

# Agenda

**B/24/36**

**NSS BOARD FORMAL  
FRIDAY, 20 DECEMBER 2024 COMMENCING 1030HRS, JACK COPLAND  
CENTRE, EDINBURGH (AND VIA TEAMS)**

**NSS Chair: Keith Redpath**

**Apologies:**

**1030 – 1200 hrs**

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

**2. Items for Consideration**

2.1 Board Quarterly Highlight Presentation - Warehouse Quality Improvement Presentation - Gordon **Beattie, Director of National Procurement**

**3. Items for Approval**

3.1 Minutes of the previous meeting held on 27<sup>th</sup> September 2024 and Matters Arising **[B/24/37 and B/24/38] – Keith Redpath, NSS Chair**

3.2 NSS Board Forward Programme **[B/24/39] – Keith Redpath, NSS Chair**

3.3 Risk Management Strategy **[B/24/40] – Lee Neary, Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST)**

3.4 Committee and Board Services Report **[B/24/41] – Kyle Clark-Hay, Associate Director Corporate Governance (Board Secretary)**

**4. Items for Scrutiny**

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



Chair  
Chief Executive

Keith Redpath  
Mary Morgan

- 4.2 Chief Executive's Report (verbal) – **Mary Morgan, NSS Chief Executive**
- 4.3 Finance Report (Month 7) **[B/24/42]** – **Carolyn Low, Director Finance, Corporate Governance and Legal Services**
- 4.4 Integrated Performance Report **[B/24/43]** – **Lee Neary, Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST)**

## **5. Items for Information**

- 5.1 Public Inquiries Report **[B/24/44]** – **Lee Neary, Director Primary & Community Care (P&CC) / Strategy, Performance & Service Transformation (SPST)**
- 5.2 NSS Committees Approved Minutes and opportunity for Committee Chair's to highlight material items **[B/24/45]**
  - NSS Audit and Risk Committee (Approved)
  - NSS Clinical Governance Committee (Approved)
  - NSS Finance, Procurement and Performance Committee (Approved)
  - NSS Staff Governance Committee (Approved)

## **6. Any other business**

Date of next meeting: Friday, 28<sup>th</sup> March 2025 at 10.30am, Gyle Square, Edinburgh (and via Teams)

# Minutes (DRAFT)

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## NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF MEETING HELD ON FRIDAY 27 SEPTEMBER 2024 IN NATIONAL DISTRIBUTION CENTER, LARKHALL AND VIA TEAMS DIGITAL PLATFORM AT 1030 HRS

B/24/37

### 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 NSS 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  
Maria McGill, Non-Executive Director  
Mary Morgan, Chief Executive  
Alison Rooney, Non-Executive Director

### In Attendance:

Serena Barnatt, Director of HR and Organisational Development  
Gordon Beattie, Director National Procurement  
Susi Buchanan, Director National Specialist Services & Screening Division  
Lee Neary, Director of Strategy, Performance and Service Transformation (SPST)  
Matthew Neilson, Associate Director of Customer and Stakeholder Engagement  
Neil Redhead, Assistant Director Facilities Service [Depute for Julie Critchley]  
Jacqueline Reilly, Director of Nursing  
Rachel Kavish-Wheatley, Executive and Governance Manager  
Karen Summers, Committee Services Manager [Minutes]  
Marc Turner, Director Scottish National Blood Transfusion Service

### Apologies:

Julie Critchley, Director NHS Assure  
Steven Flockhart, Director Digital & Security

### Observers:

Grace Symes, Audit Scotland  
NSS Staff (TEAMS)  
Kyle Clark-Hay, Head of Governance and Resources, Public Health Scotland  
Sally Witcher, Inclusive New Normal



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 which included members of NSS staff and the public. The apologies were noted as set out above. Members noted that this was the first formal Board meeting for Rachel Kavish Wheatley, NSS Executive and Governance Manager and Kyle Clark-Hay who would be joining the organisation in November as Associate Director, Corporate Governance (Board Secretary).

## 2. DECLARATIONS OF INTEREST

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

## 3. MINUTES OF THE PREVIOUS MEETING HELD 28 JUNE 2024 AND MATTERS ARISING [B/24/24 and B/24/25]

- 3.1 Members reviewed the draft minutes and approved them as an accurate record of the meeting.
- 3.2 Members discussed the action list and were content for all actions to be closed, as per the updates and recommendations.

**Decision: To approve the minutes of the Board meeting held on 28 June 2024.**

**Decision: To close all completed actions from the 28 June Board meeting**

## 4. BOARD FORWARD PROGRAMME [B/24/26]

- 4.1 Members considered the forward programme and were content to approve in full.

**Decision: To approve the Board Forward Programme**

## 5. NSS CALENDAR OF MEETINGS 2025-26 [B/24/27]

- 5.1 Members reviewed the recommended Calendar of Meetings for Board and Committees for the period 2025-26 which was presented to Board for approval.

**Decision: To approve the NSS Calendar of Meetings 2025-26**

**Action: To send meeting invites for all Board, Committee and feeder group meetings for 2025-2026 sessions. Board Services (immediately).**

## 6. ANCHOR STRATEGIC PLAN [B/24/28]

- 6.1 Members noted the report on the NSS Anchor Strategic Plan, which had been presented for endorsement and discussion. Members noted the following highlights:

- 6.2 The plan is a matrix strategy developed from existing NSS plans including Procurement, Property, Workforce, Financial and NHS Scotland Assure strategies. As a National Board we are required to develop an Anchor Strategy and assess our performance and delivery against it, identifying gaps and areas for improvement;

- A Short Life Working Group (SLWG) would be leading on this work;

- Members noted that performance reporting against the plan would be via existing governance routes for the source data.
- 6.3 Members discussed the implications for opportunities at a local community level, particularly in relation to procurement. G Beattie advised that this was taken into account in line with the relevant legislation and local suppliers were encouraged to participate in the tendering process. Members also noted that some gaps had been identified more generally in the report and asked that further information be provided on this including action plans and any risks that were identified.
- 6.4 Members noted that the SLWG reported to NSS Executive Management Team and this would then flow through the relevant Board Committees prior to final review by the Board on an annual basis. This group would also review any changes to specific areas of work with governance provided by the NSS Corporate Oversight Group. Members asked for clarity in relation to obtaining feedback from partners, stakeholders and local communities, and how this would be reported. M Neilson agreed to feed this point back to the SLWG for guidance.
- 6.5 Future reporting on the NSS Anchor Institution programme was likely to be via an annual assessment, but further guidance was expected from Scottish Government in this respect and would then be timetabled into the relevant Board and Committee meetings.

**Decision: To endorse the NSS Anchor Strategic Plan**

**Action: To feedback all comments to the NSS Anchor SLWG including opportunities for partner engagement and comment on NSS performance and governance approach. L Neary (M Neilson/T McHugh) (w/c 30.09.24)**

**Action: To review slide 16 of the presentation in relation to acronyms [IA strategy]. L Neary (M Neilson/T McHugh) (w/e 4.10.24)**

**Action: To review gaps and update on actions to close them and relevant plans to mitigate any risks identified. L Neary (M Neilson/T McHugh) (future reporting)**

## **7. ANNUAL FEEDBACK AND COMPLAINTS REPORT 2023-24 [B/24/29]**

- 7.1 Members discussed the NSS Annual Feedback and Complaints Report for the period 2023-2024 which was presented for approval prior to publication. It was noted that the report was structured to meet the requirements of the Model Complaints Handling Process (MCHP). It was noted that while Directorates were encouraged to record compliments and general feedback this is not a requirement of the MCHP. Members discussed the slight increase in complaints received and those that were submitted to the Ombudsman, and any themes that had been identified in the data which formed part of the lessons learned process.
- 7.2 Members noted the report provided and approved it for publication.

**Decision: To approve the NSS Annual Feedback and Complaints Report 2023-24 for submission and publication.**

**Action: To ensure final version of the report is submitted to deadline. L MacLennan (30.09.2024)**

## **8. CHAIR'S REPORT**

8.1 The NSS Chair provided a verbal update in relation to activities that had taken place since the last meeting held in June 2024, highlighting the following:

- The organisation remained in a good position;
- A new NSS Scottish Government sponsor had been appointed - Christine McLaughlin, Co-Director of Population Health had been confirmed in that role and replaced Richard McCallum, Director of Public Spending;
- The Annual Board Chairs Group off-site had been held at Ninewells Hospital in Dundee. Sessions had been held with the Cabinet Secretary; feedback from the recent Boards Self-assessment against the 2<sup>nd</sup> version of the Blueprint for Good Governance; innovation; workforce, the response to drug and alcohol harm; and how the Chairs could support and influence NHS reform;
- The Chair attended Directorate Senior Management Team meetings over the past few weeks with HR and DaS still to be completed. Chair will provide initial feedback from those sessions at the Board Development session in October

**Decision: To note the verbal update provided.**

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

9.1 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:

Key meetings/events:

- 16<sup>th</sup> August – Community Cardiopulmonary Resuscitation (CPR) and defibrillator awareness training at the Al Huda Islamic Centre in Glasgow run in partnership between the Ahlul Baht Society and SAS. Session. Occurred as a result of an out of hospital cardiac arrest where immediate life support and resuscitation was successful;
- September meetings of the Board Chief Executives were held at the (UK) National Robotarium at Heriot Watt site – 'The future is Robotic!' Future sessions would look at a deep dive into Climate sustainability;
- Attended Columbo 1400 leadership development alongside some of Scotland's public services most senior leaders organised through the Scottish Leaders Forum.

9.2 In relation to Antimicrobial Resistance and Healthcare Associated Infections (ARHAI) - The Scottish Ministers made the decision to designate, in addition to Public Health Scotland, the Common Services Agency (NSS) (constituted under section 10 of the National Health Service (Scotland) Act 1978) as a UK public health agency in relation

to Scotland under regulation 3 of the Health Security (EU Exit) Regulations 2021, insofar as it carries out the following functions:

- *surveillance and monitoring of infections and antimicrobial resistance to assess their impact on health (but only to the extent that those functions are not carried out by Public Health Scotland (PHS));*
- *infection prevention and control and antimicrobial resistance advice and horizon scanning;*
- *preparation and response to healthcare-associated infection outbreaks and incidents, in relation to “related special health matters” as defined in the Health Security (EU Exit) Regulations 2021;*

9.3 Members were informed that this change had not yet been enacted and NSS continued to work with PHS on reporting mechanisms and related communications.

**Decision: To note the verbal updated provided.**

## **10. NSS FINANCE REPORT (MONTH 5) [B/24/30]**

10.1 Members discussed the report submitted and an additional presentation providing further detail.

10.2 The following key areas were highlighted;

- NSS was currently on track to meet all statutory targets;
- Tight control of spend would continue with a focus on ensuring any additional ask received was fully funded and essential, and any discretionary spend was appropriate. This would be monitored via the NSS Cost and Commercial Group.

10.3 Directorates are being challenged to scrutinise any spend as we remain committed to the 15 box grid model for control of spend, for us this is mainly around workforce. Vacancy Management was proving successful with an awareness of the impact any sustained overtime or vacancy may cause;

10.4 The reduction in the working week was being monitored for impact;

10.5 Cash Releasing Efficiency Savings (CRES) was currently positive, but at this point only 22% of identified savings were recurring in nature with year-on-year CRES identification posing a challenge;

- The next NSS Budget Summit was taking place on 18/19 December and further updates would be provided after the session.

10.6 After a detailed discussion Members noted the report in full and the challenging financial environment for the whole public sector..

10.7 Members noted the report, requesting further consideration be given to providing narrative for areas of highlighted analysis in relation to increased spend or negative variance. Additional detail was requested in relation to the impact of ‘time cost’ factors when looking at discretionary spend, noting that costs are increasing at a higher rate than funding post pandemic.

- 10.8 Members asked if we are taking a holistic approach to assessing the impact of carrying vacancy on staff wellbeing. It was clarified that vacancy assessment is based on ability to deliver essential services – that is our control environment. There are few posts being declined which are agency or short-term posts in the main. There is a focus on re-deployment and internal opportunity for staff.

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

**Decision: To note the effort and tight control of budget and spending implemented by the organisation to maintain balance. Action: To review time cost and impact of inflation on discretionary spend compared to pre pandemic levels. C Low (Board 20.12.24)**

**Action: To update narrative on slide 7 in relation to SNBTS oxygen spend. C Low (future reporting)**

**Action: To circulate presentation to Board Members. Board Services (immediately)**

## **11. INTEGRATED PERFORMANCE REPORT [B/24/31]**

- 11.1 Members noted the Integrated Performance Report and discussed the following areas in detail:

- Quarter 1 – 2024-25 performance was good across the organisation;
- Sickness Absence figures were improving, and the recent NSS Staff Governance Committee seminar had looked specifically at Staff Wellbeing, and this would be monitored via the Occupational Health and Safety Advisory Committee (OHSAC) to look for themes and trends, particularly around absence due to mental health and what more could potentially be done to support staff;
- Vacancy Management – was proving successful in terms of savings released, but the impact on service delivery and any correlation to sickness absence would be monitored closely;
- Work continued around compliance with appraisals and training, and this was improving;

- 11.2 Waste segregation – NSS was working with Boards to design a waste audit tool to review segregation of waste to provide accurate and full reporting.

- 11.3 Members noted the main drivers for sick absence and questioned if these were generated from the work environment, requesting further assurance any trends or analysis would be managed via OSAC and our Wellbeing Strategy.

**Decision: To note NSS performance at the end of quarter 4 2023/24.**

**Action: To consider how to provide the Board with assurance that vacancy management was not resulting in a negative impact on existing staff wellbeing or service provision. S Barnatt (Board 20.12.24)**



## **12. NSS RISK REVIEW (RISKS AND ISSUES REPORT) [B/24/32]**

- 12.1 Members noted the risks and issues position as at July 2024, and were assured that corporate red risks, corporate issues, and all strategic risks were being managed appropriately.

**Decision: To note the report on NSS Risk Review as presented.**

## **13. ITEMS FOR INFORMATION**

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

- Public Inquiries [B/24/33] – Members noted the significant workload pressures involved in supporting the Inquiries and thanked all those who contributed to them;
- NSS Assist – Progress Report [B/24/34] Members discussed the report provided and advised that for future reporting a more detailed update would be welcomed, particularly around understanding the benefit of the Assist programmes and the value added

**Decision: To note the items presented for information.**

**Action: To consider and include more details on the progress being achieved through Assist in future reports.**

## **14. NSS COMMITTEES APPROVED MINUTES AND OPPORTUNITY FOR COMMITTEE CHAIRS TO HIGHLIGHT ANY ADDITIONAL MATERIAL ITEMS [B/24/35]**

- 14.1 Members noted the minutes provided and that there were no additional material items brought forward at the meeting.

**Decision: To note the minutes from NSS Committees.**

## **15. ANY OTHER BUSINESS**

- 14.1 There was no other competent business to discuss.

The public Board meeting concluded at 1213.

## NSS BOARD FORMAL MEETINGS ACTIONS

Meeting type: Formal

**B/24/38**

No	Date	REPORT TITLE	ACTION	ACTION OWNER	DEADLINE	CURRENT STATUS
1	28.6.24	<b>NSS One and Three Year Delivery Plan [B/24/15]</b>	To consider feedback provided for future reporting.	Lee Neary, Director SPST	Future meeting	
2	28.6.24	<b>NSS One and Three Year Delivery Plan [B/24/15]</b>	To ensure National Contact Centre programme of work per Section 1 – Primary and Community Care bullets 4 and 5 was clearly articulated.	Lee Neary, Director SPST	Future meeting	
3	27.9.24	<b>NSS CALENDAR OF MEETINGS 2025-26 [B/24/27]</b>	To send meeting invites for all Board, Committee and feeder group meetings for 2025-2026 sessions. Board Services (immediately).	Board Services	Immediately	<b>Recommend for closure</b> Complete
4	27.9.24	<b>ANCHOR STRATEGIC PLAN [B/24/28]</b>	To feedback all comments to the NSS Anchor SLWG including opportunities for partner engagement and comment on NSS performance and governance approach. L Neary (M Neilson/T McHugh) (w/c 30.09.24)	Matthew Neilson/Tom McHugh	Immediately	<b>Recommend for closure</b> Complete
5	27.9.24	<b>ANCHOR STRATEGIC PLAN [B/24/28]</b>	To review slide 16 of the presentation in relation to acronyms [IA strategy]. L Neary (M Neilson/T McHugh) (w/e 4.10.24)	Matthew Neilson/Tom McHugh	Immediately	<b>Recommend for closure</b> Complete

6	27.9.24	<b>ANCHOR STRATEGIC PLAN [B/24/28]</b>	To review gaps and update on actions to close them and relevant plans to mitigate any risks identified. L Neary (M Neilson/T McHugh) (future reporting)	Matthew Neilson/Tom McHugh	Immediately	<b>Recommend for closure</b> Gaps identified through the NHS Scotland Anchors Self-assessment exercise (Harnessing the power of Scotland's Anchor Institutions). An implementation plan has been established and managed through the NSS Anchor Institution Working Group. This plan is aligned with anchor objectives captured and reported through the Annual Delivery Plan (Year One Plan).
7	27.9.24	<b>ANNUAL FEEDBACK AND COMPLAINTS REPORT 2023-24 [B/24/29]</b>	To ensure final version of the report is submitted to deadline. L Maclennan (30.09.2024)	Louise Maclennan, Head of Equality, Engagement and Experience	Immediately	<b>Recommend for closure</b> Report published 30.9.24
8	27.9.24	<b>NSS FINANCE REPORT (MONTH 5) [B/24/30]</b>	To update narrative on slide 7 in relation to SNBTS oxygen spend.	Carolyn Low, Director Finance, Governance and Legal Services	Future reporting	<b>Recommend for closure.</b> Updates made.
9	27.9.24	<b>NSS FINANCE REPORT</b>	To circulate presentation to Board Members.	Board Services	Immediately	<b>Recommend for closure</b>

		<b>(MONTH 5)</b> <b>[B/24/30]</b>				
10	27.9.24	<b>INTEGRATED PERFORMANCE REPORT</b> <b>[B/24/31]</b>	To consider how to provide the Board with assurance that vacancy management was not resulting in a negative impact on existing staff wellbeing or service provision. S Barnatt (Board 20.12.24)	Serena Barnatt, Director of Human Resources (HR) and Organisational Development (OD)	Future reporting	<b>Recommend for closure</b>  On agenda – this was discussed at both the NSS Partnership Forum and Executive Management Team.
11	27.9.24	<b>NSS Assist – Progress Report</b> <b>[B/24/34]</b>	To consider and include more details on the progress being achieved through Assist in future reports.	Matthew Neilson	Future reporting	<b>Recommend for closure</b> Future reporting elements were discussed at the meeting of the Assist Strategic Working Group on 2 December'24.
12	21.10.24	<b>Board Development session</b>	To request a meeting of the Board with the Sponsor team	Matthew Neilson	Immediately	<b>Recommend for closure</b> Request has been put forward
13	21.10.24	<b>Board Development session</b>	Review skills matrix prior to next recruitment round with Public Appointments	Keith Redpath, NSS Chair	Immediately	<b>Recommend for closure</b> Complete
14	21.10.24	<b>Board Development session</b>	Board Members to be part of the induction process for all staff – either in person or via a video link	Board Services	January 2025	<b>Update</b> Board services to establish a rota for Board Members to attend NSS Corporate

						<b>Inductions – In Progress</b>
15	21.10.24	<b>Board Development session</b>	Review training requirements for Board Members and how this is recorded	Kyle Clark-Hay, Assoc Director Corporate Governance (Board Secretary)	March 2025	<b>Recommend for Closure</b> The NSS Board and Committee Services report submitted to the 20.12.24 formal meeting relates to this item.
16	21.10.24	<b>Board Development session</b>	Review induction process for Non-Executives to include person-person meetings.	Kyle Clark-Hay, Assoc Director Corporate Governance (Board Secretary)	March 2025	Proposal to be submitted as part of the NSS Corporate Governance Framework

## NSS BOARD FORWARD PROGRAMME 2024-2025

**B/24/39**

<b>Meeting Date</b>	<b>Detail</b>	<b>Executive Lead</b>	<b>Report Author</b>	<b>Purpose</b>
28.3.25				
<b>For Consideration</b>	Board Quarterly Highlight Presentation			Standing Board Presentation
<b>For Approval</b>	Minutes	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	Actions	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	NSS Corporate Governance Framework and Annual Governance Report	Director of Finance, Corporate Governance & Legal Services	Associate Director Corporate Governance (Board Secretary)	Annual Board Report
	Board Forward Programme	Director of Finance, Corporate Governance & Legal Services	Board Services	Standing Board Report
	NSS Financial Plan	Director of Finance, Corporate Governance & Legal Services		Annual Board Report
	NSS One- and Three-Year Delivery Plan	Director of SPST	Associate Director Strategy, Performance & Communications	Annual Board Report
<b>For Scrutiny</b>	Chairs Report (verbal)	NSS Chair		Standing Board Report
	Chief Executive's Report (verbal)	NSS Chief Executive		Standing Board Report
	NSS Risk Review (Risks and Issue Report) (6 monthly review)	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Board Report
	Integrated Performance Report	Director of SPST	Associate Director Strategy, Performance & Communications	Standing Board Report
	NSS Anti Racism Plan	Director of SPST	Head of Equality, Engagement and Experience	Statutory Duty
	NSS Board Assurance Framework	Director of Finance, Corporate Governance & Legal Services	Associate Director Corporate Governance (Board Secretary)	Annual Board Report
<b>For Information</b>	Public Inquiries Report	Director SPST	Public Inquiries Team	Standing Board Report
	NSS Committee Approved Minutes and Opportunity for Committee Chair's to highlight material items	Director of Finance, Corporate Governance & Legal Services	Associate Director Governance and Board Services (Board Secretary),	Standing Board Report

# NHS National Services Scotland

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>Friday, 20 December 2024</b>
<b>Title:</b>	<b>NSS Risk Management Strategy</b>
<b>Paper Number:</b>	<b>B/24/40</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Lee Neary, Director of Primary &amp; Community Care, Strategy, Performance and Service Transformation (Reviewed by Matthew Neilson, Associate Director, Strategy, Performance and Communications)</b>
<b>Report Author:</b>	<b>Caroline McDermott, Head of Planning</b>

## 1. Purpose

- 1.1 The Board is asked to approve the NSS Risk Management Strategy.
- 1.2 This is part of the review of the Integrated Risk Management Approach (IRMA) and sets out the context and roles and responsibilities, with the operational detail of the Approach to follow in due course.

## 2. Recommendation

- 2.1 As responsible executive, I am assured that the integrated risk management process continues to operate effectively in ensuring that risks are being managed and escalated as appropriate and that roles and responsibilities are clear.
- 2.2 The Board is asked to approve the Risk Management Strategy following scrutiny by the Audit and Risk Committee.

### **3. Executive Summary**

- 3.1 The purpose of the strategy is to set out the benefits and objectives for risk management and to provide overall direction for all elements of a risk management system to be in place. The strategy also defines roles and responsibilities.
- 3.2 The strategy was approved by the Board in December 2023, subject to some textual amendments, which have been made. These changes include emphasis on the collective responsibility in managing risk and minor wording changes to make the document clearer. There have been no other changes.
- 3.3 This strategy will be supplemented by our Integrated Risk Management Approach (IRMA) which will detail the process outlining how we deal with risks within NSS. Our aim is to continuously improve our risk management approach and the quality of risk information we hold.
- 3.4 NSS has agreed to implement the new NHSScotland Integrated Incident, Risk Management and Patient Safety System to support risk management. A project team has been established to implement the system and review our Integrated Risk Management Approach simultaneously.

### **4. Impact Analysis**

#### **4.1 Quality and Value**

- 4.1.1 Risk management allows us to direct activities effectively towards realising potential opportunities whilst minimising adverse effects in the achievement of our strategic objectives.

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

- 4.2.1 An Equality and Diversity Impact Assessment will be completed with the refresh of the Integrated Risk Management Approach and will apply to both documents.

#### **4.3 Data protection and information governance**

- 4.3.1 There are no specific person identifiable references within this Strategy document.

### **5. Risk Assessment/Management**

- 5.1 This Risk Management Strategy is part of the overall Integrated Risk Management Approach. The development, assessment and management of risks is ongoing as part of business as usual.



## **6. Financial Implications**

6.1 There are no direct financial implications of this strategy.

## **7. Workforce Implications**

7.1 There are no workforce implications of this strategy.

## **8. Climate Change and Environmental Sustainability Implications**

8.1 There are no climate change/environmental implications of this strategy.

## **9. Route to Meeting**

9.1 The Strategy was approved by the Board in December 2023. There have been no further changes, apart from changes specifically requested by the Board at that time. Further scrutiny of the Strategy took place at the Audit and Risk Committee on 19 September 2024.

## **10. List of Appendices and/or Background Papers**

Appendix 1: Risk Management Strategy

Appendix 2: Glossary

## **Appendix 1**

### **NSS Risk Management Strategy**

**December 2024**

#### **1. Introduction**

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. Although the word 'risk' usually has negative implications, it is important to recognise that activities involving risk can have positive as well as negative outcomes. As an organisation central to supporting the strategic objectives of the NHS in Scotland, we cannot be entirely risk adverse, however we must demonstrate clearly where we intend to accept risk or mitigate against it.

This strategy will be implemented through our Integrated Risk Management Approach (IRMA) which will detail the process outlining how we deal with risks within NSS. Aligned to this, we will promote awareness of the approach through our network of Risk Leads' and via mandatory Risk and Resilience training, which all staff must complete and which outlines the collective responsibility we all hold in managing risks. Our aim is to continuously improve our risk management approach and the quality of risk information we hold.

A Glossary of Terms is included in Appendix 2.

#### **2. Scope and Purpose of the Risk Management Strategy**

The purpose of the strategy is to set out the benefits and objectives for risk management with a supporting framework (our Integrated Risk Management Approach) that will ensure all elements of a risk management system are in place. The strategy will also define roles and responsibilities.

This strategy applies to all risk management within NHS National Services Scotland. It applies to all staff within NHS National Services Scotland and includes where we work in partnership with other bodies and with Trade Unions.

The elements of a risk management system are<sup>1</sup>;

- Risk management is an essential part of governance and leadership and fundamental to how the organisation is directed, managed and controlled at all levels;
- Risk management is integral to the decision making and achievement of objectives, with the sense that risk taking can bring both rewards and challenges;
- Risk management should be collaborative and informed by the best available information and expertise.

The process will be structured to include:

- Risk identification and assessment to determine priorities and how the risks should be managed;

- The selection, design and implementation of risk treatment options that support achievement of intended outcomes and manage risks to an acceptable level of impact and likelihood;
- The design and operation of integrated, insightful and informative risk monitoring;
- Timely, accurate and factual risk reporting to enhance the quality of decision making and to support management and oversight bodies in meeting their responsibilities.

### **3. Risk Management Objectives**

The objectives set out below will be core to the effectiveness of integrated risk management across the organisation:

- There is an approved risk management strategy (this document);
- There is an approved risk appetite and tolerance statement, which is separately scrutinized by the Audit and Risk Committee and approved by the Board. This forms part of our Integrated Risk Management Approach;
- There is an approved risk approach (Integrated Risk Management Approach), which is separately scrutinized by the Audit and Risk Committee and approved by the Board. This is in place currently and requires to be developed in line with a new risk electronic system; There is available mandatory training for staff on risk and resilience. This is currently in place and all staff require to undertake this training every three years;
- Management of risk is owned by, and / or devolved to the responsible areas, using a consistent approach to risk management and assessment that informs prioritised decision-making. This is supported by a risk management electronic system where practical and the Integrated Risk Management Approach;
- The Executive Management Team, in conjunction with the Audit and Risk Committee and Board, regularly reviews the effectiveness of its risk management strategy, systems and processes across the organisation; This is referenced within the Board and Committee workplans.
- Risks are managed by targeting, in line with NSS values, underlying system weaknesses rather than blame for error (providing errors are not wilful, criminal or evident professional misconduct); This is reinforced through training and engagement.
- There is a process for 'learning lessons' and sharing internally and externally of 'lessons learned.' This forms part of the 'four questions' approach to improving performance.

