

Agenda

B/26/01

**NSS BOARD FORMAL
THURSDAY, 20th MARCH 2026 COMMENCING 1030HRS GYLE SQUARE,
EDINBURGH (AND VIA TEAMS)**

NSS Chair: Keith Redpath

1. Welcome and Introductions – Keith Redpath, NSS Chair

2. Items for Approval

- 2.1 Minutes of the previous meeting held on 19th December 2025 and Matters Arising **[B/26/02 and B/26/03]** – **Keith Redpath, NSS Chair**
- 2.2 NSS Board Assurance and Closure Report **[B/26/04]** – **Carolyn Low, Director Finance, Corporate Governance and Legal Services**
- 2.3 NSS Standing Committees Annual Reports 2025-26 **[B/26/05]** - **Carolyn Low, Director Finance, Corporate Governance and Legal Services**

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 NSS Finance Report (Month 11) **[B/26/06]** – **Carolyn Low, Director Finance, Corporate Governance and Legal Services**

4. Items for Information

- 4.1 Integrated Performance Report **[B/26/07]** – **Lee Neary, Director Strategy, Performance and Service Transformation**
- 4.2 NSS Risk Report and Issues Report **[B/26/08]** - **Lee Neary, Director Strategy, Performance and Service Transformation**



Chair
Chief Executive

Keith Redpath
Mary Morgan

4.3 Public Inquiries Update **[B/26/09]**

4.4 NSS Committees Approved Minutes and opportunity for Committee Chair's to highlight material items **[B/26/10]**

- NSS Audit and Risk Committee **4.12.25 & 5.3.26** (Approved)
- NSS Clinical Governance Committee **11.12.25 & 12.3.26** (Approved)
- NSS Finance, Procurement and Performance Committee **9.12.25 & 10.3.26** (Approved)
- NSS Staff Governance Committee **2.12.25 & 26.2.26** (Approved)

5. Any other business

6. Valedictory – Keith Redpath, NSS Chair

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

Items for Approval

7. NSS Budget 2026-2027 **[IPB/26/01]**– Carolyn Low, Director Finance, Corporate Governance and Legal Services

8. NSS Annual Delivery Plan 26-27 **[IPB/26/02]**- Lee Neary, Director Strategy, Performance and Service Transformation

Minutes (DRAFT)

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NHS NATIONAL SERVICES SCOTLAND BOARD

B/26/02

MINUTES OF MEETING HELD ON FRIDAY 19TH DECEMBER 2025 GYLE SQUARE,
EDINBURGH, AND VIA TEAMs DIGITAL PLATFORM AT 0930 HRS

Present:

Keith Redpath, NSS Chair
Lisa Blackett, Non-Executive Director
Paul Buchanan, Non-Executive Director
Ian Cant, Employee Director
Gordon Greenhill, Non-Executive Director and Vice-Chair
Sharon Hilton-Christie, Medical Director
Arturo Langa, Non-Executive Director
Beth Lawton, Non-Executive Director
Carolyn Low, Director of Finance Governance and Legal Services (FCGLS)
Maria McGill, Non-Executive Director
Mary Morgan, Chief Executive (CE)

In Attendance:

Serena Barnatt, Director of HR and Organisational Development
Gordon Beattie, Director National Procurement
Kathryn Brechin, Director of Nursing

Julie Critchley, Director NHS Assure
Kyle Clark-Hay, Associate Director of Corporate Governance (Board Secretary)
Steven Flockhart, Director Digital and Security (DaS)
Rachel Kavish Wheatley, Executive and Governance Manager
Lee Neary, Director of Strategy, Performance and Service Transformation (SPST)
Tina Robertson, Service Delivery Manager
Marc Turner, Director of the Scottish National Blood Transfusion Service (SNBTS)
Karen Summers, Committee Services Manager [Minutes]

Apologies:

Susi Buchanan, Director of National Specialist Services & Screening Division

Observers:

NSS Staff (TEAMs)
Drew McGowan, Board Secretary & Principal Lead for Corporate Governance, NHS
Education for Scotland
Lorraine Scott, Associate Manager (Chair and CEO office), NHS Education for Scotland



Chair
Chief Executive

Keith Redpath
Mary Morgan

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

1. WELCOME AND INTRODUCTIONS

- 1.1 The Chair welcomed all to the meeting and noted those in attendance and observers as set out above. All reports presented during the meeting were to be taken as read.

2. BOARD QUARTERLY HIGHLIGHT PRESENTATION – REDUCTION OF TRANSFUSION SAMPLING IN MATERNITY

- 2.1 Members welcomed J Oldham, Transfusion Practitioner, Scottish National Blood Transfusion Service (SNBTS) Transfusion Team to the meeting.
- 2.2 Members were taken through a presentation on Reduction of surplus transfusion sampling in a labour ward, part of a quality improvement programme.
- 2.3 Members thanked J Oldham for her informative presentation and welcomed the work undertaken in relation to the project and the benefits that had already been realised as a result of the quality improvement project.
- 2.4 **Decision: To note the presentation provided in relation to the Reduction of surplus transfusion sampling in a labour ward.**

Action: To circulate presentation after the meeting (Board Services).

3. DECLARATIONS OF INTEREST

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

4. MINUTES OF THE PREVIOUS MEETING HELD 26TH SEPTEMBER 2025 AND MATTERS ARISING [B/25/37 and B/25/38]

- 4.1 Members reviewed the draft minutes and approved them as an accurate record of the meeting.
- 4.2 Members discussed the action list and noted those that were marked for closure and the updates and recommendations in relation to items still in progress.

Decision: To approve the minutes of the Board meeting held on 26TH September 2025.

Decision: To note the actions from the 26th September 2025 Board meeting and updates provided.

5. BOARD FORWARD PROGRAMME [B/25/39]

- 5.1 Members considered the forward programme and noted it contained a programme of business that required to be transacted but not specific dates for future meetings due to the inauguration of NHS Delivery. This would be used to help set governance timelines and programmes for the new organisation.

Decision: To approve the Board Forward Programme.

6. NSS RISK MANAGEMENT STRATEGY, INTEGRATED RISK MANAGEMENT APPROACH AND RISK APPETITE [B/25/40]

- 6.1 Members noted the paper in full and the recommendations made and were content to approve the NSS Risk Management Strategy, the Integrated Risk Management Approach and Risk Appetite.
- 6.2 Members discussed the suite of documents in relation to how NSS treated risk across the organisation and asked that their thanks be passed on to all those who had worked on this project. It was noted that the introduction of the new InPhase Risk system would allow a fully transparent and fully auditable review of risk in NSS and all welcomed this approach, which brought the organisation into alignment with NHS Scotland, and the excellent work done to bring the organisation to this point.
- 6.3 After a full review and discussion Members agreed to approve the NSS approach and management of risk as detailed.

Decision: To approve the changes to the NSS Risk Management Strategy, the Integrated Risk Management Approach and Risk Appetite Statement.

Action: To ensure the links contained within the suite of documents were live when published. (Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST))

7. CHAIR'S REPORT

- 7.1 The Chair provided a verbal update for Members noting that the main focus of the quarter had been in relation to the NHS Delivery preparations and discussions. It was noted that this topic would be discussed in more detail later in the agenda.
- 7.2 The Chair thanked all those involved in the recent Board/Executive Management Team development sessions which had been very successful. The NSS Annual Review with the Cabinet Secretary had also taken place during the period and feedback had been excellent. It was noted that the formal feedback letter had not yet been received.
- 7.3 Members were advised that the date for the NSS Excellence Awards was scheduled for the afternoon of 11th March 2026 at a venue in Glasgow, and all were encouraged to attend if possible. This was the final event for NSS in its current form and had been extended to cover the excellent work of the organisation and celebrate the achievements of NSS and its people.

Decision: To note the verbal update provided.

8. CHIEF EXECUTIVE'S UPDATE

- 8.1 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 updates.

8.2 Recruitment/Personnel changes

The recruitment for the new Director of National Procurement was progressing with an offer accepted. Final discussions in relation to start date were ongoing.

8.3 Events attended

- 29th September – Interfaith Candle Lighting ceremony hosted at Edinburgh City Chambers
- 8th October - KPMG event in Edi: The Public Service Experience, Redefined for Scotland
- 23rd October - Whole System Thinking in Action – Invitation to a Knowledge Exchange Session – An all-day event hosted by CGI and attended by NHS Lothian and South & North Lanarkshire Council CEOs – with learning from colleagues in Wales. Refreshed proposition to be developed with NSS as a critical friend.
- 14th November – NSS Annual Review
- 21st November - Scottish Approach to Change Launch Event
- 25th November – Senior Leaders Forum event focussing on leading through change
- 27/28th November – Public Finance Awards 2025 in Manchester – Carolyn Low winner of Leader of the Year Award
- 4th December: AstraZeneca report launch: Clinical Trial Recovery in Scotland with Triple Helix of NHSS, Academic and private Sector colleagues.
- 8th December - QIVS Future State - Session 5 – Celebration
- 17th & 18th December – 2 days of budget summit

8.4 Additional matters

- For the upcoming Scottish Ex-Forces In Business Awards being held 28th January, NSS have been shortlisted in 4 categories:
 - New Service Leaver of the Year – Martin Murphy
 - Engineering Excellence - Sama Ndongong
 - Advocate of the Year – Craig Murney
 - Role Model of the Year – Craig Murney
- The NSS Occupational Health & Safety Team won the Health and Wellbeing award within the HR Network.

Decision: To note the verbal update provided.

9. **NSS FINANCE REPORT [B/25/41]**

9.1 Members discussed the report in full, which indicated that NSS was on track to achieve all statutory financial targets by year end. Any risks that had been identified were being closely monitored and mitigation measures were in place. Any remaining Scottish Government allocations were being fully monitored and there were no major concerns in relation to these at this time.

9.2 Members noted that the organisation remained focused on delivery of services, whilst still preparing for NHS Delivery, and the how to ensure NSS was in the best possible place financially to support this.

- 9.3 Members noted the positive position that the organisation was currently in and asked that their thanks be passed to all those involved.

Decision: To note that NSS was on track to achieve all statutory financial targets.

10. INTEGRATED PERFORMANCE REPORT [B/25/42]

- 10.1 Members discussed the report in full and noted the recommendations and highlights provided;

- 77% of deliverables were on track to achieve the end of year target of 90%;
- On track to deliver the 2025-26 statutory financial targets with cash releasing efficiency savings (CRES) being delivered to plan;
- New service excellence indicators for business-critical services had been added to the report.

- 10.2 Members asked for clarification in relation to the figures associated with incinerated waste with agreement Director NHS Assure would meet with L Blackett, Non-Executive Director, outwith the meeting to discuss this in more detail. Members briefly discussed the current position in relation to the payroll programme and were reassured that this was being monitored closely and the supplier was being actively managed.

- 10.3 Members thanked the team for the informative report and were content to note the progress to date and a trajectory to meet the year end targets.

Decision: To note the performance at the end of Quarter 2.

Action: To review/clarify figures in relation to incinerated waste. (Director NHS Assure, L Blackett Non-Executive Director)

11. NSS NHS DELIVERY IMPLEMENTATION BOARD UPDATE [B/25/44]

- 11.1 Members noted the update provided for information and welcomed the detail included in the report.

- 11.2 Members discussed the report and welcomed the appointment of the NSS Chair as the Chair for the new organisation and looked forward to the governance processes and framework discussions that would take place and the timelines for specific areas of work indicated within the report.

- 11.3 Members also noted that there was an intention to introduce a Quarter 5 extension to the current Annual Delivery Plan as part of the process.

Decision: To note the update from the NHS Delivery Programme Board.

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 **[B/25/44]** – members asked that a further review of the report be carried out to ensure consistency of information, particularly in relation to the joint closing submission indicated within the report. It was agreed an updated paper would be resubmitted for inclusion with the collated papers once reviewed and amended as required.
- 12.1.2 NSS Committees Minutes **[B/25/45]** Members noted that there were no additional comments made by Committee Chairs in relation to the minutes provided.

Decision: To note the items provided for information.

Action: To review the Public Inquiries paper and resubmit once inconsistencies had been rectified. (Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST))

13. AOB

- 13.1 There was no other competent business to discuss.

The public session of the Board meeting concluded at 10:47.

NSS BOARD FORMAL MEETINGS ACTIONS

B/26/03

Meeting type: Formal

No	Date	REPORT TITLE	ACTION	ACTION OWNER	DEADLINE	CURRENT STATUS
32	28.3.25	NSS Integrated Performance Report [B/25/11]	To arrange an opportunity for all Board Members to attend the Cyber Centre for Excellence.	Board Services	As soon as possible depending on availability	Visits to be arranged individually via Board Services. 11.3.26 Board Services will extend invitation to all Board Members (for new Board). Recommend for closure.
40	26.9.25	Scottish National Blood Transfusion Strategy [B/25/38]	To review reporting arrangements going forwards.	Chair of NSS Clinical Governance Committee/Director SNBTS	Outwith meeting	Recommend for Closure Action has been passed to report authors to take forward for the next iteration of the report
41	19.12.25	Board Quarterly Presentation – Transfusion sampling in maternity	To circulate presentation after the meeting.	Board Services	Immediately	Complete. Recommend for closure.
42	19.12.25	NSS Risk Management Strategy, Integrated Risk Management Approach and	To ensure the links contained within the suite of documents were live when published. (Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST))	Director Primary & Community Care and Strategy, Performance and Service Transformation	Immediately	Complete. Recommend for closure.

		Risk Appetite [B/25/40]				
43	19.12.25	Integrated Performance Report B/25/42	To review/clarify figures in relation to incinerated waste. (Director NHS Assure, L Blackett Non-Executive Director)	Director, NSS Assure	Outwith meeting	Recommend for Closure Action has been passed to report authors to take forward for the next iteration of the report
44	19.12.25	Public Inquiries B/25/44	To review the Public Inquiries paper and resubmit once inconsistencies had been rectified.	Director Primary & Community Care and Strategy, Performance and Service Transformation	Immediately	Complete. Recommend for closure.

NHS National Services Scotland

Meeting:	NSS Board Meeting
Meeting date:	20 March 2026
Title:	NSS Board Closing and Assurance Report
Paper Number:	B/26/04
Responsible Executive/Non-Executive:	Carolyn Low, Director Finance, Corporate Governance, Legal Services
Report Author:	Rachel Kavish Wheatley, Executive and Governance Manager [Reviewed by Kyle Clark-Hay, Associate Director Corporate Governance (Board Secretary)]

1. Purpose

- 1.1 This report provides the NSS Board with final assurance that, as at 20 March 2026, the NHS National Services Scotland (NSS) Board has fully discharged all governance, assurance, and accountability duties required under the organisation's governance framework.
- 1.2 It confirms that NSS has:
 - 1.2.1 Operated in full alignment with the NSS Board Assurance Framework (BAF), including its integrated domains of governance, risk, performance, and internal control;
 - 1.2.2 Complied with responsibilities set out in the Standing Orders governing the conduct of the Board and its Standing Committees; and
 - 1.2.3 Maintained appropriate stewardship, transparency, performance oversight, financial governance and risk control in line with national governance expectations.

- 1.3 This report therefore confirms that as of 20 March 2026, no governance or assurance obligations remain for the NSS Board to complete, and that the Board can conclude its business with confidence that any outstanding obligations will transition to Public Services Delivery Scotland (PSD Scotland), as outlined in section 9 of this report.

2. Recommendation

- 2.1 The Board is asked to:
 - 2.1.1 Scrutinise the assurance set out in this report regarding the completion of all NSS governance and accountability duties and the formal governance endpoint for NSS Board business.
- 2.2 Approve the closure of all NSS Board-level responsibilities and transfer to Public Services Delivery Scotland Board and Accountable Officer as outlined in section 9 of this report.

3. Executive Summary

- 3.1 NSS has maintained a comprehensive system of governance and assurance throughout the reporting period, operating in full alignment with the Board Assurance Framework, Standing Orders and national public body governance requirements. Financial stewardship, performance monitoring, risk oversight, clinical governance, workforce governance and information governance all continued to operate effectively throughout NSS' final period as a statutory organisation.
- 3.2 Standing Committees have fulfilled their delegated functions in accordance with the Board Standing Orders and relevant Committee Terms of Reference, ensuring robust oversight of audit and risk, finance and performance, clinical governance, workforce governance and remuneration.
- 3.3 Internal audit findings, performance reporting cycles, risk management arrangements and senior management oversight confirm that the internal control environment remained effective, and that all significant issues identified during the period have been addressed or managed to acceptable levels.
- 3.4 On this basis, the Board can be assured that all essential governance obligations have been discharged and any residual actions remain at the point of closure will progress to the Board or relevant Standing Committees of Public Services Delivery Scotland.

4. Impact Analysis

4.1 Quality and Value

4.1.1 NSS' governance and assurance arrangements continued to support the delivery of high-quality, value-driven services throughout the final reporting period. Oversight through Finance Procurement and Performance Committee (FPPC) and Audit and Risk Committee (ARC) ensured that performance, finance and risk indicators remained stable and under effective control.

4.2 Equality and Diversity, including health inequalities

4.2.1 No equality or health inequalities implications arise from this closing assurance report. NSS continued to act in accordance with statutory equality duties and maintained oversight via its workforce and organisational performance structures.

4.3 Data protection and information governance

4.3.1 Information governance remained robust through the period, with appropriate reporting to Standing Committees and senior leadership. There were no unresolved data protection matters requiring escalation, and controls remained appropriately managed.

5. Risk Assessment/Management

5.1 NSS maintained an effective system of risk management aligned to the BAF's risk domain. Strategic and corporate risks were monitored routinely by Executive Management Team (EMT), ARC and the Board, with clear escalation routes.

5.2 Significant issues identified through audit work or operational review were followed up and resolved or mitigated to acceptable levels, and no outstanding risks require Board intervention at closure.

6. Financial Implications

6.1 There are no direct financial implications arising from this closing assurance report.

6.2 Throughout the year, NSS maintained sound financial stewardship, including budget oversight, expenditure control and compliance with national financial governance requirements—supported by FPPC and ARC scrutiny.

7. Workforce Implications

7.1 There are no workforce implications specific to this report.

7.2 Workforce governance operated effectively during the period, supported by Staff Governance Committee's (SGC) ongoing review of staff governance standards and organisational development metrics.

8. Climate Change and Environmental Sustainability Implications

8.1 None specific to this closing assurance report.

8.2 Oversight of sustainability responsibilities continued through NSS' governance environment, with relevant reporting to the Board and Committees.

9. Route to Meeting

91. Submitted directly to the NSS Board as part of the March 2026 closure governance requirements.

10. List of Appendices and/or Background Papers

Appendix A – NSS Board Closing Assurance Report

Appendix B – BAF Domain Assurance Summary

Appendix C - NSS Board Governance Development Plan 2024/2025 Closure

NHS National Services Scotland

Board Closing Assurance Report

1. Governance Arrangements

- 1.1 Throughout the final operational period, the Board has continued to operate within the established NSS Corporate Governance Framework, encompassing the Standing Orders, Standing Financial Instructions, Scheme of Delegation, Committee Terms of Reference and the Board Assurance Framework. These arrangements collectively ensured that NSS maintained effective oversight, scrutiny and decision-making up to the point of transition to Public Service Delivery Scotland (PSD Scotland).
- 1.2 NSS governance arrangements remained aligned with the NHS Scotland Blueprint for Good Governance, with Board and Committee scrutiny focused on corporate objectives, performance delivery, financial sustainability, strategic risk, and key organisational priorities. Assurance was delivered primarily through the work of the standing committees; Audit & Risk, Finance, Procurement & Performance, Clinical Governance, Staff Governance and Remuneration, each reporting to the Board in accordance with the Standing Orders. Governance processes remained stable, with no structural changes or deficiencies that affected the Board's capacity to discharge its duties.
- 1.3 All decision-making continued to be undertaken within the frameworks agreed with Scottish Government (SG) and the accountability relationship with SG remained active and compliant throughout this period. NSS continued to meet reporting expectations, including finance, performance, risk and assurance commitments.

2. Governance Administration and Board Operations

- 2.1 The administration of NSS Board meetings remained robust and compliant with the Standing Orders. Meetings were convened with appropriate notice, agendas and supporting papers, and all formal items were presented in line with the procedural requirements set out in the Standing Orders.
- 2.2 Board and Committee papers were made available to members via the agreed corporate platforms (SharePoint, Teams, and the standard document management arrangements), supporting effective preparation and ensuring

transparency. Public and private papers were managed appropriately, with compliant classification and publication arrangements followed.

- 2.3 Recordkeeping and minute taking for Board and Committee meetings remained accurate, timely and consistent throughout the period. Actions arising from meetings were monitored and progressed, ensuring closure of items in keeping with good governance practice.
- 2.4 The Board has complied with its duties under the reporting requirements of the Gender Representation on Public Boards (Scotland) Act 2018, and has met the Gender Representation of the Board objectives.

3. Assurance Against the Board Standing Orders

- 3.1 NSS' Standing Orders set out rules for how the Board and its Committees must function. All Standing Committees met at the required frequency, complied with quoracy rules, and submitted reports and minutes to the Board. Standing Orders mandated annual reviews of governance documents, including ToRs, Standing Financial Instructions and the Scheme of Delegation, were completed within the cycles. No exceptions were recorded.
- 3.2 All Standing Orders remained in full effect throughout the final operating period. Compliance was maintained in relation to:
- The establishment and functioning of Standing Committees
 - Quorum, membership and appointment requirements
 - Conduct and calling of meetings
 - Public/private business arrangements
 - Delegation of functions

The table below summarises how NSS complied with the NSS Board Standing Orders and Committee operations:

Standing Orders Requirement	Compliance Evidence	Source of Assurance
Establishment of Standing Committees (ARC, FPPC, CGC, SGC, RemCom)	All committees convened, quorate and functioning	Committee minutes; Board reporting
Conduct of meetings: notice, agenda, public/private	Fully compliant; no deviations recorded	Secretariat logs; Standing Orders
Annual review of governance documents	Completed annually	Board review cycle
Membership & appointment rules	All appointments aligned to Standing Orders rules	Board/Chair oversight

Reporting of committee business to Board	Routine submission of minutes and annual assurance reports	Board agendas & papers
Replacement of Non-Executives for quoracy	Applied where required and permitted	As per Standing Orders paragraph 9.5

4. Assurance of Standing Committee Functions and Governance

- 4.1 Standing Committees provide the Board with assurance over delegated areas of governance. Committee annual reports and in year oversight demonstrate strong assurance across performance, risk, clinical governance, workforce and financial stewardship.
- 4.2 Each Committee fulfilled its remit, escalated risks appropriately, reviewed performance and control information, and contributed directly to the overall assurance position presented to the Board. This has been evidenced via the Standing Committee Annual Reports, which have been completed for 2025 - 2026, and all previous reporting cycles.
- 4.3 The table below summarises the key assurances provided by each Standing Committee, demonstrating that delegated functions will be fulfilled before the commencement of Public Service Delivery Scotland on 1 April 2026.

Standing Committee	Key Areas of Assurance	Committee Conclusion
Audit & Risk Committee (ARC)	Scrutinised internal, service and external audit findings. Oversaw the risk management system, including strategic and corporate risk registers. Monitored internal control issues and follow up actions. Provided escalation to the Board as required.	ARC concluded that NSS maintained effective risk management and internal control processes throughout the period.
Finance, Procurement & Performance Committee (FPPC)	Oversaw financial planning, budget monitoring and Best Value delivery. Scrutinised performance reports and Annual Delivery Plan (ADP) delivery. Monitored major programmes, change portfolios and investment impacts.	FPPC confirmed that financial and performance governance operated effectively.
Clinical Governance Committee (CGC)	Reviewed quality, safety and clinical governance arrangements.	CGC concluded NSS' clinical governance system remained

	Oversaw learning, improvement, and patient safety reporting. Ensured compliance with clinical governance standards.	effective and aligned with best practice expectations.
Staff Governance Committee (SGC)	Monitored compliance with the Staff Governance Standard. Reviewed organisational workforce performance, Organisational Development activity and staff experience. Oversaw statutory workforce duties and health & wellbeing requirements.	SGC concluded that NSS continues to meet Staff Governance requirements.
Remuneration Committee	Oversaw performance-related pay governance. Ensured senior performance processes were applied correctly. Maintained compliance with national frameworks.	No outstanding items required escalation at closure.

5. Assurance Against the NSS Board Assurance Framework

- 5.1 The NSS Board Assurance Framework (BAF) describes how assurance is delivered across governance domains including clinical and research governance, workforce governance, finance and sustainability, risk management, performance, information governance and sustainability. Oversight across all domains remained active and effective during the period.
- 5.2 Across all BAF assurance areas, NSS maintained effective oversight mechanisms through Executive Management Team (EMT), internal governance groups and associated fora, Standing Committees and Board level scrutiny and approvals.
- 5.3 Assurance was delivered through:
- quarterly performance and financial reporting
 - internal audit work and follow-up
 - Executive monitoring and reporting
 - Standing Committee scrutiny
 - risk register reviews
 - Scottish Government performance and finance monitoring

5.4 Across all assurance areas, the Board received full information required to provide oversight and challenge. Appendix B provides a detailed table of BAF areas and the assurances provided.

6. Assurance Against the Framework Agreement Duty

6.1 The Board operates within a clearly defined governance and accountability framework established by the Scottish Government. The [NSS–Scottish Government Framework Agreement \(2023\)](#) sets out the statutory duties, governance expectations and responsibilities of the Board in relation to strategic direction, financial stewardship, risk and internal control, performance oversight, workforce governance, external accountability, and compliance with legislation and national policy.

6.2 The table below summarises the duties incumbent on the Board, as set out in the Framework Agreement, and the assurance and evidence of governance activity undertaken by the Executive, Board, Standing Committees, and other internal governance functions.

6.3 Across all areas of duty for the Board, NSS has fully discharged its duties and responsibilities assigned under the Scottish Government–NSS Framework Agreement. Governance and assurance arrangements remained robust, transparent and effective, with no outstanding statutory or governance obligations at the point of transition to PSD Scotland.

Framework Agreement Duty	Board Assurance
Set strategic plans aligned to National Performance Framework, Programme for Government and Scotland’s Economic Strategy	Oversight via Strategic Outlook, ADP, quarterly performance reports and EMT oversight. Strategic direction delivered fully.
Scrutinise performance regularly and take remedial action where required	Performance scrutinised through quarterly reports, Service Excellence Reports and ADP updates. No barriers identified.
Ensure effective governance, open decision-making and transparent reporting	Governance arrangements compliant with Standing Orders, Corporate Governance Framework; transparent papers.
Identify and manage key risks	Risk management systems active; risks monitored by EMT, ARC, and Board.
Approve annual report and accounts and provide these to Scottish Ministers	ARC oversight confirmed adequate controls supporting statutory reporting.
Promote efficient, economic and effective use of resources (Best Value)	FPPC confirmed strong financial governance, Best Value delivery, and effective stewardship.
Ensure staff are supported, developed and governed in line with statutory,	SGC confirmed compliance with Staff Governance Standard, legislative

legislative, equality, and NHSS Staff Governance Standards	requirements, workforce performance and wellbeing oversight.
Staff pay terms and conditions, staffing levels and structures, pension and compensation arrangements are made in compliance with SG direction	SGC confirmed compliance with all directives from government and associated policies.
Maintain and monitor effective internal control systems	Internal audit follow-up, ARC oversight and control mechanisms confirmed effective controls.
Comply with Freedom of Information and Data Protection legislation, UK General Data Protection Regulations and transparency duties	Information Governance remained robust through ARC oversight with no unresolved data protection matters.
Comply with Scottish Public Finance Manual requirements on procurement, fraud, audit, financial controls and risk	Fraud controls, procurement compliance and audit processes confirmed effective through ARC and FPPC oversight.
Engage constructively with Scottish Ministers, Parliament and stakeholders	Governance processes, transparency measures and published information demonstrated compliance.
Uphold public appointments governance, diversity commitments, and Board conduct standards	Board maintained gender representation objectives and independence requirements.
Ensure appropriate escalation of risks, resilience planning and business continuity	Risk and resilience reporting continued with no significant outstanding issues.
Maintain governance documentation	Annual reviews completed with no exceptions (Standing Orders, Standing Financial Instructions (SFIs), Scheme of Delegation, BAF).
Ensure transparency and public accountability	Registers of interest maintained and published; Board papers published, complied with requirements.
Ensure compliance with delegated financial authorities	Compliance with SFIs and delegated authorities maintained; SFI breaches reported and resolved through FPPC.

7. Board Development and Improvement

- 7.1 NSS continued to embed improvements arising from prior self-assessments, assurance reviews and internal audit work. In addition, the NSS Board provided an opportunity for an Aspiring Chair to further their development and experience as part of the Aspiring Chairs Programme, as well as having two members of the NSS Board taking part in the programme themselves.
- 7.2 The Board engaged in regular audits of its governance and effectiveness over during its time, most recently in 2024 when it undertook a formal assessment of its functions and delivery against the Blueprint for Good Governance. The table

attached at Appendix C demonstrates the now complete development plan resulting from that assessment.

- 7.2 All Board members maintained access to the Turas Learn Board Development and Mandatory Training platforms, completing an agreed set of training modules. All new Board members were provided with an NSS induction pack and the training courses provided by the SG Public Appointments Unit.
- 7.3 Newsletters, guidance and advice notes from the Standards Commission were regularly circulated to all Board members, as were relevant Directors Letters from SG (DLs) and other NHS notices. Training and development opportunities were regularly signalled throughout the year, shared via correspondence with board members through a variety of sources including NES Board Development Team and NSS Quality Improvement.
- 7.4 Board and Standing Committee Development sessions were hosted regularly throughout the year to offer members an informal chance to explore relevant topics through deeper dives and provide feedback and influence on key matters through a range of Seminar Sessions.

8. Business Transacted During the Final Operating Period

- 8.1 During NSS' final year, the Board considered all routine and statutory items required to fulfil its governance role, including:
- quarterly performance, delivery and financial reports
 - annual and quarterly risk reports
 - audit findings and internal control updates
 - clinical governance and quality oversight
 - workforce governance reports
 - committee minutes and summary assurance statements
 - approval of updates to the Corporate Governance Framework
 - consideration and approval of the NSS Board Assurance Framework
- 8.2 The Board received full and timely information and identified no barriers to discharging its duties.

9. Outstanding Matters and Transition Statement

- 9.1 The NSS Board confirms that no outstanding governance, assurance or statutory obligations remain as at 20 March 2026 outwith the approval and signing of the 2025 -2026 Annual Accounts, which will become a matter for the Public Services Delivery Scotland Board and Accountable Officer.
- 9.2 Strategic and operational matters that continue beyond this date are not NSS Board responsibilities and have been transferred to the Public Services Delivery

Scotland Board and Accountable Officer arrangements through agreed handover processes.

- 9.3 All governance materials; including minutes, assurance evidence, performance and risk documentation, and governance frameworks will be retained in line with the NSS Retention policy.

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
1. Setting Direction							
1.1	3.1.1 3.1.2	Setting strategic direction and organisational priorities	NSS Strategic outlook 2024-2026	Development and Approval of NSS Strategic outlook	EMT / Board	Approval of Strategic Framework by Scottish Government (SG)	Published
				Quarterly Integrated Performance Report	FPPC		
				Annual Assist Progress Report	FPPC		
1.2	3.1.3 3.1.4	Development and Performance of Operational Plans including Annual Delivery Plan	Annual Delivery Plan (ADP)	Approval of Annual Delivery Plan (ADP)	EMT / FPPC / Board	Approval of ADP by SG Annual Review with SG Sponsor	Published
				Quarterly Integrated Performance Report	EMT / Board		
				Monthly Service Excellence Report	EMT		
				Quarterly Service Excellence Report	FPPC		
				Quarterly ADP Progress Report	FPPC / Board		
				Annual ADP Progress Report	FPPC / Board		
1.3	3.1.3	Financial Plans	Annual Financial Plan Annual Service Development and Investment Bids (with annual financial plan) Whole System Infrastructure Plan (WSIP) and Business Continuity Plan (BCP)	Approval of WSIP & BCP	EMT / FPPC	Regular engagement with Scottish Government	Approval of budgets and financial plans by SG

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
				Approval of Finance Plans inc. Investment Bids	EMT / FPPC / Board		
				Monthly Finance Report	EMT		
				Quarterly Finance Report	EMT / FPPC / Board		
1.4	3.5	Workforce Plans	NSS Workforce Plan and 5 Pillar Action Plan Great Place to Work Plan (GPTWP)	Approval of Annual Great Place to Work Plan (Staff Governance Annual Delivery Plan)	PF / SGC	Scottish Government Trade Unions Scottish Government	Health and Care (Staffing) (Scotland) Act 2019 Return Annual Facility Time
				Monthly People Report	EMT / PF		Publication Release
				Quarterly People Report	SGC		
				Talent Management and Succession Planning Annual Report	EMT / SGC		Equal Pay Gap Report
				GPTWP Quarterly Progress Report	PF / SGC		
				GPTWP End of Year Progress Report	PF / SGC		
1.5	3.2.5	Project and Programme Oversight	Annual Delivery Plans (ADP) Change Oversight Group (COG) Portfolio Management Group (PMG) Business Cases (as required)	Quarterly Integrated Performance	EMT / Board	Regular engagement with Scottish Government	
				Service Excellence Reports	EMT / Board		
				Quarterly ADP Progress Report	EMT / FPPC		

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
				Quarterly PMG Report	EMT / FPPC		
				Quarterly COG Report	EMT / FPPC		
1.6	3.2.5	Quality Improvement	<p>NSS Clinical Governance Framework</p> <p>NSS Quality Improvement Strategy</p> <p>NSS Quality Improvement Network</p> <p>Clinical Governance & Quality Improvement Leadership Forum</p>	<p>Clinical Governance Framework Delivery Plan Quarterly Report</p>	CGC	n/a	
				NSS Quality Improvement Network Toolkit and Events	EMT / Committees / Board		
2. Holding to Account							
2.1	3.2.1	Monitoring of Organisational Strategy Delivery and Performance	NSS Strategic outlook 2024-2026	Development and Approval of NSS Strategic outlook	EMT / Board	<p>Annual Review with Scottish Government</p> <p>External Audit and Annual Report</p>	Published
2.2	3.2.2	Financial Stewardship/ Best Value	Best Value Duty Biennial Mapping Exercise	Best Value Duty Biennial Mapping Exercise	FPPC	External Audit	Annual Report and Accounts

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
			Audit Scotland External Audit Internal Audits Service Audits	Annual Best Value Review within Annual Accounts & Report Internal Audit Reports Service Audit Reports	EMT / ARC / Board EMT / ARC EMT / ARC		laid in Parliament Annual Procurement Report Published
2.3	3.2.2	Budget and budgetary control	Financial Plans Procurement Reporting Audit Scotland External Audit	Losses and Special Payments Report Annual Corporate Purchasing/Procurement Card Report Review of Consultancy Spend Gifts and Hospitality Annual Report	ARC ARC ARC	External Audit	Annual Report and Accounts Annual Procurement Report Published
2.4	3.2.3	Financial Control	NSS Standing Financial Instructions (SFI) Annual Accounts Part B - Accounting Policies Audit Scotland External Audit	Annual review of NSS Standing Financial Instructions (SFI) Annual Review of Annual Accounts Part B - Accounting Policies Annual Accounts and Report	EMT / ARC EMT / ARC EMT / ARC / Board	External Audit	Annual Report and Accounts

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
2.5	3.2.3	Clinical Governance	Clinical Governance Framework Caldicott Guardianship Research Governance Policy & Framework	Clinical Governance Framework Delivery Plan Quarterly Report	CGC	Various External Bodies and Groups (e.g. MHRA) Ionising Radiation (Medical Exposure) Regulations (IR(ME)R) 2017 Healthcare Associated Infection (HAI) governance	NHS Scotland Healthcare Quality Strategy Scottish Government Clinical and Care Governance Framework
				Caldicott Guardianship Annual Report	EMT / ARC		
				Annual Research Governance Report	CGC		
2.6	3.2.4	Executive Team Performance	Executive Appraisals	Mid-year Review of Performance	Remm Com	Sponsor Team National Performance Management Committee Assurance Letter	Remuneration Report within Published Annual Accounts
				Annual Review of Performance	Remm Com		

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
				NSS Remuneration Committee Annual Report	Board		
2.7		Non-executive Performance	Non-Executive Appraisals	Mid-year Review of Performance Annual Review of Performance	NSS Board Chair NSS Board Chair	Sponsor Team	
2.8	5.6	Internal Audit and Control			Audit and Risk Committee	Internal and Service Auditors	
2.9	3.2.3	Sustainability (Reducing Emissions/ Climate Change Act 2009)	NSS Sustainability Strategy Sustainability and Infrastructure Board	Quarterly Sustainability Report	FPPC	Scottish Government	Non-Executive Sustainability Champion Annual Climate Emergency and Sustainability Report Submissions
				Service Excellence Reports Annual Climate Emergency and Sustainability Report	EMT / Board FPPC		
3. Managing Risk							
3.1	3.3.1	Strategic Risk Management	Risk Appetite Risk Management Strategy Integrated Risk Management Approach	Annual Risk Appetite Review	ARC / Board	Scottish Government	Shared risks and register with Sponsor Team

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
			Resilience Strategy	Annual Risk Management Strategy Review	ARC / Board		
3.2	3.3.2 3.3.3	Risk Oversight, Monitoring, and Assurance	Risk Register Resilience Plan	Quarterly Risk and Issues Report Quarterly Resilience Report	EMT / All Committees / Board ARC	External Audit	Included in Annual Report and Accounts
3.3	3.2.3	Information Governance and Records Management (Public Records Scotland Act)	NSS Records Management Plan NSS Records Management Policy Information Asset Register Mandatory Training	Triennial Corporate Records Management Policy Review Quarterly Information Security and Governance Report Service Excellence Reports People Report	ARC ARC EMT / Board EMT / SGC / PF	Scottish Information Commissioner (SIC)/ National Records Scotland (NRS) The Public Records (Scotland) Act 2011 (PRSA) ICO Audits	Quarterly reports on Freedom of Information activity to SIC Records Management Plan to NRS

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
3.4	3.2.3	Cyber and Information Security	Data Protection & Data Governance Policies Data Protection Impact Assessments Mandatory Training	Quarterly Information Security and Governance Report	ARC	NISD Audit Public Sector Cyber Resilience Framework	Network & Information Systems Regulations Audit
				Policy reviews and Approvals	ARC		
				People Report	EMT / SGC / PF		
3.5	3.2.3	Counter Fraud	NHSScotland National Counter Fraud Strategy	Fraud Annual Report and Action Plan	ARC		NHS Scotland Counter Fraud Standard & Fraud Prevention Guide Self-assessment
				Fraud Report	ARC		
4. Engaging with Key Stakeholders							
4.1	3.4.5 5.5	Annual Report and Accounts including Governance Statement	Audit Scotland Annual Audit and Report		EMT / ARC / Board	External Audit/ Internal Audit	Annual Report and Accounts
4.2	3.4.1 3.4.2 3.4.3 3.4.6	Assurance of the engagement of stakeholders and service users in the work of NSS	Anchor Strategic Plan Planning with People	Approval of Anchor Strategic Plan	EMT / Board	Service User and Stakeholder Surveys Anchor Organisation	planning-people-community-engagement-participation-guidance-

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
						Anchor Reporting Submission to Scottish Government	updated-2024.pdf Participation Toolkit HIS Engage
				Anchor Reporting	FPPC		
				Consultations	As required		
4.3	3.4.4	Complaints and Feedback	NSS Complaints Handling Procedure SPSO Model Complaints Handling Procedure	NSS Annual Feedback and Complaints Report	ARC	Scottish Government/ Scottish Public Services Ombudsman	Annual feedback and complaints Report Published
5. Influencing Culture							
5.1	3.5.1	Staff Governance Standard	Joint Local Negotiating Committee Partnership Forum Staff Governance Monitoring Framework	JLNC Quarterly Briefing	SGC	Scottish Government response to NSS's Staff Governance Monitoring Return	Annual Staff Governance Monitoring Return submission

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
				PF Quarterly Briefing	SGC		
				Annual Staff Governance Monitoring Exercise	PF / SGC		
5.2	3.2.3	Equality, Diversity, and Inclusion & Equality Monitoring (Equality Act 2010 Specific Duties)	Diversity Steering Group Staff Networks Public Sector Equalities Duty Outcome Setting and Report Anti-Racism Plan Equality Impact Assessments Mandatory Training	Equal Pay Gap Report and Statement	PF / SGC	Scottish Government Ethical Standards Commissioner Equality and Human Rights Commission Membership of NHSScotland Equality Professional Lead Network	Publish Equality Mainstreaming Report including Equality Workforce Equality Monitoring Report Publish Anti Racism Plan Publish Gender Pay Gap report
				Equality Mainstreaming Report	PF / SGC		
				People Report	EMT / SGC / PF		

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
5.3		Corporate Parenting/ Children’s Rights/ United Nations Convention of the Rights of the Child (Incorporation) (Scotland) Act 2024	Corporate Governance Oversight Group (sub of EMT) Equality Steering Group	Corporate Governance Oversight Group Equality Steering Group	EMT / SGC / PF	Scottish Government	UNCRC Report to Scottish Ministers, first due 2026 and then every 3 years. Children’s Rights and Corporate Parenting Report
5.4	3.2.3	Whistleblowing/ Safe to Speak Up	National Whistleblowing Standards Confidential Contacts Speak-up Week	Quarterly Whistleblowing Report	EMT / PF / SGC	Reports submitted to the Independent National Whistleblowing Officer Equality and Fairer Scotland Duty Assessment of Whistleblowing	Non-Executive Whistleblowing Champion Published Report Public Interest Disclosure Act

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
				Annual Whistleblowing Report	EMT / PF / SGC / Board		
5.5	3.4.2	Staff Survey/ iMatter	Participation in iMatter Survey	Results to NSS Results NSS iMatter Results iMatter - Comparison of Health and Social Care	EMT / PF/ SGC EMT / PF/ SGC	n/a	
5.6	3.2.3	Health and Safety / Health and Wellbeing	Occupational Health and Safety Advisory Committee NSS Wellbeing Forum Mandatory Training	People Reports Quarterly Adverse Event Report	EMT / PF/ SGC EMT	Health and Safety Executive	Report to Health and Safety Executive if accident resulted in absence.
5.7	3.2.3	Gender Representation on Public Body Boards	Gender Representation on Public Body Boards Biennial Review and Return	Biennial Review and Return	PF / SGC	Scottish Government/ Ethical Standards Commissioner	Published within Equality Duty Report
6. Governance							
6.1	3.5.2	Register of Interests	Board Register of Interest Executive and Directorate Register of Interest	Quarterly Update and Publication of Board Register Quarterly Update of Internal Registers of interest	Board EMT	Standards Commission	Publication on website

Appendix B – NSS Board Assurance Framework Map

BAF Ref #	Blue print Ref #	Assurance Requirement	Assurance Mechanism	Management control and reporting	Oversight and Approval	External Review, Consultation, and Compliance	Statutory/ Other Deliverables
6.2		Register of Gifts and Hospitality	Corporate Register of Gifts and Hospitality	Gifts and Hospitality Annual Report	EMT / ARC	External Auditors	Publication on website
6.3	5.9.1 5.9.2 5.9.3	Corporate Governance Systems	Corporate Governance Framework	Annual Review and Approval of Corporate Governance Framework	EMT / Committees / Board	External Auditors	Publication on website
6.4		Board Assurance	Corporate Governance Framework	Annual Review of Corporate Governance Framework	EMT / Committees / Board	External Auditors	
			Board Assurance Framework	Annual Review of BAF	Board		
6.5	3.5.2	Code of Conduct	Board Standing Orders	Annual Non-Executive Appraisals	Board Chair	Standards Commission/ Model Code of Conduct	Publication on website
			Board Code of Conduct	Annual Review of Board Standing Orders & Code of Conduct	Board		
6.6	4.3 6.3	Board Self-Assessment & Skills matrix	Board Skills Matrix	Annual Review of Board Skills Matrix	Board	Independent Review	Triennial Board Self-assessment against Blueprint for Good Governance
			Triennial Board Self-assessment against Blueprint for Good Governance	Annual Standing Committee Reports	Committees / Board		
				Annual ARC Self-Assessment	ARC		

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

Priority Area	Blueprint Function	Objective	High Level Action	Lead	Timeline	Intended Good Governance Outcome	Final Update March 2026
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.	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.	Complete Sessions held August 2024
Functions	Holding to Account	To enhance assurance provided to Board Members	To refresh the Board Assurance Framework	Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 28 March 2025
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.	Associate Director of Strategy, Performance and Communication ; Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 19 December 2025

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

Functions	Risk Management		(b) To support the implementation of a new risk system	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.	Complete The new Risk Management System (In Phase) was implemented in July 2025. It provides more comprehensive reporting abilities and improvements to our Integrated Risk Management Approach.
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.	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.	Complete Revised EQIA process implemented and resources added to the EDI SharePoint site accessible for all staff. A development session was delivered to the NSS EDI Steering group. Three EQIA webinars were delivered in Q3 and Q4 2025-26. Board seminar delivered in August 2025.
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	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.	Complete In relation to the NSS Board, a skills matrix has been used to assess the NSS Board, addressing gaps where required. Recruitment is in progress with Public Appointments and Sponsor teams in relation to Board member succession with a

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

			the numbers of people from less represented communities.				communications plan in development to increase awareness of recruitment among people from less represented communities on NHS Boards.
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.	Associate Director of Corporate Governance (Board Secretary)	Mar-25	Board Members hold the necessary skills and experience to carry out their scrutiny role.	Complete – Superseded The Board agreed a schedule of mandatory training at their meeting on 20/12/2024 which included a number of training modules from the Board Development, Information and Training portal on Turas. Board members have also have access to attend a dedicated programme for aspiring chairs, of which two members attended and completed in 2025/26.

