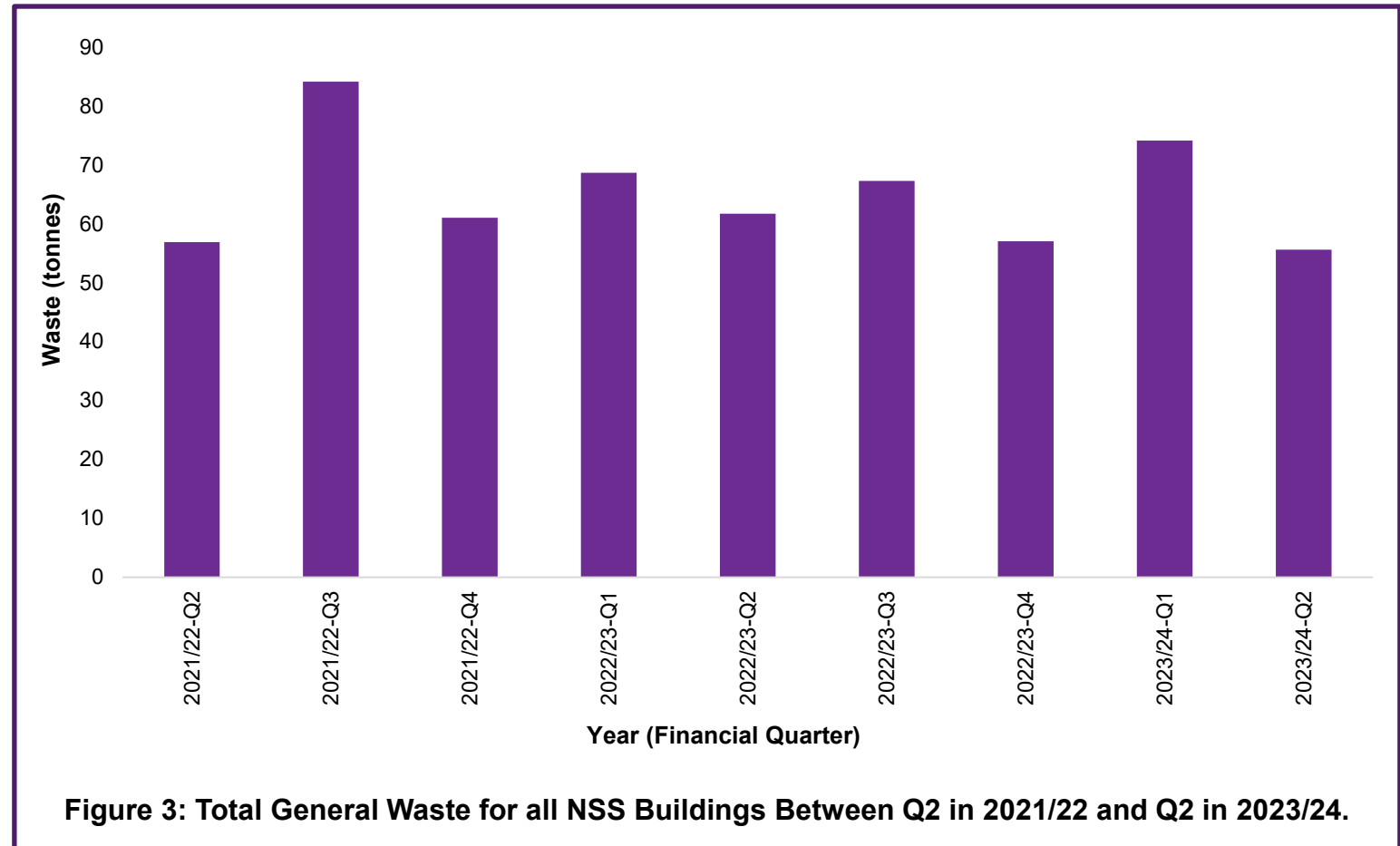
Recyclable Waste

- For waste, there have been peaks and troughs between 2021 to 2023.
    - This is due to buildings collating their recyclable waste (i.e., cardboard, scrap metals etc) and then recycled all at the same time. This often happens every three to four months.

- **Figure 4** - Total Recyclable Waste Across all NSS Sites Broken Down by Material Between Q2 2021/22 and Q2 2023/24
    Note: Waste data is industry standard weights and not factual.

Figure 4: Total Recyclable Waste Across all NSS Sites Broken Down by Material Between Q2 in 2021/22 and Q2 in 2023/24.
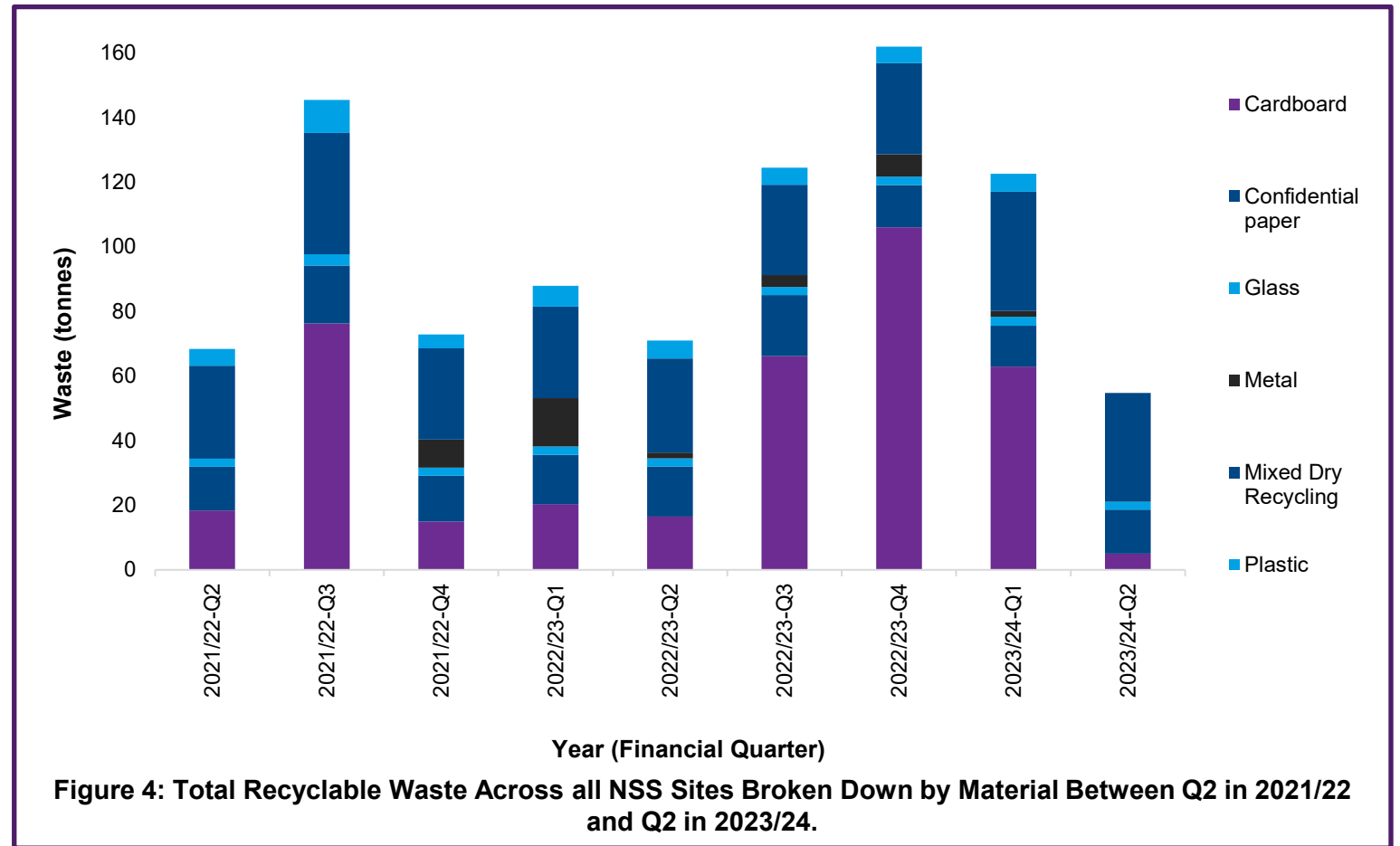
Food Waste

- **Figure 5 -** Total food waste across all NSS sites between Q2 2021/22 and Q2 2023/24.
  - Backing data shows industry standard weights. Team is focused on trying to establish accurate clean data.

Figure 5: Total Food Waste Across all NSS Sites from Q2 in 2021/22 and in Q2 in 2023/24.
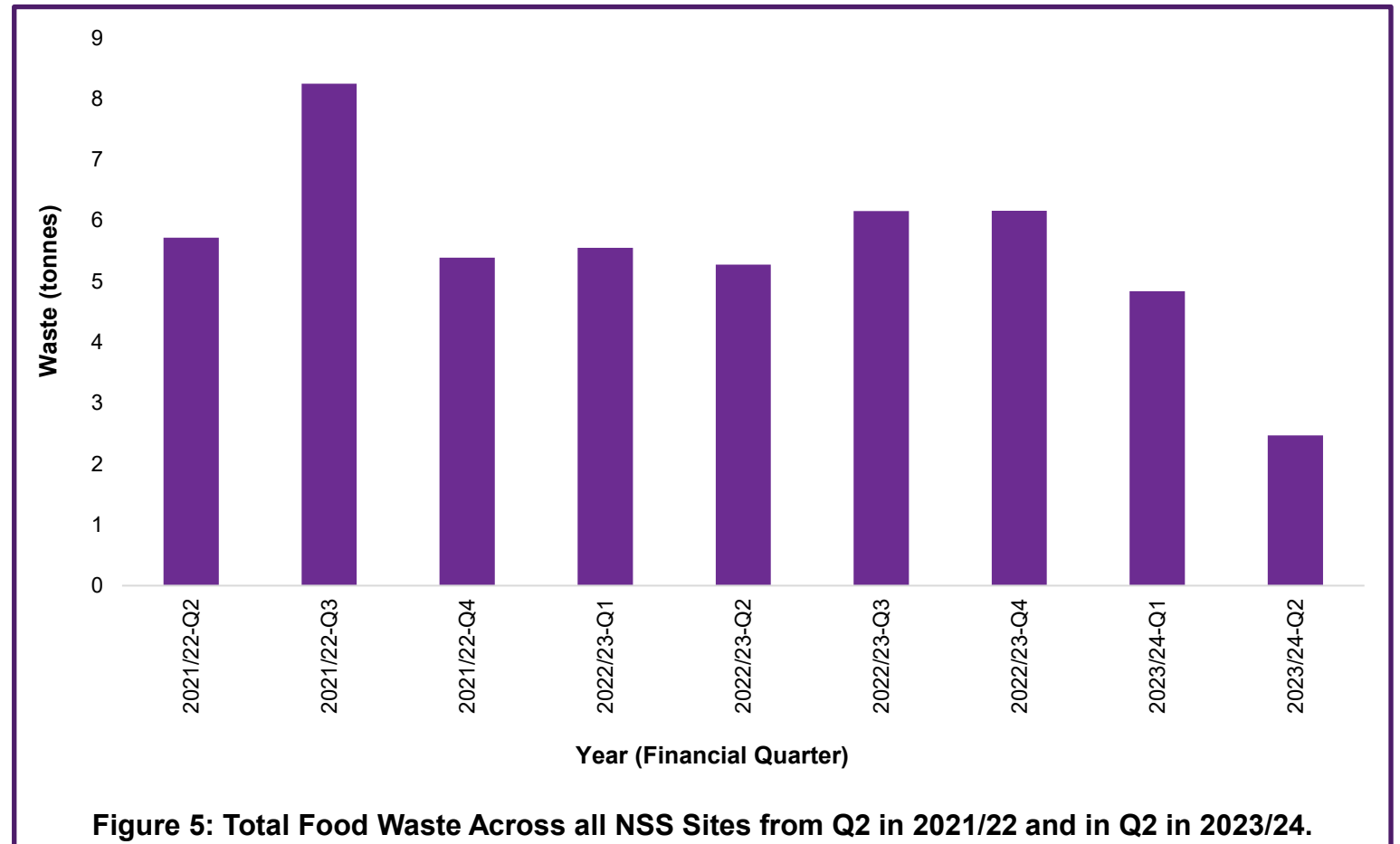
Clinical Waste

- **Figure 6 - Total Clinical Waste Across all NSS Sites from 2021/22-Q2 to 2023/24-Q2**
- Clinical waste comes from five NSS sites: Gartnavel, Gyle, Lauriston SNBT, JCC and Possilpark.
    - Including community donor sessions.
    - Sites not captured in data is due to not being directly collected by contractor. Discussion taking place to capture gap.

- Yellow waste consists of anatomical and gypsum waste which is incinerated.

- Orange waste consists of orange bag, STATT IV orange bag and orange lidded sharps which is shredded, heat treated and sent to energy from waste.

- Spike in 2021/22-Q2 is connected to resilience waste service and not NSS direct waste production.

Figure 6: Total Clinical Waste Across all NSS Sites from Q2 in 2021/22 to Q2 in 2023/24.
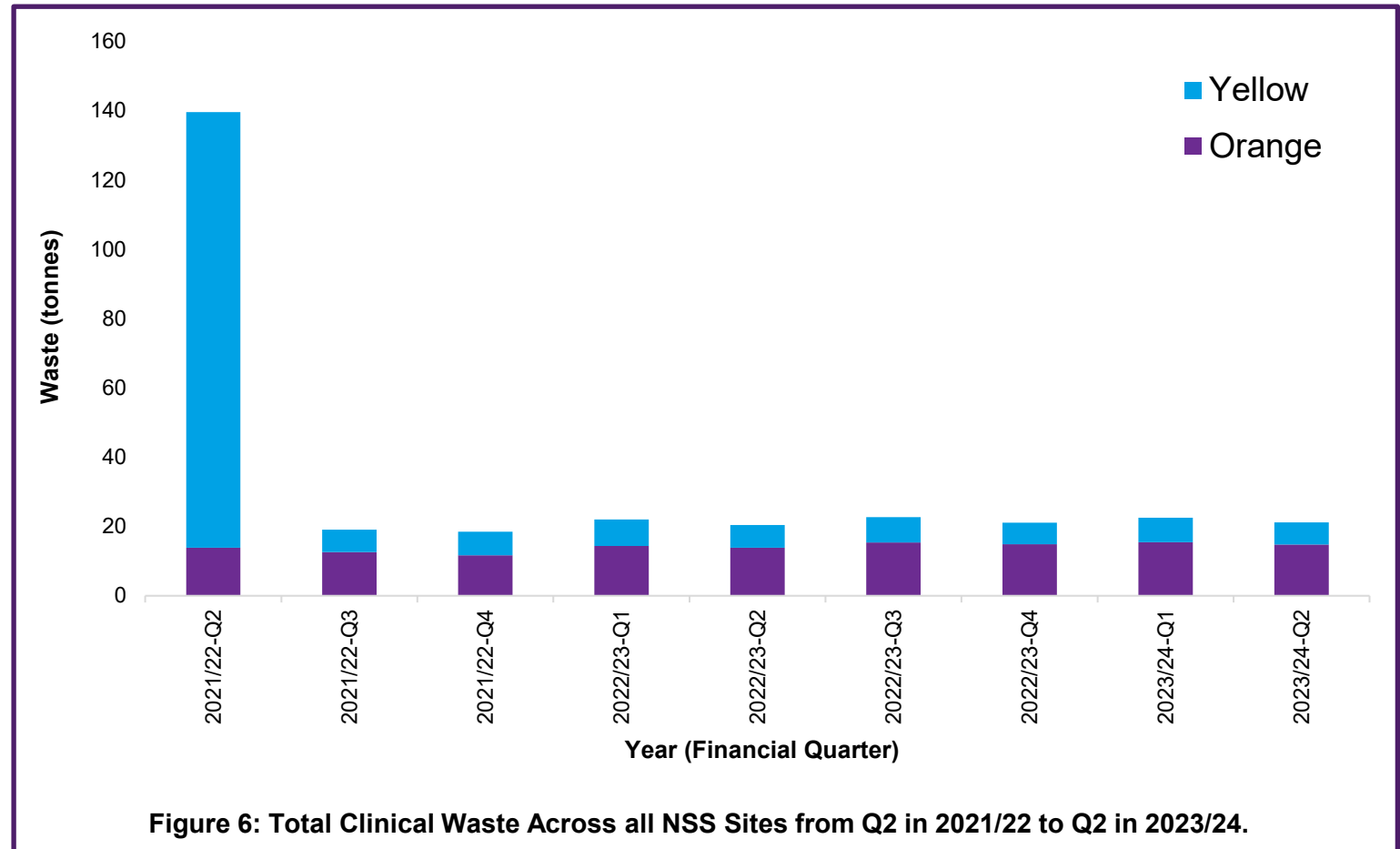
CO$_2$ Emissions from NSS Transport (NDS and SNBTS)

- **Figure 7 and 8** highlight the CO$_2$ emissions produced across the National Distribution Sites (NDS) and the Scottish National Blood and Transfusion Service (SNBTS).

- Note: The Y-axis are different for each figure.
  - The NDS y-axis starts at 300 tonnes at of CO$_2$
  - The SNBTS y-axis starts at 70 tonnes of CO$_2$
  - This format was chosen to highlight the differences more clearly between the quarters.

