Public Board Meeting

Wed 06 December 2023, 10:00 - 11:35

Conference rooms 1 and 2, 8th Floor, Delta House, Glasgow

Agenda

10:00 - 10:35
35 min

1. OPENING BUSINESS

1.1. Welcome and apologies

10.00   Chair

1.2. Register of Interests

*   Chair*

Paper

📄 Item 1.2 Register of Interests.pdf (3 pages)

1.3. Draft Minutes of the Board meeting on 27 September 2023

10.05   Chair

Paper

📄 Item 1.3 Public Minutes Draft.pdf (11 pages)

1.4. Action points from the Board meeting on 27 September 2023

*   Chair*

Paper

📄 Item 1.4 Action Register.pdf (1 pages)

1.5. Chair's Report

10.10   Chair

Paper

📄 Item 1.5 Chairs Report.pdf (3 pages)

1.6. Executive Report

10.15   Chief Executive

Paper

📄 Item 1.6 Executive Report.pdf (14 pages)

10:35 - 10:55
20 min

2. HOLDING TO ACCOUNT – including FINANCE AND RESOURCE

2.1. Organisational Performance Report including:

10.35

2.1.1. Quarter 2 Performance Report

Deputy Chief Executive/Director of Nursing & Systems Improvement

Paper

📄 Item 2.1.1 Q2 Performance Report.pdf (6 pages)

2.1.2. Finance Report

Director of Finance, Planning and Governance

Paper

📄 Item 2.1.2 Financial Performance.pdf (3 pages)
📄 Item 2.1.2 Appendix 1.pdf (11 pages)

2.1.3. Workforce Report

Director of Workforce

Paper

📄 Item 2.1.3 Workforce Report.pdf (4 pages)

2.2. Property Update

10.50   Director of Finance, Planning and Governance

Verbal

10:55 - 11:05
10 min

3. ASSESSING RISK

3.1. Risk Management: strategic risks

Risk Manager

Paper

📄 Item 3.1 Risk Management.pdf (8 pages)

11:05 - 11:30
25 min

4. GOVERNANCE

4.1. Code of Corporate Governance – Update to Standing Financial Instructions

11.05   Director of Finance, Planning and Governance

Paper

📄 Item 4.1 Code of Corporate Governance.pdf (3 pages)
📄 Item 4.1 Appendix 1.pdf (6 pages)

4.2. Governance Committee Annual Reports 2022-23 Action Plan Update

11.10   Director of Workforce

Paper

📄 Item 4.2 Committee Annual Reports Update.pdf (3 pages)

4.3. Governance Committee Chairs: key points from the meeting on 17 October 2023

11.15   Chair

📄 Item 4.3 Governance Chairs Key Points.pdf (1 pages)

4.4. Audit and Risk Committee: key points from the meeting on 29 November 2023; approved minutes from the meeting on 6 September 2023

Committee Chair

Paper

📄 Item 4.4 ARC Key Points.pdf (2 pages)

4.5. Quality and Performance Committee: key points from the meeting on 8 November 2023; approved minutes from the meeting on 23 August 2023

Committee Chair

Paper

📄 Item 4.5 QPC Key Points.pdf (1 pages)

4.6. Scottish Health Council: meeting held on 30 November 2023; approved minutes from the meeting on 24 August 2023

Chair of Scottish Health Council

Verbal

Approved minutes available at website link to other Committee minutes.

4.7. Staff Governance Committee: key points from the meeting on 1 November 2023; approved minutes from the meeting on 9 August 2023

Committee Chair

Paper

📄 Item 4.7 SGC Key Points.pdf (1 pages)

4.8. Succession Planning Committee: key points from the meeting on 10 October 2023; approved minutes from the meeting on 15 March 2023

Committee Chair

Paper

📄 Item 4.8 SPC Key Points.pdf (1 pages)

11:30 - 11:35
5 min

5. ANY OTHER BUSINESS

11:35 - 11:35
0 min

6. DATE OF NEXT MEETING

Next meeting will be held on 27 March 2024

Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Register of Interests**
Agenda item:	**1.2**
Responsible Executive/Non-Executive:	**Angela Moodie, Director of Finance, Planning and Governance**
Report Author:	**Pauline Symaniak, Governance Manager**
Purpose of paper:	**Decision**

1.   Situation

The Register of Interests for Board Members and senior staff members within HIS requires appropriate scrutiny and is presented to each Board meeting for that purpose.