### **4. Benefits of Effective Risk Management**

Risk management allows us to direct activities towards realising potential opportunities whilst minimising adverse effects. It provides us with a systematic process for

evaluating and addressing the impact of risks in a cost-effective way. An effective risk management system should include adequate staff training in order that staff have the appropriate skills to identify, assess and deal with the potential for risks to arise.

Effective risk management has the following benefits to aid delivery of our strategic objectives:

### **Service Excellence**

- Quality improvements in service delivery;
- Promotion of innovation;
- Assurance that information is accurate and that controls and systems are robust and defensible;
- Compliance with relevant legislation and regulatory requirements;
- Improved organisational resilience through risk based business continuity planning;
- Improved safety of NHS in Scotland patients, our staff and our visitors;
- Continued positive reputation for NHS National Services Scotland and assurance for stakeholders of our ability to consistently deliver on our commitments;
- Provide assurance to our Board that risk is being managed appropriately.

### **Financial Sustainability**

- Most efficient and effective use of resources where availability of funding is challenging;
- Protection of assets, including capital infrastructure;
- Getting best value for money out of limited financial resource.

### **Workforce Sustainability**

- Addressing challenges of attracting and retaining staff;
- Ensuring we have appropriately skilled staff, particularly where specialist skills are required to deliver our programmes of work;
- Ensuring we continue to promote positive leadership and values.

### **Climate Sustainability**

- Adaptation to climate change;
- Implementation of our Climate Sustainability Strategy and our advisory role to NHS in Scotland.

## **5. Risk Appetite and Tolerance**

NHS National Services Scotland's risk appetite is described as 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. It is the Board's responsibility to define risk appetite and to ensure that the exercise of risk management throughout the organisation is consistent with the appetite. We currently define risk appetite as low, medium or

high and we will, in the next review of risk appetite, be more specific about how we define our risk appetite and apply that to the scoring of the risks. We will review the risk appetite annually through the Audit and Risk Committee and approved by the Board.

Where new risks, or further risks to ongoing activities are identified, NSS will always attempt to mitigate such risks to a level judged to be acceptable within the prevailing conditions and in the context of being a risk aware organisation. An individual risk may have the tolerance set outside of the risk appetite and this will be highlighted in order that the owner, management group or oversight body is fully aware.

## **6. Delivering Good Corporate Governance**

In terms of applying good active corporate governance, NHS in Scotland Health Boards are directed by The Blueprint for Good Governance in NHS Scotland<sup>ii1</sup>. This document defines active corporate governance and sets out a series of principles as to what makes good governance:

- Good governance requires the Board to set strategic direction, hold executives to account for delivery, manage risk, engage stakeholders and influence organisational culture;
- Good governance requires 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;
- Good governance requires an active approach that anticipates and responds to risks and opportunities which could have a significant impact on the delivery of corporate objectives, the Board's relationship with stakeholders and the management of the organisation's reputation.

The document further goes on to highlight the Board's role to:

- Agree the organisation's risk appetite;
- Approve risk management strategies and ensure they are communicated to the organisation's workforce;
- Consider current and emerging risks for all categories of healthcare governance;
- Oversee an effective risk management system that assesses the level of risk, identifies the mitigation required and provides assurance that risk is being effectively treated, tolerated or eliminated.

These allow the Board to make timely, well-informed strategic decisions that affect the long-term future of the organisation and will ensure the Board can rapidly identify, escalate and manage issues which otherwise might not be identified and understood.

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## **7. Roles and Responsibilities**

There needs to be appropriate operational and strategic infrastructure to support the risk management agenda. This responsibility rises through the organisation structure, ultimately to the Board.

### **7.1 The Board**

The Board should determine and continuously assess the nature and extent of the principal risks that it is exposed to and is willing to take to achieve its objectives (risk appetite) and ensure that planning and decision making accurately reflect this assessment. It should also ensure that there are clear processes in place for bringing significant issues to its attention more rapidly where required, with agreed triggers for doing so.

The Board must assure itself that appropriate levels of control are in place to manage strategic risks. Also, the Board should ensure that there is an appropriate system of Internal Control in place to meet the Board's aims and objectives. This is designed to manage rather than eliminate risks to achieving objectives. This will be co-ordinated by the Directorate Risk Leads.

The Board receives a Risk Management Update Report twice a year for review. The Board approves the NSS Integrated Risk Management Approach (IRMA) including the Risk Appetite Statement annually.

The Board has agreed a set of NSS strategic risks. Action to mitigate these risks will be reported to the Committees and Board.

### **7.2 Responsibilities of Committees**

#### **Audit & Risk Committee**

The Audit and Risk Committee's key role is assisting the Board in delivering its responsibilities by providing assurance that an appropriate system of internal control has been implemented and is operating effectively. This includes:

- Overseeing the risk management strategy and approach for NSS;
- Approving internal, external and service audits;
- Reviewing the NSS Risk Appetite Statement;
- Reviewing the NSS Risk Management report on strategic risks quarterly to scrutinise and challenge the management of key risks;
- Challenging the NSS Reputational risks quarterly and those risks identified as information governance risks.
- Specific risk areas can be called out for more detail as necessary.

## **Other Committees**

The Finance Procurement & Performance Committee, Staff Governance Committee, and Clinical Governance Committee all comprise of Non-Executive Directors. These committees meet at least quarterly and challenge the NSS Business, Staff, and Clinical risks respectively.

### **7.3 Chief Executive**

- The Chief Executive is the Accountable Officer with responsibility for ensuring there is an agreed and fully implemented risk management framework.

### **7.4 Directors of Finance, Human Resources, Medical and Nursing, and Digital and Security:**

- Provide leadership and co-ordination of the corporate governance, staff governance, financial governance, information governance and clinical governance agendas as part of the wider management of risk.

### **7.5 The Director of Strategic Planning, Performance and Service Transformation:**

- Oversight of the risk management approach and its application.

### **7.6 All Executive Management Team Directors:**

- Oversight, identification and management of their component parts of the NSS Strategic, NSS operational (previously corporate risk register), Directorate, programme and operational risks.

### **7.7 NSS Planning and Performance Team**

- The Head of Planning, supported by the Planning Team is responsible for the development, implementation, evaluation, and monitoring of the Risk Management Strategy, Integrated Risk Management Approach and digital risk system, leading and co-ordinating the strategic risks and providing expert advice on risk management.

### **7.8 Risk Leads**

Each Directorate will have a Risk Lead and potentially others at a sub Directorate level where appropriate. They support the Strategy and Integrated Risk Management Approach by being a key reference point for staff for advice and support and working towards continuous improvement of the risk management process. They will also:

- Support Directors and senior teams with their risk reporting requirements;
- Assist with the Internal Controls Assurance assessment and follow up;
- Work with other Risk Leads to ensure consistency across NSS and
- Support staff risk management training.

### **7.9 Executive Management Team**

- Review the Strategic risks quarterly and discusses the operational corporate risks at each meeting to ensure the risks are appropriate and being adequately mitigated.

### **7.10 Operational Responsibility – Management**

- Management is specifically responsible for the creation, regular review and potential escalation of directorate/locality risks. They must ensure integration of risk management into the planning process, and maintain an overview of local risk management action, performance and improvement.
- In undertaking this role, management will provide leadership, driving the agenda and setting the tone for the necessity of risk management;
- These activities will be supported by risk leads in each Directorate.

### **7.11 Operational Responsibility - Staff**

- Staff at the operational level closest to the risk and with the appropriate competencies and capacities are responsible for recognising and managing a particular risk.

### **7.12 Engaging with Stakeholders**

- Where Directorates are jointly working with other partners, the risks within those programmes of work should be clearly identified and ownership agreed. This is especially important where NSS works as a national provider, lead or co-ordinator and in some cases NSS may own national level risks. Each risk should be assessed on a case-by-case basis.

## **8. Integrated Risk Management Approach**

Our Integrated Risk Management Approach (IRMA) will:

- Provide an approach which can be implemented across NSS and give assurance to the Board and stakeholders of our ability to deliver the commitments in our corporate plans and manage the associated risks;



- Describe how the risk management approach works, making it consistent, accessible and understandable to all staff;
- Identify and describe our risk appetite.

The Approach will assist in:

- Ensuring that before business decisions are made full consideration is taken of the risks and benefits involved;
- Embedding risk management in the organisation and in the decisions we make;
- Continuously improving our risk management approach and the quality of risk information we hold.

## **9. NHS in Scotland Guidance**

We will aim to be consistent in our approach with the rest of the NHS in Scotland and align to the NHS in Scotland risk assessment matrices in the Health Improvement Scotland guidance Learning from Adverse Events Through Reporting and Review<sup>iii</sup>.

## Appendix 2

### Glossary of Terms

Risk	An event or set of events which, if they were to occur, could have an impact on the achievement of our objectives.
Risk management	Management of the risk by controls and actions to aim to reduce impact and/or likelihood.
Risk appetite and tolerance	NHS National Services Scotland's risk appetite is described as 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.
Integrated Risk Management Approach (IRMA)	Details the process outlining how we deal with risks within NSS.
NSS strategic risks	These risks reflect the major strategic concerns of the Board. They are agreed, reported to and reviewed by the Board. NSS directors are owners.
NSS operational risks (previously corporate risks)	These are risks associated with our corporate and strategic objectives and the delivery of key services and outcomes. They are agreed, reported to and reviewed by the NSS Executive Management Team. NSS directors and their deputies are owners.
Directorate, programme and operational risks	<p>These risks are owned, managed, and reported in directorates by programme boards and within operational service areas.</p> <p>Risks in the various levels can be escalated or de-escalated as appropriate.</p>

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<sup>i</sup> The Orange Book – Management of Risk – Principles and Concepts, HM Government 2020

<sup>ii</sup> The Blueprint for Good Governance in NHS Scotland, Second Edition, November 2022, Scottish Government

<sup>iii</sup> Health Improvement Scotland, Learning from adverse events through reporting and review – a national framework for Scotland, 2019

# NHS National Services Scotland

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>20 December 2024</b>
<b>Title:</b>	<b>Board and Committee Services Report</b>
<b>Paper Number:</b>	<b>B/24/41</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Carolyn Low, Director of Finance, Corporate Governance and Legal Services</b>
<b>Report Author:</b>	<b>Kyle Clark-Hay, Associate Director Corporate Governance (Board Secretary)</b>  <b>Rachel Kavish Wheatley, Executive and Governance Manager</b>

## 1. Purpose

- 1.1 This paper presents the Board with a progress report on Board and Committee Governance workstreams; progress against actions and development objectives set in 2024/25; and a look forward at the development opportunities and activities in the coming months and new financial year.

## 2. Recommendation

- 2.1 It is recommended that the Board:
- 2.1.1 Approve Maria McGill to succeed Alison Rooney as the Chair of the Clinical Governance Committee with effect from 1<sup>st</sup> April 2025;
  - 2.1.2 Approve the Board Seminar and Development Schedule for 2025/26 as set out in Appendix 1;
  - 2.1.3 Approves the approach (set out at 3.3.3) for Non-Executive Board members training including the list of on-line modules and asks the Associate Director Corporate Governance (Board Secretary) to confirm to each Non-Executive Director which courses they are expected to complete;
  - 2.1.4 Notes the updates provided on Board member recruitment;

- 2.1.5 Notes the actions and themes which emerged from the Board and Executive Management Team Development sessions in October 2024; and
- 2.1.6 Notes the progress made towards the achievement of objectives within the Board Governance Development Plan 2024/25 as set out in Appendix 2.

### **3. Executive Summary**

#### **3.1 Board and Executive Management Team (EMT) October Development Sessions**

- 3.1.1 The Board and EMT met in October 2024 for both joint and individual development sessions to discuss strategic business planning for the 2025/26 financial year. The Board and EMT looked to the future in terms of what opportunities existed for NSS to align approaches nationally to improve services.
- 3.1.2 In addition to horizon scanning, the Board reviewed their development plans, skills matrix, and training needs. They discussed Board succession planning and the skills and qualities desirable for NSS Board members. The Board explored how to improve their visibility among NSS staff and ways of increasing exposure to and understanding of the role of the NSS Board.
- 3.1.3 The Board will note that any substantive actions have been added to the Board action tracker, with many of the areas discussed addressed in the points below.

#### **3.2 Board Recruitment and Succession**

- 3.2.1 Alison Rooney, Non-Executive Director of the Board and Chair of the Clinical Governance Committee will be completing her final term with NSS in June 2025. It is proposed that Maria McGill succeed Alison Rooney as Chair of the Clinical Governance Committee.
- 3.2.2 Recruitment for a successive Board member will commence in January 2025 with the support of the NSS Sponsor Team and the Public Appointments Team at Scottish Government. In line with the Board Development Plan to increase diversity and inclusion on NHS Boards, a communications plan is in development to increase awareness of the recruitment campaign among those from less represented communities on NHS Boards. In addition, the recruitment pack will actively encourage applications from those with diverse backgrounds and lived experience of NSS services as desirable.

#### **3.3 Board Training and Development**

- 3.3.1 The Board previously noted the need to review training requirements and needs of members through the development of a training proposal, considering both induction and ongoing training and development opportunities. In particular, there is a need to align the Board development and seminar schedules to those areas of improvement identified in self-assessments against the Blueprint for Good Governance Second Edition.

3.3.2 The Proposal is in development through Board Services to ensure the training proposition and expectations for the Board are relevant and clear for members.

3.3.3 Board members should note the following requirements in relation to completion of Non-Executive training:

<b>Module</b>	<b>Who should complete</b>	<b>Location</b>
Active Governance	All new Non-Executives	Board Member portal on TURAS
Equality	All Non -Executives	Board Member portal on TURAS
Effective Audit and Risk	Non-Executives who are members of the Audit and Risk Committee unless the CIPFA training has already been completed	Board Member portal on TURAS
Finance and NHS Scotland	All Non-Executives	Board Member portal on TURAS
Blueprint for Good Governance	All New Non-Executives	Board Member portal on TURAS
Delivering the Blueprint	All Non-Executives	Board Member portal on TURAS
Succession Planning	Chair and Vice Chair	Board Member portal on TURAS
Whistleblowing	All Non-Executives	NSS portal on TURAS
Cyber Security	All Non-Executives	NSS portal on TURAS

Other necessary training will be agreed to support Board Members induction and ongoing development which may include specific Non-Executive 'Champion' requirements.

3.3.4 Appended to this paper is the proposed timetable for Board seminars and development 2025/26. Board Services have sent holding diary invitations to members for these dates. As noted above, seminar topics will be informed by Board and Committee needs and members can anticipate changes as we progress through the year. It is recommended that the Board approve the seminar and development schedule for 2025/26 as it is set out in Appendix 1 on the understanding that the Board will be informed of any further changes.

### **3.4 Board Governance Development Plan Progress**

3.4.1 A Board development session was held on 21 February 2024 to consider the results of the Blueprint for Good Governance Second Edition self-assessment questionnaire. The output of that session was the Board Governance Development Plan, attached at appendix 2, which the Board approved at their March 2024 meeting. This was submitted to Scottish Government to provide

assurance that the process was being following with no analysis of the plan itself.

3.4.2 Of the seven objectives identified:

- Two are complete;
- Two are on track for completion by deadline; and
- Three have been retimed to early in the 2025/26 financial year, details of which are in the appended plan.

## **4. Impact Analysis**

### **4.1 Quality and value**

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

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

4.2.1 An equality impact assessment is not required for this paper and its reported workstreams.

### **4.3 Data protection and information governance**

4.3.1 There are no data protection or information governance risks or considerations to note associated with this paper.

## **5. Risk Assessment/Management**

5.2 There are no associated risks requiring escalation associated with this paper.

## **6. Financial Implications**

6.1 There are no immediate financial implications to note associated with this paper.

## **7. Workforce Implications**

7.1 There are no workforce implications or consideration in relation to this paper.

## **8. Climate Change and Environmental Sustainability Implications**

8.1 There are no climate, environmental, or sustainability implications of note associated with this paper.

## **9. Route to Meeting**

9.1 This paper has been shared directly with the Board.

## **10. List of Appendices and/or Background Papers**

10.1 Appendix 1 – Development and Seminar Timetable 2025/26  
Appendix 2 – NSS Board Governance Development Plan 2024/2025 (updated)



## Appendix 1 – Board Development Sessions and Seminar Programme 2025/26

Date	Type	Topics
21.02.2025	Board Seminar	Budget Summit outcomes
25.04.2025	Board Development Session	NSS Integrated Risk Approach and Appetite review
08.08.2025	Board Seminar	Equality Impact Assessment
20/21.10.2025	Board Development Session	Horizon scanning with Executive Management Team
20.02.2026	Board Seminar	NSS Budget and Annual Business Plan review 2026/27



Appendix 2 - NSS Board Governance Development Plan 2024/2025 - December 2024 update

Priority Area	Blueprint Function	Objective	High Level Action	Lead	Timeline	Intended Good Governance Outcome	December 2024 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.	<b>Complete</b> 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.	<b>Re-timed to March 2025</b> A revised NSS Board Assurance Framework will be presented to the Board at its meeting in March 2025. The new NSS risk management system will strengthen board assurance. In addition a 'Once for Scotland' approach is in development within the Board Secretaries Group. It is recommended this action remains live with timelines moved to March 2025.
Functions	Risk Management	To fully embed our new approach to Risk	(a) To develop reporting that links the NSS strategic objectives to	Associate Director of Strategy, Performance and	Dec-24	An integrated governance system that co-ordinates and links the delivery of strategic	<b>Retimed to Q1 2025/26</b> A risk management internal audit has been completed with findings and recommendations

		Management across the organisation	our strategic risks, the key controls to mitigate and minimise these risks, with the key assurances of these controls identified.	Communication; Associate Director of Corporate Governance (Board Secretary)		planning and commissioning, risk management, assurance information flows, audit and sponsor oversight.	approved by ARC. Actions are in train to improve the Integrated Risk Management Approach, with a development session proposed for the Board in April 2025 post implementation of the new Risk Management System. This development session will include: the implementation of a new risk management system; amending and reviewing our risk appetite in line with the adoption of NHSScotland wide risk categories; and overall improvements to strategic risk monitoring, reporting and assurance.
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.	<b>On track</b> Linked to the action above, we will be implementing a new Risk Management System (In Phase) which will provide more comprehensive reporting abilities and improvements to our Integrated Risk Management Approach as mentioned above

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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.	<b>Re-timed to Q1 2025/26</b> Review of the equality impact assessment approach and process is near completion with user testing on the new guidance, forms, and tools to commence shortly with NSS staff. The revised suite of tools will be presented at EMT for their adoption and sign off before embarking on a communication plan across NSS. The communication plan is to include a webinar for staff on how to complete the EQIA , this will help inform staff who are required to complete EQIA as part of the board governance process. The timescales are Q4 '24 and Q1 '25. Once implemented it is recommended a Board Seminar is offered on EQIA Q1-Q2 25/26.
Enablers	Diversity, Skills and Experience		(b) To work with other Boards to influence improvements in the appointments	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,	<b>Complete</b> In relation to the NSS Board, a skills matrix has been used to assess the NSS Board, addressing gaps where required. Recruitment is in

			process for non-executives and Chairs, to help increase the numbers of people from less represented communities.			behaviours and relationships.	progress with Public Appointments and 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.	<b>Ongoing</b> To be reviewed at April 2025 Board Development Session

# NHS National Services Scotland

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>Friday 20<sup>th</sup> December 2024</b>
<b>Title:</b>	<b>Financial Performance: November 2024 (M08 2024/25)</b>
<b>Paper Number:</b>	<b>B/24/42</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Carolyn Low, Director of Finance, Corporate Governance and Legal Services</b>
<b>Report Author:</b>	<b>Andy McLean, Deputy Director of Finance (Reviewed by: Carolyn Low, Director of Finance, Corporate Governance and Legal Services)</b>

## **1. Purpose**

- 1.1 This paper is presented for scrutiny.
- 1.2 The paper provides the Board with an update on financial performance against the agreed financial plan at 30<sup>th</sup> November 2024.

## **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, note that NSS is on track to achieve all statutory financial targets, and accept the assurances from the Responsible Executive.

### **3. Executive Summary**

- 3.1 At M8, NSS remains on track to achieve all statutory financial targets.
- 3.2 NSS core revenue Year to Date (YTD) position has improved with a YTD surplus of £2.3m, which has been driven by additional Agenda for Change pay funding including budgeted vacancies. However, the core revenue forecast is a £1.6m deficit which includes various pressures in Assure (mainly utilities) which are being actively investigated. It also assumes that Programme Management Services (PgMS) is unable to fully recover the deficit it incurred during Q1 through income under-recovery. The core trading position deficit will be offset by a surplus in Reserves to achieve an overall break-even position.
- 3.3 In terms of NSS Reserves, a balance of £5.6m is currently 'available' and there has been an overall improvement in the likely and possible scenarios when considering potential opportunities and risks. It should be noted that the unlikely scenario has deteriorated and may result in an overspend of £4.7m if this were to materialise. Taking a risk-based approach, some funds can be released for investment in FY24/25 should suitable options be identified.
- 3.4 NSS is achieving Cash Releasing Efficiency Savings (CRES) targets, however, it must identify opportunities to convert more CRES from non-recurring to recurring. This should be done in conjunction with the Integrated Service Planning and overall NSS Financial Plan.
- 3.5 The capital budget has been fully allocated with no formal contingency in place; therefore, all programmes must manage to the agreed budget and report slippage as soon as possible so that unapproved backlog can be taken forward.
- 3.6 NSS Directorates developed their Integrated Service Plans (ISP) by the end of November. The content has been analysed and will inform the EMT Budget Summit in December and allow for a One NSS, cross-cutting themed approach.

### **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 An impact 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 There are various underlying risks and opportunities being monitored and managed by NSS.

## **Investment**

- 5.2 Due to robust management of Fixed Term Contracts and the Workforce resource pool, there is an opportunity to release accruals and provisions made which would release funds of c£1m on a non-recurring basis. Executive Management Team (EMT) has been asked to propose investment opportunities which can be resourced and delivered in FY24/25 and will deliver recurring financial benefit in later years to ensure best use of this in-year opportunity.

## **Funding**

- 5.3 Given the current financial pressures across NHS Scotland, there is a (reducing) risk that NSS will not receive all planned income from Scottish Government (SG) and Health Boards.
- 5.4 To date 81% of SG Allocations have been received and SG and NSS Finance are working closely to review and enable the release of all outstanding allocations.
- 5.5 The overall NSS Digital & Security (DaS) forecast is predicated on full receipt of all allocations, including £1.3m Service Level Agreement (SLA) shortfall. It is assumed that this position will be managed – either by under spends in other Programmes and/or additional SG funding to the level that is required.
- 5.6 The reduction in the working week (RWW) will have a long-term impact on Scottish National Blood Transfusion Services (SNBTS) headcount (with a £0.2m pressure in FY24/25). No funding has provided from SG for NSS to manage the impact of the RWW in FY24/25. This pressure is covered from in-year underspends on a non-recurring basis only.
- 5.7 Within National Services Division (NSD), there is a potential shortfall in Risk Share funding of £3m but it is assumed that some, if not all, of this pressure can be offset by wider under spends across the portfolio as Q3 and Q4 activity is delivered. Where an additional top slice for Risk Share is required, SG will liaise with Boards.
- 5.8 SG has reduced the funding envelope for NSS Assure with £12.1m now available in FY24/25 compared to the opening budget of £13.4m with a £1.3m reduction overall. Further work is required within NSS and with SG to understand and mitigate the impact in the longer term beyond the immediate Financial Year.

## **Expenditure**

- 5.9 Within Assure, there has been some emerging cost pressure in relation to property costs and utilities specifically. A “deep dive” is being undertaken with Finance working closely service colleagues to understand cost drivers and what mitigation is possible both in FY24/25 and for the forward financial plan.

## **Capital**

- 5.10 There is no contingency within the capital budget should programmes require an increase in funding. However, a small amount (£0.1m) has been considered

within NSS Reserve scenario planning should NSS need to transfer revenue funds to capital via SG.

## 6. Financial Implications

NSS is projecting full achievement of all statutory financial targets in FY24/25.

NSS Targets	YTD £000's	Final Outturn £000's	RAG
Revenue Outturn	2,343	-	G
CRES Delivery	12,991	16,845	G
Capital Outturn	136	-	G

## 7. Workforce Implications

7.1 There are no direct implications associated with this report.

## 8. Climate Change and Environmental Sustainability Implications

8.1 There are no direct implications associated with 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 November financial position was discussed by EMT at its meeting on 18 December.

9.3 The Q2 NSS financial position was discussed with SG Finance on 11<sup>th</sup> November (with a follow up letter issued 18<sup>th</sup> November as per Appendix 2)

## 10. List of Appendices and/or Background Papers

10.1 The following appendices are included with this report:

- Appendix No 1: 2024/25 Month 8 Finance Report (November 2024)
- Appendix No 2: 2024/25 NHS National Services Scotland Q2 Review





# **NSS Financial Performance**

**November-24**

# NHS National Services Scotland Board

## Financial Performance – November 2024

### Executive Summary



#### Performance Summary

At end of November 2024, NSS remains on track to achieve all statutory targets.

#### Revenue (YTD £2.3m underspend and FY break-even forecast)

The YTD underspend is driven by:

- **NSS Core:** where various services have trading surpluses' driven by vacancies (and additional pay funding) including DaS; HR; and NP. A year end deficit is forecast with some services forecasting changes / pressures between now and year end. The main pressure area is Assure with (1) reductions in SG funding and (2) increased utilities costs.
- **NSD:** the core surplus is partially offset by the continued reporting of a YTD overspend in NSD but it is forecast that a balanced position will be achieved by year end (Slide 10 & 11).

**It is forecast that NSS will achieve a balanced position at year end through utilisation of Reserves** to offset forecast pressure within the NSS Core Trading position (slide 13). **Taking a risk-based approach, some funds can be released for investment in FY24/25 should suitable options be identified.**

**CRES** is forecast to be overachieved by £0.3M in 24/25 driven by vacancy management controls. Some CRES initiatives are carrying a slight level of risk, and this will be closely monitored. **Directorates must continue to focus on converting non-recurring into recurring CRES** (slide 14).

#### Capital (£0.1m underspend and FY break-even forecast)

Overall, the capital budget for NSS is underspent with programme breakdown within Slide 15

Although, it is forecast that NSS will deliver the plan within budget (which has no contingency), there is the potential to transfer revenue to capital via SG for any unforeseen pressures that arise in Q4.

	YTD	Year End Forecast	Target
NSS Targets	£'000	£'000	
Revenue NSS Total	2,343	-	<b>Breakeven</b>
Revenue NSS Core	2,303	(1,584)	Breakeven
Revenue Hosted Funds	(1,384)	445	Breakeven
Revenue NSD	1,357	114	Breakeven
Reserves	67	1,139	Breakeven
<b>NSS CRES Total</b>	<b>12,991</b>	<b>16,845</b>	<b>3% Recurring</b>
NSS (exc NSD) CRES	12,051	15,409	3% Recurring
NSD CRES	940	1,436	3% Recurring
<b>Capital Outturn</b>	<b>136</b>	<b>-</b>	<b>Breakeven</b>

#### Key Messages

The **overall NHS Scotland position remains a significant, unprecedented level of deficit.** SG continue to challenge Boards to identify savings to break-even and maximise recurring CRES.