Figure 7: Total Carbon Dioxide Emissions (tonnes) from the National Distribution Sites from Q1 in 21/22 to Q2 in 2023/24

Figure 8: Total Carbon Dioxide Emissions (tonnes) from the SNBTS from Q1 in 21/22 to Q2 in 2023/24.
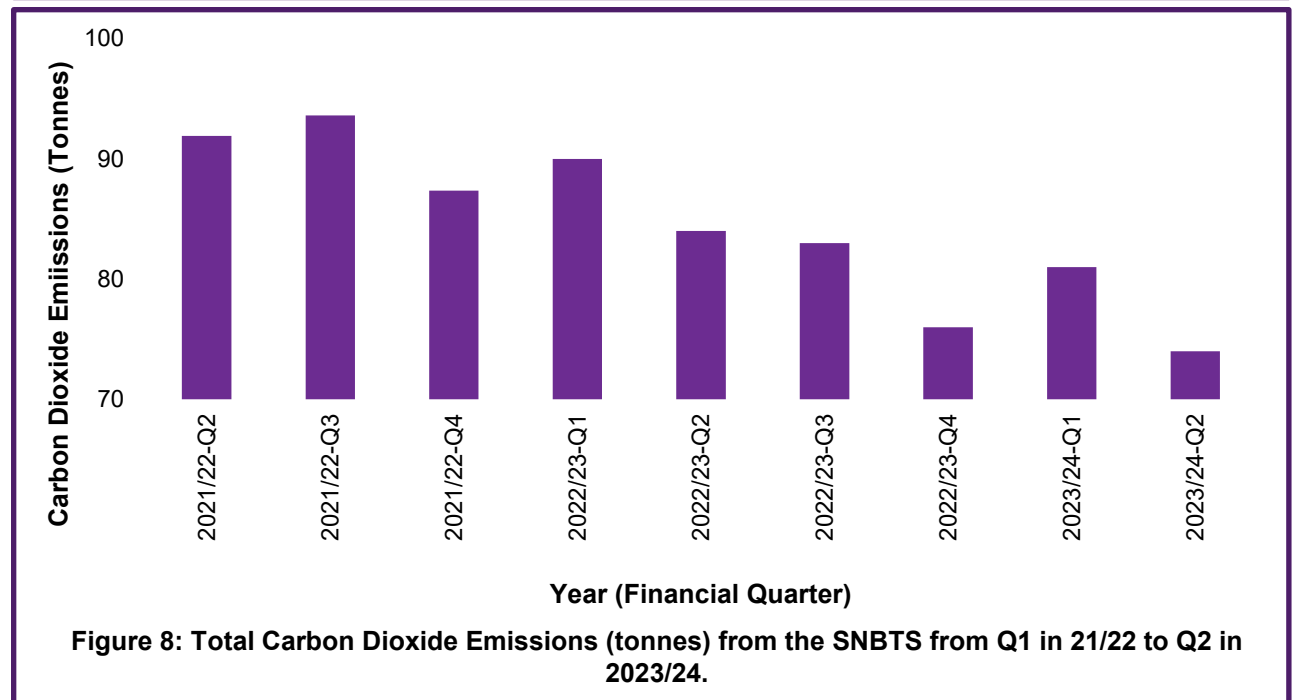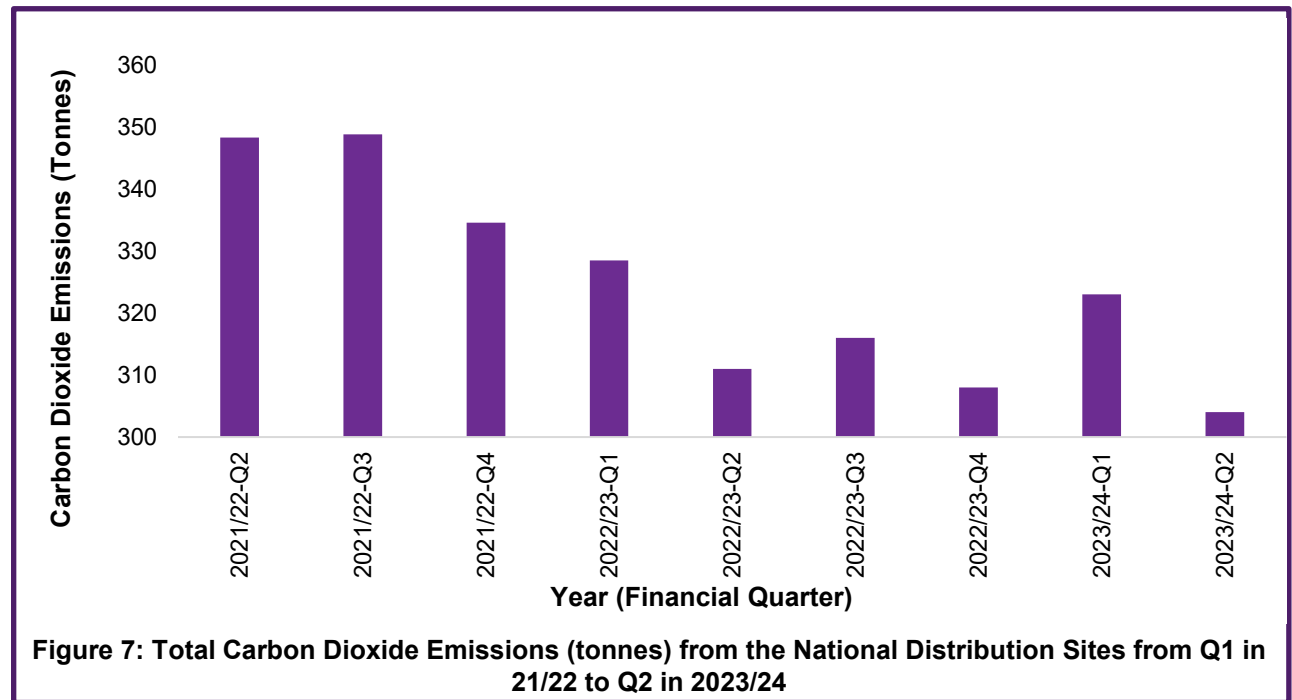
Quarterly Gas Consumption

- **Figure 9 -** Quarterly Gas Consumption across NSS Between Q2 in 2021/22 and Q2 in 2023/24.

- Current total number of sites included in analysis is 9 based on what sites currently use gas.

- Not currently including Ninewells, Foresterhill, Pentland, ERI, Lauriston Place and Broxburn.
    - These sites are intertwined with other NHS locations, and we often get provided with the costs of use as opposed to usage of Gas.
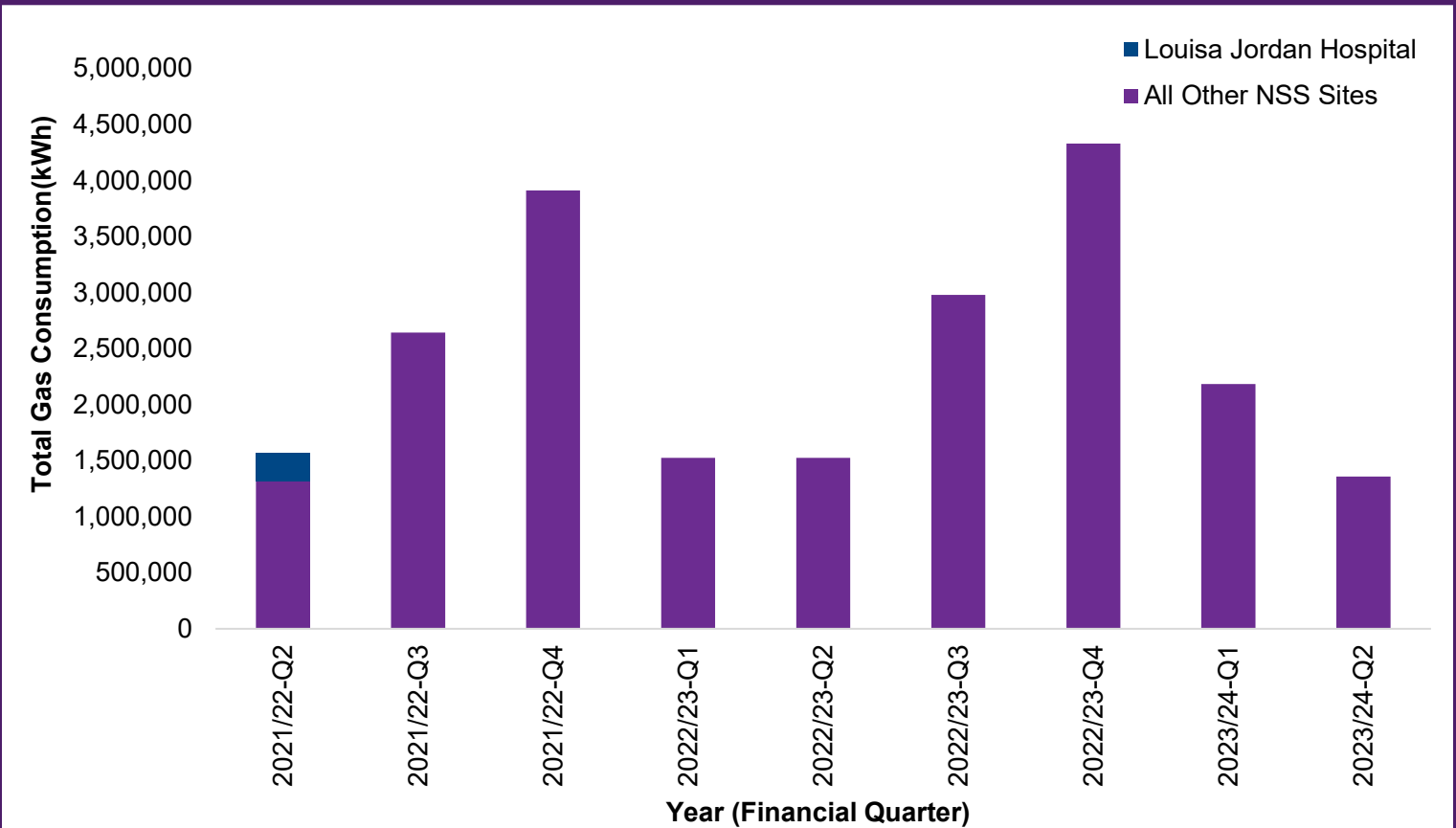
Figure 9: Quarterly Gas Consumption Across NSS Between Q2 in 2021/22 and Q2 in 2023/24.

Quarterly Gas Consumption by Building

- **Figure 10 - Quarterly Gas Consumption for the Top Five Gas Consuming Buildings**
  - The same top five electricity consuming buildings were the highest gas consuming buildings.

  - Meridian Court, the third highest electricity consuming building, will no longer be included in Q3 reporting.

- **Figure 11 - Quarterly Gas Consumption for Jack Copland Centre**
  - JCC consumes an average of 58% of total gas consumption over all 9 NSS buildings that we can measure gas consumption between April 21 – March 23 (based on information from the previous graph).

  - Some of the gas is used to generate the electricity needed.

  - Reduced Climate Change Levey due to the use of Combined Heat & Power plant (CHP).

Figure 10: Quarterly Gas Consumption for the Top Five Gas Consuming Buildings Between Q2 in 2021/22 and Q2 in 2023/24.

Figure 11: Quarterly Gas Consumption for Jack Copland Centre Between Q2 in 2021/22 and Q2 in 2023/24.
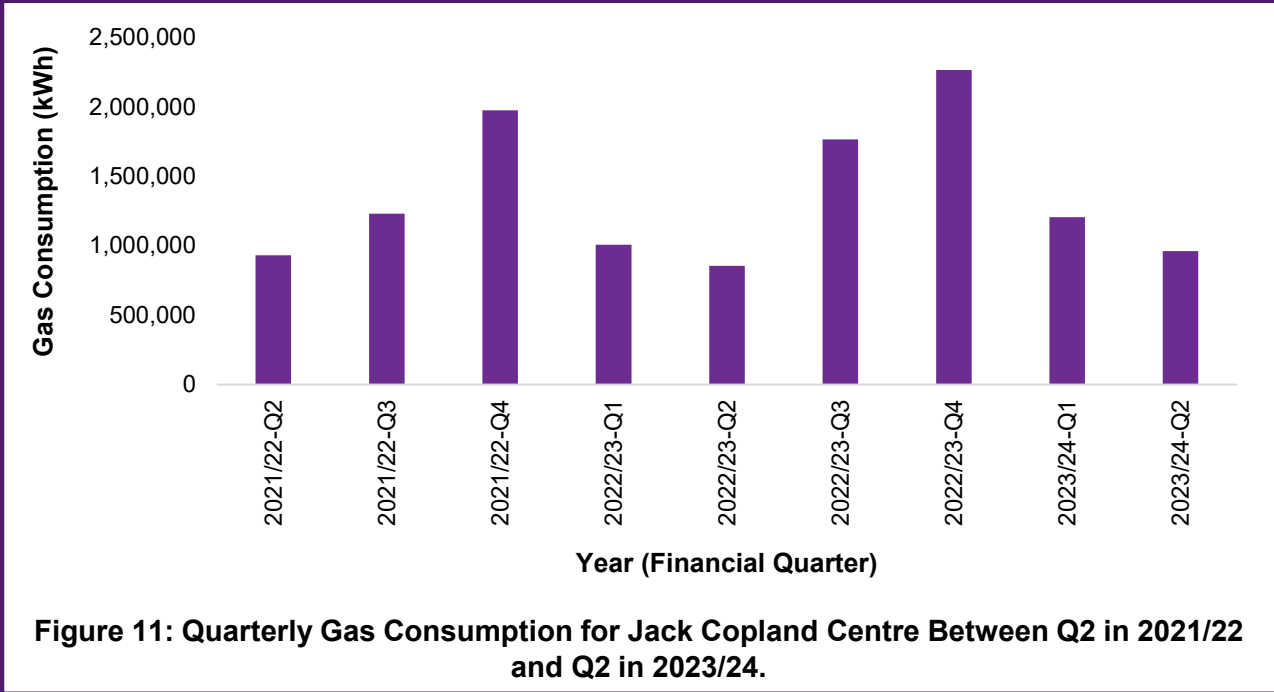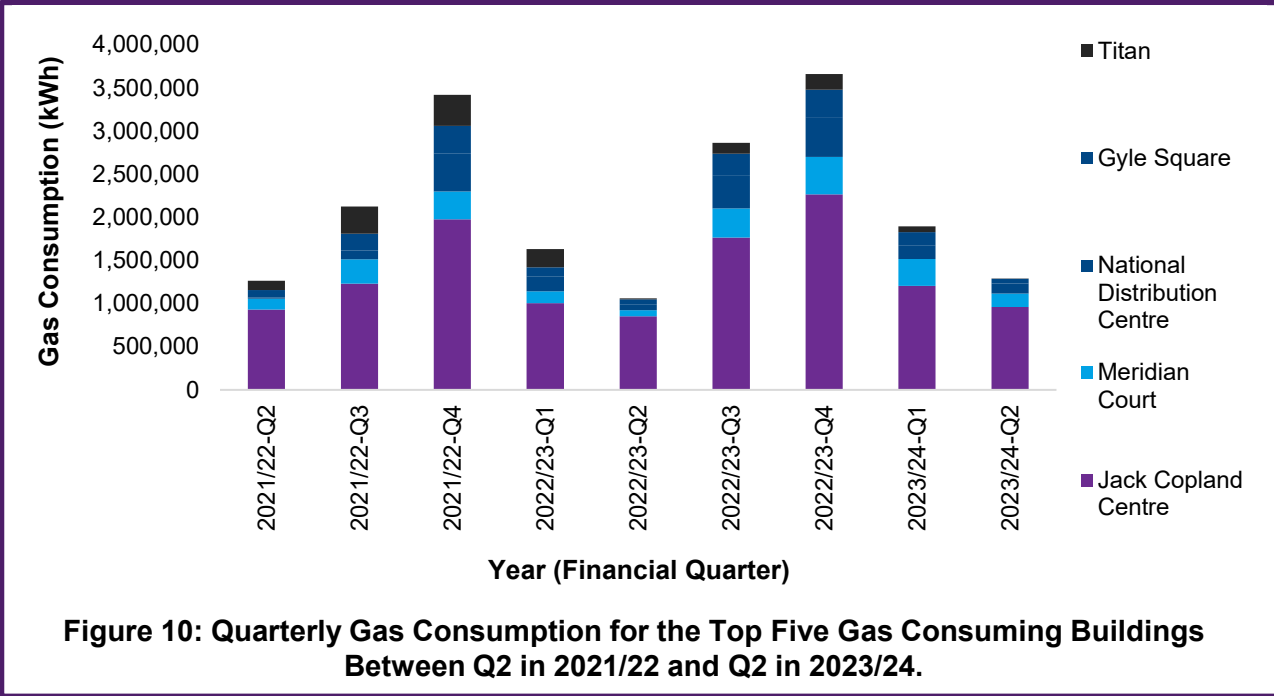
Quarterly Electricity Consumption

Figure 12 – Total Quarterly Electricity Consumption Across NSS Between Q2 in 2021/22 and Q2 in 2023/24. Current total number of sites included in analysis is 15.

- Not currently including Ninewells, Foresterhill, Pentland, ERI, Lauriston Place and Broxburn.
  - These sites are intertwined with other NHS locations, and we often get provided with the costs of use as opposed to usage of electricity.

Important Notes

- The Y-axis starts at 1,000,000 kWh/
- This is the last reporting quarter with the Louisa Jordan Hospital.

Figure 12: Total Quarterly Electricity Consumption Across NSS Between Q2 in 2021/22 and Q2 in 2023/24.
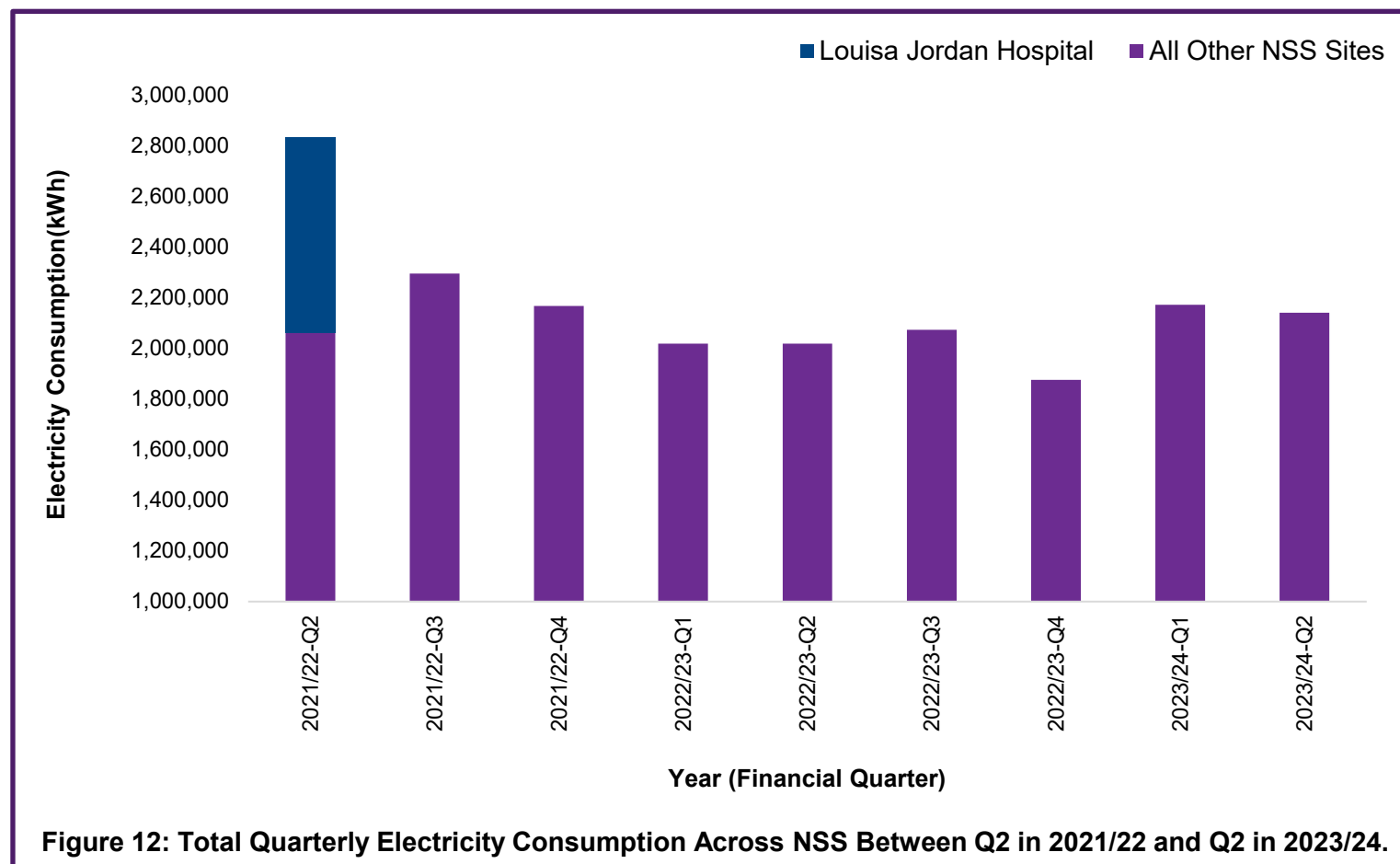
EDF Energy Customers Ltd
(April 2022 - March 2023)

- NSS electricity consumption data was provided by EDF Energy Customers Ltd.

- **Figure 13** demonstrates the breakdown of energy generation sources.

- The fuel mix shown is from April 2022-March 2023.
    - For the share of electricity generation for April 2023 - March 2024 will be published on 1 October 2024.

- Since this was last reported (April 2021-March 2022), there has been an increase in gas generation (was 15.1%), a decrease in nuclear generation (was 63.1%) and an increase in renewable generation (was 19%).
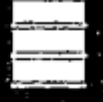
	Coal	Gas	Nuclear	Renewable	Other	CO_2 g/kWh	Radioactive waste g/kWh
EDF's fuel mix	1.6%	16.7%	59.4%	21.0%	1.3%	87	0.0042
Contribution to our carbon emissions	17.4%	71.0%	0.0%	0.0%	11.6%		
UK average fuel mix	3.4%	39.3%	13.9%	40.8%	2.6%	186	0.0010

Figure 13: Share of Electricity Generation by EDF between April 2022 and March 2023

Quarterly Electricity Consumption by Building

- **Figure 14 -** Quarterly Electricity Consumption for the Top Five Electricity Consuming Buildings
  - Meridian Court, the second highest electricity consuming building, will no longer be used by NSS from September 2023.

- **Figure 15 -** Quarterly Electricity Consumption for Jack Copland Centre
  - The Y-axis starts at 400,00 kWh of electricity.
  - JCC consumes an average of 33% of total electricity consumption over all 15 NSS buildings that we can measure electricity consumption between April 21 – March 23 (based on information from the previous graph).

  - Working with external stakeholders to better understand methods to improve our electricity (and gas) consumption to improve efficiency of use.