2.   Background

Non-Executive Directors have a responsibility to comply with the HIS Code of Conduct which mirrors the Standards Commission Model Code of Conduct for Members of Devolved Bodies. This requires that declarations of interests are made and that these are held on a central Register of Interests which is published on the website. This Register must also show all interests declared by Non-Executive Directors during the period of their appointment.

The Code of Conduct requires Non-Executive Directors to review their entries in the Register of Interests and confirm compliance with the Code. They have a responsibility to notify any change to their entry within one month of it occurring. Please notify changes through the Board Admin email address **HIS.BoardAdmin@nhs.scot**.

3.   Assessment

The current Register of Interests on the website was considered by the Board at its meeting on 27 September 2023. Since that date the changes noted below

have been made and will be reflected in the version published on the website once considered by the Board at its meeting on 6 December 2023:

- Jackie Brock – appointment ended on 30 September 2023 and entry removed from the Register.
- Nikki Maran – appointment commenced on 2 October 2023 and the following entry will be added to the Register:

Category	Interest	Date
8	Fellow of Royal College of Anaesthetists (retired)	10/10/23 to present
8	Fellow of Royal College of Surgeons of Edinburgh (Ad Eunum)	10/10/23 to present
8	General Medical Council Specialist medical register (anaesthesia)	10/10/23 to present
9	Son is radiology trainee on South East Scotland regional training scheme	10/10/23 to present
9	Daughter-in-law is paediatric trainee on South East Scotland Regional training scheme	10/10/23 to present
9	Brother is dentist working in Dental Institute (NHS Lothian) and owner of private dental practice in Edinburgh	10/10/23 to present

Assessment considerations

Quality/ Care	The Register of Interests is one means of preventing bribery and corruption. This ensures that strategic decisions made about the services delivered and their quality, are taken on the basis of securing the best outcomes for stakeholders.
Resource Implications	There are no direct financial impacts as a result of this paper. The Register ensures transparency in financial decisions.
	The Register of Interests is one way that we ensure transparency in decision making. This supports an open culture in the organisation which in turn promotes staff wellbeing.
Risk Management	There are no risks in respect of the Register recorded on the risk database. The Register is scrutinised at Board meetings and is presented within the Annual Report and Accounts. In addition, at the start of Board and Committee meetings, the Chair will remind members to declare any interests relevant to the discussions. These steps reduce the risk that the Register will be inaccurate or not fulfil its purpose.
Equality and Diversity, including health inequalities	There are no additional impacts. The Register is part of good corporate governance which supports the best outcomes for stakeholders.
Communication, involvement,	The Register was last considered by the Board at its meeting on 27 September 2023. The Register is available on the

engagement and consultation	website and is updated quarterly once it has been considered at the Board meeting.

4 Recommendation

The Board is asked to scrutinise the Register of Interests and the changes reported, and approve these for publication on the website.

MINUTES – Draft

Public Meeting of the Board of Healthcare Improvement Scotland
Date: 27 September 2023
Time: 12.45
Venue: Delta House, Glasgow/MS Teams

Present
Carole Wilkinson, Chair
Abhishek Agarwal, Non-executive Director
Jackie Brock, Non-executive Director
Keith Charters, Non-executive Director
Suzanne Dawson, Non-executive Director/Chair of the Scottish Health Council
Gill Graham, Non-executive Director
Nicola Hanssen, Non-executive Director
Judith Kilbee, Non-executive Director
Evelyn McPhail, Non-executive Director
Doug Moodie, Chair of the Care Inspectorate
Robbie Pearson, Chief Executive
Michelle Rogers, Non-executive Director
Duncan Service, Non-executive Director
Rob Tinlin, Non-executive Director