Although **NSS is on track achieve financial targets**, it must continue to remain vigilant – monitor costs closely and actively seek opportunities for **recurring savings** which will ensure long term financial sustainability of NSS and NHS Scotland.

**Budget Holders must continue to robustly manage their delegated resources during FY24/25, as well as over the longer financial planning period.**

To create additional capacity to support 2025/26 planning, NSS Finance has taken a risk-based approach to month end and forecast review – with some areas being reviewed at high level.

Following the EMT Budget Summit, during Q4, an assessment across services will be carried out to confirm funding strategies and approaches for service charges and day rates in 25/26.

## Risks and Issues

The following risks are currently being monitored.

### Funding - Revenue

NSS is heavily reliant on additional SG allocations and income from Health Boards. Given the unprecedented financial challenges across NHS Scotland, there is a general funding risk across all funding and income.

- **SG Allocations** - SG Allocations: As of November, 81% of SG funding has been received with additional funds being formally allocated month on month.
  - The Agenda for Change and Medical & Dental Pay uplift funding has been received with £0.4M outstanding for NSD England pay consequential.
  - SG has asked Assure to identify additional savings in FY24/25 (by means of allocation reduction) this is currently at £1.3m predominantly in-line with vacancies
  - DaS has a £1.3m shortfall on the e-Health SLA but it is assumed this pressure will be covered by underspends in other programmes and/or additional SG funding.
  - Worst case scenario for NSD Risk Share would require additional top slice of £3.3m from Boards but it is anticipated that under spends across wider portfolio will allow overall balance.
- **Internal Recharges and Income Target** – Whilst the DaS income recovery position has improved YTD, Finance will continue to work closely with the service so that the process is robust and embedded. The PgMS position has also improved in month but this is largely due to a "5 week month" in terms of income generation. A risk remains around PgMS' ability to erode the deficit from Q1 which was driven by a significant under recovery of income.

### Pay Costs (RWW)

The impact of the reduced working week is being closely monitored. At present, additional resource requirements for SNBTS are estimated at £0.2m, with impact across all services in NSS. This is a particular focus under on-going financial and workforce planning for FY25/26+.

### Non-Pay Costs

There pressures within NSS Estates property costs (specifically utilities) that are being investigated by Assure and Finance.

### CRES

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NSS is too reliant on non-recurring savings in FY24-25. **All opportunities to convert non-recurring savings to recurring must be taken.**

# NHS National Services Scotland Board

## Financial Performance: November 2024

■ On Track  
■ At Risk  
■ Off Track



Financial Performance (£'000) - Outturn vs Plan										
Dir	Revenue Outturn						Other Financial Targets		Summary of Position	Actions Required to deliver the 24-25 plan
	YTD Revenue			FY Forecast			CRES*	YTD Capital VAR		
Core	Hosted Funds	Total	Core	Hosted Funds	Total					
NHS Assure	(128)	n/a	(128)	(1,101)	n/a	(1,101)	-	87	Revenue: overspends within property costs and professional fees being offset by vacancy savings. FY forecast assumes all pressures will be mitigated apart from utilities. CRES: on track Capital: underspend YTD due to phasing - new risk within Forresterhill electrical work with funding options being reviewed.	- <b>Confirm price/usage variance drivers within Utilities and what could be done to mitigate current and future year deficits</b> - Continue to review options to reduce SG allocations by £2M in current and future years.
SPST	149	n/a	149	(503)	n/a	(503)	-	n/a	Revenue: improvement in YTD position due to 5 week month and increased utilisation. FY forecast to be reviewed December and expected a b/e. CRES: fully achieved	- Continue to monitor the PGMS income and identify opportunities to return to a break-even position. - Detailed review of forecast
SNBTS	(338)	n/a	(338)	(176)	n/a	(176)	-	6	Revenue: worsening YTD position driven by overspends in medical, transport and other operating costs. This will be investigated with forecast fully reviewed during December. Capital: on track. CRES: on track with £0.8M forecast at medium risk.	- Identify opportunities to deliver CRES on a recurring basis. - Monitor the impact of A4C RWW. - Follow up on SLA historic shortfall and actions to mitigate. - Conclude the HB SLA uplift discussions.
DaS	1,047	310	1,357	(193)	114	(79)	-	30	Revenue: surplus for the year to date, driven by phasing of nationally funded programmes and services, vacancies across DaS and an improvement in the recovery of services. FY forecast will be fully reviewed in light of the improved recoveries. CRES: on track Capital: YTD surplus within network hardware programme.	- Ensure completion of the DaS recharges is included in the FY Forecast. - Continue to review the forecast for National Programmes and confirm funding for ATOS CDR (£1.3M) with SG

# NHS National Services Scotland Board

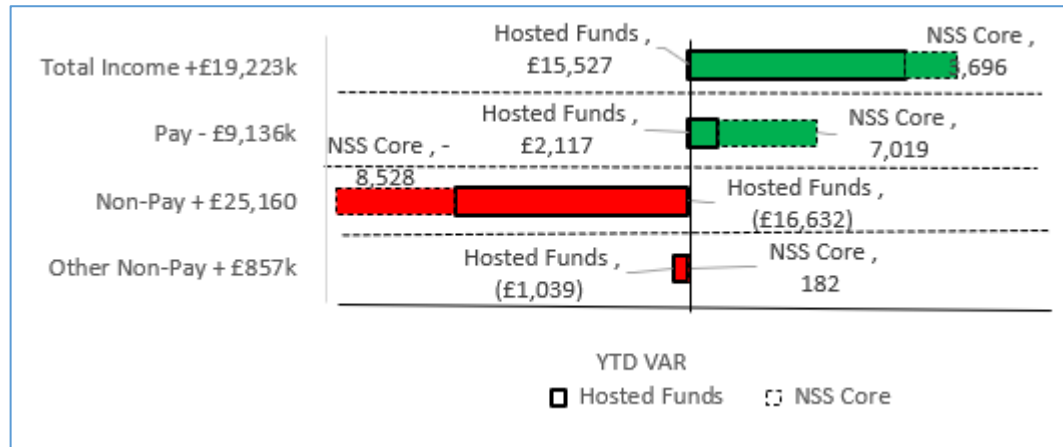
## Financial Performance: November 2024

### Operational Performance (£'000) – Page 2 of 2



Financial Performance (£k) - Outturn vs Plan										
Dir	Revenue Outturn						Other Financial Targets		Summary of Position	Actions Required to deliver the 24-25 plan
	YTD Revenue			FY Forecast			CRES*	YTD Capital		
	Core	Hosted Funds	Total	Core	Hosted Funds	Total				
FCGLS	(99)	-	(99)	(39)	(0)	(39)	-	n/a	Revenue: delay in office move YTD which will be fully mitigated once formal funding has been approved CRES: on track with non-recurring replacing plan.	- Raise demand for funding for Anderson House move delay.
NSD	n/a	(688)	(689)	n/a	0	0	334	-	Refer to slide 10 & 11. CRES: Additional non-recurring vacancy Board CRES have been confirmed which will result in overachievement of plan.	
HR	578	n/a	578	272	n/a	272	-	n/a	Revenue: Underspend in YTD and FY driven by vacancies pending HR review as well as within non-pay. FY forecast assumes some vacancies will be filled and non-pay budgets will be fully utilised. CRES: on track	- Confirm resource plans for pay and non-pay and update FY forecast as likely to generate further surpluses.
CD	30	n/a	30	30	n/a	30	-	n/a	Revenue: FY forecasting assumes no surpluses within DPDP and NSOF. CRES: on track	- Closely monitor DPDP spend against available funding and ensure timely recharges.
NP	390	352	742	220	332	552	-	0	Revenue: YTD and FY variances driven by pay within Logistics BAU and core areas and non-pay within Tech. CRES: on track with £0.4M of forecast at high risk Capital: small overspend being investigated.	- Continue to review CRES to ensure full achievement within the year.
PSD	673	n/a	673	36	n/a	36	-	13	Revenue: YTD underspends driven by vacancies. Savings identified within ATOS contract and which will be used to address urgent work in nDCVP. CRES: on track Capital: Surplus within Bain Square	- Confirm emerging underspends and its impact in FY forecast - Monitor risk associated with paused Tech Refresh.
Subtotal	2,303	(27)	2,276	(1,584)	445	(1,139)	334	136		
Reserves	67	n/a	67	1,584	(445)	1,139	-	n/a	Revenue: underspend driven by VAT. CRES : on track	Continue to monitor reserves balances (slide 13) Monitor CRES achievement
Total	2,370	(27)	2,343	0	0	0	334	136		

Revenue Variance Analysis - YTD



The FY24/25 Revenue position for NSS as of M8 close is of an underspend of £2.3M. The graph above summarises variances by category and type.

	M8 YTD Budget	Income	Pay	Non-Pay	Other Non-Pay	M8 YTD Actual
Hosted Funds	£567,895	15,527	2,117	(16,632)	(1,039)	£567,922
NSS Core	£238,882	3,696	7,019	(8,528)	182	£236,512
<b>Total</b>	<b>£806,777</b>	<b>19,223</b>	<b>9,136</b>	<b>(25,160)</b>	<b>(857)</b>	<b>£804,434</b>

The next slides will provide further breakdown for each of the categories above.

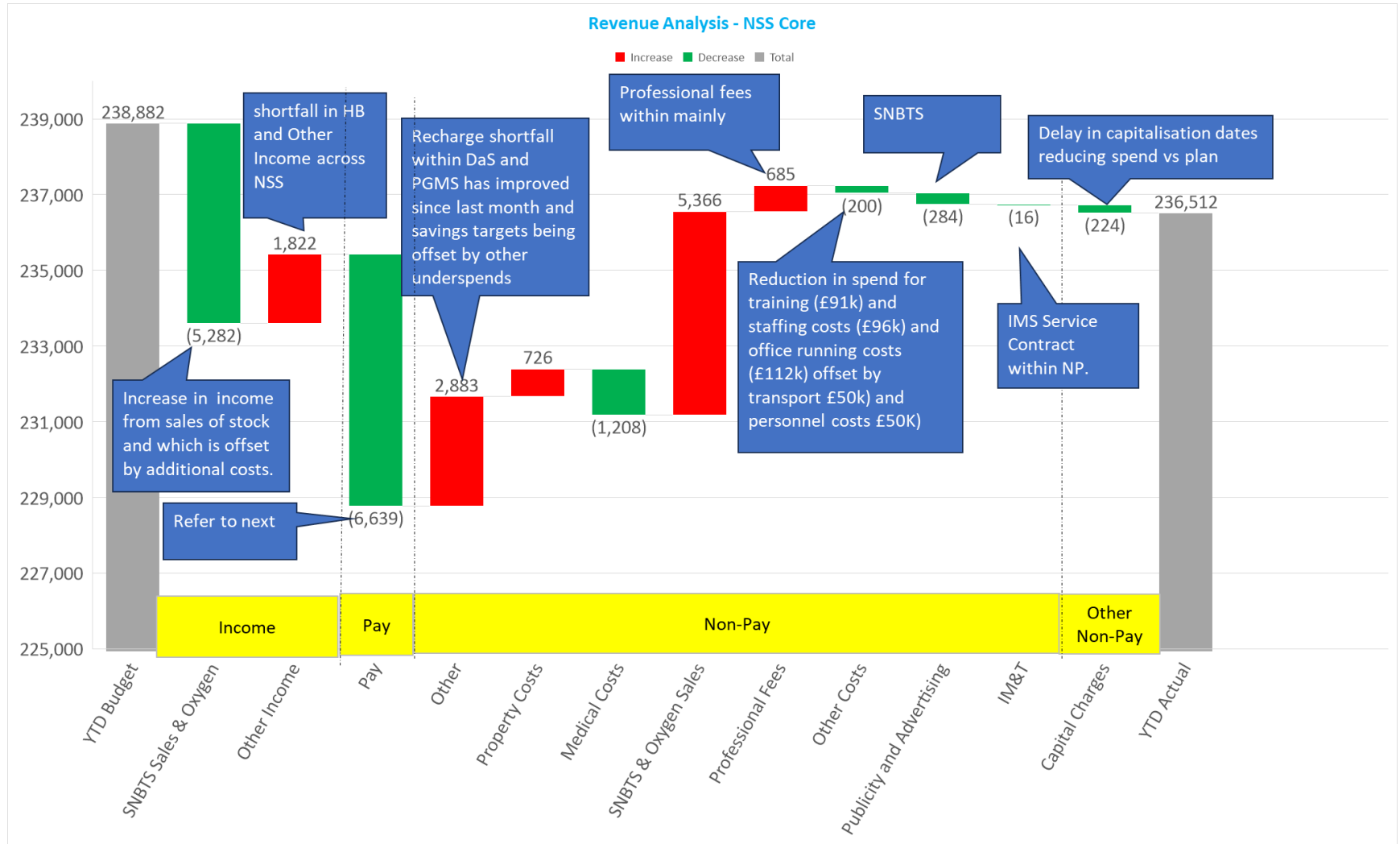
# NHS National Services Scotland Board Financial Performance – November 2024 Revenue Analysis – NSS Core

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The table below details the key variances across NSS Core.

Overall NSS Core has been underspent by £2.4M. Graph below gives a further breakdown of the variance.



# NHS National Services Scotland Board

## Financial Performance – November 2024

### Revenue Analysis – Pay Deep Dive (£'000)

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The table below details the pay spend per Directorate and by category.

Directorate	YTD Budget	24-25 Actuals					YTD Actual	Budget vs Actual
		Pay	Overtime & Enhanced Pay	Secondee Costs, Income and recharges	Agency			
CD	1,788	1,942	-	(424)	-	1,697	91	
FCGLS	16,778	16,032	180	(225)	80	16,361	418	
Hr	3,957	3,456	0	(162)	-	3,466	491	
PSD	13,325	12,157	134	80	542	12,833	492	
Redeployment	79	216	-	(208)	-	8	71	
SPST	10,193	9,543	29	(76)	48	9,348	844	
DaS	26,465	22,141	42	258	955	23,158	3,307	
Nhs Assure	14,369	13,201	115	36	108	13,314	1,054	
Pcf NP	15,952	13,583	1,025	21	1,149	15,600	352	
SNBTS	35,297	33,339	1,325	191	5	34,859	438	
NSD	6,382		1	(43)	-	6,119	263	
<b>Total</b>	<b>144,584</b>	<b>125,610</b>	<b>2,852</b>	<b>(553)</b>	<b>2,886</b>	<b>136,763</b>	<b>7,821</b>	
<b>% Total Spend</b>		92%	2%	0%	2%			
<b>PY Spend</b>	<b>139,443</b>	124,919	3,520	72	6,170	<b>134,681</b>	4,762	

Budget vs Actual (NSS Core)	Budget vs Actual (Hosted Funds)
91	
389	29
491	
492	
71	
844	
2,532	775
1,054	
236	116
438	
	263
6,639	1,183

PY YTD Spend	24/25 vs 23/24
1,862	165
13,838	(2,522)
3,117	(349)
15,454	2621
84	76
9,108	(240)
24,162	1004
12,442	(873)
15,916	316
32,431	(2,428)
6,267	148
<b>134,681</b>	<b>(2,082)</b>

Overall NSS pay costs are c£7.8M lower than budgeted and £2.1M over last year spend but if we adjust for policy changes, this is £4.8M lower than prior year. The backdated AfC pay has been processed this month and funding received and equates to £7.3M additional YTD budget compared to prior year.

- **£1.2M of total underspend is within hosted funds which may result in funding being returned to SG sponsors.**
- The underspend continues to be driven by **robust vacancy management controls.**
- Aligning to the requirements of the '15 Box Grid' overtime, enhanced hours and agency costs are **below** prior year levels
- NSS has received pay uplift funding for all budgeted staff, with a benefit for vacancies of around £0.7m.

**FY24/25 and Integrated Planning Focus** - Directorates are required to continue to manage workforce budgets robustly, in-line with the "15 box grid" and overseen by VMG. Services must ensure all vacancies are scrutinised and all opportunities to convert vacancies into recurrent CRES are maximised.



# NHS National Services Scotland Board

## Financial Performance – November 2024

### Services delivered on behalf of NHS Scotland

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#### FY24/25 Outturn

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

The overall funding position for FY24/25 has changed due to (1) reduction in NSD funding and (2) return of eHealth Funding £324k. These changes lead to a revised annual budget of £867m.

Overall national programmes are reporting a **minor YTD deficit (£27k)**:

- Various services and programmes within DaS. The variances are being driven by timing and will start to even out during the 2nd half of FY24/25, with any surplus or deficits being managed at a Scottish Government level.
- Indeed, DaS is managing a FY £1.3M pressure within ATOS committed development resource (CDR) and funding is being discussed with DHAC. We have assumed that there will be no impact in FY forecast and captured this as a risk
- NDC surplus of £352k driven by pay underspends within BAU and Resilience warehouses.
- NSD £688K deficit – refer to slide 10 & 11.

**Any funding that is not required will be returned to SG / Boards as appropriate.**

Hosted Funds	FY Bud	YTD Bud	YTD Act	YTD Var	% Budget Spent
O365	54,846	36,178	36,043	134	66%
ATOS	47,020	26,712	26,795	(83)	57%
eHealth	37,733	23,072	23,062	10	61%
PAC's	8,321	4,139	4,104	35	49%
eRostrering	5,307	3,421	3,558	(137)	67%
GP IT	4,579	2,712	2,352	360	51%
CHI	4,220	2,740	2,749	(8)	65%
<b>DaS Total</b>	<b>162,026</b>	<b>98,973</b>	<b>98,664</b>	<b>310</b>	<b>61%</b>
<b>NDC</b>	223,077	162,632	162,280	352	73%
<b>NSD</b>	343,550	225,335	226,024	(688)	66%
<b>SIBSS</b>	138,367	112,878	112,878	0	82%
<b>NSS Total</b>	<b>867,020</b>	<b>599,819</b>	<b>599,846</b>	<b>(27)</b>	<b>69%</b>

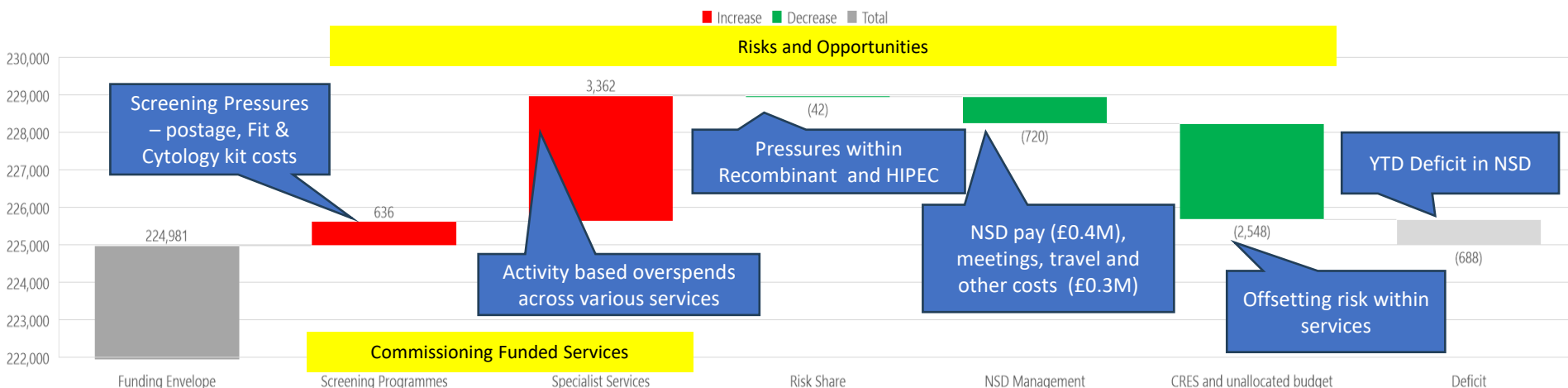
# NHS National Services Scotland Board Financial Performance – November 2024

## Services delivered on behalf of NHS Scotland – NSD YTD (£'000)

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M8 YTD - Key Variances



### FY24/25 Revenue Position – YTD Position

NSD is £0.7m overspent YTD driven by a series of overspends which in the main are offset by various under spends.

Most of the pressures lie within the specialist service portfolio. However, most of these were anticipated with plans are already in place to cover them. The specialist service pressures are being covered by some unallocated income, CRES initiatives and under spends in NSD running costs (£0.7m).

Pressures across Screening programmes (c£0.6M YTD and £1.0M FY) are currently unfunded.

Risk Share spend is 'on budget' at the end of November, with pressures in Recombinant (£1.7m) & Out of Area Treatments (£1.0m) offset by under spends on Car-T, IMD Drugs & Proton Beam Therapy. However, the current balanced budget position assumes full risk share funding is forthcoming. **Currently £3m of risk share funding is at risk.** An additional large under spend on Car-T is anticipated in Q4, and it is hoped that this emerging under spend will mitigate the drop in funding to some (at this point unknown) extent.

NSD commissioning teams are holding regular meetings with services to understand current pressures, and work with HBs to streamline existing patient pathways, adjust staffing skill mixes etc. to achieve best value from the limited funds available.

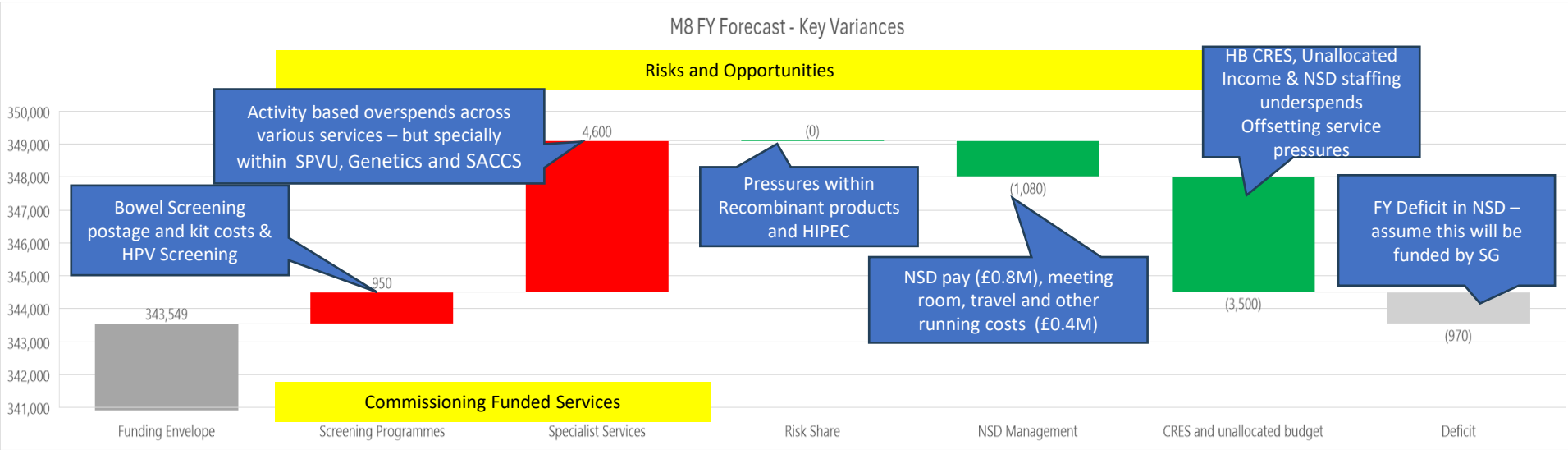
NSD wrote to all Boards looking for 3% (£6.78M) efficiency savings in 24/25. NSD will meet with Boards during Q4 to review progress. NSD recently met with Boards colleagues as a sub-group of CFN to scrutinise commissioned services which are under spent – this included c£1.7m CRES being driven mainly by activity reductions and changes to shape of service delivery. SG has since reinstated the Risk Share funding (£9.7m) that was removed from NSS at the start of FY24/25.

# NHS National Services Scotland Board Financial Performance – November 2024

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## Services delivered on behalf of NHS Scotland – NSD Forecast (£'000)



## FY24/25 Revenue Position – FY Forecast

It is difficult to forecast the likely spend on specialist services, but the picture should become clearer once Q3 finance returns are analysed and factored in. Current forecasting suggests that there is a reasonable likelihood that full year service pressures will be offset by (1) CRES achieved in the HBs (2) under spends on NSD costs and (3) some allocated income.

NSD is still incurring (historic) screening related overspends. These relate to factors out with the control of NSD – postage costs, cytology & Fit kit costs etc. These pressures are currently unfunded and NSD/NSS are looking at ways to cover these pressures in the short & medium term.

Risk Share is the main area of concern. Recombinant is likely to be £2.5m overspent this year, with Hipec treatments adding a further £1.5m pressure. Underspends on IMD drugs, Proton Beam & Ultra Orphan Drugs are currently offsetting these pressures, and that should continue unless a spike in UOP costs for Q3&4 impacts the position. **A more significant pressure is £3m of funding that is at risk.** It is anticipated that a further significant Car-T underspend will emerge in the latter part of the year, but the magnitude of this is unclear at this stage, and it is impossible to say whether this underspend will be able to cover the full £3m shortfall. **If there is any pressure, SG will need to work with Boards to agree an additional top slice.**

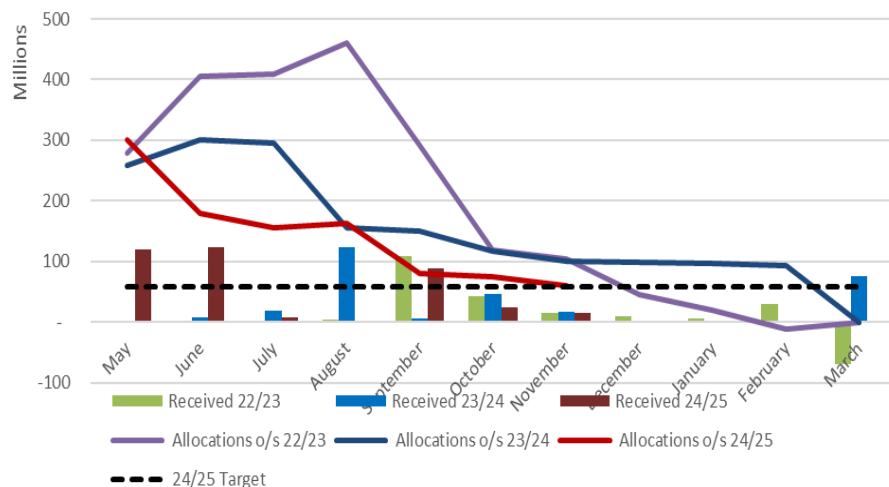
**Summary:** Forecasting is difficult given the range of activities involved, but current figures suggest the specialist service pressure is **green** (with CRES etc. covering the shortfall). The riskshare pressure is **amber**, and a breakeven position is dependent on a further £3m underspend emerging for Car-T. The screening pressure is currently red with further initiatives required to offset the pressure that screening services are predicting at year end.

# NHS National Services Scotland Board Financial Performance – November 2024 Scottish Government Funding Allocation Tracker (£'000)

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Allocations Received Comparison with Prior Years



## SG Allocations - Outstanding

At M8 £15M of allocations were received leaving **c£60.7M** (19%) of **allocations outstanding**. Consultants and Executive Pay Uplift funding (£4.8m) was received in M8 and £0.4M is outstanding.

NSS Finance will continue to review outstanding allocations with SG to understand timing and risk.