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

Priority Area	Blueprint Function	Objective	High Level Action	Lead	Timeline	Intended Good Governance Outcome	Status
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.	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.	Complete Sessions held August 2024
Functions	Holding to Account	To enhance assurance provided to Board Members	To refresh the Board Assurance Framework	Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 28 March 2025
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.	Associate Director of Strategy, Performance and Communication ; Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 19 December 2025

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

Functions	Risk Management		(b) To support the implementation of a new risk system	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.	Complete The new Risk Management System (In Phase) was implemented in July 2025. It provides more comprehensive reporting abilities and improvements to our Integrated Risk Management Approach.
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.	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.	Complete Revised EQIA process implemented and resources added to the EDI SharePoint site accessible for all staff. A development session was delivered to the NSS EDI Steering group. Three EQIA webinars were delivered in Q3 and Q4 2025-26. Board seminar delivered in August 2025.
Enablers	Diversity, Skills and Experience		(b) To work with other Boards to influence improvements in the appointments process for non-executives	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.	Complete In relation to the NSS Board, a skills matrix has been used to assess the NSS Board, addressing gaps where required. Recruitment is in progress with Public Appointments and

Appendix C – NSS Board Governance Development Plan 2024-2025 Complete

			and Chairs, to help increase the numbers of people from less represented communities.				Sponsor teams in relation to Board member succession with a communications plan in development to increase awareness of recruitment among people from less represented communities on NHS Boards.
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.	Associate Director of Corporate Governance (Board Secretary)	Mar-25	Board Members hold the necessary skills and experience to carry out their scrutiny role.	Complete – Superseded The Board agreed a schedule of mandatory training at their meeting on 20/12/2024 which included a number of training modules from the Board Development, Information and Training portal on Turas. Board members have also have access to attend a dedicated programme for aspiring chairs, of which two members attended and completed in 2025/26.

Appendix - NSS Board Governance Development Plan 2024/2025 - March 2026 Closure

Priority Area	Blueprint Function	Objective	High Level Action	Lead	Timeline	Intended Good Governance Outcome	April 2025 Update
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.	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.	Complete Sessions held August 2024
Functions	Holding to Account	To enhance assurance provided to Board Members	To refresh the Board Assurance Framework	Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 28 March 2025
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.	Associate Director of Strategy, Performance and Communication; Associate Director of Corporate Governance (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.	Complete Approved at Board meeting 19 December 2025
Functions	Risk Management		(b) To support the implementation of a new risk system	Associate Director of Strategy, Performance	Mar-25	An integrated governance system that co-ordinates and links the delivery of strategic planning and	Complete

				and Communication		commissioning, risk management, assurance information flows, audit and sponsor oversight.	The new Risk Management System (In Phase) was implemented in July 2025. It provides more comprehensive reporting abilities and improvements to our Integrated Risk Management Approach.
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.	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.	Complete Revised EQIA process implemented and resources added to the EDI SharePoint site accessible for all staff. A development session was delivered to the NSS EDI Steering group. Three EQIA webinars were delivered in Q3 and Q4 2025-26. Board seminar delivered in August 2025.
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	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.	Complete In relation to the NSS Board, a skills matrix has been used to assess the NSS Board, addressing gaps where required. Recruitment is in progress with Public Appointments and Sponsor teams in relation to Board member succession with a communications plan in development to increase

			represented communities.				awareness of recruitment among people from less represented communities on NHS Boards.
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.	Associate Director of Corporate Governance (Board Secretary)	Mar-25	Board Members hold the necessary skills and experience to carry out their scrutiny role.	Complete – Superseded The Board agreed a schedule of mandatory training at their meeting on 20/12/2024 which included a number of training modules from the Board Development, Information and Training portal on Turas. Board members have also have access to attend a dedicated programme for aspiring chairs, of which two members attended and completed in 2025/26.

NHS National Services Scotland (NSS)

Meeting:	NSS Board
Meeting date:	Friday, 20 March 2026
Title:	Annual Reports from Committees 2025-26
Paper Number:	B/26/05
Responsible Executive/Non-Executive:	Keith Redpath, NSS Chair
Report Author:	Karen Summers, Committee Services Manager

1. Purpose

- 1.1 This paper is presented to the Board to provide assurance that all Committees of the Board are managed in accordance with the NSS Corporate Governance Framework.

2. Recommendation

- 2.1 The Board is recommended to scrutinise and approve the Annual Reports from all NSS Committees for 2025-2026.

3. Executive Summary

- 3.1 This report provides a compilation of the following reports;
 - NSS Audit and Risk Committee Annual Report 2025-2026
 - NSS Clinical Governance Committee Annual Report 2025-2026
 - NSS Finance, Procurement and Performance Committee Annual Report 2025-2026
 - NSS Remuneration Committee Annual Report 2025-2026
 - NSS Staff Governance Committee Annual Report 2025-2026
- 3.2 The reports are prepared by the Committee Chairs to provide assurance to the NSS Board that they are fully meeting their obligations. The information collated into the annual report highlights the work done during the year and provides evidence of adherence to the Terms of Reference (NSS Corporate Governance Framework Appendices 3.1, 3.2, 3.3, 3.4 and 3.5).

4. Impact Analysis

4.1 Quality and Value

4.1.1 There is no direct impact on quality or value resulting from this report. However, this paper's purpose is to provide assurance to the NSS Board that the Committees have fulfilled their remit which does cover elements of quality and value.

4.2 Equality and Diversity, including health inequalities

4.2.1 An impact assessment has not been completed as this was not relevant to an Annual Report.

4.3 Data protection and information governance

4.3.1 There are no specific data protection or information implications directly associated with this paper.

4. Risk Assessment/Management

5.1 All NSS Board Committees review risks, relevant to their individual remits, at every meeting and escalate to the Board where required. Risks are managed in line with the requirements of the NSS Integrated Risk Management Approach.

6. Financial Implications

6.1 There are no specific financial implications directly associated with this report.

7. Workforce Implications

7.1 There are no specific workforce implications directly associated with this report.

8. Climate Change and Environmental Sustainability Implications

8.1 There are no specific climate change and environmental sustainability implications directly associated with this report.

9. Route to Meeting

9.1 Committees reviewed and approved the reports on the following dates:

- NSS Audit and Risk Committee held on 5 March 2026
- NSS Clinical Governance Committee held on 12 March 2026
- NSS Finance, Procurement and Performance Committee held on 10 March 2026
- NSS Remuneration Committee reviewed outwith meeting cycle February 2026
- NSS Staff Governance Committee held on 26 February 2026

9.2 Some minor points of clarification/verification were raised in respect of some of the reports, and these have been addressed in these final versions.

10. List of Appendices and/or Background Papers

- 10.1 NSS Audit & Risk Committee
- NSS Clinical Governance Committee
- NSS Finance, Procurement and Performance Committee
- NSS Remuneration Committee
- NSS Staff Governance Committee

NSS Audit & Risk Committee
Annual Report to Board Members
2025/26

1. Purpose

In accordance with the Blueprint for Good Governance 2nd Edition, the Committee has a duty to ensure a regular evaluation of governance arrangements is carried out and that these arrangements are proportionate, flexible and subject to continuous improvement. As such, this report fulfils this duty by undertaking an assessment of the Committee's activities and providing both itself and the NHS National Services Scotland (NSS) Board assurance that the principles of good governance are being met.

2. Membership and Attendance

As per the Committee's Terms of Reference, membership comprised of six Non-Executive Directors of the Board. The Director of Finance, Corporate Governance and Legal Services attended as the lead Executive Officer to the Committee, along with the Chief Executive and the auditors. Other senior staff also attended as required - most commonly the Director of Primary and Community Care/Strategy, Performance and Transformation; Director of Digital and Security (as Senior Information Risk Owner); Associate Director of Corporate Governance (Board Secretary); Associate Director of Finance Operations; Associate Director of Information Security and Governance; and the Executive Medical Director (as Caldicott Guardian).

The Committee met on 4 September 2025, 4 December 2025, 5 March 2026. The May and June meeting activities were covered in the previous Annual Report, presented [.

Table 1 below lists the Committee members (as per the Corporate Governance Framework approved by the NSS Board in March 2025) and the lead Executive Officers, along with their attendance rate, for the 2025-26 period.

Table 1 – Attendance

	Sept 2025	Dec 2025	March 2026	Actual	Possible	%
Beth Lawton, Non-Executive Director (Committee Chair)	Y	Y	Y	3	3	100%
Paul Buchanan, Non-Executive Director (Committee Vice-Chair)	Y	Y	Y	3	3	100%
Gordon Greenhill, Non-Executive Director	Y	Y	Y	3	3	100%
Arturo Langa, Non-Executive Director	Y	Y	Y	3	3	100%
Maria McGill, Non-Executive Director	Y	Y	Y	3	3	100%
Steven Flockhart, Director of Digital and Security	Y	Y	Y	3	3	100%
Sharon Hilton-Christie, Executive Medical Director	N	Y	N	1	3	33.33%
Carolyn Low, Director of Finance, Corporate Governance and Legal Services	Y	Y	Y	3	3	100%
Mary Morgan, Chief Executive	Y	N	Y	2	3	66.66%

3. Appointment of Auditors

The Auditors of NSS during the year 2025/26 were as follows:

Audit Service	Auditor	Current Contract Ends
Internal Audit	KPMG	March 2027
Service Audit: Payroll Services	PwC	March 2027
Service Audit: Practitioner Services	PwC	March 2027
Service Audit: National IT Contract	PwC	March 2027
External Audit	Audit Scotland	March 2027

4. Reports Reviewed

4.1 Internal Audits

The Internal Audit Plan for 2025/26 had previously been approved by the Committee at their meeting on 6 March 2025. During the year, the Committee was provided with updates on the progress made against the Internal Audit Plan, the key findings identified, and progress made by management with implementation of audit recommendations to address them.

A summary of the Internal Audit reports reviewed by the Committee during the year is provided in Table 2 of this report. Six audits in total were completed within the year and 17 findings were raised. Of the 17 findings requiring management action, none were categorised as 'high', 12 were categorised as 'medium', and five were categorised as 'low' in terms of risk.

Management actions were agreed to address all recommendations during the 2025/26 audit cycle. 15 actions from the 2025/26 audit are due to be completed during 2026/27.

Progress with completion of all actions due in 2025/26 was reported to the Committee on a quarterly basis.

The Board were kept apprised, through provision of the Committee minutes, of progress against the audit plan and any concerns would be raised via this route. However, no concerns were raised in 2025/26.

Table 2 – Overview of Audit Reports in 2025/26

Review	Report classification	Number of findings			Total
		<i>High</i>	<i>Medium</i>	<i>Low</i>	
Core Financial Controls: Payment Verification	Significant assurance with minor improvements	-	1	1	2
Income Recovery - DaS	Partial assurance with improvement required	-	5	-	5

Review	Report classification	Number of findings			Total
		<i>High</i>	<i>Medium</i>	<i>Low</i>	
Workforce – Fixed Term & Agency Contracts	Significant assurance with minor improvements	-	2	-	2
Procurement – Fraud Prevention	Significant assurance with minor improvements	-	2	3	5
National Sustainability Service – NHSAssure	Significant assurance with minor improvements	-	2	1	3
Property Transaction Monitoring	Significant assurance	-	-	-	0
TOTAL		-	12	5	17

Table 3 – Report Classifications

Report classifications	Number of Reports with this classification
Significant Assurance	1
Significant Assurance with Minor Improvement	4
Partial Assurance with Improvements Required	1
No Assurance	0

Table 4 – Internal Audit Actions

Risk Level	Actions for completion during FY2026/27 from audit report presented in FY2025/26	Implementation date(s)	Report Title
Medium	5	31 March 2027	Income Recovery (2026.02)
Medium	1	30 April 2026	Procurement – Fraud Prevention (2026.04)
	1	30 September 2026	
Low	1	30 May 2026	
	1	30 September 2026	
	1	31 December 2026	
Medium	2	31 August 2026	National Sustainability Service – NHS Scotland Assure (2026.05)
Low	1		
Medium	1	31 December 2026	Core financial controls – Payment Verification (2026.01)
Low	1		

Table 5 – Trends in Findings Raised

Finding rating	Trend between current and previous years	Number of findings			
		2025/26	2024/25	2023/24	2022/23
High	↓	-	4	-	4
Medium	↑	12	11	18	22
Low	↓	5	13	16	6
Total	↓	17	28	34	32

4.2 Internal Audit Annual Report 2024/25

The Internal Audit Annual Report for 2025/26 from KPMG, summarising the work carried out in the year, will be presented to the Public Services Delivery Scotland Audit and Risk Committee in May 2026.

4.3 Service Audits

The Committee received regular updates on service audit activity. The final Service Audit reports for 2025/26 will be presented to the Public Services Delivery Scotland Audit and Risk Committee in May 2026. These will cover Payroll, Practitioner Services and IT.

5. External Audit – Audit Scotland

The Committee received all reports expected as of March 2026 from the External Auditors (Audit Scotland).

The Annual Report and Accounts for 2024/25 were laid before Parliament on 19 September 2025.

Where appropriate, issues raised by the External Auditor as part of the Annual Accounts process will be included in the Governance Statement in the Annual Accounts for the year to 31 March 2026.

The Annual Report and Accounts for 2025/26 will be finalised and approved by Public Services Delivery Scotland in June 2026.

6. Risk and Resilience

The Blueprint for Good Governance notes that NHS Bodies are subject to the principles and concepts that support effective risk management as outlined in [HM Government's Orange](#)

[Book](#) and the [Scottish Public Finance Manual](#) (SPFM) and must operate a risk management strategy in accordance with these.

NSS governance and management structures support risk management by embedding risk identification and assessment into their strategic reviews and day to day activities as follows:

- The NSS Risk Management Strategy sets out the benefits and objectives of risk management along with roles and responsibilities and highlights the reporting of risks through governance. This is supported by the NSS Integrated Risk Management Approach (IRMA) which details the process by which we manage risks in NSS, aligned to best practice, highlighting how we identify, assess and manage risks. We have a revised risk appetite statement in place, which describes the organisation's attitude towards risk taking and defines the amount of risk we are willing to take to achieve our objectives.
- Directorates identify and assess risks through their planning and performance processes, reviews of significant changes in NSS service or the environment in which it operates in, following a resilience incident, adverse event or near miss, data protection impact assessments, information security risk assessments, testing controls in place around NSS day to day activities, horizon scanning future events, stakeholder engagement, programme and project risk assessments, and through the internal controls assurance checklists. Monthly risk reviews are undertaken by Directorates.
- The Executive Management Team reviews the risk profile for corporate risks across the organisation, across all categories of risk and challenges key organisational risks and issues monthly.
- Risks are assessed for the likelihood of an event occurring and the impact of the event. They are categorised under nine headings. Risks within each category are reviewed quarterly by the NSS Board Committees as follows:
 - Injury / illness (Staff Governance for staff and Clinical Governance for other groups)
 - Healthcare experience (Clinical Governance)
 - Transformation and innovation (FPPC)
 - Service delivery / business interruption (FPPC)
 - Workforce (Staff Governance)
 - Financial (FPPC)
 - Compliance (Audit and Risk)
 - Public confidence (Clinical Governance)
 - Health inequalities (Clinical Governance)
- This provided a comprehensive review of risks by risk category across the organisation. The Committees also reviewed respective strategic risks at least four times each year. The Audit and Risk Committee maintains a comprehensive overview of the risk management process and were engaged in the development of the revised Integrated Risk Management Approach and Risk Appetite.
- The NSS Audit and Risk Committee received quarterly reports on risk management across NSS, detailing the improvements being made to processes and procedures and key risks for the organisation. This provided the Committee with the assurance that risk management was operating effectively and that there was integration between organisational risks and audit activity. The Committee also reviewed the NSS risk

appetite statement on an annual basis. This year, the NSS Audit and Risk Committee scrutinized the Risk Strategy, which was subsequently approved by the Board

- Risks associated with information that NSS holds and are responsible for are subject to regular review and independent audit as part of overall governance and risk management arrangements. An audit took place in 2024/25 and provided significant assurance with minor improvement opportunities. The audit provided four recommendations in relation to our risk Approach, which were worked through, with a revised Approach presented to ARC in September 2025.
- The Board received risk update reports every six months. The reports include details of risk management improvements; the risk profile for the organisation and the key risks being addressed. This gives the Board the opportunity to review and challenge risk management processes and the key risks NSS face. The Board approved the new Risk Strategy, Integrated Risk Management Approach and Risk Appetite in December. NSS has a flexible approach to its risk appetite in pursuit of its four principal objectives:
 - Service Excellence
 - Financial Sustainability
 - Workforce Sustainability
 - Environmental Sustainability

The Board Strategic Risks, which were agreed in 2023, demonstrate the key risks to NSS delivering its strategic priorities and objectives. These risks continue to be mitigated and, depending on the primary category identified, each risk has been reported quarterly to the relevant committee for scrutiny. These risks are presented to the Board twice yearly. In addition to formal review at Board meetings, the Board and ARC had development sessions on risk in July and November 2025.

Where risks to new and on-going activities were identified, NSS will always attempt to mitigate the likelihood or impact of the risk to a level judged to be acceptable in the prevailing conditions. This is in line with the NSS Integrated Risk Management Approach (IRMA).

Resilience was brought over from the FPPC during 2025/26 and resilience activities were reported to ARC on a quarterly basis.

All staff are required to complete the Risk and Resilience e-Learning as mandatory training. As of 31 January 2026 there was a completion rate of 87% across NSS and 2025/26 year end completion rate will be reported in the first risk update to the new Public Services Delivery Scotland Audit and Risk Committee.

7. Fraud Prevention

The Committee received quarterly fraud update reports during the year. These reports provided the Committee with updates on NSS fraud cases, counter fraud training delivered to staff, initiatives undertaken to identify and address fraud, and the work carried out by Practitioner and Counter Fraud Services in relation to detecting, deterring, disabling, and dealing with fraud in the NHS.

NSS has adopted the NHS Scotland Counter Fraud Standards and has agreed a Fraud Action Plan for 2026/27. Fraud risks have been reviewed in partnership with Counter Fraud Services and included in the Corporate Risk Register.

The NSS Fraud Champion and the Fraud Liaison Officer attended the annual meeting with Counter Fraud Services and were given an overview of their work during 2025/26 and plans for the coming year.

These reports and sessions provided the Committee with the assurance that the risk of fraud was being managed and addressed across NSS.

8. Information Governance

The Committee received updates and sought assurance on NSS’s compliance with relevant legislation, duties, and standards with regards to information governance. This covered Caldicott Guardianship and Confidentiality; Data Protection; Information Security; Freedom of Information and Records Management. Reports were provided at each meeting to allow the Committee to satisfy itself that appropriate progress was being made to improve the quality of information governance across NSS, and that any information incidents, risks, and complaints were being managed appropriately.

Members were also updated on the outcome of NSS’s Network and Systems Directive (NISD) audit and the Information Commissioner’s Office audit in 2025.

9. Committee Governance in 2025-2026

Detailed and comprehensive minutes are prepared after each meeting to provide a clear audit trail and as evidence if required by the Scottish Government.

An action register is prepared to manage actions agreed from each Committee meeting and is reviewed at each meeting.

The Committee has a forward programme of business which provides a rolling year plan of decisions and activity. This ensures compliance with the Terms of Reference and ensures the Committee meets its statutory and regulatory commitments.

The Committee discharged its key duties under its Terms of Reference as per the table below:

Key Duty	Evidence
Advise the Board and Chief Executive on 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	Standing Items: 2025/26 Internal Audit Plan Approval – 13 March 2025; Each meeting – risk and resilience quarterly reports.
Advise the Board and Chief Executive on the accounting policies, the accounts, and the Board’s annual report. This includes the process for review of the accounts before they are submitted for audit,	2025/26 annual report and accounts will be carried forward for approval by PSD Scotland.

Key Duty	Evidence
levels of error identified, and management's letter of representation to the external auditors.	
Advise the Board and Chief Executive on the planned activity and results of both internal and external audit.	Standing Item: Each meeting – internal and external audit report.
Advise the Board and Chief Executive on the performance of the internal audit function.	Standing Item: Each meeting – internal and external audit report.
Advise the Board and Chief Executive on the adequacy of management response to issues identified by audit activity, including external audit's management letter or report.	Standing Item: Each meeting – internal audit actions report and external audit recommendations report.
Advise the Board and Chief Executive on the effectiveness of the internal control environment.	Standing Item: Each meeting – internal and service audit reports/updates.
Provide assurances relating to the corporate governance requirements for the Board.	Standing Item: Each meeting – internal, external, and service audit reports/updates.
Advise the Board and Chief Executive on the appointment of the Chief Internal Auditor, the Internal Audit Charter and Internal Audit Opinion.	Current contract with KPMG is in place until end of 2026/27. Internal Audit Charter and Internal Audit Opinion agreed at June 2025 meeting
Advise the Board and Chief Executive on the purchase of non-audit services from contractors who provide audit services.	Not required in 2025/26
Advise the Board and Chief Executive on 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, anti-fraud, and Whistleblowing.	Brought as required
Advise the Board and Chief Executive on the skills required for committee effectiveness, to inform the selection of members of the committee.	Considered though the Self-Assessment discussed at the September 2025 ARC meeting
Review annually the nature of and expenditure incurred by each Directorate on the employment of Management Consultants in the preceding year.	Considered at the ARC meeting in June 2025
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.	Considered at the ARC meeting in June 2025
Review annually NSS's Fraud and Other Illegal Acts Register.	Considered at the ARC meeting in June 2025

Key Duty	Evidence
Review reports presented on instances of banking accounts being overdrawn.	Not required in 2025/26
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.	Standing Item: Each meeting – Information Security and Governance Report
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.	Standing Item: Each meeting – Information Security and Governance Report.
Satisfy itself that NSS has processes in place to monitor and report information governance incidents, risks, and complaints.	Standing Item: Each meeting – Information Security and Governance Report.
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.	Standing Item: Each meeting – Information Security and Governance Report.

10. Conclusion

The NSS Audit and Risk Committee concludes that: significant attention is given by the organisation to its audit, risk, and information governance arrangements; that this is proportionate to the nature of each Directorate's role; and that the Committee's monitoring responsibilities are being met.

The Committee can provide assurance to the NSS Board that, over the course of 2025/26, substantial attention was given by the organisation to its clinical governance arrangements, that has been proportionate to the nature of each Directorate's role. Therefore, the Audit NS Risk Committee has fulfilled its monitoring responsibilities and will continue to do so through the governance arrangements in place.

Beth Lawton
Chair of the NSS Audit and Risk Committee
March 2026

NSS Clinical Governance Committee 2025/26 Annual Report to the NSS Board

1. INTRODUCTION

- 1.1 Clinical governance is the framework through which NHS organisations are accountable for continuously improving the quality of services and safeguarding high standards of care, defined as "corporate accountability for clinical performance". It is not intended to replace professional self-regulation and individual clinical judgement but adds an extra dimension to assure the public that relevant, safe, and effective systems and processes are in place. Within NSS this serves to support delivery of effective national and specialist services which enable and support improvements in the health and wellbeing of all the people of Scotland.
- 1.2 NSS has a duty to have appropriate arrangements in place to meet its clinical governance responsibilities. Clinical governance within NSS is overseen by the Clinical Governance Committee, a Standing Committee of the NSS Board. The Committee, chaired by a non-executive member of the Board, does this through scrutiny of reports focussing on the quality assurance of services likely to have a direct or indirect impact on health and wellbeing. Through its minutes, the Committee then reports to the NSS Board on all relevant issues.
- 1.3 In accordance with the Blueprint for Good governance 2nd Edition, the Committee has a duty to ensure regular evaluation of governance arrangements are carried out and that they are proportionate, flexible and subject to continuous improvement. As such, this report fulfils this duty by undertaking an assessment of the Committees activities and providing both itself and the NSS Board assurance that the principles of good governance are being met.
- 1.4 The Committee met formally on four occasions during 2025-26: 5 June 2026, 11 September 2025, 11 December 2025 and 12 March 2026. Seminar sessions were also held on: 1 May 2025, 31 July 2025, 30 October 2025, and 29 January 2026.

2. MEMBERSHIP AND ATTENDANCE

- 2.1 As per the Committee's Standing Orders, membership comprised of six Non-Executive Directors of the Board, including the Board Chair. The Medical Director and Director of Nursing attended as the lead Executive Officers to the Committee, along with the Chief Executive. Other senior staff also attended as required - most commonly the Deputy Medical Director, the Scottish National Blood Transfusion Service (SNBTS) Medical Director, and the Associate Director for Nursing, Clinical Governance and Quality Improvement.
- 2.2 The table overleaf lists the Committee members (as per the Corporate Governance Framework approved by the NSS Board in March 2025) and the Executive Officers, along with their attendance rate, for the 2025-26 period.

	Q1	Q2	Q3	Q4	Actual	Possible	%
Maria McGill, Non-Executive Director Committee Chair)	Y	Y	Y	Y	4	4	100%
Arturo Langa, Non-Executive Director (Committee Vice-Chair)	Y	Y	Y	Y	4	4	100%
Lisa Blackett, Non-Executive Director	Y	Y	Y	Y	4	4	100%
Beth Lawton, Non-Executive Director	N	Y	Y	Y	3	4	75%
Keith Redpath, NSS Chair	Y	Y	N	Y	3	4	75%
Alison Rooney, Non-Executive Director (until 26/06/25)	Y	N/A	N/A	N/A	1	1	100%
Sharon Hilton-Christie, Executive Medical Director	Y	Y	Y	Y	4	4	100%
Kathryn Brechin, Director of Nursing	Y	Y	Y	Y	4	4	100%
Mary Morgan, Chief Executive	Y	Y	Y	y	4	4	100%

3. COMMITTEE ACTIVITIES IN 2025-2026

- 3.1 Detailed and comprehensive minutes are prepared after each meeting to provide a clear audit trail and as evidence if required by the Scottish Government.
- 3.2 An action register is prepared to manage actions agreed from each Committee meeting and is reviewed at each meeting.
- 3.3 The Committee has a forward programme of business which provides a rolling year plan of decisions and activity. This ensures compliance with the Terms of Reference and ensures the Committee meets its statutory and regulatory commitments.
- 3.4 The Committee discharged its key duties under its Terms of Reference as per the table below:

Item	Description	Evidence
ToRs (6.1.1)	Assure that 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.	<p>Standing Items - every meeting: Medical Director's Report; Nurse Director's Report; Clinical Governance Framework Delivery Plan Report; Clinical Adverse Events Report; Clinical Risks Report; Healthcare Associated Infection (HAI) Quarterly Report; Blood and Tissue Quality, Safety and Sufficiency Report; Infected Blood Inquiry Action Plan Update</p> <p>Standing Items - annual: Duty of Candour Annual Report (at 5 June 2025 meeting).</p> <p>Discrete Items: SNBTS Strategy; NSS Research Governance Policy (at 11 September 2025 meeting); Risk Appetite Statement (at 11 December 2025).</p> <p>Also see Section 3.5 of this report – Additional Highlights.</p>

Item	Description	Evidence
ToRs (6.1.2)	Assure 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.	<u>Standing Items - every meeting:</u> Medical Director's Report; Nurse Director's Report; Clinical Governance Framework Delivery Plan Report.
ToRs (6.1.3)	Assure that clinical activity is challenged from the perspectives of equity, inequality/equality, diversity, and value (expressed as triple value).	<u>Standing Items - every meeting:</u> Medical Director's Report; Nurse Director's Report; Clinical Governance Framework Delivery Plan Report.
ToRs (6.1.4)	Assure that services' compliance with clinical regulatory requirements is in place.	<u>Standing Items - every meeting:</u> Blood and Tissue Quality, Safety and Sufficiency Report; Medical Director Report; Nurse Director's Report. <u>Standing Items – annual:</u> <i>(at 5 June 2025 meeting)</i> Research Governance Annual Report; Medical and Dental Staff Revalidation Report; Infection Prevention and Control Annual Report; Ionising Radiation (Medical Exposure) Regulations 2017 [IR(ME)R] Annual Report; Duty of Candour Annual Report. <i>(at 11 September 2025 meeting)</i> Clinical Staff Revalidation Report; Patient Group Directions Audit. Also see Section 3.5 of this report – Additional Highlights.
ToRs (6.1.5)	Assure that 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.	<u>Standing Items - every meeting:</u> Medical Director's Report; Clinical Risks Report.
ToRs (6.2)	Provide advice, as required, to the Board on the clinical impacts of any new service developments proposed for adoption by NSS.	<u>Standing Items - every meeting:</u> Medical Director's Report; Nurse Director's Report.
ToRs (6.3.1)	The Committee will review and scrutinise reports on 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.	<u>Standing Items - every meeting:</u> Clinical Adverse Events Report; Clinical Risks Report. <u>Standing Items - annual:</u> Duty of Candour Annual Report (at 11 September 2024 meeting).

Item	Description	Evidence
ToRs (6.3.2)	The Committee will review and scrutinise reports on blood and tissue safety to satisfy itself that appropriate action is being taken to provide an adequate and safe supply.	<u>Standing Items - every meeting:</u> Blood and Tissue Quality, Safety and Sufficiency Report; Infected Blood Inquiry Action Plan Update.
ToRs (6.3.3)	The Committee will review and scrutinise reports on HAI in NSS as per required national policy on HAI, using the HAI reporting template.	<u>Standing Items - every meeting:</u> HAI Quarterly Report. <u>Standing Items - annual:</u> Infection Prevention and Control Annual Report (at 5 June 2025 meeting).
ToRs (6.3.4)	The Committee will review and scrutinise reports on major NSS programmes in support of clinical services.	<u>Standing Items - every meeting:</u> Medical Director's Report; Nurse Director's Report.
ToRs (6.3.5)	The Committee will review and scrutinise reports on activity relating to national clinical governance functions delivered by NSS, e.g., screening, and dental.	<u>Standing Items - every meeting:</u> Medical Director's Report; Nurse Director's Report.
ToRs (6.3.6)	The Committee will review and scrutinise annual reports on: <ul style="list-style-type: none"> - 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; - Health and Care (Staffing) (Scotland) Act 2019; - Relevant Intellectual Property activity facilitated by SNBTS. 	<u>Standing Items – annual:</u> <i>(at 5 June 2025 meeting)</i> Research Governance Annual Report; Medical and Dental Staff Revalidation Report; Infection Prevention and Control Annual Report; Ionising Radiation (Medical Exposure) Regulations 2017 [IR(ME)R] Annual Report; Duty of Candour Annual Report. <i>(at 11 September 2025 meeting)</i> Clinical Staff Revalidation Report; Patient Group Directions Audit. <i>(at 12 March 2026 meeting)</i> National Health and Social Care Workforce Strategy: Workforce Planning - Annex A Submission [covers the Health and Care (Staffing) (Scotland) Act 2019]

Additional Highlights

- 3.5 Over the course of the year, the seminar sessions covered the following topics:
- 3.5.1 Scan for Safety Programme;
 - 3.5.2 SNBTS Strategy Development;
 - 3.5.3 Embedding Excellence in Care;
 - 3.5.4 Public Protection.

Relationships with other Board Committees

- 3.6 The Committee continues to recognise the overlap in its responsibilities in respect of certain matters with the other NSS committees. Through NSS's robust Corporate Governance Framework, any matters of mutual interest in relation to other committees of the Board (particularly Staff Governance or Audit and Risk) are addressed as necessary, facilitated by the Corporate Governance team.

4. CONCLUSIONS AND ASSURANCE TO BOARD

- 4.1 The Clinical Governance Committee concludes that clinical governance structures and processes continue to be reviewed and monitored across NSS by clinical leaders, executive directors, and the Clinical Governance Committee. The Committee continues to scrutinise clinical risks within the corporate risk register, taking a proactive approach in the deeper understanding of said risks and improvements to ways of reporting.
- 4.2 The Committee can provide assurance to the NSS Board that, over the course of 2025/26, substantial attention was given by the organisation to its clinical governance arrangements, that has been proportionate to the nature of each Directorate's role. Therefore, the Clinical Governance Committee has fulfilled its monitoring responsibilities and will continue to do so through the governance arrangements in place.

Maria McGill
NSS Clinical Governance Committee Chair 2025-26
March 2025

Annual Report to NSS Board by NSS Finance, Procurement, and Performance Committee (FPPC): 1 April 2025 – 31 March 2026

1. INTRODUCTION

- 1.1 The purpose of the annual report is to provide a summary of matters considered and to provide assurance to the NSS Board that the Committee has fulfilled its remit.
- 1.2 In accordance with the Blueprint for Good governance 2nd Edition, the Committee has a duty to ensure regular evaluation of governance arrangements are carried out and that they are proportionate, flexible and subject to continuous improvement. As such, this report fulfils this duty by undertaking an assessment of the Committees activities and providing both itself and the NSS Board assurance that the principles of good governance are being met.
- 1.3 The Committee had four planned meetings, plus an additional meeting scheduled during the year in 2025-26. The dates were: 17 June 2025; 16 September 2025; 4 November 2025, 9 December 2025 and 10 March 2026. There was also a formal decision taken via correspondence between 30 July and 4 August 2025. Seminar sessions were also held on 4 November 2025 and 27 January 2026.

2. MEMBERSHIP AND ATTENDANCE

- 2.1 As per the Committee's Standing Orders, membership comprised of six Non-Executive Directors of the Board, including the Board Chair. The Director of Finance, Corporate Governance and Legal Services attended as the lead executive officer to the Committee. The Chief Executive, Executive Medical Director and Directors of National Procurement (NP), Strategy, Performance, and Service Transformation (SPST) and NHSScotland Assure were regularly in attendance. Other senior staff were invited to attend as necessary.
- 2.2 The table below lists the Committee members (as per the Corporate Governance Framework approved by the NSS Board in March 2025) and the Executive Board Members in attendance along with their attendance rate, for the 2025-26 period. During 2025–26, John Innes, a Non-Executive Director of NHS Lothian, was co-opted to the Committee. His appointment was formally approved by the NSS Board at its meeting on 27 June 2025, following a recommendation presented under item B/25/21. His substantial expertise in digital transformation, technical leadership and organisational change has strengthened the Committee's scrutiny and assurance, particularly in areas relating to procurement, digital systems and strategic delivery.