In Attendance
Lynsey Cleland, Director of Quality Assurance and Regulation
Ann Gow, Deputy Chief Executive/Director of Nursing and System Improvement
Ben Hall, Head of Communications
Laura Liddle, Associate Director of Workforce
Tony McGowan, Associate Director of Community Engagement
Angela Moodie, Director of Finance, Planning and Governance
Lynda Nicholson, Head of Corporate Development
Safia Qureshi, Director of Evidence and Digital
Simon Watson, Medical Director/Director of Safety

Apologies
Sybil Canavan, Director of Workforce
Clare Morrison, Director of Community Engagement and Redesign

Board Support
Pauline Symaniak, Governance Manager

Declaration of Interests
Declaration(s) of interests raised are recorded in the details of the minute.

Registerable Interests

All Board members and senior staff are required to review regularly and advise of any updates to their registerable interests within one month of the change taking place. The register is available on the Healthcare Improvement Scotland website.

1.	**OPENING BUSINESS**	<u>**ACTION**</u>
1.1	**Chair's welcome and apologies**	
	The Chair opened the public meeting of the Board by extending a warm welcome to all in attendance including those in the public gallery, including Dr Nikki Maran who was observing today ahead of her appointment on the HIS Board commencing on 2 October 2023. Apologies were noted as above.	
1.2	**Register of Interests**	
	The Chair asked the Board to note the importance of the accuracy of the Register of Interests and that changes for the register must be provided to the Planning and Governance Office within one month of them occurring. Any interests should be declared that may arise during the course of the meeting. The register was approved for publication on the website.	
1.3	**Minutes of the Public Board meeting held on 28 June 2023**	
	The minutes of the meeting held on 28 June 2023 were accepted as an accurate record. There were no matters arising.	
1.4	**Action points from the Public Board meeting on 28 June 2023**	
	The action point register was reviewed and it was noted that both actions were complete.	
1.5	**Chair's Report**	

	The Board received a report from the Chair updating them on recent strategic developments, governance matters and stakeholder engagement. The Chair highlighted the following:
	   a) The recruitment to the Board vacancy is complete and Nikki Maran has been appointed. Approval is sought from the Board for the appointment of Gill Graham as interim Vice Chair of the Quality and Performance Committee; for Judith Kilbee to join the Audit and Risk Committee; and for Nikki Maran to join the Quality and Performance Committee.
	   b) A review of Committee membership will be undertaken in the new year to ensure skills and experience are appropriately matched.
	   c) The meeting with the Cabinet Secretary for NHS Recovery, Health and Social Care was held the previous day. The focus of the discussion was patient safety including the Scottish Patient Safety Programme but also covered scrutiny and regulation, in particular in relation to primary care.
	
	The Chief Executive added that the Cabinet Secretary also recognised the expertise within our network of safety fellows and asked how this might be better mobilised. The Chair will raise this with the NHS Board Chairs group.
	
	In response to a question from the Board about the update received at the August Board seminar on reinforced autoclaved aerated concrete, it was noted that the problems associated with this were now widely broadcast. Alongside this, there have been updates on various aspects of infrastructure investment.	

	The Board noted the report and were assured by the activities set out. They approved the proposals related to Committee membership.		
1.6	**Executive Report**		
	The Board received a report from the Chief Executive and the Executive Team providing information on key operational developments.

The Chief Executive highlighted the following points:
  a) The report follows a new format and thanks are extended to the Planning and Governance Team for its development.
  b) Two associate directors have been appointed – Tony McGowan for Community Engagement and Dr Lucy McCracken as Associate Medical Director.
  c) The Scottish Health Technologies Group evidence review on multidisciplinary team working in primary care was published in July and was well received in primary care and Scottish Government. It's an excellent example of evidence informed decision making and the organisation's responsiveness.
  d) The Independent Review of Inspection, Scrutiny and Regulation led by Dame Sue Bruce published its report that day. It is a high level report and the implications for HIS will be worked through. The report will be circulated to the Board.
  e) The Director of Evidence and Digital has been invited to chair the Scottish Strategic Network for Diagnostics Steering Group. It is a challenging role and excellent recognition.