## Total SG Allocation Funding - changes

Since M07, overall SG allocations have decreased by £0.6M. This has been driven by additional recovery in VAT for DaS (0.3M), revenue to capital transfer for PaCC nDCVP (0.2M) and small adjustments across directorates summing up to £0.1M

**All Directorates must continue to seek formal confirmation of all outstanding allocations prior to committing to spend.**

Directorate	Confirmed	Green	Amber	Red	Total	Comment
NHS Assure		11,153	338		11,491	<b>Amber:CoE Pay Uplift</b>
CD		128			128	
DaS		743	1,672		2,414	<b>Amber: eHealth Allocation shortfall £1.3m, £0.1M Primary Care, £0.1M Clinical Advisor (eHealth Leadership), £0.1m Scottish Therapeutics Utility</b>
FCGLS						
HR						
NP	16,363	3,810	2,426		22,600	<b>Amber: Resilience £1.2m, Uniforms £0.7m, £0.4M Medical Equipment and e-Health SLA - Procurement £0.1M</b>
NSD	12,843	7,248	1,704		21,794	<b>Amber: £0.8M Out of Area Mesh, Medium Secure £0.5M, IMD Service £0.4M, Lutathera £0.1M</b>
PSD		-79			-79	
Reserves		298			298	
SNBTS		500	27		527	<b>Amber: Gametes</b>
SPST		1,558			1,558	
<b>Total</b>	<b>29,206</b>	<b>25,360</b>	<b>6,166</b>		<b>60,732</b>	

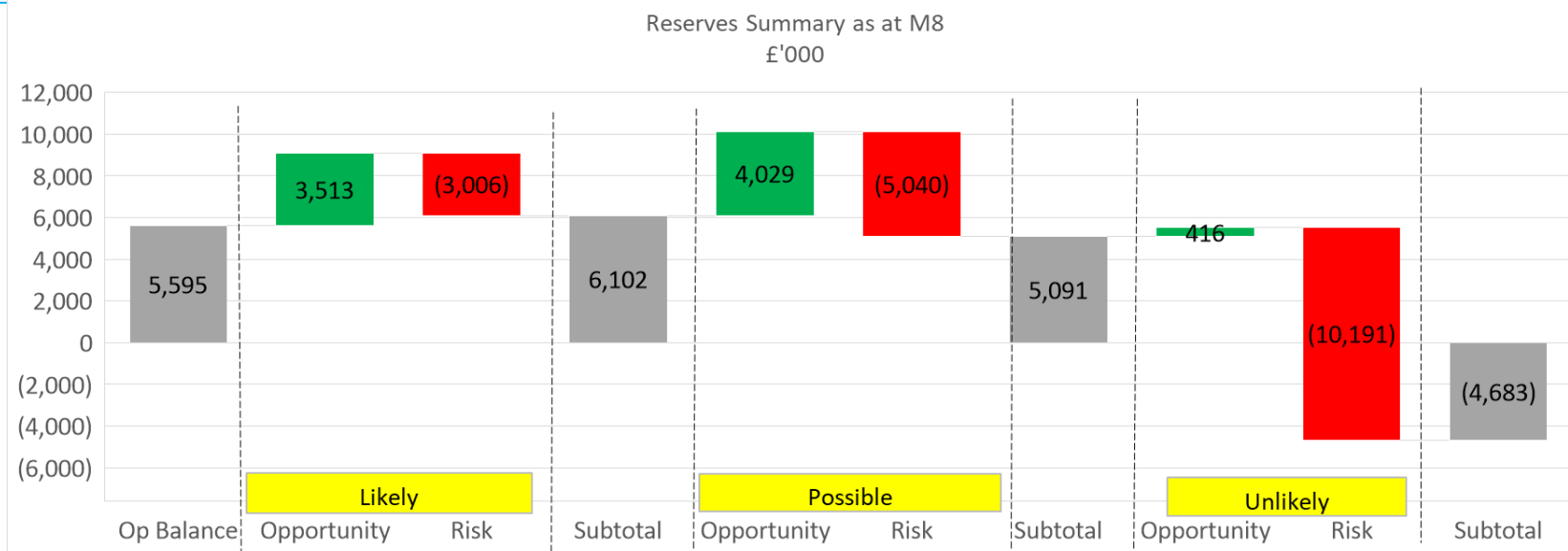
The overall DaS forecast is predicated on full receipt of all allocations, including £1.3m SLA shortfall. It is assumed that this position will be managed – either by under spends in other Programmes and/or additional SG funding to the level that is required.

# NHS National Services Scotland Board

## Financial Performance – November 2024

### Reserves Overview - £'000

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**FY24/25 - NSS Reserves Overview** The graph summarises the movement in reserves should opportunities and risks materialise fully.

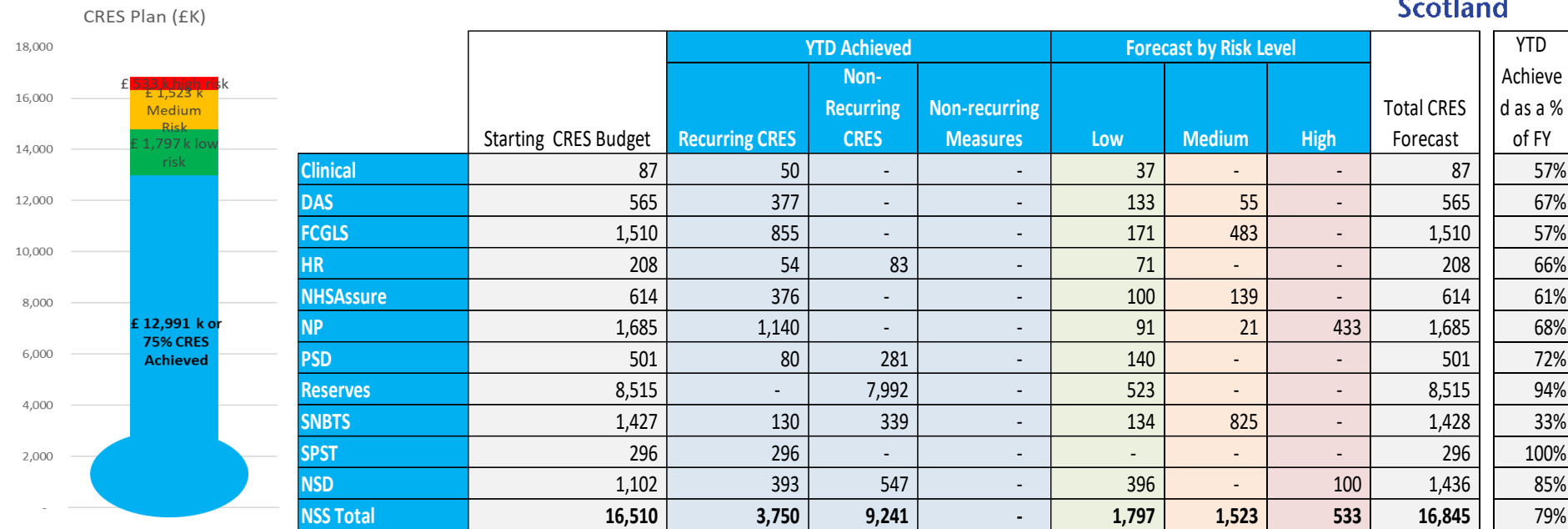
**Actual Reserves Balance - £5,595k:** reserves balance **decreased by £632k (net)** due to funding for demands and risks being formally agreed this month.

**Opportunities and Risks:** This month there has been an overall improvement in the likely and possible scenarios reducing the pressure in reserves, with new opportunities identified. However, the Board must note that the unlikely scenario has deteriorated and may resulting in a overspend of £4.7m if this were to materialise.

**It is recommended that NSS releases funding from Reserves but only for proposals which (1) will deliver significant ROI (2) are business critical (3) can be brought forward from FY25/26 (priority) proposals or drive productivity to alleviate any impact from RWW.**

Note that the business case for 'nDCVP enhancements' (c£0.5m) is still subject to review and confirmation by the TDA in DaS

Delivery of Cash Releasing Efficiency Savings (CRES) (£'000)



The graphs and table show reported achievement of CRES for 24/25.

**NSS has achieved its YTD CRES target at end of M8. The total savings achieved, including non-recurrent measures, equates to £13M.** It is forecast that **NSS will overachieve achieve CRES target by £0.3M this year.** This is mainly within NSD and due to organisational vacancy controls.

In October, we highlighted that **majority of CRES is being achieved on a non-recurring basis**, which does not support the long-term financial sustainability of NSS and we recommended Directorates to focus on converting non-recurring into recurring CRES. In-Year, nothing has been identified with an increased reliance on non-recurring vacancy savings to close the gap. The focus during Financial Planning and the forthcoming EMT Budget Summit is to maximise recurring CRES opportunities, including the conversion of vacancies into the dis-establishment of posts.

**NSD CRES Performance Summary**

In addition to table above, NSD have made progress with HB to identify 3% CRES savings which will be reinvested in service pressures and developments. The £1.1M of CRES per table above has been identified and ring-fenced and reinvested into NSD services, reducing the additional funding ask of Boards & SG. £0.5M CRES plan for genomics will be underachieved by £0.4M and this has been replaced by vacancy savings.

# NHS National Services Scotland Board

## Financial Performance – November 2024

### Capital Programme Delivery – Plan (£'000)

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Funding	Project	Directorate	YTD			FY			Actual as % of FY
			Budget	Actual	Variance	Budget	Forecast	Variance	
SG	CHI & Child Health	DaS	1,488	1,488	0	2,146	2,146	0	69%
NSS	Core Infrs - Network Hardware	DaS	352	322	30	352	352	0	92%
SG EG	Foresterhill Steam Upgrades	Assure	450	329	121	675	675	0	49%
NSS	HVO Fuel Tank & EV Charging	Assure	272	306	(34)	572	572	0	54%
NSS	Breast Screening Units	NSD	465	465	0	487	487	0	96%
SG	Breast Screening Units	NSD	135	135	0	135	135	0	100%
SG	Electric Charging Points	Assure	-	-	0	650	650	0	0%
NSS	Electric Charging Points	Assure	-	-	0	130	130	0	0%
NSS	Donor Services & Transport	SNBTS	159	159	0	1,033	1,033	0	15%
NSS	Manufacturing	SNBTS	-	-	0	206	206	0	0%
NSS	Capital Tcat	SNBTS	30	23	6	130	130	0	18%
NSS	Patient Services	SNBTS	45	45	(0)	75	75	0	61%
NSS	Bain Square Move	PSD	49	36	13	49	36	13	100%
NSS	nDCVP	PSD	-	-	0	221	221	0	0%
NSS	Committed and to be allocated	Reserves	-	-	0	53	66	(13)	0%
<b>Total</b>			<b>3,445</b>	<b>3,309</b>	<b>136</b>	<b>6,913</b>	<b>6,913</b>	<b>-</b>	<b>48%</b>

#### FY24/25

The table above provides an overview of the capital budget and expenditure. As of M8, the capital budget is £0.1M underspent due to budget phasing.

**NSS' capital plan is forecast to breakeven by year end.**

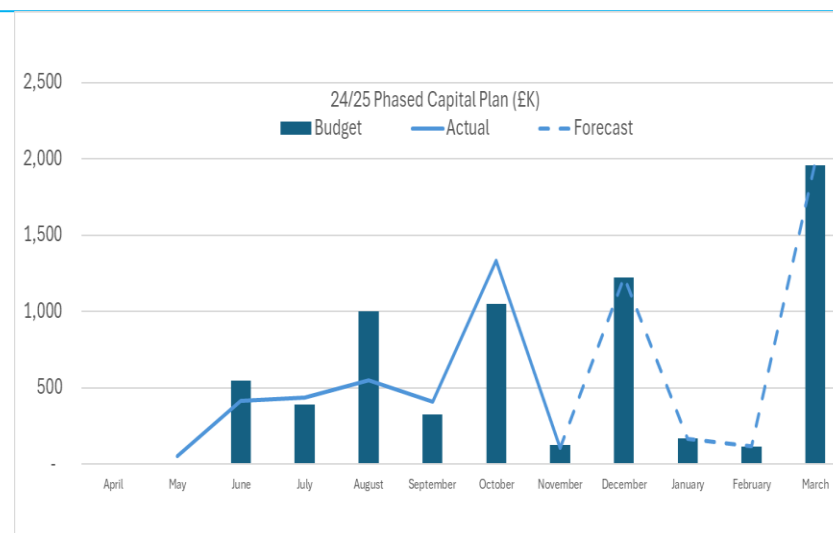
The following risks are being closely monitored:

- Dilapidation payments for South Gyle and Bain Square (£552k).
- Additional electrical work within Forresterhill site (£115k)

**To date 48% of the approved budget has been spent with the remainder forecast to be spent in the last 4 months of the fiscal year.**

Any delays/slippage in forecast must be flagged as soon as identified to your Business Controller.

**Within Reserves, £0.1M has been held for contingency should NSS need to convert any revenue funding into capital via SG**



# NHS National Services Scotland Board

## Financial Performance – November 2024

### Financial Sustainability – Page 1 of 3

**Overview** NSS has several areas of focus to deliver its Financial Sustainability strategic objective. The planned work is summarised below and builds on activity during FY23/24. Whilst Business Finance is driving and co-ordinating the overall NSS plan - staff and services across the organisation will be responsible for the delivery of specific actions. **Ultimately the delivery of the Action Plan will help to ensure that NSS remains a (financially) sustainable organisation which has a strong Financial Management culture that is embedded across all service areas.**

Project	Benefits	Status	Delivered M1-M8	Planned Deliverables M9+
Financial Grip & Control	Stronger Controls to pro-actively reduce / stop unplanned / discretionary expenditure		<p>A detailed list of Financial Grip &amp; Control opportunities (including those which have been or are being implemented) has been produced and is being maintained within Business Finance.</p> <p>EMT formally remitted CCSG to review and develop guidance and controls across all areas of discretionary spend. An extended CCSG meeting on 29th October took place to discuss this.</p>	<p>CCSG will continue to source existing guidance, review and refine this along with existing controls, to ensure they are proportionate to the risks and opportunities in question.</p> <p>CCSG will co-ordinate considerations into existing, relevant groups (such as NSS WTC)</p>
Service Costing	<p>Prepare and maintain accurate Service Costings (in-line with activity drivers) to support decision making, planning and cost recovery</p> <p>Support the transformation of Financial Management Culture across NSS services</p>		<p>Phase I Plan in place with various services now actively considering and/or delivering high level outputs. There is lots of related on-going activity and information (<b>including DaS &amp; PgMS</b>) which this project can and is aligning to – reducing workload and expediting outputs.</p> <p>Position statement on Service Costing for each Directorate captured within the ISPs.</p> <p>NSS Finance is aligned to the SG Finance PLICS project which is looking to agree and set standard costing principles across NHS Scotland (as per 15 Box Grid)</p>	<p>Continued Delivery of Phase I plan so that high level costings are prepared for <b>each main service</b> in NSS during FY24/25.</p> <p>This will generate outputs but also support Directorate's Financial maturity and understanding of costs / drivers.</p> <p>Targeted detailed roll-out (subject to readiness) for specific services based on opportunity / risk and readiness</p> <p>Continue to highlight need for this work to be part of Directorate Improvement Plans</p>



Project	Benefits	Status	Delivered M1-M8	Planned Deliverables M9+
Data / MI	Consolidated, joined up single source of the truth which provides insight to support decision making and planning		<p>A revised process within Finance has been introduced to consolidate and join up pay information</p> <p>Finance PMO continues to drive consistency and completeness around CRES tracking and reporting.</p> <p>Decision at COG to cease CDSI Project.  <b>Concern that BAU processes and requirements are not embedded</b></p>	<p><b>Support Internal Audit "Managing Internal Data"</b></p> <p>Continue to drive corporate data work and <b>encourage pace and join up across NSS. Corporate KPIs measuring Data Accuracy is fundamental</b></p> <p>We will continue to develop and enhance single sources of information and insight (eg non-pay; CRES) to improve efficiency in Business Finance and effectiveness of our service for our customers (NSS and PHS)</p>
Finance Dashboard	Enhanced content to support Budget Holder decision making and action		<p>There have been various improvements in-year (e.g. revised landing page; PO information) in-line with Budget Holder feedback as well as our professional view of what Budget Holders need to discharge their responsibilities.</p> <p><b>Results continue to be published early for all Budget Holders – this marks significant improvement of over 33%.</b></p>	<p>As above, the <b>consolidated pay information will be the source data to flow to all Budget Holders via the Dashboard.</b></p> <p>BI&amp;A will also launch <b>non-pay transactional detail</b> within the Finance Dashboard in Q3 so that Budget Holders can self-service and have the necessary detail to interpret summary balances to inform decisions and actions.</p>

Project	Benefits	Status	Delivered M1-M8	Planned Deliverables M9+
Corporate Reporting	Enhanced content and insight to support decision making		<p>Various enhancements in year (visuals and £) NSS' total resources; risk levels and influence / control introduced to EMT &amp; SLT reports.</p> <p><b>Positive meeting with Non-Executive Director (MM) on 10th October to help explain Board Report content</b></p>	<p>Continue to ensure it is more relevant for audiences (Board; FPPC; EMT; SMTs) based on requirements and feedback</p> <p>Ensure FPPC feedback in terms of Reserves scenarios is considered so that visualisation is clear and effective.</p>
Budget Holder Engagement / Education	Greater clarity on roles and responsibilities between Finance and delegated Budget Holder		<p>Finance Charter issued to Directorates, with lots of Directorate SLT engagement sessions undertaken</p> <p><b>Specific engagement and support taken place in terms of Financial Planning Q3</b></p>	<p>Using feedback, we will introduce regular training and support sessions for Budget Holders across NSS on specific financial topics.</p> <p>We aim to join this up with other services in FCGLS where appropriate, as different sub-services aim to speak to the same people (ie budget holders) around related matters.</p>
Corporate Foundations	Alignment to related corporate work to ensure One NSS approach		<p>Driving the introduction and work of the Change PMO, within wider CF portfolio.</p> <p><b>Consolidated COG Finance Report prepared and now embedded into BAU.</b></p>	<p>Continue to drive this agenda and ensure NSS maximises return and benefit from this crucial work</p> <p><b>Important that all corporate services are fully aligned to this</b></p>



E: [alan.gray2@gov.scot](mailto:alan.gray2@gov.scot)  
18/11/2024

Mary Morgan  
Chief Executive Officer  
NHS National Services Scotland

Cc:  
Chair NHS National Services Scotland  
Carolyn Low, Director of Finance & Business  
Services

Dear Mary

## NHS National Services Scotland – Quarter Two review

Following the recent Quarter Two review meeting, I have set out below a summary of our assessment of finance position for NHS National Services Scotland. I also set out the key risks discussed and the further actions that we understand will be taken during the remainder of 2024-25 and into 2025-26 and beyond.

### Assessment

At the end of Quarter Two the Board reported an underspend of £1.68 million and expects to deliver financial balance at the year end.

I understand NHS National Service Scotland are planning to deliver £16.5 million of savings in-year, of which £11.3 million of savings have been delivered at Quarter Two.

I would acknowledge the work progressed to date and the commitment of the Board to work towards the savings target set of at least 3% recurring savings against baseline budget, as well as progressing further non-recurrent measures and assessment of difficult choices to maintain the position of financial break even in future years which remains the statutory responsibility of the Accountable Officer to achieve.

### Risks

It is recognised a key risk to the Board relates to the uncertainty around funding, with regards to the value of outstanding allocations as well as the National Board savings opportunity. In addition to this, the Board's financial position is dependent on delivery of saving plans which are relatively high risk. My team will continue to monitor these risks as part of the monthly reporting process, and work to ensure timely information around allocations where possible.



## Further actions

Based on Quarter Two reviews, there are actions we would like to follow up with the Board during the remainder of 2024-25 and beyond.

- **Local and National engagement** - Continuing engagement with national groups on delivery of an improved financial position locally and nationally.
- **NSD** - the Board should move forward with plans to review the funding mechanisms and governance arrangements within NSD to determine appropriate and clear procedures for managing financial arrangements, including arrangements which impact Territorial Boards.
- **Baselining** - the Board should continue to work with Scottish Government colleagues to facilitate greater certainty on the allocation of funds for 2024-25 and also identify funding which can be considered for including within the Board Baseline allocation.
- **PGMS** - continuing to forecast financial impact of under-achievement of PGMS income on board outturn.
- **Bowel Screening** - continued monitoring of the impact of NSD Bowel Screening on the board outturn.

## 2025-26 budget

For 2025-26 indicative levels of funding will be communicated in the draft Scottish Government budget due to be published on 4 December 2024.

The majority of any new funding will be required to support the recurring impact of pay negotiations, increases to pension contributions, and AfC reform measures (including reduced working week and band 5-6 nurse regrading).

Even with indicative levels of additional consequential funding, NHS Boards will be required to deliver recurring and non-recurring savings at least equivalent to this financial year and, for those furthest from balance, medium term plans are required to reduce the level of deficit over the next three years (as noted above).

## 2025-26 to 2027-28 financial planning

Financial planning timelines have previously been communicated as below. We will work closely with you and your teams over the coming weeks to understand progress with developing draft plans and focusing on recurring improvements over a three year period. Planning assumptions have already been shared, but will be reshared after the budget.

Event	Week Commencing
Financial Planning Commission issued	25/11/2024
2025-26 Scottish Budget announced	04/12/2024
Confirmation of Financial Assumptions	05/12/2024
Planning Support Workshops	Early January 2025
Draft Plans Submission Deadline	27/01/2025

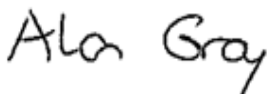
Final Plans Submission Deadline	17/03/2025
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**Next Steps**

I believe the above summarises the outcome of the Quarter Two review and colleagues from the Finance Delivery Unit will continue to work closely with you to identify further improvements that can be made and to assess options.

I look forward to continuing to work with you and the team in NHS National Services Scotland and shall be happy to respond to any queries you may have in respect of this letter.

Yours sincerely



Alan Gray  
Director of Health and Social Care Finance



# NHS National Services Scotland

<b>Meeting:</b>	<b>NSS Board</b>
<b>Meeting date:</b>	<b>Friday, 20 December 2024</b>
<b>Title:</b>	<b>Integrated Performance Report: Quarter 2 2024/25</b>
<b>Paper Number:</b>	<b>B/24/43</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Lee Neary, Director of Primary &amp; Community Care (interim), Strategy, Performance and Service Transformation</b>  <b>(Reviewed by Matthew Neilson, Associate Director, Strategy, Performance and Service Transformation)</b>
<b>Report Author:</b>	<b>Matthew Neilson, Associate Director Strategy, Performance, Communications; Caroline McDermott, Head of Planning; NSS Planning team and Corporate and Directorate Planning Leads</b>

## 1. Purpose

- 1.1 The Integrated Performance Report (IPR) summarises NSS service excellence, finance, people, and environmental performance at the end of quarter 2, 2024/25.

## 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 2, 2024/25.

### **3. Executive Summary**

- 3.1 The report assesses performance during quarter 2 2024/25, July 2024 (M4) to September 2024 (M6).
- 3.2 NSS has had a successful period to date:
- 86% completion of Annual Delivery Plan (ADP) deliverables.
  - On track to meet all statutory financial targets and cash releasing efficiency savings targets.
  - Sickness absence is at 4.18%, slightly above the NHSScotland 4% standard.
- 3.3 At quarter 2, there is positive and improving performance across, service, finance and workforce sustainability with mixed performance on climate sustainability indicators, due to specific issues noted in the report.
- 3.4 The report has been redesigned and improvements made throughout based on feedback and best practice. Our aim has been to give a more complete picture of performance. Key changes:
- Performance covers the same period (quarter 2).
  - All assurance indicators use the 4-question approach.
  - Performance highlights for areas not previously covered are included.
  - A forward look to quarter 3 2024/25.
  - Mapping of strategic and corporate risks, which relate to the information provided within this report.

### **4. Impact Analysis**

#### **4.1 Quality and Value**

- 4.1.1 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**

- 4.2.1 There are no specific issues arising from this performance paper.

#### **4.3 Data protection and information governance**

- 4.3.1 This paper contains management information only. All projects and programmes of work covered by this paper are reviewed for any data protection or information governance risks or implications and are therefore reported at a programme/project level. These are therefore not reported in this document.

## **5. Risk Assessment/Management**

- 5.1 Risks are managed in line with the Integrated Risk Management Approach 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 2 2024/25





# Integrated Performance Report

## Quarter 2 2024/25



Strategy, Performance & Communications



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# Executive summary

## Quarterly performance

### Overview

- **We have made good progress against our 2024/25 1yr delivery plan**

At the end of Quarter 2 (Q2), 86% of deliverables were on track or achieved. The end of year target is 90%. Savings to support NHSScotland are being delivered through efficiencies in national contracts along with counter fraud recoveries and avoidance. There are several examples of service achievements, including the implementation of the Community Glaucoma Service Lite Phase 1, completion of the iMatter survey and the winter vaccine programme has begun.
- **We remain in a financially sustainable position**

At the close of month 6, we remain on track to achieve all statutory financial targets. Our total revenue position has improved with a year-to-date surplus of £1,707k. The NSS core position has improved due to the collection of Digital and Security recharges and vacancies being maintained. To date, 73% of Scottish Government allocations have been received and Finance are working closely with Scottish Government colleagues to review and enable the release of all outstanding allocations.
- **Increasing trend in blood donations**

Following a dip in blood donor levels earlier this year, we extended our campaign strategy to encourage people to donate. This has resulted in an increase in donors for whole blood from a low of 94,200 in June, to 96,500 in September (see Appendix 1 for further detail). Importantly, this enables us to maintain our target of at least a three-day blood supply for each blood group. We are also seeing an increase in plasma donors, which helps ensure we meet our contractual obligations under the "Plasma for Medicine" programme.
- **We continue to track performance in pharmacy pricing & payments**

The new pricing system continues to process pharmacy prescription payment items on time, and we achieved above the 99.5% payment accuracy target in each month of this quarter. The pharmacy adjustment system is also fully live and adjustments that were delayed for two months due to the introduction of the new system were processed in October. All critical requirements for the minimum viable product adjustments system have been delivered and all critical issues have been resolved. Non-critical functions and defects are due to be completed by the end of November. Our implementation partner has advised us that the timing of some resource availability may result in the deadline needing to be extended, so we have requested an updated implementation plan from them (further detail is available in Appendix 2).
- **We are reducing the cost of our estate**

The Smarter Use of Space programme in the Gyle has successfully relocated all tenants to the areas remaining open and the decommissioning of closed areas is ongoing and due to be completed in early 2025. The Central Legal Office will be fully relocated from Anderson House, Edinburgh to Gyle Square, Edinburgh by 25 November 2024. Elsewhere, we are exploring opportunities with another national health board to utilise office space at the National Distribution Centre in Candeside, and a review has started to maximise site utilisation in Aberdeen.