	Q1	Q2	Q3	Ad-Hoc	Q4	Actual	Possible	%
Gordon Greenhill, Non-Executive Director (Committee Chair)	Y	Y	Y	Y	Y	Y	5	100%
Beth Lawton, Non-Executive Director (Committee Vice-Chair)	Y	N	Y	Y	Y	4	5	80%

	Q1	Q2	Q3	Ad-Hoc	Q4	Actual	Possible	%
Lisa Blackett, Non-Executive Director	Y	Y	Y	Y	Y	5	5	100%
Ian Cant, Employee Director	N	N	Y	N	Y	2	5	40%
John Innes, Co-Opted Member	-	Y	N	N	-	1	3	33.33%
Maria McGill, Non-Executive Director	Y	Y	Y	Y	Y	5	5	100%
Keith Redpath, NSS Chair	Y	Y	Y	Y	Y	5	5	100%
Carolyn Low, Director of Finance, Corporate Governance and Legal Services	Y	Y	Y	Y	Y	5	5	100%
Mary Morgan, Chief Executive	Y	Y	Y	N	Y	4	5	80%
Sharon Hilton-Christie, Executive Medical Director	Y	Y	Y	N	Y	4	5	80%
Gordon Beattie, Director of National Procurement	N	Y	Y	Y	Y	4	5	80%
Julie Critchely, Director of NHS Assure	N	Y	Y	Y	N	3	5	60%
Lee Neary, Director of Primary and Community Care (PACC)/ Strategy, Performance and Service Transformation (SPST)	N	Y	N	Y	Y	3	5	60%

3. COMMITTEE ACTIVITIES

- 3.1 Detailed and comprehensive minutes are prepared after each meeting to provide a clear audit trail and as evidence if required by the Scottish Government. An action register is also prepared to manage the agreed actions arising from the Committee's discussions, which is then reviewed at each meeting.
- 3.2 The Committee has a forward programme of business which provides a rolling year plan of decisions and activity. This ensures compliance with the Terms of Reference and ensures the Committee meets its statutory and regulatory commitments.
- 3.3 The Committee discharged its key duties under its Terms of Reference as per the table below:

Item	Description	Evidence
ToRs 6.1.1a	To scrutinise and recommend to the Board for approval the Annual, 3-year or 5-year (as required) Delivery Plans and Financial Plans, prepared consistent with statutory financial responsibilities.	Standing Items – Annual: Capital Plan 25-26 and Draft BCP (at 4 November 2025 ad-hoc meeting)
ToRs 6.1.1b	To scrutinise and recommend to the Board for approval the Draft NSS Annual Delivery Plan for submission to the Scottish Government.	Agenda Item: 2025/26 ADP approved at 11 March 2025 meeting

Item	Description	Evidence
ToRs 6.1.1c	To scrutinise and recommend to the Board for approval the NSS Whole System Infrastructure Plan / Business Continuity Plan.	Individual Items: Capital Plan 2025/26 and Whole System Infrastructure Business Continuity Plan (WSIP/BCP) (at 4 November 2025 Ad hoc meeting)
ToRs 6.1.1d	To scrutinise and recommend to the Board for approval the NSS Climate Sustainability Strategy and action plan	Standing Items – Annual: Sustainability Strategy – 10 March 2026
ToRs 6.1.1e	To scrutinise and recommend to the Board for approval NSS Standing Financial Instructions.	Standing Items – Annual: 2025/26 SFIs were agreed at 11 March 2025 meeting.
ToRs 6.1.2a	To approve, at Outline Business Case or Full Business Case stage, property transactions undertaken in accordance with the NHS Scotland Property Transactions Handbook	There were no property transactions in 2025/26 that required FPPC input.
ToRs 6.1.2b	To approve the NHS Scotland Procurement Strategy, Workplan and Annual Report	Standing Items – Annual: National Procurement Annual Report (at 16 September 2025 meeting)
ToRs 6.1.2c	To approve the NSS Procurement Strategy, Workplan and Annual Report	Standing Items – Annual: NSS Procurement Annual Report (at 16 September 2025 meeting)
ToRs 6.1.2d	To approve any procurements which require the authority of the Board under NSS Standing Financial Instructions.	Individual Items: Payment on account to HMRC (decision via correspondence)
ToRs 6.1.2e	To approve Budget limits and set business performance targets for all Directorates except in respect of earmarked funds allocated for specific purposes by Scottish Government.	Individual Items: Financial Plan 2025/26 was noted, with CRES and investment recommendations, at 11 March 2025.
ToRs 6.1.2f	To approve the NSS Public Bodies Climate Change Duties Report.	Standing Items – Annual: - at 4 November 2025 Ad hoc meeting)
ToRs 6.1.2g	To approve New Income contracts above £500,000	Individual Items: Novo Nordisk Contract Approval (at 16 September 2025 meeting)
ToRs 6.1.3a	To regularly review and scrutinise reports on financial and operational performance against plans and delivery against Annual Delivery Plan (ADP) targets, and to consider the appropriateness and effectiveness of current and planned management actions	Standing Items – every regular meeting: Service Excellence Report; Finance Report; Sustainability Update; Resilience Report
ToRs 6.1.3b	To regularly review and scrutinise reports on any occurrences where the Standing Financial Instructions have not been followed and reports specifically required by the SFIs	Standing Items – every regular meeting: SFI Breaches/Adverse Events

Item	Description	Evidence
ToRs 6.1.3c	To regularly review and scrutinise reports on the performance of programmes delivered by NSS on behalf of NHS Scotland	<u>Standing Items – every regular meeting:</u> Portfolio Management Group Report; Corporate Oversight Group Report
ToRs 6.1.3d	To regularly review and scrutinise reports on delivery against the NSS Financial Sustainability Plan	<u>Standing Items – every regular meeting:</u> Finance Report
ToRs 6.1.3e	To regularly review and scrutinise reports on 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	<u>Standing Items – every regular meeting:</u> Review of Business Risks
ToRs 6.1.3f	To regularly review and scrutinise the content of financial reporting and information presented to the Board	<u>Standing Items – every regular meeting:</u> Finance Report; <u>Individual Items:</u> Payment on account to HMRC (decision via correspondence)
ToRs 6.1.4g	To regularly review and scrutinise the performance against delivery of the NSS climate sustainability objective including the National Sustainability Assessment Tool (NSAT) and the Sustainability Performance Report	<u>Standing Items – every regular meeting:</u> Sustainability Report; <u>Standing Items – Annual:</u> Public Bodies Climate Change Duty Report; and Annual Climate Change Report (at 4 November 2025 meeting);

4. ADDITIONAL HIGHLIGHTS

4.1 Seminar topics were as follows:

- Sustainability Strategy review and 2025–2030 development
- Budget Summit Outcomes (with Draft Financial Planning Position) and Draft Annual Delivery Plan

5. CONCLUSIONS AND ASSURANCE TO NSS BOARD

- 5.1 The Committee concludes that, over the course of 2025/26, it has given substantial attention to NSS’s financial position, sustainability activity and procurement activity to ensure that suitable arrangements are in place to secure economy, efficiency, and effectiveness in the use of all resources. Therefore, the Committee can provide assurance to the Board that it has fulfilled its monitoring responsibilities and will continue to do so through the governance arrangements in place.

Gordon Greenhill
Chair of the Finance, Procurement, and Performance Committee
March 2026

Annual Report to NSS Board and NSS Staff Governance Committee by the NSS Remuneration Committee, April 2025 - March 2026

1. INTRODUCTION

- 1.1 In accordance with the Blueprint for Good governance 2nd Edition, the Committee has a duty to ensure regular evaluation of governance arrangements are carried out and that they are proportionate, flexible and subject to continuous improvement. As such, this report fulfils this duty by undertaking an assessment of the Committees activities and providing both itself and the NSS Board assurance that the principles of good governance are being met.
- 1.2 The purpose of the annual report is to provide a summary of matters considered by the NSS Remuneration Committee and to provide assurance to the NSS Board that the Committee has discharged its duties and fulfilled its remit as per its Terms of Reference.
- 1.3 This report summarises those matters which are considered and discussed by the NSS Remuneration Committee. The format for this report reflects the 'Key Duties' section from the Committee Terms of Reference.

1.4 **Members:**

Ian Cant	Employee Director and Chair of the Committee
Lisa Blackett	Non-Executive Director and Chair of the NSS Staff Governance Committee and Vice Chair of the Committee
Gordon Greenhill	Non-Executive Director
Keith Redpath	NSS Chair
Alison Rooney	Non-Executive Director (term ended 26.6.25)
Vacancy	Non-Executive Director (held from 27.6.25)

In attendance:

Serena Barnatt	Director of HR and Organisational Development
Mary Morgan	Chief Executive

- 1.5 The Director of Human Resources and Organisational Development was the lead Executive Officer and professional advisor to the Committee and arranged for other officers to attend as required by the business of the committee. The NSS Chief Executive was also in attendance.

- 1.6 The Remuneration Committee met on the following dates:

25 June 2025
26 November 2025

1.7 Attendance: The table below lists the Committee members (as per the Corporate Governance Framework paper **B/25/07** approved by the NSS Board on 28 March 2025) and the Executive Officers, along with their attendance rate, for the 2025/26 period.

Member and In Attendance	25.6.25	26.11.25	% attendance
Ian Cant, Employee Director (Chair)	Yes	Yes	100%
Gordon Greenhill, Non-Executive Director	Yes	Yes	100%
Lisa Blackett, Non-Executive Director (Vice Chair)	Yes	Yes	100%
Keith Redpath, NSS Chair	Yes	Yes	100%
Alison Rooney, Non-Executive Director	Yes	Term ended 26.6.25	100%
Serena Barnatt, Director of HR and Organisational Development	Yes	Yes	100%
Mary Morgan, Chief Executive	Yes	Yes	100%

2. COMMITTEE ACTIVITIES

- 2.1 Detailed and comprehensive minutes are prepared after each meeting to provide a clear audit trail and as evidence if required by the Scottish Government.
- 2.2 An action register is prepared to manage actions agreed from each Committee meeting and is reviewed at each meeting.
- 2.3 The Committee has a forward programme of business which provides a rolling year plan of decisions and activity. This ensures compliance with the Terms of Reference and ensures the Committee meets its statutory and regulatory commitments.
- 2.4 The Committee discharged its key duties under its Terms of Reference as per the table below:

Item	Description	Evidence
ToRs 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>Standing Items - every meeting:</u> Draft minutes of previous meeting for approval.
TORs (5.1 and 5.2)	5.1 The Remuneration Committee will provide an annual report to the Staff Governance Committee confirming its activities in support over the overarching organisational achievement of the Staff Governance Standards. This report will be timed to support the preparation of the	<u>Standing Items – annual:</u> Annual Report to the NSS Board and Staff Governance Committee. Discussed at meeting held on: 25 June 2025.

Item	Description	Evidence
	<p>Annual Governance Statement within the Annual Report and Accounts.</p> <p>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.</p>	
TORs 5.3	The Committee must submit the approved Consultants' Discretionary Points to the NSS Board annually.	<u>Standing Item – annual</u> Discussed at meeting held on 26 November 2025
TORs 5.4	The Committee must submit the remuneration arrangements for members of the Executive and Senior Management Cohorts to the External Auditor for scrutiny, in accordance with normal audit requirements.	<u>Standing Item – annual</u> Discussed at meetings held 25 June 2025 and 26 November 2025.
TORs 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;	<u>Standing Items:</u> Agenda item for all meetings via update from the Director of HR and Organisational Development. Meetings held: 25 June 2025 and 26 November 2025
TORs 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;	<u>Standing Items:</u> Standing agenda item. The Committee Chair liaises with HR outwith the meeting to approve all appropriate posts per the NSS Standing Financial Instructions. This includes permission to advertise, permission to place on banding etc. Discussed at meeting held on: 25 June 2025 and 26 November 2025
TORs 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.	<u>Standing Items:</u> Agenda item for November and June meetings on an annual basis. Discussed at meetings held on: 25 June 2025 and 26 November 2025
TORs 6.1.4	Consider and approve the assessment of performance at the year-end and any changes made to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period, and ensure onward	<u>Standing Items Annual:</u> Agenda item for June meetings of the Committee.

Item	Description	Evidence
	submission for approval to the National Workforce Performance Management Committee in the required timescales	Discussed at meeting held on: 25 June 2025
TORs 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.	Standing Items Included in relevant reporting to each meeting of the Committee where required.
TORs 6.1.7	To approve all new or additional jobs created for AfC band 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.	Standing Items Agenda item for all meetings of the Committee.
TORs 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.	Standing Items: standing agenda item. The Committee Chair liaises with HR outwith the meeting to approve all appropriate input per the NSS Standing Financial Instructions. Discussed at meetings held on: There were no termination settlements discussed during the period.
TORs 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 points.	Standing Items: A report is provided to the November meeting of the Committee. Discussed at meeting held on: 26 November 2025

3. COMMUNICATION TO BOARD AND STAFF GOVERNANCE COMMITTEE

- 3.1 Through NSS's robust Corporate Governance Framework, any matters of mutual interest in relation to other committees of the Board (particularly Staff Governance) are addressed as necessary, facilitated by the Corporate Governance team.
- 3.2 The minutes of the Committee must be kept confidential because they contain details of named individuals. However, the Remuneration Committee will provide an annual report to the Staff Governance Committee and Board confirming its activities in support over the overarching organisational achievement of the Staff Governance Standards. This report will be timed to support the preparation of the Annual Governance Statement within the Annual Report and Accounts.

4. COMMITTEE'S TERMS OF REFERENCE AND PROCEDURES

- 4.1 The Committees Terms of Reference were reviewed as part of the NSS Corporate Governance Framework requirements and approved by the NSS Board in March of 2025 and were formally adopted by the Committee at the meeting held on 25 June 2025.

The change made was as follows:

- Update to TOR Item 6.1.7 to read: To approve all new or additional jobs created for AfC band 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;'

- 4.2 This report is based on and meets the requirements of the updated Terms of Reference which can be viewed at [this link](#).

5. CONCLUSIONS AND ASSURANCE TO BOARD AND STAFF GOVERNANCE COMMITTEE

- 5.1 The Members of the NSS Remuneration Committee conclude that they have given due consideration to the effectiveness of the systems of control concerning remuneration, performance appraisal and succession planning within NSS and can give assurance to the NSS Board and NSS Staff Governance Committee that they have discharged their responsibilities on behalf of the Board and in line with their remit under the terms of the Standing Orders for NSS.

Ian Cant
Chair of the NSS Remuneration Committee
Via email circulation March 2026

NSS STAFF GOVERNANCE COMMITTEE ANNUAL REPORT 2025/26

1. INTRODUCTION

- 1.1 The purpose of this report is to provide assurance to the Board that NSS complies with the Staff Governance Standard. In addition, this report summarises those matters which were considered and discussed by the Staff Governance Committee. The format for the report reflects the ‘Delegated Functions’ section from the Committee Terms of Reference.
- 1.2 In accordance with the Blueprint for Good governance 2nd Edition, the Committee has a duty to ensure regular evaluation of governance arrangements are carried out and that they are proportionate, flexible and subject to continuous improvement. As such, this report fulfils this duty by undertaking an assessment of the Committees activities and providing both itself and the NSS Board assurance that the principles of good governance are being met.
- 1.3 The Staff Governance Committee, on behalf of the NSS Board, is charged with satisfying itself of NSS’s processes to manage staff effectively and comply with the NHS Scotland Staff Governance Standards. As such, the Committee reviews NSS’s performance in meeting the Standards, which require that staff are:
- Well informed;
 - Appropriately trained and developed;
 - Involved in decisions;
 - Treated fairly and consistently, with dignity and respect, in an environment where diversity is valued;
 - Provided with a continuously improving and safe working environment, promoting the health and well-being of staff, patients and the wider community.
- 1.4 Meetings during 2025/26 were held on the following dates: 3 June 2025, 2 September 2025, 2 December 2025 and 26 February 2026. Seminar sessions were also held on 29 April 2025, 20 June 2025 and 3 February 2026.

2. MEMBERSHIP AND ATTENDANCE

- 2.1 Per the Committee’s Standing Orders, membership comprised of six Non-Executive Directors of the Board, including the Board Chair and Employee Director, and four trade union representatives nominated by the Joint Trade Unions. The Director of HR and Organisational Development (OD) attended as the lead Executive Officer to the Committee, along with the Chief Executive. Other senior staff also attended as required.
- 2.2 Table 1 lists the Committee members (as per the Corporate Governance Framework approved by the NSS Board in March 2025) and the Executive Officers, along with their attendance rate, for the 2025/26 period.

Table 1

	Q1	Q2	Q3	Q4	Actual	Possible	%
Lisa Blackett, Non-Executive Director (Committee Chair)	1	1	1	1	4	4	100%
Ian Cant, Employee Director (Committee Vice-Chair)	1	1	1	1	4	4	100%
Arturo Langa, Non-Executive Director	1	1	1	1	4	4	100%
Beth Lawton, Non-Executive Director	0	1	1	1	3	4	75%
Paul Buchanan, Non-Executive Director	1	1	1	1	4	4	100%
Keith Redpath, NSS Chair	1	1	1	1	4	4	100%
David Allan, Trade Union Representative	1	1	1	0	3	4	75%
Tam Hiddleston, Trade Union Representative	0	0	1	1	2	4	50%
Gerry McAteer, Trade Union Representative	1	1	1	1	4	4	100%
Alex Morrison, Trade Union Representative	1	1	1	1	4	4	100%
Serena Barnatt, Director of HR and OD	1	1	1	1	4	4	100%
Mary Morgan, Chief Executive	0	1	1	1	3	4	75%

3. COMMITTEE ACTIVITIES

- 3.1 Detailed and comprehensive minutes are prepared after each meeting to provide a clear audit trail and as evidence if required by the Scottish Government. An action register is also prepared to manage the agreed actions arising from the Committee's discussions, which is then reviewed at each meeting
- 3.2 The Committee has a forward programme of business which provides a rolling year plan of decisions and activity. This ensures compliance with the Terms of Reference and ensures the Committee meets its statutory and regulatory commitments.
- 3.3 The Committee discharged its key duties under its Terms of Reference as per Table 2 below.

Table 2

Item	Description	Evidence
ToRs (6.1.1)	Ensure an effective system of Governance and oversight for the management, safety and welfare of the workforce including a strategic workforce planning strategy.	<p>Standing Items – every meeting: People Report; Partnership Forum Update; Great Place To Work (GPTW) Plan Quarterly Report; JLNC Brief.</p> <p>Standing Items – annual: Great Place to Work Plan 2025/26 (3 June 2025); Draft Great Place To Work Plan 2026/27 (26 February 2026).</p> <p>Additional evidence: Workforce Planning 5-Pillars Action Plan and strategic workforce projections (2 September 2025).</p>

Item	Description	Evidence
ToRs (6.1.2)	Oversee the development of frameworks which ensure delivery of the Staff Governance Standard.	<p><u>Standing Items – every meeting:</u> People Report; Partnership Forum Update; GPTW Plan Quarterly Report.</p> <p><u>Standing Items – annual:</u> Great Place to Work Plan 2025/26; Staff Governance Monitoring Return (3 June 2025 and 2 December 2025).</p> <p><u>Individual Items:</u> Refreshed Equality Impact Assessment (EQIA) Process (3 June 2025); Spiritual Care Policy (2 September 2025); Prevent Policy (2 December 2025); Reserve Forces Training & Mobilisation Policy (2 December 2025); Induction Policy (2 December 2025).</p>
ToRs (6.1.3)	Review evidence of attainment and maintenance of the Staff Governance Standard through the Great Place to Work Plan (Staff Governance Action Plan). Where there is evidence of shortfalls the Staff Governance Committee will ensure causes are identified and remedial action recommended.	<p><u>Standing Items – every meeting:</u> People Report; Partnership Forum Update; GPTW Plan Quarterly Report; JLNC Brief.</p> <p><u>Standing Items – annual:</u> Great Place to Work Plan 2024/25 year-end (3 June 2025); iMatter Results (2 September 2025); Staff Governance Monitoring Return (3 June and 2 December 2025); Draft Great Place To Work Plan 2026/27 (26 February 2026).</p>
ToRs (6.1.4)	Oversee the development and monitoring of all organisational policy related to workforce ensuring compliance with National Workforce Policies.	<p><u>Standing Items – every meeting:</u> People Report; Partnership Forum Update; JLNC Brief.</p> <p><u>Individual Items:</u> Revision of NSS Escalation Guiding Principles to include Real Time Staffing Assessment (RTS) (2 September 2025); Once For Scotland Workforce Policies Phase 2.2 (2 December 2025); Uniform & Appearance Policy (2 December 2025).</p>
ToRs (6.1.5)	Approve any policy amendment, funding or resource submission to achieve the Staff Governance Standard, providing support as required to drive forward.	<p><u>Individual Items:</u> RTS Escalation Guiding Principles revision (2 September 2025); Talent Management & Succession Planning (2 December 2025); NSS iMatter Focus Groups (2 December 2025); Induction Policy (2 December 2025); Prevent Policy (2 December 2025).</p>

Item	Description	Evidence
ToRs (6.1.6)	Agree detailed and timely staff governance data reporting standards ensuring information supports NSS operations and national monitoring.	<p><u>Standing Items – every meeting:</u> People Report.</p> <p><u>Standing Items – annual:</u> Equal Pay Gap Report & Statement (3 June 2025); Great Place to Work Plan 2024/25 year-end (3 June 2025); Staff Governance Monitoring Return (3 June & 2 December 2025); NSS iMatter Results (2 September 2025); NSS Workforce Plan (2 September 2025); Great Place To Work Plan 2026/27 (26 February 2026); Public Sector Equality Duty Reporting (26 February 2026).</p>
ToRs (6.1.7)	Provide staff governance information for the Statement of Internal Control.	Information provided outwith meetings as part of preparing the NSS Annual Report and Accounts.
ToRs (6.1.8)	Review quarterly staff risks contained in the NSS Corporate Risk Register.	<u>Standing Items – every meeting:</u> Staff Risks Report (Quarterly reviews across 2025/26).
ToRs (6.1.9)	Review quarterly the NSS complaints report in the context of staff risk.	<u>Standing Items – every meeting:</u> People Report (includes complaints and case management).
ToRs (6.1.10)	Oversee the NSS values programme ensuring that values are embedded.	<p><u>Standing Items – every meeting:</u> People Report; Partnership Forum Update; JLNC Brief.</p> <p><u>Standing Items – annual:</u> Equal Pay Gap Report & Statement (3 June 2025); GPTW Year-End (3 June 2025); Staff Governance Monitoring Return (3 June 2025); iMatter Results (2 September 2025); Great Place to Work Plan 2026/27 (26 February 2026).</p>
ToRs (6.1.11)	Review Quarterly and Annual Whistleblowing Reports.	<p><u>Standing Items – every meeting:</u> Whistleblowing Quarterly Report.</p> <p>Standing Items – annual: Whistleblowing Annual Report (3 June 2025).</p>
ToRs (6.1.12)	Provide assurance that systems and procedures are in place to manage the issues set out in MEL (1993) 114 (amended).	<p><u>Standing Items – every meeting:</u> People Report; Partnership Forum Update. JLNC Brief.</p> <p><u>Standing Items – annual:</u> Staff Governance Monitoring Return (3 June 2025); Great Place to Work Plan 2025/26 (3 June 2025); Great Place to Work Plan 2024/25 year-end (3 June 2025); Equal Pay Gap Report & Statement (3 June 2025); NSS iMatter Results (2 September 2025); Great Place to Work Plan 2026/27 (26 February 2026).</p>

Item	Description	Evidence
ToRs (6.1.13)	Review and monitor the approach to Equality, Diversity, Inclusion and Human Rights, including approval of PSED publications	Individual Items: Public Sector Equality Duty Reporting (per ToR and planning for 30 April 2025 cycle); EQIA Refresh (3 June 2025); iMatter National Staff Experience Survey Results 2025 (2 December 2025).

Additional Highlights

- 3.2 Over the course of the year, the seminar sessions covered the following topics:
- Health and Safety;
 - Public Inquiries; and
 - Staff Networks

Health & Wellbeing Award of the Year – Hr NETWORK National Awards 2025

- 3.3 In confirmation of the excellent achievements and commitment to quality improvement seen in the work presented through the Staff Governance Committee, members celebrated NSS's receipt of the Health & Wellbeing Award of the Year at the Hr NETWORK National Awards 2025, held in Glasgow on 13 November 2025. This award recognises NSS's strong commitment to creating a supportive, healthy workplace, with specific praise given to National Procurement, NHS Scotland Assure, and the Occupational Health, Safety and Wellbeing teams.

Relationships with other Board Committees

- 3.4 The Committee continues to recognise the overlap in its responsibilities in respect of certain matters with those of the other NSS Standing Committees. Through NSS's robust Corporate Governance Framework, any matters of mutual interest in relation to other committees of the Board (particularly Clinical Governance or Audit and Risk) are addressed as necessary, facilitated by the Corporate Governance team.

4. CONCLUSIONS AND ASSURANCE TO BOARD

- 4.1 The NSS Staff Governance Committee concludes that NSS has effective processes in place to manage staff efficiently and to comply with the Staff Governance Standards. Therefore, the Committee can provide assurance to the Board that it has fulfilled its monitoring responsibilities and will continue to do so through the governance arrangements in place.

Lisa Blackett
NSS Staff Governance Committee Chair
March 2026

NHS National Services Scotland (NSS)

Meeting:	NSS Board
Meeting date:	Friday 20th March 2026
Title:	Financial Performance: Feb 2026 (M11 2025/26)
Paper Number:	B/26/06
Responsible Executive/Non-Executive:	Carolyn Low, Director of Finance, Corporate Governance and Legal Services
Report Author:	Ana Vercosa, Head of Business Finance Andy McLean, Deputy Director of Finance (Reviewed by: Carolyn Low, Director of Finance, Corporate Governance and Legal Services)

1. Purpose

- 1.1 This paper is presented for scrutiny.
- 1.2 The paper provides the Board with the detailed financial position for NSS as at 28 February 2026.

2. Recommendation

- 2.1 As Responsible Executive I am assured that statutory financial targets, financial policies, and financial management arrangements are being appropriately progressed, managed, and escalated as necessary through established NHS Scotland and NSS processes, with learning being identified and improvements implemented.
- 2.2 It is recommended that the Board scrutinise the report, noting the current financial performance and the required actions to ensure NSS achieves all statutory financial targets for FY25/26.

3. Executive Summary

- 3.1 At Month 11, NSS remains on track to fully achieve all statutory financial targets for FY25/26. This position reflects strong in-year financial control and active corporate oversight. However, the improved outturn is largely driven by non-recurrent factors, increasing the level of financial challenge as the organisation enters FY26/27.

Revenue

- 3.2 The reported underspend of £12.1m includes a £5.1m underspend within hosted funds, primarily driven by a £3.8m underspend in National Services Division [NSD]

(Foxgrove). This position reflects both timing and delivery factors and follows the return of £4.5m to Boards in respect of agreed risk-share arrangements during February. The remaining underspend was anticipated and previously communicated and is being retained to offset potential in-year risks.

- 3.3 The core Year-to-Date [YTD] underspend of £6.6m is predominantly vacancy-driven across services, including a £1.3m surplus within Primary and Community Care [PaCC]. While £0.7m of this surplus has already been committed to agreed investment proposals, sustained workforce vacancies continue to underpin the in-year financial position.
- 3.4 The forecast outturn assumes that the NSD budget will break even, with the current underspend available to mitigate financial risk should cost pressures materialise. If those pressures do not arise, NSD is expected to deliver a non-recurrent underspend of up to £3.7m, with surplus funding returned to SG Finance in line with agreed governance. The latest NSD financial position will be discussed at Corporate Finance Network on 18th March.
- 3.5 The year-end forecast also includes a core trading surplus of £4.1m, which forms part of wider reserves modelling overseen by Corporate Finance. This reflects a prudent approach to managing known and emerging risks but further reinforces the non-recurrent nature of the improved in-year position.
- 3.6 NSS remains on track to achieve the 3% Cash-Releasing Efficiency Savings [CRES] target. However, services are required to maximise the recurrent nature of efficiencies wherever possible. This was a key focus of the Integrated Service Planning process and was reinforced through discussions at the Executive Management Team [EMT] Budget Summit in December 2025.

Capital

- 3.7 The capital programme reports a £0.2m YTD overspend and a £0.3m forecast surplus, driven by programme slippage and phasing changes. YTD delivery remains low at 35%, and with extremely limited carry-forward flexibility, accelerated delivery and close executive oversight are required to avoid lost investment opportunity. £10.2m spend needs to be committed during the remaining month of the Financial Year. The balance to be committed also includes advance spend decisions made recently in terms of the Data Centre relocation. Nevertheless, the overall position will be kept under close review.
- 3.8 The full, detailed M11 report can be found in Appendix 1 “FY25/26 M11 Financial Report”

4. Impact Analysis

4.1 Quality and Value

- 4.1.1 All expenditure prioritisation decisions have been focused on improving the quality and value of the services we deliver. Benefits management on an ongoing basis will demonstrate whether that aim has been achieved.

4.2 Equality and Diversity, including health inequalities.

- 4.2.1 Given this is a performance report, an Equality Impact Assessment screen and/or full assessment is not required.

4.3 Data protection and information governance

- 4.3.1 There is no impact on Data Protection in this report.

5. Risk Assessment/Management

- 5.1 The NSS Board approved the FY25/26 Financial Plan with a defined risk appetite and agreed mitigations. While overall financial risk has reduced since earlier in the year, key residual risks remain.

Workforce and Pay:

- 5.2 Pay underspends continue to materially support the in-year position. This includes programmes which have slipped as well as vacant posts which are being actively recruited to but not yet filled. Crucially, the pay underspend has not adversely impacted on non-financial performance.

SG Allocations

- 5.3 NSS has now received **£261.4m (94% excluding £52m Scottish Infected Blood Support Scheme [SIBSS])** of total Scottish Government [SG] funding, with £3.9m of remaining allocations currently marked amber/red. £3.8m will be confirmed at year end when a final outturn position is available. **Directorates must continue to review outstanding allocations and formally confirm expected amounts with sponsors to protect the final outturn and the FY26/27 opening position.**

SG Testing Budget

- 5.4 A surge in volume and spend Q3 increased the financial risk to NSS and it is now estimated that this will be c£0.7m. No additional funding is available in 25/26 and NSS and SG are considering options to mitigate future year pressures. **For 2026/27, SG has been working with National Procurement [NP] and is leading discussions with Boards around proposals to baseline this funding moving forward. An update will be discussed at the Corporate Finance Network [CFN] on 18 March 2026.**

Payroll Refactoring

- 5.5 There is a risk around Virtual Machine Environment [VME] with reliance on ATOS to ensure staff across NHS Scotland continue to be paid accurately, and on time. Existing arrangements will be extended to provide business continuity and resilience at significant cost for NHS Scotland, with work to move payroll off the VME concluding in May 2026. **The full cost has been confirmed via ATOS. Discussions have taken place with Directors of Finance [DOFs] to ensure relevant provision is made in Financial Plans to ensure this cost pressure is addressed and managed in FY25/26 and FY26/27.**

Capital Funding

- 5.6 The significant increase in capital funding since budget approval brings delivery challenges, with a requirement to commit funds by 31 March 2026. Low YTD delivery and limited carry-forward flexibility increase the risk of lost investment opportunity without accelerated delivery and active executive oversight. While spend is planned and phased (including advance spend decisions), **there is a risk of further slippage**, and Directorates must actively review options to accelerate delivery and avoid missed opportunities.

Public Services Delivery Scotland (PSD Scotland)

- 5.7 No additional budget has been allocated by SG to cover any additional costs arising from work to establish PSD Scotland. Teams from across NSS, particularly in corporate functions have supported enabling work underway. This has required some reprioritisation of workload, but limited additional costs have been incurred. Funding

has been transferred from reserves to Programme Management Services [PgMS] to meet the cost of their support of the programme, to both SG and to NSS and NHS Education for Scotland workstream actions.

- 5.8 In terms of NSS' Financial Sustainability, the formal Corporate Risk that was previously "Red" has been downgraded to "Amber" to reflect the mitigations that are in place. However, the continued reliance on non-recurrent factors increases medium-term financial challenge.
- 5.9 As per previous years, the capacity of our workforce has been a constraining factor in our ability to undertake additional commissions or to support additional project delivery. The demand from and importance of PSD Scotland set up has meant that our scarce capacity has been prioritised away from other areas of work despite funds being available.

6. Financial Implications

- 6.1 At Month 11, NSS is projecting to fully achieve all statutory financial targets for FY25/26. However, the improved in-year position is largely driven by non-recurrent factors, increasing the level of financial challenge as the organisation enters FY26/27.

NSS Targets	YTD Budget	YTD Actuals	Variance	FY Budget	FY Forecast	Variance	Target
	£'000	£'000	£'000	£'000	£'000	£'000	
Revenue Total	0	(12,055)	12,055	-	-	0	
Revenue Income	(1,078,067)	(1,085,758)	7,691	(1,213,218)	(1,216,656)	3,438	Breakeven
Revenue Costs	1,078,067	1,073,703	4,363	1,213,218	1,216,656	(3,438)	
CRES Total	10,208	10,488	280	12,856	13,133	277	
NSS (exc NSD) CRES	7,250	7,500	250	9,612	9,858	246	3% Recurring
NSD CRES	2,958	2,989	31	3,244	3,275	31	
Direct Capital Total	-	(177)	177	-	(315)	315	
Capital Income	(5,451)	(5,451)	-	(15,600)	(15,600)	-	Breakeven
Capital Costs	5,451	5,274	177	15,600	15,285	(315)	

7. Workforce Implications

- 7.1 As per Risk Section, if funding is agreed for new projects in year, the capacity of our existing workforce to deliver is a critical consideration.

8. Climate Change and Environmental Sustainability Implications

- 8.1 There are no direct climate change or environmental sustainability implications arising from this report.

9. Route to Meeting

- 9.1 The financial position at a Directorate level is reviewed and agreed between Directors and Finance Business Controllers, then a consolidated position produced for EMT. Actions agreed will be managed collectively by EMT.
- 9.2 The February financial position was discussed by EMT at its meeting on 16th March.

10. List of Appendices and/or Background Papers

- 10.1 The following appendices are included with this report: Appendix No 1: 2025/26 M11 Finance Report (February 2026)



NSS Financial Performance

Feb-26

NHS National Service Scotland Board

Financial Performance – Feb-26

Executive Summary

NSS Targets	YTD Budget	YTD Actuals	Variance	FY Budget	FY Forecast	Variance	Target
	£'000	£'000	£'000	£'000	£'000	£'000	
Revenue Total	0	(12,055)	12,055	-	-	0	
Revenue Income	(1,078,067)	(1,085,758)	7,691	(1,213,218)	(1,216,656)	3,438	Breakeven
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Direct Capital Total	-	(177)	177	-	(315)	315	Breakeven
Capital Income	(5,451)	(5,451)	-	(15,600)	(15,600)	-	
Capital Costs	5,451	5,274	177	15,600	15,285	(315)	

Performance Summary - Revenue

NSS remains on track to achieve all statutory financial targets in FY25/26, with financial positions now largely firmed up. However, the improved in-year position is largely driven by non-recurrent factors, including workforce underspends, hosted fund slippage and delayed programme delivery.

Revenue (£12m underspend and breakeven forecast)

The YTD revenue underspend is driven primarily by hosted fund surpluses (including NSD and Digital Project slippage) and workforce underspends in core budgets.

NSS has received £261M of SG allocations, with only £0.2m remaining at risk. Business Finance continues to scenario-plan for key risks and opportunities.

CRES NSS remains on track to over-deliver the 3% CRES requirement. Directorates must continue to prioritise the conversion of non-recurrent savings into sustainable, recurring opportunities to support financial balance in FY26/27 and beyond.

Capital (£0.2m overspend and £0.3m surplus forecast)

The capital position shows a small YTD overspend of £0.2M and a forecast surplus of £0.3M, driven by slippage in the SNBTS garage fit-out and changes to programme phasing. However, YTD delivery remains low at 35%, and with limited carry-forward flexibility, accelerated delivery and close executive oversight is required to mitigate the risk of lost investment opportunity.

Key Messages

Across NHS Scotland, significant deficit pressures remain (£210M at M9), although a national-level improvement of at least £45M is expected.

NSS remains in balance and sustained grip and control and delivery of recurring savings are critical as we move into FY26/27 and Public Services Delivery Scotland (PSD Scotland).

As we enter the final stage of the year, Directorates must finalise forecasts and maintain strong control over accruals, allocations, capital delivery and hosted fund positions to secure a clean close and protect the FY26/27 opening budget.

NHS National Service Scotland Board

Financial Performance – Feb-26

Executive Summary

Risks and Issues

Change in Risk – Post Board Approval of Financial Plan

Capital - Capital delivery remains a key risk, with year-to-date spend at only 35% and ongoing slippage across major programmes, including SNBTS and NHS Assure. Although a small forecast surplus is currently reported, carry-forward flexibility is extremely limited, and there is a risk that delayed delivery could translate into lost investment opportunity or increased pressure in future years without accelerated activity and close executive oversight..

Pay – Pay underspends continue to support the in-year financial position. Agency spend continues to reduce in line with SG expectations. Despite workforce gaps across several Directorates, delivery of NSS ADP against target has not been impacted.. The dis-establishment of budgeted posts no longer required has been a focus for services during the Integrated Planning process, to convert non-recurring pay underspend into recurring CRES.

Hosted Funds - Hosted funds continue to drive significant in-year underspends, particularly within NSD and DaS, largely due to programme delays, risk-share arrangements, and slippage in delivery (including Foxgrove). While these surpluses are being managed at an SG level, they are non-recurrent benefits and will unwind in future years, exposing underlying structural pressures and increasing reliance on sustainable savings and funding solutions.

SG Allocations – While allocation risk has reduced significantly since earlier in the year, a small number of material amber and red allocations remain outstanding and require confirmation. Delays in allocation clarity increase volatility in the final outturn and create risk to the opening budget position for FY26/27 if not resolved promptly.

SG Testing budget - budget pressures remain (c0.7m) and no additional funding is available in 25/26. However, SG has been working with NP and is leading discussions with Boards around proposal to base this funding in 26/27.

PSD Scotland - As in previous years, workforce capacity will constrain the extent to which NSS can take on more programmes of work. Given the importance of PSD and competing pressures across services, prioritisation and disciplined resource allocation remain essential.

Financial Sustainability: The improved overall position is still heavily reliant on non-recurrent factors, including workforce underspends, delayed programme delivery, capital slippage, and hosted fund surpluses. While this strengthens the in-year outturn, it increases the level of risk and challenge in maintaining financial balance in the medium term without accelerated service redesign, delivery of recurring CRES and timely resolution of underlying cost pressures.

NHS National Service Scotland Board

Financial Performance – Feb-26

Operational Performance: Directorate Summary

Financial Performance (£'000) - Outturn vs Plan									
	Revenue Outturn						Other Financial Targets		
	YTD Actual vs Budget			FY Forecast vs Budget					
Dir	Core	Hosted Funds	Total	Core	Hosted Funds	Total	FY CRES VAR	YTD Capital VAR	FY Capital VAR
NHS Assure	468	n/a	468	(262)	n/a	(262)	-	35	556
NSD	n/a	3,766	3,766	n/a	0	0	31	-	(42)
SNBTS	(170)	n/a	(170)	354	n/a	354	-	435	(175)
DaS	1,323	1,057	2,380	107	842	949	-	(206)	(109)
FCGLS	48	0	48	20	-	20	-	n/a	n/a
SPST	(89)	n/a	(89)	0	n/a	0	-	n/a	n/a
HR	652	n/a	652	519	n/a	519	-	n/a	n/a
Clinical	1,066	-	1,066	713	n/a	713	0	n/a	n/a
NP	495	592	1,087	144	408	551	-	(1)	-
PaCC	1,257	n/a	1,257	691	n/a	691	245	(85)	-
Subtotal	5,050	5,416	10,465	2,285	1,250	3,536	276	177	230
Reserves	1,590	-	1,590	(2,285)	(1,250)	(3,536)	-	-	85
Total	6,639	5,416	12,055	-	-	-	276	177	315

Performance Summary by Directorate

The table summarises the financial performance by Directorate across Revenue, CRES and Capital.

The overall position stays broadly consistent with M10.

The following slides provide more analysis of key variances and the actions required by Directorates to support delivery in the final quarter.

It should be noted that this is a Finance Report – and focusses on financial performance.

Finance has sought to assess the financial performance in the context of service delivery / excellence and workforce. We do not have all the data to interpret and present a complete picture of integrated performance at a service level, but we are committed to doing this by supporting and influencing across NSS.

Services should continue to review financial performance in conjunction with other, separate performance reports to ensure focus and proper action.

