NHS
National Services Scotland

CORPORATE GOVERNANCE FRAMEWORK

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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.
V4	March 2025	To Include the Board Assurance Framework within the CGF post Board approval March 2025.
		Changes to the Corporate Policy Development Framework including strengthening the wording that relates to the development and approval process.
		Changes to the SFI's including the incorporation of the Vacancy Management group and its responsibilities, updates to records management practices and policies, and new directorate names.
		Title changes to the Scheme of Delegation and at Section 7 – Reduce the Chief Executive ex gratia payment sign off limit to £15k, in alignment with the SFIs.
		Administrative changes to Standing Committee ToR's and Board Standing Orders including report title changes.
		Change to standing orders to include ability to conduct business online out with meeting schedule.
		Changes to Remuneration Committee ToR.
		Section 1.2 - Re-instate the Remuneration Committee as a Standing Committee of the Board.
		Section 5.1 - To report activities and progress annually to the NSS Staff Governance Committee and to the NSS Board.
		Changes to Staff Governance Committee ToR:
		Section 3.5 - SGC to review an annual report provided by the NSS Remuneration Committee
		Section 6.1.13 - add review and monitor the approach to Equality, Diversity, Inclusion and Human Rights.
		Changes to Audit and Risk Committee ToR:
		Section 6.2.10 – add oversight of Resilience activities and review of the Resilience Strategy.

		Changes to FPPC ToR:
		Section 6.1.4g - remove reference to National Sustainability Assessment Tool (NSAT)
		Changes to Clinical Governance Committee ToR:
		6.3.6 - add reporting of Health and Care (Staffing) (Scotland) Act 2019

CORPORATE GOVERNANCE FRAMEWORK

1 – INTRODUCTION

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

1.2 The [UK Corporate Governance Code](#) defines corporate governance as the system by which organisations are directed and controlled.

1.3 The [NHS Scotland Health Boards and Special Health Boards – Blueprint for Good Governance Second Edition](#) 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 **Board Assurance Framework** to define the means and routes of assurance for the Board and Standing Committees, , **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 SERVICES SCOTLAND (NSS)

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.