Important to Note
- Electricity consumption for JCC includes any electricity generated on site by Solar PV.
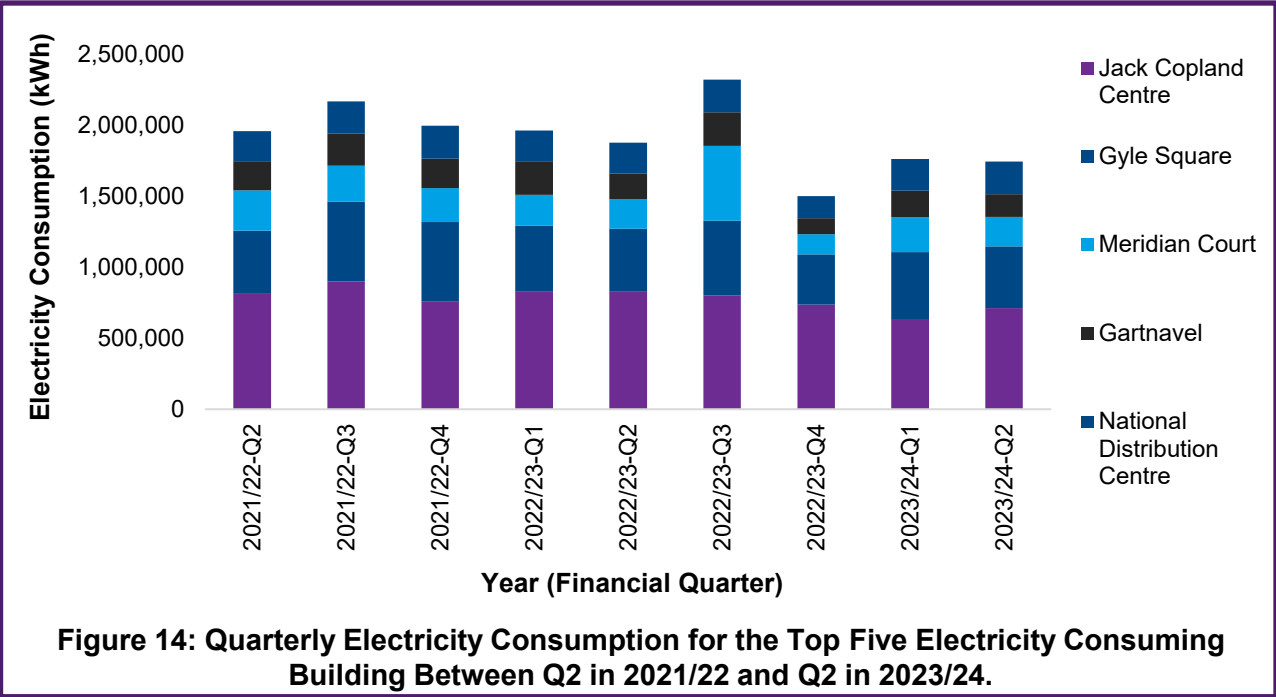
Figure 14: Quarterly Electricity Consumption for the Top Five Electricity Consuming Building Between Q2 in 2021/22 and Q2 in 2023/24.
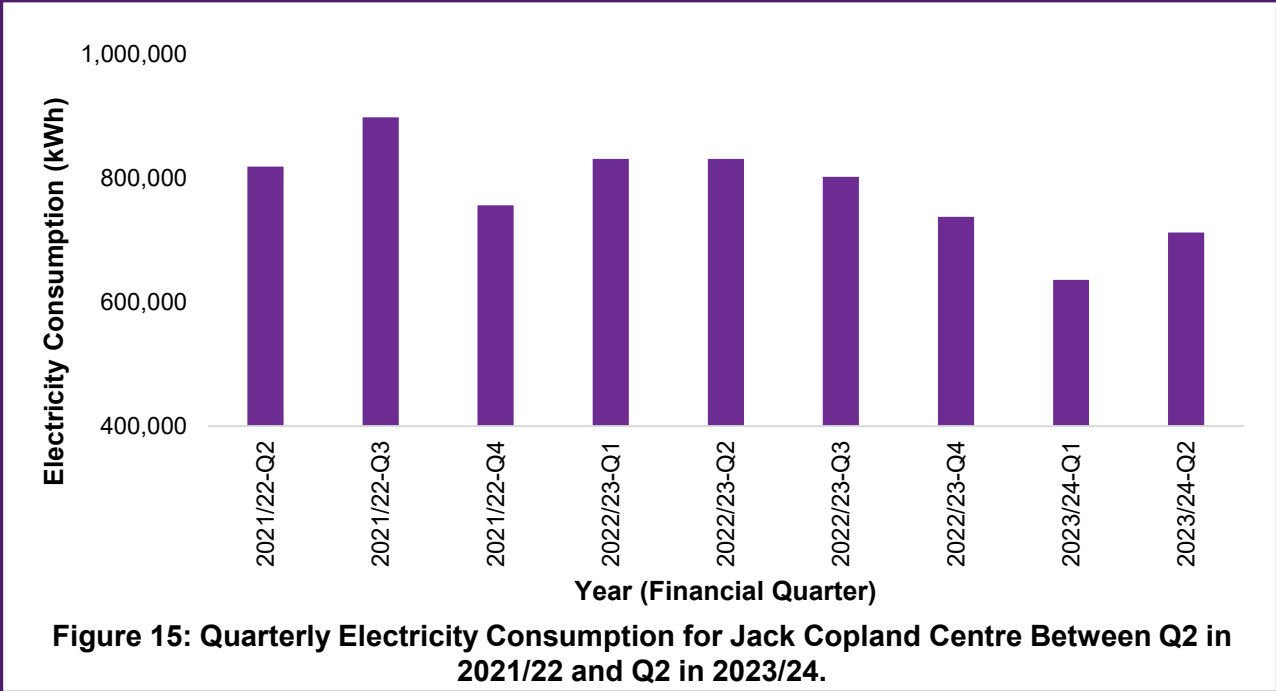
Figure 15: Quarterly Electricity Consumption for Jack Copland Centre Between Q2 in 2021/22 and Q2 in 2023/24.

Solar PV Electricity Generation

- **Figure 16** - Total Electricity Generated by Solar PV at Jack Copland Centre between Aug 2021 and Sep 2023.

- This electricity produced is consumed on site at JCC.

Figure 16: Total Electricity Generated by Solar PV at Jack Copland Centre between June 2021 and September 2023
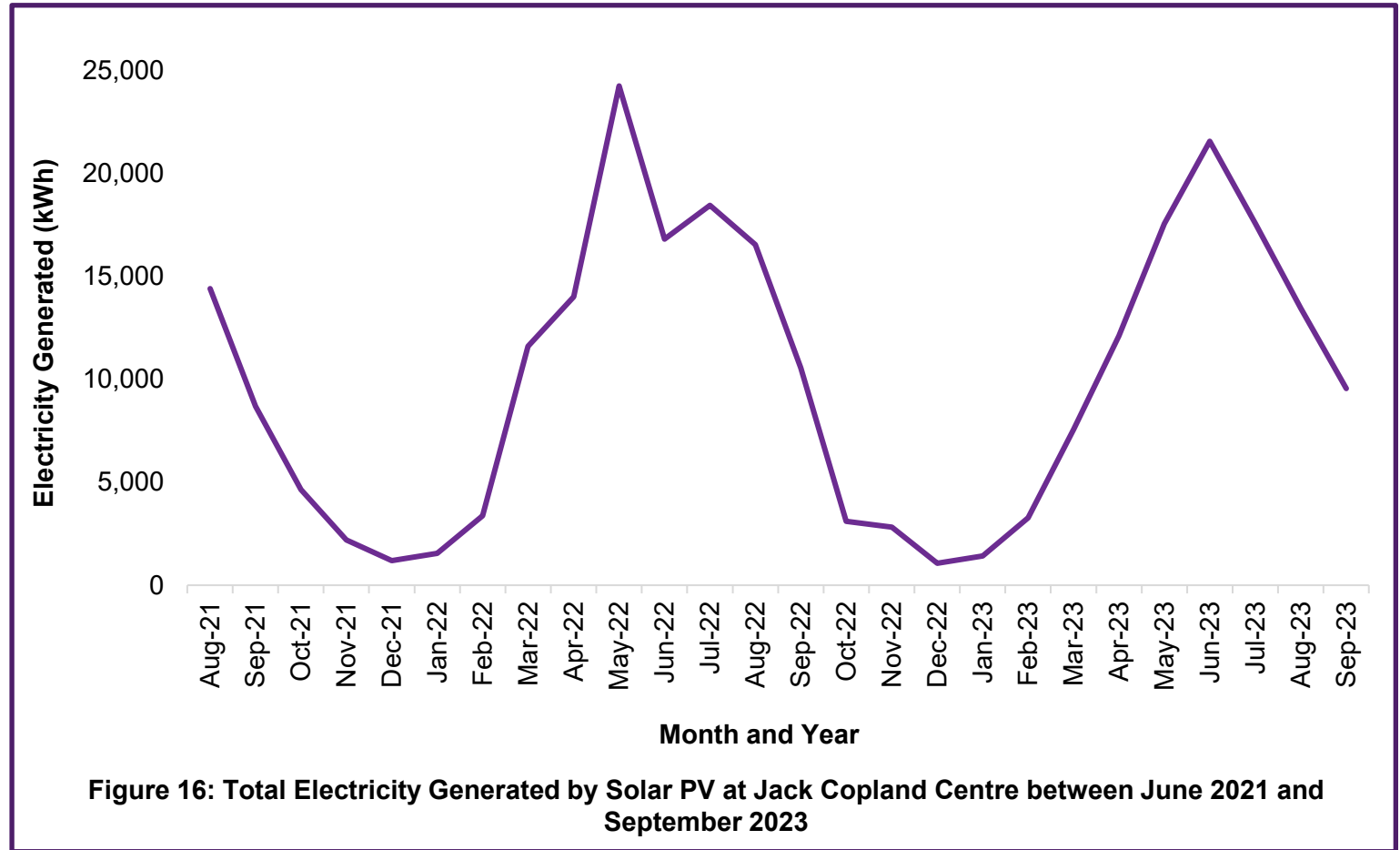
LED Light Replacement at the Jack Copland Centre

NHS Scotland Assure

- Through analysis of energy use at JCC since 2019, the NSS Sustainability team have determined that JCC has continually been identified as the most energy intensive estate within NSS. To reduce energy consumption, improvements to the current lighting system have been proposed through collaboration with the NSS Sustainability team, JCC Facilities team and Mitie (NSS' nominated estates provider for the building as part of the NPD contract.

- A paper was presented and accepted at the Assets and Infrastructure Working group to replace current lighting on site with LEDs which has both environmental and financial benefits.

- To ensure best practice, Mitie provided three quotes which encapsulated the proposed upgrades on the internal LED light improvements only. This includes the planning and assessment, solution design, mobilisation, delivery and sign off new infrastructure.

- Mitie's recommended supplier (Dextra) have provided a quote totalling £293,246.36, whilst saving approximately 61 tonnes of carbon dioxide per annum. Although there would be a high upfront cost, the payback would be a period of five years, and the replacement of current infrastructure would also see a decrease in electricity costs of approximately £56,111 per annum. To ensure accuracy of this quote, the NSS Sustainability team provided Mitie with the current day and night energy rate currently used from our energy supplied (EDF Energy). Funding for this replacement will come from the NSS Sustainability budget.

- Through this upgrade, JCC will ensure it also remains compliant with RoHS legislation. Changes to RoHS legislation have meant that compact and traditional fluorescent lighting tubes will no longer be produced from February 2024 due to their environmental impact therefore transitioning at this point will ensure compliance, improve energy efficiency, and reduce carbon dioxide emissions from energy generation.

- To ensure that LEDs would be suitable for the environment, Mitie have been conducting trials to ensure that the brightness of the lights would be fit for purpose meeting the requirements for a clinical environment.

- The NSS Sustainability team are now working with the Contracts Manager on site to progress with this project.
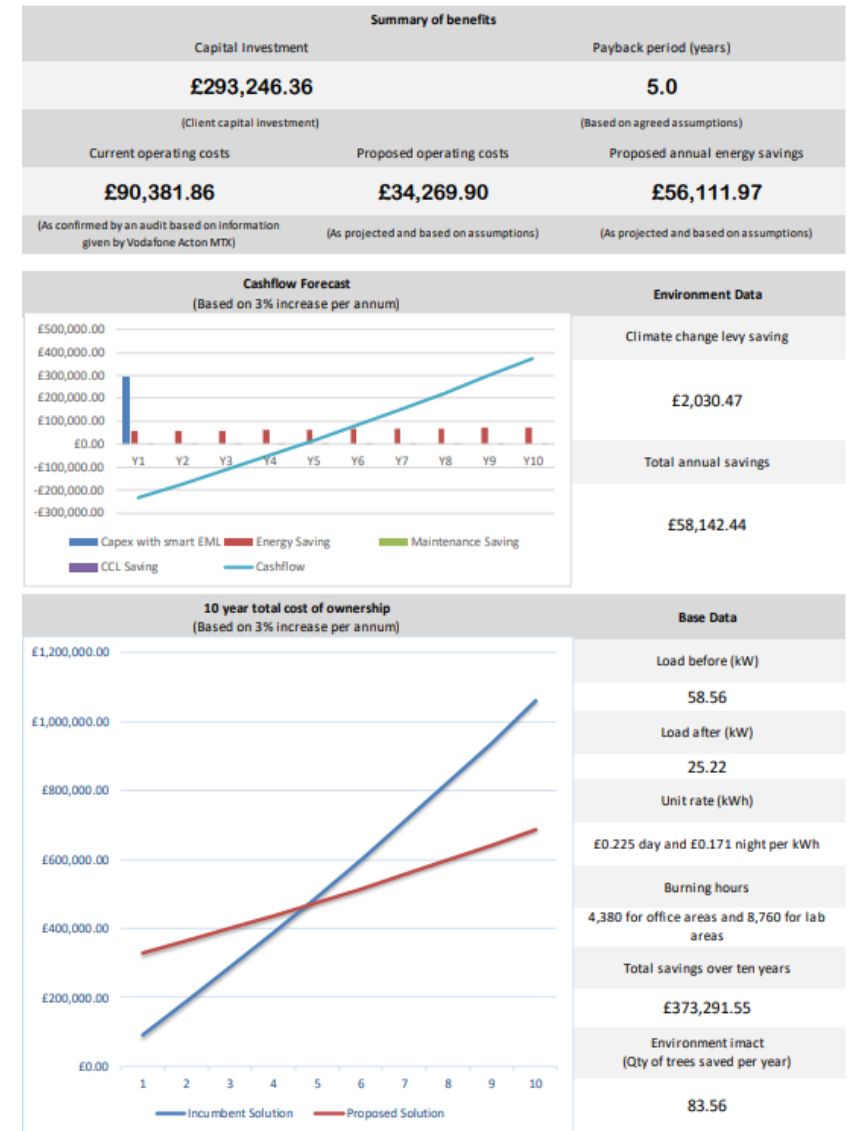
Figure 17: Financial overview provided by Mitie regarding the LED light replacement at JCC.

Water Consumption

- **Figure 18 -** Total Water Consumption Across NSS Between Q1 in 2021/22 and Q1 in 2023/24.

- Historically, water has been poorly reported, and bills have been brought in at different times making reporting somewhat inconsistent.

- Follows COVID-19 trends between April 2020 and August 2021 and the use of the Louisa Jordan Hospital.

Figure 18: Total Water Consumption Across NSS Between Q2 in 2021/22 and Q2 in 2023/24.
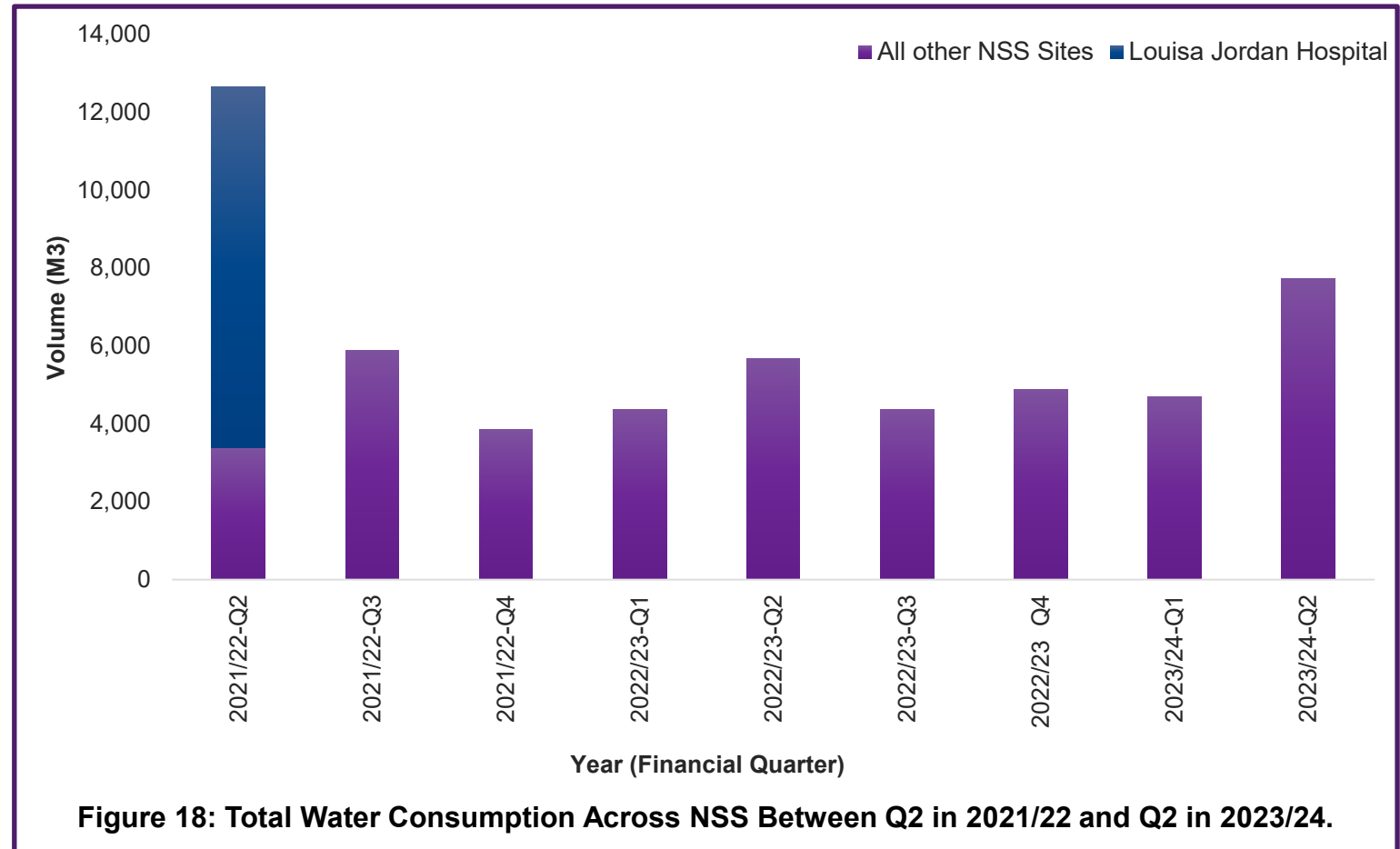
Water Consumption by Building

- **Figure 19 -** Quarterly Water Consumption for the Top Five Water Consuming Buildings between Q1 in 2021/22 and Q1 in 2023/24.

- **Figure 20 -** Quarterly Water Consumption for the Jack Copland Centre between Q2 in 2021/22 and Q2 in 2023/24.
  - **Note**: The Y-axis starts at 600 m^3.
  - The Jack Copland Centre is the highest water consuming building within NSS.
  - This could be for several factors including, the use of the heating, ventilation and air conditioning (HVAC) system and for specialist laboratory practices.
  - Water was not billed in April 2023 which is why Q1 2023/24 is so low. This on average would be an additional 500m^3 in water usage if billed correctly.

Important to Note
- Water use across most sites is based on estimates, this causes mis-leading peaks/dips in reporting.
- The installation of Automatic Meter Readers (AMR's) will help in providing more accurate trend analysis.