	Summary of Position	Actions Required
NHS Assure	<p>Revenue core: robust vacancy management controls driving the YTD u/s, partially offset by additional PgMS support and Public Enquiry legal fees. The FY forecast has deteriorated to a £0.3M deficit due to emerging property pressures, particularly Forresterhill.</p> <p>Capital: Slippage in SNBTS garage will be utilise to offset other capital pressures.</p> <p>CRES: on track</p> <p>Approved Investment Projects: on track</p>	<p>Review all areas to better inform the year end position.</p> <p>Review the capital position and confirm forecast.</p>
NSD	<p>Revenue hosted funds: YTD u/s driven by delays in fully opening Foxgrove, non-recurrent vacancies offset by pressures in screening. It is highly likely that the underspend at year end will be c£3.8m.</p> <p>Capital: on track.</p> <p>CRES: on track.</p>	<p>The current u/s is largely non-recurrent and is expected to unwind from 26/27, exposing underlying cost pressures. NSD must develop strong CRES delivery and service redesign to maintain financial balance.</p>
SNBTS	<p>Revenue core: Continues to forecast u/s driven by delays in implementing the IBI programme.</p> <p>Capital: forecast includes freezer replacement which can be funded from slippage in other programmes</p> <p>CRES: On track.</p>	<p>YTD position is being offset by strong recurring income. SNBTS should focus on resolving the underlying pressures to ensure financial sustainability in the medium and long term.</p>
DaS	<p>Revenue core: surplus driven by vacancies across multiple teams and lower hosting costs, with an underlying risk to full cost recovery if recharges are not kept up to date.</p> <p>Revenue hosted funds: position being reviewed and managed with SG</p> <p>Capital: on track.</p> <p>CRES: on track.</p>	<p>Finalise and validate DaS recharges to ensure an accurate year-end position for DaS and customers.</p>
FCGLS	<p>Revenue core: u/s continues to be driven by vacancies, with current pay underspends offsetting emerging non-pay pressures.</p> <p>Revenue hosted funds: on track.</p> <p>CRES: on track with delivery achieved through vacancy-related u/s.</p> <p>Approved Investment Projects: CFS fully staffed;</p>	<p>Finalise recharge settlement for Payroll and CLO.</p>

Operational Performance: Directorate Summary(2)

	Summary of Position	Actions Required
SPST	<p>Revenue core: YTD deficit driven entirely by PGMS with FY position still expected to return to a b/e position. CRES: on track</p>	<p>Continue to identify opportunities for future CRES. Focus on ensuring invoicing is up to date.</p>
HR	<p>Revenue core: u/s driven by vacancies above plan. CRES: on track. Approved Investment Projects: on track.</p>	<p>Continue to progress recruitment and ensure SLA invoicing is complete.</p>
Clinical	<p>Revenue core: u/s driven by temporary vacancies in SCN with recruitment underway. CRES: on track</p>	<p>With outturn and targets on track, business to focus on year end activities.</p>
NP	<p>Revenue core: Variances driven by phasing and vacancies. Hosted funds: YTD u/s due to non-pay phasing; b/e forecast. CRES: on track.</p>	<p>NP have plans in place to remove testing kit risk, with activity being transferred to Boards. This is still to be agreed by Boards.</p>
PaCC	<p>Revenue core: continue to forecast u/s driven by vacancies across the service within Service Delivery as well as improved automation. CRES: on track Capital: on track Approved Investment Projects: further slippage in NITC.</p>	<p>Delivery of in year projects and BAU and consider further opportunities to utilise remaining in-year surplus. Ensure CRES delivery by resolve. Correct pay/hierarchy errors to enable governance.</p>

NHS National Service Scotland Board

Financial Performance – Feb-26

Revenue Analysis – Pay Deep Dive (£'000)

RAG



Directorate	YTD Budget	25-26 Actuals					Budget vs Actual	Budget vs Actual (NSS Core)	Budget vs Actual (Hosted Funds)	PY YTD Spend	25/26 vs 24/25
		Pay	Overtime & Enhanced Pay	Secondee Costs, Income and recharges	Agency	YTD Actual					
SNBTS	52,682	50,724	1,416	333	30	52,502	180	180	48,442	(4,061)	
DaS	33,566	32,925	62	(1,887)	338	31,437	2,128	1,503	30,812	(626)	
FCGLS	25,257	24,040	151	214	-	24,405	852	795	22,537	(1,868)	
NP	22,757	20,307	971	(23)	1,396	22,650	107	239	21,593	(1,057)	
NHSS Assure	20,982	18,771	88	(76)	59	18,842	2,140	2,140	18,424	(418)	
PACC	19,705	18,338	185	17	57	18,597	1,108	1,108	17,801	(795)	
SPST	4,672	13,253	13	(8,482)	157	4,941	(269)	(269)	6,755	1,815	
NSD	8,311	7,172	0	(269)	-	6,880	1,431	1,431	7,067	186	
HR	5,593	5,537	1	(230)	24	5,332	261	261	4,715	(617)	
Clinical	6,059	5,521	4	(140)	22	5,431	628	628	3,674	(1,757)	
Redeployment	317	247	-	(224)	-	23	294	294	88	65	
Total	199,901	196,834	2,890	(10,766)	2,082	191,040	8,861	6,880	181,908	(9,132)	
% Total Spend		103%	2%	-6%	1%						
PY Spend	189,340	183,260	2,945	(8,103)	3,806	181,908	7,432				

Position Summary:

Pay expenditure at M11 shows a £8.9m YTD underspend against budget, driven primarily by vacancies and programme slippage rather than permanent efficiency. Several Directorates underspent their pay budgets and this was known and managed within the overall organisation funding envelope. Agency spend is declining and expected to cease in most areas by March as per 15 Box Grid requirements. NSS has managed its redeployment register effectively during the year, ensuring displaced staff were supported into alternative roles within the organisation

NHS National Service Scotland Board

Financial Performance – Feb-26

Services delivered on behalf of NHS Scotland

RAG



The adjacent table outlines the financial performance of services which NSS manages on behalf of NHS Scotland.

National programmes delivered by NSS are reporting a combined year-to-date underspend of £5.2M.

These underspends are driven primarily by non-recurrent factors, including programme slippage, delayed delivery and risk-share arrangements, particularly within NSD and DaS, and are being managed at a SG level.

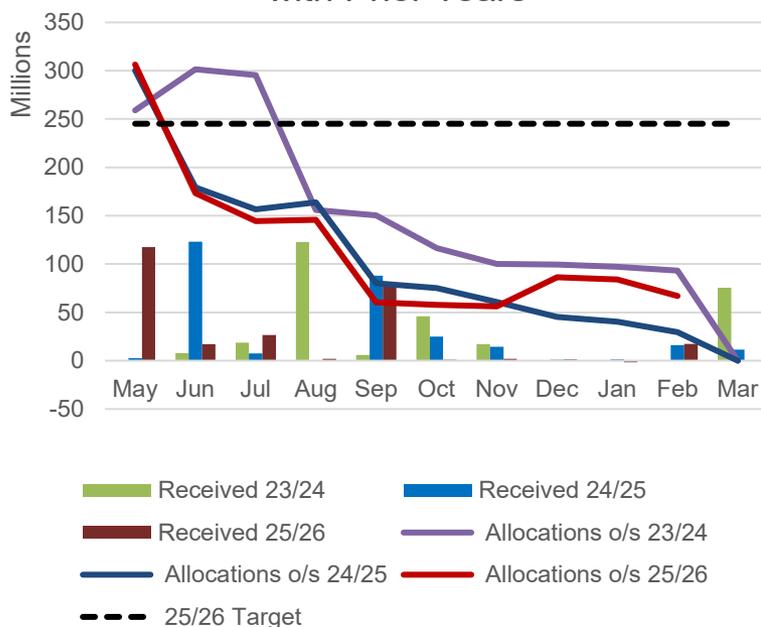
NSD is forecasting a non-recurrent underspend driven largely by slippage in programme delivery, including Foxgrove. £4.5M has already been returned to Boards, with a further £3.7M underspend anticipated due to delays in fully resourcing Foxgrove.

While this strengthens the in-year position, it will unwind in future years and increases the challenge of maintaining financial balance without strong CRES delivery, service redesign and additional funding for Screening.

DaS is forecasting a surplus position at year-end due to delays in programme delivery. Surplus funding will be managed at a SG level, and accurate recharge and phasing management remains critical to ensuring a robust year-end position.

Hosted Funds	FY Bud	FY Var	YTD Act	YTD Var	% Budget Spent
CHI	4,967	55	4,091	2	82%
O365	66,062	87	61,202	0	93%
eRoosting	3,107	(185)	3,082	0	99%
eHealth	33,542	2,453	28,293	0	84%
ATOS	45,882	(983)	35,865	0	78%
SWAN Reprourement	2,221	(1,934)	2,734	141	123%
EESS National Systems	2,093	3	1,736	0	83%
Cyber Security Centre	5,666	300	4,638	0	82%
PAC's	7,282	(264)	1,202	0	17%
GP IT	10,175	456	8,008	0	79%
CEPAS	309	(26)	181	0	58%
SNOMED	950	54	805	0	85%
Covid/Flu Vaccinations	8,175	986	5,210	700	64%
PCDIP	1,192	56	738	(1)	62%
DaS Total	191,624	1,058	157,783	842	82%
NDC	245,699	408	224,312	592	91%
NSD	359,221	0	326,199	3,766	91%
SIBSS	65,660	0	56,046	0	85%
NSS Total	862,204	1,466	764,339	5,201	89%

Allocations Received Comparison with Prior Years



SG Allocations – Outstanding

As at M11, NSS has **received £261.4M of SG allocations**. Excluding the outstanding SIBSS allocation (£52M), **this represents 94% of expected funding received to date**.

Allocation risk has reduced significantly since earlier in the year, however, a small number of material allocations (**£3.9M**) remain **amber or red and require confirmation with SG**.

The remaining risk is concentrated within a limited number of areas, primarily within DaS, and relates to funding where allocations will be confirmed once a more accurate forecast is available.

Directorates must continue to actively manage these allocations to minimise volatility in the final outturn.

As we move into the new financial year, NSS must continue to work closely with SG to secure confirmation of all planned allocations, while also reviewing funding models to ensure that recurring costs are appropriately supported by recurring allocations.

The table below summarises allocations that are potentially at risk.

Directorate	Green	Amber	Red	Total	Comment
NSD	1,429	-	-	1,429	
NHSS Assure	2,644	-	-	2,644	
NP	11,382	-	-	11,392	
DaS	(1,093)	3,794	-	3,541	Amber: Robscot £10k and PACS Re provisioning £3.784m
SPST	20	-	-	20	
Reserves	(3,093)	-	-	(3,272)	Credit allocation being revenue to capital transfer.
SNBTS	(213)	-	-	(213)	Credit revenue to capital.
Clinical	-	-	159	159	Red: Scan for Safety Programme Management allocation (£0.2M)
FCGLS	51,687	-	-	51,687	
Total	62,666	3,794	159	66,889	

		Starting CRES Budget	YTD Achieved			Forecast by Risk Level			Total CRES Forecast
			Recurring	Non-Recurring	Non-recurring Measures	Low	Medium	High	
Clinical	Clinical	101	55	41	-	5	-	-	101
DaS	DAS	945	509	358	-	79	-	-	945
Finance	FCGLS	1,108	547	468	-	77	15	-	1,108
HR	HR	145	46	87	-	12	-	-	145
NHS Assurance	NHSAssure	1,732	1,640	18	-	-	74	-	1,732
NP	NP	1,085	583	48	-	455	-	-	1,085
PSD	PaCC	1,462	1,042	536	-	129	-	-	1,707
Reserves	Reserves	1,380	-	-	-	1,380	-	-	1,380
SNBTS	SNBTS	539	470	-	-	28	41	-	539
SPST	SPST	1,115	1,052	-	-	63	-	-	1,115
NSD	NSD	3,244	1,777	1,212	-	50	236	-	3,275
NSS Total		12,856	7,720	2,768	-	2,278	367	-	13,133



NSS CRES Performance Summary

The NSS CRES target for 2025/26 is £12.9M (3% of baseline budget). As of M11, £10.5M has been delivered, and NSS continues to forecast overachievement of target. This overachievement is driven by additional efficiencies identified within PaCC, supported by investments made this year.

However, a proportion of delivery remains supported by non-recurrent measures, including workforce underspends. Directorates should continue to focus on converting non-recurrent savings into recurrent opportunities. Finance will actively support this through monthly reviews and pipeline development.

NSD CRES

CRES achieved within NSD will be retained to manage service pressures. A new governance process has been introduced to oversee this approach and will be incorporated into the overall NSS CRES framework once embedded.

NHS National Service Scotland Board
Financial Performance – Feb-26
Capital Programme Delivery – Plan (£'000)

RAG



Directorate	YTD			FY			YTD Actual as % of FY
	Budget	Actual	Var	Budget	Forecast	Var	
DaS	1,347	1,553	(206)	4,540	4,649	(109)	33%
NHS Assure	1,883	1,848	35	6,386	5,830	556	32%
NP	-	1	(1)	29	29	-	3%
NSD	-	-	-	1,102	1,144	(42)	0%
SNBTS	2,205	1,770	435	3,182	3,357	(175)	53%
PACC	16	102	(85)	123	123	-	83%
Reserves	-	-	-	237	152	85	0%
Grand Total	5,451	5,274	177	15,600	15,285	315	35%

FY25/26 Capital

At the close of M11, NSS is reporting capital spend £0.2M below plan, with a forecast £0.3M surplus against SG capital funding, driven primarily by slippage in the SNBTS garage fit-out and programme phasing changes. While a breakeven position continues to be forecast against the capital formula allocation, supported by a £0.2M contingency, year-to-date delivery remains low at 35%, and carry-forward flexibility is extremely limited. Accelerated delivery and close executive oversight are therefore required to mitigate the risk of lost investment opportunity.

NHS National Services Scotland

Meeting:	NSS Board
Meeting date:	Friday, 20 March 2025
Title:	Integrated Performance Report: Quarter 3 2025/26 & February 2026
Paper Number:	B/26/07
Responsible Executive/Non-Executive:	Lee Neary, Director of Primary & Community Care, Strategy, Performance and Service Transformation
Report Author:	Caroline McDermott, Head of Planning; NSS Planning Team and Corporate and Directorate Planning Leads

1. Purpose

- 1.1 The Integrated Performance Report (IPR) summarises NSS service excellence, finance, people, and environmental performance at the end of quarter 3, 2025/26, where the data is quarterly and to February 2026, for monthly data, in order to provide the latest information available to the Board.

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 quarter 3, 2025/26 and up to February 2026, providing the latest information available.

3. Executive Summary

- 3.1 The report assesses performance during quarter 3 2025/26 – October to December 2025 and provides monthly information to February 2026, where applicable.
- 3.2 NSS performance is variable, as shown in the period to date:
- 89% completion of Annual Delivery Plan (ADP) deliverables. 38 deliverables are on track with 9% (4 deliverables) behind schedule and 2% (1 deliverable) unlikely to be achieved.
 - On track to meet all statutory financial targets including cash releasing efficiency savings targets.
 - Sickness absence is at 4.39%, slightly above the NHS Scotland 4% standard. Turnover is lower than expected, however the appraisal, objective setting and personal development planning targets have not been achieved.
 - Between Q3 for 2024/25 and Q3 for 2025/26, there has been a reduction in all indicators relating to waste, fleet fuel emissions, gas, electricity and water usage.
- 3.3 The aim of the report is to give a more complete picture of performance.
- Information which is quarterly is provided to the end of the previous quarter with monthly information being provided to February 2026.
 - All assurance indicators use the 4-question approach for improvement.
 - All indicators are mapped to strategic and corporate risks.
 - It provides a forward look to the next quarter.

4. Impact Analysis

4.1 Quality and Value

The Clinical Governance Committee provides oversight for all quality and patient care performance. The Integrated Performance Report provides an assessment of the effectiveness of our performance against our strategic objectives.

4.2 Equality and Diversity, including health inequalities

There are no specific issues arising from this performance paper.

4.3 Data protection and information governance

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.

5. Risk Assessment/Management

- 5.1 Risks are managed in line with the Integrated Risk Management Approach and are noted within the paper.

6. Financial Implications

- 6.1 As noted above.

7. Workforce Implications

- 7.1 As noted above.

8. Climate Change and Environmental Sustainability Implications

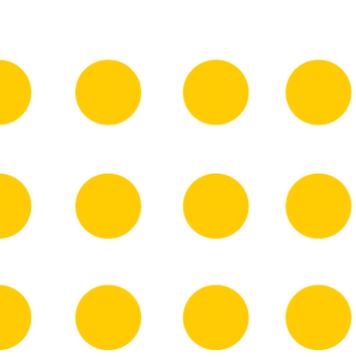
- 8.1 As noted above.

9. Route to Meeting

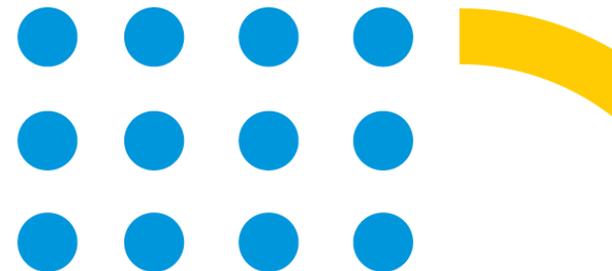
- 9.1 Papers reporting performance for each strategic objective were scrutinised at the Finance Procurement and Performance Committee (service excellence, financial sustainability, climate sustainability) and Staff Governance Committee (workforce sustainability). All reports are subject to review by the Executive Management Team.

10. List of Appendices and/or Background Papers

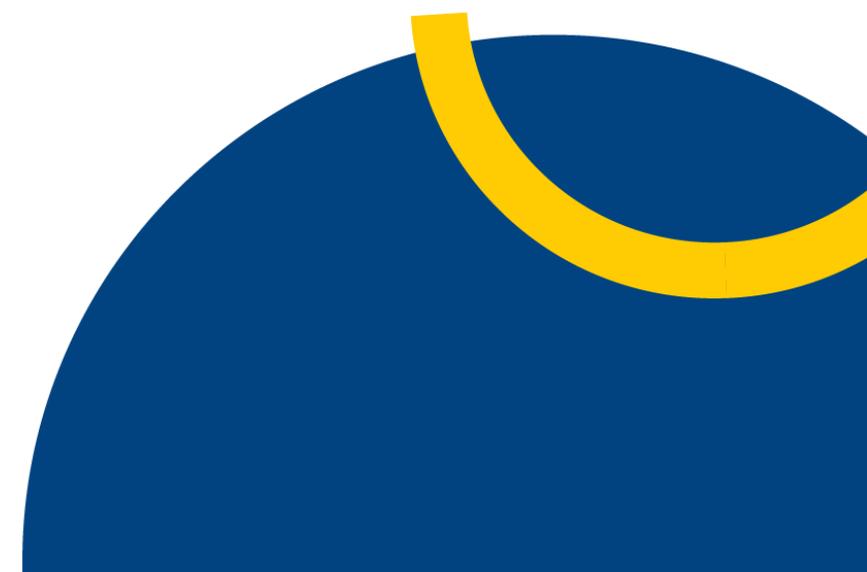
Appendix 1 – NSS Integrated Performance Report: Quarter 3 2025/26 up to February 2026.



Integrated Performance Report Quarter 3 & February, 2025/26



Strategy, Performance & Communications



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Executive summary

Quarterly performance

Overview

- **This is the final Integrated Performance Report for NHS National Services Scotland (NSS)** and provides the latest performance data up to and including quarter three (October to December 2025) for quarterly data and February 2026 (M11) for monthly data to ensure the Board has the most up-to-date performance position before NSS services transition into Public Services Delivery (PSD) Scotland.
- **Our achievements against the NSS Delivery Plan 2025/26 is below the target.** At the end of February, 38 deliverables (89%) were on track or achieved against an end of year target of 90%. There are four deliverables (9%) behind schedule and one (2%) are not achieved. The deliverable not achieved relates to the planned increase in the number of whole blood donors, where the numbers have remained below the target we set ourselves. Although our forecast is that we will narrowly miss the 90% standard, there is continued scrutiny of the behind schedule items to determine if any final actions in March could help them turn green by year end. Examples of service achievements in 2025/26 are: the continued accuracy and timeliness of contractor payments; achieving £40m of secured savings through national procurement; delivering an above target saving of close to £5m through counter fraud activity; meeting plasma volume requirements; and completing all the Reinforced Autoclaved Aerated Concrete (RAAC) surveys.
- **We are on track to deliver our 2025/26 statutory financial targets.** At the end of month 11 (February 2026), the overall revenue budget is underspent by £12.1m, driven by hosted funds in the National Services Directorate (NSD) Risk Share and Digital and Security (DAS) and vacancies across core services. We are therefore forecasting a break-even position for the full year, which also includes a net pressure within our reserves. This position is contingent on core services using their underspends to offset emerging risks and NSD managing volatility in their high-cost activities. The year-end forecast is break-even for capital and cash releasing efficiency savings (CRES) will achieve the 3% target in line with our financial sustainability plan. Business Finance continues to scenario plan for various risks and opportunities which may crystallise in the final month of the financial year.
- **NSS will merge with NHS Education for Scotland (NES) to become PSD Scotland on 1 April 2026.** Legislation placed in Parliament to dissolve NES and transfer all its assets to the Common Services Agency – the legal name of NSS – was passed on 4 March enabling the merger of the two organisations within the CSA and under a new trading name of PSD Scotland on 1 April 2026. The chair and chief executive for PSD Scotland have been appointed along with the board members from NSS and NES who will take up positions on the new board. Launch activity is planned for the first day and beyond to enable employees from both organisations to come together as PSD Scotland. The organisation will also be supported by a new website, intranet, and social media channels. The first Board meeting will be held on 2 April 2026.

Executive summary

Performance highlights

Completed key activities	Upcoming key activities
<p>The Cabinet Secretary for Health and Social Care, Neil Gray, along with Caroline Lamb, the Director-General of Health and Social Care and Chief Executive of NHS Scotland and Gillian Russell, Director for Health Workforce, visited the Jack Copland Centre on 14 November 2025 to conduct the NSS Annual Review. The group met some of our dedicated staff to hear about the great work and performance of NSS over the past 12 months.</p>	<p>The Programme Management Service (PGMS) will be implementing a critical path along with robust project management plans and tools to support colleagues in Scottish Government, NSS and NHS Education for Scotland (NES) with ensuring Day 1 requirements that will result in the establishment of Public Services Delivery (PSD) Scotland on 1 April can be met.</p>
<p>Two key reports relating to infection prevention were published in November. The Antimicrobial Resistance and Healthcare Associated Infection (ARHAI) Scotland Annual Report for 2024 highlighted the key programmes of work undertaken by the service. While the Scottish One Health Antimicrobial Use and Antimicrobial Resistance (SONAAR) in 2024 Report provided intelligence on trends in antibiotic use (AMU) and antimicrobial resistance (AMR) in Scotland to coincide with World Antibiotic Awareness Week.</p>	<p>Final preparations are underway across NSS to ensure the successful implementation of the reduced working week (RWW) for Agenda for Change staff, which will see staff hours change from 37 to 36 hours per week, and readiness for the eRostering system, a new once for NHS Scotland solution. Both changes will be implemented on 1 April 2026.</p>
<p>National Procurement saw success at the GO Awards Scotland which recognises and celebrates the outstanding achievements of everyone involved in the procurement and delivery of Scottish public services. They had five finalists, two outright winners and were the overall winner of the Best Collaboration Project Award for their work on NHS Scotland power purchase agreements. Of note was Josh Foggo, a Commodity Manager, winning the Future Leaders award.</p>	<p>Nominations have been received and shortlisting is underway for the 8 categories of the NSS Excellence awards. The awards ceremony will take place on 11 March in Glasgow and will be an opportunity for NSS staff to come together with the Board and Executive Management Team and celebrate their many achievements over the last year.</p>
<p>The work of the National Services Directorate (NSD) nation planning team to support population planning through a new Target Operating Model for vascular services was positively acknowledged by Audit Scotland in their NHS Scotland in 2025 Finance and Performance Report.</p>	<p>A NSS Data Board is being established with an initial focus of engaging all areas of NSS on a new Data and Analytics Operating Model and a refresh of the NSS Data Strategy.</p>

Executive summary

Assurance indicators performance

<p>Service Excellence</p>	<p>Performance: 2 of 3 indicators met. This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>Most of our Delivery Plan deliverables (89% - 38 deliverables) are on track or achieved (green). This is an increase on the 77% position we reported last quarter. 9% (4 deliverables) are behind schedule (amber) and 2% (1 deliverable) are not achieved (red). Freedom of Information performance at February 2026 was 100% for 3-day acknowledgements and 100% for 20-day responses.</p>
<p>Financial Sustainability</p>	<p>Performance: 3 of 3 indicators met. This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>NSS continues to be on track to achieve all financial targets. The current revenue position is being driven by hosted funds in the National Services Directorate (NSD) and Digital and Security (DAS) and vacancies across core services.</p>
<p>Workforce Sustainability</p>	<p>Performance: 1 of 5 indicators met. This objective is scrutinised by the Staff Governance Committee.</p> <p>Sickness absence is 4.39% for the financial year, slightly above the NHS Scotland standard of 4%, and is mainly driven by anxiety, stress, and depression. HR and senior management continue to work with line managers, utilising case management where required to support attendance issues and progress cases in line with policy. Staff turnover at 5.22% year to date is lower than expected, with age retirement being the primary reason for leaving. Although TURAS compliance rates have improved from Quarter 2, they remain below the 90% standard and are being reviewed with directorates to improve the position before moving into Public Services Delivery (PSD) Scotland.</p>
<p>Climate Sustainability</p>	<p>Performance: 5 of 5 indicators met. This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>Within this quarter there has been reductions across all 5 indicators through efficiency measures and improved data quality.</p>

Executive summary

Assurance indicators performance



Service Excellence

Performance Indicator	Standard	At end February	Last quarter
Annual delivery plan completion (quarterly at end December)	90%	89%	77%
Freedom of Information requests responded to within 20 days	100%	100%	98%
Freedom of Information requests acknowledged within 3 days	100%	100%	99%



Financial Sustainability

Performance Indicator	Forecast	Variance February	Variance Last quarter
Revenue NSS total	Breakeven	£12,055k	£4,515k
Cash Releasing Efficiency Savings total (NSS)	3%	£280k	£24k
Capital outturn	£6.364k	£177k	£29k



Climate Sustainability

Performance Indicator	Standard	Q3 2025/26	Q3 2024/25
Waste total (tonnes)	Reduce	96.7	134.5
Fleet Fuel (CO ₂) emissions	Reduce	161	367
Gas CO ₂ metered sites (tonnes)	Reduce	532	549
Electricity CO ₂ metered sites (tonnes)	Reduce	379.8	415.9
Water M ³ metered sites (volume)	Reduce	3,906	4,161



Workforce Sustainability

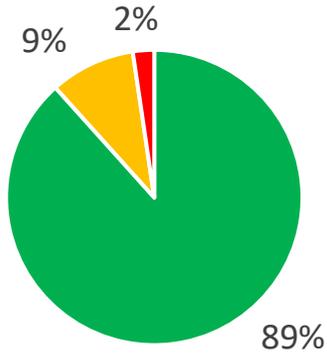
Performance Indicator	Standard	February YTD	Last quarter
Sickness absence (year to date)	4%	4.39%	4.36%
Staff turnover (year to date)	10%	5.22%	3.25%
Appraisal compliance	90%	83%	82%
Objective setting compliance	90%	78%	71%
Personal development plan compliance	90%	77%	74%

Assurance Indicators

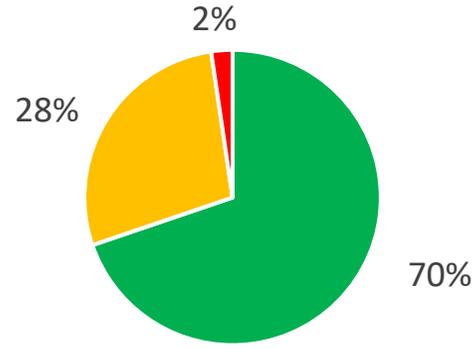
Quarter 3 & February 2025/26

Service Excellence: Delivery Plan 2025/26 as at February 26

Feb 26 RAG Status

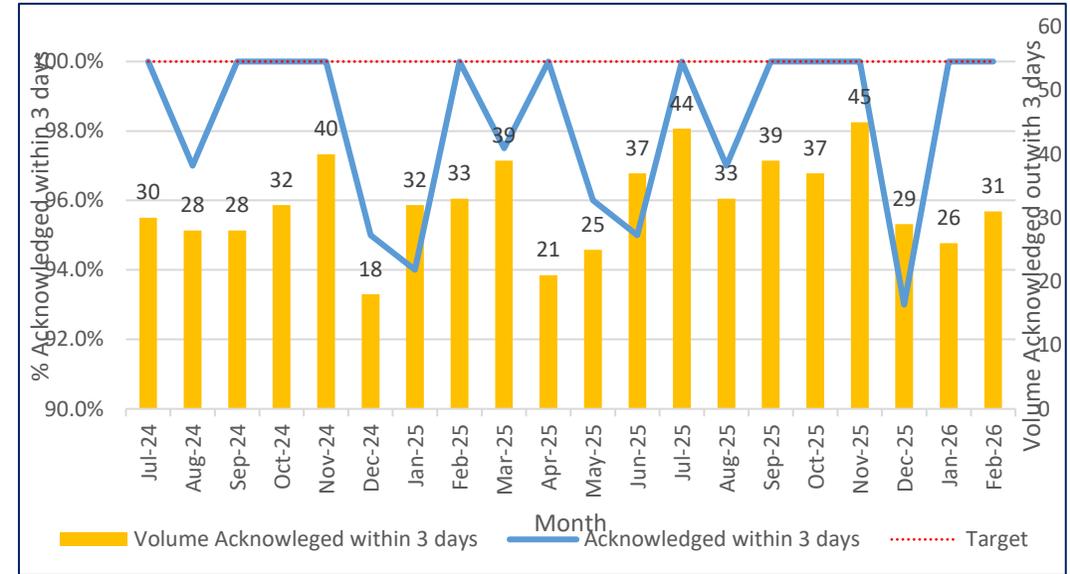
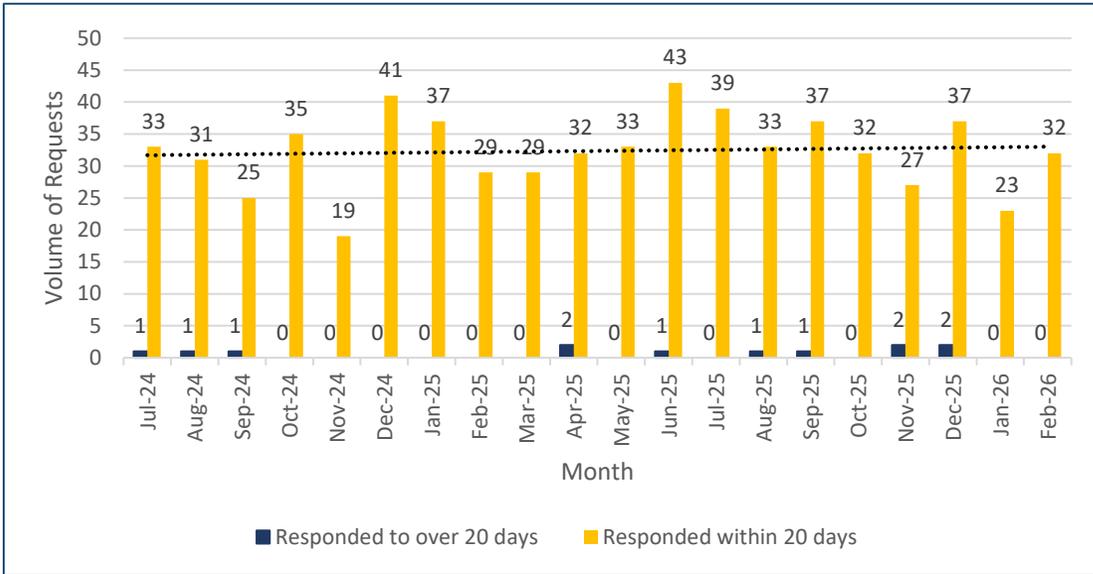


Q3 RAG Status



Summary position	Performance highlights	Unlikely to be Achieved / Behind Schedule	Risks
<p>Following the end of Q3, further updates were requested against the ADP position at the end of February. 89% (38) deliverables are on track or achieved (green). 9% (4) deliverables are behind schedule (amber). 2% (1) deliverable is unlikely to be achieved (red).</p> <p>1 deliverable has been removed (national networks) as new model not agreed but now being progressed and 2 are in change control (RAAC and NHS in Scotland sustainability).</p>	<p>Examples include:</p> <ul style="list-style-type: none"> The introduction of hydrogenated vegetable oil (HVO) in our National Procurement fleet has led to a 92% reduction in fossil fuel emissions. Genetics Point of Care testing – data extraction successful with all three Phase 1 sites in GG&C live. Nursing, Midwifery and Allied Health Profession Framework – Clinical Supervision evaluation complete. National Procurement secured savings delivery on track – forecast £43m. UK manufacture of plasma – SNBTS met the plasma volume requirements for the plasma fractionator, meeting the deliverable. Developed an agreed Target Operating Model for children and young people’s services. Comprehensive flood risk assessments of 8 key NSS estates. 30 RAAC surveys undertaken – programme ahead of schedule. General Ophthalmic Specialist Supplementary fully live in Jan 26. Year to date savings of ~£5m from fraud ahead of £4.2m target. Scan for Safety (point of care scanning) all NSS actions complete but challenges remain in health boards with resources. 	<p>Not achieved:</p> <ul style="list-style-type: none"> Blood donation levels The whole blood donor base is currently at 92,898, which is below target. Action plans are in place to reverse this trend. ABO levels have stabilised, with minimal shortages or imports reported. The plasma donor base is growing steadily. <p>Behind Schedule:</p> <ul style="list-style-type: none"> 4% sickness absence at 4.39% – HR supporting managers through reporting and case management, where appropriate. Sustainability – waste. Three parts of the deliverable met around domestic waste to landfill, domestic waste composted and food waste however, one part around the reduction in waste compared to 2014/15 has not been met (red) due to NSS moving from 11 sites in 2014/15 to 22 in 25/26. It has therefore been agreed by the teams that this deliverable is overall amber. Business Systems due to delays in procurement with timelines for procurement being finalised to ensure progress. PACS – Previous barriers to data migration are now no longer hindering progress and work ongoing to ensure there are no further data migration issues. Migrations progressing and previous resourcing challenges within NSS are improving. 	<p>Strategic:</p> <p>658 659 669 655</p> <p>*Risk relating to individual deliverables are recorded in the Delivery Plan and NSS Risk Register</p>

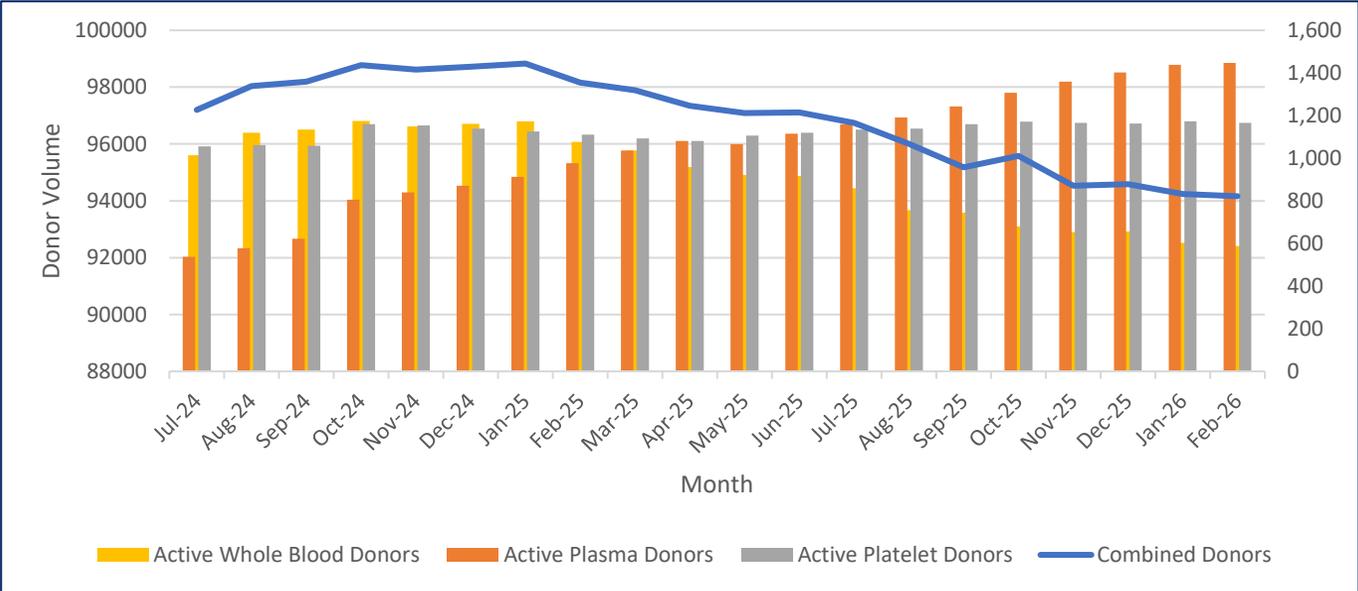
Service Excellence: FOIs within 3 & 20 day targets as at February 26



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
All Freedom of Information requests were responded to within the three-day acknowledgement target and 20-day response target in both January and February.	<p>The 3-day acknowledgement target was breached twice in Quarter 3, however there have been improvements in January and February with no breaches.</p> <p>There were four 20-day response breaches - two in November and two in December mainly due to the implementation of the new FoI reporting system in Inphase and one due to human error. In January and February there were no breaches.</p> <p>There is a small increasing trend in the number of requests responded to, but this varies each month.</p>	<p>Processes within the system have been corrected so that there are no future occurrences of a breach. Communication continue to ensure staff are aware of the process and guidelines.</p> <p>Internal process reviews have taken place within specific Directorates.</p>	<p>A continuous improvement programme is in place. It includes regular review of all open requests, dialogue with directorates regarding deadlines, and the review of closed requests to monitor compliance.</p> <p>Additionally, we continue to communicate with all staff about their responsibilities in relation to Freedom of Information requests.</p>	<p>Strategic 666</p> <p>Corporate: 790</p>

Service Excellence: Blood Donation and Supply as at February 26

Active Blood, Plasma and Platelet Donors



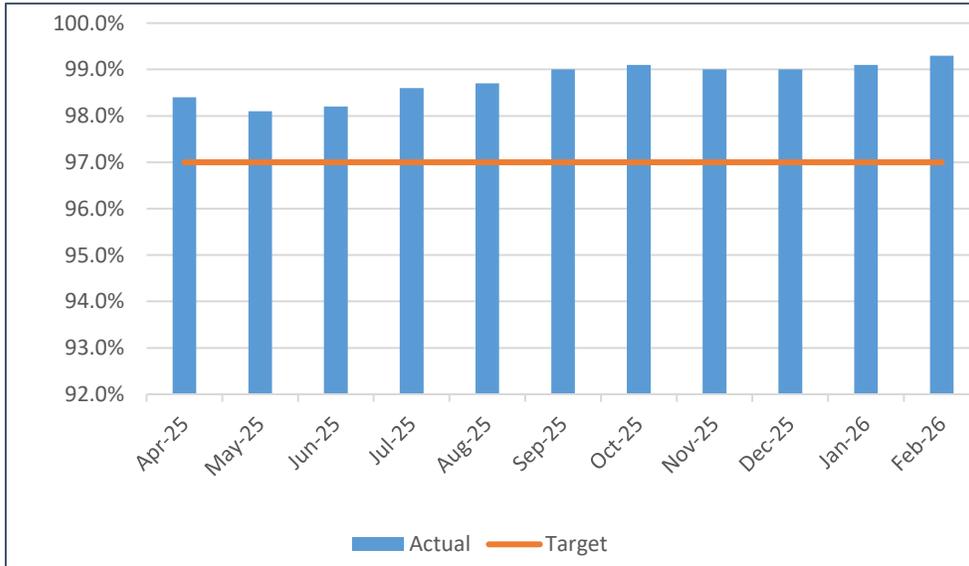
Primary Y Axis – Active Whole Blood Donors & Combined Donors