In response to questions from the Board, the Chief Executive and Executive Team provided the following additional information:
  f) Regarding the Anchors Strategic Plan, it doesn't naturally fit with a national Board but HIS is managing it as part of the Annual Delivery Plan. In relation to procurement, HIS aligns to the national framework and works closely with the Scottish Ambulance Service. Therefore robust processes can be demonstrated in this area. Similarly, HIS has robust processes related to governance including the performance report. The origins of the plan are linked to the Health Foundation report on community wealth building.
  g) Digital capacity is being impacted by the response to the Network and Information Systems Regulations audit. However, there is a move to using more Microsoft tools and upskilling of staff. This needs to be built into the Workforce Plan and digital strategies.
  h) The risk of the current website crashing is relatively high and the impact is catastrophic. The copy of the website being built is an archive copy which is static and an emergency solution while a functional interim website is built. Options are being explored with National Services Scotland that could allow the interim website to become the new corporate website, taking into account functionality and costs. An update on the website will be provided to the next Audit and Risk Committee meeting.
  i) HIS Campus has a representative from each directorate but needs more resource to deliver development work. This could come from the One Team approach.
  j) The Director of Community Engagement and Redesign has been asked to take on a director lead role for the Co-design and Service Improvement Enabler in Scottish Government's Care and Wellbeing Portfolio. There is no additional resource attached to | **Governance Manager**

Head of Communic-ations | |

	this role and the role has not been defined as yet. However, it affords a good opportunity to influence thinking on community engagement. k) Regarding organisational change, the consultation concluded over summer and the outcomes were reported to the Governance Chairs' meeting on 1 August. Agenda for Change processes are now being delivered related to grading of posts and practical implementation of structures. There are some challenges related to this and therefore it is not possible to state a formal timeline for completion. The Board examined in detail the report from the Executive Team and the additional information provided above, and were assured by the information reported. They welcomed the new format of the report.	
2.	**SETTING THE DIRECTION**	
2.1	**Winter Planning and Resilience**	

	The Deputy Chief Executive/Director of Nursing and System Improvement and the Medical Director/Director of Safety provided a paper and highlighted the following points:
	   a) Winter has always been a time of increased pressures on the health and care system but this has been amplified since the pandemic due to staff turnover, higher waiting lists, problems with workforce supply and exacerbations of long term conditions.
	   b) The HIS response is covered by several programmes of our work such as Hospital at Home, Access QI but also includes actions such as altering programmes of work, reducing engagement with the system and spreading learning. This is while providing ongoing assurance of the safety and quality of care.
	   c) HIS can also help with clinical governance issues, for example, assisting Boards to learn from adverse events.
	   d) HIS is also developing a robust system for identifying and taking action on safety concerns.
	
	In response to questions from the Board, it was advised in relation to care across the whole system that the next Quality and Performance Committee meeting will receive an update on sharing intelligence. The input from the Care Inspectorate to this work has been very helpful. In the system, Nurse Directors have responsibility for the quality of care in care homes and improvement staff work closely with social care colleagues.
	
	Gill Graham, Non-executive Director, provided an update from the Winter Summit she attended on behalf of the Chair. It covered the whole of the health and social care system, and recognised the challenges within each part of that.
	
	The Board considered the update and were content with the responses to winter pressures that were set out.	