# Executive summary

## Performance highlights

Completed key activities	Upcoming key activities
<p>The National Procurement National Distribution Service successfully achieved <a href="#">ISO 9001 Quality Management System</a> (QMS) registration for the Coddington and Titan warehouses. The Canderside warehouse was also successful during their ongoing ISO 9001 QMS assessment. No non-conformances or improvement actions were identified during the 3 days of assessment. This is a great achievement for staff and reflects the high levels of compliance and delivering an excellent service to users.</p>	<p>Following the completion of preparatory works and a successful pilot with NHS Tayside, we will be migrating the <a href="#">SWANRoam</a> national roaming service that provides secure and seamless internet access to thousands of public sector staff across Scotland, to the new BT Group solution in Quarter 3.</p> <p>Please note, this is now fully complete.</p>
<p>During Scotland’s Climate Week, the Director of NHSS Assure <a href="#">explained</a> our sustainability efforts and how they support NHSScotland’s goal to become a net zero organisation.</p>	<p>The Central Legal Office will be relocated from Anderson House to Gyle Square following a staff consultation and changes made to Gyle Square as part of the Smarter Use of Space programme.</p>
<p>The National Contact Centre (NCC) supported the <a href="#">National Elective Co-ordination Unit</a> with a waiting list validation exercise. This helped deliver over £253k of cost avoidance, £15k of cost savings, and the reprofiling of 250 outpatient clinics to improve support to patients still requiring an appointment.</p>	<p>Following a Scottish Government led review of <a href="#">national networks</a> in NHSScotland and subsequent report, work is ongoing to define the function, roles and responsibilities of existing networks, aligned to the categories proposed within the report. NSD continue engagement with lead clinicians and others.</p>
<p>We published our <a href="#">Annual Complaints and Feedback Report</a> showing how we performed against the <a href="#">Model Complaints Handling Procedure</a>. Overall performance was good and although five complaints were referred to the Scottish Public Services Ombudsman (SPSO) in 2023/24, none were upheld.</p>	<p>We will commence our three-year integrated service planning process, for 2025/26 onwards. This supports considerations by the executive management team at their budget summit in December and the development of our delivery, financial and workforce plans.</p>
<p>We commenced the risk refresh project, which will see NSS migrate to the new NHS Scotland Integrated Incident, Risk Management and Patient Safety system, after signing contracts with <a href="#">InPhase</a> alongside an improved Integrated Risk Management Approach.</p>	<p>We will be developing and piloting a <a href="#">Foundation Apprenticeship Programme</a> as well as unpaid work placement programme with the Department for Work and Pensions (DWP) and Armed Forces.</p>

# Executive summary

## Assurance indicators performance

<p><b>Service Excellence</b></p>	<p><b>Performance is positive.</b> This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>86% (25) of our One-year Plan deliverables are on track or achieved (green). The remaining 14% (4) are behind schedule (amber) and none are flagged as unlikely to be delivered (red). Freedom of Information performance remains at 99% for both acknowledgement and response with 5 breaches of the 3-day acknowledgement and 4 breaches of the 20-day response within the last rolling 12 months.</p>
<p><b>Financial Sustainability</b></p>	<p><b>Performance is positive.</b> This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>NSS total revenue has an underspend of £1,707k and is forecasting a break-even position for 2024/25. NSS core revenue has an underspend of £968k. Hosted funds, excluding the National Services Directorate (NSD), are underspent by £1,340k. There is an overspend of £601k in NSD including a pressure in the bowel screening programme. There are currently no concerns in terms of delivering our cash releasing efficiency savings (CRES) target. The capital outturn is expected to break even with an underspend of £621k at month 6 driven by budget phasing.</p>
<p><b>Workforce Sustainability</b></p>	<p><b>Performance is improving.</b> This objective is scrutinised by the Staff Governance Committee.</p> <p>The total sickness absence rate for Q2 remains marginally above the 4% national standard at 4.18%. As a result of improvements to trigger reporting and more managed approach, we are seeing an increase in attendance cases reported this quarter. Our turnover rate for 2024/25 to date is 4.39%, with the year-end position expected to be lower than the 12% target we have set ourselves, based on previous years' figures. Compliance areas continue to improve following organisational wide communications and oversight from senior management teams (Q1 figures in brackets): appraisal 87% (77%), objective setting 84% (76%), and personal development planning 83% (77%).</p>
<p><b>Climate Sustainability</b></p>	<p><b>Performance is mixed.</b> This objective is scrutinised by the Finance, Procurement and Performance Committee.</p> <p>Trends are variable, which can be partly attributed to site movements and unwanted materials being cleared out as part of the Gyle Square Rationalisation project and disposal of tissue waste that had been in storage. The National Distribution Centre carbon dioxide (CO<sub>2</sub>) reduction was achieved following driver training to improve vehicle efficiency, implementation of eco vehicles, and a reduction in journeys required with the implementation of new double decker trailers. Electricity consumption has reduced and recent building closures, including 10 South Gyle, Livingston Donor Centre, and Bain Square, will assist in reducing our energy consumption further.</p>

# Executive summary

## Assurance indicators performance



Service  
Excellence

Performance Indicator	Standard	This quarter	Last quarter
Annual delivery plan completion	90%	<b>86%</b>	80%
Freedom of Information requests responded to within 20 days	100%	<b>99%</b>	98.9%
Freedom of Information requests acknowledged within 3 days	100%	<b>99%</b>	99%



Climate  
Sustainability

Performance Indicator	Standard	Q2 2024/25	Q2 2023/24
General waste total (tonnes)	Reduce	<b>67.5</b>	55.6
Clinical waste total (tonnes)	TBD	<b>24.4</b>	21.2
General waste recycled or composted (tonnes)	>70%	<b>59.3</b>	54.7
Food waste (tonnes)	TBD	<b>2.8</b>	2.5
Fuel National Procurement fleet (CO <sub>2</sub> )	Reduce	<b>288</b>	304
Fuel Scottish National Blood Transfusion Service fleet (CO <sub>2</sub> )	Reduce	<b>81</b>	74
Gas CO <sub>2</sub> metered sites (tonnes)	Reduce	<b>269</b>	289
Electricity CO <sub>2</sub> metered sites (tonnes)	Reduce	<b>342</b>	431
Water M <sup>3</sup> metered sites (volume)	Reduce	<b>6,704</b>	7,787



Financial  
Sustainability

Performance Indicator	Forecast	This quarter	Last quarter
Revenue NSS total	-	<b>£1,707k</b>	£707k
Revenue (NSS core)	-	<b>£951k</b>	(£937k)
Revenue (hosted funds)	-	<b>£1,340</b>	£1,643k
Revenue (NSD)	-	<b>(£601)</b>	(£150k)
Cash Releasing Efficiency Savings total (NSS)	£16,510k	<b>£11,323k</b>	£4,065k
NSS excluding NSD	£15,408k	<b>£11,021k</b>	£3,915k
Cash Releasing Efficiency Savings total (NSD)	£ 1,102k	<b>£302k</b>	£151k
Capital outturn	-	<b>£621k</b>	£76k



Workforce  
Sustainability

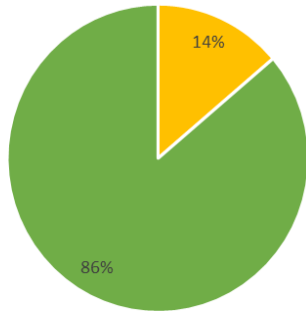
Performance Indicator	Standard	This quarter	Last quarter
Sickness absence	4%	<b>4.18%</b>	4.19%
Staff turnover	12%	<b>4.39%</b>	2.25%
Appraisal compliance	90%	<b>87%</b>	77%
Objective setting compliance	90%	<b>84%</b>	76%
Personal development plan compliance	90%	<b>83%</b>	77%

# Assurance Indicators

## Quarter 2 2024/25

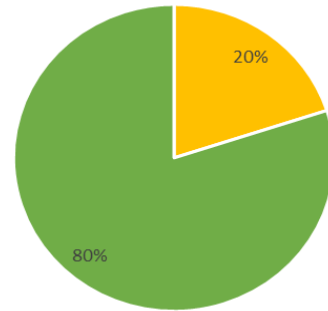
# Service Excellence: One Year Plan 2024/25

Q2 RAG Status



Amber  
Green

Q1 RAG Status



Amber  
Green



Common Variation

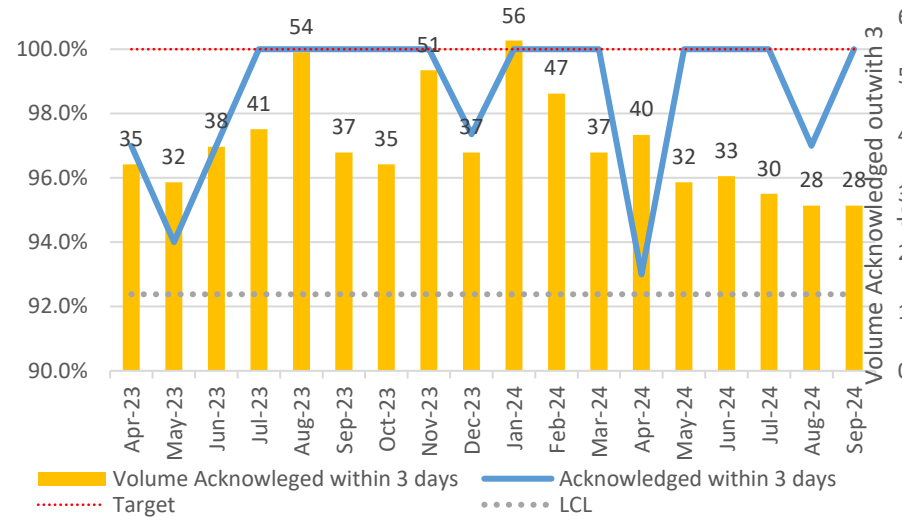
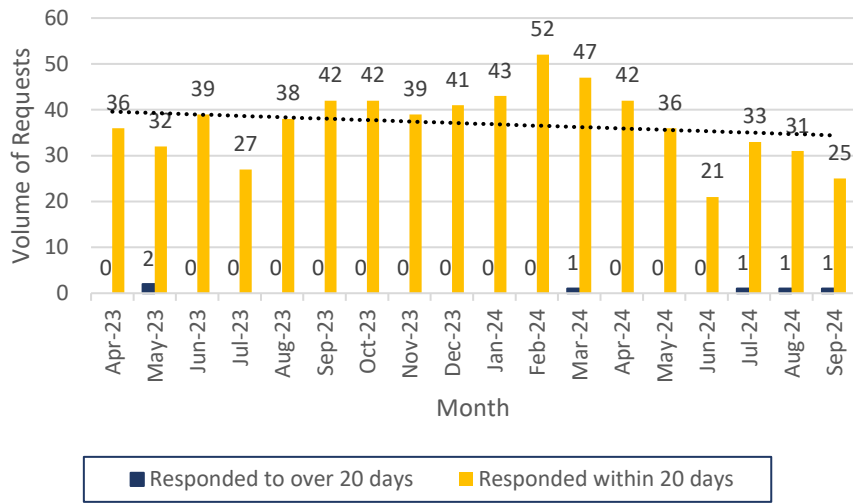


Variable Achievement  
Results are mixed and it is unclear if the standard will be consistently achieved.

Summary position	Performance highlights	Behind schedule	Risks
<p><b>86% (25) deliverables are on track or achieved (green).</b></p> <p><b>14% (4) deliverables are behind schedule (amber).</b></p> <p><b>0% (0) are flagged as unlikely to be delivered (red).</b></p>	<ul style="list-style-type: none"> <li>Secured savings for national procurement contracts are ahead of forecast year to date, in part due to savings within Medicines.</li> <li>Counter Fraud cost recoveries and avoidance are on target at £2,120k.</li> <li>The National Contact Centre winter vaccination programme commenced and Phase 1 work to support the National Elective Co-ordination Unit is complete.</li> <li>The Central Legal Office are actively engaged with hearings in the Scottish and UK COVID-19 Inquiries with demand from all parts of the NHS.</li> <li>Under the direction of Scottish Government Single Planning agenda, the National Services Directorate have led work on a prioritisation framework, based on the National Specialist Services Commissioning (NSSC) Framework. Workshops have taken place to scope and update the NSSC Framework to ensure connection with the National Clinical Strategy and to test useability for a whole system approach. The new Framework is endorsed for testing and implementation over the next year.</li> <li>Construction has commenced on a Hydrotreated Vegetable Oil Tank to support reduction in fossil fuel use by the National Distribution fleet.</li> <li>Three Key Stage Assurance Reviews were completed to support the Healthcare Built Environment.</li> <li>The Community Glaucoma Lite (digital solution) Phase 1 was implemented on schedule in July.</li> <li>Hepatitis A Virus and Parovirus B19 testing for the UK Manufacture of Plasma programme was implemented, and first shipment was completed.</li> </ul>	<p>The deliverables behind schedule are:</p> <ul style="list-style-type: none"> <li>eProcurement (PECOS replacement and developing an outline strategy). A request has been submitted to move this objective to Q3 as health board stakeholder engagement has just commenced as a result of working to the national delivery plan.</li> <li>The service extension of the National Contact Centre has not fully materialised. We have offered to support health boards with outbound calls to encourage vaccine uptake, particularly in areas with low uptake of childhood vaccinations, but no board has asked us to undertake this work. We have highlighted the situation to both Scottish Government and Public Health Scotland.</li> <li>The recently implemented Legal Case Management System is causing delays to reporting as the data must be manually checked. Despite this, claims information is being reported to Scottish Government and Clinical Negligence and Other Risks Indemnity Scheme (CNORIS) in line with our service level agreement commitments. A temporary resolution was implemented in August and training has been delivered to staff. It is anticipated that a new process will be implemented in Q3 which will simplify the current temporary process.</li> </ul>	<p>Strategic: 7320 7321 7329 7331</p> <p>*Risk relating to individual deliverables are recorded in the One Year Plan and NSS Risk Register</p>



# Service Excellence: FOIs responded to within 3 and 20 day targets



**Common Variation**



**Variable Achievement**  
Results are mixed and it is unclear if the standard will be consistently achieved.

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>Performance remains strong for the management of Freedom of Information (FOI) requests.</b></p> <p>There were 4 requests (out of 459) in the last 12 months when the 20-day standard was not met. This equates to a rolling 12-month compliance level above 99%.</p> <p>Our overall performance position for three-day acknowledgements in the last 12 months was 99%.</p>	<p>The 20-day target was breached three times in Q2 2024/25 due to staffing and organisational changes which have now been addressed with improved processes to mitigate against re-occurrence.</p> <p>The 3-day acknowledgement target was breached once in Q2 2024/25 due to a failure to follow process. The process has been reclarified with staff.</p> <p>The top categories of requests are NHSScotland Data (21%) and medical records (received through incorrect legislation request) (13%).</p>	<p>There has been communications with all Directorate FOI Leads to ensure they are aware of the process and guidelines.</p> <p>Freedom of Information (Scotland) Act (FOISA) training and awareness has been undertaken with Marketing Communications and FOI teams supporting National Procurement, National Services Directorate, NHSScotland Assure, Practitioner Services and Finance, Corporate Governance and Legal Services.</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 7320 7333</p> <p>Corporate: 4577</p>

# Financial Sustainability

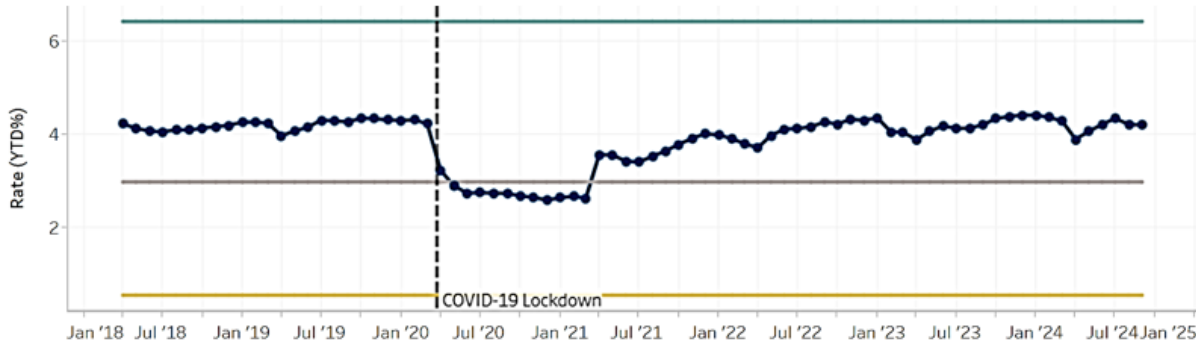
NSS Targets	Year to date (£'000)	Year-end forecast (£'000)	Target
<b>Revenue NSS Total</b>	<b>1,707</b>	<b>-</b>	<b>Breakeven</b>
Revenue NSS Core	951	(818)	Breakeven
Revenue Hosted Funds	1,340	86	Breakeven
Revenue NSD	(601)	-	Breakeven
Reserves	17	732	Breakeven

NSS Targets	Year to date (£'000)	Year-end forecast (£'000)	Target
<b>NSS CRES Total</b>	<b>11,323</b>	<b>16,510</b>	<b>3% Recurring</b>
NSS (excl. NSD) CRES	11,021	15,408	3% Recurring
NSD CRES	302	1,102	3% Recurring
<b>Capital Outturn</b>	<b>621</b>	<b>-</b>	<b>Breakeven</b>

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>NSS is on track to achieve all statutory financial targets.</b></p> <p>NSS has 3 statutory targets to achieve a breakeven within resource limit for:</p> <ol style="list-style-type: none"> <li>Revenue</li> <li>Capital</li> <li>Cash</li> </ol> <p>Scottish Government also requires all health boards to deliver at least 3% cash releasing efficiency savings (CRES) on a recurring basis.</p> <p>NSS continues to forecast a balanced position, and Finance will focus on driving the financial sustainability agenda and work with directorates to identify and review CRES savings and opportunities.</p>	<ul style="list-style-type: none"> <li>NSS is underspent by £1,707k year to date but is still forecasting a breakeven position for 2024/25.</li> <li>NSS core is underspent by £951k and the position has improved following the completion of Digital and Security (DAS) recharges and vacancies being maintained.</li> <li>Hosted funds, excluding the National Services Directorate (NSD), are underspent by £1,340k. There is an overspend of £601k in NSD including an increase in bowel screening costs.</li> <li>There are currently no concerns in terms of delivering our CRES target.</li> <li>The capital outturn is expected to break even with a surplus of £621k at month 6 driven by budget phasing.</li> </ul>	<ul style="list-style-type: none"> <li>NSS core: Risks continue to be closely managed to ensure the expected breakeven position remains on track. This includes the ask from Scottish Government to achieve a £2m cost reduction within NHSScotland Assure.</li> <li>NSS has commenced its three-year integrated service planning process for 2025-2028 for consideration at the Executive Management Team budget summit on 18 and 19 December.</li> <li>Scottish Government Allocations: At the end of month 6, 73% of funding allocations had been received compared to a target of 80% by the end of month 3. We work closely with Scottish Government Finance to confirm when NSS will receive its funding and to assess any underlying financial risk with outstanding allocations.</li> <li>Internal recharges and income: There continues to be a shortfall in DAS and the Programme Management Service (PGMS). Following a review of DAS recharges the position has improved, and we expect DAS to breakeven by year end.</li> </ul>	<p>NSS has several areas of focus to deliver its Financial Sustainability strategic objective. The work is detailed within the Financial Sustainability Action Plan and builds on 2023/24 activity.</p> <p>Whilst Business Finance is driving and co-ordinating the overall NSS plan, staff and services across the organisation are responsible for the delivery of specific actions.</p> <p>Achievement of the Action Plan will help to ensure NSS remains a financially sustainable organisation with a strong financial management culture embedded across all service areas.</p>	<p>Strategic: 7331 7330</p> <p>Corporate: 6679</p>

# Workforce Sustainability: Sickness absence

Year to Date Total Sickness Absence SPC



Short Term / Long Term Sickness Absence Rates

Month	Short Term	Long Term
September 2024	Month: <b>1.47%</b> FY: <b>1.40%</b>	Month: <b>2.77%</b> FY: <b>2.78%</b>
August 2024	Month: <b>1.36%</b> FY: <b>1.43%</b>	Month: <b>2.48%</b> FY: <b>2.76%</b>

Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>The total sickness absence rate for the financial year is 4.18%</b> and remains marginally above the NHSScotland standard of 4%.</p>	<p>The total sickness absence rate for September was 4.24%, up from 3.84% in August, with slight increases in both short- and long-term absence. With the current headcount sitting at 3,125 (Whole Time Equivalent), approximately 132 employees were off due to sickness in September (120 in August).</p> <p>The main driver for sickness absence is anxiety, stress and depression, with coughs, colds, influenza being recorded as the second highest reason. We are starting to see an increase in coughs, colds, influenza towards the end of the quarter.</p> <p>Based on the previous three years absence data, the year-to-date sickness absence for 2024/25 is forecast to be 4.08%.</p>	<p>Absence Awareness sessions are being delivered across NSS by the Case Management team. These sessions give managers the basic tools and information to manage absence, support staff, and reduce absence rates.</p> <p>A new report showing all employees who have reached a trigger in the month and still absent is encouraging active management and increased attendance cases.</p> <p>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.</p>	<p>A proposal has been put forward by several health boards to the eESS National Team to release an automated alert that notifies managers of a staff absence where they have hit 3 or more absences in a 12-month period in addition to the 28 days or more alert they already receive.</p> <p>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.</p> <p>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>	<p>Strategic: 7312 7305 7320</p>

# Workforce Sustainability: Staff turnover

## Turnover by Directorate

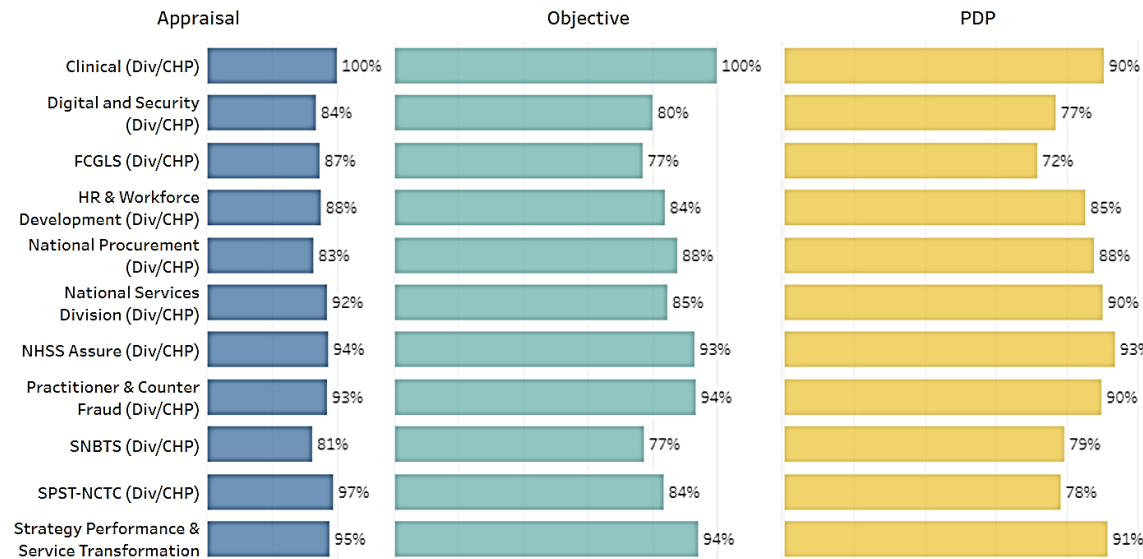
Directorate	Turnover This Month	Turnover Last Month
Clinical	0%	0%
DaS	1.07%	0.21%
FCGLS	1.59%	0.53%
HR	2.07%	0%
NP	0.73%	0%
NSD	1.31%	0.66%
Assure	0.33%	0.68%
PSD	0.79%	0%
SNBTS	1.25%	0.73%
SPST-NCC	0%	0%
SP&ST	0.85%	0%

## Top 3 Reasons for Leaving (FY)

Reason	Leavers
Other	31
Retirement - Age	28
Vol. Resignation - Other	23

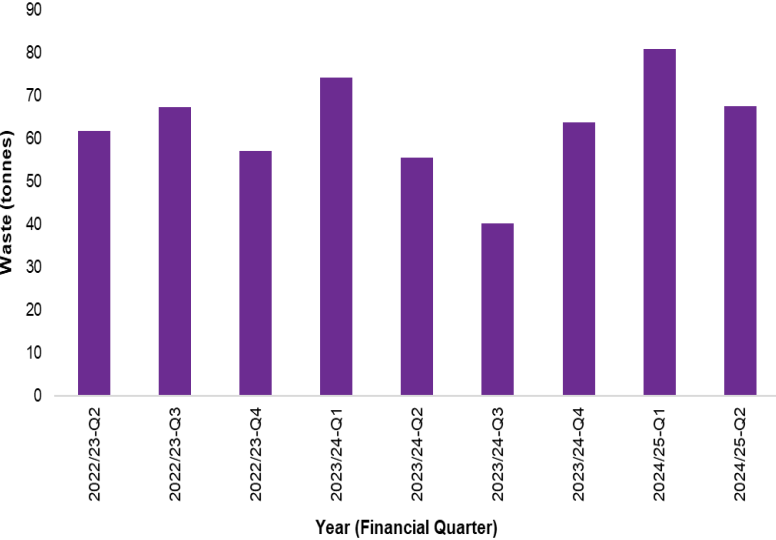
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>NSS has recorded 113 new starts, 136 leavers and a turnover rate of 4.39% this financial year.</b></p> <p>Of the 136 employees who left, 17% were on a fixed term contract and 83% were on a permanent contract.</p> <p>Turnover rates include bank staff. Therefore, the National Contact Centre rates include bank staff, as does the overall turnover percentage for NSS.</p>	<p>The main reason for staff leaving the organisation is due to new opportunities, categorised within the “other” category. This is closely followed by retirement.</p> <p>It should be noted that the “other” category relates to opportunities within the wider public sector, education and training, or no further employment.</p> <p>The turnover forecast for the end of this financial year is 9.30%, which is lower than the agreed target of 12%.</p>	<p>HR monitor turnover rates with Senior Management Teams and information is readily available in management dashboards.</p> <p>We are proactively encouraging leavers to complete an exit interview questionnaire. This helps us to capture meaningful insights and make relevant interventions.</p> <p>We are monitoring and improving the accuracy of our turnover forecast as we progress through the year.</p>	<p>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 taking into account changes to fixed term contracts.</p>	<p>Strategic: 7312 7305 7320</p> <p>Corporate: 7237</p>

# Workforce Sustainability: TURAS appraisal



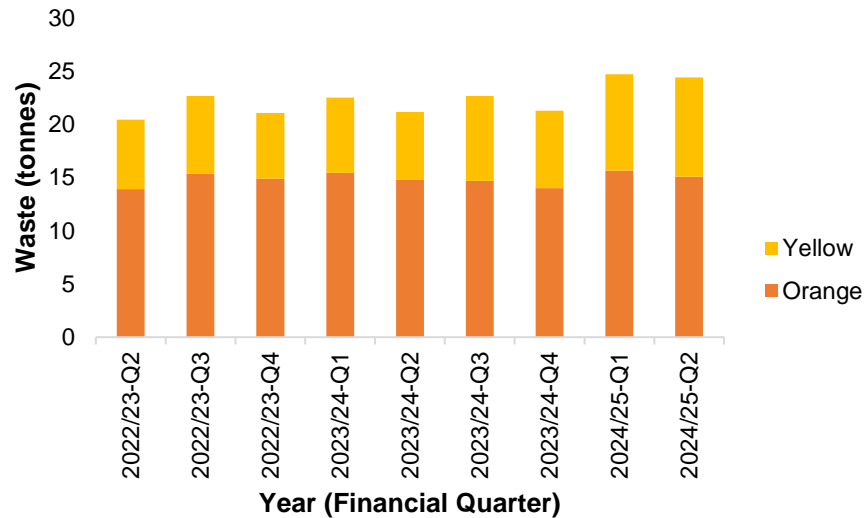
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>Compliance across all three measures was below the 90% standard we set ourselves, however showing an improving position from Q1:</b></p> <ul style="list-style-type: none"> <li>• <b>87% (77% Q1) for appraisals;</b></li> <li>• <b>84% (76% Q1) for objectives;</b></li> <li>• <b>83% ( Q1) 77% for personal development plans.</b></li> </ul> <p>Please note: The compliance rates are calculated by excluding the 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>	<p>Compliance rates have increased since the last period and can be attributed to increased focus by staff and managers.</p>	<p>The need for compliance and considerations for how to achieve it has been raised with directorate senior management teams. They will be responsible for ensuring actions are in place to meet agreed standards.</p>	<p>Staff are also responsible for ensuring they have had an appraisal and that objectives and a personal development plan are in place. We will remind staff of the importance of planning in mid-year/end of year reviews, objective and personal development planning setting meetings.</p>	<p>Strategic: 7312 7333</p> <p>Corporate: 7237</p>