Secondary Y Axis – Active Plasma Donors and Active Platelet Donors

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>The Scottish National Blood Transfusion Service (SNBTS) provide all blood and blood products to patients in Scotland.</p> <p>There has been a dip in whole blood donation rates following a period of positive increase and is around 92,400 in February 2026. The numbers of platelet donors remain relatively constant at around 1,100 per month and the number of plasma donors shows an increasing trend, sitting at around 1,400 in February. The total trend is now flattening.</p>	<p>There continues to be 100% availability of three-day blood supply.</p> <p>The whole blood (WB) donor base is currently below target. Action plans are in place to reverse this trend. The plasma donor base is growing steadily now, therefore recruitment of plasma donors from full whole blood donors has been paused.</p>	<p>Plans are in place to target lapsed donors and to protect Os and As within donor base. Re-engaging with various donor groups such as faith groups or communities. Actively engage the whole blood donor base to ensure supply meets clinical need.</p>	<p>Social media engagement to target younger groups.</p>	<p>Operational risks are identified in relation to these areas.</p>

Service Excellence: National Procurement Product Availability as at February 26

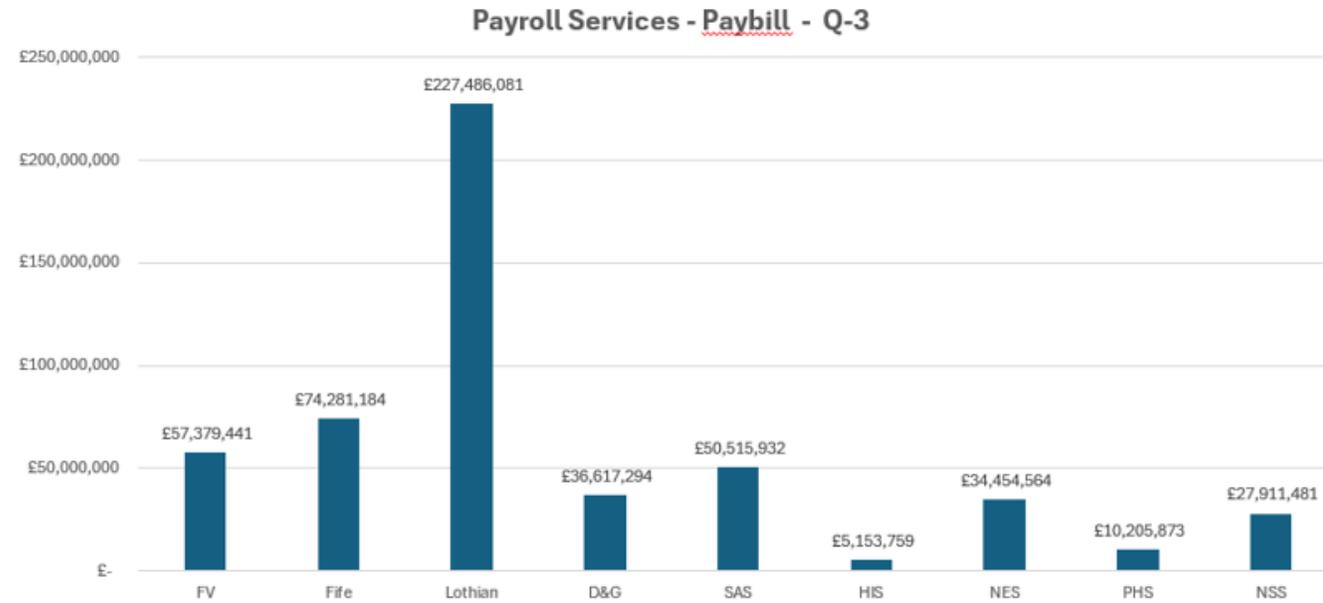
National Distribution Service (NDS) Product Availability



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>Current performance is above target and has been above target for financial year to date , (the February actual performance of 99.3% against target of 97%).</p> <p>Order volumes increased significantly in Dec-25 as health boards increased product orders over festive period. Significant customer planning was undertaken to support this uplift which resulted in our highest ever delivery for a December period.</p>	<p>Our National Distribution Service is consistently delivering very high levels of product availability ensuring products are available throughout NHS Scotland.</p> <p>NDS (National Distribution Service) customers place orders for products held in the NDS catalogue and Product Availability refers to the status of a product indicating whether it is in stock and shipped to health boards and other customers. The measure is the percentage of product lines ordered against orders shipped to customers.</p>	<p>All product shortages are reviewed and root cause analysis undertaken to prevent occurrence. Supply Chain work closely with Warehouse Operations to ensure products are put away expediently to ensure readiness to shipping.</p> <p>National Distribution Service planned for the peak Christmas ordering and delivery schedule and associated stock purchases to maintain performance.</p>	<p>Currently working with NP Technology Services to move to digital solutions for some supply chain processes which have reduced manual updates including development product demand planning software. Supply chain digitalisation programme is continuing to look at opportunities to improve and embed reporting and process efficiencies.</p> <p>Using Microsoft 365 tools to enhance reporting and improve decision making.</p>	<p>Operational risks are identified in relation to these areas.</p>

Service Excellence: Payroll Completion Quarter 3

Q3 Payroll Completion – Paybill & Payslips



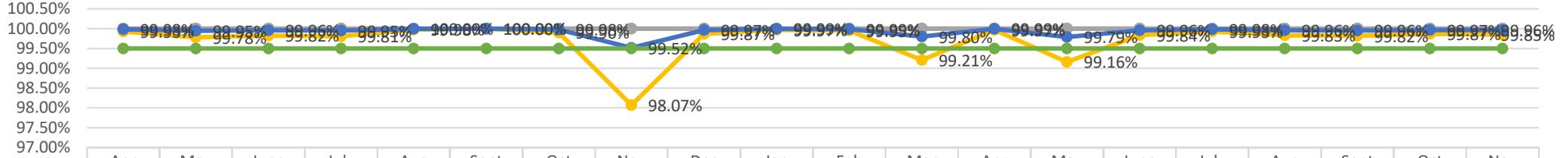
	Payslips – Q3
FV	34,256
Fife	47,191
Lothian	147,516
D&G	20,465
SAS	18,533
HIS	1,818
NES	10,683
PHS	3,714
NSS	10,647
Total	294,823

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>Payroll delivered over 294k payslips which is a reduction on last quarter from 306k. The total pay bill is £524m.</p> <p>This measures the total number of payslips issued and payments made each quarter, reflecting service delivery volume and trends over time.</p>	<p>This information shows the scale of work for the Payroll team to manage payroll for 9 Boards. Payroll service is a critical front line service essential for NHS Scotland.</p>	<p>Completion of organisational change process and move to implementation of new service model within Payroll Services. There is ongoing recruitment to vacancies which could not be filled during the organisational change. This has an impact on payroll staff required to work additional hours to cover vacancies, the Reduced Working Week, and other national programmes of work. All vacancies are expected to be filled by March 26.</p>	<ul style="list-style-type: none"> Seek process improvement opportunities to reduce manual effort where possible by March 2026. Delivery of agreed digital solutions critical to success of the model and resilience across teams however still not delivered and causing additional work for staff to deliver the service. Following the organisational change and redesign of the payroll function, within the new operational function, new indicators are to be developed around quality and accuracy. 	<p>Operational risks are identified in relation to these areas</p>

Service Excellence: Practitioner Payment Accuracy at February 26

Primary Care Practitioners Payment Accuracy

All Contractors & Average Payments Accuracy



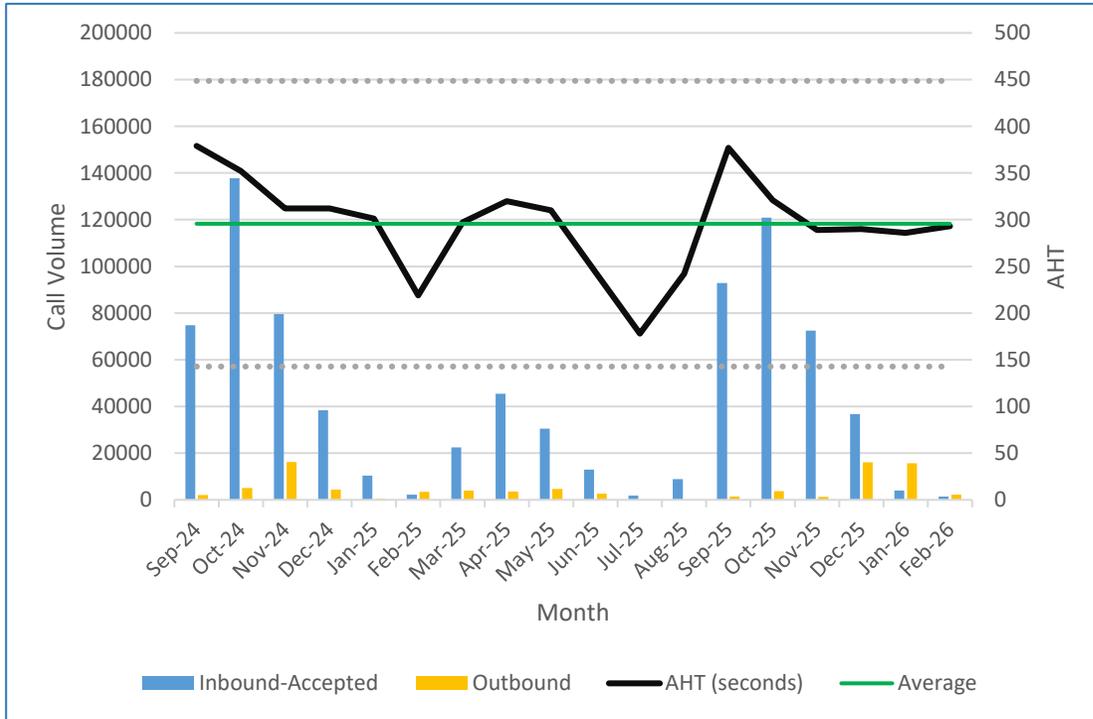
	Apr	May	June	July	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	June	July	Aug	Sept	Oct	Nov
	2024/25											2025/26								
DENTAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
MEDICAL	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
OPHTHALMIC	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
PHARMACY	99.93%	99.78%	99.82%	99.81%	99.98%	100.00%	99.90%	98.07%	99.87%	99.97%	99.95%	99.21%	99.97%	99.16%	99.84%	99.93%	99.83%	99.82%	99.87%	99.85%
Average	99.98%	99.95%	99.96%	99.95%	100.00%	100.00%	99.98%	99.52%	99.97%	99.99%	99.99%	99.80%	99.99%	99.79%	99.96%	99.98%	99.96%	99.96%	99.97%	99.96%
Target	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%	99.50%

● DENTAL
 ● MEDICAL
 ● OPHTHALMIC
 ● PHARMACY
 ● Average
 ● Target

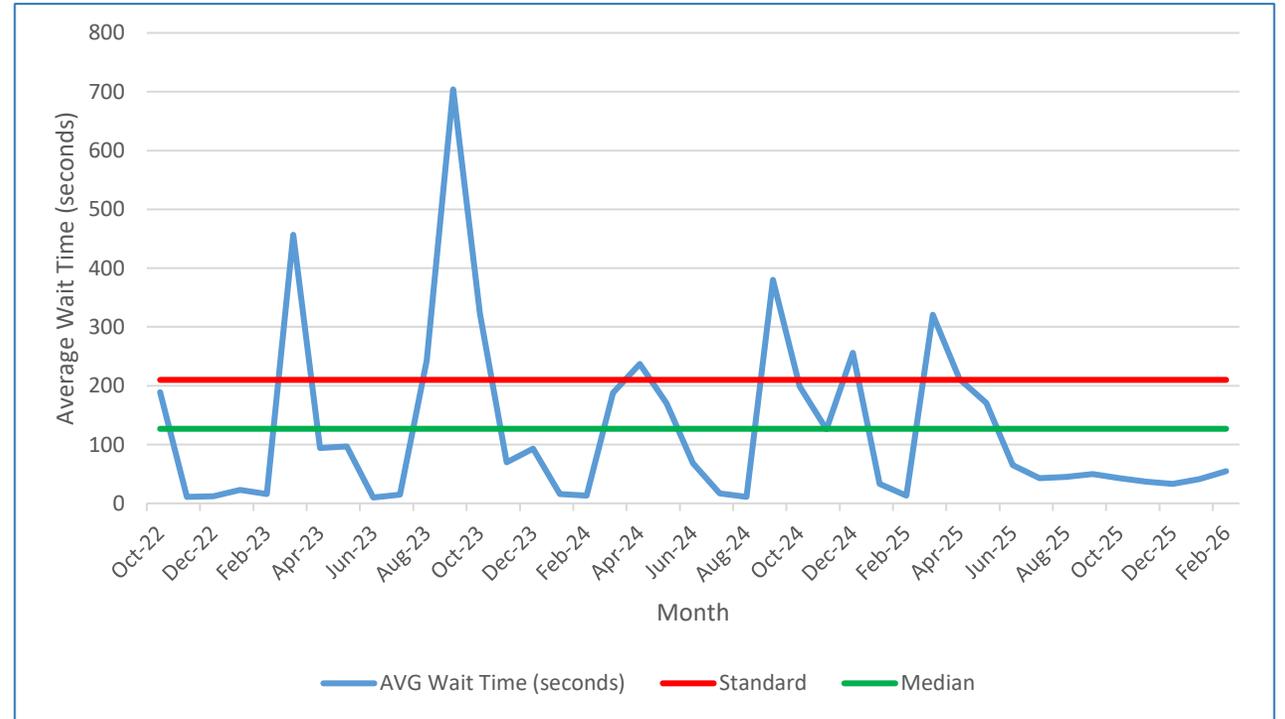
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>Primary and Community Care have achieved the 99.5% target for accuracy of payments and payments made on time to all primary care contractors (GP practices, community optometrists, community pharmacies and dentists) for February 2025.</p> <p>All pharmacy contractors were paid on due dates using actual data and the reported accuracy level was 99.97%.</p> <p>All contractors were paid on time to scheduled dates.</p>	<p>Payment accuracy is above the 99.5% target for all practitioner groups, and this has remained the case for this quarter.</p>	<p>PaCC continue to work on improving the accuracy of pharmacy payments including quantifying and remedying historic under or over payments. This is prioritised and the workplan is reported to the Community Pharmacy Governance Group and externally. As each of the agreed priority items is resolved, manual and/or digital fixes are improving future payment accuracy.</p>	<p>Internal and service audits of all payments continue to identify any areas of improvement as well as giving assurance that overall performance is within the KPI target. Contractor engagement also provides insight into experience of our services, and we work with contractor organisations such as Community Pharmacy Scotland to agree improvement plans.</p>	<p>Operational risks are identified in relation to these areas.</p>

Service Excellence: National Call Centre – Call Statistics at February 26

Average Handling Time vs Call Volume



Average Wait Time



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>Due to the end of the winter vaccination campaign, Inbound calls continue to decrease as forecasted. An increase in outbound calls in December and January were due to health board requests to contact citizens with reminder about upcoming appointments. This has also now reduced.</p>	<p>With scheduling of appointments complete, less citizens will contact to change appointments. Call Volume – Inbound and outbound calls received/made by NCC. Duration – Average handling time of calls (in seconds). Wait times – Average waiting time from citizen entering the queue to being connected to an agent (in seconds).</p>	<p>As is normal at this latter stage of the vaccine campaigns, we have reduced our 3rd Party Contractor resource to zero. We will increase this resource again for the beginning of the Spring 2026 Vaccine Campaign.</p>	<p>We have distributed Lessons Learned questions to all Call Agents involved in the Winter 2025/26 Vaccine Campaign. We will utilise the information gathered from these to form the basis of things that we need to look at changing and highlight areas that have gone well</p>	<p>Operational risks are identified in relation to these areas.</p>

Financial Sustainability at February 26

NSS Targets	YTD Budget	YTD Actuals	Variance	FY Budget	FY Forecast	Variance	Target
	£'000	£'000	£'000	£'000	£'000	£'000	
Revenue Total	0	(12,055)	12,055	-	-	0	Breakeven
Revenue Income	(1,078,067)	(1,085,758)	7,691	(1,213,218)	(1,216,656)	3,438	
Revenue Costs	1,078,067	1,073,703	4,363	1,213,218	1,216,656	(3,438)	
CRES Total	10,208	10,488	280	12,856	13,133	277	3% Recurring
NSS (exc NSD) CRES	7,250	7,500	250	9,612	9,858	246	
NSD CRES	2,958	2,989	31	3,244	3,275	31	
Direct Capital Total	-	(177)	177	-	(315)	315	Breakeven
Capital Income	(5,451)	(5,451)	-	(15,600)	(15,600)	-	
Capital Costs	5,451	5,274	177	15,600	15,285	(315)	

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>NSS is on track to achieve its statutory financial targets in 2025/26.</p> <p>NSS has 3 statutory targets, to achieve breakeven within resource limit for:</p> <ol style="list-style-type: none"> Revenue Capital Cash <p>Scottish Government also requires all Health Boards to deliver at least 3% cash releasing efficiency savings (CRES) on a recurring basis.</p>	<p>Revenue YTD underspend driven primarily by hosted fund surpluses (NSD Risk Share and DaS) and vacancies across core services. The full-year forecast remains breakeven and is contingent on utilising underspends to offset emerging pressures within core services and managing volatility in high-cost NSD activity.</p> <p>CRES NSS remains on track to achieve the 3% requirement, but services must ensure this is recurrent where possible.</p> <p>Capital The capital position shows a YTD underspend of £0.2M and a forecast surplus of £0.3M, driven by slippage in the SNBTS garage fit-out and changes to programme phasing. A £0.2M contingency supports a breakeven position against the NSS formula allocation.</p>	<ul style="list-style-type: none"> Given the financial climate across NHS Scotland and restricted budgets, NSS must continue to remain vigilant – monitor costs closely and actively seek opportunities for recurring savings which will ensure the long-term financial sustainability of NSS and NHS Scotland. Budget holders continue to be supported to robustly manage their delegated resources. Business Finance continues to work closely with Scottish Government – including preparation for PSD Scotland– planning and managing resources from FY25/26 into FY26/27. NSS has received £261M (94% after adjusting for SIBBS) of SG allocations to date, with only £0.2M remaining at risk. 	<ul style="list-style-type: none"> NSS is delivering its Financial Sustainability strategic objective through the achievement of the Financial Sustainability Action Plan (FSAP). Finance drives and co-ordinates the overall delivery of the FSAP, with staff and services responsible for the delivery of specific actions. Finance are working with directorates to identify and review CRES savings and opportunities – both in-year and through the Integrated Service Planning (ISP) process The cost-conscious culture and financial management maturity of NSS budget holders continues to strengthen. Improvements in 2025/26 will focus on key decision makers in directorates and maintaining arrangements with the NSS Board, FPPC, Executive Management Team, and Partnership Forum. 	<p>Strategic: 655 Corporate 565</p>

Workforce Sustainability: Sickness Absence at February 26

Short term and long-term sickness absence

Month	Short Term	Long Term
Current	Month: 1.60% FY: 1.55%	Month: 2.99% FY: 2.84%
Previous	Month: 1.88% FY: 1.56%	Month: 2.77% FY: 2.84%

Five-year absence data

5 Year Comparison



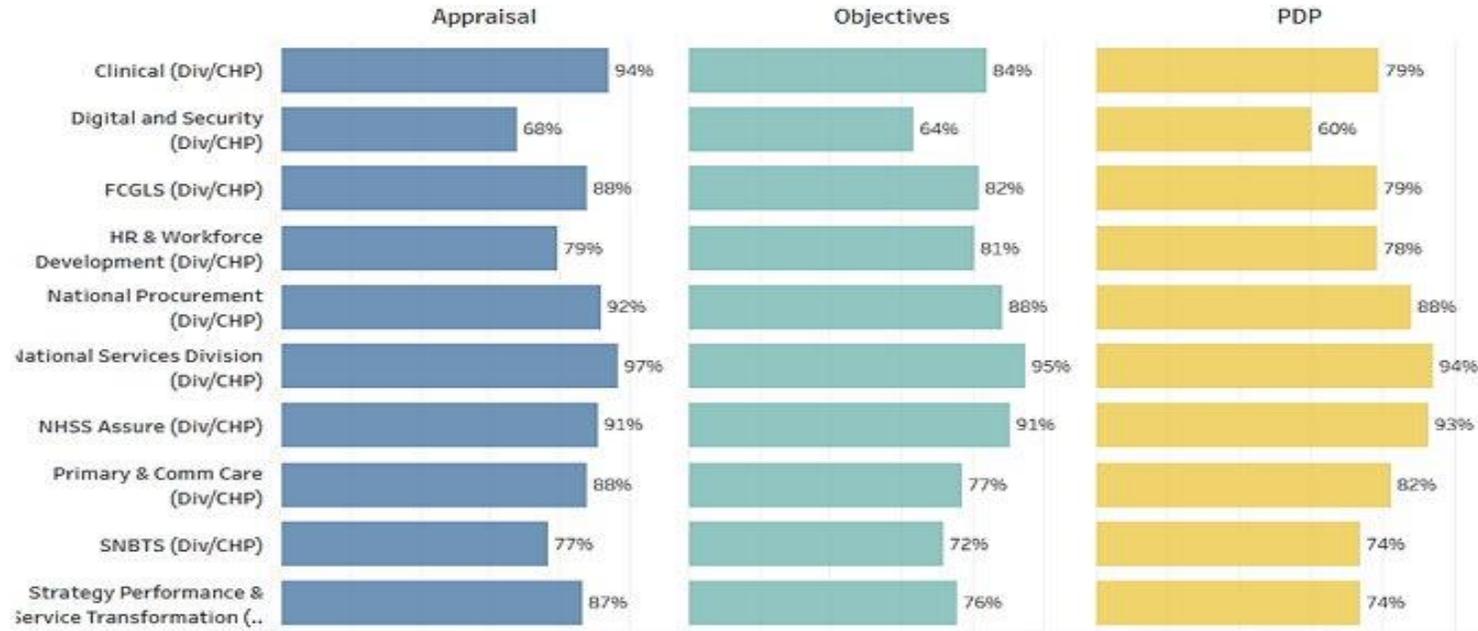
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>The sickness absence rate of 4.39% for the financial year to February is slightly above the NHS Scotland standard of 4%.</p>	<ul style="list-style-type: none"> The total sickness absence rate for the month of February was 4.39% with a 4.44% in January. Short-term has decreased slightly, but long-term absence has seen an increase from the previous month. Analysis of the data indicates that the top reasons for absence are anxiety/stress/depression/other psychiatric illness and cold/cough/flu/influenza – both accounting for approximately 41%. Sickness absence is mainly driven by anxiety, stress, and depression. 	<ul style="list-style-type: none"> HR continues to work with managers to support attendance issues and progress cases in line with policy. A report showing all employees who have reached a trigger in the month and are still absent is encouraging active management and increased attendance cases. Weekly meetings take place between HR and Occupational Health to review complex cases and ensure delays are kept to a minimum and supportive interventions are being considered by managers. 	<ul style="list-style-type: none"> Sickness absence rates historically rise after each reporting month due to retrospective absence updates from line managers. HR re-run sickness absence reports each month to maximise accuracy and capture retrospective changes. NSS senior management are working with their line managers, HR case management, and HR Business Partners to address absence issues across their respective areas. 	<p>Strategic: 658</p>

Workforce Sustainability: Staff Turnover at February 26

	Current Turnover (Month)	Current Turnover (YTD)
(All)	0.31%	5.22%
Clinical	1.48%	8.93%
Digital and Security	0.21%	4.80%
FCGLS	0.25%	3.57%
HR & Workforce Development	0.00%	5.03%
NHSS Assure	0.35%	5.24%
National Procurement	0.00%	4.85%
National Services Division	0.77%	7.83%
Primary & Comm Care	0.00%	3.65%
SNBTS	0.40%	6.49%
Strategy Performance & Service Transformation	0.94%	4.60%

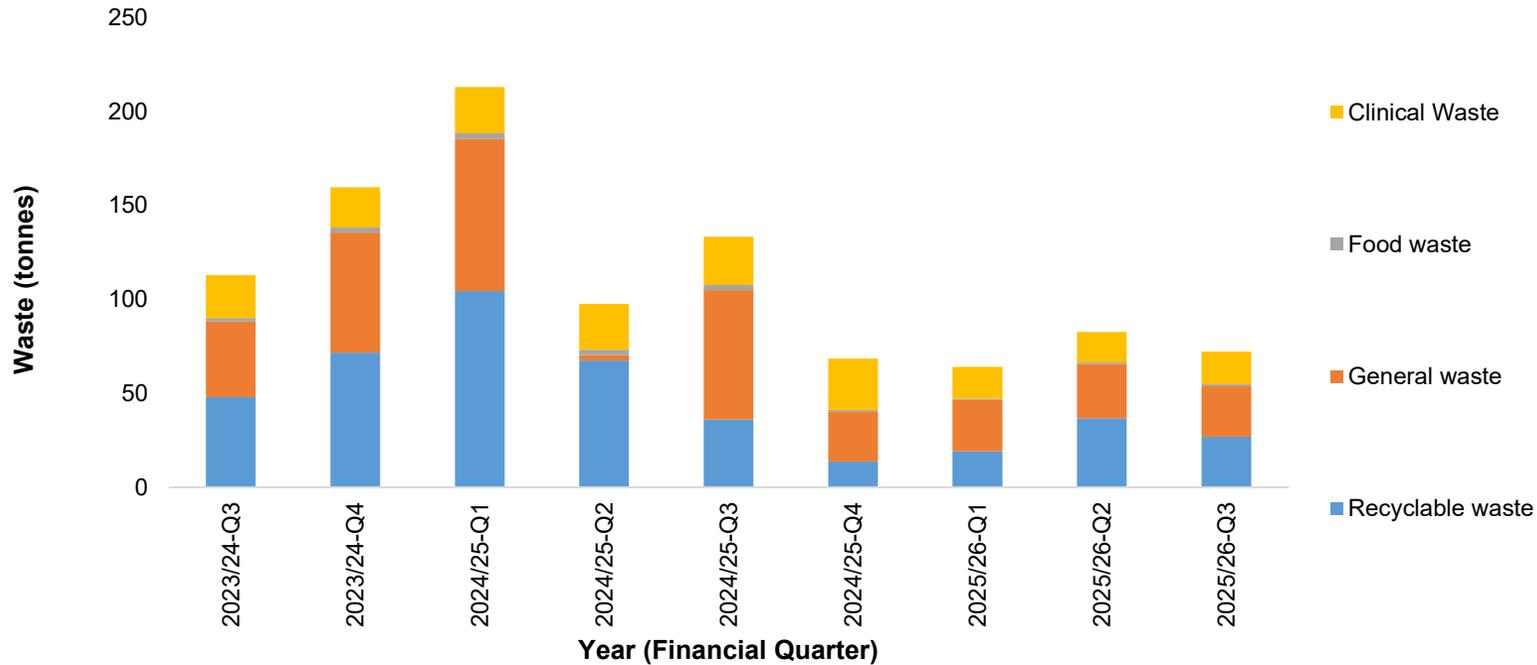
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>NSS has recorded 251 new starts, 163 leavers and a turnover rate of 5.22% this financial year which is lower than the agreed target of 10%.</p> <p>Of the employees who left, 11% were on a fixed term contract and 89% were on a permanent contract.</p>	<ul style="list-style-type: none"> The main reason for staff leaving the organisation is due to age retirement, followed by the 'other' then "new employment with NHS Scotland" category. It should be noted that the "other" category relates to opportunities within the wider public sector, education and training, or no further employment. 	<ul style="list-style-type: none"> HR monitor turnover rates with Senior Management Teams and information is readily available in management dashboards. We are proactively encouraging leavers to complete an exit interview questionnaire. This helps us to capture meaningful insights and make relevant interventions. We are monitoring and improving the accuracy of our turnover forecast as we progress through the year. 	<ul style="list-style-type: none"> HR has 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. This provides more accurate data, for example, accounting for changes to fixed term contracts. 	<p>Strategic: 658</p>

Workforce Sustainability: TURAS Appraisal at February 26



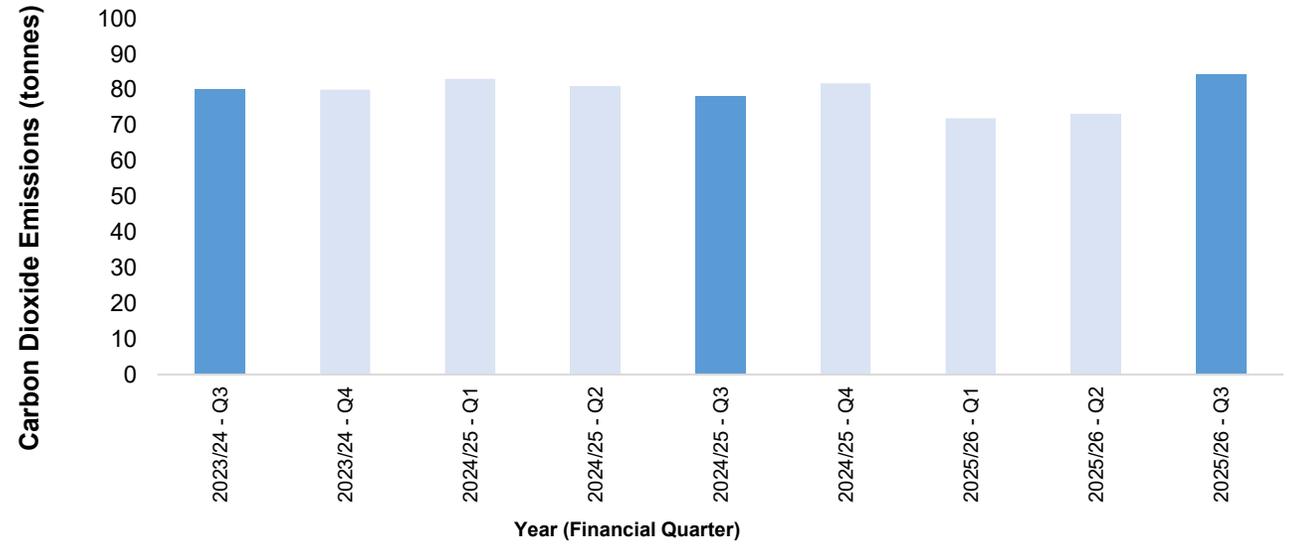
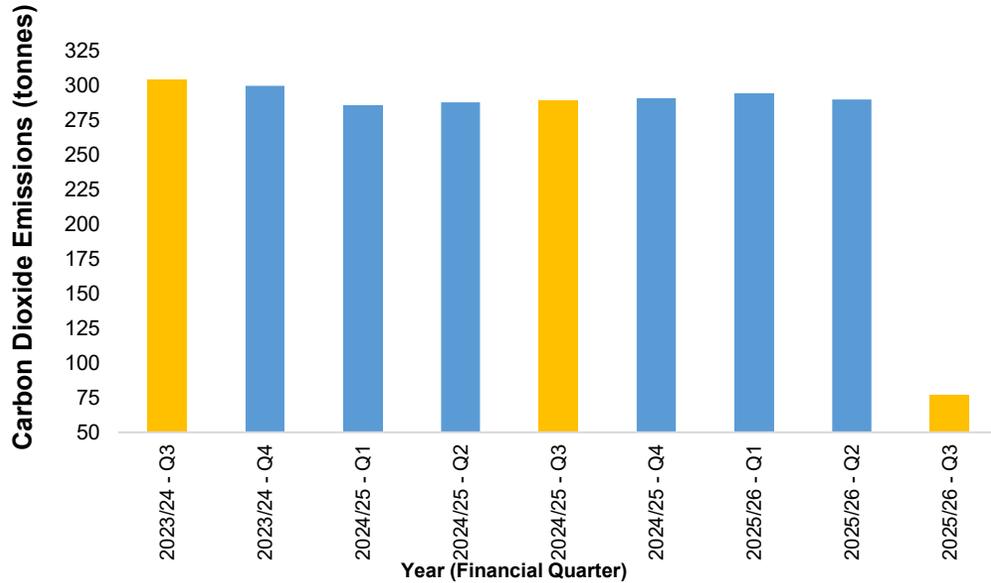
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p>Compliance across all three measures was below the 90% standard we set ourselves,</p> <ul style="list-style-type: none"> 83% for appraisals 78% for objectives 77% for personal development plans <p>Please note: Compliance rates are calculated by excluding staff groups that are on maternity leave, long term sick, or career breaks. It also excludes new starts, medical staff, bank staff, and movers within the organisation.</p>	<ul style="list-style-type: none"> There is an improving position on last quarter, where appraisal compliance as at 82%, objectives at 71% and personal development plans at 74%. 	<ul style="list-style-type: none"> The need for compliance and considerations for how it can be achieved by directorates has been raised with senior management teams. They will be responsible for ensuring actions are in place to meet agreed standards. 	<ul style="list-style-type: none"> Staff are responsible for ensuring they have had an appraisal and that objectives and a personal development plan is in place. Staff have been reminded of the importance of planning in end of year reviews, and objective and personal development planning setting meetings. 	<p>Strategic: 658</p>

Climate Sustainability: Waste, Quarter 3



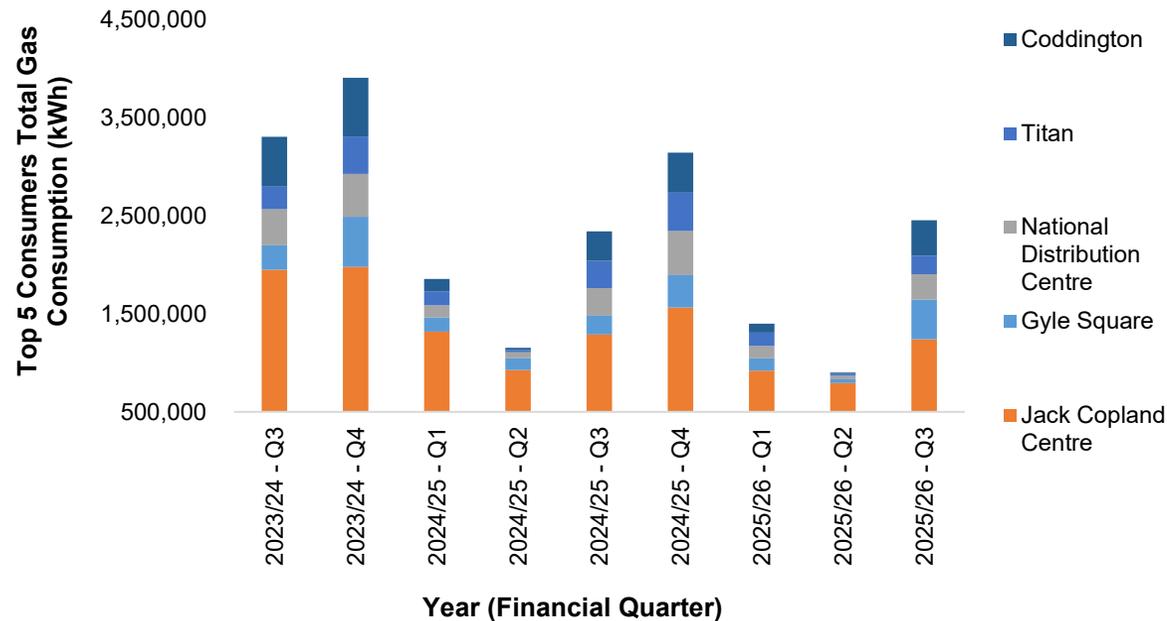
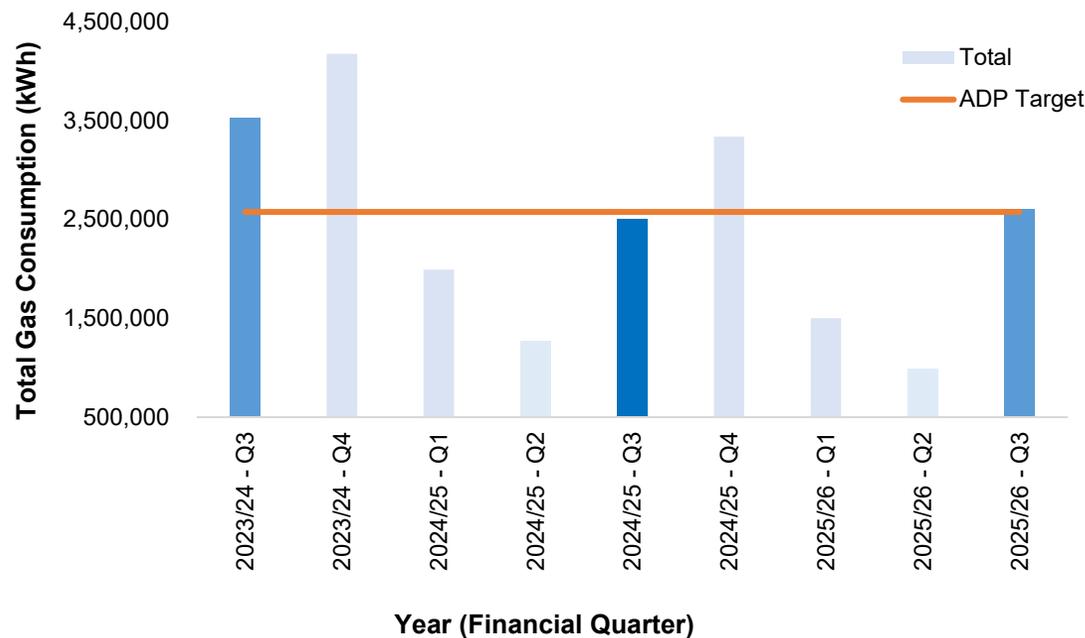
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<ul style="list-style-type: none"> There has been a 18% (328.4 tonnes) reduction in waste when compared to the same quarters 1, 2 & 3 in 2024/25. The change in waste contractor has seen a positive impact in data quality being actual weights compared to the previous industry standard reported weights. 	<ul style="list-style-type: none"> Food waste weight reduced by 1.8 tonnes when compared to 2024/25-Q3. Residual waste reduced by 42.1 tonnes comparing 2024/25-Q3 to 2025/26-Q3. Clinical waste has reduced by 8.2 tonnes compared to 2024/25-Q3. Recyclable waste weight reduced by 9.2 tonnes when compared to 2024/25-Q3. 	<ul style="list-style-type: none"> NSS catering services at Gyle Square to be remodelled post Sustainability Infrastructure Board approval. Furniture short life working group progressing in the creation of supporting process documents to reduce future furniture disposal. New procurement of digital waste audit tool currently in progress. 	<ul style="list-style-type: none"> Changing from orange lidded sharps containers to metal recovery containers will allow NSS to implement metal recovery and support circular economy ambitions. A catering review has the opportunity to further reduce food waste. New procurement of digital waste audit tool currently in progress which will improve waste auditing efficiency. 	<p>Strategic: 660 664</p>

Climate Sustainability: Fuel National Procurement (Left) & SNBTS Fleet (Right), Quarter 3