Figure 19: Quarterly Water Consumption for the Top Five Water Consuming Building Between Q2 in 2021/22 and Q2 in 2023/24.

**Figure 20: Quarterly Water Consumption for Jack Copland Centre Between Q2 in 2021/22 and Q2 in 2023/24.**

Ethics and Welfare within Sustainability

Action	Current Progress	Still to do to Achieve Strategy Target by 2025	Financial year delivered
NSS will develop an Early Careers Strategy considering apprenticeships through to graduate placements in partnership with educational establishments.	• Strategy has been approved and actions identified such as HR Connect info, communications, Academy Hub. Focus on hard to fill roles for developing career pathways. FTE resource left, replacement started 14/8/2023. • Further resource under review to offer a wider service. • Scoping of support for redeployment commenced with a focus on skills gaps, process, individual & generic support • Quarterly meetings held with current Modern Apprenticeships and Graduate Apprenticeships. • SLWG established to develop Framework for time away from business when undertaking Graduate Apprenticeships • SLWG established to review Annex 21 & process • Attending Healthcare Scientist week with NES and SNBTS at Dundee Science Centre in March 24 • Attending Apprentice Week Event in March 24	• Career pathways development Workforce plans to evidence different ways to consider recruitment e.g. apprenticeships	2023/24
NSS will develop an Attraction Strategy which will include providing employment opportunities to as wide a range of potential applicants as possible, including embedding the Early Careers Strategy, building on the established relationships with our network of local and national partners.	• Attraction Strategy has been developed and currently awaiting review from HR SMT before onward submission to EMT. Early Career strategy has been created, approved and looking at how it can be embedded. • Attraction Strategy to be reviewed before progressing to EMT to reflect different approach – i.e. to be more internally focused on growing our own talent. • Glasgow Centre for Inclusive Living recruitment completed – 1 placement offered and has commenced 5th February in Comms. • Meeting held with comms to scope the ongoing comms plan for employability (internal & external) • Armed Forces Talent Programme meeting has taken place and actions have been agreed to take forward in support of this.	• Need approval from SMT and EMT and then these Strategies can be embedded.	Ongoing

Ethics and Welfare within Sustainability

Action	Current Progress	Still to do to Achieve Strategy Target by 2025	Financial year delivered
Establish NSS as a lead and exemplar employer by improving life balance through new and innovative means through our policies and practices. Our focus is on welfare and wellbeing, identifying NSS as an employer of choice	• Numerous policies currently being refreshed to support work life balance and will be launched on 1st November. Benefits brochure has been developed to highlight benefits through Policy as well as additional signposting to wellbeing initiatives e.g. financial wellbeing, health and physical wellbeing. • Policies launched successfully and now embedded. Benefits Brochure continues to be refreshed and management hub sessions available on 'How to make the most of your staff benefits'. • Gap Analysis against Wellbeing Framework has been completed and NSS group to identify key areas of work to progress in 24/25.		Ongoing
Provide welfare advice on sustainable living choices and assistance available to staff facing cost of living crisis.			Ongoing
Create and publicise NSS Modern Slavery Statement and review annually.	• Sarah Moffat was in discussions with Procurement on this - no further update. • HR researched requirements of Modern Slavery Statement, exploring what other NHS Boards as well as other non-NHS organisations have in place and commenced drafting of Modern Slavery Statement. • HR Linked with Procurement to discuss and agree requirements. • Procurement have been working on Statement and currently working on a discovery exercise to establish what is required as a minimum, what are our current practices, where are we going with it etc. • SLWG to be established to formulate a statement considering HR and Procurement work done to date.		2023/24
Create a modern slavery risk assessment.	• Risk Assessment requirements are specific to procurement – to be produced and monitored by Procurement.		2023/24
Obtain a modern slavery statement from all supply chain partners and require an annual renewal of statement.	• Procurement to Monitor supply chain annually for risk of modern slavery.		2024/25

Appendix 1 – Quick Wins from Sustainability (January 2023 – February 2024)

- The NSS Sustainability team applied and were successfully awarded funding from the Education Governance fund to support Waste Legislation training for the entire Waste Delivery Group. This training, which will be hosted by Albion Environmental Ltd, includes a one-day course entitled *Introduction to Waste Management Legislation* (which will be run twice to ensure all staff are trained) and a two-day course entitled *Working with Waste Management Legislation*, both of which are accredited by The Royal Environmental Health Institution of Scotland (REHIS) to ensure the training encompasses industry standards.

- Replacement of lights at the Jack Copland Centre was approved at Assets and Infrastructure, with the NSS Sustainability team now working with the contracts manager on site to progress this project. Replacement of current lights is necessary to ensure compliance with new legislation from February 2024, and to reduce greenhouse gas emissions on site. Mitie, who are the nominated estates provider for the building as part of the NPD contract, have provided a proposal on these upgrades totalling approximately £293,246. These improvements will help support key areas of the NSS Sustainability and Environmental Strategy through a reduction of approximately 61 tonnes of carbon dioxide per year through a more efficient lighting system.

- The NSS Sustainability team have put in a bid for the next Switched on Fleet's funding application from Transport Scotland for the installation of a superfast (50kWh) electric vehicle charger at Canderside. This charger is to support staff in the west of Scotland since the closure of Meridian Court.

- The NSS Sustainability were nominated for the Recognising Excellence Award and have been shortlisted.

- NSS achieved their Cycle Friendly Employer Award at the Jack Copland Centre. To support other NSS sites in achieving this target, the NSS Sustainability team are reviewing all central belt NSS sites in partnership with Cycling Scotland who will create an action plan for NSS to improve sites where needed to achieve this status. Cycling Scotland also offers opportunities for funding to support the action plan.

- To maintain the Cycle Friendly Employer Award at our current sites and for pre-emptive planning across our other sites, the NSS team are planning to host several Active Travel Days later this year (May and June) which will include a Dr Bike Event at five NSS locations (Gyle Square, Jack Copland Centre, Coddington, Canderside and Foresterhill). Additional venders will also be present.

- The NSS Sustainability team, in collaboration with PHS have reviewed the new Cycle to Work tender and selected the new vendor. This will be moving forward in April 2024.

- The NSS Sustainability team, working in partnership with PHS are hosting an 'Ask the Expert Series' at the end of February to highlight areas that management across the organisation can support sustainability.

- After approval of a NOC through Mitie, the Jack Copland Centre have installed a notice board for sustainability where one of the facilities team (and Sustainability Ambassadors) will keep this updated with up-to-date information regarding sustainability within NSS. The NSS Sustainability team are looking at installation of noticeboards at other key NSS sites.

NHS National Services Scotland

Meeting	**NSS Board**
Meeting date	**Thursday 21 March 2024**
Title	**NSS Risk and Issues Report (M11 FY24)**
Paper Number	**B/24/08**
Responsible Executive/Non-Executive	**Lee Neary, Director Strategy Performance & Service Transformation**
Report Author	**Tracy Maxwell, Planning and Performance Manager, Caroline McDermott, Head of Planning**
	[Reviewed by Matthew Neilson, Associate Director Strategy, Performance, Communications]

1. Purpose

1.1 This paper is presented for scrutiny and provides the Board with the latest position for corporate red risks, corporate issues and strategic risks at the end of Month 11, 29 February 2024.

2. Recommendation

2.1 As the responsible Executive, I am assured that the risks and issues contained within this report are being appropriately managed and escalated as necessary through established NSS processes.

2.2 It is recommended that the Board scrutinise the risks and issues for Month 11, February 2024, to assure themselves that corporate red risks, corporate issues, and all strategic risks are being managed appropriately and to suggest improvements.

3. Executive Summary

3.1 This paper provides details on the latest position for corporate red risks, corporate issues and strategic risks. All risks and issues are being managed by owners with actions in place to mitigate the likelihood and impact of risks occurring and to resolve issues. Each corporate risk, issue and strategic risk is scrutinised at the relevant Board Committee, based on their

primary risk category. We are looking at examples of Board level risk management reports from across NHSScotland to help improve the format of future reports.

3.2 **Corporate issues:** There is good progress in dealing with the backlog associated with the new Data Capture Validation and Pricing (nDCVP) system, there has been a further reduction in devices using Windows 7 and the email exchange server upgrade is underway and due to be completed by April.

- **7221 – new Data Capture Validation and Pricing (nDCVP) Go Live Issues.**

  Resolution is progressing well. An incident management team continues to meet regularly, and the activity previously being managed by a short-life working group with stakeholders has moved to the ePharmacy Project Board. Additional staff resource is in place, processing rates are high, and actual payments rather than estimated payments were made to all Health Boards at the end of February.

- **7160 – Exchange server (for management of email services) out of support.**

  Phase 1 and 2 of the domain upgrade are completed. Overall, the exchange server upgrade is on track for completion by April.

- **6247 – Continued use of Windows 7.**

  Actions continue to reduce the number of devices on these versions of Windows. As of 26 February, there are 32 devices remaining, a decrease from 47 at the end of August.

3.3 **Corporate red risks:** At the end of end February there were 23 corporate risks consisting of 2 red risks, 15 amber risks and 6 green risks. The 2 red risks both relate to staffing within the Scottish National Blood Transfusion Service (SNBTS) and have Clinical as the primary category. These risks continue to be closely managed by operational teams in SNBTS and will be subject to a 'deep dive' seminar in July with the Clinical Governance Committee. The seminar will consider current service delivery models and the related staffing challenges.

3.4 **Strategic risks:** This is the first report on the new strategic risks approved by the Board at its meeting in December. All strategic risks have commenced actions, put controls in place to mitigate against occurrence, and Committees have begun scrutinising mitigating actions and risk performance. All strategic risks were reviewed by executive risk owners and the overall strategic risk position remains the same as December with 5 red and 5 amber risks and no change in risk scores.

3.5 **Risk watchlist:** There is 1 amber corporate risk on the Board watchlist, where actions are progressing towards closure.

- **6121 – Unstructured and Unclassified Data**.
  Migration of files to SharePoint is being managed with the support of directorate leads. The SharePoint Migration Project will end on 31 March 2024, at which point Directorates will take over responsibility for any outstanding migration requirements supported by

records management colleagues in DAS, and with technical support from the National M365 team.

4. Impact Analysis

4.1 Quality/ Patient Care

4.1.1 Clinical risks are considered by the Clinical Governance Committee (CGC). Clinical staff related Health and Care Staffing Act (2019) risks and issues are also overseen by the CGC.

4.1.2 Both red corporate risks have Clinical as a primary category:

- 6544 – Patient Services Lab Cover (SNBTS)
- 7037 – Staffing Levels in Manufacturing (SNBTS)

4.1.3 1 amber strategic risk has Clinical as a primary category:

- 7305 – Clinical and Patient Safety (Clinical Directorate)

4.2 Equality and Diversity, including health inequalities

4.2.1 There are no specific issues arising from this paper. All projects and services associated with the risks covered by this paper are required to carry out an equality impact assessment.

4.3 Data protection and information governance

4.3.1 This paper does not include personal data. All projects and programmes of work covered by this paper are reviewed for any data protection or information governance risks. Information governance risks are reported to the Audit and Risk Committee.

5. Risk Assessment/Management

5.1 All risks discussed in this report are being managed in line with our Integrated Risk Management Approach.

6. Financial Implications

6.1 There are 2 red strategic risks considered within this report with a financial impact of over £1,000k and are subject to review at the Finance, Procurement and Performance Committee (FPPC):

- 7331 – Financial Sustainability (Finance)
- 7330 – Rationalisation of Office Accommodation (Finance)

7. Workforce Implications

7.1 Staff risks are considered by the Staff Governance Committee (SGC). Clinical staff related Health and Care Staffing Act (2019) risks and issues are overseen by the CGC as stated above.

7.2 There are no corporate red risks with a primary category of Staff.

7.3 There is 1 amber strategic risk with a primary category of Staff:

- 7312 – Workforce Sustainability (HR)

7.4 There is 1 issue with Staff as a primary category:

- 7160 – Exchange server (for management of email services) out of support

8. Climate Change and Environmental Sustainability Implications

8.1 Work which NSS is undertaking to mitigate climate change and environmental sustainability is reported to the FPPC.

8.2 1 amber strategic risk relates to climate change:

- 7321 – Climate Change (NHSScotland Assure)

9. Route to Meeting

9.1 The Executive Management Team (EMT) review all corporate red risks, issues, and new amber risks at their monthly meetings and most recently on 18 March 2024. Detailed review of risks takes place at relevant Committees.

10. List of Appendices and/or Background Papers

- Appendix 1, Risks and Issues Report as at Month 11, 29 February 2024.

Definitions

Please note the following terms, as agreed within our Integrated Risk Management Approach (IRMA), are used in the report and definitions have been provided to assist the Committee with its review.

Risk: A risk can be defined as an event or set of events which, if they were to occur, could have an impact on the achievement of our objectives.

Confidential Risk: A risk can only be marked as confidential if deemed so by a member of the Executive Management Team (EMT). They are only visible to the Directors, risk owner and any other person given permission by the risk owner. A summary of these risks will always be reported to the relevant Committee.

Issue: An event that has happened, or is happening, that was not planned and requires additional or remedial action. Please note: If a risk occurs/materialises it can become an issue, resilience incident or adverse event, depending on the definition criteria, and would then be managed and recorded through that route.

Current RAG: The latest red, amber, green rating of a risk assessed by multiplying the likelihood of the risk occurring with the possible impact it could have.

Initial RAG: The red, amber, green rating of the risk when it was first raised.

Residual RAG: The expected remaining risk after all mitigating actions have been implemented.

Review Date: The date when the risk is next due to be reviewed by the risk owner.

Opened Date: The date when the risk was originally added to the NSS Risk Register.

Proximity Date: The date when a risk could become an issue if not effectively mitigated.

Appendix 1

Risks and Issues Report (M11, 29 February 2024)

This paper presents the Board with the latest position on risk management activity across all corporate red risks, corporate issues and strategic risks. It is an opportunity for the Board to review these risks and issues in line with the reporting requirements set out in the Integrated Risk Management Approach (IRMA).

Key updates since the end of the period have been added to the report to ensure the Board has sight of the latest risk and issues position. These changes reflect the continuing management of risks within the risk register.

Corporate Risks

At Month 11, 23 corporate risks and 3 issues were identified. This included 2 red risks, 15 amber risks and 6 green risks.

Figure 1: Overall Corporate Risk Position at M11 FY24

Impact		Score	Likelihood					Total
			Rare	Unlikely	Possible	Likely	Almost Certain	
		Score	1	2	3	4	5	
Catastrophic	5		0	2	0	0	0	2
Major	4		1	1	7	1	1	11
Moderate	3		0	1	6	0	0	7
Minor	2		0	1	1	0	0	2
Negligible	1		0	1	0	0	0	1
Total			1	6	14	1	1	23

Corporate Red Risks on 29 February 2024

The Clinical Governance Committee (CGC) will host a 'deep dive' seminar in July, to review Scottish National Blood Transfusion Service (SNBTS) red risks, specifically looking into the current models of service delivery in relation to staffing challenges. There has been no change in the risk score for either of the SNBTS staffing risks since they were last presented to the Board in September 2023.

6544 Patient Services Lab Cover

Current RAG	Initial RAG	Residual RAG
20	12	16

Review Date	Opened Date	Proximity Date
01/04/24	14/10/21	31/07/24

Primary Category	Mitigation Strategy	Risk Owner
Clinical	Prevention	Director SNBTS

Summary: The Scottish National Blood Transfusion Service (SNBTS) may not be able to provide 24/7 service cover for Patient Services Laboratories (Blood Banks, and Histocompatibility and Immunogenetics (H&I)) if there is not enough suitably trained and available staff who can participate on rosters. Challenges are being experienced across all sites, but Inverness and Aberdeen are most at risk due to poor responses to recruitment initiatives including responses in remote and rural areas.

Impact: If we are unable to staff shifts in blood banks or H&I on call rotas, services would be disrupted, making it challenging for us to respond to emergency care and major trauma requests, leading to an impact on patients. There are potential impacts on safe staffing levels and Medicines and Healthcare products Regulatory Agency (MHRA) regulatory requirements.

Update: At the Dundee and Edinburgh Royal Infirmary (ERI) sites, some staff have now returned from long term sick leave, and backfill continues to support the lab, which is working well. Gaps remain with the Biomedical Scientist (BMS1) roster, but these are being managed. At the Inverness site the number of staff available to cover 24/7 roster has temporarily reduced from 9 to 7, although this is expected to increase again by the end of March. Emergency rosters have additional support from staff from out with the team who are covering emergency/out of hours shifts only. At the Aberdeen site, the action plan has been reviewed. Recruitment is ongoing with posts at various stages of the recruitment process.

7037 Staffing Levels in Manufacturing

Current RAG	Initial RAG	Residual RAG
16	20	16

Review Date	Opened Date	Proximity Date
28/03/24	17/01/23	30/06/24

Primary Category	Mitigation Strategy	Risk Owner
Clinical	Prevention	Director SNBTS

Summary: Insufficient staffing resource in SNBTS Manufacturing due to high staff turnover could impact our ability to meet demand.

Impact: There could be potential delays in manufacturing clinical products, due to gaps in training, experienced staff and shift cover. There is potential pressure on business-as-usual activity due to the number of new staff being trained/supervised. Additional pressure on existing trained staff along with an increase in incidents and out of hours cover could result in more staff movement. Altogether this could potentially create supply challenges for NHSScotland and there are potential impacts on safe staffing levels and MHRA regulatory requirements.

Update: Processing and testing are almost at full staffing levels and some staff are now returning from maternity leave. Incidences of shifts not covered within processing has improved since December. Biomedical support worker vacancies in the system are being progressed to avoid shift gaps. Training of new staff is on schedule for completion in June. The MHRA were updated about progress against agreed actions in February.

6121 Unstructured and Unclassified Data

Current RAG	Initial RAG	Residual RAG
12	15	8

Review Date	Opened Date	Proximity Date
29/02/24	09/09/20	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Prevention	Head of Information & Cyber Security

Summary: The amount of unstructured and unclassified data held in corporate storage areas may result in NSS being non-compliant with governance and security legislation.

Impact: Poor records management could lead to NSS holding records containing personal information longer than the advised retention periods listed within the Records Management Health and Social Care Code of Practice (Scotland) 2020 and the NSS Document Storage, Retention and Disposal Policy. Holding personal information for longer than is necessary for the purposes for which the personal information is processed is in direct contravention of Article 5(e) of the General Data Protection Regulation (GDPR), which can result in financial penalties of >£1M.

Update: The SharePoint (SPO) project team will complete its work at the end of March. All directorates have been engaged and are at different stages of implementing the standard and/or SPO bespoke offering as agreed at the Change Oversight Group in December. For the final 3 weeks, activity is planned to create SPO storage solutions for all Directorates who have submitted their requirements. Standard SPO solutions will be created for Directorates who have not submitted requirements. Additional guidance will be created and published on the SharePoint storage adoption hub to enable Directorates to customise solutions and continue to adopt SPO storage for Business Classification Scheme (BCS) documentation.

Post March it will be the responsibility of Directorates to oversee and manage their move to SPO. Digital and Security (DAS) will provide support through records management colleagues and technical support for the platform will continue to be provided by the National M365 team with DAS engineers able to assist with any local technical issues.

Corporate Issues

There are 3 Corporate Issues.

7221 new Data Capture Validation and Pricing (nDCVP) Go Live Issues

Issue Priority	Date Issue Opened	Primary Category	Risk Owner
4 – High	31/07/2023	Business	SPST Director

Summary: The nDCVP system, which was launched to process pharmacy payments from July, has experienced process and system issues (performance, volumetrics, transitioning to Dictionary of Medicines and Devices (DM&D) pricing, capacity), all of which have cumulatively extended the processing cycle time. This is not conducive to maintaining our commitment to making accurate and timely payments to pharmacy contractors in Scotland. Without a speedy resolution, estimated payments will be the default option going forward. This is a sub-optimal situation due to the impact on contractors, health boards and our own business and people.

Impact: A reduction in productivity has required us to fund additional staffing requirements over and above posts already agreed for recruitment, i.e., between £250k-£1m in new staff and/or overtime. There is also a possible additional cost of system development built into the figure above. This covers Service Delivery and Contractor Finance areas. There is possible reputational impact with Scottish Government and stakeholders if the issue is not addressed in a timely manner.