# Climate Sustainability: General Waste



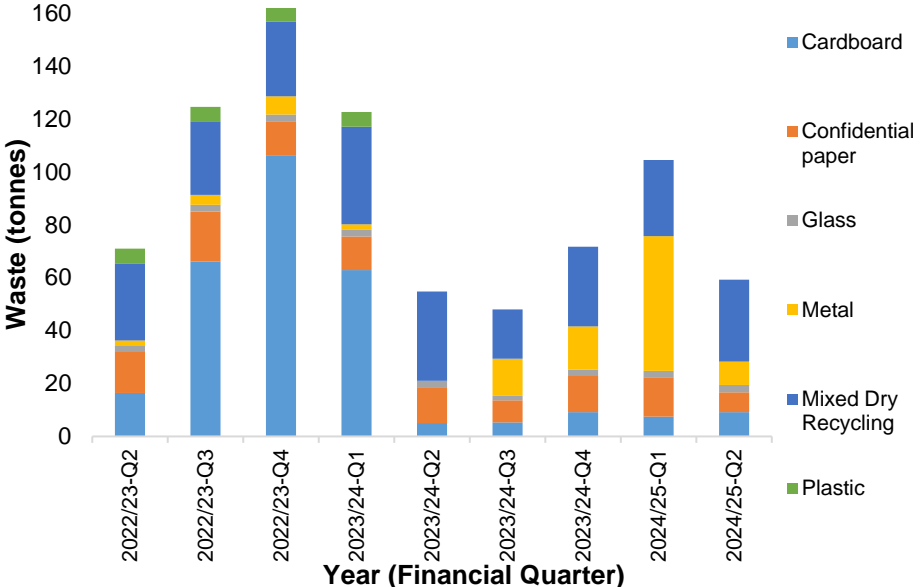
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>There has been an increase in general waste of 12 tonnes in Q2 2024/25 when compared to Q2 2022/23 and 6.8 tonnes when compared to Q2 2022/23.</b></p> <p>General waste is waste that does not contain recyclable content and does not fit into another waste stream.</p> <p>Please note: When the new waste contract is implemented, general waste will be known as residual waste.</p>	<p>The increase in general waste in Q2 2024/25 is due to three NSS sites: Gyle Square, Canderside and Athanaeum.</p> <p>The increase at Gyle Square has been attributed to increased waste production from the Gyle Rationalisation project as office areas look to clear out any unwanted materials. For the warehouse, the increase is due to expired stock and stock management. Athanaeum had no reported waste uplift in Q2 2023/24, last quarter shows 4.3 tonnes.</p>	<p>We continue to monitor waste data and information from the Gyle Rationalisation project. We expect this to follow similar trends to Meridian Court.</p> <p>A waste minimisation group is in place to identify improvement opportunities.</p> <p>Work to identify waste segregation improvements within one warehouse has been completed. Next steps are to implement the recommendations and complete similar exercises at the other two warehouses.</p>	<p>Business as usual waste auditing continues to identify poor segregation and sites/areas where improvements need to be made.</p> <p>Factual waste weight is required to help identify further improvements to site waste segregation.</p> <p>Please note: Future regulation changes, will make it mandatory for suppliers to produce factual waste weights.</p>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

# Climate Sustainability: Clinical Waste



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>Clinical waste production has increased by 2.1 tonnes since the same period last year.</b></p> <p>Yellow waste consists of anatomical and gypsum waste, which is incinerated.</p> <p>Orange waste consists of orange bags and orange lidded sharps which is shredded, heat treated and sent to energy from waste.</p> <p>Please note: Data is only available for sites where clinical waste is collected by our contractor. Discussions are taking place to address any gaps in our clinical waste data.</p>	<p>The increase is primarily in the yellow waste stream and due, in part, to the disposal of tissue waste that had been in storage for several years.</p> <p>Clinical waste trends remain consistent with waste production trends.</p> <p>Please note: Clinical waste data comes from five NSS sites – Gartnavel, Gyle Square, Lauriston, Jack Copland Centre (JCC) and Possilpark – and community donor sessions.</p>	<p>Business as usual Pre-Acceptance audits are carried out annually with all sites.</p>	<p>A change in consumables (orange bag sizes and sharps containers) will present sustainability benefits as well as demonstrate best practice.</p> <p>Current orange bag usage is 20%, a reduction in its size for one area of Scottish National Blood Transfusion Service will ensure optimisation of bag capacity.</p> <p>Changing from orange lidded sharps containers to metal recovery containers will allow us to implement metal recovery – when the waste supplier is able to provide the service – and support circular economy ambitions.</p>	<p>Strategic: 7321</p>

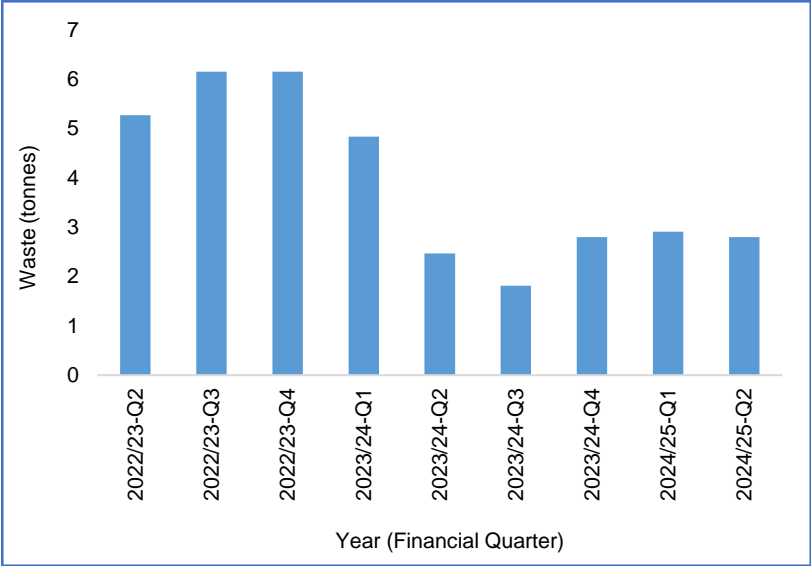
# Climate Sustainability: General Waste Recycled or Composted



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>There has been a slight increase on the same period from last year, from 54.7 tonnes to 59.3.</b></p> <p>The graph above shows total recyclable waste across all NSS sites broken down by material between Q2 2022/23 and Q2 2024/25.</p>	<p>Performance shows peaks and troughs. This is due to buildings collating their recyclable waste (i.e. cardboard, scrap metals etc.) and then recycling all materials at the same time; usually every three to four months.</p> <p>Please note: Waste data is industry standard weights and not factual. This will change with the implementation of the new General and Recyclelets contract in 2024/25.</p>	<p>Business as usual waste auditing continues to identify poor segregation and sites/areas where improvements need to be made.</p>	<p>As part of the new contract, material will be split into the raw commodities providing better data quality, recycling quality and enabling us to promote best practice. There will also be a reduction in the mixed dry recycling waste stream.</p> <p>We expect general site waste performance to improve with the availability of more accurate data through the new contract.</p>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

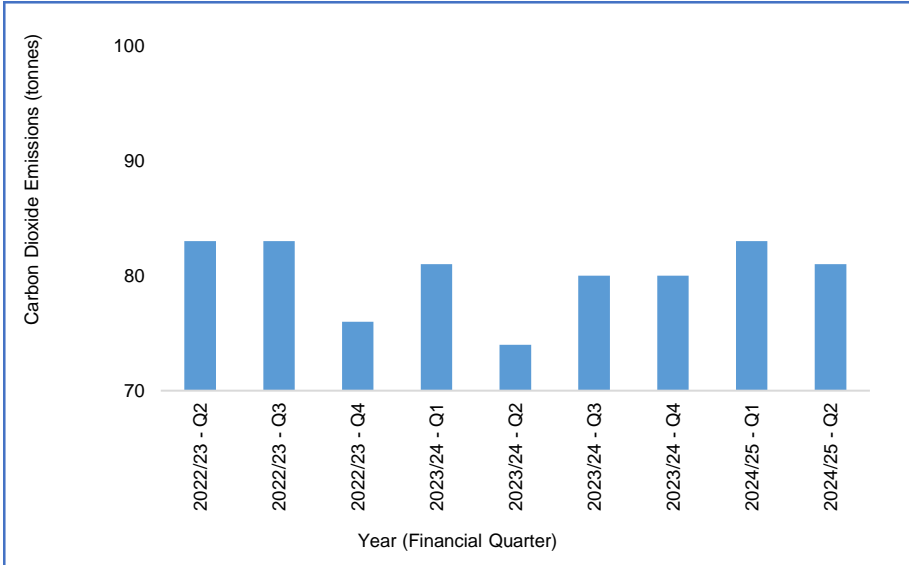
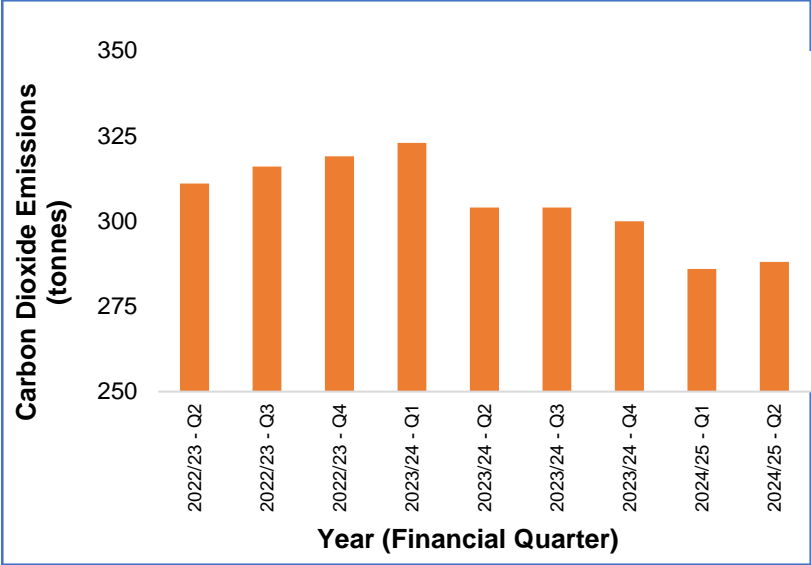


# Climate Sustainability: Food Waste



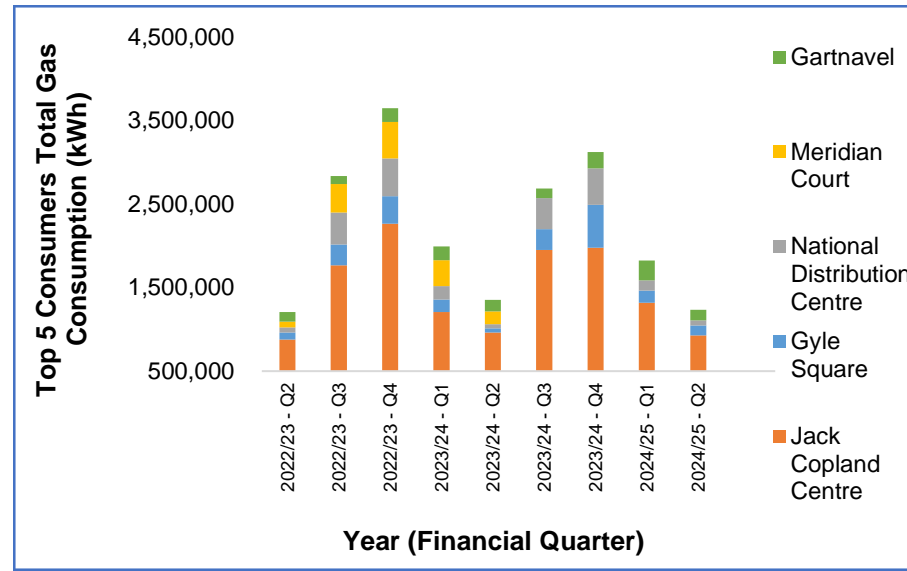
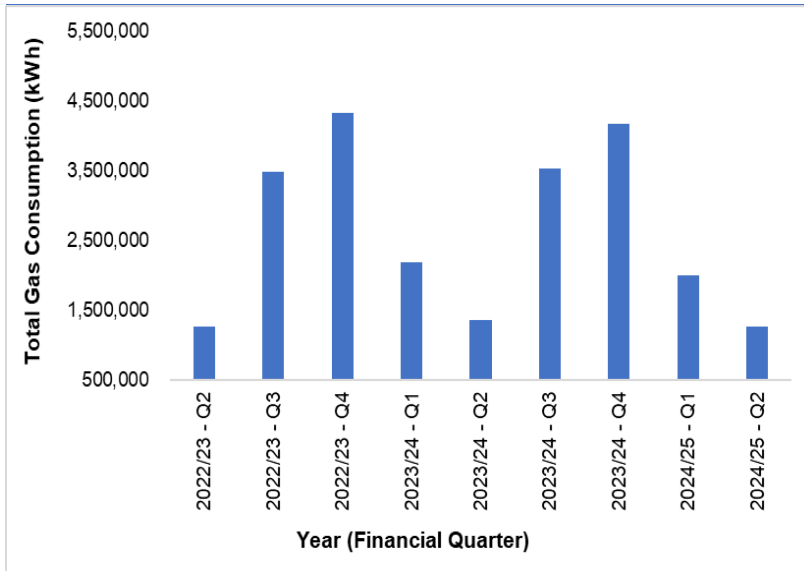
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>There has been a reduction of 2.5 tonnes in Q2 2024/25 when compared to Q2 2022/23.</b></p> <p>The graph shows total food waste across all NSS sites between Q2 2022/23 and Q2 2024/25.</p>	<p>Food waste levels have reduced due to the closure of Meridian Court in Glasgow and less uptake of cafeterias by staff at the Jack Copland Centre and Gyle Square sites in Edinburgh.</p>	<p>Facilities Management is improving stock management.</p> <p>Ongoing waste auditing continues to identify poor segregation and sites/areas where improvements need to be made.</p>	<p>Factual waste weight is required to help identify further improvements to site waste segregation.</p> <p>Please note: Future regulation changes, will make it mandatory for suppliers to produce factual waste weights.</p>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

# Climate Sustainability: Fuel National Procurement & SNBTS Fleet



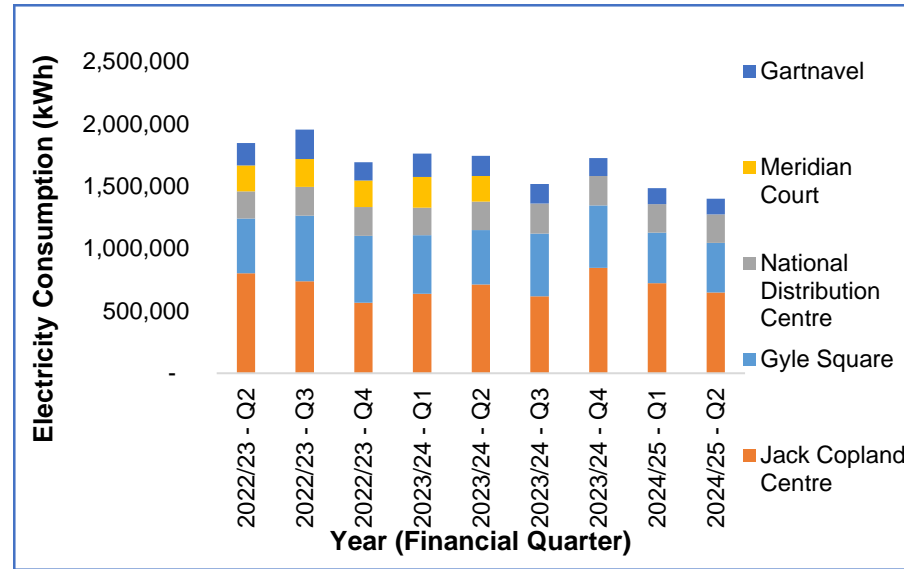
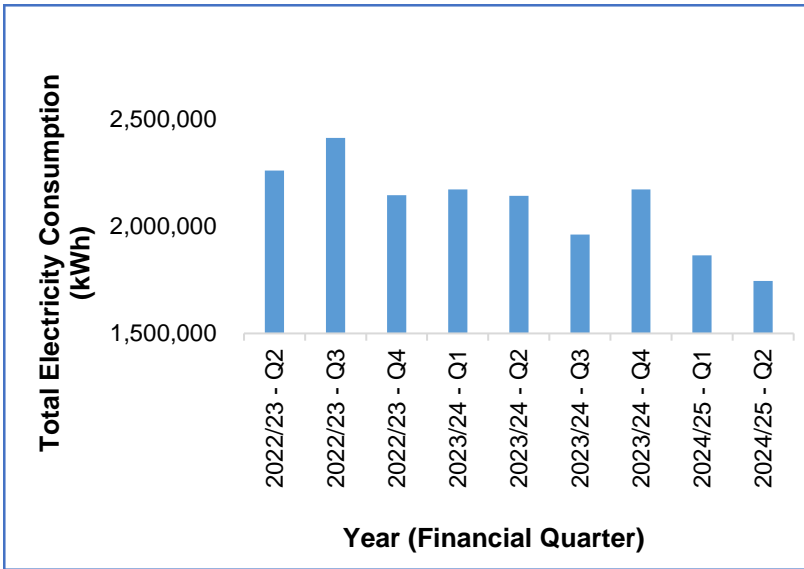
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>At Q2 2024/25 National Distribution Centre had reduced carbon dioxide emissions by 16 tonnes when compared to Q2 2023/24. SNBTS shows a slight increase of 7 tonnes but is on a par with Q2 2022/23.</b></p> <p>The graphs above highlight the carbon dioxide (CO<sub>2</sub>) 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).</p>	<p>The NDC CO<sub>2</sub> reduction was achieved through driver training to improve vehicle efficiency, implementation of eco vehicles, and a reduction in journeys required due to the implementation of new double decker trailers.</p>	<p>A funding bid submission has been made to Transport Scotland for additional electric charging infrastructure to support the transition to a zero-carbon fleet.</p>	<p>The introduction of Hydrotreated Vegetable Oil (HVO) will act as a stepping stone technology towards net-zero for the National Procurement fleet. This is expected to deliver a decrease in emissions by the end of this financial year.</p>	<p>Strategic: 7321</p>

# Climate Sustainability: Gas Metered Sites



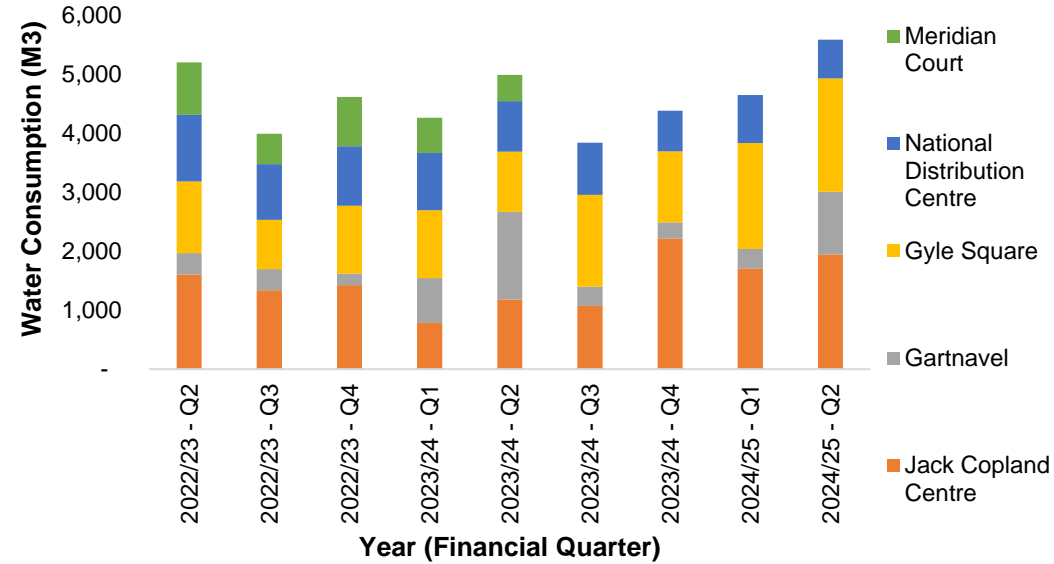
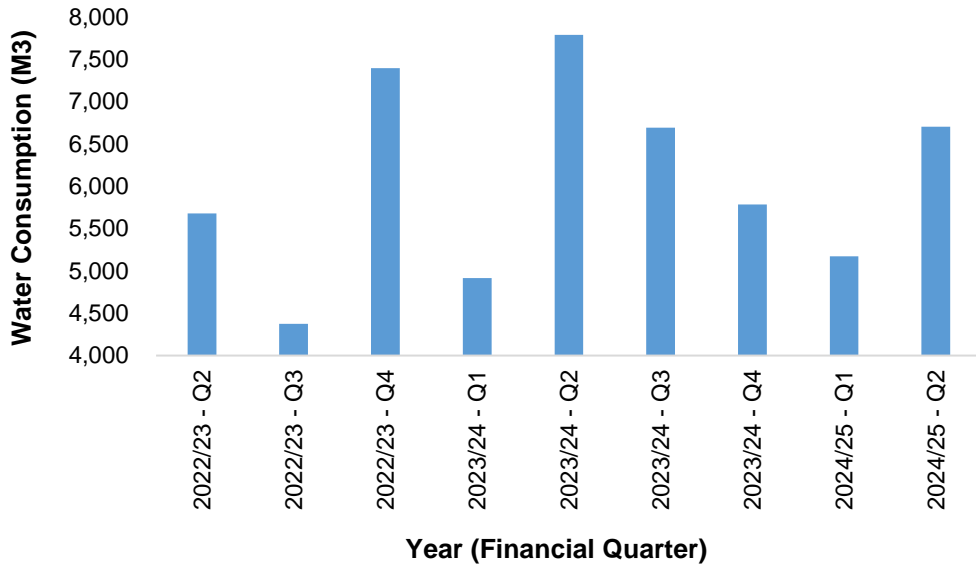
Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>Gas carbon dioxide (CO<sub>2</sub>) emissions at metered sites has marginally reduced from 289 to 269 tonnes.</b></p> <p>The graphs shows quarterly gas consumption across NSS between Q1 2022/23 and Q1 2024/25, total and by site.</p> <p>The total number of sites included in our current analysis is 8. The previous quarter included Meridian Court use. We do not include sites which we share with other NHS Boards and where another Board is the site host.</p>	<p>Gas consumption varies depending on the time of year with higher levels of consumption in Q3 and Q4.</p> <p>The JCC consumes an average of 56% of total gas consumption of all 9 NSS buildings (including Meridian) where we can measure gas consumption.</p>	<p>We are working with external stakeholders to better understand methods to improve our gas consumption and improve efficiency of use.</p> <p>Recent building closures, including 10 South Gyle and Bain Square, will help reduce our CO<sub>2</sub> emissions further.</p>	<p>Implementation of automatic meter readers will help us to better understand the use of gas in NSS sites and enable us to identify improvement areas and pathways for transitioning to more sustainable alternatives.</p> <p>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>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

# Climate Sustainability: Electricity Metered Sites



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>NSS has delivered year on year reductions in electricity consumption resulting in an overall reduction of just over 500,000 kwh.</b></p> <p>The graphs show quarterly electricity consumption for the top five electricity consuming buildings, total and by site.</p> <p>We do not include sites which we share with other NHS Boards and where another Board is the site host.</p>	<p>This reduction has been achieved due to the closure of Meridian Court and a general reduction in energy usage at various sites due to warmer winters.</p> <p>The Jack Copland Centre (JCC) consumes an average of 33% of total electricity consumption of all 15 NSS buildings where we can measure electricity consumption. JCC electricity consumption includes any electricity generated on site by solar.</p>	<p>We are working with external stakeholders to better understand methods to improve our electricity consumption and improve efficiency of use.</p> <p>Recent building closures, including 10 South Gyle, Livingston Donor Centre and Bain Square, will assist in reducing our energy consumption.</p> <p>The Gyle Square rationalisation project will also reduce our energy use within the building.</p>	<p>Implementation of automatic meter readers 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.</p> <p>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>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

# Climate Sustainability: Water Metered Sites



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>Water consumption has decreased by 1,083 cubic metres (M3) when compared to the same period last year.</b></p> <p>The graph above (Left) shows total water consumption across NSS metered sites between Q2 2022/23 and Q2 2024/25.</p> <p>The graph on the right show's consumption for the top five water consuming buildings. 2 of these buildings (Gyle Square, JCC) had increased use approx 500m3 between them.</p> <p>Historically, water has been poorly reported. As bills appear at different times reporting can be inconsistent.</p>	<p>JCC is the highest water consuming building within NSS. Factors that may be causing this include the heating, ventilation and air conditioning system in place and specialist laboratory practices.</p> <p>The spike in Q2 2024/25 for Possilpark is to account for back dated usage figures as the site hasn't previously been reported since January 2024 due to supplier system issues.</p> <p>Water use increased in Q2 2023/24 due to the inclusion of Hassockrigg Eco Park and Titan, both of which were previously unreported.</p>	<p>We continue to monitor and make improvements through the use of reporting tools.</p>	<p>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>	<p>Strategic: 7321 7330</p> <p>Corporate: 6679</p>

# Risk details

# Risks featured in this report

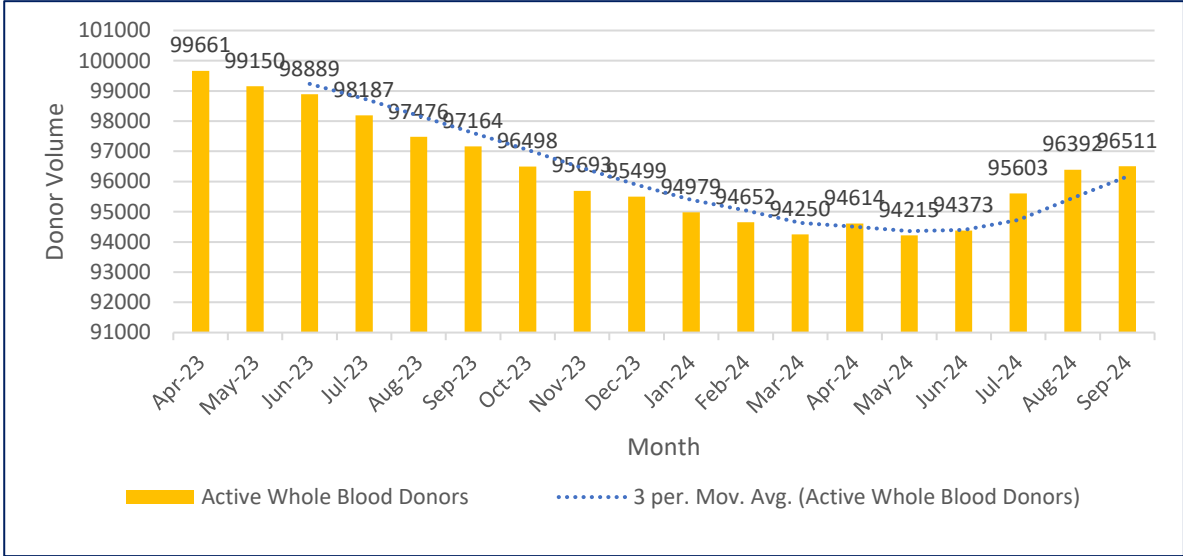
Risk No./ RAG	Title	Summary	Owner	Strategic/ Corporate
4577	IG Legislation Breach	There is a risk that NHS NSS breaches relevant legislation in relation to information due to incomplete organisational preparation for new and existing laws e.g. in data protection.	DaS Director	Corporate
6473	Blood Supply Resilience	There is a risk that SNBTS will not be able to meet the blood component requirements of NHSScotland due to the loss of resilience in supply following the first wave of COVID-19 pandemic, combined with and unpredictable, unprecedented and sustained increase in demand since April 2021.	Director, SNBTS	Corporate
6679	Properties and Estates Operational Requirements	There is a risk that NSS estate does not meet the strategic and operational requirements of the service resulting in a reduction in efficiency and associated property costs.	Director of NHS Scotland Assure	Corporate
7222	nDCVP – Adverse Publicity	SG and NSS receive adverse media interest as a result of the historical challenges experienced in the delivery of our new pharmacy processing system, new Data Capture and Validation Process (nDCVP) eg; performance, volumetrics, transitioning to DM&D pricing, capacity.	Director of Primary & Community Care & SPST	Corporate
7237	Recruitment & Retention	There is a risk that it is becoming increasingly difficult to recruit and retain staff in some roles.	HR Director	Corporate
7305	Clinical and Patient Safety	There is a risk that preventable harm may occur to patients and service users resulting in a negative outcome.	Clinical Director	Strategic
7312	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
7320	Service Excellence	There is a risk that NSS is unable to deliver effective services for its users.	Director of Primary & Community Care & SPST	Strategic
7321	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
7329	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
7330	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
7331	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
7333	Governance and Regulatory Compliance	There is a risk that we fail to meet appropriate corporate legal, governance and regulatory requirements.	Director of Finance	Strategic