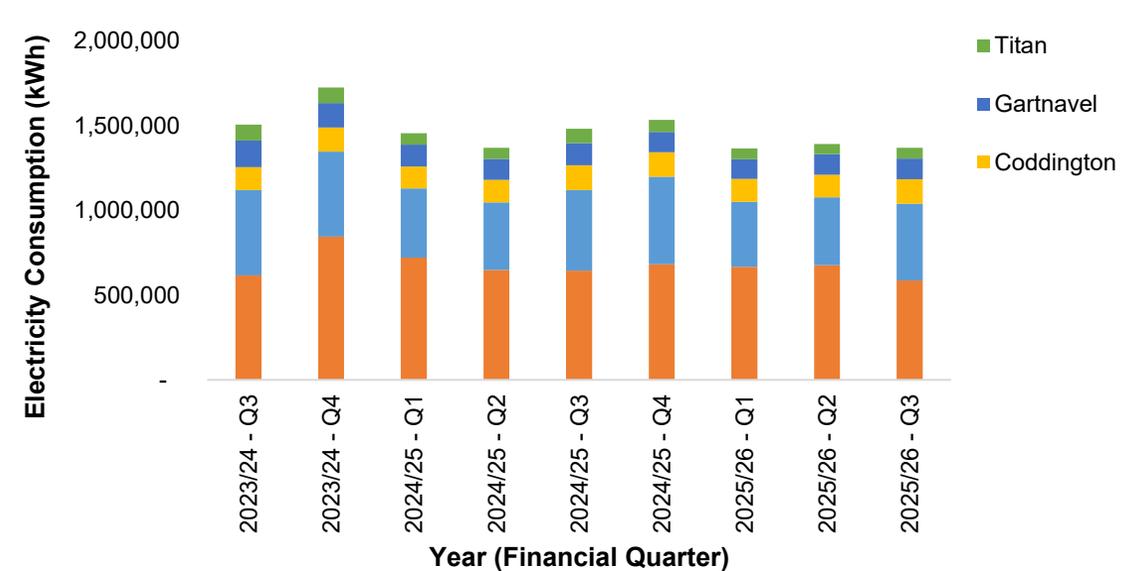
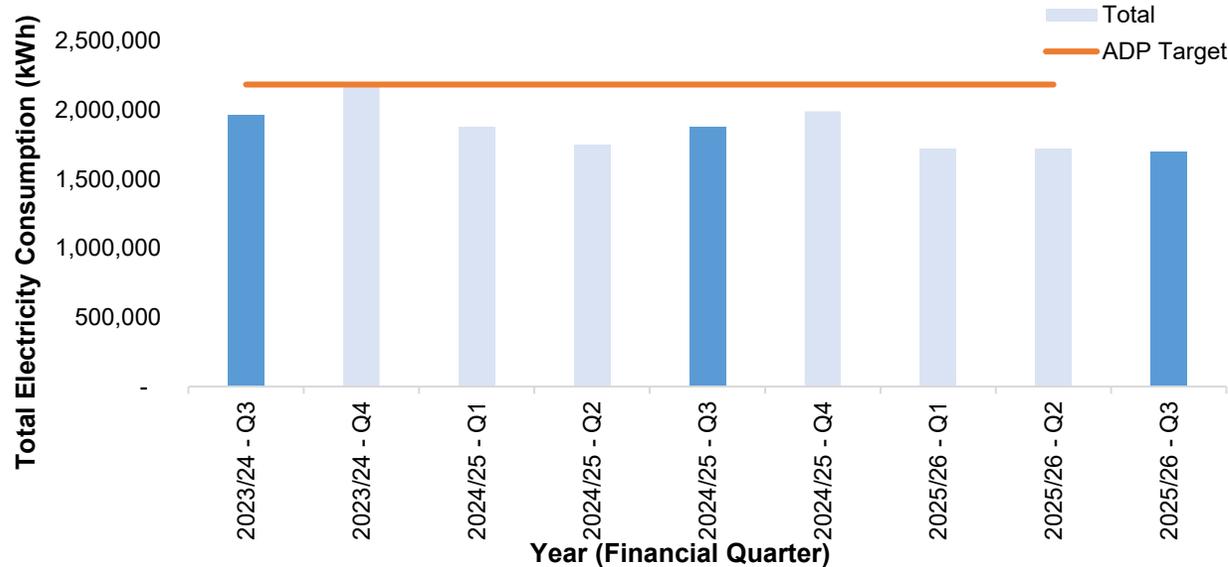
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<ul style="list-style-type: none"> The graphs above highlight the carbon dioxide (CO₂) emissions produced across the National Distribution Sites (NDS) on the left and on the right-hand side the Scottish National Blood and Transfusion Service (SNBTS). SNBTS reported an increase of six tonnes over the same period. The logistics fleet have seen a decrease in carbon emissions compared to the previous Q3 due to switching to hydrogenated vegetable oil (HVO) fuel from pure diesel. 	<ul style="list-style-type: none"> Early analysis of 2025/26-Q3, where the HVO fuel tank is being utilised, has demonstrated its success in decreasing emissions. Scottish National Blood Transfusion Service (SNBTS) have seen an increase in carbon dioxide (CO₂) emissions in 2025/26-Q3 by 6tCO₂e when compared to 2024/25-Q3, this is reflected in the increase in Km's travelled. 	<ul style="list-style-type: none"> NSS has been awarded £385,000 to further the support the transition to zero emission SNBTS fleet. This funding is getting allocated for EV charging infrastructure implementation at sites in the North, East and West of Scotland. Additional funding applications have been submitted for the installation of a new substation at JCC which will be instrumental in installing new EV chargers for fleet. The introduction of the HVO fuel tank will act as a stepping stone technology towards net-zero for the logistics fleet. The installation is complete, and early signs indicate a significant decrease in emissions for Q3. 	<ul style="list-style-type: none"> Further work is required to support SNBTS with fleet transition post infrastructure implementation. Discussions to take place for future planning of the logistics fleet transition to zero emission vehicles. An EV car is about to be trailed within the fleet and used as a case study for further improvement works. 	<p>Strategic: 660</p>

Climate Sustainability: Gas Metered Sites, Quarter 3



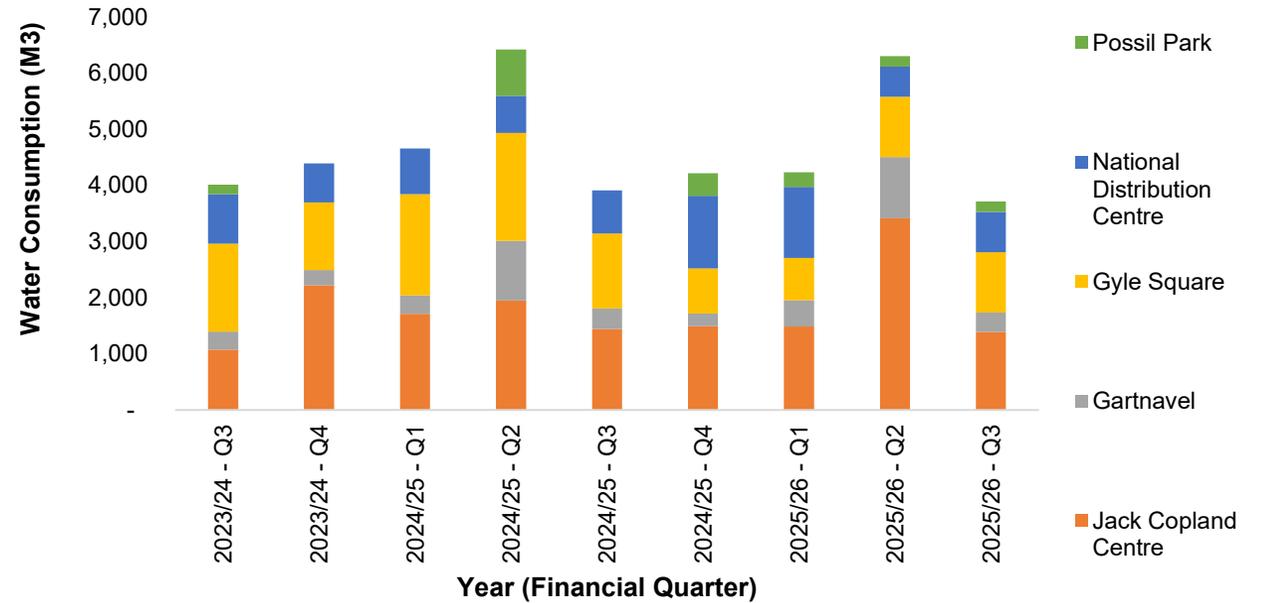
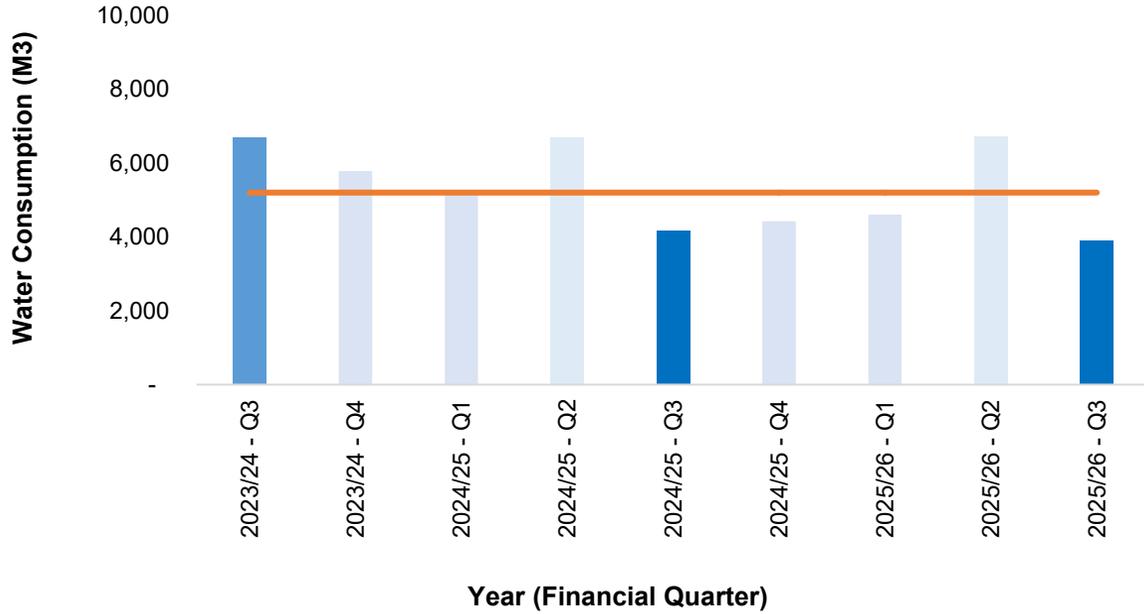
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<ul style="list-style-type: none"> Gas consumption at metered sites has increased by 103,198 kWh's when comparing 2024/25-Q3 to 2025/26-Q3. This in part is due to previous under estimated billing for Gyle Square which was corrected within the latest quarter The total number of sites included in our current analysis is six. We do not include sites which we share with other NHS Boards and where another Board is the site host. 	<ul style="list-style-type: none"> Consumption has decreased compared to the previous Q3 at 4 sites most notably The Jack Copland Centre which saw a decrease of 48,090 kWh's Gas consumption varies depending on the time of year, with higher levels of consumption in Quarter 3 and Quarter 4. 	<ul style="list-style-type: none"> We are working with external stakeholders to better understand methods to improve our gas consumption and improve efficiency of use at Jack Copland Centre. NSS have submitted a major funding bid to Scottish Government for the installation of an upgraded Solar PV. If successful, this will reduce NSS' reliance on the CHP pumps that utilise gas. Recent building closures, including 10 South Gyle and Bain Square, has helped reduce our CO₂ emissions further. 	<ul style="list-style-type: none"> Please note: The summary table reports carbon emissions in line with Scottish Government requirements. However, NSS assesses consumption, which determines our carbon emissions, to help understand what can be done to achieve net zero. 	<p>Strategic: 660 664</p>

Climate Sustainability: Electricity Metered Sites, Quarter 3



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<ul style="list-style-type: none"> NSS continues to decrease its electricity use across the estate, with a reduction of 174,723 kWh in 2025/26-Q3 compared to 2024/25-Q3. The graphs show quarterly electricity consumption for the top five electricity consuming buildings, total and by site. We do not include sites which we share with other NHS Boards and where another Board is the site host. Please note: The summary table reports carbon emissions in line with Scottish Government requirements. However, NSS assesses consumption, which determines our carbon emissions, to help understand what can be done to achieve net zero. 	<ul style="list-style-type: none"> There have been reductions across all sites within the quarter. Hassockrigg has had a meter issue resolved and has received credits for over estimates. Gyle Square has used 20,811 kWh less in the latest quarter Jack Copland Centre used 58,677 kWh less electricity, this is also reflected in the gas use as the gas powered Combined Heat & Power plant is used to generate electricity for the site 	<ul style="list-style-type: none"> We are working with external stakeholders to better understand methods to improve our electricity consumption and efficiency of use at JCC. JCC has now fully installed LED lighting across the estate, installation complete end of April 2025. We anticipate seeing consumption decreasing over the financial year. There is continual monitoring of project benefits. NSS have submitted a major funding bid to Scottish Government for the installation of an upgraded Solar PV. If successful, this will generate ~30% of JCC electricity use on site. 	<ul style="list-style-type: none"> Implementation of automatic meter readers (AMRs) will help us to better understand the use of electricity in NSS sites and enable us to identify improvement areas and pathways for transitioning to more sustainable alternatives. Forresterhill and Gartnavel are the final sites awaiting implementation of AMRs. 	<p>Strategic: 660 664</p>

Climate Sustainability: Water Metered Sites, Quarter 3



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<ul style="list-style-type: none"> Water consumption has decreased by 255 cubic metres (M³) when compared to the same period last year. The graph above (left) shows total water consumption across all NSS metered sites. The graph on the right show's consumption for the top five water consuming buildings. 	<ul style="list-style-type: none"> JCC is the highest water consuming building in NSS. Factors that may be causing this include the heating, ventilation and air conditioning system, and specialist laboratory practices. JCC consumption decreased by 50 m³ Gyle Square consumption also decreased by 262 m³ 	<ul style="list-style-type: none"> We continue to monitor and make improvements using reporting tools. Tickets are raised with Business Stream for the installation of water automatic meter readers (AMRs) at 6 NSS sites. 	<ul style="list-style-type: none"> The implementation of automatic meter readers will help us to better understand the use of water in NSS sites and enable us to identify improvement areas and pathways for transitioning to more sustainable alternatives. 	<p>Strategic: 660 664</p>

Risk details

Risks featured in this report

Risk No./ RAG	Title	Summary	Owner	Strategic/ Corporate
656	Clinical and Patient Safety	There is a risk that preventable harm may occur to patients and service users resulting in a negative outcome.	Executive Medical Director	Strategic
658	Workforce Sustainability	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.	HR Director	Strategic
659	Service Excellence	There is a risk that NSS is unable to deliver effective services for its users. (Subsequently changed to Amber.)	Director of Primary & Community Care (interim), SPST	Strategic
660	Climate Change	There is a risk that we do not reduce our impact on the environment in line with government climate change targets.	Director of NHS Scotland Assure	Strategic
663	Delivery of National Programmes	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.	Director of Finance	Strategic
664	Rationalisation of Office Accommodation	There is a risk that NSS is unable to fully realise savings and service improvements from the rationalisation of its office accommodation.	Director of Finance	Strategic
655	Financial Sustainability	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.	Director of Finance	Strategic
666	Governance and Regulatory Compliance	There is a risk that we fail to meet appropriate corporate legal, governance and regulatory requirements.	Director of Finance	Strategic
790	IG Legislation Breach	There is a risk that NSS breaches relevant legislation in relation to information due to incomplete organisational preparation and inadequate staff awareness.	Director of Digital and Security	Corporate
565	Directorates not engaging with Finance	There is a risk that Directorates do not value the services Finance provide and do not engage with the department, using the staff and services to support them when required	Depute Director of Finance	Corporate

NHS National Services Scotland

Meeting:	NSS Board
Meeting date:	Friday 20 March 2026
Title:	NSS Risk Report (as at end M10, 31 January 2026)
Paper Number:	B/26/08
Responsible Executive/Non-Executive:	Lee Neary, Director Primary & Community Care/Strategy, Performance & Service Transformation
Report Author:	Tracy Maxwell, Planning and Performance Manager; Caroline McDermott, Head of Planning

1. Purpose

- 1.1 This paper is presented for scrutiny and provides the Board with the latest position for very high and high corporate risks, corporate issues, and strategic risks at the end of month 10, 31 January 2026 and provides updates, where applicable, to month 11, at end February.

2. Recommendation

- 2.1 As the responsible Executive, I am assured that the risks 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 contained within this report to assure itself they are being managed appropriately and to suggest any improvements if they are not assured.

3. Executive Summary

- 3.1 This paper provides details on the latest position for corporate very high and high 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. Where appropriate updates have been provided to reflect the risk position at end of February (M11).

3.2 **Corporate issues:** At 31 January 1 corporate issue was recorded on the NSS Risk Register. At M11, this issue has now been closed.

3.3 **Corporate risks:** At 31 January there were 10 corporate risks, consisting of 2 high risks and 8 medium risks. There has been no change in the total reported, however there has been a reduction in very high and high risks since last reported.

At M11 the number of corporate risks has increased, with a total of 12 corporate risks, comprised of 3 high and 9 medium risks.

3.4 **Strategic risks:** All strategic risks are being managed, with action plans and controls in place to mitigate against occurrence. Board Committees scrutinise mitigating actions and risk performance. One strategic risk has an increased score and RAG rating.

One strategic risk has been closed following approval at Audit and Risk Committee at the beginning of March.

4. Impact Analysis

4.1 Quality and Value

4.1.1 The Clinical Governance Committee (CGC) review risks and issues that are assigned the categories of Injury and Illness, Healthcare Experience and Health Inequalities. Clinical staff related Health and Care Staffing Act (2019) risks and issues are also overseen by the CGC.

4.1.2 There are no corporate very high or high risks with any of these categories.

4.1.3 1 high rated strategic risk has healthcare experience as a primary category and is detailed in the report.

4.2 Equality and Diversity, including health inequalities

4.2.1 An Equality Impact Assessment has not been completed as the requirement to complete does not apply to performance papers.

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 is 1 high strategic risk considered within this report with a financial impact of over £1,000k if the risk were to be realised, and is subject to review at the Finance, Procurement and Performance Committee (FPPC):
- 665 – Financial Sustainability (Finance, Corporate Governance and Legal Services)
- 6.2 1 high corporate risk, has a financial impact of over £1,000K if the risk were to be realised:
- 790 – IG Legislation Breach (DaS)
- 6.3 1 corporate issue has a financial impact of over £1,000K if the risk were to be realised:
- 788 – NP805 – Healthcare Waste – Contamination in the Waste Stream (National Procurement). At M11 this issue has been closed.

7. Workforce Implications

- 7.1 Workforce and Injury/Illness risks are considered by the Staff Governance Committee (SGC).
- 7.2 There are no corporate very high or high risks with a primary category of Workforce or Injury/Illness.

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 high strategic risk, detailed in the report, relates to climate change.

9. Route to Meeting

- 9.1 Detailed review of corporate and strategic risks takes place at relevant Committees. This report has been reviewed at EMT on 16 February and an updated M11 report was reviewed on 16 March.

10. List of Appendices and/or Background Papers

- Appendix 1, Risk Report as at Month 10, 31 January 2026.
- Appendix 2, NSS Risk Appetite Overview

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.

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 very high, high, medium, or low rating of a risk assessed by multiplying the likelihood of the risk occurring with the possible impact it could have.

Initial RAG: The very high, high, medium, or low 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.

Risk Appetite: The amount of risk that NSS is prepared to accept or be exposed to at any one time, in the pursuit of its strategic objectives. NSS's risk appetite is the optimal position of where we aim to operate, however we also define a tolerable position which is where we are willing to operate. Any risk outwith both optimal and tolerable position is described as outwith tolerance.

Appendix 1

Risks Report (Month 10, 31 January 2026)

This paper presents the Board with the latest position on risk management activity across all corporate very high and high 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).

M11 updates, as at end February, have been added to the report where available 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 Issues

On 31 January 2026 there was 1 corporate issue, a reduction from 3 at last report.

788 NP805 Healthcare Waste - Contamination in the Waste Stream

Issue Impact	Date Opened	Primary Category	Owner
Extreme	28/05/25	Service Delivery / Business Interruption	Head of Strategic Sourcing

Summary: There is an issue that contamination (e.g. metal and batteries) within the orange bag healthcare waste stream across NHSScotland is causing damage to the waste contractor's plant and facility. This is resulting in damage to their processing equipment and/or building, resulting in delays or lack of processing capability for healthcare waste as well as a potential requirement of contingency measures.

Impact: Any disruption in collection and processing of healthcare waste could impact upon our ability to undertake routine and emergency care at healthcare facilities. Build-up of waste at NHS facilities could have health and safety impacts for NHS Scotland staff. Delays in care for patients due to waste processing delays could result in a negative public opinion for NHS Scotland/ National Procurement/ NSS. Catastrophic damage to the waste processing site that results in contingency measures would expose NHSScotland to costs of circa £30m per annum.

Update: Revised non-conformance reporting (NCR) process and improved visibility of NCR has resulted in a reduction in incidents. Work is still ongoing for a longer term solution. A short-life working group will remain in place as needed. Quarterly Business Review process is now embedded, and it is planned that the boards will take ownership of these meetings in 2nd half of 2026/27. The contractor now has technical proposals and discussions on how to proceed with these continues. Options under consideration include airport style scanning and detection equipment. National Procurement await the outcome of the contractor's research and recommendations. Any solution will require capital investment along with ongoing operating costs, subject to an agreed source of funding. There will be a significant lead time for design and implementation, likely in a future financial year.

M11 Update: Given progress of the agreed actions and an acceptance to monitor associated non-conforming waste risks through business as usual processes, this issue was closed following the reporting period in February.

Corporate Risks

At Month 10, 10 corporate risks were identified. This included 2 high risks. At Month 11, the total corporate risks recorded had increased to 12.

Figure 1: Overall Corporate Risk Position at M10 FY26

		Impact					Total	
		Negligible	Minor	Moderate	Major	Extreme		
		1	2	3	4	5		
Likelihood	Almost Certain	5	0	0	0	0	0	
	Likely	4	0	1	0	0	1	
	Possible	3	0	1	2	2	5	
	Unlikely	2	0	0	1	3	4	
	Rare	1	0	0	0	0	0	
Total			0	2	3	5	0	10

Corporate Very High Rated Risks

There were 0 corporate very high risks at 31 January.

Corporate High Rated Risks

There were 2 corporate high risks at 31 January. This had increased to 3 at M11.

563 Reliance on Legacy Systems

Current RAG	Initial RAG	Residual RAG
12 High	4 Medium	8 Medium

Review Date	Opened Date	Proximity Date
27/02/26	17/10/18	31/03/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Appetite	Associate Director, FCGLS

Summary: NSS are reliant on a number of key national systems - with a lack of integration between these systems and other external systems.

Impact: If these systems were to fail then it would impact on the ability to deliver services.

Update: The tender process for the business systems continues with initial tender responses being assessed. The project is being led by the Business Systems Programme Board and NHS Scotland wide engagement continues, with NSS members engaged as subject matter experts. Engagement with NHS Education for Scotland regarding Public Services Delivery (PSD) Scotland has identified substantial cross-over between actions for this project and business systems implementation. This is being considered as part of the PSD Scotland planning process. Business Finance is actively supporting this programme and the Director of FCGLS is the executive lead for implementation for NSS and PHS and a member of the Finance Assurance Board.

790 IG Legislation Breach

Current RAG	Initial RAG	Residual RAG
12 High	12 High	8 Medium

Review Date	Opened Date	Proximity Date
31/03/26	25/05/17	31/03/26

Primary Category	Risk Appetite	Risk Owner
Compliance	Outwith Appetite	Director of DaS

Summary: There is a risk that NSS breaches relevant legislation in relation to information due to incomplete organisational preparation for new and existing laws, e.g. in data protection, and inadequate staff awareness of these laws, their responsibilities, and understanding of policies, procedures and safeguards that are in place.

Impact: NSS may face fines of over £1,000K. Adverse publicity leading to the loss of trust and confidence of our stakeholders and customers. Staff knowledge

and skills and level of awareness of their duties and responsibilities result in breaches of confidentiality and data protection law. People are exposed to clinical risk due to reduced confidence in clinical services supported by NSS or subject to individual distress caused by disclosure of sensitive information.

Update: NSS continues to perform well in relation to Freedom of Information (FOI) compliance - particularly given the volume of requests. Further work is being developed with NES in relation to the PSD Scotland way of working going forward. FOIs are now managed on the InPhase system. Records management leads have been updated of retention requirements and Record Management Plan is on track. The Information Asset Register (IAR) continues to be reviewed in line with new governance, risk, and compliance tools.

At M11, one new high risk was opened outwith the reporting period:

874 – Digital and Workforce System Changes

Current RAG	Initial RAG	Residual RAG
15 High	15 High	10 High

Review Date	Opened Date	Proximity Date
09/03/26	24/02/26	01/04/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery/Business Interruption	Outwith Tolerance	Director of Nursing

Summary: There is a risk that NSS will be unable to deliver the required digital and workforce system changes to support the NES to Public Services Delivery staff transition within the necessary timescales due to limited internal capacity, supplier constraints and overlapping national system priorities.

Impact: Failure to implement system changes could lead to manual workarounds, increased errors and delays in onboarding and payroll processes. There may be disruptions to self-service systems. The transition may clash with other major national system updates (e.g. reduced working week implementation), which may lead to delays or failure to meet Day 1 readiness. NSS teams and contractors may have limited capacity due to competing priorities and technical constraints.

Update: System impacts have been clarified enabling agile decisions via the eEES (electronic Employee Support System) short life working group and strong links with DaS and programme structures. Major risk to key critical systems relating to organisational name change/system coding is close to being reduced but will need ongoing robust monitoring.

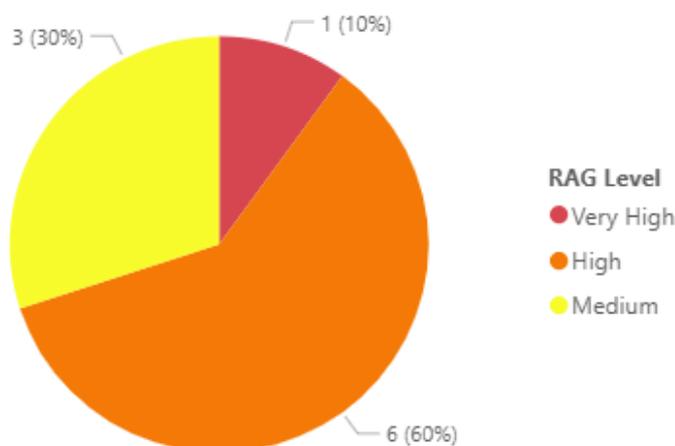
Strategic Risks

There were 10 strategic risks on 31 January. One strategic risk was closed on 6th March, following approval by the Audit and Risk Committee:

- Risk 661 Public Scrutiny and Inquiries.

These risks are being managed using the Integrated Risk Management Approach and are reported to Committees based on their primary risk category.

Figure 2 - Strategic Risks M10 FY26



654 Cyber Security

Current RAG	Initial RAG	Residual RAG
20 Very High	20 Very High	12 High

Review Date	Opened Date	Proximity Date
28/02/25	15/12/23	31/12/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Tolerance	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: Draft risk sub-categories and associated measurements are almost complete and will be ratified by Information and Security Governance Group before approval by Corporate Governance Oversight Group. NSS are driving a national approach to security controls testing and measurement, with a pilot running until end March 2026. NSS continues to deliver the Cyber Centre of Excellence, with good progress against delivery priorities, and the programme currently reporting as Green. The Cyber Centre of Excellence will own the cyber training module for NHS Scotland from 2026, with training being mandatory annually.

M11 update: Assurance for security controls testing remains on track for delivery by end of March, with reporting to follow in due course. The Cyber Centre have increased capabilities around incident response and have recently procured a new ransomware product to add protection.

656 Clinical and Patient Safety

Current RAG	Initial RAG	Residual RAG
12 High	12 High	8 Medium

Review Date	Opened Date	Proximity Date
31/03/26	20/12/23	30/06/26

26

Primary Category	Risk Appetite	Risk Owner
Healthcare Experience	Tolerable Risk Position	Executive Medical Director

Summary: There is a risk that harm or low-quality care may occur for patients or service users resulting in poor outcomes. 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: Failure to deliver high quality national services, such as population screening programmes, infection prevention and control, blood transfusion services and specialist services, will have a negative impact on population health. Due to the position of NSS as a national board under scrutiny, failure to deliver high quality services may attract adverse publicity and/or enforcement action by external regulators. Adequate resources for delivery of high-quality services could be at risk due to financial pressures across NHS Scotland. Ability to recruit and retain staff in a challenging and competitive environment across NHS Scotland could have a negative impact on the ability to deliver services.

Update: Quality improvement activity continues across NSS, with another cohort of Quality Improvement and Value Skills (QIVS) course starting and several bite size sessions have taken place. The Clinical Governance Delivery Plan remains on track with five workstreams now complete. The Clinical Governance and Quality Improvement Leadership Forum took place in January, and an NSS Connected article promoting the Clinical Governance framework was published.

SNBTS has made steady progress in Q3 against Infected Blood Inquiry actions. SNBTS is largely compliant with the new Serious Hazards of Transfusion (SHOT) Safety Standards, with gaps centred on national digital interoperability and training requirements.

Draft Annual Report for Health & Care Staffing is due in April and an NSS/HIS Board engagement call took place in January.

Risks relating to changes to clinical services commissioned by NSD continue to be managed and the overall risk position is largely unchanged. Risk exposure remains high for service sustainability and governance in nationally commissioned services. Several high-impact operational risks continue to require close monitoring.

The new model of clinical assurance developed as part of Child Health Programme will be built upon and formally embedded across all digital Programmes and Projects. This will include early identification and engagement with key stakeholders.

M11 Update: The Clinical Governance delivery plan workstreams relating to clinical complaints and clinical adverse events will carry forward to 2026-27 due to the proposed implementation date of the InPhase system and associated policy and guidance. Reporting continues to be strengthened, with the Clinical Governance team reviewing and providing feedback on clinical governance assurance reports submitted by directorates. Early preparation is under way for the next Clinical Governance and Quality Improvement Leadership Forum provisionally scheduled for May. The Health and Care Staffing Act annual report was completed and approved by HCSA oversight group, which shows substantial assurance with compliance. This is to be approved by EMT and Clinical Governance Committee before submission to Scottish Government.

The risk position for Child Health profile has reduced. Stakeholders have been involved in reviewing risks in the Clinical Safety Case to maximise engagement and involvement.

658 Workforce Sustainability

Current RAG	Initial RAG	Residual RAG
9 Medium	12 High	4 Medium

Review Date	Opened Date	Proximity Date
31/03/26	11/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Workforce	Optimal Risk Position	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 re-skill 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: An Anti-Racism SharePoint site has been created to aid staff knowledge and understanding. The Great Place to Work and Anchors plans are on track for delivery and being reported via the relevant governance routes. Year two of NSS Workforce and 5 pillar actions plan is on track with year three deliverables now being looked at.

659 Service Excellence

Current RAG	Initial RAG	Residual RAG
12 High	16 High	6 Medium

Review Date	Opened Date	Proximity Date
31/03/26	15/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Tolerance	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: Development of the 26/27 Annual Delivery Plan is underway. Directorate Complaints Leads are beginning data cleansing in preparation for the 25/26 annual feedback and complaints report. Data continues to be uploaded to ServiceNow while preparations continue to move Complaints over to the InPhase platform. Work to map current systems to the Board Assurance Framework has been paused until the creation of PSD Scotland in April. Improvements continue to be made on Power BI dashboards for Risk Reporting, including a dashboard being under development to support risk discussion at Executive Management Team meetings.

660 Climate Change

Current RAG	Initial RAG	Residual RAG
12 High	9 Medium	9 Medium

Review Date	Opened Date	Proximity Date
02/03/26	16/01/24	01/04/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Tolerance	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. Funding limitations may prevent, delay, or cancel critical environmental improvement projects, undermining long-term carbon reduction efforts. 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: A full review of this risk highlighted the potential long-term implications of funding limitations, as well as the potential loss of stakeholder support for future strategic action should NSS fail to deliver their own climate and sustainability commitments. An increase in the impact level from 3 to 4 was proposed and subsequently approved by the Finance, Procurement and Performance Committee. This resulted in an increase in overall RAG from medium to high. All previous actions have now been closed and a new action plan put in place.

An Estates Adverse Weather Process document has been created and recently tested during an Amber weather warning. A thermal survey of eight key estates is taking place to support the Climate Change Risk Assessment report. A commercial contractor will undertake this work.

NSS remain on track for the replacement and installation of new LEDs at Gartnavel and for the installation of solar panels at Bogleshole Road (replacement site for SNBTS Possil Park Garage), both due for completion by the end of Q4 25/26. Funding requests being made to Scottish Government would support new fleet electric vehicle chargers at Jack Copland Centre.

661 Public Scrutiny and Inquiries

Current RAG	Initial RAG	Residual RAG
9 Medium	12 High	9 Medium

Review Date	Opened Date	Proximity Date
31/03/26	16/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Compliance	Outwith Tolerance	Director of SPST

Summary: There is a risk that NSS does not meet statutory requirements and requests from public inquiries 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: All agreed actions for this risk have now been completed. There is a team in place with robust mechanisms in place to support provision of responses to Public Inquiries, whilst liaising with stakeholders and providing witness support. Robust mechanisms have been put in place, with the team sharing learning with others. The risk is now minimal. Future risk/actions around wider information requests being channelled through a single place will be part of PSD Scotland design discussions.

This risk was closed on 6th March, following approval by the Audit and Risk Committee.

663 Delivery of National Programmes

Current RAG	Initial RAG	Residual RAG
16 High	16 High	8 Medium

Review Date	Opened Date	Proximity Date
27/02/26	30/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Transformation & Innovation	Optimal Risk Position	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: Consolidated financial planning/reporting being developed in order for NHS Scotland Corporate Finance Network to have visibility on all key work supported by NSS including financial implications. Finance Leads allocated to projects to support the development of robust business cases and support timely, appropriate governance in NSS and across NHS Scotland.

664 Rationalisation of Office Accommodation

Current RAG	Initial RAG	Residual RAG
12 High	15 High	8 Medium

Review Date	Opened Date	Proximity Date
27/02/26	30/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Tolerance	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: NSS is currently reviewing NSS footprint in light of PSD Scotland, in particular for options at Gyle Square as well as ongoing engagement with territorial Boards.

M11 Update: NSS is looking at options to accommodate NES at Gyle Square following termination of their lease at Westport. This would allow both organisations to come together following the creation of PSD Scotland. A strategic assessment is underway to identify future options for Gyle Square post-lease in 2029.

665 Financial Sustainability

Current RAG	Initial RAG	Residual RAG
10 High	15 High	10 High

Review Date	Opened Date	Proximity Date
27/02/26	30/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Service Delivery / Business Interruption	Outwith Tolerance	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: Finance Business Partners continue to support work to embed value-based health and care principles in processes and outputs/outcomes, working closely with clinical leads. Finance Charters are refreshed annually and discussed at directorate Senior Leadership Team meetings. Future development includes more focus on financial and funding strategy for each directorate to maximise opportunities and mitigate risks. Financial stability is at the heart of wider Integrated Service Planning. Regular meetings are held with Scottish Government including a monthly Corporate Finance call, which covers investment, funding, and financial management across financial years.

666 Governance and Regulatory Compliance

Current RAG	Initial RAG	Residual RAG
8 Medium	12 High	6 Medium

Review Date	Opened Date	Proximity Date
27/02/26	31/01/24	31/03/26

Primary Category	Risk Appetite	Risk Owner
Compliance	Outwith Tolerance	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: Talent management and succession planning is aligned to and supports wider corporate requirements as part of the annual work plan. The Great Place to Work Plan is executed and delivery is overseen by the Senior Leadership Team and the Local Partnership Forum. Planning work has been undertaken in relation to reduced working week and service planning.

Appendix 2

NSS Risk Appetite Overview

Impact Category	Statement	Optimal Risk Position	Tolerable Risk Position
Injury/Illness	<p>The safety of those who work for NSS and people who are impacted by our services is paramount to NSS. We focus on delivering services safely to avoid injury / illness.</p> <p>Good controls and oversight are required to be in place and confidence in the controls is required. We have a cautious risk appetite but will tolerate an open appetite where innovation is required as long as there is a defined benefit and good controls in place.</p>	<p>Cautious</p> <p>Score ≤9</p>	<p>Open</p> <p>Score 10-16</p>
Healthcare Experience	<p>We aim for people who use our services, whether that be to donate blood or in using the products we have procured on behalf of NHSScotland or utilise our expertise to have a positive experience of our service provision.</p> <p>Good controls and oversight are required to be in place and confidence in the controls is required. We therefore have a cautious risk appetite but will tolerate an open appetite where innovation is required as long as there is a defined benefit and good controls in place.</p>	<p>Cautious</p> <p>Score ≤9</p>	<p>Open</p> <p>Score 10-16</p>
Transformation & Innovation	<p>Our strategic plan points to change as driven by the needs of our stakeholders. The Enable priority is our transformation priority which focuses on supporting programmes of work to implement new or improved healthcare solutions. We have an open risk appetite to innovation and will tolerate an eager appetite, where this is required. Innovation will be supported with a clear demonstration of benefit. Some controls will be in place. Responsibility is devolved.</p>	<p>Open</p> <p>Score ≤16</p>	<p>Eager</p> <p>Score 17-25</p>
Service Delivery / Business	<p>NSS places high importance on services, delivery and on quality improvement. Our services such as blood supply and digital</p>	<p>Cautious</p> <p>Score ≤9</p>	<p>Cautious</p> <p>Score ≤9</p>

Interruption	<p>infrastructure, amongst others, are critical to delivery for the NHS in Scotland. In addition, NSS delivers a range of shared services to other health boards. We aim to successfully deliver against our Annual Delivery Plan and minimise business interruption through taking swift action to assess and recover from business interruption. Changes may be made if there are good levels of control and oversight around the risks. NSS has a cautious risk appetite and tolerance aimed at improving its frontline services and the corporate services that underpin them.</p>		
Workforce	<p>A diverse, knowledgeable, skilled, and optimised workforce that can respond to changing needs, are critical to NSS achieving its objectives. We work in Partnership with the Trades Unions and aim to ensure positive industrial relations are in place. We need to ensure we have the ability to attract and retain our staff and that our staff are employed in line with legislation. We strive to meet the Staff Governance Standard.</p> <p>The cautious appetite to risk allows NSS scope to implement initiatives and procedures that seek to inspire staff and support transformational change whilst ensuring it remains a safe place to work. Change may be made if there are good levels of control and oversight around the risks. The open tolerance allows us to accept some risk where change is required as long as there is potential for improved recruitment and retention and development opportunities for staff.</p>	<p>Cautious Score ≤9</p>	<p>Open Score 10-16</p>
Financial	<p>NSS aims to achieve our statutory financial targets, including financial balance. The NSS Financial Sustainability Plan is in place to ensure a robust financial management culture is developing across NSS. The open risk appetite allows us to make purchases where required with good controls in place and to challenge current practice on funding decisions outside of our allocation. We will tolerate an eager risk appetite to pursue transformation and innovation where there is explicit benefit,</p>	<p>Open Score ≤16</p>	<p>Eager Score 17-25</p>

	to respond to stakeholder requirements and ensure NHS spend is effective and efficient.		
Compliance	<p>Due to the diverse nature of the services NSS delivers, there is an extensive range of compliance requirements placed upon us. Compliance arrangements may relate for example to the process of manufacturing and distribution of blood or the management of information systems / information governance and procurement legislation. We want to ensure that our staff are trained appropriately.</p> <p>We aim to avoid actions with any unnecessary risk of non-compliance. We therefore have an adverse risk appetite. No decisions are taken outside of process and oversight / monitoring arrangements. A significant level of resource is focused on detection and prevention of non-compliance. There is a priority for close management controls and oversight with limited devolved authority. We are willing to accept a tolerance of minimal risk appetite where low risk actions are required to deliver priorities and objectives.</p>	Averse Score 1	Minimal Score 2-4
Public Confidence	To sustain a high reputation and confidence in its service offering, NSS has set a minimal appetite for risk. It is important that there is confidence in the services delivered by NSS. NSS seeks to conduct its activities in a way that maintains its reputation; mitigating anything that might jeopardise this and result in adverse publicity. Building and maintaining the trust and confidence of its existing stakeholder base remains central to NSS values. However, it is accepted that some risk exposure is taken when enabling health and care transformation with new services therefore we have adopted a cautious risk tolerance.	Minimal Score ≤4	Cautious Score 5-9
Health Inequalities	Health inequalities in Scotland are significant with disparities in health outcomes based on socio-economic status leading to a gap in life expectancy and quality of life between affluent and deprived areas. Where NSS commissions services or provides	Minimal Score ≤4	Cautious Score 5-9

	<p>services which impact on people's health, appetite for risk taking is limited to those events where there is no chance of a varying impact on groups of people. Risk appetite is therefore minimal. We have a tolerance appetite level of cautious. We are prepared to accept the possibility that decisions or service change may have a varying impact on different groups of people for good reason.</p>		
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NHS National Services Scotland

Meeting:	NSS Board Meeting
Meeting date:	20th March 2026
Title:	Public Inquiries Update
Paper Number:	B/26/09
Responsible Executive/Non-Executive:	Lee Neary, Director of Primary and Community Care/Strategy, Performance and Service Transformation
Report Author:	Marie Brown, Head of Public Inquiries and Scrutiny

1. Purpose

- 1.1 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 investigation.
- 1.2 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 deaths in the Queen Elizabeth University Hospital) which NSS staff are assisting with.