Update: Additional temporary recruitment has been completed, including re-allocation of some National Contact Centre staff, and over 200 active keyers are now deployed to the system. This is having a positive impact on recovery, resulting in actual rather than estimated payments being made to Boards as of February.

Ongoing communications are taking place through the programme communications workstream. This includes direct communication with stakeholders such as Community Pharmacy Scotland, and using push communications advising pharmacy contractors of upcoming changes they may see. Activity from the short-life working group with stakeholders has moved to the ePharmacy Project Board.

The issue is on track to be closed at the end of March.

7160 Exchange server (for management of email services) out of support

Issue Priority	Date Issue Opened	Primary Category	Risk Owner
4 – High	27/04/2023	Staff	Senior Service Manager, DaS

Summary: There is a risk that NSS will be unable to manage or create email accounts due to a dependency on Exchange 2013 which became out of support in April 2023.

Impact: As an out of support system, there will be no formal support from Microsoft in the event of any issues or catastrophic failures so we will be required to attempt recovery ourselves (where possible). We will be unable to manage the NSS email accounts if this server goes down. Please note: no email is routed via this server; it is in place to allow us to manage email accounts and ensure new users have their email.

Update: Phase 1 and 2 of the domain upgrade are completed. A decision is still to be made regarding whether to upgrade the Exchange Service following the Phase 2 upgrade or to wait until a further Phase 3 upgrade is carried out. The Exchange Server upgrade is on track for completion in either March (if completed following Phase 2 upgrade) or April 2024 (if following Phase 3 upgrade). DAS are liaising with Microsoft.

6247 - Continued Use of Windows7

Issue Priority	Date Issue Opened	Primary Category	Risk Owner
3 - Medium	28/02/2023 (opened as a Risk 05/01/2021)	Business	Senior Service Manager DaS

Summary: There is a risk that continued use of Windows 7 devices by NSS after December 2020 will mean Microsoft will no longer support the product and no security related patches will be available.

Impact: We will no longer comply with compliance regulations mandated by the Scottish Government. There are devices in some areas of NSS that will require Windows 7 until applications are upgraded. This increases our risk to cyber-attacks and cessation or reduced availability of the NSS IT Infrastructure while security breaches are resolved.

Update: As of 26 February, the number of Windows 7 devices reported was 32, a reduction from 47 at the end of August. Retention reasons have been documented for all 32 devices. These devices are mostly within SNBTS, with a small number still in use in other Directorates, including DAS. More devices are awaiting decommissioning, however, most of the remaining devices will require business systems to be upgraded before they can be removed. The remaining 32 devices have all been subject to a security review and have been made as secure as possible.

Strategic Risks

The Board approved 10 strategic risks at its meeting in December. These risks have been recorded on the risk register, are being managed using the Integrated Risk Management Approach, and are reported to Committees based on their primary risk category.

7333 Governance and Regulatory Compliance

Current RAG	Initial RAG	Residual RAG
12	12	6

Review Date	Opened Date	Proximity Date
29/02/24	31/01/24	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Prevention	Director of Finance

Summary: There is a risk that we fail to meet appropriate corporate legal, governance and regulatory requirements, due to limited staff capacity and capability, ineffective internal processes, and wider service pressures.

Impact: Failure to meet regulatory requirements would have a potential impact on services which operate in a highly regulated environment and could result in financial penalties, impact on staff wellbeing and reputation with stakeholders.

Update: A review of staff skill set has not identified any gaps. There is ongoing engagement with the Enhancing Leadership Capability Process. This will help build resilience in staff succession and resilience planning. Stringent operational management, oversight and audit / review processes are in place to meet regulatory requirements. Information and clinical governance standards and oversight are in place to mitigate patient safety being compromised.

7331 Financial Sustainability

Current RAG	Initial RAG	Residual RAG
15	15	10

Review Date	Opened Date	Proximity Date
29/02/24	31/01/24	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Reduction	Director of Finance

Summary: There is a risk that NSS is unable to deliver its statutory obligation to deliver services within approved funding limits, whilst delivering cash releasing efficiency savings targets. Due to the changing, short term, non-recurrent nature of funding allocations which limit our financial flexibility and ability to invest to save and deliver value for money.

Impact: This would impact on the ability to balance the budget and meet cash releasing efficiency savings, whilst providing best value and savings for the NHS in Scotland. Our ability to invest in improving our services to meet our strategic objectives may be compromised.

Update: Engagement with Scottish Government continues through the budget process for 2024/25, with detailed financial plans being developed to ensure financial sustainability. These plans are being presented to the Board in a separate paper.

7330 Rationalisation of Office Accommodation

Current RAG	Initial RAG	Residual RAG
15	15	10

Review Date	Opened Date	Proximity Date
29/02/24	30/01/24	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Prevention	Director of Finance

Summary: There is a risk that NSS is unable to fully realise savings and service improvements from the rationalisation of its office accommodation. Due to the requirement to work collaboratively with, and at the pace of national boards and other stakeholders.

Impact: Estate rationalisation is a key element of NSS' longer term financial and environmental sustainability plan.

Update: An active review of the current estate is ongoing and a paper detailing proposals in relation to the estate will be prepared in June 2024.

7329 Delivery of National Programmes

Current RAG	Initial RAG	Residual RAG
16	16	8

Review Date	Opened Date	Proximity Date
29/02/24	30/01/24	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Reduction	Director of Finance

Summary: There is a risk that NSS is unable to deliver the planned benefits, including service improvements and cost reduction, from the NHS Scotland national programmes it has been tasked to deliver. Due to the opt-in rather than opt-out approach used by NHS Scotland, the governance lying out with NSS, and potential impact of decisions made elsewhere.

Impact: Potential impact on the value of the investment made in national programmes not being realised and impact on credibility with stakeholders.

Update: Engagement with Scottish Government is ongoing with national programmes subject to review by the National Planning and Delivery Board.

7322 Public Scrutiny and Inquiries

Current RAG	Initial RAG	Residual RAG
12	12	9

Review Date	Opened Date	Proximity Date
21/03/24	16/01/24	31/01/25

Primary Category	Mitigation Strategy	Risk Owner
Reputational	Reduction	Director of SPST

Summary: There is a risk that NSS does not meet statutory requirements and requests from public inquires and other forms of external scrutiny. Due to the devolved approach the organisation takes to respond.

Impact: Potential impact on quality of response, missed deadlines and media scrutiny, recognising the impact on workload for the staff who are responding to requests.

Update: Priority is placed on meeting any Inquiry deadlines on time. Reporting to all public inquiries by NSS is now coordinated centrally and updates provided at programme level, EMT and NSS Board.

The Public Inquiries Programme Team work closely with individuals contributing to public inquiries, meet regularly with Directorate Leads and have established a SharePoint repository for all documents sent to public inquiries to make responding more efficient and avoid duplication. The team have also worked across the organisation to establish a witness support package which has been shared with 4 NSS staff members who will be giving evident at hearings.

A Short Life Working Group (SLWG) has been set up as a pilot project to evaluate the feasibility of using Microsoft Office365 PowerApps to manage current processes and work towards achieving greater assurance through a consistent approach in delivering high quality responses; provide better corporate visibility via PowerBI reporting; and develop a standardised approach and reporting structure.

7321 Climate Change

Current RAG	Initial RAG	Residual RAG
9	9	6

Review Date	Opened Date	Proximity Date
30/04/24	16/01/24	30/04/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Prevention	Director of NHSS Assure

Summary: There is a risk that we do not reduce our impact on the environment in line with government climate change targets. Due to challenges with the scale of change needed to NSS and national infrastructure while ensuring clinical safety standards continue to be met.

Impact: There is potential delay to major change programmes which are aimed at providing environmental benefits. If targets are not achieved, NSS could face criticism from stakeholders and lose credibility as we host the national team responsible for NHSScotland environmental and climate sustainability.

Update: NSS Sustainability Team in place and continue to progress on the identified actions on the workplan. Also reviewing actions from the annual plan and continuing to work on decarbonising the estate focussing on our most energy intensive site, the Jack Copland Centre.

Support is in place for staff to understand and implement environmental and sustainability challenges with Sustainability Ambassadors established across Directorates to support local activity. Sustainability and Infrastructure Board in place to provide oversight and ensure work is in place to achieve targets. Information has been provided for the Public Bodies Climate Change Report. NSS is a member of the NHSScotland Climate Emergency and Sustainability Board.

7320 Service Excellence

Current RAG	Initial RAG	Residual RAG
16	16	6

Review Date	Opened Date	Proximity Date
12/02/24	15/01/24	31/03/24

Primary Category	Mitigation Strategy	Risk Owner
Business	Prevention	Director of SPST

Summary: There is a risk that NSS is unable to deliver effective services for its users which could lead to a negative impact on NHS Scotland health outcomes and NSS credibility. Due to the amount of change and improvement required to ensure services continue to meet needs, the limited availability of key resources (digital, people, finance) to support change, the extended use of legacy technologies and the need to ensure services remain safe and effective.

Impact: There is potential to fall short of user and stakeholder expectations and agreed timescales which could result in lack of improvement or delays and may result in reputational damage or media scrutiny.

Update: The Annual Delivery Plan performance is reported quarterly to Executive Management Team, Finance, Procurement and Performance Committee, Board and Scottish Government Sponsor. A strategic framework review is well under way with engagement taken place with staff, partnership forum, leadership forum and externally with Directors of Planning. Engagement has taken place with the Board at its October development session. Final draft of the NSS Strategic Framework is being provided to the Board as a separate paper. Reports are in place showing management of risks and issues, incidents, performance indicators for EMT and committee oversight; and integrated performance report to Board is in place, aligned to the Board Assurance Framework.

Programme Management Group (PMG) and Change Oversight Group (COG) meetings continue with a focused watchlist, with reporting to EMT and FPPC (for PMG).

All directorates have a Quality Improvement (QI)/Management (QM) Plan and are progressing with implementation. Ownership for delivery sits with each directorate but leads come together in a QI workstream meeting to report on progress and receive peer support. The QM Framework and QI Strategy are complete and have been approved by EMT and the NSS Board. Implementation is well underway and on track supported by a full programme of activity across all the framework and strategy themes.

Most Directorates have submitted finalised Workforce Plans, which are being analysed by HR to understand any workforce challenges and future requirements.

7312 Workforce Sustainability

Current RAG	Initial RAG	Residual RAG
12	12	4

Review Date	Opened Date	Proximity Date
31/03/24	11/01/24	31/03/25

Primary Category	Mitigation Strategy	Risk Owner
Staff	Prevention	Director of HR

Summary: There is a risk that NSS will not have a sustainable workforce that is diverse, knowledgeable, and skilled to support the organisation to remain resilient and responsive to meet its strategic ambitions and service needs. Due to current labour market conditions across the UK and our capacity to reskill staff, which could result in a lack of supply of professional / appropriately trained staff to deliver our services.

Impact: There is the potential to see negative service impacts, including to standards, quality and timescale delays, leading to adverse satisfaction from stakeholders where there are workforce challenges alongside additional burdens for existing staff to cover unfilled roles.

Update: The Great Place to Work Plan 24/25 was approved by the Staff Governance Committee in February this year (having been agreed at the Partnership Forum in January), and will go live as of the 1 April 2024, with communications on this Plan drafted. The plan will be monitored, and progress provided on a quarterly basis to the partnership and staff governance committees. Most Directorates have submitted finalised Workforce Plans which are currently being analysed by HR to understand the current workforce challenges and future workforce requirements. A renewed Workforce Strategy and Workforce Plan is currently under development, along with a 3-year 5 Pillars Action Plan.

The Change Oversight Group meet regularly, reviewing all programmes across NSS whereby the impact on staff is considered as part of this process.

HR continue to provide People report and insights monthly, highlighting any areas of concern, linking in with our HR Business Partners and identifying suitable interventions to address any key issues.

NSS continues to experience some difficulties in attracting candidates due to current market forces, especially across some technical and professional roles. We are developing a strategy for 'hard to fill posts' to support managers using better links with universities and external advertising to target specific audiences for better suited applicants. We have designed and produced the Employee Benefit Brochure, which is attached to all adverts for candidates to understand the total reward in working with NSS. Work is ongoing in enhancing a Social Media strategy for all posts NSS is recruiting to with increased number of vacancies appearing routinely on our social media channels Most Directorates have submitted finalised Workforce Plans which are currently being analysed by HR to understand the current workforce challenges and future workforce requirements.

7305 Clinical and Patient Safety

Current RAG	Initial RAG	Residual RAG
12	12	8

Review Date	Opened Date	Proximity Date
28/02/24	20/12/23	31/03/26

Primary Category	Mitigation Strategy	Risk Owner
Clinical	Prevention	Clinical Director

Summary: There is a risk that preventable harm may occur to patients and service users resulting in a negative outcome. Due to emerging areas of potential harm and evolving requirements, NSS needs to remain proactively focused on ensuring and continuously improving the clinical and patient safety of the care, services and products we provide.

Impact: When events go wrong in our patient/ public facing services this may result in an adverse event activating the organisational duty of candour and/or non-compliance with regulatory requirements, potentially leading to financial penalties. There could be disruption to services and potentially some delay to projects.

Update: Implementation of Health and Care Staffing requirements and action plan and inclusion of clinical workforce specific aspects in the NSS Workforce Plan and its delivery by March 2024 will be taken forward by a SNBTS project delivery group reporting to their

Senior Management Group and this will oversee the implementation, monitoring and reporting to Health Improvement Scotland /SG in April 2025.

Work continues developing a Quality Improvement (QI) toolkit and further developments to the QI hub to share quality improvement tools / information amongst staff. The first cohort of the Quality Improvement and Value Skills programme continues and staff participating are due to complete it in mid-March 2024. A mapping exercise has completed to ensure QI strategy content themes are embedded in the Quality Management Programme and QI workstream work.

Clinical governance (CG) maturity self-assessments, submitted by each of the directorates, were reviewed by the CG team. The final report will be shared with the directorates in March 2024 to prepare delivery plans for 2024/25. It is the intention to present the final report and new delivery plans at the next Clinical Governance Committee in May 2024.

Medical devices within scope of new UK medical device regulations have been identified. Achieving compliance for the medical devices will be worked through in order of prioritisation by Quality colleagues across NSS. Quality Management System infrastructure for Software as Medical Device (SaMD) has been developed with certification from an approved body set for end of Q1 FY24/25 (with Autograder device compliant by beginning of Q2 FY24/25). Focus on bringing all SaMD devices (in scope) up to compliance following the same process as the Autograder device is set-up for FY24/25.

The Medical Device Regulations (MDR) programme will move into DaS as business as usual moving forward. Approach to long-term governance for MDR related activity within NSS developed and being implemented into BAU. The Quality team within DaS is newly developed and with the estimated time it takes to get a device compliant (requires input from subject matter experts who own/manage each device) all SaMD will not be compliant by the current expected time the wider MDR regulations are introduced in summer 2025. The current overview of the regulations does state that there will be a grace period of a number of years, which will allow time for devices not complaint to become so. However, these timeframes, including the regulations themselves, have yet to be fully confirmed.

7300 Cyber Security

Current RAG	Initial RAG	Residual RAG
20	20	12

Review Date	Opened Date	Proximity Date
31/03/24	15/12/23	31/03/25

Primary Category	Mitigation Strategy	Risk Owner
Business	Reduction	Director of DaS

Summary: There is a risk that NSS could be the subject of a Cyber-attack resulting in critical loss of service, loss of data, or serious adverse event impacting clinical safety.

Impact: Cyber-attacks can disrupt operations, causing direct impact on specific clinical and business or supplier systems, making them not able to operate as intended, thus having a detrimental impact on service. Cyber-attacks can lead to immediate and consequential financial losses due to theft of funds, ransom payments, cost of investigations or regulatory fines.

Update: Strategic priorities have been agreed by the Cyber Centre of Excellence (CCoE) Governance Board. Now awaiting confirmation of financial envelope. A Service Level Agreement (SLA) for cyber-specific services is being developed by CCoE and NSS DaS, which will be aligned with strategy. A tender document has been prepared for specialist consultancy services for continual security controls testing and measurement.

A short-term action group will be convened to develop cyber risk articulation and associated Key Risk Indicators. This will commence in March 2024 and is expected to take a maximum of 6 months to complete.

NHS National Services Scotland

Meeting:	**NSS Board Meeting**
Meeting date:	**Thursday 21 March 2024**
Title:	**Public Inquiries Update**
Paper Number:	**B/24/09**
Responsible Executive/Non-Executive:	**Lee Neary, Director of SPST**
Report Author:	**Marie Brown, Head of Public Inquiries and Scrutiny**

1.   Purpose

1.1   NSS is currently responding to 3 public inquiries; the UK COVID-19 Public Inquiry, the Scottish COVID-19 Public Inquiry and the Scottish Hospitals Public Inquiry. There are also two ongoing Crown Office investigations (COVID-19 Deaths and the Queen Elizabeth University Hospital) which NSS staff are assisting with. The purpose of the paper is to make the NSS Board aware of the current situation regarding NSS' response to the ongoing public inquiries and investigations.

2.   Recommendation

2.1   It is recommended that the Board note the content of the report.

3.   Executive Summary

3.1   The key highlights report provided to EMT on 18 March 2024 is attached as an appendix. NSS continues to liaise with the inquiry and investigation teams, manage the resource as appropriate, and look to ensure duplication of effort is minimised when there is overlap with evidence requests.

4.   Impact Analysis

4.1   Quality/ Patient Care

4.1.1   There is no impact on Quality/ Patient Care.

4.2   Equality and Diversity, including health inequalities

4.2.1   There is no impact on Equality and Diversity, including health inequalities.

4.3   Data protection and information governance

4.3.1   There is no impact on Data protection and information governance

5.   Risk Assessment/Management

5.1   Risk assessment and management is managed through the NSS IRMA approach.

6.   Financial Implications

6.1   Financial implications of responding to the COVID-19 Inquiries remains a corporate pressure.

7.   Workforce Implications

7.1   Workforce implications continue to be managed through Directorates with any risks or issues escalated to the NSS EMT.

8.   Climate Change and Environmental Sustainability Implications

8.1   There are no climate change and environmental sustainability implications.

9.   Route to Meeting

9.1   EMT updated monthly on NSS' response to public inquiries. This report contains the most up to date information for the NSS Board.

10.   List of Appendices and/or Background Papers

10.1   Update on Public Inquiries

Meeting	NSS Board – 21 March 2024		
Reporting On	➢ UK and Scottish COVID-19 Public Inquiries ➢ Infected Blood Public Inquiry ➢ Scottish Hospitals Public Inquiry	**Period Covered**	8th February – 5th March 2024

Upcoming Hearings (in order re substantive hearings, including Scottish Hospitals Inquiry)

➢ **Scottish COVID-19 Inquiry** - Health and Social Care 'Impact Hearings' started on 24th October 2023, at George House in Edinburgh and online, and were due to sit uninterrupted until 8 December 2023. Hearings were paused due to the Chair being ill and will resume on 12th March 2024.

➢ **Scottish Hospitals Inquiry** (Lothian 3) - Started 26th Feb 2024 (up to 4 weeks).

➢ **Scottish Hospitals Inquiry** (Glasgow 3) – 19th August 2024 to 8th November 2024 (will clash with UKI Module 3 hearings)

➢ **UK Module 3** (Impact of the COVID-19 pandemic on healthcare systems throughout UK) – evidential hearings will take place between 9th September to 28th November 2024, with a 2 week break between 14th to 25th October.

➢ **UK Module 4** (Vaccines and Therapeutics) – evidential hearings now delayed until 14th January 2025 (NSS is a material provider).

➢ **UK Module 5** (Government Procurement) – evidential hearings will take place 3rd March 2025. NSS is a Core Participant and recently received a Rule 9 from the UK Inquiry.

➢ **Scottish Hospitals Inquiry** (Glasgow 4) - First Half of 2025.

➢ **UK Module 6** (Care Sector) - evidential hearings will take place spring 2025 (NSS is not a Core Participant).

COVID-19 Public Inquiries - Executive Highlights

The UK COVID-19 Public Inquiry

➢ **Module 1** will issue its report with recommendations this summer.