# Appendices

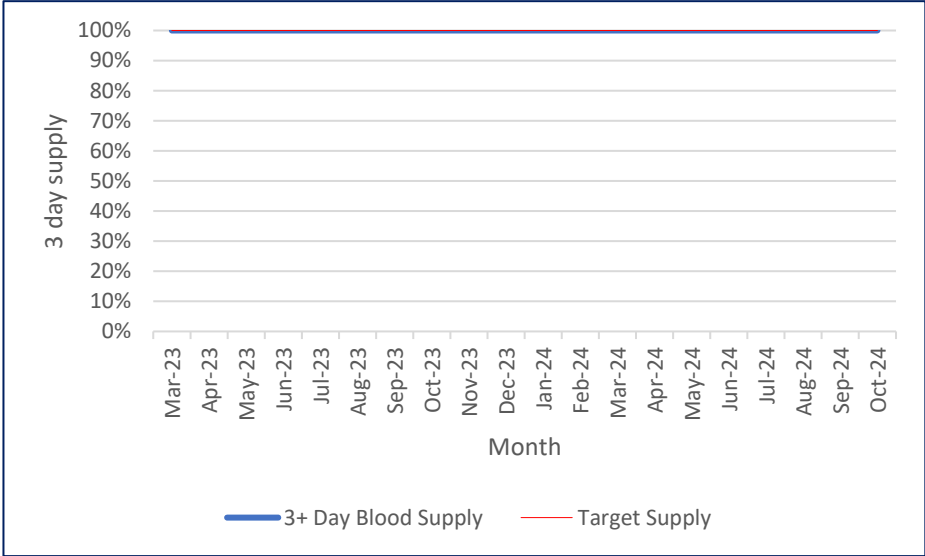


# Appendix 1: Blood Donation and Supply

**Active Blood Donors**

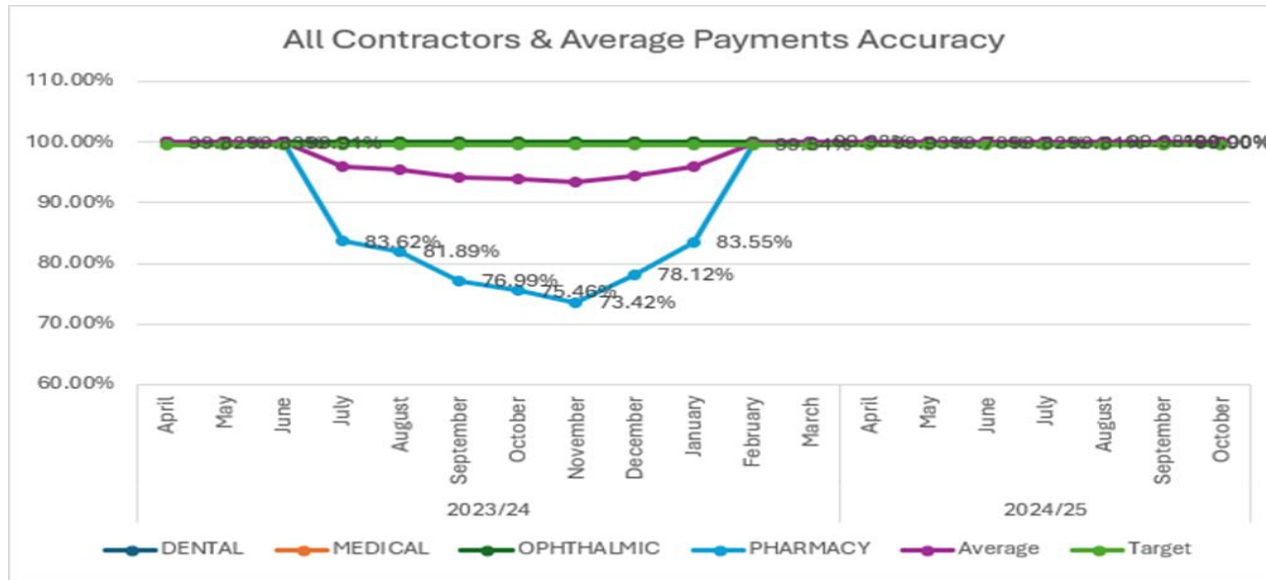


**Three Day Blood Supply**



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>There has been an increase in active blood donors for whole blood to 96,500 in September.</b></p> <p>The Scottish National Blood Transfusion Service (SNBTS) provide all blood and blood products to patients in Scotland.</p>	<p>SNBTS have extended their campaign to increase whole blood donors following the decrease in numbers through to spring 2024.</p> <p>A three-month moving average trend line is included to aid clarity to the trend. Over the summer, trends have shown an increase in donors. The target of three-day blood supply has been maintained throughout.</p>	<p>We manage the active donor base to maintain blood supply to meet clinical demand. We also track the global stock position of blood to ensure we have sufficient levels for over 3 days of supply.</p> <p>We have been running a donor recruitment campaign to increase donor pool for Blood, Platelets and Plasma.</p>	<p>Trends are now heading in the right direction and will continue to be closely monitored and managed.</p>	<p>6473 (NSS corporate risk)</p>

# Appendix 2: Pharmacy Payments



Summary position	Analysis	Actions being taken	Improvement opportunities	Risks
<p><b>We achieved above the 99.5% payment accuracy target in each month of this quarter.</b></p> <p>Payment accuracy is the percentage of adjustments/errors vs payment, and we are targeted to achieve an average of 99.5% across all payment streams (Dental, Medical, Ophthalmic and Pharmacy).</p>	<p>Pharmacy payments have been affected by delays in processing dispensed item data and other system/reference data issues following the implementation of the nDCVP in July 2023 (new Data Capture, Validation and Pricing system).</p> <p>Several issues are still under investigation and/or subject to future digital changes. Some are in the minimum viable product (MVP) 2.0 business case and others are yet to be fully considered and costed.</p>	<p>A recovery programme ran from November 2023 to June 2024 and delivered many improvements, including the resumption of payments based on priced actual dispensed item data for all contractors in February 2024 and accuracy targets being achieved.</p> <p>Where it is possible to estimate the financial impact of any error, payments are being made in advance of digital fixes. This reduces cash flow impacts to pharmacy contractors if the error is an underpayment.</p>	<p>The main improvement opportunities are via investment in nDCVP and/or pricing data reference files to mitigate pricing errors. Workforce needs to continue to be aligned to increases in dispensed item volumes, take account of Agenda for Change reduced working week / protected learning time and any efficiencies gained from digital investment in automation.</p>	<p>7222 (NSS corporate risk)</p>

# NHS National Services Scotland

<b>Meeting:</b>	<b>NSS Board Meeting</b>
<b>Meeting date:</b>	<b>Friday 20<sup>th</sup> December 2024</b>
<b>Title:</b>	<b>Public Inquiries Report</b>
<b>Paper Number:</b>	<b>B/24/44</b>
<b>Responsible Executive/Non-Executive:</b>	<b>Lee Neary, Director Primary &amp; Community Care (P&amp;CC) / Strategy, Performance &amp; Service Transformation (SPST)</b>
<b>Report Author:</b>	<b>Marie Brown, Head of Public Inquiries and Scrutiny</b>

## **1. Purpose**

- 1.1 NSS is currently responding to 3 public inquiries: the UK COVID-19 Public Inquiry, the Scottish COVID-19 Public Inquiry, and the Scottish Hospitals Public Inquiry. There are also two ongoing Crown Office investigations (COVID-19 Deaths and the Queen Elizabeth University Hospital) which NSS staff are assisting with. The purpose of the paper is to make the NSS Board aware of the current situation regarding NSS' response to the ongoing public inquiries and investigations.

## **2. Recommendation**

- 2.1 It is recommended that the Board note the content of the report.

## **3. Executive Summary**

- 3.1 The key highlights report provided to EMT on 18 November is attached as an appendix. NSS continues to liaise with the inquiry and investigation teams, manage the resource as appropriate, and look to ensure duplication of effort is minimised when there is overlap with evidence requests.

## **4. Impact Analysis**

### **4.1 Quality and Value**

4.1.1 Quality/ patient care is a matter being considered through the public inquiries. There is no impact on quality/patient care or quality 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 There is no impact on Data protection and information governance

## **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 Financial implications of responding to the COVID-19 Inquiries remains a corporate pressure. The cost of NSS responding to the UK COVID-19 Public Inquiry in 2023/24 was £823,167. For 2024/25 the agreed forecast was £1,000,000, we are currently tracking for an underspend of £406,926.

## **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' 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

<b>Meeting</b>	NSS Board December 2024		
<b>Reporting On</b>	<ul style="list-style-type: none"> <li>➤ UK and Scottish COVID-19 Public Inquiries</li> <li>➤ Scottish Hospitals Public Inquiry</li> <li>➤ Consultations</li> </ul>	<b>Period Covered</b>	11 October – 5 December 2024

<b>Upcoming Hearings (in order re substantive hearings, including Scottish Hospitals Inquiry)</b>	
<b>Public Inquiry</b>	<b>Dates</b>
<b>Scottish Hospitals Inquiry</b> (Glasgow 3) overlapped with the UK COVID-19 Inquiry Module 3 hearings	19 August 2024 - 8 November 2024
<b>UK COVID-19 Inquiry Module 3</b> (Impact of the COVID-19 pandemic on healthcare systems throughout UK) evidential hearings will take place in London over 10 weeks	9 September - 10 October 2024 ( <i>break 14 October - 25 October 2024</i> ) recommencing 28 October - 28 November 2024
<b>Scottish COVID-19 Inquiry</b> Education and Young People Impact Hearings	4 November – 20 December 2024
<b>UK COVID-19 Inquiry Module 4</b> (Vaccines and Therapeutics) the evidential hearing has now been rescheduled to cover three weeks in London	14 January 2025 - 30 January 2025
<b>UK COVID-19 Inquiry Module 5</b> (Government Procurement) the evidential hearings will be held in London	3 March 2025 - 3 April 2025
<b>Scottish Hospitals Inquiry</b> (Glasgow 4 – Governance)	29 April - 30 May 2025
<b>UK COVID-19 Inquiry Module 6</b> (Care Sector)	Scheduled for Summer 2025 (after the hearings for Module 7)
<b>UK COVID-19 Inquiry Module 7</b> (Test, Trace and Isolate) the hearings will be held over a 2-week period in London	12 - 30 May 2025

## COVID-19 Public Inquiries - Executive Highlights

### UK COVID-19 Public Inquiry

- **Module 1** (Preparedness, pre pandemic planning) – Module 1 Report and recommendations were published on Thursday 18<sup>th</sup> July. There is no direct impact for NSS.
- **Module 2** (Key decision making) – The last of the Module 2 hearings concluded in May 2024. The Inquiry intends to publish its report and recommendations approximately 1 year after evidential hearings conclude.
- **Module 3** (Healthcare systems) – NSS is a Core Participant along with territorial health boards and PHS. NSS provided the Inquiry with four witness statements, over 600 supporting documents and reviewed over 740 documents. One member of staff from NSS, Laura Imrie gave evidence at the Module 3 hearings on 5<sup>th</sup> November 2024 in London. Resource was put in place to ensure the witness was supported throughout the process. Public hearings for Module 3 completed on 28<sup>th</sup> November. NSS will be submitting a written Closing Statement on 20<sup>th</sup> December.
- **Module 4** (Vaccines and therapeutics) – NSS is not a Core Participant but is a material provider. NSS responded to one Rule 9 request and submitted 6,600 supporting documents in response to a Section 21 order. The final signed witness statement has been submitted to the Inquiry.
- **Module 5** (Procurement) – NSS is a Core Participant and submitted a substantial Rule 9 response in the form of a witness statement from Gordon Beattie on 5<sup>th</sup> September. Approximately 5,000 documents have been submitted to date and the process of reviewing the

Inquiry's redactions on those documents has started and tranches of documents, submitted by other core participants, are released by the Inquiry on a weekly basis and will continue for several months.

The first part of an expert report 'Public Procurement during Emergencies' by Professor Albert Sanchez Graells has been reviewed and part 2 of the expert report is due imminently.

- **Module 7** (Test, trace and isolate) – NSS has been granted Core Participant status and joint legal representation (NSS, HIS, PHS) for this module. A draft Rule 9 request is now in receipt and key individuals have been notified. It has been agreed that one witness statement will be submitted from Mary Morgan, working to a deadline of 20<sup>th</sup> December.

#### **Scottish COVID-19 Public Inquiry**

- The Inquiry started its hearings investigating the impacts of the pandemic on education and certification (Portfolio 4) on 4 November 2024, before moving onto the impact of the pandemic on the financial and welfare support given to businesses and individuals (Portfolio 2).

#### **Finance**

- Financial implications of responding to the COVID-19 Inquiries remains a corporate pressure. The cost of NSS responding to the UK COVID-19 Public Inquiry in 2023/24 was £823,167. At the start of 2024/25, the estimated cost pressure was £1,000,000 and we are currently forecasting an underspend of £406,926. The initial estimate was based on NSS having to respond to the UK and Scottish COVID-19 public inquiries simultaneously, however, this has not been the situation.

#### **FOI Requests**

- There has been one FOI request asking for information on NHS Scotland workforce implications during the COVID-19 pandemic. NSS is unable to provide information for all of NHS Scotland and directed the requester to contact details of other organisation which may hold the required information.



### Scottish Hospitals Public Inquiry - Executive Highlights

#### GGC - QEUH

- Hearings for Glasgow 3 concluded on 15th November. Counsel to the Inquiry's Glasgow 3 closing statement is expected to be published 20 December 2024 and all Core Participants are required to review and respond with a closing statement of their own by 31 January 2025.
- Whilst the response to this Public Inquiry is from NHSScotland Assure, Engineering and Assurance and Antimicrobial Resistance & Healthcare Associated Infection (ARHAI) continue to be the main areas undertaking the work.

#### Consultations

- There have been no new consultations in the last period.

#### Police Scotland / COPFS Investigations

- Two requests for documents from Police Scotland have been responded to by staff in NHSScotland Assure.

# Minutes

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## NHS NATIONAL SERVICES SCOTLAND AUDIT AND RISK COMMITTEE (ARC)

### MINUTES OF MEETING HELD ON THURSDAY, 19 SEPTEMBER 2024 VIA TEAMS DIGITAL PLATFORM AT 0930 HRS

**B/24/45**

#### Members Present:

Beth Lawton – Non-Executive Director and Committee Chair  
Paul Buchanan – Non-Executive Director (In the Chair)  
Gordon Greenhill – Non-Executive Director  
Arturo Langa – Non-Executive Director  
Maria McGill – Non-Executive Director  
Alison Rooney – Non-Executive Director

#### In Attendance:

Jodh Badyal – Internal Auditor, KPMG  
Sharon Hilton-Christie – Executive Medical Director (as Caldicott Guardian)  
Rachel Kavish Wheatley – Executive and Governance Manager  
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)  
James Lucas – Internal Audit, KPMG  
Louise Maclennan – Head of Equality and engagement [Items1-7]  
Liz Maconachie – External Audit, Audit Scotland  
Brian McCabe – Associate Director of Finance Operations  
Caroline McDermott – Head of Planning [Items1-5]  
Roddy Mitchell – Organisational Lead for Corporate Records and Freedom Of Information [Item 6]  
Mary Morgan – Chief Executive  
Lee Neary – Director of Primary/Community Care, Strategy, Performance and Service Transformation (SPST)  
Dan Pearson – Service Audit, PwC  
Lynsey Bailey – Committee Secretary [Minutes]

#### Apologies:

Steven Flockhart – Director of Digital and Security (DaS)  
Carole Grant – External Audit, Audit Scotland  
Grace Symes – External Audit, Audit Scotland

## 1. WELCOME AND INTRODUCTIONS

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

## 2. DECLARATIONS OF INTEREST

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



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 AND MATTERS ARISING [AR/24/48 and AR/24/49]**

- 3.1 Members considered the draft minutes from the previous meeting on Thursday 20 June 2024 and agreed they were an accurate record of the meeting.
- 3.2 Members were advised that all actions were recommended for closure.

**Decision: To approve the minutes of the meeting held on 20 June 2024 as a true reflection of the meeting.**

**Decision: To agree the closure of all actions recommended for closure.**

### **4. FORWARD PROGRAMME [AR/24/50]**

- 4.1 Members discussed the forward programme. Members suggested updating the June 2025 order to reflect the need to discuss the internal audit and external audit before the annual report. L. Maconachie also confirmed that there would be no requirement for an assurance letter at all going forward. Members noted the timing of the Corporate Purchasing Card report and, following discussions at the recent NSS Finance Procurement and Performance Committee, suggested that the NSS Chair be updated on this. Finally, as the Corporate Records Management Policy was noted for annual review, Members asked that this be scheduled in as well.

**Decision: To note and agree the forward programme.**

**Action: To ensure the Forward Programme was updated as follows:**

**Inclusion of the annual review of the Corporate Records Management Policy as appropriate;**

**Removal of the audit assurance letter from Audit Scotland;**

**To re-order items for June 2025 agenda as follows: Internal Audit, External Audit and then approval of the annual report and accounts.**

**- Board Services**

**Action: To update the NSS Chair regarding the Corporate Purchasing Card report – Board Services**

### **5. RISK MANAGEMENT STRATEGY [AR/24/51]**

- 5.1 The Head of Planning spoke to the paper, which was part of the review of the Integrated Risk Management Approach (IRMA) and set out the context and roles and responsibilities. Members were also provided with clarification about how this aligned with the risk appetite review which would take place at a forthcoming ARC meeting. Members queried the structure of the document and discussed the distinction between strategic and operational needs to be addressed. Member were reminded that the strategy had been approved at Board and was presented here for annual review, noting the key requirement going forward was to align ourselves with NHS risk categories. Members acknowledged this was part of a continuous improvement process and the risk appetite was what would drive further scrutiny at Board and Committees. On that basis, Members were content to approve the strategy as presented for onward transmission to the NSS Board.

**Decision: To approve the strategy for onward transmission to the Board**

## **6. NSS CORPORATE RECORDS MANAGEMENT POLICY [AR/24/52]**

- 6.1 Members discussed the Corporate Records Management Policy, which had recently been reviewed, consulted upon, and were taken through the updates which had been made. They commended the document and were content to approve for publication.

**Decision: To approve the NSS Corporate Records Management Policy for publication to all staff**

## **7. NSS ANNUAL FEEDBACK AND COMPLAINTS REPORT 2023-24 [AR/24/53]**

- 7.1 Members were taken through the report, which summarised all complaints received by NSS during 2023-24. Members welcomed the report and commended the high rate of resolution within guidelines. Members highlighted an error in the percentage change figure and asked that it be corrected ahead of submission to the Board. Members felt that the report still seemed to present NSS as “parts” rather than as a cohesive whole and were given an overview of the planned approach to address that in future. Members received a more detailed overview of an incident involving comments made by a member of the public on a Scottish National Blood Transfusion Service social media post and were assured by how that had been managed.

- 7.2 Moving on to compliments, Members discussed in detail how these might be better captured and shared. They acknowledged the challenges in recording compliments but also recognised the value in celebrating success and sharing best practice. However, as compliments had been introduced to provide some balance and were not formally part of the reporting requirements, there was a need to be proportionate in gathering that information. Members briefly discussed the comparison of quarters from previous years and the analysis of trends. Members agreed they were content to approve the report for final submission, pending the earlier correction identified.

**Decision: To approve the Report for final submission to the Board subject to correction of the percentage change figure.**

**Action: To correct the error in the reporting of the percentage change before submission to the Board - Head of Equality and Engagement**

## **8. INTERNAL AUDIT PROGRESS [AR/24/54]**

- 8.1 J Lucas, KPMG, spoke to the paper which summarised progress against the internal audit plan. Members were assured that the plan was on track and actions were being progressed as expected.

**Decision: To:**

- **Note progress made against the Internal Audit Plan;**
- **Note seven audit actions have been verified and confirmed as implemented;**
- **Note no audit action completion dates require to be extended;**
- **Note the four significant findings highlighted;**
- **Accept the assurances provided by the Executive Lead.**

## **9. INTERNAL AUDIT: PROPERTY TRANSACTION MONITORING [AR/24/55]**

- 9.1 Members were presented with the Property Transaction Monitoring audit report, which had an overall audit opinion of “significant assurance”. They sought and received clarification regarding the recommendations for how to handle similarly complex

transactions in future. Members were content with the report and commended the work done on this.

**Decision: To note the report and endorse the improvement actions proposed in response to the report’s findings, accepting the assurances provided by the Executive Director.**

#### **10. INTERNAL AUDIT: INTERNAL CHANGE PROGRAMMES [AR/24/56]**

- 10.1 Members were taken through the Internal Change Programmes audit report, which had an overall audit opinion of “significant assurance with minor improvement opportunities”. Members welcomed the paper and its findings. They sought and received clarification around the make-up of the Corporate Oversight Group, noting that the Executive Medical Director had recently taken over chairing it. Members briefly discussed the Digital and Security (DaS)’s position regarding approach and reporting with the Committee Chair advising she would follow up with the Director of DaS out with the meeting for further clarification.

**Decision: To note the report and endorse the improvement actions proposed in response to the report’s findings, accepting the assurances provided by the Director.**

**Action: To follow up with the Director of Digital and Security (DaS) for clarification around the DaS position as reported. – Committee Chair**

#### **11. INTERNAL AUDIT: PHARMACY REMUNERATION AND DATA ASSURANCE [AR/24/57]**

- 11.1 Members were presented with the Pharmacy Remuneration and Data Assurance audit report, which had an overall audit opinion of “no assurance”. The Committee discussed the complexities around multiple systems, process, and stakeholders inherent in this area. The Committee were provided assurances on the significant work progressing to address audit findings, much of which was planned or in train at the start of the audit process with a conscious decision taken to present the audit report in its substantive form to provide maximum scrutiny. Members expressed concerns that this audit report conflicted with previous assurances received. They were advised that this was the first audit that transcended organisational boundaries, and it had enabled cross-Board discussions around how to achieve the best outcomes for Scotland.
- 11.2 Members asked about the impact of changes in pricing policies on the accuracy of payments and were assured that there were checks and balances in place to mitigate the risks around that. Members also sought assurance on the potential impact this audit could have on end of year financial statements. They were given an overview of how this audit provided leverage to make improvements that could be addressed in time for the annual accounts, and repeat audits were scheduled to monitor this. Members acknowledged how this work would create a more robust system and enable better preventative measures. Members briefly discussed the risk in respect of Atos and were provided with an overview of how it was being managed.

**Decision: To note the report and endorse the improvement actions proposed in response to the report’s findings, accepting the assurances provided by the Director.**

## **12. SERVICE AUDIT PROGRESS [AR/24/58]**

- 12.1 D Pearson provided a verbal update on the structure of the service audit reporting and timescales for walkthroughs and sample testing. Members were also taken through the paper which highlighted the outcomes from the lessons learned and the associated activity which had taken place.
- 12.2 Members acknowledged that the Service Audit Steering Group (SASG) had now been disbanded with the scrutiny reverted to the Audit and Risk Committee. They were pleased to have reached this point and commended the work of SASG members.
- 12.3 Members discussed the potential for more analytics within the service audit areas. However, there was still some work needed to understand what that would mean in terms of NSS's controls due to the manual nature of the work being audited with an understanding this would come to light as processes were developed further. Members sought and received assurance that they would receive early notice of any slippage in the service audit timelines or outcomes.

### **Decision: To:**

**note the completed lessons learned exercise for service audit 2023/24 and summary of discussions with internal and external audit colleagues on potential future audit arrangements;**

**Note the progress made to date with the 2024/25 service audit work;**

**Note the recommendation to end the Service Audit Steering Group with service audit oversight and reporting returning to the Audit and Risk Committee; and**

**Accepts the assurances provided by the Executive Lead.**

## **13. EXTERNAL AUDIT RECOMMENDATIONS [AR/24/59]**

- 13.1 Members discussed the paper, which updated on the progress on the external audit recommendations by management. Members were content with the progress as reported.

**Decision: To note the actions taken to address the audit recommendations raised in the Audit Scotland Annual Audit Report for 2023/24 and accept the assurances provided by the Executive Lead**

## **14. EXTERNAL AUDIT UPDATE**

- 14.1 Members were given a brief verbal audit, acknowledging that it was still early in the external audit cycle and planning would begin in December 2024.

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

## **15. AUDIT AND RISK COMMITTEE SELF-ASSESSMENT 2024 [AR/24/60]**

- 15.1 Members considered the paper which was completed in line with the Audit and Assurance Committee Handbook, published by the Scottish Government. Members

discussed the two questions (numbers 2 and 10) which inverted the scoring system and asked for this to be addressed going forward.

**Decision: To approve the Audit and Risk Committee Self-Assessment.**

**Action: To consider the wording of questions 2 and 10 in the questionnaire to better fit with the scoring of the other questions – Executive and Governance Manager**

## **16. INFORMATION SECURITY AND GOVERNANCE REPORT [AR/24/26]**

16.1 Members considered the report, which updated the Committee on key aspects of Information Security and Governance and Information Risk activity during. Members had nothing further to add and confirmed they were content with the assurances provided.

**Decision: To:-**

- **note the outcome of the Network Information Systems Directive (NISD) Audit Review, the remediation activities underway and those planned;**
- **note the update regarding the Information Commissioner's Office (ICO) audit outlining the latest evidence submission and finalisation of timescales for closure of the audit;**
- **note the update regarding the NSS Cyber Security Strategy;**
- **note the update regarding the Cyber Centre of Excellence (CCoE) and strategy reset;**
- **note the full report as presented at Appendix 1; and,**
- **accept the assurances provided by the responsible officer.**

## **17. RISKS AND ISSUES REPORT [AR/24/27]**

17.1 Members scrutinised the paper, which updated on corporate red risks and issues, along with all corporate red and new amber reputational risks and issues, as at the end of July 2024. They acknowledged the movement in terms of issues and the public inquiries risk. Members agreed they were content with the assurance provided.

**Decision: To note the risks and issues update and accept the assurances provided by the responsible Director.**

## **18. FRAUD REPORT [AR/24/28]**

18.1 Members were provided with an update on the fraud prevention activity undertaken since the last report in May 2024 and presented the Fraud Action Plan 2024/25 for approval. The Associate Director of Finance Operations also provided a brief update on the investigations mentioned. Members welcomed the update and were content with the assurance provided. They were also content to approve the Action Plan as presented.