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 the NSS Executive Management Team on 16 March 2026 is attached as an appendix. NSS continues to liaise with the public inquiry and investigation teams, actively managing resources to ensure appropriate support is maintained. Efforts are ongoing to minimise duplication of effort, particularly where there is overlap in evidence requests between the two inquiries.

4. Impact Analysis

4.1 Quality and Value

4.1.1 There is no impact on quality and value to consider in this report, which provides an update on the NSS response to public inquiries.

4.2 Equality and Diversity, including health inequalities

4.2.1 Equality, diversity and health inequalities are being considered throughout the public inquiries' investigations. There is no impact on equality, diversity, and health inequalities to consider in this report, which provides an update on the NSS response to public inquiries.

4.3 Data protection and information governance

4.3.1 Although there is limited impact on data protection and information governance, there is ongoing engagement with investigatory bodies seeking information, the Central Legal Office and NSS Information Governance colleagues to ensure requests for information and responses to those requests are managed appropriately.

5. Risk Assessment/Management

5.1 Risk assessment and management is managed in line with the Integrated Risk Management Approach and Public Scrutiny and Inquiries Strategic Risk (7322).

6. Financial Implications

6.1 The financial impact of responding to the COVID-19 Inquiries continues to present a significant corporate pressure. In 2023/24, NSS incurred costs of £823,167 in relation to its engagement with the UK COVID-19 Inquiry. Expenditure for 2024/25 amounted to £746,000.

6.2 For the financial year (2025/26), an allocation of £738,000 has been approved, with £485,021 expended in the period up to 28 February 2026. The full budget for 25/26 will not be utilised and therefore £250,000 was returned to NSS reserves in period 11. Costs will continue to be incurred with the Scottish COVID-19 Inquiry holding evidential hearings throughout 2026, requiring sustained organisational input and resource commitment.

7. Workforce Implications

7.1 Workforce implications continue to be managed locally through Directorates and the Programme Risk Register, with escalated risks or issues directed to the NSS Executive Management Team.

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's 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	Board March 2026		
Reporting On	<ul style="list-style-type: none"> ➤ UK and Scottish COVID-19 Public Inquiries ➤ Scottish Hospitals Public Inquiry ➤ Consultations ➤ Criminal Investigations 	Period Covered	10 February 2025 to 6 March 2026

Upcoming Hearings (in order re substantive hearings, including Scottish Hospitals Inquiry)	
Public Inquiry	Dates
Scottish COVID-19 Inquiry - Evidential hearings	Throughout 2026

COVID-19 Public Inquiries - Executive Highlights
<p>UK COVID-19 Public Inquiry</p> <ul style="list-style-type: none"> ➤ Although active participation in the UK Inquiry is concluding, NSS may still be required to respond to warning letters, reports, and recommendations from Modules 3 to 7 over the next 12–18 months. ➤ Key timeline for the publications of reports and recommendations: <ul style="list-style-type: none"> ○ 19 March – Module 3 (Healthcare) ○ Early summer – Module 5 (Procurement) ○ Late 2026 – Module 7 (Test, Trace and Isolate) <p>Scottish COVID-19 Public Inquiry (SCI)</p> <ul style="list-style-type: none"> ➤ The Inquiry has outlined high level plans for 2026. Key activities include: <ul style="list-style-type: none"> ○ Continued collection of documents and witness statements.

- Preparation for 'Implementation' public hearings in October 2026.
 - Publication of narrative records from public impact hearings later this year (note: these will not include findings or recommendations).
- NSS is currently responding to four requests for information from the Inquiry and is working with teams throughout the organisation to draft witness statements within tight Inquiry timelines. Three witness statements have recently been submitted to the Inquiry in draft form for review.
- The Public Inquiries Team is working with a number of NSS colleagues and former colleagues in preparation for interviews with SCI.

Other Related Initiatives

NHS Tayside

- NSS, led by the Head of Public Inquiries and supported by project managers, continues to work closely with NHS Tayside to establish robust processes for responding to the Eljamel Inquiry. As NHS Tayside's internal team is established, we are jointly agreeing a phased transition to wind down NSS support.

Best Practice Online Tool

- NSS Public Inquiries & External Scrutiny Team has developed an online best practice tool to support future responses to public inquiries. This initiative consolidates lessons learned and effective practices from NSS's involvement in the Infected Blood Inquiry, Scottish Hospitals Inquiry, UK COVID-19 Inquiry, and Scottish COVID-19 Inquiry [Public Inquiries Best Practice Resource](#). We continue initial meetings with Scottish Government on how we can collaborate and share learning.

Finance

- The financial impact of responding to the COVID-19 Inquiries continues to present a significant corporate pressure. In 2023/24, NSS incurred costs of £823,167 in relation to its engagement with the UK COVID-19 Inquiry. Expenditure for 2024/25 amounted to £746,000.

For the financial year (2025/26), an allocation of £738,000 has been approved, with £485,021 expended in the period up to 28 February 2026. The full budget for 25/26 will not be utilised and therefore £250,000 was returned to NSS reserves in period 11. Costs will continue to be incurred with the Scottish COVID-19 Inquiry holding evidential hearings throughout 2026, requiring sustained organisational input and resource commitment.

Freedom Of Information (FOI) Requests (public inquiries)

- There have been no FOI requests in relation to the COVID-19 public inquiries in the last period.

Scottish Hospitals Public Inquiry - Executive Highlights

- Although active participation in the Scottish Hospitals Inquiry has concluded, NSS will be required to further input to this work when we receive Lord Brodie's final report. While we do not have a confirmed date, publication is anticipated later in this year/start of 2027.

Consultations

- NSS has responded to one consultation during this period:
 - Procurement Thresholds Consultation in relation to the Procurement (Scotland) Reform Act 2014. This was coordinated and led by National Procurement.

Police Scotland / COPFS Investigations

- Colleagues from NHSScotland Assure continue to assist Police Scotland and the Crown Office and Procurator Fiscal Service (COPFS) with their investigations into the Queen Elizabeth University Hospital and COVID-19 hospital deaths.

Minutes

(Approved)

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B/26/10

NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON TUESDAY 2 DECEMBER 2025, COMMENCING 0930HRS VIA TEAMS

Present:

Lisa Blackett – Non-Executive Director and Committee Chair
Paul Buchanan – Non-Executive Director
David Allan – Trade Union Representative
Ian Cant – Non-Executive Director and Employee Director
Tam Hiddleston – Trade Union Representative
Arturo Langa – Non-Executive Director
Beth Lawton – Non-Executive Director
Gerry McAteer – Trade Union Representative
Alex Morrison – Trade Union Representative
Keith Redpath – NSS Chair

In Attendance:

Serena Barnatt – Director of HR and Organisational Development
Kyle Clark-Hay – Associate Director of Corporate Governance (Board Secretary)
Lynn Cowan, Organisational Development and Learning Manager [Item 14]
Jane Fewsdale, Head of People Insights, Performance and Systems [Item 13]
Elaine Hughes, Senior Specialist HR Advisor
Rachel Kavish-Wheatley, Executive and Governance Manager
Caroline McDermott, Head of Planning [Items 1-5]
Mary Morgan – Chief Executive
Lynn Morrow – Corporate Affairs and Compliance Manager
Nicola Pelosi Adams, Executive Support Officer [Observing]
Aileen Stewart – Associate Director of HR
Madeline Smith, Aspiring Chair Programme [Observing]
Lynsey Bailey - Committee Secretary [Minutes]

Apologies:

None

1. WELCOME AND INTRODUCTIONS

- 1.1 L Blackett 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.



Chair
Chief Executive

Keith Redpath
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 TUESDAY 2 SEPTEMBER 2025 AND MATTERS ARISING [SG/25/48 and SG/25/49]

3.1 Members considered the draft minutes from the previous meeting held on 2 September 2025 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 of 2 September 2025 as an accurate record of the meeting.

Decision: To note the action list and agree the closure of the actions recommended for closure.

4. FORWARD PROGRAMME [SG/25/50]

4.1 Members considered the schedule of meetings and had no further comments.

Decision: To approve the SGC Forward Programme.

5. PREVENT POLICY [SG/25/51]

5.1 Members were taken through the Prevent Policy and given an overview of its background and considerations. Members suggested the wording about the reporting routes could be further refined for clarification – i.e. concerns relating to staff members would come through SGC but concerns in respect of service users would be reported via the Audit and Risk Committee (ARC). Members were content to approve the policy subject to this update.

Decision: To approve the Prevent Policy subject to update wording regarding the reporting routes.

Action: To update the wording regarding reporting routes to clarify what would be submitted to ARC and SGC – Head of Planning

6. RESERVE FORCES TRAINING AND MOBILISATION POLICY [SG/25/52]

6.1 Members were taken through the Reserve Forces Training and Mobilisation Policy. Members sought and received assurance regarding resilience arrangements in the event a large number of staff were called up for reserves. The Committee confirmed that they were content to approve the policy.

Decision: To approve the Reserve Forces Training and Mobilisation Policy.

7. INDUCTION POLICY [SG/25/53]

7.1 Members were taken through the Induction Policy. Members sought and received assurance about arrangements for staff based in warehouses and labs to attend the digitally delivered sessions. Members were given an overview of how feedback on the corporate induction process was collated and addressed. They were assured that this was continually evaluated and monitored. It was also noted that the table of contents did not match the section headings within the main policy and that this should be rectified before publication. Members agreed that, subject to this being corrected, they were content to approve the policy.

Decision: To approve the Induction Policy, subject to corrected table of contents.

Action: To correct the table of contents – Senior Specialist HR Advisor.

8. UNIFORM AND APPEARANCE POLICY [SG/25/54]

8.1 Members were taken through the Uniform and Appearance Policy. Members discussed the process when an individual member of staff requires a variation and the need to make the process easier in practical terms within NSS. The Associate Director of HR agreed to look at how to address this going forward.

Decision: To approve the Uniform and Appearance Policy.

Action: To look at how to simplify the process within NSS for individuals to agree a required variation to their uniform – Associate Director of HR

9. NSS PARTNERSHIP FORUM [SG/25/55]

9.1 Members considered the minutes provided and received a verbal update of the most recent meetings at the Annual Review and on the 18 November 2025. Members were pleased to note that partnership working continued to be in a very positive place.

Decision: To note the updates provided on the work of the Partnership Forum.

10. PEOPLE REPORT [SG/25/56]

10.1 The Director of HR and Organisational Development spoke to the paper, which covered all key issues around compliance with the Staff Governance Standard and best employment practice. Members commended the report and were particularly pleased to see the reduction in the agency and fixed-term contract staff figures. Members discussed the benefits a breakdown of mental health absences in separate categories would bring to understanding the issues better. However, they acknowledged that the current reporting arrangements through the national system were limiting in this respect. Members were informed of current ongoing work at local level to provide more detail around these types of absences, which could be fed back through the national systems programme.

10.2 Members noted Counter Fraud Services had a high number of referrals to Occupational Health and were assured that this would be looked into by the Occupational Health and Safety Advisory Committee. They also sought and received assurance about appointment waiting times and how these were managed, acknowledging that waiting times were affected by demand, but that cases would also be prioritised by severity of need. Members were updated on the recent win of the Health and Wellbeing Award of the Year at the HR Network Awards and wished to record their congratulations.

Decision: To note the updates provided in the People Report and accept the assurances provided.

11. GREAT PLACE TO WORK PLAN 2024/25 QUARTER 2 REPORT [SG/25/57]

11.1 Members were taken through the report, which updated on the progress against the priority areas for improvement contained in the NSS Great Place to Work Plan 2024/2025. Members welcomed the report. Members discussed the uncertainty created by NHS Delivery and acknowledged the time and effort going into maintaining a level of

continuity, engaging in open dialogue, and ensuring the impact on staff was minimised as far as possible. Members welcomed the openness and transparency and were assured that the situation would continue to be monitored and managed proactively.

Decision: To note the Great Place to Work Plan quarter two update, focusing particularly on key achievements to date, and accept the assurances provided.

12. WHISTLEBLOWING QUARTERLY REPORT [SG/25/58]

12.1 Members were taken through the report which updated on NSS's performance for the first quarter of 2025-26 (1 July to 30 September 2025), demonstrating performance against the key performance indicators as required by the Independent National Whistleblowing Officer (INWO). They commended the work that had gone into Speak Up Week and wished to express their thanks to all involved. Members were also updated on the new Ombudsman and the potential impact and opportunities this change could bring. Members were content with the report but suggested that the action tracker contained within be given set completion dates and no longer use "ongoing".

Decision: To note the Whistleblowing Quarterly Report, accepting the assurance provided.

Action: To update the action tracker with set completion dates – Associate Director of Corporate Governance (Board Secretary)/ Corporate Affairs and Compliance Manager

13. STAFF RISKS [SG/25/59]

13.1 Members welcomed the Staff Risk report, which provided details of the current position of corporate staff risks rated as High or Very High on the NSS Risk Register as at 31 October 2025. Members were updated on the review of the latest service integration plan submissions and the horizon scanning being done. Members were content with the report and had no further comment.

Decision: To note the Staff Risks Quarterly Report, accepting the assurance provided.

14. TALENT MANAGEMENT AND SUCCESSION PLANNING [SG/25/60]

14.1 Members considered the report which, updated on the outcomes of the Talent Management and Succession Planning Process for 2025/26. Members sought assurance about a consistency approach to releasing staff for secondments. They were advised that this was part of the rationale behind the proposal to create a talent pool to support this. They also acknowledged the workforce environment was changing, and that aspiring individuals should focus more broadly on readiness for leadership rather than a specific role. Members were advised that the talent pool was an option to allow a more agile and responsive approach to this changing workforce environment and could enable people to work towards the progression they aspired to. The Chief Executive and Organisational Development and Learning Manager agreed to take this discussion outwith the meeting and develop the recommendations further.

Decision: To note the report and its implications for NSS, accepting the proposed recommendations (subject to further development) along with the assurance provided.

Action: To discuss further development of the recommendations to ensure a more agile and responsive approach to this changing workforce environment. – Chief Executive/Organisational Development and Learning Manager

15. STAFF GOVERNANCE MONITORING EXERCISE 2024-2025 [SG/25/61]

15.1 Members considered the report which, contained NSS's response to the national Staff Governance Monitoring Exercise to be returned to the Scottish Government by 17 December 2025. Members confirmed that they were satisfied with the content. Members asked about the timescales for receiving the feedback from Scottish Government and were assured that this was a more streamlined report and the Associate Director of HR continued to engage with Scottish Government colleagues about the feedback they provided to ensure it was more timely.

Decision: To note the NSS Staff Governance Monitoring Return, prior to the submission being sent to Scottish Government.

16. JOINT LOCAL NEGOTIATING COMMITTEE (JLNC) BRIEFING [SG/25/62]

16.1 Members noted the report which provided an update on discussions at the recent meeting of the JLNC

Decision: To note the brief from the JLNC.

17. iMATTER NATIONAL HEALTH AND SOCIAL CARE STAFF EXPERIENCE SURVEY RESULTS 2025 [SG/25/63]

17.1 Members briefly discussed the iMatter Health and Social Care Staff Experience Survey 2025 report, which summarised the national level results from the 2025 iMatter Survey. Members were keen to ensure that learning from other Boards was considered where possible and were assured that this would be the case.

Decision: To note the iMatter Health and Social Care Staff Experience Survey 2025 report

18. ANY OTHER BUSINESS

18.1 Members had no further business to raise at this time.

Meeting closed 1108hrs.

Minutes (Approved)

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NHS NATIONAL SERVICES SCOTLAND AUDIT AND RISK COMMITTEE (ARC)

MINUTES OF MEETING HELD ON THURSDAY, 4 DECEMBER 2025 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

Members Present:

Beth Lawton – Non-Executive Director and Committee Chair
Paul Buchanan – Non-Executive Director
Gordon Greenhill – Non-Executive Director
Arturo Langa – Non-Executive Director
Maria McGill – Non-Executive Director

In Attendance:

Serena Barnatt – Director of HR and Organisational Development
Kyle Clark-Hay – Associate Director of Corporate Governance
Lisa Duthie – External Audit, Audit Scotland
Steven Flockhart – Director of Digital and Security (DaS)
Sharon Hilton-Christie – Executive Medical Director (and Caldicott Guardian)
William Jones – Service Audit, PricewaterhouseCoopers (PwC)
Rachel Kavish Wheatley – Executive and Governance Manager
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)
James Lucas – Internal Audit, KPMG
Liz Maconachie – External Audit, Audit Scotland
Brian McCabe – Associate Director of Finance Operations
Caroline McDermott – Head of Planning
Lynn Morrow – Corporate Affairs and Compliance Manager
Lee Neary - Director of Primary & Community Care (P&CC) (Interim)/Strategy, Performance & Service Transformation (SPST)
Dan Pearson – Service Audit, PricewaterhouseCoopers (PwC)
Grace Symes – External Audit, Audit Scotland
Lynsey Bailey – Committee Secretary (Minutes)

Apologies:

Mary Morgan – Chief Executive
Carys Ross – Internal Audit, KPMG

1. WELCOME AND INTRODUCTIONS

- 1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMS platform.



Chair
Chief Executive

Keith Redpath
Mary Morgan

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

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 MATTERS ARISING [AR/25/69 and AR/25/70]

- 3.1 Members considered the draft minutes from the previous meeting on Thursday 4 September 2025 and agreed they were an accurate record of the meeting.

- 3.2 Members noted the action updates and had nothing further to add.

Decision: To approve the minutes of the meeting held on 4 September 2025 as a true reflection of the meeting.

Decision: To approve the closure of the actions identified for closure.

4. FORWARD PROGRAMME [AR/25/71]

- 4.1 Members considered the proposed forward programme, noting the indicative standing items identified for 2026/27 to carry over to NHS Delivery (NHSD), and had nothing to add at this time

Decision: To note and provisionally agree the forward programme, subject to confirmation of the future governance arrangements for NHSD.

[**Secretary's Note:** The following item was brought forward on the agenda by agreement with the Committee Chair]

5. COMPLETED INTERNAL AUDIT REPORT: WORKFORCE – FIXED TERM AND AGENCY CONTRACTS [AR/25/76]

- 5.1 Members were taken through the Workforce – Fixed Term and Agency Contracts audit report, which had an overall audit opinion of “significant assurance with minor improvement opportunities”. Members discussed the work being done in respect of vacancy management and the positive impact this had, noting that conversion to a permanent contract was aimed for whenever possible. It was also highlighted that management actions were due by 31 March 2026 in preparation for NHSD. Members welcomed the report and were content to accept the assurances provided.

Decision: To note the report, which provided “significant assurance with minor improvement opportunities”, accepting the assurances provided by the Director.

6. ANNUAL REPORT AND ACCOUNTS 25/26 - EARLY OUTLINE PLAN [AR/25/72]

- 6.1 Members were taken through the report, which provided a high-level outline of the timescales for production of NSS's annual report and accounts for 2025/26. Members expressed concerns that governance arrangements for NHSD had not yet been confirmed. They were assured this had been flagged through the programme's Governance workstream and that mechanisms were in place to support transition. Members sought and received assurance in respect of the workforce implications of NHSD and that resource would be in place. Members also sought clarification about the arrangements regarding the NHS Education for Scotland (NES) annual report and accounts but were advised that this was still to be confirmed, although the sensitivities

and lessons learned from previous mergers would be considered. Members were content to endorse the plan as presented.

Decision: To note and endorse the indicative plan and timetable for the 2025/26 Annual Report and Accounts.

7. NSS RISK MANAGEMENT STRATEGY, INTEGRATED RISK MANAGEMENT APPROACH AND RISK APPETITE [AR/25/73]

- 7.1 Members considered the paper which presented the final drafts of the Risk Management Strategy Integrated Risk Management Approach (IRMA) and Risk Appetite. Members fed back that an explanation of the definitions for tolerance would be helpful and suggested that the table from the Board development session on risk could be inserted to address this. Members commended the paper but sought and received assurance about the mechanisms for review and updates. Members discussed the timescales given for updating the risk register for each level of risk (very high, high, medium etc,) and the reasoning for this. Members suggested that the timescale for the review of High and Very High risks be reviewed.

Decision: To recommend the NSS Risk Management Strategy, IRMA, and Risk Appetite Statement to the Board for approval.

Action: To liaise with the Committee Chair regarding the review timescales within IRMA for High and Very High – Head of Planning

8. INTERNAL AUDIT REPORT [AR/25/74]

- 8.1 J Lucas spoke to the paper, which summarised the work being done against the internal audit plan. Members were briefly updated on the discussions taking place regarding integration of NES audit activity for the establishment of NHSD. Members welcomed the report and were content with the assurances provided.

Decision: To note progress made against the Internal Audit Plan, and the seven audit actions verified and confirmed as implemented, accepting the assurances provided by the Executive Lead.

9. COMPLETED INTERNAL AUDIT REPORT: DaS – INCOME RECOVERY [AR/25/75]

- 9.1 Members were taken through the DaS – Income Recovery audit report, which had an overall audit opinion of “partial assurance with improvements required”. Members were advised that the completion dates for the management actions were currently in as a placeholder and would be revised for the next ARC meeting in March 2026, once internal review had taken place. Members discussed the complexity of the income streams involved, variations in Service Level Agreements, funding, and the challenges this created. The Director of FCGLS assured Members that Finance and DaS would be working closely on this. Members sought and received clarification about how recharging was managed and what was done regarding legacy systems that had previously not been charged appropriately.

Decision: Decision: To note the report, which provided “partial assurance with improvements required”, accepting the assurances provided by the Director.

Action: To bring back the revised action timescales to the next ARC in March 2026 – Director of DaS

10. SERVICE AUDIT PROGRESS [AR/25/77]

- 10.1 Members considered the paper, which provided an overview of Service Audit activity. Members were given a high-level overview of the findings so far, updated on new findings regarding a third-party supplier, and received assurance on how these would be responded to. They welcomed the improvement seen compared to the same point in previous years. Members sought and received assurance regarding how removal of systems access was managed in respect of staff working from home. Members also sought and received clarification about the potential impact of the findings on the audit opinion, acknowledging audit work was still ongoing and would continue to be monitored.

Decision: To note the progress made to date with the 2024/25 service audit work and accept the assurances provided by the Executive Lead

11. EXTERNAL AUDIT RECOMMENDATIONS [AR/25/78]

- 11.1 Members discussed the paper, which updated on the progress of the External Audit recommendations by management. Members discussed the IT strategy, recognising that the current uncertainty around NHS Delivery had a significant impact on this as, from a practical perspective, the strategy could not be taken forward until after NHSD was constituted. However, they agreed that the current strategy was still fit for purpose. Members confirmed that they were content with the assurance provided.

Decision: To note the actions taken to address the audit recommendations raised in the Audit Scotland Annual Audit Report for 2024/25 and accept the assurances provided by the Executive Lead.

12. EXTERNAL AUDIT PROGRESS UPDATE

- 12.1 Members were given a brief verbal update on the External Audit Progress. 2025/26 audit work had just commenced, and the plan would be brought to the next ARC in March 2026. The transition to NHSD would be a key focus, particularly the governance arrangements for final account sign-off. Members were given an update on the engagement with Scottish Government on the governance of this and assured that as soon as a decision was made, this would be communicated. Members asked when the NHS In Scotland report would be available to be discussed by the Committee and were advised that it was expected to be available by the next ARC meeting in March 2026.

Decision: To note the verbal update provided by Audit Scotland.

Action: To bring the NHS in Scotland Report to the next meeting of ARC in March 2026 – Audit Scotland

13. INFORMATION SECURITY AND GOVERNANCE REPORT [AR/25/79]

- 13.1 Members considered the report, which updated the Committee on key aspects of Information Security and Governance and Information Risk activity during Q2 (July - September 2025). The Director of DaS highlighted the upcoming change to the Network and Information Systems audit framework and service improvements within the Cyber Centre of Excellence. Members felt they would benefit from a seminar session or some other learning on Artificial Intelligence (AI) to allow them to more effectively challenge in this area, acknowledging that this was something to carry over into the next iteration of ARC following the transition to NHS Delivery.

Decision: To note the full Information Security and Governance report and accept the assurances provided.

Action: To note the interest in holding a seminar session on the potential and proposed uses for AI within NHS Scotland at a future date – Director of DaS/Board Services

14. CALDICOTT GUARDIANSHIP REPORT [AR/25/80]

14.1 Members were briefly taken through the report, which provided assurance that Caldicott Principles were appropriately implemented and updated the Committee on progress during 2025 to ensure awareness and good practice in implementing ethical and safe approaches to handling personal sensitive data. Members were pleased to note that NSS was in a positive position and welcomed the work proposed to reflect and build on ethical culture and good practice.

Decision: To note the report setting out the 2025 activity, Caldicott Maturity Assessment findings and review of the Scottish Caldicott Guardian Manual 2025, agreeing that significant assurance was provided around NSS compliance with Caldicott Principles and positive delivery of expectations set out in the Scottish Caldicott Guardian Manual 2025

15. NSS RISKS AND ISSUES REPORT [AR/25/81]

15.1 Members scrutinised the report, which updated on very high and high risks and issues, corporate very high and high risks and issues under the categories of 'compliance' and 'public confidence', and all strategic risks utilising the categories of 'compliance' and 'public confidence' at the end of October 2025. Members sought and received assurance around how more up to date information, along with any lower-level information that may need to be escalated, was managed. They were also assured how risks around the uncertainty created by the formation of NHS Delivery were being captured.

Decision: To note the Risks and Issues Report and accept the assurance provided.

16. RESILIENCE REPORT [AR/25/82]

16.1 Members discussed the report which updated on resilience activities that had taken place between 1 July and 30 September 2025. They were also given a brief verbal update on key activities since the report had been written. Members had nothing further to add and were content with the updates provided.

Decision: To note the Resilience Report and accept the assurance provided.

17. FRAUD REPORT [AR/25/83]

17.1 Members were provided with an update on the fraud prevention activity undertaken since the last report in September 2025. Two open cases were confirmed as still being considered by the procurator fiscal and updates on these would be provided in due course. Members confirmed they were content with the assurances provided.

Decision: To note the report, which forms part of the Board assurance process, and accept the assurances provided by the Executive Director.

18. LOSSES AND SPECIAL PAYMENTS REPORT [AR/25/84]

18.1 Members considered the paper which detailed the losses and special payments arising up to the end of Q2 2025/26. Members advised they were content and had nothing further to raise

Decision: To note the losses and special payments, particularly those above delegated authority, authorise the Director of FCGLS to seek formal approval from Scottish Government as part of the final accounts process, and accept the assurance provided.

19. NSS RESILIENCE PLAN [AR/25/85]

19.1 Members noted NSS Resilience Plan which had been presented for information. Members briefly sought and received clarification about how the critical services had been identified and selected.

Decision: To note the Resilience Plan.

20. ANY OTHER BUSINESS

20.1 Members had no further business to raise.

There being no further business, the meeting closed at 1137hrs

Minutes

(Approved)

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NHS NATIONAL SERVICES SCOTLAND FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC)

MINUTES OF MEETING HELD ON TUESDAY 9 DECEMBER 2025 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

Present:

Gordon Greenhill – Non-Executive Director and Committee Chair
Lisa Blackett – Non-Executive Director
Ian Cant – Employee Director
Beth Lawton – Non-Executive Director
Maria McGill – Non-Executive Director
Keith Redpath – NSS Chair

In Attendance:

Gordon Beattie – Director of National Procurement (NP)
Joanne Clark, Accommodation Services Manager [Items 1-5]
Kyle Clark-Hay – Associate Director of Corporate Governance (Board Secretary)
Julie Critchley – Director NHS Assure
Sharon Hilton-Christie – Executive Medical Director
Rachel Kavish Wheatley – Executive and Governance Manager
Kathryn Logan – Sustainability Manager [Items 7-20]
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)
Andy McLean – Deputy Director of Finance
Mary Morgan – Chief Executive
Matthew Neilson – Associate Director, Strategy, Performance and Communications [Deputising for Lee Neary]
Trevor Perry – National Fleet Engineer [Items 1-6]
Marc Turner – Director of the Scottish National Blood Transfusion Services (SNBTS)
Lynsey Bailey – Committee Secretary (Minutes)

Apologies:

John Innes – Co-opted Non-Executive Director
Lee Neary – Director of Primary and Community Care (PACC) (Interim)/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. Apologies were noted as listed above.



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.

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 MEETINGS HELD ON TUESDAY 16 SEPTEMBER 2025 AND TUESDAY 4 NOVEMBER 2025, AND MATTERS ARISING [FPP/25/55, FPP-IP/25/06, FPP/25/56 and FPP/25/57]

- 3.1 Members were content that each set of minutes presented was an accurate record of their respective meeting.
- 3.2 Members noted the updates provided on the action tracker and agreed those recommended for closure.

Decision: To approve the minutes of the FPPC meetings on 16 September 2025 and 4 November 2025.

Decision: To approve the closure of all actions which had been recommended for closure.

4. FORWARD PROGRAMME [FPP/25/58]

- 4.1 Members considered the proposed forward programme, noting the indicative standing items identified for 2026/27 to carry over to NHS Delivery (NHSD), and had nothing to add at this time.

Decision: To note and provisionally agree the forward programme, subject to confirmation of the future governance arrangements for NHSD.

5. WASTE MINIMISATION POLICY [FPP/25/59]

- 5.1 Members considered the policy, which set out guidance for NSS staff to support the organisation in meeting its statutory and mandatory requirements regarding waste disposal. Members discussed the training and guidance being provided for staff and posters to go up at points of segregation to clarify what waste goes in which receptacle. They also fed back some minor updates to the policy (correction of typographical errors, linking of the risk information with entries in the register, and removing the reference to NHSScotland Sustainability Assessment Tool). Members briefly discussed what would be included within the Turas statutory and mandatory training suite, noting that additional mandatory training was currently not a consideration due to the volume of courses already within that suite. However, this remained for potential review in future.

Decision: To approve the Waste Minimisation Policy for publication subject to minor updates as requested.

Action: To make the requested updates to the policy – Accommodation Services Manager.

6. ELECTRIC VEHICLE (EV) CHARGING POLICY [FPP/25/60]

- 6.1 Members discussed the EV Charging policy, which had been written to support the NSS Electric Vehicle Charge Point (EVCP) Infrastructure strategy, and progress against NSS's overall sustainability and Net Zero objectives. Members asked about the capital investment and timescale for it being used and were assured the plans allowed for completion by the end of the 2026/27 financial year. They acknowledged that the data did not exist to estimate the potential cost savings but noted that this would provide a baseline

and ensure fairer use for all. Members asked about the impact of the scenarios proposed under the next item on the agenda but noted that this would be covered under that discussion.

- 6.2 Members sought and received clarification about how FUUSE's administration charges would be covered within the amount charged to users. They also asked how these charges compared with those elsewhere, noting the stated rates were just below the current average for commercial charges, though home charging would always be cheaper. Members discussed the current use of solar panels and the further impact electrical charging, coupled with solar, would have on lowering NSS's carbon footprint.

Decision: To approve the EV Charging Policy for publication subject to the additions requested.

7. SCOTTISH GOVERNMENT FUNDING - SCENARIO ONE AND TWO [FPP/25/61]

- 7.1 Members were taken through the Scottish Government Funding - Scenario One and Two proposal. Members sought and received clarification about how the decision would be taken on which scenario would be approved, acknowledging that it depended on the funds available from Scottish Government. Members expressed concerns that, coupled with the EV policy, this seemed to have been progressed the wrong way round. They were given an overview of how that had come about and some of the background to the current substation arrangements at the Jack Copland Centre.

- 7.2 Members commended the work done on the scenario proposals. They sought and received assurance about how quickly the scenarios could be implemented to ensure the work was done within appropriate timeframes, and how the finance would be managed in respect of any carry-over required. Following these discussions, Members confirmed their support to proceed.

Decision: To support the proposed use of these funds under the two different scenarios and for the major project funding.

8. HASSOCKRIGG ABBREVIATED BUSINESS CASE [FPP/25/70]

- 8.1 This item had been deferred to a future FPPC meeting.

9. FINANCIAL PERFORMANCE [FPP/25/62]

- 9.1 Members were taken through the report, which provided an update on financial performance against the current plan as at the end of October 2025. Members congratulated the Director of FCGLS on being named Public Finance Director of the Year at the recent Public Finance Awards. Members sought and received further clarity around the risks referred to in respect of Payroll refactoring. They also acknowledged the challenges in terms of change capacity and digital resource and were content with how these were being managed.

Decision: To note the current financial performance and the required actions to ensure NSS achieves all statutory financial targets for Financial Year (FY) 25/26.

10. SFI ADVERSE EVENTS

- 10.1 The Director of FCGLS confirmed there had been no new SFI adverse events reported since the previous FPPC meeting on 16 September 2025.

Decision: To note that there have been no SFI Adverse Events reported since the previous update on 16 September 2025 and accept the assurances provided.

11. NATIONAL PROCUREMENT CONTRACT SCHEDULE [FPP/25/63]

11.1 Members were taken through the paper which provided an update on the national workplan for 2025-26 and were content with the assurance it provided. Members discussed the environmental and financial sustainability, particularly noting the impact of the current international political climate.

Decision: To:-

- **Note the secured savings and cost avoidance achieved to date in the last financial year, 2025-26;**
- **Note the list of awards requiring CEO approval and advise if the Committee would like to review at strategy stage;**
- **Note there were no NSS Contracts Awarded for more than £1m in this reporting period;**
- **Note any out of term extensions, approved through the National Procurement Contract Board in the term of this report;**
- **Note the reporting period for this report as August 2025 to October 2025 unless otherwise stated.**
- **Accept the assurance provided.**

12. PORTFOLIO MANAGEMENT GROUP (PMG) REPORT [FPP/25/64]

12.1 Members were provided with an overview of the delivery status of key national programmes being delivered by NSS on behalf of NHS Scotland. Members discussed the work around the Digital Front Door, noting the focus was on commissions received by NSS to support overall programme delivery.

12.2 Members sought and received clarification about the distinction between overall project status and NSS's responsibilities within the report. In particular, they asked if there was any support the Committee could provide regarding the Payroll and Child Health programmes. In respect of Payroll, they were advised that there was nothing further needed for now. The challenges were primarily with the suppliers and Members were assured regarding the resilience of the teams working on this and their strong links with stakeholders.

12.3 Members received a brief overview of the challenges experienced in securing clinical confidence in the Child Health system to enable go-live and the ongoing work to address this. Members sought and received clarification on the level of risk and impact around the Virtual Machine Environment (VME) failing. They also discussed how to address the disconnect between the level of risk and the understanding of that risk among the clinical community through either the Chief Medical Officer or, more likely, the Directors of Public Health.

Decision: To note the current position of key national programmes being delivered by NSS on behalf of NHS Scotland and accept the assurances provided.

13. CHANGE OVERSIGHT GROUP (COG) UPDATE [FPP/25/65]

- 13.1 Members were taken through the highlights of the report, which provided an overview of internal change programmes approved for funding during 2025/26 and progress updates on the governance of NSS internal change programmes. Members had nothing further to add and were content with the assurance provided.

Decision: To note the COG report and accept the assurance provided.

14. SERVICE EXCELLENCE REPORT – Q2 [FPP/25/66]

- 14.1 Members considered the report, which updated on Service Excellence performance during the second quarter of the 2025/26 financial year. Members asked about the breaches of Freedom of Information (FOI) response timescales and acknowledged how the number of potential routes for receiving requests created some challenges in meeting response deadlines. They were provided with an overview of how “One NSS” work would help with this going forward. Members also noted that FOI legislation was currently under review and that NSS would need to comply with any changes arising. Members discussed the need for more context around the figures provided for payment processing in Payroll (e.g. volume required/expected against volume processed) and noted that this was in development.

Decision: To note the Service Excellence performance report and accept the assurances provided.

15. ONE-YEAR DELIVERY PLAN Q2 REPORT [FPP/25/67]

- 15.1 Members considered the report, which updated on the One-Year Delivery Plan performance during the second quarter of the 2025/26 financial year. The Associate Director of Strategy, Performance and Communications highlighted this was the first report to include all Digital and Security items which would account for in the difference in performance figures. Members were given a brief overview of the recent challenges with flu vaccine availability and the updates made to Patient Group Directions to address this. Members had nothing further to add and were content.

Decision: To note the One-Year Delivery Plan Performance report and accept the assurances provided.

16. CORPORATE BUSINESS RISK & ISSUES REPORT [FPP/25/68]

- 16.1 Members were taken through the paper which updated on corporate very high and high risks, corporate issues, and strategic risks under the categories of ‘transformation and innovation’, ‘service delivery/business interruption’ and ‘financial’ from 1 August to 31 October 2025. Following a brief overview of the recent review of the Integrated Risk Management Approach, Members had nothing further to add and were content to note the report.

Decision: To note the Corporate Business Risk and Issues Report and accept the assurances provided.

17. RISK APPETITE STATEMENT [FPP/25/71]

17.1 Members were taken through the paper which contained the update risk appetite statement for the Committee to review in relation to the risk categories of 'transformation and innovation' 'service delivery/business interruption' and 'financial'. Members were content with the statement as presented and had no further updates to suggest,

Decision: To note the risk appetite in relation to the risk categories of 'transformation & innovation' 'service delivery/ business interruption' and 'financial'.

18. SUSTAINABILITY UPDATE [FPP/25/69]

18.1 Members noted the report, which provided an update on sustainability activity across NSS. Members welcomed the report and commended the work done by all involved.

Decision: To note the Sustainability performance report, accepting the assurance provided.

19. COMMERCIALISATION STEERING GROUP UPDATE

19.1 Members were updated on the recent developments that meant the commercial model initially being considered could not be progressed within the current environment in respect of research development and commercial trials. They were given a brief overview of the proposed new approach to progress with products that would be of clinical benefit.

Decision: To note the verbal update provided.

20. ANY OTHER BUSINESS

20.1 Members had no further regular business to raise.

There being no further business, the meeting closed at 1132hrs.

Minutes

(Approved)

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NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE (CGC)

MINUTES OF MEETING HELD ON THURSDAY 11 DECEMBER 2025 VIA TEAMS DIGITAL PLATFORM AT 0930HRS

Present:

Maria McGill – Non-Executive Director and Committee Chair
Lisa Blakett – Non-Executive Director
Arturo Langa – Non-Executive Director
Beth Lawton – Non-Executive Director

In Attendance:

Kathryn Brechin – Director of Nursing
Kyle Clark-Hay – Associate Director of Corporate Governance
Sharon Hilton-Christie – Executive Medical Director
Rachel Kavish Wheatley – Executive and Governance Manager
Caroline McDermott – Head of Planning [Item 11]
Lorna McLintock – Medical Director, SNBTS
Gordon Mills - Associate Director for Nursing, Clinical Governance and Quality Improvement
Mary Morgan – Chief Executive
Lynsey Bailey – Committee Secretary [Minutes]

Apologies:

Keith Redpath – NSS Chair

1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting, noting apologies as above.

2. DECLARATIONS OF INTEREST

2.1 No declarations of interest or transparency statements were made in respect of any agenda items.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 11 SEPTEMBER 2025 AND MATTERS ARISING [CG/25/47 and CG/24/48]

3.1 Members considered the draft minutes from the previous meeting on 11 September 2025 and were content to approve as an accurate record.

3.2 Members considered the outstanding actions, which were either recommended for closure or due for completion at a later date.

Decision: To approve the minutes of 11 September 2025, as a true reflection of the meeting.

Decision: To note the action list and agree the closure of all actions recommended for closure.



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.

4. FORWARD PROGRAMME [CG/25/49]

- 4.1 Members considered the proposed forward programme, noting the indicative standing items identified for 2026/27 to carry over to NHS Delivery (NHSD), and had nothing to add at this time.

Decision: To note and provisionally agree the forward programme, subject to confirmation of the future governance arrangements for NHSD.

5. MEDICAL DIRECTOR REPORT [CG/25/50]

- 5.1 Members noted the report, which provided an update on a number of areas of NSS strategic/enabling and underpinning activity of clinical relevance including key milestones of clinical programmes. Members welcomed the new format to include reports from individual directorates, along with the risks and adverse events to give a more rounded view.