➢ **Module 2A.** The 3 weeks of evidence held in Edinburgh for Module 2A has recently concluded. A written Closing Submission was submitted on behalf of NSS on 23rd February 2023. Once core participants have lodged their written submissions the Inquiry Team will start consideration of these in preparation of their final written report.

It is anticipated that the Inquiry report will be an all-encompassing report for Module 2 (UK Government decision making) as well as the Modules 2A, B and C for each of the devolved Nations. The Hearings for Module 2B (Government decision making in Wales) commenced on 27th February and the hearings for Module 2C (Northern Ireland decision making) are due to commence at the end of April. It is anticipated that the publication of the Report will take a year from the conclusion of Module 2C, we are therefore expecting publication of the Report into Government decision making in late spring/ early summer of 2025.

It is entirely possible that the UK Inquiry's Module 2A conclusions into the actions of the Scottish Government will be published before any Scottish Government witness has given evidence to the Scottish COVID-19 Inquiry.

As part of the Module 2A request, NSS has submitted 2 witness statements, over 1,000 supporting documents; reviewed almost 10,000 documents from other Core Participants and Expert Reports and submitted Opening and Closing Statements.

➢ **Module 3 (NSS** is looking at Health Services throughout the UK. NSS is a Core Participant for Module 3 as are Public Health Scotland (PHS) and the Scottish Health Boards. NSS have provided witness statements and documentation for Module 3. We are continuing to field enquiries from the COVID Inquiry. The hearings for Module 3 will start on 9 September 2024, running through to 28th November 2024, with a 2 week break between 14th to 25th October.

As part of the Module 3 request, NSS has submitted 4 witness statements and almost 700 supporting documents.

➢ **Module 4** is looking at vaccines and therapeutics. PHS and the Territorial/Special Health Boards have been granted Core Participant status for Module 4. NSS is not a core participant for Module 4 but is assisting the Inquiry as a document provider. Module 4 had been due to proceed in the summer of 2024. However, the Inquiry Team found it impossible to gather sufficient information to allow it to run in advance of the Module 3 hearing. It has therefore been put back until after Module 3. NSS has been issued with a Rule 9 request and Section 21 for Module 4, both deadlines are in late March.

As part of the Module 4 request, NSS has submitted over 2,000 documents for the Section 21 (3 weeks ahead of deadline) and over 4,000 supporting documents will be submitted part of the witness statement.

➢ **Module 5** will examine Government Procurement across the UK. The evidential Hearings will be held in early 2025. NSS is a Core Participant for Module 5, as are the territorial/national health boards (PHS is not). NSS recently received a draft Rule 9 from the Inquiry.

➢ **Module 6** examines the Care Sector across the UK. NSS has not applied for a Core Participant status for Module 6.

➢ **Further Modules** will cover Testing and Tracing, the Governments Business and Financial Responses, Health and Equalities and the Impact of COVID 19 on Education, Children and Young People and other Public Services. The UK Inquiry is aiming to complete its Public Hearings by the Summer of 2026.

Scottish COVID-19 Public Inquiry

➢ The Scottish COVID-19 Inquiry Health and Social Care Impact hearings recommence on Tuesday 12th March and will run through to 28th March. A final tranche of those hearings will then commence on 15th April, running through to 31st May 2024. As before, CLO will provide one solicitor to attend all hearings and report back to CLO teams representing all NHS Boards. CLO will then share any matters that are of particular relevance to each client. There will be the opportunity for Core Participants to make closing statements at the end of the Health and Social Care Impact hearings.

➢ The Scottish Inquiry has opened the application process for Core Participants for their theme of 'financial and welfare support to business and individuals.' NSS will not be applying for core participant status for this theme.

➢ The Impact hearings on Education and Certification will commence after the summer. NSS is not a Core Participant for this theme.

Infected Blood Public Inquiry - Executive Highlights

➢ SNBTS continues to receive warning letters regarding SNBTS related criticisms which will be published in the final report. SNBTS has to review the content of each warning letter and determine if a response is required, there are currently 13 warning letters under review.
➢ The publication of the Inquiry's Report will take place at Central Hall, Westminster, on 20 May 2024, Marc Turner and Susan Murray have applied to attend in person. An article was published on the Inquiry's website regarding the report Publication of the Inquiry Report | Infected Blood Inquiry, New Venue for Report Publication | Infected Blood Inquiry.

Scottish Hospitals Public Inquiry - Executive Highlights

General:

➢ Lothian hearings have started, with the first week of evidence heard.

➢ CLO and counsel are providing updates and highlighting matters of relevance to NHSS Assure.

➢ NHSS Assure issue relating to impact of Inquiry and police investigation on service delivery ongoing: teams continue to liaise with stakeholders to keep them informed and are recording any impact on service delivery.

➢ We continue to monitor for overlap and repetition of questions being asked of us on each 'side' (Lothian and GGC) of the Inquiry, where we have previously submitted similar responses and where we may be responding via statements being provided by staff.

Lothian

➢ Two NHSS Assure witnesses called for these hearings - Julie Critchley, 14/03 am, Thomas Rodger 14/03 pm (and 15/03 am if required).

➢ Two further witnesses were notified that they may be asked to give evidence, however that now seems unlikely: the paper submitted on NHSS Assure and Design and December 2023 seems to have been accepted as the 'orthodoxy' on the matters.

➢ Ventilation paper has been provided to the Scottish Hospital Inquiry.

➢ We continue to review bundles and statements that are being released by the Inquiry.

Minutes
(Approved)

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND AUDIT AND RISK COMMITTEE (ARC)

MINUTES OF MEETING HELD ON WEDNESDAY, 6 DECEMBER 2023 VIA TEAMs DIGITAL PLATFORM AT 0930 HRS

Members Present:

B/24/10

Beth Lawton – Non-Executive Director and Committee Chair
John Deffenbaugh – Non-Executive Director
Gordon Greenhill – Non-Executive Director
Arturo Langa – Non-Executive Director
Alison Rooney – Non-Executive Director

In Attendance:

Hayley Barnett – Associate Director of Governance and Board Services/Board Secretary
Scott Barnett – Head of Information and Cyber Security
Carolyn Low – Director of Finance, Corporate Governance and Legal Services
James Lucas – Internal Audit, KPMG
Brian McCabe – Associate Director of Finance
Liz MacConachie – External Audit, Audit Scotland
Mary Morgan – Chief Executive
Lynn Morrow – Corporate Affairs and Compliance Manager
Dan Pearson – Service Auditor, PwC
Lorna Ramsay – NSS Medical Director (and Caldicott Guardian)
Thomas Tandy – Internal Audit, KPMG
Lynsey Bailey – Committee Secretary [Minutes]

Apologies:

Steven Flockhart – Director of Digital and Security (DaS)
Carole Grant – External Audit, Audit Scotland
Lee Neary – Director of Strategy, Performance and Service Transformation (SPST)

1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMs platform.

2. DECLARATIONS OF INTEREST

2.1 There were no declarations of interest or transparency statements made in respect of any item on the agenda.

3. MINUTES AND ACTION LIST [Papers AR/23/61 and AR/23/62 refer]

3.1 Members considered the draft minutes from the previous meeting on 12 September 2023 and agreed they were an accurate record of the meeting.

Chair   Keith Redpath
Chief Executive   Mary Morgan

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

3.2 Members were provided with verbal updates on Actions 1 and 2 from 12 September 2023 and, on that basis, were content for those to be closed. They considered all remaining actions, which had been recommended for closure, and were content for them to be closed.

Decision: To approve the minutes of the 12 September 2023 as a true reflection of the meeting.

Decision: To note the action list and agree the closure of actions recommended for closure.

4. ANNUAL REPORT AND ACCOUNTS 2023/24 INDICATIVE TIMETABLE [Paper AR/23/63 refers]

4.1 Members discussed the paper, acknowledging there may be some changes to the indicative timetable necessary as the audit progressed. Following some clarification of dates, Members were content with the timetable as presented.

Decision: To note and endorse the proposed timetable for the 2023/24 Annual Report and Accounts.

5. RISK APPETITE REVIEW [Paper AR/23/64 refers]

5.1 Members considered the risk appetite proposed and were content.

Decision: To endorse the proposed risk appetite levels

6. STRATEGIC RISK REVIEW [Paper AR/23/65 refers]

6.1 Members considered the paper which provided a proposed Reputational Strategic risk along with an overview of all other proposed strategic risks for scrutiny and approval. Members were given a verbal update on the additional update from the Clinical Governance Committee following the paper's submission   Members briefly discussed the recruitment of senior clinicians when necessary - particularly in terms of public inquiries. They were given an overview of how this would be done and observed that the impact of this would vary depending on what NSS would be responding to.

6.2 In discussing Appendix B, members acknowledged that it was a positive step to formalise the recording of these risks. However, this should not lead to complacency so horizon scanning and reviewing of these risks should be done regularly. Members also recognised the need to be mindful of what was within NSS's gift to respond to and not try to capture everything.

Decision: To agree that Appendix A represents the key Reputational risk to delivery of NSS strategic objectives and that the documented controls and actions plan provides assurance that this risk will be appropriately managed in line with the Integrated Risk Management Approach (IRMA)

Decision: To approve the risks, controls and action plans contained within Appendix B for adoption by the Board.

7. INTERNAL AUDIT PROGRESS [Paper AR/23/66 refers]

7.1 J Lucas spoke to the paper, which summarised progress against the internal audit plan. Members received an update on the four actions due to be completed by end of

November – three had been fully completed and one was almost complete, awaiting a return from one service area, which was anticipated within the coming month. The annual planning session was scheduled for early January 2024 so a draft of the 2024/25 internal audit plan would be presented to the Committee in March 2024.

Decision: To note progress made against the Internal Audit Plan, internal audit actions and updates on any significant findings, and accept the assurances provided by the Executive Lead.

8. INTERNAL AUDIT: CAPITAL PLANNING [Paper AR/23/67 refers]

8.1 Members were presented with the Capital Planning audit report which had an overall audit opinion of "significant assurance with minor improvement opportunities". Members recognised good processes were in place and welcomed the recommendations, acknowledging the need to prioritise. They observed that all the actions had been given an end of March 2024 completion target but the full benefit may not manifest until into the next financial year, and asked if it was worth considering bringing some forward. Members were assured they were being taken forward as from now. . Members sought and received clarification about the action for reporting to Board and interpreting the graph. They also sought and received assurance regarding the accuracy of forecasting and liaising with suppliers for estimates.

Decision: To note the report and endorse the improvement actions proposed in response to the report's findings, accepting the assurances provided by the Executive Lead.

9. INTERNAL AUDIT: CORE FINANCIAL CONTROLS – SALARY OVERPAYMENTS [Paper AR/23/68 refers]

9.1 Members were presented with the Core Financial Controls – Salary Overpayments audit report which had an overall audit opinion of "significant assurance with minor improvement opportunities". Members welcomed the report but queried the timescales for the actions and the proposed milestone approach. Members felt some areas were possibly not moving quickly enough. But the significant pressure experienced by the Payroll team was acknowledged and allowing the space to get this done right would be important. They were also given an overview of the consultation and iteration process for the Service Level Agreements with customer Boards. Members queried some of the measures mentioned, seeking clarification about whether they were transitory measures. They were advised that a fundamental challenge of payroll was that some aspects needed to be done manually. However, more automation and appropriate monitoring was being looked into.

Decision: To note the report and endorse the improvement actions proposed in response to the report's findings, accepting the assurances provided by the Executive Lead.

10. SERVICE AUDIT PROGRESS REPORT [Paper AR/23/69 refers]

10.1 Members considered the paper, which provided a summary of progress made against each of the service audit areas since the last meeting in September 2023. Members were given a brief update on progress made since the paper was written. The audit observations were predominantly relating to the articulation of controls that were in place rather than any concerns or issues. Members sought and received clarification about the control matrices for the Type 1 Payroll Audit and the potential impact on timescales.

Members discussed the dependencies on suppliers, and the timelines, and were given an overview of how that was being managed.

10.2   Members recognised that Payroll and Practitioner Services were under significant pressure and highlighted the need for consideration of how audits were undertaken in times of change. In terms of supplier contracts, these could cover participation in audits and inspections. Members asked about the timing of the reporting and were advised that time had been factored to address any issues and for drafting the report. Members were keen for a mechanism to provide some feedback ahead of the March meeting and were advised that this would come through the Service Audit Steering Group.

Decision: To note progress made against each of the service audit areas and accept the assurances provided by the Executive Lead.

11.   EXTERNAL AUDIT PROGRESS

11.1   Members were advised that the 2024/25 audit planning was underway and there had been good engagement in respect of lessons learned from the 2023/24 cycle. The audit plan would be completed to be brought to the next ARC meeting scheduled for 14 March 2024.

Decision: To note the verbal update provided by Audit Scotland on external audit activity.

12.   EXTERNAL AUDIT RECOMMENDATIONS [Paper AR/23/70 refers]

12.1   Members noted the paper, which updated on the progress on the External Audit recommendations by management.   Members welcomed the positive position reported with four of the seven recommendations completed and the remaining three currently on track to complete within anticipated timescales.

Decision: To note the paper and accept the assurances provided by the Executive Lead.

13.   INFORMATION SECURITY AND GOVERNANCE REPORT [Paper AR/23/71 refers]

13.1   Members were taken through the report, which updated the Committee on the key aspects of Information Security and Governance and Information Risk activity during Quarter 2 of 2023/24 (July-September 2023). They received an update on Network and Information Systems (NIS) directive and the re-audit, which was on track for completion. They also got an update on the lessons learned implementation. Members were advised there had been positive engagement with the Information Commissioner's Office (ICO) and their recent audit and the process going forward. They acknowledged that the rating from the ICO was a good result for a first audit and welcomed the aim to improve on that.

13.2   Members asked whether there was any insight yet into the NIS re-audit findings and were advised that there had been positive conversations and no serious areas of concern had been raised. Members discussed whether having the additional evidence in place for the initial audit would have meant a more positive outcome. There was recognition the re-audit had been the right thing to do and had given Scottish Government (SG) more information on the Cyber Resilience Framework.

Decision: To :

- note the updates regarding the Network Information Systems Directive (NISD) Audit including the outcome, remediation activities underway and in plan set out in paragraphs 3.3-3.6;

- note the update regarding the Information Commissioner's Office (ICO) Audit and follow-up remediation plan as set out in paragraph 3.7-3.9;

- note the full report as presented at Appendix 1; and,

- accept the assurances provided by the responsible officer.

14. RISKS AND ISSUES REPORT [Paper AR/23/72 refers]

14.1 Members scrutinised the paper, which updated on corporate red risks and issues, along with all corporate red and new amber reputational risks and issues, as at 30 September 2023. Highlights since the paper was written were the issues that had arisen in respect of Data Capture Validation and Pricing, and dental reform so Members were given an overview of the actions being taken in response. They also briefly discussed the strategic reputational risk in relation to public inquiries. As risk 6121 (Unstructured and Unclassified Data) appeared in both the Information Governance report and on this watchlist, Members discussed where they would prefer it to be reported. They agreed that, for now, it was useful to have it twice to compare like-for-like but would consider this outwith the meeting.

Decision: To note the risks and issues update and accept the assurances provided by the lead officer.

15. FRAUD REPORT [Paper AR/23/73 refers]

15.1 Members were provided with an update on the fraud prevention activity undertaken since the last report in September 2023. The Associate Director of Finance confirmed that, since the report had been issued, the updated NHSScotland National Counter Fraud strategy had been successfully launched. Members welcomed the report and commended the work done.

Decision: To note the report, which forms part of the Board assurance process, and accepts the assurances provided by the Executive Lead.

16. REVIEW OF ARC TERMS OF REFERENCE (TORs) [Paper AR/23/75 refers]

16.1 Members considered the ToRs and agreed them as presented.

Decision: To agree the Committee's TORs as presented for inclusion in the Corporate Governance Framework.

17. FORWARD PROGRAMME [Paper AR/23/76 refers].

17.1 Members were presented with the forward programme for information.

Decision: To note the forward programme.

18.   ANY OTHER BUSINESS

18.1   The Chair wished to formally record thanks to J Deffenbaugh for his contributions during his time on the Committee.

There being no further business, the meeting closed at 1121hrs.

Minutes
(Approved)

Board Services
Area 27
Gyle Square
1 South Gyle Crescent
EDINBURGH EH12 9EB
Telephone 0131 275 6000
Text Relay 18001 0131 275 6000

www.nhsnss.org

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE (CGC)

MINUTES OF MEETING HELD ON THURSDAY 30 NOVEMBER 2023 VIA TEAMs DIGITAL PLATFORM AT 0930HRS

Present:

Alison Rooney – Non-Executive Director [Chair]
Lisa Blackett – Non--Executive Director
Gordon Greenhill – Non-Executive Director
Arturo Langa – Non-Executive Director
Beth Lawton – Non-Executive Director
Keith Redpath – NSS Chair

In Attendance:

Katie Hands – Associate Medical Director, SNBTS
Lorna McLintock – Medical Director, SNBTS
Mary Morgan – Chief Executive
Matthew Neilson – Associate Director, Strategy, Performance and Communications
Lorna Ramsay – Executive Medical Director
Jacqui Reilly – Director of Nursing
Calum Thomson – Associate Director for Nursing, Clinical Governance and Quality Improvement
Sian Tucker – Deputy Medical Director, NSS
Joanna Quinn – Scottish Clinical Leadership Fellow
Lynsey Bailey – Committee Secretary [Minutes]

Apologies:

Hayley Barnett – Associate Director of Governance and Board Services

1. WELCOME AND INTRODUCTIONS

1.1 A Rooney welcomed all to the meeting.

2. DECLARATIONS OF INTEREST

2.1 No declarations of interest or transparency statements were made in respect of any agenda items.

3. MINUTES AND MATTERS ARISING [Papers CG/23/40 and CG/23/41 refer]

3.1 Members considered the draft minutes from the previous meeting on 7 September 2023, and were content to approve as an accurate record.

3.2 Members considered all actions, which were recommended for closure.

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EMPLOYER

Chair   Keith Redpath
Chief Executive   Mary Morgan

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

Decision: To approve the minutes of 7 September 2023, as a true reflection of the meeting.

Decision: To note the action list and agree the closure of all actions recommended for closure.

4.   NSS STRATEGIC RISK: CLINICAL AND PATIENT SAFETY [paper CG/23/42 refers]

4.1   Members were taken through the paper, which updated on actions relating to the risk of preventable harm occurring to patients and service users if NSS was not sufficiently proactive in ensuring and improving the clinical and patient safety of the care, services and products it provides.

4.2   The Medical Director highlighted the updates made based on the feedback previously provided at the recent seminar session where this risk was discussed, along with an additional update which had been identified afterwards. Members were also given an overview of the reporting and the mechanisms for that. Members sought and received clarification about the risk scoring and how the primary risk category was decided. They briefly discussed strategic versus operational risks and consideration of what should be reported to the Committee. Members wished to record their thanks to all involved for the work in developing this.

Decision: To approve the risk description as detailed in the NSS clinical and patient safety strategic risk jotter.

Decision: To approve the mitigating actions, timelines and owners as appropriate to provide assurance that a plan is in place to mitigate the clinical impact and likelihood of this risk occurring.

5.   MEDICAL DIRECTOR'S REPORT [paper CG/23/43 refers]

5.1   Members were taken through the highlights of the report, which provided an update on clinically-related areas of NSS strategic/enabling activity and on relevant aspects of business as usual areas from a clinical perspective. Members welcomed the updates on the development of a clinical workforce overview and the launch of the clinical improvement and quality course. They were also updated on adverse events relating to Scottish Care Information (SCI) Gateway and were advised that motions relating to this would be discussed at the upcoming Scottish Local Medical Committee conference. Members were also briefly taken through the proposals for the Committee's seminar session scheduled in January 2024.

5.2   Members asked about the recent case involving a nurse from another board and were advised that Counter Fraud Services were involved but this was not a clinical governance issue for NSS.   They also asked about the Breast Screening programme and where the responsibility lay for the paperwork that was issued regarding the appointments. It was clarified that NSS provided the advice to Scottish Government (SG) but it was ultimately a policy decision and a modernisation programme was underway.