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

**Decision: To approve the 2024/25 Fraud Action Plan.**

**19. ANY OTHER BUSINESS**

19.1 Members had no further business to raise.

There being no further business, the meeting closed at 1147hrs.



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## NHS NATIONAL SERVICES SCOTLAND CLINICAL GOVERNANCE COMMITTEE (CGC)

### MINUTES OF MEETING HELD ON THURSDAY 22 AUGUST 2024 VIA TEAMS DIGITAL PLATFORM AT 0930HRS

#### Present:

Alison Rooney – Non-Executive Director [Chair]  
Arturo Langa – Non-Executive Director  
Beth Lawton – Non-Executive Director  
Maria McGill – Non-Executive Director  
Keith Redpath – NSS Chair

#### In Attendance:

Hayley Barnett – Associate Director of Governance and Board Services  
Katie Hands – Consultant in Transfusion Medicine (deputising for Lorna McLintock)  
Sharon Hilton-Christie – Executive Medical Director  
Mary Morgan – Chief Executive  
Nicola Pelosi Adams – Executive Support Officer [Observing]  
Jacqui Reilly – Director of Nursing  
Calum Thomson – Associate Director for Nursing, Clinical Governance (CG) and Quality Improvement (QI)  
Lynsey Bailey – Committee Secretary [Minutes]

#### Apologies:

Lorna McLintock – Medical Director, Scottish National Blood Transfusion Service (SNBTS)

### 1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting. Apologies were noted 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 AND MATTERS ARISING [CG/24/27 and CG/24/28]

3.1 Members considered the draft minutes from the previous meeting on 23 May 2024, and were content to approve these as an accurate record.

3.2 Members considered all actions, which were recommended for closure.



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.

**Decision: To approve the minutes of 23 May 2024, as a true reflection of the meeting.**

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

#### **4. FORWARD PROGRAMME [CG/24/29]**

4.1 Members discussed the forward programme and had no updates at this time.

**Decision: To approve the Forward Programme**

#### **5. NSS DUTY OF CANDOUR (DoC) REPORT [CG/24/30]**

5.1 Members discussed the report recognising that it was light on detail as there had only been one instance so there was a need to maintain anonymity. Members sought and received clarity about the DoC training refresh having a link to the lessons learned from the instance reported. They also discussed benchmarking NSS with other Boards and were advised that NSS was low, both in respect of the number of instances but also as a percentage of interactions.

5.2 Members were content that this report was a positive reflection on the quality of the work by NSS in this area and were content to approve. Members discussed the possibility, for next year, of better distinguishing between adverse events that occur and the specific DoC that later emerges.

**Decision: To approve the final draft of the annual report and agree that it can be published on the NSS website.**

**Action: To consider how to be clearer between the adverse events that occur and the specific Duty of Candour process in future reports – Associate Director for Nursing, CG and QI**

#### **6. MEDICAL DIRECTOR'S REPORT [CG/24/31]**

6.1 Members were taken through the highlights of the report, which provided an update on clinically-related areas of NSS strategic enabling activity and on relevant aspects of business as usual areas.

6.2 Members welcomed the news that the Digital Prescribing and Dispensing Pathways (DPDP) programme had made some progress following confirmation of the funding. However, it had been found to be not quite as straightforward as first appeared and there were concerns that this may lead to delays although this had not yet been confirmed.

6.3 Members sought and received assurance regarding the McGrath Mac Video Laryngoscope replacement timescales and how the replacement would be managed in respect of the out of date devices subsequently discovered in territorial boards.

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

**7. NSS CLINICAL GOVERNANCE FRAMEWORK (CGF) DELIVERY PLAN REPORT [paper CG/24/32 refers]**

- 7.1 Members were taken through the report, which summarised the progress so far of the CGF delivery plan against the reporting timelines and milestones. Members briefly discussed the interlink between the various contributory plans and agreed they were content with the report as presented.

**Decision: To note the progress of the CGF delivery plan against the reporting timelines and milestones, and accept the assurance provided.**

**8. ANNUAL REPORT ON CLINICAL STAFF REGISTRATION AND REVALIDATION (NOT INCLUDING MEDICAL/DENTAL) AND HEALTHCARE SUPPORT WORKERS [HCSW] (CLINICAL POSTS) 2023/24 [CG/24/33]**

- 8.1 Members considered the report. Members sought and received clarification about the workforce figures, specifically the difference in respect of registered and non-registered staff. They suggested considering how to better clarify that in future years' reports. Members discussed the different registration and revalidation timescales for different professional groups and how this was managed, as well as how the policy for managing lapsed registrants was applied when necessary.

**Decision: To note the report setting out the annual position on registered clinical and HCSW staff and accept the assurance provided that regulatory and policy requirements in relation to clinical and HCSW staff have been met.**

**Action: To consider how to better differentiate registered and non-registered staff within the reporting of the workforce figures in future years – Associate Director for Nursing, CG and QI**

**9. NSS ANNUAL REPORT ON MEDICAL AND DENTAL STAFF REVALIDATION AND APPRAISAL 2023/2024 [CG/24/34]**

- 9.1 Members discussed the report and received a brief verbal update on the four outstanding appraisals since the time of writing. Members sought and received assurance that the submission of paperwork for independent assessment had been done. They discussed the resourcing in respect of appraisers and also the arrangements regarding the General Dental Council. Members asked for further clarification about the process for Dental staff going forward.

**Decision: To note the report setting out the annual position on medical and dental staff and accept the assurance provided that regulatory and policy requirements in relation to medical and dental staff registration, revalidation and enhanced appraisal have been met for 2023-24.**

**Action: To come back to Members with clarification about the process for Dental staff going forward – Executive Medical Director**

**10. BLOOD AND TISSUE QUALITY, SAFETY AND SUFFICIENCY REPORT [CG/24/35]**

- 10.1 Members scrutinised the report, which confirmed that NSS continued to meet all requirements in respect of quality, safety and sufficiency. Members welcomed the improvement in the blood bank staffing position and were pleased to see some of the

more recently recruited staff reaching a point in their training and experience to go onto on-call rosters. They also wished to commend the apheresis survey outcomes.

- 10.2 Following a brief discussion around the DKMS Foundation registry work, Members were keen to have confirmation around the cost pressure mentioned. They also asked for consideration to be given to the language being used and how to make it more accessible.

**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.**

**Action: To provide more detail to the NSS Chair regarding the reported cost pressure for the DKMS donor registry work. – SNBTS Medical Director**

**Action: To consider the language/terminology being used and how to make it more accessible – SNBTS Medical Director**

## **11. INITIAL ACTION PLAN IN RESPONSE TO THE INFECTED BLOOD INQUIRY [CG/24/36]**

- 11.1 Members were briefly taken through the plan. They sought and received confirmation that the outcomes would evolve into small projects, but this was still being developed. Members sought and received assurance about the approach to cross-nation working in order to avoid duplication of effort. Members recognised the volume of work which had gone into this action plan and response. They sought and received assurance about the workforce resilience and how this was being factored into the planning. Members also asked that, in future, the SNBTS-only recommendations be highlighted or separated out

- 11.2 Members asked about patient representation on the steering group and were keen to see urgent action taken to incorporate donor/patient voices in this. They also discussed the possibility of Non-Executive Director involvement in the oversight group. It was suggested that a proposal covering these points be brought back to the December 2024 CGC meeting. Members were also content to continue to receive a separate report on this work for the time being.

**Decision: To note the initial draft action plan and that further development of the plan including finalisation of objectives, development of business plans and detailed project plans are dependent on further discussion with external bodies including the Scottish Government Oversight and Assurance Group.**

**Decision: To continue to receive a separate report on this work for the time being.**

**Action: To bring a proposal around oversight arrangements (specifically referencing patient and Non-Executive representation) to the next meeting. – SNBTS Medical Director**

## **12. CLINICAL ADVERSE EVENTS AND COMPLAINTS REPORT: QUARTER 1 2024-2025 [CG/24/37]**

- 12.1 Members considered the report, which provided details of Clinical Adverse Events and Complaints during the first quarter of 2024/25. Members were given a brief

overview of a proposed refresh of this report to provide a more clinical summary and were content with that. They commended the work done to get to this point, recognising the good foundation for the proposed next steps. Finally, Members sought and received some additional assurance around the DocMan adverse event and were content.

**Decision: To note the most recent information on clinical adverse events and complaints set out in the Clinical Adverse Events and Complaints Report and accept the assurances provided.**

**Decision: To accept that the management actions identified in the Clinical Adverse Events and Complaints report provide assurance that such events are being appropriately managed in accordance with NSS processes and best professional practice.**

### **13. CLINICAL RISK REPORT: 1 MAY TO 31 JULY 2024 [CG/24/38]**

- 13.1 Members reviewed the report, which provided details of corporate clinical risks on the NSS Risk Register. Members discussed the risk referring to a reduction in baseline funding which had been queried before. They were assured that it had been addressed but there was a possible timing issue in respect of when the report data was collated. The Chief Executive agreed to pick up with the Associate Director of Strategy, Performance, and Communications about the process for removing a risk within the risk management strategy.

**Decision: To note the most recent information on clinical risks set out in the Clinical Risks Report.**

**Decision: To accept the management actions identified in the Clinical Risks report provide assurance that corporate clinical risks are being appropriately managed in accordance with NSS processes and best professional practice.**

**Action: To seek clarification with the Associate Director of Strategy, Performance and Communications regarding the process for removing a risk within the risk management strategy – Chief Executive**

### **14. SCOTTISH NATIONAL BLOOD TRANSFUSION SERVICE (SNBTS) QUARTER 1 REPORT ON INFECTION PREVENTION AND CONTROL (IPC): APRIL-JUNE 2024 [CG/24/39]**

- 14.1 Members considered the report which updated on SNBTS IPC activity during the first quarter of 2024/25 (April – June 2024), including the Scottish Government Healthcare Associated Infection Task Force (HAIRT) reporting components. They welcomed the positive position, recognising the effort behind achieving it.

**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.**

### **15. ANY OTHER BUSINESS**

- 15.1 Members had no further business to raise. With it being her last meeting, Members wished to record their thanks to the Associate Director of Governance and Board Services.

**16. DATE OF NEXT MEETING:**

16.1 The next meeting was scheduled for Thursday, 21 November 2024 at 09:30

The meeting finished at 1104hrs

# Minutes

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

### MINUTES OF MEETING HELD ON TUESDAY 10 SEPTEMBER 2024 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)  
Julie Critchley – Director NHS Assure  
Sharon Hilton-Christie – Executive Medical Director [Item 14]  
Rachel Kavish Wheatley – Executive and Governance Manager  
Carolyn Low – Director of Finance, Corporate Governance and Legal Services (FCGLS)  
Brian McCabe – Associate Director of Finance  
Martin Morrison – Associate Director Service Delivery, Practitioner Services [Item 10]  
Lee Neary – Director of Strategy, Performance and Service Transformation (SPST)  
Matthew Neilson – Associate Director of Strategy, Performance and Communications [Item 11]  
Lynsey Bailey – Committee Secretary [Minutes]

#### Apologies:

Mary Morgan – Chief Executive

## 1. WELCOME AND INTRODUCTIONS

1.1 The Committee Chair welcomed all to the meeting, which was being held virtually via the TEAMS platform. Apologies were noted as listed above.

## 2. DECLARATIONS OF INTEREST

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

## 3. MINUTES OF THE PREVIOUS MEETING HELD ON TUESDAY 11 JUNE 2024, AND MATTERS ARISING [FPP/24/34 and FPP/24/35]

3.1 Members were content that the minutes were an accurate record of the meeting.



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.

- 3.2 Members noted the updates provided on the action tracker and agreed those recommended for closure, with the exception of action 5 which ownership was transferred to the Executive and Governance Manager who would provide an update at the next meeting.

**Decision: To approve the minutes of the FPPC meeting on 11 June 2024.**

**Decision: To approve the closure of all actions which had been recommended for closure with the exception of action 5.**

#### **4. FORWARD PROGRAMME [FPP/24/36]**

- 4.1 Members noted the forward programme as presented and were content to approve based on the information provided.

**Decision: To approve the forward programme.**

#### **5. NATIONAL PROCUREMENT (NP) – ANNUAL PROCUREMENT REPORT 2023-24 [FPP/24/37]**

- 5.1 Members were taken through the report which, covered the year from 1 April 2023 to 31 March 2024 and focused on the work of NP, noting it as a National report which will be issued in line with the timetable for NSS Annual Report. The report not only detailed progress from the previous year but allowed suppliers to view upcoming bidding opportunities via the appendix.

- 5.2 Members sought clarity on medicine stockpile recycling improvement benefits in terms of financial savings and CO2 reduction, and if figures within the report related to Scotland exclusively or included UK-wide and international as well and received an overview. They sought and received clarification around how the cost savings were measured (i.e. price reductions to stakeholder Boards pitched against cost pressures). Members also picked up on some minor proofing issues to be corrected prior to publication.

**Decision: To approve the National Procurement Annual Report for 2023/24.**

**Action: To correct the proofing issues identified prior to publication – Director of NP**

#### **6. NSS ANNUAL PROCUREMENT REPORT 2023-24 [FPP/24/38]**

- 6.1 Members discussed the report, which provided visibility of NSS purchasing activities and publicised the performance and achievements in delivering the procurement strategy. Members sought and received clarification around the spend (in respect of Scotland/UK vs overseas) and the social value aspects of it. Members briefly discussed the purchasing card and how the spend on that was reported and monitored. [**Secretary's Note:** A report on the Purchasing Card covering the spend, and processes around its use, had been scrutinised by the NSS Audit and Risk Committee (ARC) at their meeting on 16 May 2024 with ARC content that there were no issues requiring follow up.]

**Decision: To approve the report to allow publishing on the NSS website and sharing with Scottish Government Ministers in line with NSS's statutory obligations.**

**Action: To provide a table detailing spend within UK and overseas at a future meeting – Director of NP**



## **7. FINANCIAL PERFORMANCE [FPP/24/39]**

- 7.1 Members considered the report, which provided an update on financial performance against plan as at the end of July 2024. Members sought and received clarification about the risks identified. They also sought clarification about the graph included and provided feedback on how it could be more reader friendly.
- 7.2 Members discussed the DaS recharge mentioned and were assured this was the result of a timing issue that would balance itself out. They also asked about the capital programme and received assurance regarding the risk of slippage and how this would be managed, along with an overview of the planning process. Members discussed allocations and were updated on the conversations that had taken place with Scottish Government and the specific situation in terms of staffing in the Scottish National Blood Transfusion Service.

**Decision: To note the Financial Performance Report (with its indications that, despite emerging risks, NSS is on track to achieve all statutory financial targets in fiscal year 2024/25) and accept the assurances provided.**

## **8. STANDING FINANCIAL INSTRUCTIONS (SFI) ADVERSE EVENTS [FPP/24/40]**

- 8.1 Members scrutinised the report, which confirmed there had been no new financial adverse events reported since the previous FPPC meeting on 11 June 2024. They received a brief verbal update on a previously reported CLO adverse event which was now considered closed. The Committee Chair suggested that this agenda item be covered via an agenda note and brief verbal update to provide assurance going forward with a paper by exception only and, following discussion, Members agreed.

**Decision: To note that there have been no SFI Adverse Events reported since the previous update on 11 June 2024 and accept the assurances provided.**

**Decision: To make this item an agenda note and brief verbal update in future with a paper to be provided by exception only**

## **9. NATIONAL PROCUREMENT CONTRACT SCHEDULE [FPP/24/41]**

- 9.1 Members were taken through the paper which provided an update on the national workplan for 2024-25 giving an overview of the reporting available through the Provalido system. Members were updated on the savings position against target recognising that although the current figure is close to the year-end target, it is subject to fluctuation throughout the year. Members agreed that reflection on the level of detail provided and how to best address the report's purpose for this Committee was required. They acknowledged that Provalido did streamline the reporting process and could help with this review.

**Decision: To:**

- **note the secured savings and cost avoidance achieved in the current financial year, 2024-25;**
- **note the list of awards requiring Chief Executive approval;**
- **note there are no NSS Contracts Awarded for more than £1m in this reporting period;**
- **note the enhanced procurement reporting systemised through Provalido; and,**
- **accept the assurances provided.**

**Action: To consider the level of detail in the report and how to best address the report's purpose for this Committee – Executive and Governance Manager, Director of NP, and Committee Chair**

## **10. PORTFOLIO MANAGEMENT GROUP REPORT [FPF/24/42]**

- 10.1 Members were provided with an overview of the delivery status of key national programmes being delivered by NSS on behalf of NHS Scotland, based on the position reported to the NSS Portfolio Management Group at their last meeting on 22 August 2024. Members were taken through the highlights for the programmes and received an update on a resourcing solution for the Cyber Centre of Excellence which had been identified since the report had been written. They were also provided with an overview of discussions at the NHSScotland Board Chairs' meetings on some of these programmes and were pleased to see the progress. Members sought and received clarification around the position regarding the Forensic Medical Services escalation and where the impact was.

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

## **11. PHARMACY PAYMENTS INCIDENT MANAGEMENT TEAM [FPF/24/43]**

- 11.1 Members were taken through the highlights of the report, which updated on the progress made by the Pharmacy Payments Incident Management Team (IMT) to restore payments to pharmacy contractors based on actual dispensing data rather than estimated payments. Members acknowledged the scale of the challenge and commended the work done by all the staff involved. They sought and received clarification regarding staffing requirements on an ongoing basis and the plans for monitoring payments from now on, and had no further queries.

**Decision: To note the work done to date, that the Programme has now been closed (with the IMT stood down from 28 June 2024), and accept the assurance provided.**

## **12. SERVICE EXCELLENCE REPORT: QUARTER 2 2023/24 [FPP/24/44 refers]**

- 12.1 Members considered the report, which gave an overview of the delivery status of key programmes and performance metrics in the first quarter of 2024/24. Members welcomed the positive position reported. They sought and received assurance regarding the HVO tank and how it would support sustainability targets. Members confirmed they were content with the assurances provided

**Decision: To note the Service Excellence Performance Report and accept the assurances provided.**

## **13. RESILIENCE REPORT [paper FPP/24/45 refers]**

- 13.1 Members discussed the report, which updated on resilience activities that had taken place since the previous FPPC meeting on 11 June 2024. Members were given a brief update on planned activity in the coming year.

**Decision: To note the Resilience Report and accept the assurances provided.**

**14. CORPORATE BUSINESS RISK & ISSUES REPORT 1 MAY - 31 JULY 2024 [FPP/24/46]**

- 14.1 Members were taken through the paper which updated on corporate red and new amber business risks and issues from 1 May until 31 July 2024. Members were advised that there were no new red corporate risks. Members noted and welcomed the improvements made to the reporting format.

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

**15. CHANGE FUND DELIVERY**

- 15.1 Members were advised that the Executive Medical Director had recently taken over chairing of the group. She provided a brief update on her first meeting and would provide a fuller update on progress at the next meeting.

**Decision: To note the brief verbal update provided on Change Fund Delivery and to note a formal paper will follow at the November meeting**

**16. SUSTAINABILITY UPDATE [FPP/24/48]**

- 16.1 Members noted the report, which provided an update on sustainability activity across NSS, suggesting this be considered for scrutiny. L Blackett spoke to a brief presentation on the Sustainability Champions' Network. Members discussed the challenge of keeping morale up within this area in the face of the financial challenges. They welcomed the sharing of best practice and acknowledged that financial and climate sustainability were interlinked. Members suggested the addition of a graph to indicate progress towards achieving net zero.

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

**Action: To consider moving this agenda item and paper as For Scrutiny – Director of NHS Assure**

**17. ANY OTHER BUSINESS**

- 17.1 Members had no other business to raise.

**18. NOVO NORDISK CONTRACT APPROVAL [FPP-IP/24/05]**

- 18.1 Members agreed, in accordance with paragraph 5.22 of NSS's Standing Orders, to discuss this item in private

There being no further business, the meeting closed at 1207hrs.

# Minutes

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## NHS NATIONAL SERVICES SCOTLAND STAFF GOVERNANCE COMMITTEE

### MINUTES OF MEETING HELD ON THURSDAY 5 SEPTEMBER 2024, 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  
Arturo Langa – Non-Executive Director  
Beth Lawton – Non-Executive Director  
Gerry McAteer – Trade Union Representative  
Keith Redpath – NSS Chair

#### In Attendance:

Serena Barnatt – Director of HR and Organisational Development  
Jane Fewsdale – Head of People Insights, Performance and Systems [Item 10]  
Lynn Morrow – Corporate Affairs and Compliance Manager  
Jacqui Reilly – Director of Nursing  
Aileen Stewart – Associate Director of HR  
Lynsey Bailey - Committee Secretary [Minutes]

#### Apologies:

Tam Hiddleston – Trade Union Representative  
Mary Morgan – Chief Executive

## 1. WELCOME AND INTRODUCTIONS

- 1.1 L Blackett welcomed all to the meeting, which was being held virtually via the Teams platform, noting the apologies as recorded above.

## 2. DECLARATIONS OF INTEREST

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

## 3. MINUTES OF THE PREVIOUS MEETING HELD ON THURSDAY 6 JUNE 2024 AND MATTERS ARISING [SG/24/34 and SG/24/35]

- 3.1 Members considered the draft minutes from the previous meeting held on 6 June 2024 and agreed they were an accurate record of the meeting.



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.

3.2 Members considered the action updates provided and had nothing further to add.

**Decision: To approve the minutes of 6 June 2024 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/24/36]**

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

**Decision: To approve the Staff Governance Committee Forward Programme.**

#### **5. NHS NATIONAL SERVICES SCOTLAND: REVISION OF THE NSS HEALTH AND CARE STAFFING ESCALATION GUIDING PRINCIPLES TO INCLUDE REAL TIME STAFFING ASSESSMENT (RTS) AND ESCALATION [SG/24/37]**

5.1 Members considered the report which was an update to previously approved guidelines and the Director of Nursing briefly spoke to the updates that had been made. The Director of Nursing also updated the Committee on a recent meeting with Healthcare Improvement Scotland (HIS) and acknowledged the work being done by the team there. Members sought and received clarification regarding the categorisation as a reputational risk and links to the corporate risk register. They were also given an overview of the practicalities in respect of these guidelines for NSS and what that meant.

5.2 Members discussed the financial impact of implementing the guidelines and received assurances about how this would be monitored. Members also queried whether any of the recent red staffing risks would involve NSS having to submit a report to Scottish Government. They were advised that RTS would allow some issues to be addressed at an earlier stage but being able to demonstrate monitoring and management of issues would be important should escalation be necessary.

**Decision: To endorse the revised guidelines to ensure continued NSS compliance with the Health and Care (Staffing) (Scotland) Act 2019.**

#### **6. NSS PARTNERSHIP FORUM [SG/24/38]**

6.1 Members considered the minutes provided and were provided with a high-level overview of the recent discussions that had taken place. The Employee Director highlighted a recent session with staff networks and suggested that it could be a possibility for a future SGC seminar. Members were advised that the November 2024 Partnership Forum meeting would be in person, and it had been agreed to try and hold an in person meeting at least twice a year from 2025. The Employee Director also provided a brief overview of plans for a session following the Board offsite and Budget Summit.

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

#### **7. PEOPLE REPORT [SG/24/39]**

7.1 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. There had been a slight increase in sickness absence and “Unknown” was the second most common reason, so HR was working with Directorates

to improve that. Members were pleased to see the numbers of agency staff and fixed term contracts being reduced.

7.2 The statutory/mandatory training and appraisal figures were still slightly below target and Members were given an overview of measures taken to address that. Members asked about the figures for accidents/incidents and were assured around how this was being monitored. They were given an overview of the upgrades to the Occupational Health system and the impact of that on increased wait times. As a general point, Members discussed the use of percentages in the reporting and asked for clarification on how this was calculated.

7.3 Going back to the compliance rates for statutory/mandatory training and appraisals, Members received an overview of the measures being taken to look at that. Members asked about monitoring Retire and Return rates and asked for this to be included in future reports. The Director of HR advised numbers were low and we did currently report this in Workforce Plan. Members sought and received clarification about the redeployment policy and an overview of work being done around whistleblowing training. In respect of complaints and compliments, Members asked if it was as easy to send in a compliment as it was to complain. They were advised that in donor services it was but, overall, NSS could have something better in place.

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

**Action: To explain in the report how the absence is calculated – Director of HR and OD**

## **8. GREAT PLACE TO WORK PLAN 2024/25 QUARTER 1 REPORT [SG/24/40]**

8.1 Members were taken through the report, which updated on the progress against the priority areas for improvement contained in NSS Great Place to Work Plan 2024/2025. Members welcomed the report which showed good progress. One or two actions were slightly behind schedule, but Members were assured these were being progressed as best as possible.

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

## **9. WHISTLEBLOWING QUARTERLY REPORT [SG/24/41]**

9.1 Members welcomed the report which updated on NSS's performance for the first quarter of 2024-25 (1 April to 30 June 2024), demonstrating performance against the key performance indicators as required by the Independent National Whistleblowing Officer (INWO). The Corporate Affairs and Compliance Manager highlighted the response to the complaint referred to INWO (which had been upheld in NSS's favour) and the unnamed concern raised in Quarter 2 that would be taken forward.

9.2 Members discussed the iMatter survey question responses, what they meant, and the plans for Speak Up week which was hoped to help improve these responses. Members also discussed taking a wider approach towards creating a psychologically safe work environment and recognised that the November 2024 SGC seminar on Whistleblowing could be a good place to pick this up.

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

## **10. STAFF RISKS [SG/24/42]**

10.1 Members discussed the Staff Risk report, which provided details of the current situation for corporate red and amber staff risks recorded on the NSS Risk Register as at 30 June 2024. They were content and had no comments or further queries.

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

## **11. NSS WORKFORCE PLAN [SG/24/43]**

11.1 Members were taken through the plan and how it was being aligned to link with the other organisational plans. Members were provided with an overview of reporting and the process going forward. Members recognised that the plan would be somewhat dynamic as it was linked to NSS's financial position. Members discussed the age demographic of NSS's workforce. They welcomed the development of employability initiatives and career pathways to mitigate any potential risks associated with that.

**Decision: To note and endorse the NSS Workplan.**

## **12. NSS iMATTER RESULTS 2024 [SG/24/44]**

12.1 Members noted the report which summarised the results of the 2024 iMatter survey in NSS. Members welcomed the increased response rate and looked forward to seeing the outputs of the focus groups to better understand the results. Members discussed how to address staff understanding of Non-Executive Directors and their role, while being mindful that iMatter should be more team and line manager focussed. They recognised the responses to the questions around involved in decisions and feeling supported, were where the most gains could be made.

**Decision: To note the data provided in the NSS iMatter Survey Board Report 2024, in particular the information contained within the presentation which details a high-level overview of this year's survey results in comparison with previous years and next steps.**

## **13. HEALTH AND CARE (STAFFING) (SCOTLAND) ACT 2019 (HCSSA) – IMPLEMENTATION IN NSS: PROGRESS REPORT [SG/24/45]**

13.1 Members noted the report which provided an update on progress in implementation of the HCSSA.

**Decision: To**

- **Accept the professional assurances given that NSS is on track to meet the requirements of the Act before publication of the first formal report (required in April 2025);**
- **Note that the NSS internal reporting processes on the implementation of the Act, as requested by Scottish Government (SG) are in place.**

## **14. ANY OTHER BUSINESS**

14.1 Members suggested a future seminar to cover the Health and Safety culture awards.

**Action: To look at the 2025 seminar dates and identify potential dates for the suggested seminars (Staff Networks and Health and Safety culture awards) - board Services**

Meeting closed 1133hrs.