- 5.2 Members asked about the services reported as being suspended and were given an overview of the timescales for developing action plans to respond and the role of NSS in their oversight. They sought and received clarification about any further investigation that may be required and what NSS's involvement would be.

- 5.3 Members briefly discussed the numbers of incidents raised through Screening Oversight and Assurance Scotland (SOAS), noting that the level was representative of the usual workload and not cause for concern. Members also asked about NSS's role in the aftercare for mesh patients and were advised that this was ultimately the responsibility of the Territorial Boards, also acknowledging the need for better clarity between the role of commissioner and provider.

- 5.4 Members welcomed the progress so far on the Digital Prescribing and Dispensing Pathways (DPDP) programme and supported further acceleration of this project. The Chief Executive updated the Committee on recent conversations she had been involved in around this and reminded Members that DPDP only covered GP prescribing within regular hours and further expansion or other solutions would be required to cover all other prescribing routes. Finally, Members asked about including more of a summary of the directorate activities from their reports within the front cover and were assured that this would be included in future iterations now the report format had been established.

Decision: To note the Medical Director's Report and accept the assurances provided.

Action: To include summary of directorate activities from their reports in the front cover of future reports – Executive Medical Director

6. NURSE DIRECTOR REPORT [CG/25/51]

- 6.1 Members discussed the report, which provided an update on the specific programmes within the Nurse Director portfolio. Members expressed concerns about the recurrence of the staffing issues within SNBTS, which had previously improved, and were given an overview of what was being done in response. Members sought and received clarity about the professional judgement tool and its application in workforce planning. Members welcomed the report and the assurance provided around the governance and oversight of these programmes.

Decision: To note the updates provided to accept the assurances on:

- **Excellence in Care;**
- **The NSS Nursing, Midwifery, and Allied Health Professions (NMAHP) Strategy delivery;**
- **Progress against the Ministerial Nursing and Midwifery Taskforce (2025) Recommended Actions;**
- **Health and Care Staffing Scotland Act 2019 activities and quarterly internal report summary;**
- **Child Protection and Adult Protection activities; and**
- **Other professional matters.**

7. NSS CLINICAL GOVERNANCE FRAMEWORK (CGF) DELIVERY PLAN [CG/25/52]

7.1 Members considered the report, which presented the final version of the revised NSS Clinical Governance Framework 2025 - 2028, outlining the strategic direction and key principles that will guide clinical governance within the organisation over the next three years. Members commended the comprehensiveness and clarity of the plan. Members sought and received assurance about the progress of the current plan being on track. Members discussed the clinical governance arrangements for NSD commissioned services and suggested holding a seminar on this at a future date.

Decision: To note and approve the Clinical Governance Framework 2025 - 2028

Action: To note NSD Commissioned services clinical governance arrangements would benefit further consideration and would be a future seminar topic to carry forward – Board Services

8. BLOOD AND TISSUE QUALITY, SAFETY AND SUFFICIENCY REPORT [CG/25/53 and CG/25/53a]

8.1 Members were taken through the report, which confirmed that NSS continued to meet all requirements in respect of quality, safety and sufficiency. Members sought and received assurance about the impact of the manufacturing shutdown resulting from the mould issues, noting that appropriate mitigation measures had been taken and that the cause was multifactorial. Members discussed the longer-term actions, noting the variety of approaches being taken. Members welcomed the report and the assurance it provided.

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.

9. SNBTS RESPONSE TO THE INFECTED BLOOD INQUIRY (IBI) PROGRESS REPORT [CG/25/54]

9.1 Members were briefly taken through the report which updated the Committee on the progress made in response to the IBI recommendations. Members were advised that, since the paper had been written, the Serious Hazards of Transfusion (SHOT) safety standards baseline assessment tool had been completed and were given an overview of the actions taken in response to the findings. Members were given an overview of the record retention position and assured this was being managed in line with the Scottish

government request. Members discussed the impact of the required timescales for responses to requests for compensation and the measures being taken to accommodate these requirements. They also sought and received assurance about the challenges being experienced within blood banks and how this was being responded to.

Decision: To note the report and accept the professional assurances given that that the action plan to address recommendations arising from the IBI is being monitored and progressed appropriately.

10. SNBTS QUARTER 2 REPORT (JULY TO SEPTEMBER 2025) ON INFECTION PREVENTION AND CONTROL (IPC) [CG/25/55]

10.1 Members considered the report, which updated on SNBTS IPC activity during the second quarter of 2024/25 (April – June 2025), including the Scottish Government Healthcare Associated Infection Task Force (HAIRT) reporting components. Members discussed the issues within sites where NSS was hosted by another Board and resolution was primarily addressed through a Service Level Agreement with the host Board. However, they were assured discussions were ongoing to manage any risks in the meantime and Facilities colleagues were doing everything possible to support this. Members asked about the leadership walk-rounds and were given an overview of the questions being asked along with the good feedback received. Members were content with the report and asked for progress updates on hosted sites for next meeting in March 2026.

Decision: To note the report setting out the most recent information on HAI and accept the professional assurances given that the service continues to meet all the requirements placed upon it.

Action: To ensure there are progress updates on the IPC issues in hosted sites – Director of Nursing

11. RISK APPETITE STATEMENT [CG/25/56]

11.1 Members noted the Risk Appetite Statement being presented for review ahead of presentation to the Board for approval. Members briefly discussed the differing levels between linked areas and were given an overview of how these would be worked through in specific scenarios where multiple factors to a risk required a more complex assessment. Members asked for a summary of this be added to the front cover for the Board.

Decision: To note and endorse the Appetite Statement for forwarding to the Board for approval.

Action: To include a statement of recognition for the Board paper that risks assessments may require to balance multiple factors – Board Services

12. ANY OTHER BUSINESS

12.1 Members had no further business to raise.

13. DATE OF NEXT MEETING:

13.1 The next meeting was scheduled for Thursday, 12 March 2026 at 09:30.

The meeting finished at 1115hrs.

Minutes (DRAFT)

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NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

MINUTES OF MEETING HELD ON THURSDAY 26 FEBRUARY 2026, COMMENCING 0930HRS VIA TEAMS

Present:

Lisa Blackett – Non-Executive Director and Committee Chair
Paul Buchanan – Non-Executive Director
Ian Cant – Non-Executive Director and Employee Director
Arturo Langa – Non-Executive Director
Beth Lawton – Non-Executive Director
Gerry McAteer – Trade Union Representative
Alex Morrison – Trade Union Representative
Keith Redpath – NSS Chair

In Attendance:

Serena Barnatt, Director of HR and Organisational Development
Kyle Clark-Hay, Associate Director of Corporate Governance (Board Secretary)
Jane Fewsdale, Head of People Insights, Performance and Systems [Item 11]
Elaine Hughes, Senior Specialist HR Advisor
Rachel Kavish-Wheatley, Executive and Governance Manager
Mary Morgan, Chief Executive
Aileen Stewart, Associate Director of HR
Lynsey Bailey, Board Services [Minutes]

Apologies:

David Allan – Trade Union Representative

1. WELCOME AND INTRODUCTIONS

- 1.1 The 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.



Chair
Chief Executive

Keith Redpath
Mary Morgan

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3. MINUTES OF THE PREVIOUS MEETING HELD ON TUESDAY 2 DECEMBER 2025 AND MATTERS ARISING [SG/26/02 and SG/26/03]

3.1 Members considered the draft minutes from the previous meeting held on 2 December 2025 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 of 2 December 2025 as an accurate record of the meeting.

Decision: To note the action list and agree the closure of the actions recommended for closure.

4. RELOCATION POLICY [SG/26/04]

4.1 Members were taken through the Relocation Policy and given an overview of its background and the review process. Members were content to approve the policy.

Decision: To approve the Relocation Policy.

5. NSS PARTNERSHIP FORUM [SG/26/05]

5.1 Members considered the minutes provided and received a brief verbal update of the most recent meeting. Members commended the work achieved to ensure that partnership working continued to be in a very positive place.

Decision: To note the updates provided on the work of the Partnership Forum.

6. PEOPLE REPORT [SG/26/06]

6.1 The Director of HR and Organisational Development spoke to the paper, which provided assurance on people metrics. The report highlighted that overall absence was tracking above target but the figures had dropped from December 2025 and seasonal trends were as expected with colds and flu being second highest reason for absence. Other highlights noted were: incidents reportable under the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDORs); statutory and mandatory training compliance figures; the reduction in turnover rate compared to the same period last year; and the figures for redeployment and agency and fixed term staff.

6.2 Members sought clarification around the length of time for recruitment and 24 month period noted in the report. The Director of HR and Organisational Development agreed to verify this. Members sought and received assurance regarding the outstanding leave to be taken. Members suggested adding more narrative around the headcount and turnover figures to provide more context in future iterations of this report. Members discussed the statutory and mandatory training compliance and what more could be done to maintain or improve compliance. They also discussed the turnover and acknowledged that, as with sickness absence, it was a standard rather than a true "target". Due to the variation in workforce profile and needs for each of the various Directorates, as well as the upcoming transition, Members suggested there was a need to have a review across the organisation about what this should look like in the future.

Decision: To note the updates within the People Report and accept the assurances provided.

7. iMATTER COMPARISON RESULTS [SG/26/07]

- 7.1 The Senior Specialist HR Advisor took Members through the presentation which provided a comparison of NSS's results against the average of the overall Health and Social Care results. Members were pleased to see that, once again, NSS generally compared well and welcomed the positive results.

Decision: To note the iMatter comparison data and accept the assurance provided.

8. DRAFT GREAT PLACE TO WORK (GPTW) PLAN 2026/27 [SG/26/08]

- 8.1 Members considered the draft GPTW plan and were given an overview of how the iMatter results and focus groups had informed the plan. Members sought and received clarification about the inclusion of previous targets to provide the context and recommended that future iterations contained a brief explanation of why this was not provided. They also sought and received clarification about the standing of this plan within the upcoming transition to Public Service Delivery Scotland (PSD Scotland), acknowledging its role in the initial transition and stabilisation period. On this basis, Members were content to endorse the plan.

Decision: To note the draft Great Place to Work Plan 2026/27

9. GPTW PLAN 2025/26 QUARTER 3 REPORT [SG/26/09]

- 9.1 Members were taken through the report, which updated on the progress against the priority areas for improvement contained in the NSS GPTW Plan for 2025/26. Members commended the work done and were content with the assurance provided.

Decision: To note the Great Place to Work Plan quarter three update and accept the assurances provided.

10. WHISTLEBLOWING QUARTERLY REPORT [SG/26/10]

- 10.1 The Associate Director of Corporate Governance spoke to the report which summarised NSS's performance for the first quarter of 2025-26 (1 October to 31 December 2025) against the key performance indicators as required by the Independent National Whistleblowing Officer (INWO). Members asked about the possibility of migrating Whistleblowing reporting to InPhase and were updated on the challenges this posed and why it was not currently being progressed. They were also given an overview of the arrangements for the year-end reporting being presented to the first meeting of the PSD Scotland SGC and how regular reporting would be presented going forward.

Decision: To note the Whistleblowing Quarterly Report, accepting the assurance provided.

11. STAFF RISKS [SG/26/11]

- 11.1 Members welcomed the Staff Risk report, which provided details of the current position of corporate staff risks rated as High or Very High on the NSS Risk Register as at 31 January 2026. The Head of People Insights, Performance and Systems provided a verbal update on work currently underway to scope out an emerging risk which would be taken to the next HR Senior Management team meeting. Members were content with the

report and had no further comment. The NSS Chair requested a combined risk analysis for the first PSD Scotland SGC meeting, which the Associate Director of Corporate Governance agreed to progress with NHS Education for Scotland colleagues ahead of the transition to PSD Scotland.

Decision: To note the Staff Risks Quarterly Report, accepting the assurance provided.

Action: To have a combined risk analysis report for the first PSD Scotland SGC meeting – Board Services.

12. PREVENT ADVERSE EVENTS

12.1 The Associate Director of Corporate Governance confirmed there had been no Prevent adverse events reported since the previous SGC meeting on 2 December 2025.

Decision: To note the verbal update that there have been no Prevent Adverse Events reported since the previous SGC meeting and accept the assurances provided.

13. STAFF GOVERNANCE COMMITTEE ANNUAL REPORT TO THE BOARD [SG/26/12]

13.1 Members discussed the report, which summarised the SGC's activities in 2025/26 and were content to approve it for presentation to the NSS Board.

Decision: To approve the Committee's Annual Report for presentation to the Board.

14. JOINT LOCAL NEGOTIATING COMMITTEE (JLNC) BRIEFING [SG/26/13]

14.1 Members noted the report which provided an update on discussions at the recent meeting of the JLNC.

Decision: To note the brief from the JLNC.

15. ANY OTHER BUSINESS

15.1 Members had no further business to raise at this time. However, as this was the last meeting of the Committee, both the NSS Chair and Committee Chair wished to record their thanks to Members and all other contributors for their work over the years.

Meeting closed 1023hrs.

Minutes (Draft)

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NHS NATIONAL SERVICES SCOTLAND AUDIT AND RISK COMMITTEE (ARC)

MINUTES OF MEETING HELD ON THURSDAY, 5 MARCH 2026 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

Members Present:

Beth Lawton – Non-Executive Director and Committee Chair
Paul Buchanan – Non-Executive Director
Gordon Greenhill – Non-Executive Director
Arturo Langa – Non-Executive Director
Maria McGill – Non-Executive Director [Items 1-13]

In Attendance:

Ruth Campbell – Associate Director Health and Care Innovation (deputising for the Executive Medical Director)
Kyle Clark-Hay – Associate Director of Corporate Governance
Lisa Duthie – External Audit, Audit Scotland
Steven Flockhart – Director of Digital and Security (DaS)
Rachel Kavish Wheatley – Executive and Governance Manager
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)
James Lucas – Internal Audit, KPMG
Liz Maconachie – External Audit, Audit Scotland
Brian McCabe – Associate Director of Finance Operations
Mary Morgan – Chief Executive
Lynn Morrow – Corporate Affairs and Compliance Manager
Lee Neary - Director of Primary & Community Care (P&CC)/Strategy, Performance & Service Transformation (SPST)
Dan Pearson – Service Audit, PricewaterhouseCoopers (PwC)
Carys Ross – Internal Audit, KPMG
Grace Symes – External Audit, Audit Scotland
Lynsey Bailey – Committee Secretary (Minutes)

Apologies:

Gordon Beattie, Director of National Procurement
Julie Critchley, Director of NHS Assure
Sharon Hilton-Christie – Executive Medical Director (and Caldicott Guardian)

1. WELCOME AND INTRODUCTIONS

- 1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMS platform.



Chair
Chief Executive

Keith Redpath
Mary Morgan

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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 MATTERS ARISING [AR/26/02 and AR/26/03]

- 3.1 Members considered the draft minutes from the previous meeting on Thursday 4 December 2025 and agreed they were an accurate record of the meeting.

- 3.2 Members noted the action updates and had nothing further to add.

Decision: To approve the minutes of the meeting held on 4 December 2025 as a true reflection of the meeting.

Decision: To approve the closure of the actions identified for closure.

4. UPDATE ON PUBLIC SERVICES DELIVERY SCOTLAND TRANSITION GOVERNANCE

- 4.1 The Associate Director of Corporate Governance provided Members with an overview of the governance arrangements for the transition to Public Services Delivery Scotland (PSD Scotland). The Committee Chair took the opportunity, as this was the last meeting of ARC in its current form, to thank all Members and contributors for their work over the years. Members also wished to record their thanks to the Committee Chair for her leadership.

Decision: To note the verbal update provided

5. INTERNAL AUDIT REPORT [AR/26/04]

- 5.1 J Lucas spoke to the paper, which summarised the work being done against the internal audit plan. Members were pleased to note that there were no overdue actions and those marked as due by the end of March 2026 were being monitored.

Decision: To note the progress made against the Internal Audit Plan, accepting the assurances provided by the Executive Lead.

6. COMPLETED INTERNAL AUDIT REPORT: CORE FINANCIAL CONTROLS - PAYMENT VERIFICATION [AR/26/05]

- 6.1 Members were taken through the Payment Verification audit report, which had an overall audit opinion of “significant assurance with minor improvement opportunities”. Members commended the position achieved and acknowledged the complexities involved.

Decision: To note the report, which provided “significant assurance with minor improvement opportunities”, accepting the assurances provided by the Director.

7. COMPLETED INTERNAL AUDIT REPORT: PROCUREMENT – FRAUD PREVENTION [AR/26/06]

- 7.1 Members were taken through the Procurement – Fraud Prevention audit report, which had an overall audit opinion of “significant assurance with minor improvement

opportunities”. Following a brief discussion about any further measure that could be taken in this area, Members were content with the assurances provided.

Decision: To note the report, which provided “significant assurance with minor improvement opportunities”, accepting the assurances provided by the Director.

8. COMPLETED INTERNAL AUDIT REPORT: NATIONAL SUSTAINABILITY SERVICE [AR/26/07]

8.1 Members were taken through the National Sustainability Service audit report, which had an overall audit opinion of “significant assurance with minor improvement opportunities”. Members acknowledged the challenges in recruitment, the associated resource constraints, and the opportunities for exploring efficiencies. They commended the achievements and looked forward to seeing the progress in future. Members sought and received confirmation this had been shared with Lisa Blackett, Non-Executive Director (as Sustainability Champion) and Board Services agreed to pick this up.

Decision: To note the report, which provided “significant assurance with minor improvement opportunities”, accepting the assurances provided by the Director.

Action: To share the report with Lisa Blackett – Board Services

9. COMPLETED INTERNAL AUDIT REPORT: PROPERTY TRANSACTION MONITORING [AR/26/08]

9.1 Members were taken through the Property Transaction Monitoring audit report, which had an overall audit opinion of “significant assurance”. Members had nothing further to add and were content with the assurance provided.

Decision: To note the report, which provided “significant assurance”, accepting the assurances provided by the Director.

10. SERVICE AUDIT PROGRESS [AR/26/09]

10.1 Members considered the paper, which provided an overview of Service Audit activity. Members discussed the qualification in respect of Logical Access Management within IT, acknowledging the improved position from the previous years and the challenges in collating evidence. Members also briefly discussed the position with regard to ATOS and were content with the assurance provided.

Decision: To note the progress made to date with the 2025/26 service audit work and accept the assurances provided by the Executive Lead

11. EXTERNAL AUDIT RECOMMENDATIONS [AR/26/10]

11.1 Members discussed the paper, which updated on the progress of the External Audit recommendations by management. They had nothing further to add and were content.

Decision: To note the actions taken to address the audit recommendations raised in the Audit Scotland Annual Audit Report for 2024/25 and accept the assurances provided by the Executive Lead.

12. EXTERNAL AUDIT PROGRESS UPDATE [AR/26/11]

12.1 Members were taken through the paper which outlined the Audit Plan for 2025/26. Members were also briefly update on the plans for transition to PSD Scotland and the revision of the action for a refresh of the IT Strategy, per the audit report recommendation, noting this would be carried out on the combined entity rather than just for NSS. The timing of this action will be post 1 April 2026.

12.2 Members sought and received assurance about how the impact of the transition will be reflected within the annual audit report.

Decision: To note the audit plan as prepared by Audit Scotland and accept the assurances provided by the Executive Director.

13. NHS IN SCOTLAND 2025 REPORT [AR/26/12]

13.1 Members considered the paper which provided assurance about NHS Scotland's performance and finances and assessed the progress of ongoing reforms. Members sought and received clarification regarding the "weight" behind the recommendations being made and how their impact would be measured.

Decision: To note the report as prepared by Audit Scotland and accept the assurances provided by the Executive Director.

14. CALDICOTT GUARDIANSHIP ANNUAL REPORT [AR/26/13]

14.1 Members discussed the Caldicott Guardian Action Plan 2026, which is being undertaken following the conclusion of the Caldicott Maturity Assessment performed across NSS in December 2025. Members were given a brief overview of how this would be progressed under PSD Scotland and were content with the plans as outlined.

Decision: To note the Caldicott Guardian Action Plan for 2026.

15. INFORMATION SECURITY AND GOVERNANCE REPORT [AR/26/14]

15.1 Members considered the report, which updated the Committee on key aspects of Information Security and Governance and Information Risk activity during Q3 (October - December 2025). The Director of DaS also provided a verbal update on the timelines for the audit actions, as agreed.

Decision: To note the full Information Security and Governance report and accept the assurances provided.

16. NSS RISKS AND ISSUES REPORT [AR/26/15]

16.1 Members were taken through the highlights of the report, which updated on very high and high risks and issues, corporate very high and high risks and issues under the categories of 'compliance' and 'public confidence', and all strategic risks utilising the categories of 'compliance' and 'public confidence' at the end of January 2026. The Director of PaCC and SPST highlighted the work completed in respect of strategic risk 661 (Public Scrutiny and Inquiries) and the proposal that it now be closed. Following discussion, Members agreed they were content with that recommendation.

Decision: To note the Risks and Issues Report, agree the closure of strategic risk 661 (Public Scrutiny and Inquiries), and accept the assurance provided.

17. RESILIENCE REPORT [AR/26/16]

17.1 Members discussed the report which updated on resilience activities that had taken place between 1 October and 31 December 2025. Members sought and received assurance that the contamination issues at the Jack Copland Centre had been reported and monitored through the NSS Clinical Governance Committee. Members also sought and received clarification around the funding arrangements for Hassockrigg. Members had nothing further to add and were content with the updates provided.

Decision: To note the Resilience Report and accept the assurance provided.

18. FRAUD REPORT [AR/26/17]

18.1 Members were provided with an update on the fraud prevention activity undertaken since the last report in December 2025. Members confirmed they were content with the assurances provided.

Decision: To note the report, which forms part of the Board assurance process, and accept the assurances provided by the Executive Director.

19. LOSSES AND SPECIAL PAYMENTS REPORT [AR/26/18]

19.1 Members considered the paper which detailed the losses and special payments arising up to the end of Q3 2025/26. Following clarification about the ongoing management of pandemic stock expiry, Members advised they were content and had nothing further to raise.

Decision: To note the losses and special payments, particularly those above delegated authority, authorise the Director of FCGLS to seek formal approval from Scottish Government as part of the final accounts process, and accept the assurance provided.

20. COMMITTEE ANNUAL REPORT [AR/26/19]

20.1 Members discussed the report, which summarised ARC activities in 2025/26. Subject to a check of the membership information for accuracy, they were content to approve it for presentation to the NSS Board.

Decision: To approve the Committee's Annual Report for presentation to the Board.

21. ANY OTHER BUSINESS

21.1 The Associate Director of Corporate Governance gave an overview of the arrangements to confirm that KPMG would be the internal auditor for PSD Scotland.

21.2 The Committee Chair gave an update on a recent webinar regarding the new requirements on Executive and Non-Executive Directors in respect of failure to prevent fraud. It was suggested that this be considered as part of training in the future.

21.3 Members wished to record their recognition of the efforts of all the Executives, in particular the Chief Executive, in championing good governance around Audit and Risk.

There being no further business, the meeting closed at 11hrs

DRAFT

Minutes

(Draft)

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NHS NATIONAL SERVICES SCOTLAND FINANCE, PROCUREMENT AND PERFORMANCE COMMITTEE (FPPC)

MINUTES OF MEETING HELD ON TUESDAY 10 MARCH 2026 VIA TEAMs DIGITAL PLATFORM AT 0930 HRS

Present:

Gordon Greenhill – Non-Executive Director and Committee Chair
Lisa Blackett – Non-Executive Director
Ian Cant – Employee Director
Beth Lawton – Non-Executive Director
Maria McGill – Non-Executive Director
Keith Redpath – NSS Chair

In Attendance:

Gordon Beattie – Director of National Procurement (NP)
Kyle Clark-Hay – Associate Director of Corporate Governance (Board Secretary)
Shona Cunningham – Contract Manager, SNBTS [Item 4]
Sharon Hilton Christie – Executive Medical Director [Item 11]
Rachel Kavish Wheatley – Executive and Governance Manager
Kathryn Logan – Sustainability Manager [Item 15]
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)
Brian McCabe – Associate Director of Finance Operations
Andy McLean – Deputy Director of Finance
Mary Morgan – Chief Executive
Lee Neary – Director of Strategy, Performance and Service Transformation (SPST)
Lynsey Bailey – Committee Secretary (Minutes)

Apologies:

Julie Critchley – Director NHS Assure (a last-minute apology due to personal issues)
Marc Turner – Director of the Scottish National Blood Transfusion Service (SNBTS)

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.



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 MEETINGS HELD ON TUESDAY 9 DECEMBER 2025, AND MATTERS ARISING [FPP/25/55, FPP-IP/25/06, FPP/25/56 and FPP/25/57]

- 3.1 Members were content that the minutes presented were an accurate record of the meeting.
- 3.2 Members noted the updates provided on the action tracker and agreed those recommended for closure.

Decision: To approve the minutes of the FPPC meeting on 9 December 2025.

Decision: To approve the closure of all actions which had been recommended for closure.

4. NSS DELIVERY PLAN 2026/27 - DRAFT [FPP/25/59]

- 4.1 Members were taken through the proposed delivery plan for 2026/27 and given a brief overview of the amalgamation with the NHS Education for Scotland for the formation of Public Services Delivery Scotland (PSD Scotland). Members commended the ambition of the plan, its clarity, and the work done to develop it. Members confirmed they were content to approve for presentation to the Board.

Decision: To approve the draft Annual Delivery Plan for onward submission to the Board for approval of the NSS Annual Delivery Plan 2026/27.

Next two items brought forward

5. GYLE SQUARE INTERIM DILAPIDATIONS POSITION [FPP/25/60]

- 5.1. Members discussed the report, which updated on the Interim Schedule of Dilapidations served by the Landlord on the Tenants Scottish Ministers (per NHS National Services Scotland). Members were assured regarding the financial position and were content.

Decision: To note the report and its contents, accepting the assurance provided.

6. NSS FINANCIAL PLAN 2026/27 [FPP/25/61]

- 6.1 Members considered the report which outlined the Financial Plan for 2026/27. Members sought and received clarification about the decrease in workforce costs within the Cash Releasing Efficiency Savings (CRES) Three Year Plan and how it would be achieved (e.g. reduction in the working week, productivity gains, tight vacancy management). Following these discussions, Members were content to agree the recommendations as presented.

Decision: To note the Financial Plan and the supporting CRES Plan and Investment recommendations to allow the Budget to be formally recommended to the Board.

Decision: To approve the submission of the Financial Plan for 2026/27 to Scottish Government (SG), subject to NSS Board approval.

Decision: To give the Director of FCGLS delegated authority to further revise and update the plan as required ahead of formal Board approval.

7. NHS ENGLAND CONTRACT AWARD [FPP/25/70]

- 7.1 Members were taken through the report which provided detail of an award from NHS England to provide Reproductive Tissue Storage Services and how it would be utilised. Members sought and received clarification with regard to the workforce and resource

requirements being met, as well as the financial position with respect to volume processed and inflationary increases. Members sought and received assurance in respect of the potential impact of processing shut-downs to address contamination issues and the contingency measures in place,

Decision: To endorse the proposed Tissue Establishment service model and operational framework that SNBTS is being asked to deliver.

Decision: To note the required workforce expansion, equipment procurement and governance structures.

Decision: To approve progression to contractual and implementation stages.

8. FINANCIAL PERFORMANCE [FPP/25/62]

9.1 Members discussed the report, which provided an update on financial performance against the current plan as at the end of January 2026. Members sought and received assurance regarding the achievement of the CRES target and noted the work being done to convert some of the non-recurring savings to recurring savings. Members asked about the VME risk and were assured that this would transition ahead of the June 2026 end date. Members were also updated on the position with regard to any carry-over and slippage in the capital programme. They discussed how costs associated with the establishment of PSD Scotland and the underspend in pay would be managed. Members commended the report and were content with the assurance provided.

Decision: To note the current financial performance and the required actions to ensure NSS achieves all statutory financial targets for Financial Year (FY) 25/26.

9. SFI ADVERSE EVENTS

9.1 The Director of FCGLS confirmed there had been no new SFI adverse events reported since the previous FPPC meeting on 9 December 2025. However, there was a potential fraud in the Scottish Infected Blood Support Scheme being investigated but the outcome of that would be reported through the PSD Scotland Audit and Risk Committee.

Decision: To note the verbal update provided.

10. NATIONAL PROCUREMENT CONTRACT SCHEDULE [FPP/25/63]

10.1 Members were taken through the highlights of the report which provided an update on the national workplan for 2025-26 and were content with the assurance it provided. Members commended the level of savings and cost avoidance achieved. As it was G Beattie's last meeting as Director of National Procurement, Members wished to record their thanks for all his contributions and wished him well for the future.

Decision: To:-

- **Note the secured savings and cost avoidance achieved to date in the last financial year, 2025-26;**
- **Note the list of awards requiring CEO approval and advise if the Committee would like to review at strategy stage;**
 - **Note there were no NSS Contracts Awarded for more than £1m in this reporting period;**
 - **Note any out of term extensions, approved through the National Procurement Contract Board in the term of this report;**

- **Note the reporting period for this report as November 2025 to January 2026 unless otherwise stated.**
- **Accept the assurance provided.**

11. PORTFOLIO MANAGEMENT GROUP (PMG) REPORT [FPP/25/64]

11.1 Members were provided with an overview of the delivery status of key national programmes being delivered by NSS on behalf of NHS Scotland. Members expressed concerns that the programme status as reported from an NSS perspective may be taken as the overall programme status which may be different. They were assured that this report was internal for NSS purposes and not shared beyond the Executive Management Team and this meeting.

Decision: To note the current position of key national programmes being delivered by NSS on behalf of NHS Scotland and accept the assurances provided.

12. CHANGE OVERSIGHT GROUP (COG) UPDATE [FPP/25/65]

12.1 Members were taken through the highlights of the report, which provided an overview of internal change programmes approved for funding during 2025/26 and progress updates on the governance of NSS internal change programmes. Members asked about the Cyber Security programme and were assured that this had been raised with Digital and Security and would be monitored.

Decision: To note the COG report and accept the assurance provided.

13. SERVICE EXCELLENCE REPORT – Q3 [FPP/25/66]

13.1 Members considered the report, which updated on Service Excellence performance during the third quarter of the 2025/26 financial year. Members again highlighted the need for more context around the figures provided for payment processing in Payroll (e.g. volume required/expected against volume processed). They also sought and received an update on the progress in respect of the SNBTS website redevelopment and challenges in donor recruitment which M McGill advised she would also raise at Clinical Governance Committee. Following some clarification about the impact of vacancies in Payroll and how this was being addressed, Members had nothing further to add and were content.

Decision: To note the Service Excellence performance report and accept the assurances provided.

14. ONE-YEAR DELIVERY PLAN Q3 REPORT [FPP/25/67]

14.1 Members considered the report, which updated on the One-Year Delivery Plan performance during the third quarter of the 2025/26 financial year. Members commended the achievements reported while managing the impact of an upcoming transition and acknowledged the efforts of the staff involved which had contributed to this. Members sought and received clarification in respect of the status of the Lung Cancer Screening and NHS Scotland Breast Screening Modernisation deliverables and its funding. They also observed that there could be more clarity in how figures were presented and the Director of PaCC and SPST agreed to review this for future iterations of this report moving into PSD Scotland.

Decision: To note the One-Year Delivery Plan Performance report and accept the assurances provided.

15. CORPORATE BUSINESS RISK & ISSUES REPORT [FPP/25/68]

15.1 Members were taken through the paper which updated on corporate very high and high risks, corporate issues, and strategic risks under the categories of 'transformation and innovation', 'service delivery/business interruption' and 'financial' from 1 November to 31 January 2026. Members had nothing further to add and were content to note the report.

Decision: To note the Corporate Business Risk and Issues Report and accept the assurances provided.

16. SUSTAINABILITY UPDATE [FPP/25/69]

16.1 Members noted the report, which provided an update on sustainability activity across NSS. Members welcomed the report and commended the work done by all involved. Members asked about alignment with the NHSScotland strategy and were given an overview of how this was being done, noting that this would be brought back to a future meeting of the PSD Scotland Finance and Resource Committee.

Decision: To note the Sustainability performance report, accepting the assurance provided.

17. COMMITTEE ANNUAL REPORT [FPP/25/71]

17.1 Members discussed the report, which summarised FPPC's activities in 2025/26. Subject to an update to the statement regarding the number of meetings, they were content to approve it for presentation to the NSS Board.

Decision: To approve the Committee's Annual Report for presentation to the Board.

18. BEST VALUE DUTY – NSS MAPPING EXERCISE 2024 – 2026

18.1 Members scrutinised the report presented and thanked all those involved for their assistance in producing the information. It was noted that the duty of Best Value on public bodies had been in place since 2002 and the report had been based on the Scottish Public Finance Manual.

Decision: To note the Best Value mapping report and accept the assurances provided.

19. ANY OTHER BUSINESS

19.1 Members were updated on a decision that will be required outwith the meeting cycle regarding the novation of contracts.

19.2 The Committee Chair wish

There being no further business, the meeting closed at 1120hrs.

Minutes

(Draft)

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NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE (CGC)

MINUTES OF MEETING HELD ON THURSDAY 12 MARCH 2026 VIA TEAMS DIGITAL PLATFORM AT 0930HRS

Present:

Maria McGill – Non-Executive Director and Committee Chair
Lisa Blakett – Non-Executive Director
Arturo Langa – Non-Executive Director
Beth Lawton – Non-Executive Director
Keith Redpath – NHS National Services Scotland Board Chair

In Attendance:

Kathryn Brechin – Director of Nursing, NHS National Services Scotland
Kyle Clark-Hay – Associate Director of Corporate Governance
Sharon Hilton-Christie – NSS Executive Medical Director, NHS National Services Scotland
Lorna McLintock – Medical Director, Scottish National Blood Transfusion Service
Gordon Mills - Associate Director for Nursing, Clinical Governance and Quality Improvement
Mary Morgan – Chief Executive NHS National Services Scotland
Emma Watson – Executive Medical Director, NHS National Education for Scotland [Observing]
Karen Wilson – Director of Nursing, Midwifery, and Allied Health Professions (NMAHP) NHS National Education for Scotland [Observing]
Lynsey Bailey – Committee Secretary [Minutes]

Apologies:

None

1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting with brief introductions for the benefit of observers.

2. DECLARATIONS OF INTEREST

2.1 No declarations of interest or transparency statements were made in respect of any agenda items.

3. MINUTES OF THE PREVIOUS MEETING HELD ON 11 DECEMBER 2025 AND MATTERS ARISING [CG/26/02 and CG/26/03]

3.1 Members considered the draft minutes from the previous meeting on 11 December 2025 and were content to approve as an accurate record.

3.2 Members considered the outstanding actions, which were either recommended for closure or due for completion at a later date.



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 11 December 2025, as a true reflection of the meeting.

Decision: To note the action list and agree the closure of all actions recommended for closure.

4. NATIONAL HEALTH AND CARE WORKFORCE STRATEGY: WORKFORCE PLANNING - ANNEX A SUBMISSION [CG/26/04]

4.1 Members considered the draft NHS National Services Scotland (NSS) Health and Care (Staffing) (Scotland) Act 2019 Annual Report being presented for approval to publish. Members sought and received clarification around the statement of substantial assurance in relation to Duty 12IE (addressing severe and recurrent risks). Members also discussed the implementation of eRostering and its impact. They were also given an overview of the processes and procedures for seeking and implementing clinical advice on staffing decisions, how the Safe Care module would support this, and how any disagreements would be escalated and addressed. Following these discussions, Members confirmed they were content with the report.

Decision: To:-

- **Note that Section 12IM of the Act requires relevant organisations to publish and submit an annual report to the Scottish Ministers detailing how it has carried out its duties under the specific sections of the Act. Scottish Government has provided Boards with an annual template report, which they are required to use, to standardise reporting.**
- **Note that the process for approving the annual template report is via NSS Clinical Governance Committee. This needs to be submitted to the Scottish Government by 30 April 2026. It must also be published by NSS by the same date.**
- **Note that the NSS internal reporting processes on the implementation of the Act, as requested by Scottish Government (SG) are in place and are laid out in NHS National Services Scotland NSS Health and Care Staffing Escalation Guiding Principles (Real-Time Staffing (RTS) and Risk Escalation).**
- **Approve the draft NSS Annual Report for submission and publication**

5. MEDICAL DIRECTOR REPORT [CG/26/05]

5.1 Members were taken through the highlights of the report, which provided an update on a number of areas of NSS strategic/enabling and underpinning activity of clinical relevance including key milestones of clinical programmes. Members noted a brief verbal update on the progress in some areas since the report had been written. Members welcomed the work being done and commended the progress made. Following some points of clarification and elaboration about specialist services (particularly the adult and paediatric cardiac services), Members were content with the assurance provided.

Decision: To note the Medical Director's Report and accept the assurances provided.

6. NURSE DIRECTOR REPORT [CG/26/06]

- 6.1 Members discussed the report, which provided an update on the specific programmes within the Nurse Director portfolio. Members welcomed the report and were especially pleased to note the efforts regarding the climate sustainability opportunities within the NSS NMAHP Strategy.

Decision: To note the updates provided and accept the assurances on:

- **Excellence in Care;**
- **The NSS NMAHP Strategy delivery;**
- **Progress against the Ministerial Nursing and Midwifery Taskforce (2025) Recommended Actions;**
- **Health and Care Staffing Scotland Act 2019 activities and quarterly internal report summary;**
- **Child Protection and Adult Protection activities; and**
- **Other professional matters.**

7. NSS CLINICAL GOVERNANCE FRAMEWORK (CGF) DELIVERY PLAN [CG/26/07]

- 7.1 Members considered the report, which updated on progress against the Clinical Governance Delivery Plan 2025 - 2026 for the current reporting period. Members commended the report and had nothing further to add.

Decision: To formally approve the delivery plan

Decision: To continue to scrutinise progress against the agreed reporting timelines and milestones

Decision: To maintain oversight and accountability in line with national governance expectations

8. BLOOD AND TISSUE QUALITY, SAFETY AND SUFFICIENCY REPORT [CG/26/08]

- 8.1 Members were taken through the report, which confirmed that NSS continued to meet all requirements in respect of quality, safety and sufficiency. Members sought and received some additional assurance about the measures being taken to address the mould issues in the Jack Copland Centre. Following these discussions, Members confirmed that they were content.

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.

9. SCOTTISH NATIONAL BLOOD TRANSFUSION SERVICE (SNBTS) RESPONSE TO THE INFECTED BLOOD INQUIRY (IBI) PROGRESS REPORT [CG/26/09]

- 9.1 Members were briefly taken through the report which updated the Committee on the progress made in response to the IBI recommendations. Members sought and received an update on development of a transfusion delivery plan and how this would be progressed. They also discussed the digitisation of records, noting the challenges that

would need to be managed. They also recognising that these challenges were not unique to SNBTS so exerting any influence where possible could be beneficial.

Decision: To note the report and accept the professional assurances given that that the action plan to address recommendations arising from the IBI is being monitored and progressed appropriately.

10. SNBTS QUARTER 3 REPORT (OCTOBER TO DECEMBER 2025) ON INFECTION PREVENTION AND CONTROL (IPC) [CG/26/10]

10.1 Members considered the report, which updated on SNBTS IPC activity during the third quarter of 2024/25 (October – December 2025), including the Scottish Government Healthcare Associated Infection Task Force (HAIRT) reporting components. Members expressed disappointment at the length of time being taken to resolve some of the facilities issues being reported and were given an overview of the work and engagement undertaken by the Infection Control Manager to address this.

Decision: To note the report setting out the most recent information on HAI and accept the professional assurances given that the service continues to meet all the requirements placed upon it.

11. COMMITTEE ANNUAL REPORT [CG/26/11]

11.1 Members discussed the report, which summarised CGC activities in 2025/26, and agreed they were content to approve it for presentation to the NSS Board.

Decision: To approve the Committee's Annual Report for presentation to the Board

12. ANY OTHER BUSINESS

12.1 Members had no further business to raise. However, as it was the final NSS CGC meeting, Members wished to record their recognition of the efforts of all the Executives, in particular the Chief Executive, in championing clinical governance. The Committee Chair also wished to express her personal thanks to all Members and contributors for their work in respect of this Committee.

The meeting finished at 1047hrs.