5.3   Members sought and received clarity about the staff in scope for the Health & Care Staffing Act. Regarding the associated risk to NSS, Members were given an overview of discussions with SG about what was in scope and were advised that the principles

were being applied to all clinical staff regardless. Members felt it would be helpful to circulate the paper which had been prepared for SG. Finally, Members briefly discussed the timing of Healthcare Associated Infection (HAI) annual reporting and reason for the slight lag in data.

Decision: To note the Medical Director's Report and accept the assurances provided.

Action: To circulate the SBAR prepared for Scottish Government on Health and Social Care Staffing Act to the Committee – Medical Director

6. **NSS CLINICAL GOVERNANCE FRAMEWORK (CGF) DELIVERY PLAN REPORT [paper CG/23/44 refers]**

6.1 Members were taken through the report, which summarised the progress so far of the CGF delivery plan against the reporting timelines and milestones. Members particularly welcomed the maturity self-assessment tool.

Decision: To note the progress of the CGF delivery plan against the reporting timelines and milestones, and accept the assurances provided by the lead officer.

7. **BLOOD AND TISSUE QUALITY, SAFETY AND SUFFICIENCY REPORT [Paper CG/23/45 refers]**

7.1 Members scrutinised the report, which confirmed that NSS continued to meet all requirements in respect of quality, safety and sufficiency. Members expressed concerns regarding the workforce risk but were advised that there was no patient impact, and it was being actively managed. It was agreed to include this in the risk report going forward but it would also be signposted within this report with a high-level position statement unless there was a significant update required.

7.2 The report highlighted the work on plasma for medicines and that the formal commission from SG had been received and was being taken forward. Members thanked the staff involved for their work on plasma. They queried the mention of indicative funding and received clarification about what that meant. They were advised that there were no funding concerns and were given an overview of the scrutiny given at Finance, Procurement, and Performance Committee.

Decision: To note the quality, safety and sufficiency of the blood and tissue products and accept the assurances given in the Blood and Tissue Quality, Safety and Sufficiency report that the service continues to meet all the requirements placed upon it.

Decision: To note the actions being taken in relation to SNBTS red risks

Decision: To note the position on the Plasma for Medicines programme

Action: To continue to signpost the risks relating to staffing in SNBTS (6544, 7037 and 7111) in the Blood and Tissue Quality, Safety and Sufficiency Report with detailed updates in the Risk Report – SNBTS Medical Director

8. **CLINICAL ADVERSE EVENTS AND COMPLAINTS REPORT: QUARTER 4 [paper CG/23/46 refers]**

8.1 Members considered the report, which provided details of Clinical Adverse Events and Complaints. The report highlighted the closure of the category one event of blood incompatibility from another Board and Members commended the support provided from SNBTS. Members were also updated on the impact of allowing anyone involved in the transfusion process to be able to challenge and stop the procedure and welcomed this development. Members were given an overview of quality improvement work within SNBTS. They also discussed the SCI Gateway issues and received more detail about the measures in place. A Langa queried the timescale for cervical screening letters and was advised this would be fed back outwith the meeting.

Decision: To note the most recent information on clinical adverse events and complaints set out in the Clinical Adverse Events and Complaints Report.

Decision: To accept the management actions identified in the Clinical Adverse Events and Complaints report provide assurance that such events are being appropriately managed in accordance with NSS processes and best professional practice.

Decision: To accept the assurances provided by the lead officer.

9. **CLINICAL RISK REPORT: 1 AUGUST TO 31 OCTOBER 2023 [paper CG/23/47 refers]**

9.1 Members acknowledged the report, which provided details of corporate clinical risks on the NSS Risk Register, and they had nothing further to raise.

Decision: To note the most recent information on clinical risks set out in the Clinical Risks Report.

Decision: To accept the management actions identified in the Clinical Risks report provide assurance that corporate clinical risks are being appropriately managed in accordance with NSS processes and best professional practice.

Decision: To accept the assurances provided by the lead officer.

10. **HEALTHCARE ASSOCIATED INFECTION (HAI) QUARTERLY REPORT [paper CG/23/48 refers]**

10.1 Members considered the report which updated on SNBTS Infection Prevention and Control (IPC) activity during Quarter 2 2023/24 (July – September 2023), including the Scottish Government Healthcare Associated Infection Task Force (HAIRT) reporting components.

10.2 Members commended the compliance rate achieved. They also sought and received more clarity on the issue with the air conditioning unit at Ninewells and acknowledged that some elements of the escalation and resolution would be beyond the IPC remit. However, they were given an overview of how clinical risk was managed and mitigated as best as possible.

Decision: To note the report setting out the most recent information on HAI.

Decision: To accept the professional assurances given that the service continues to meet all the requirements placed upon it.

11. TERMS OF REFERENCE [paper CG/23/49 refers]

11.1 Members reviewed the Terms of Reference and suggested including a specific mention of the strategic risk work before the paper went on to the Audit and Risk Committee.

Decision: To endorse the Terms of Reference pending the minor update requested.

Action: To add a mention of the strategic risk work – Board Services

12. FORWARD PROGRAMME [paper CG/23/50 refers]

12.1 Members noted the forward programme which was presented for information.

Decision: To note the Forward Programme.

13. ANY OTHER BUSINESS

13.1 Members were advised that Dr Anna Lamont would be leaving NSS and taking up post as Medical Director in NHS Orkney.

13.2 As it was L Ramsay's final CGC meeting before leaving NSS, Members thanked her for all her input over her time as Medical Director and wished her well in the future.

14. DATE OF NEXT MEETING:

14.1 The next meeting was scheduled for Thursday, 29 February 2024 at 09:30

The meeting finished at 1038hrs

Minutes
(Approved)

Board Services
Area 27
Gyle Square
1 South Gyle Crescent
EDINBURGH EH12 9EB
Telephone 0131 275 6000
Text Relay 18001 0131 275 6000

www.nhsnss.org

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC)

MINUTES OF MEETING HELD ON WEDNESDAY 8 NOVEMBER 2023 VIA TEAMs DIGITAL PLATFORM AT 0930 HRS

Present:

Gordon Greenhill– Non-Executive Director and Committee Chair
Lisa Blackett – Non-Executive Director
Julie Burgess – Non-Executive Director
Ian Cant – Employee Director
Beth Lawton – Non-Executive Director
Keith Redpath – NSS Chair

In Attendance:

Hayley Barnett – Associate Director Governance and Board Services (Board Secretary)
Gordon Beattie – Director of National Procurement
Julie Critchley – Director NHSScotland Assure
Carolyn Low – Director of Finance, Corporate Governance and Legal Services
Lee Neary – Director of Strategy, Performance and Service Transformation (SPST)
Hazel Thomson - Associate Director Strategy Planning & Performance, Scottish National Blood Transfusion Service (SNBTS)
Marc Turner - Director of SNBTS
Lynsey Bailey – Committee Secretary (Minutes)

Apologies:

1. **WELCOME AND INTRODUCTIONS**

1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMs platform. Apologies were noted as listed above.

2. **DECLARATIONS OF INTEREST**

2.1 There were no declarations of interest or transparency statements made in respect of any item on the agenda.

3. **MINUTES OF THE PREVIOUS MEETING HELD ON 30 AUGUST 2023, AND MATTERS ARISING [papers FPP/23/44 and FPP/23/45 refer]**

3.1 Following discussion, Members were content that the minutes were an accurate record of the meeting. Members enquired about the private session minutes and the Committee Secretary agreed to ensure they were on the agenda for the next meeting.

Chair   Keith Redpath
Chief Executive   Mary Morgan

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

3.2   Members noted the updates provided on the action tracker and agreed those recommended for closure. Members briefly discussed rewording the confidential risk closure statement for clarity.

Decision: To approve the minute of the FPPC of the meeting held on 30 August 2023.

Decision: To approve the closure of actions 1-3,5 and 7-9 which had been recommended for closure.

Action: To include the minutes of the private session on 30 August 2023 on the agenda for the next FPPC meeting – Board Services

4.   NSS PLASMA FOR MEDICINES DELIVERY PLAN [paper FPP/23/46 refers]

4.1   Members considered the paper, which provided confirmation that Scottish Government was commissioning the manufacture and procurement of Scottish plasma -derived Immunoglobulin and Albumin medicinal products in accordance with the NSS Plasma for Medicines Delivery Plan. Members sought and received assurance regarding the staffing resource requirements from financial year 2025/26 onwards, as well as the underwriting from Scottish Government and how the costs would be shared.

4.2   Members recognised that this contract reduced the cost of the product but were made aware that the key risk came from disruption in the supply chain. However, they felt assured that all appropriate contingencies were in place, that there was a low likelihood of this happening in later years, and that it had also been mitigated as far as possible.

Decision: To give approval to proceed to sign up to the UK framework contract with Octapharma, allowing onboarding of NSS to collect Scottish plasma for fractionation and procure the resultant medicinal products for onward supply to Territorial Health Boards.

5.   PUBLIC BODIES CLIMATE CHANGE DUTIES REPORT [paper FPP/23/56 refers]

5.1   Members considered the paper, which highlighted and reviewed the activities, governance, and carbon emissions in the previous financial year (2022/23)**.**   Members briefly discussed potential risks to NSS meeting its net zero target. They acknowledged that mitigations had been identified, which were covered in more detail within the Sustainability update scheduled for later in the agenda (see item 14 - paper **FPP/23/55** refers). Members agreed they were content to approve the report.

Decision: To approve the Public Bodies Climate Change Duties Report on behalf of NSS.

6.   FINANCIAL PERFORMANCE TO 30 SEPTEMBER 2023 [paper FPP/23/47 refers]

6.1   Members considered the paper, which provided an update on financial performance against plan for the period 1 August to 30 September 2023. The Director of Finance, Corporate Governance and Legal Services spoke to some particular highlights as presented in the front cover sheet. Following this, Members were content that NSS was still on track to deliver against financial targets despite some additional emerging pressures.

6.2   Members were then given a more detailed update on the issues around the new Data Capture Validation and Pricing (nDCVP) system, and progress of the interventions to

resolve them. Members welcomed the transfer of internal staff available to reduce the backlog and were assured that agency staff were mainly being used as backfill for those staff. Members sought and received assurance about reaching a more sustainable resolution in the longer term.

6.3   Members welcomed the paybill deep dive and encouraged this to be done in other areas. Members also discussed the Cash-Releasing Efficiency Savings evidence challenges and some potential measures to address them.

Decision: To note the Financial Performance Report and accept the assurances provided.

Decision: To have a report on the nDCVP issues at the next FPPC.

Action: To add a report on nDCVP to the agenda for the next FPPC meeting – Board Services

7.   STANDING FINANCIAL INSTRUCTIONS (SFI) ADVERSE EVENTS [paper FPP/23/48 refers]

7.1   There had been no financial adverse events reported since the previous update provided on 30 August 2023. The Director of Finance, Corporate Governance and Legal Services highlighted the additional TURAS training for those who needed it as part of their role.

Decision: To note no SFI adverse events had been reported since the previous FPPC meeting on 30 August 2023 and accept the assurances provided.

8.   NATIONAL PROCUREMENT CONTRACT SCHEDULE [paper FPP/23/49 refers]

8.1   Members were taken through the paper which provided an update on the national workplan for 2023-24. Members welcomed the positive position being reported.

Decision:

- **To note the secured savings and cost avoidance achieved year to date in 2023-24;**

- **To note the list of awards requiring Chief Executive approval;**

- **To Note the NSS Contracts Awarded for more than £1m; and,**

- **To accept the assurances provided**

9.   PORTFOLIO MANAGEMENT GROUP REPORT [paper FPF/23/50 refers]

9.1   Members were provided with an overview of the delivery status of key national programmes being delivered by NSS on behalf of NHS Scotland, based on the position reported to the NSS Portfolio Management Group at their last meeting on 16 October 2023.   The Director of Finance, Corporate Governance and Legal Services spoke to highlights from the watchlist, particularly the Digital Prescribing and Dispensing Programme (DPDP) as its funding was still to be confirmed and this would impact on Annual Delivery Plan (ADP) milestones. Members were also advised that the new Community Health Index (CHI) system had gone live on 1 November. They wished to pass on their congratulations and commendation to all involved for the hard work that had gone into achieving this.

9.2   Members expressed concerns that funding had not yet been confirmed for DPDP but acknowledged that it was a casualty of the current financial challenges. They also briefly discussed the Cyber Centre of Excellence and potential consequences should the risk escalate. Members observed that there was occasional discrepancy in the risk statuses between this and the Service Excellence report. However, it was explained this was due to the difference in focus of the report.

Decision: To note the improving position of key national programmes being delivered by NSS on behalf of NHS Scotland and accept the assurances provided.

10.   SERVICE EXCELLENCE REPORT: QUARTER 2 2023/24 [Paper FPP/23/51 refers]

10.1   Members considered the report, which gave an overview of the delivery status of key programmes and performance metrics. Members commended the layout the report but observed the reference to South-East Payroll still needed to be corrected.

10.2   Members also asked for information on trends in Freedom Of Information (FOI) requests (e.g. topics, source of request etc,) at a high level for the next report. Members were advised that the increase in FOI activity could be attributed to specific issues which were now resolving. However, the changing political climate would always have an impact so having trend analysis would be useful.

10.3   Finally, Members discussed Model Complaints Handling and implementation of the new metrics for reporting, which they were keen to see in the next report. They also briefly discussed inclusion of positive feedback to provide a wider picture.

Decision: To note the Service Excellence Performance Report and accept the assurances provided.

Decision: To endorse the proposed new metrics for complaints reporting as set out on page 31 of Appendix A of the paper.

Action: To implement the new metrics for complaints reporting for the February 2024 FPPC meeting – Director of SPST

Action: To look at FOI trends and provide a breakdown in the report for the February 2024 FPPC meeting – Director of SPST

11.   RESILIENCE REPORT [Paper FPP/23/52 refers]

11.1   Members discussed the report, which updated on resilience activities that had taken place since the previous FPPC meeting on 30 August 2023.

Decision: To note the Resilience Report and accept the assurances provided.

12.   CORPORATE BUSINESS RISK AND ISSUES REPORT: Q2 2022/23 [paper FPP/23/53 refers]

12.1   Members were taken through an overview of the activity in relation to the following highlighted risks and issues:
- Work was ongoing on the strategic risks
- No new red corporate risks
- There were 2 issues – 6247 (Windows 7) and 7221 (nDCVP Go Live)

4

- There was a new Amber Risk - 7237 on recruitment and retention
- Work on and around 6121 continued and was on track to complete by the end of the financial year.

12.2   Members were given a brief overview of risk 7237 and relevant discussions at the recent Staff Governance Committee (SGC) seminar. Board Services were asked to share the slides from the seminar for information.

Decision: To note the Corporate Business Risk and Issues Report and accept the assurances provided.

Action: To circulate the slides from the recent SGC Seminar – Board Services

13.   FPPC STRATEGIC BUSINESS RISKS

13.1   Members discussed the paper highlighting the updates to the risk jotter as discussed at the FPPC seminar on 30 October. Members identified a few minor corrections – references needed to be to sustainability ambassadors rather than champions, updates would be provided quarterly and the NHSScotland Sustainability Assessment Tool (NSAT) assessments would be submitted biennially. In terms of financial sustainability, Members acknowledged that financial audits would be acceptable as a level 3 control. They also welcomed the new layout as helpful and were content with the direction of travel.

Decision: To endorse the risk jotter pending the corrections identified (as noted at 13.1).

Action: To re-circulate the report to Members after making the following corrections:

- **Sustainability Champions should be called Sustainability Ambassadors;**
- **Sustainability updates were to be provided quarterly rather than twice a year and NSAT submissions were biennially not biannually;**
- **For Financial sustainability, financial audits would be acceptable as a level 3 control.**

                                                   -    **Director of SPST**

14.   SUSTAINABILITY UPDATE [Paper FPP/23/55 refers]

14.1   Members considered the paper which provided an update on sustainability activity across NSS. They discussed the internal NSAT assessment and welcomed the achievement of a Gold-level score. While the next external validation would not be until 2024, Members were advised that there was a mechanism to verify the score for 2023.

14.2   Members were also given an update on the whole-system planning activity and an overview of the work being done to develop the revised scope and route map. They were reminded that updates were being made in Sustainability reporting to allow more like-for-like comparison. Members were also taken through the reasons for variations in equivalent quarters for water and waste, along with other initiatives being worked on to bring about improvements.   Following a brief discussion, Members agreed that a section on the ethics of sustainability was to be included as of the next report.

14.3   Members discussed the increase on the score noting that the improved reporting gave a more accurate position which showed that NSS had also moved on. Members welcomed the lessons learned workshop but discussed the proportionality in respect of national reporting requirements, recognising that it was also important to get a balance across sustainability between climate, finance and workforce.

Decision: To note the Sustainability performance report, accepting the assurances provided.

Action: To include a section on Ethics of Sustainability from the next report – Director of NHSScotland Assure

15.   FPPC TERMS OF REFERENCE

15.1   Members reviewed the Terms of Reference and suggested updating paragraph 6.1.2 to mention sustainability reports, include the Director of NHSScotland Assure on the list of regular attendees and also reference of the Blueprint for Good Governance.

Decision: To endorse the Terms of Reference pending the updates requested.

Action: To update the Terms of Reference as follows:
- **6.1.2 to include a mention of sustainability reporting**
- **Director of NHSScotland Assure to be added to list of regular attendees**
- **Include a mention of the Blueprint for Good Governance**
  - **Board Services/ Associate Director of Governance and Board Services**

16.   FORWARD PROGRAMME [paper FPP/23/28 refers]

16.1   The forward programme was presented for information.

Decision: To note the Forward Programme.

17.   ANY OTHER BUSINESS

17.1   With it being J Burgess's final FPPC meeting, as her term finished later in the month, Members wished to express their appreciation for all her work during her time on the Committee.

There being no further business, the meeting closed at 1134 hrs.

Minutes
(Approved)

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON THURSDAY 9 NOVEMBER 2023, COMMENCING 0930 HOURS VIA TEAMS

Present:
Lisa Blackett – Non-Executive Director and Committee Chair
David Allan – Trade Union Representative
Ian Cant – Non-Executive Director
John Deffenbaugh – Non-Executive Director
Tam Hiddleston – Trade Union Representative
Beth Lawton – Non-Executive Director
Gerry McAteer – Trade Union Representative
Alex Morrison – Trade Union Representative

In Attendance:
Hayley Barnett – Associate Director, Governance and Board Services (Board Secretary)
Susan Buchanan, Director of NSD [Item 13]
Jane Fewsdale - Head of People Insights, Performance & Systems
Mary Morgan – Chief Executive
Aileen Stewart – Associate Director of HR (deputising for S Barnatt)
Lynsey Bailey - Committee Secretary [Minutes]

Apologies:
Serena Barnatt – Director of HR and Workforce Development
Arturo Langa – Non-Executive Director
Keith Redpath – NSS Chair

1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMs platform, noting the apologies as recorded above. As it was A Morrison's first meeting, brief introductions were made.

2. DECLARATIONS OF INTEREST

2.1 There were no declarations of interest or transparency statements made in respect of any item on the agenda.

Chair   Keith Redpath
Chief Executive   Mary Morgan

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

3.   MINUTES AND ACTION LIST [papers SG/23/42 and SG/23/43 refer]

3.1   Members considered the draft minutes from the previous meeting held on 30 September 2023 and agreed they were an accurate record of the meeting.

3.2   Members considered the action updates provided and had nothing further to add.

Decision: To approve the minutes as an accurate record of the meeting

Decision: To note the action list and agree the closure of the actions recommended for closure.

4.   NSS INDUCTION POLICY [paper SG/23/44 refers]

4.1   Members were taken briefly through the policy and its development. Members welcomed the policy and felt it was a positive step, thanking all who had helped deliver it. Members discussed implementation of the policy for staff who did not have regular access to a computer as part of their job and were given an overview of the arrangements in place for those staff.

4.2   Members discussed the messaging - "NSS is" vs "NSS are" and also the module on managing others being excluded from the "New Start" modules list as this was covered specifically under "New Manager" suite of modules. Members also felt consideration should be given to what this meant in terms of enabling cultural change, measuring the success of the induction programme, and the mechanisms for gathering feedback. They were advised that all this would be looked into and considered for future iterations.

4.3   Following these discussions, Members were content to approve the policy for implementation.

Decision: To approve the NSS Induction Policy.

Action: To consider mechanisms for enabling cultural change, measuring success and gathering feedback to be included in future iterations of the policy – Associate Director of HR

5.   NSS STAFF GOVERNANCE MONITORING RETURN 2022-23 [paper SG/23/45 refers]

5.1   Members considered the paper, which contained the Scottish Government response to NSS's annual Staff Governance Monitoring Return for 2022-23. It was highlighted that a lag in the response time meant the feedback included was already being addressed in the current iteration of the Great Place To Work plan. Members were keen to look at the wording to better demonstrate the work being done. They also discussed how to reduce the lag in receiving the feedback and were assured that this was being raised through both the HR Directors' and Deputy HR Directors' groups.

Decision: To approve the NSS Staff Governance Monitoring Return 2022-23, prior to the submission being sent to Scottish Government.

Action: To look at the wording and how to better demonstrate the work that is taking place – Associate Director of HR

6.   NSS PARTNERSHIP FORUM [paper SG/23/46 refers]

6.1   Members were advised that the Partnership Forum continued to work well. Members were provided with an overview of discussions about Once for Scotland policy implementation and the arrangements for Partnership Forum involvement in the upcoming Annual Review.

   Decision: To note the updates provided on the work of the Partnership Forum.

7.   PEOPLE REPORT [paper SG/23/47 refers]

7.1   The Associate Director of HR spoke to the paper, which covered all key issues around compliance with the Staff Governance Standard and best employment practice. Members discussed the system issues and the impact the transfer of Payroll staff had on the training figures within TURAS   They were also given an overview of plans in place to address this, recognising that this would take time to resolve fully.

7.2   Members went on to discuss sickness absence and how NSS could think more creatively about addressing this now that there was a better understanding of the underlying issues. They asked whether the figures could be broken down into more specific areas to allow more focus and were advised that this information was available to managers through the dashboard. Members acknowledged NSS's sickness absence rate was relatively good within NHSScotland and that patient-facing staff were subject to Infection Prevention and Control requirements which would skew figures. Members were given a brief overview of the other, more general work going on around health and wellbeing and the impact of some of the demographic factors.

7.3   Following these discussions, Members were content with the assurances provided.

   Decision: To note the updates provided in the People Report and accept the assurances provided.

8.   GREAT PLACE TO WORK PLAN 2023/24 Q2 REPORT [paper SG/23/48 refers]

8.1   Members discussed the report, which updated on the progress against the priority areas for improvement contained in NSS Great Place to Work Plan 2022/2023. Members were pleased to hear that NSS was delivering well generally against the plan.   However, some areas were showing as falling below target and Members were given an overview of what was being done to address that.

8.2   Following these discussions, Members confirmed they were content with the assurances provided.

   Decision: To note the Great Place to Work Q2 Report and accept the assurances provided.

9.   WHISTLEBLOWING QUARTERLY REPORT [paper SG/23/49 refers]

9.1   Members welcomed the report which updated on NSS's performance for the second quarter of 2023-24 (July to September 2023), demonstrating performance against the key performance indicators as required by the Independent National Whistleblowing Officer. Members were keen to see the learning from the case reported taken forward and were assured that this was the intention.

9.2   Members discussed the lack of whistleblowing cases and the reason for that. Members were given an overview of the monitoring taking place through the network of confidential contacts. They were also reminded that this was not reflective of staff raising concerns as there were many other formal and informal avenues for this (grievances, management cases etc,) which usually reach a resolution. Members then sought and received clarity about the information sharing and confidentiality rules around whistleblowing investigation outcomes.

9.3   Following these discussions, Members confirmed they were assured by the updates provided and content to endorse the report.

Decision: To note and endorse the Whistleblowing Quarterly Report.

10.   STAFF RISKS QUARTERLY UPDATE [paper SG/23/50 refers]

10.1   Members discussed the Staff Risk report, which provided details of the current situation for corporate red and amber staff risks recorded on the NSS Risk Register as of 30 September 2023.   Members felt that, in respect of risk 7237 (Recruitment and Retention) it was too generic and it would be more helpful if the description was more specific.

Decision: To note the Staff Risks Quarterly Report.

Action: To make risk 7237 more specific – Associate Director of HR

11.   STRATEGIC RISK REVIEW: WORKFORCE SUSTAINABILITY RISK [paper SG/23/51 refers]

11.1   Members were taken through the paper, which provided the proposed Strategic Workforce and Sustainability Risk for approval ahead of review and adoption by the NSS Board. Members felt it was clear and in line with the others discussed at the other committees.

11.2   Members queried the wording referring to clinical staff and best practice, recognising that it was about enabling clinical staff to continue working to best practice. They also discussed including the Vacancy Management Group under level 2 controls in recognition of the work it was doing. Members were content to endorse the risk jotter following those updates.

Decision: To endorse the risk jotter subject to the updates agreed.

Action: To make the following updates:

- **re-word the statement regarding clinical staff being 'not able to work to best practice;**

- **include the Vacancy Management Group under level 2 controls.**

                                                    - Associate Director of HR

12.   NSS SGC TERMS OF REFERENCE [paper SG/23/52 refers]

12.1   Members considered the paper, which presented the Committee's Terms of Reference (ToRs) for scrutiny before submission to the NSS Board for final approval as part of the annual review of the Corporate Governance Framework.   Members suggested two

updates - a correction that the Trade Union representatives were nominated by the Joint Trade Unions, and to a clarify that the Employee Director was there as a Non-Executive member and not in a Trade Union capacity.

12.2   Members agreed they were content with the ToRs subject to those changes.

Decision: **To endorse the updated ToRs, subject to the suggested additional amendments.**

Action: **To make the following updates:**

- **TU reps are nominated by Joint Trade Unions rather than Partnership Forum at 2.1**
- **add clarification that Employee Director attends as a Non-Executive and not in Trade Union capacity at 3.1.**

- **Associate Director of Governance and Board Services**

13.   IMPLEMENTATION OF NHSSCOTLAND SUPPORTING WORK-LIFE BALANCE WORKFORCE POLICIES [paper SG/23/53 refers]

13.1   Members were taken through the paper which, was presented for information on the implementation of the NHS Scotland Workforce Polices – Supporting Work Life Balance on 1 November 2023. Members were also given a brief overview of the new Menopause and Menstrual Health policy which had recently been included. Members discussed the policy and protocol brought in during the pandemic to enable the flexible working and were keen to ensure that this was reviewed and kept in line with what was needed.

Decision: **To note the report and accept the assurance provided that NSS will be able to implement the new suite of Supporting Work Life Balance Polices.**

14.   HEALTH AND CARE (STAFFING) (SCOTLAND) ACT 2019 – IMPLEMENTATION IN NSS: Q2 REPORT [paper SG/23/54 refers]

14.1   Members discussed the paper, which was presented for information on NSS's progress as an early implementer of the implementation of the Health and Care (Staffing) (Scotland) Act 2019.Members queried that the Scottish National Blood Transfusion Service was the only area which seemed to be in scope, and whether screening staff should also be included. It was clarified that, as commissioners, NSS only had an indirect role in the provision of screening services but did highlight the need for compliance with the act to frontline staff in the Boards delivering the screening.

Decision: **To note the Quarter 2 report that had been submitted on the due date of Friday 3 November 2023 and that this reflected the feedback received from Scottish Government for Quarter 1.**

15.   FORWARD PROGRAMME [paper SG/23/55 refers]

15.1   Members were presented with the forward programme.

Decision: **To note the Staff Governance Committee Forward Programme.**

16.   ANY OTHER BUSINESS

16.1   As it was John Defenbaugh's final SGC meeting before his term ended in January 2024, Members wished to record their thanks for his work over his tenure, both as Committee chair and member.

Meeting closed at 1108hrs.

Minutes
(DRAFT)

Board Services
Area 27
Gyle Square
1 South Gyle Crescent
EDINBURGH EH12 9EB
Telephone 0131 275 6000
Text Relay 18001 0131 275 6000

www.nhsnss.org

NHS National Services Scotland

NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON THURSDAY 8 FEBRUARY 2024, COMMENCING 0930 HOURS VIA TEAMS

Present:
Lisa Blackett – Non-Executive Director and Committee Chair
David Allan – Trade Union Representative
Ian Cant – Non-Executive Director
Tam Hiddleston – Trade Union Representative
Arturo Langa – Non-Executive Director
Gerry McAteer – Trade Union Representative
Beth Lawton – Non-Executive Director
Keith Redpath – NSS Chair

In Attendance:
Serena Barnatt – Director of HR and Organisational Development
Hayley Barnett – Associate Director Governance and Board Services
Lynn Cowan – Organisational Development Manager [Item 4]
Jane Fewsdale – Head of People Insights, Performance and Systems [Item 8]
Aileen Stewart – Associate Director of HR
Lynsey Bailey – Committee Secretary [Minutes]

Apologies:
Mary Morgan – Chief Executive

Observing:
Paul Buchanan – Non-Executive Director

1. WELCOME AND INTRODUCTIONS

1.1 L Blackett welcomed all to the meeting, which was being held virtually via the TEAMs platform, noting the apologies as recorded above. A particular welcome was extended to P Buchanan, Non-Executive Director who was attending to observe as part of his induction.

2. DECLARATIONS OF INTEREST

2.1 There were no declarations of interest or transparency statements made in respect of any item on the agenda.

Chair	Keith Redpath
Chief Executive	Mary Morgan

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

3. MINUTES OF THE PREVIOUS MEETING HELD ON THURSDAY 9 NOVEMBER 2023, AND MATTERS ARISING [paper SG/24/02 and SG/24/03 refers]

3.1   Members considered the draft minutes from the previous meeting held on 9 November 2023 and agreed they were an accurate record of the meeting.

3.2   Members considered the action updates provided and had nothing further to add.

Decision: **To approve the minutes as an accurate record of the meeting**

Decision: **To note the action list and agree the closure of the actions recommended for closure.**

4. NSS TALENT MANAGEMENT AND SUCCESSION PLANNING PROPOSAL [paper SG/24/04 refers]

4.1   Members considered the paper, which proposed the development and implementation of a Talent Management and Succession Planning Framework. Members were provided with an overview of the background to the proposal's development, its aims, and the potential benefits and proposal to change the governance to the Staff Governance Commitee. Members welcomed the paper and were supportive of the direction of travel.

4.2   They acknowledged this was a large piece of work which would take time to develop and embed, and also recognised this provided an opportunity to implement a more holistic view in the organisation's approach to career development. Members sought and received clarification that this was not intended as a gradual top-down approach. They were reassured that the aim was to establish consistent processes to allow all staff to have meaningful career and PDP discussions, which would also look beyond formal training courses. Members were also keen to ensure the needs of staff who were not aspirational in their career plans were considered and that a balanced, supportive approach was achieved which met all staff needs.

4.3   Members were given an overview of how the success/value added by this proposed framework could be measured, the challenges in quantifying and evidencing that, and how the reporting would progress to become more embedded. They acknowledged that this was the start of a journey and would be an iterative process. Members discussed the timescales for this and aligning it with the Great Place To Work plan, and considering how that would work.

4.4   Members were advised that there had been some cases where the ambitions in the document did not align with the realities experienced by staff. There was recognition that these cases had been exceptions, and that the framework was intended to be a mechanism for having a future focus on how NSS supported its staff.   Members were assured it had already been agreed between the Director of HR and Organisational Development and the Employee Director that the detail of the framework itself would be discussed at the next Partnership Forum.

4.5   On the basis of these discussions, Members were content to approve the proposed approach.

Decision: **To approve the proposal for development and implementation of a Talent Management and Succession Planning Framework as presented.**

5.   NSS PARTNERSHIP FORUM [paper SG/24/05 refers]

5.1   Members were advised that the Partnership Forum continued to be in a positive position. Members were provided with an overview of the recent key highlights, including:

   5.1.1   Development of the Partnership Forum's new Terms of Reference;

   5.1.2   The budget summit outputs workshop held in December 2023;

   5.1.3   The work around the NSS Strategy;

   5.1.4   The discussions about the temporary promotions deep dive;

   5.1.5   Establishment of a sub-group to look at how to address some of the budget challenges.

   Decision: To note the updates provided on the work of the Partnership Forum.

6.   PEOPLE REPORT [paper SG/24/06 refers]

6.1   The Director of HR and Organisational Development spoke to the paper, which covered all key issues around compliance within the Staff Governance Standard and best employment practice. Members were advised that there had been an increase in the sickness absence figures, which was in line with seasonal peaks and being monitored with targeted support provided as required. Compliance for statutory and mandatory training, and appraisals, continued to be in a good place. Members were advised that, since the end of the reporting period being covered, a new incident reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) was being investigated. They were also provided with a brief overview of discussions at the recent Occupational Health and Safety Advisory Committee (OHSAC) meeting about the new Occupational Health system being introduced.

6.2   In respect of the RIDDORs, Members expressed concerns that this was increasing and sought assurance about the response to the increase in the current year. They were provided with an overview of how it was being monitored at OHSAC. It was highlighted that one of the incidents in the report related to a donor accident following a donation so consideration was being given as to whether it should be reported under RIDDOR or recorded as an Adverse Event instead. Members were also assured that information was also being taken from incident/accident forms and trends were being monitored.

6.3   Members discussed the case management of absences and how support was being provided to managers to engage with the new, enhanced absence trigger report. It was acknowledged that not everyone needed to go through a case management approach so further refinement in the reporting was required and Business Partners also provided advice and support where needed. In respect of statutory and mandatory training, Members asked when improvement from interventions would be seen in those areas that were still reporting below target. Members were advised that there had been a renewed focus on this and some improvements had already been seen. They were also given an overview of the specific challenges regarding the recently transferred payroll staff and figures in this area are now increasing.

6.4   Members discussed the numbers of fixed term contracts and acknowledged that sometimes this had to fluctuate in response to specific programmes of work and was based on the funding streams from Scottish Government so this was closely monitored. They also asked about the cost of sickness absence and were given a brief overview of how this was calculated and attributed.

Decision: **To note the updates provided in the People Report and accept the assurances provided.**

7.   **WHISTLEBLOWING QUARTERLY REPORT [paper SG/24/07 refers]**

7.1   Members welcomed the report which updated on NSS's performance for the third quarter of 2023-24 (October to December 2023), demonstrating performance against the key performance indicators as required by the Independent National Whistleblowing Officer. Members noted the highlights, in particular Speak Up Week and the presentation to Partnership Forum.

7.2   Members commended the efforts to raise awareness around whistleblowing but expressed concerns that there were still so few concerns being reported relative to the size of the organisation. It was suggested that it could be seen as a positive indicator that internal processes were successful in addressing issues before it escalated to whistleblowing. There had been an increase in reports when the new standards were introduced which seemed to have plateaued since, but it was too early to say definitively what this meant in terms of NSS's performance.

7.3   Members were given an overview of the work undertaken to increase the awareness with contractors and encourage improved reporting there. Focus was beginning to turn towards the next Speak Up Week and re-framing as a "speak up" culture in recognition of the other avenues for addressing concerns. Members were assured that NSS was provided multiple avenues for staff to raise concerns Members were updated on the plans for a digital system for recording, which had no confirmed timescales yet, but it was a priority and regular discussions were taking place with Digital and Security (DaS).

Decision: **To note and endorse the Whistleblowing Quarterly Report, accepting the assurance provided.**

8.   **STAFF RISKS [paper SG/24/08 refers]**

8.1   Members discussed the Staff Risk report, which provided details of the current situation for corporate red and amber staff risks recorded on the NSS Risk Register as of 31 December 2023. There had been no new red or amber risks recorded within the period. Members were given an overview of the remaining amber risk regarding the COVID-19 Inquiry which continued to be monitored.

8.2   The Head of People Insights, Performance and Systems highlighted the second appendix covering several risks raised across the organisation which had either a staff or a workforce impact. Members were assured regarding the monitoring and mitigation of these. Members were also briefly updated on the work on the strategic workforce sustainability risk.

Decision: **To note the Staff Risks Quarterly Report, accepting the assurance provided.**

9.   **GREAT PLACE TO WORK PLAN 2023/24 QUARTER 3 REPORT [paper SG/24/09 refers]**

9.1   Members were taken through the report, which updated on the progress against the priority areas for improvement contained in NSS Great Place to Work Plan 2023/2024. Members were updated on the work being done with DaS regarding the Total Reward

Statement (TRS), the likely timescales involved, and possible impact on next year's plan. Members sought and received clarification on what the TRS was and how it was compiled. They briefly discussed its level of priority and the proportionality of the resource and time spent on it, requesting that the Associate Director of HR consider this when agreeing whether it should be carried forward as a priority to the 2024/25 plan

Decision: **To note the Great Place to Work Q3 Report and accept the assurances provided.**

10.   DRAFT NSS GREAT PLACE TO WORK PLAN 2024/25 [paper SG/24/10 refers]

10.1   Members considered the Draft NSS Great Place to Work Plan for 2024/25 as presented. Members were advised this was consistent with approach in previous years and received an overview of the updates made. Members acknowledged the impact of the recent discussions around budget, workforce strategy and planning. They discussed the 90% threshold and were assured that the aim was always to achieve 100% but 90% was the acceptable minimum tolerance level. Members provided some feedback on aligning the messaging and language to clarify that. Taking into account comments made with reference to Talent Management and Succession Planning Framework and Total Rewards Statement (see Items 4 and 9), the plan was approved

Decision: **To approve the Great Place to Work Plan for 2024/25.**

11.   iMATTER - COMPARISON OF HEALTH AND SOCIAL CARE RESULTS TO NSS RESULTS [paper SG/24/11 refers]

11.1   Members welcomed the paper, which provided a high-level overview of the 2023 Health and Social Care iMatter survey results in comparison with NSS 2023 iMatter survey results. Members were advised that NSS had exceeded the national average scores in the Team and Line Manager categories but there were four elements within the individual category that were scoring below the national average. However, looking at these four elements across previous years, the scores were showing improvement. Members concluded the discussions by commending NSS's high return rate for the iMatter survey.

Decision: **To note the data provided in the information contained within the presentation and accept the assurances provided.**

12.   HEALTH AND CARE (STAFFING) (SCOTLAND) ACT 2019 – IMPLEMENTATION IN NSS – UPDATE ON QUARTER 3 REPORT [paper SG/24/12 refers]

12.1   Members considered the paper, which provided an update on how NSS was progressing as an early implementer of the Health and Care (Staffing) (Scotland) Act 2019 which was being overseen by the Chief Nursing Office Directorate at the Scottish Government. Members discussed the financial impact statement, acknowledging that the specific detail of this was still be established and would be brought back to a future meeting for discussion should that be necessary.

Decision: **To note that:**

- **the scope for the Q3 report had been confirmed and agreed with Scottish Government;**

- **progress was underway to complete the Q3 report with all areas agreed as in scope for this quarter. This would be signed off by the Health & Care (Staffing) (Scotland) Act 2019 – Implementation in NSS – Steering Board at their meeting on 27 February 2024 to meet the deadline for submission on Friday 1 March 2024;**

- **the SGC would be notified when the Q3 report has been submitted;**

- **and accept the assurances provided.**

13. CCTV POLICY [paper SG/24/13 refers]

13.1 Members received the updated CCTV policy which had been presented for information. Members had nothing to add.

Decision: **To note the updated CCTV policy for information.**

14. FORWARD PROGRAMME [paper SG/24/14 refers]

14.1 Members noted the schedule of meetings and had no further comments.

Decision: **To note the Staff Governance Committee Forward Programme.**

15. SEMINAR PROGRAMME [paper SG/24/15 refers]

15.1 Members noted the proposed schedule of seminars and had no further comments. Members agreed that all Board members should be invited to the Whistleblowing seminar.

Decision: **To agree the Staff Governance Committee Seminar Programme.**

Action: **To invite all Board members to the Whistleblowing seminar – Board Services**

Action: **To reschedule the OSHAC meeting on 5 November 2024 - Board Services**

Action: **To update all seminar invitations to include the topics in the title – Board Services**

16. ANY OTHER BUSINESS

16.1 Members had no other competent business to discuss.

Meeting closed 1136hrs.