2.2	**Assurance of Patient Safety in the wake of the Lucy Letby Verdict**	
	The Director of Quality Assurance and Regulation provided a paper setting out relevant aspects for the organisation based on what is known to date from the Letby case. She highlighted the following: a) The full implications of the case are not known as this will need to await the public inquiry. However, a review of HIS programmes is	

	underway to ensure that delivery of our statutory duties in relation to safety remains robust.	
	b) The paper sets out a range of HIS programme that monitor the quality and safety of care including Responding to Concerns, Sharing Intelligence for Health and Care, and inspections. This information has also been provided to the Cabinet Secretary in response to his letter to all Boards on the matter.	
	c) There will be a review of current systems as well as benchmarking and a table top exercise will be held that week to identify any gaps. The work will be informed by any emerging information from the case or the subsequent inquiry.	
	In response to questions from the Board, the following additional information was provided:	
	d) Scottish Government have established a quality and safety board in response to the case. While terms of reference are not available yet, there will be links with the Patient Safety Commissioner (PSC) once in place. The PSC Bill is expected to be published shortly but some detail needs to be worked out especially in relation to investigation of recurring themes.	
	e) The table top exercise involves a broad range of colleagues across HIS from multiple programmes of work. The work will initially consider where HIS would have identified concerns and how we would have responded. It will also consider what changes may be required in light of the case. Many of our programmes and processes were designed in response to previous high profile cases with similarities to the Letby case.	
	f) Part of the review will be examining all the separate sources of intelligence available to HIS and how they act together.	
	The Board examined the information provided and were content that a robust review was underway.	
3.	**ASSESSING RISK**	
3.1	**Risk Management: strategic risks**	
	The Board received a report on the current status of risks on the strategic risk register from the Director of Finance, Planning and Governance. The following points were highlighted:	
	a) There are currently 14 strategic risks on the register.	
	b) Three new risks have been added covering organisational change, compliance with the covid inquiries and the website issues.	
	c) Seven risks are out of appetite and the paper focuses on these risks.	
	d) The risks with the highest residual scores are cyber security and service change.	
	The Board welcomed the improvements in risk reporting but noted that a cross-reference to risk numbers would be helpful in the table detailing out of appetite risks and that consistency in the narrative would also be helpful.	
	The Chair of the Executive Remuneration Committee advised the Board this this Committee does not manage risks but it does maintain an issues register. This is not routinely shared due to confidentiality. However, there	

	are two issues which it is important for the Board to be aware of relating to discrepancies in pay grades across the pay systems resulting in possible recruitment and retention issues, and the range of pressures on senior leaders. Once the issues register has been refreshed, it will be shared with the Board.	**Director of Workforce**

	In response questions from the Board, the following additional information was provided:
	    e) Regarding assurance of appropriate activity to mitigate risks between Board meetings, it was advised that there is a robust process in place which aligns to the Risk Management Strategy and involves review by the Executive Team and Audit and Risk Committee. This process will be discussed further with the Audit and Risk Committee.
	    f) Regarding the risk related to independent healthcare and whether the risk response should be to transfer it to Scottish Government, it was advised that discussions are ongoing with Scottish Government about the regulatory framework and the range of HIS' powers.
	
	The Board considered the strategic risk register and, subject to the comments above, gained assurance that the risks presented were being effectively treated, tolerated or eliminated.
		Director of Finance, Planning and Governance

4.	**HOLDING TO ACCOUNT – including FINANCE AND RESOURCE**	
4.1	**Organisational Performance Report**	
4.1.1	**Quarter 1 Performance Report**	

	The Director of Finance, Planning and Governance provided the performance report and highlighted the following:
	    a) This is the first quarter of delivering against the new five-year strategy and good progress has been made.
	    b) Of the key performance indicators, 16 are on track and six are behind. In relation to the work programme, 80% is on track and 20% is behind, largely due to capacity in the system.
	    c) The Annual Delivery Plan was submitted to Scottish Government in June and will be reported on as at the end of September.
	    d) Two value for money reviews were provided as part of the full performance report to the Quality and Performance Committee. They welcomed this addition and requested more information on outcomes in future reports. A summary of the Committee's discussion is included in the paper.
	    e) New commissions under consideration represent a large volume of work.
	
	In response to questions from the Board, the following information was provided:
	    f) The majority of new commissions are considered but the ones that are declined are those that are generally more suited to other organisations to deliver. This has not changed as a result of the new organisational strategy.
	    g) Regarding the disruption caused by organisational change noted in the paper, this is caused by small numbers of staff moving post but also by the inability to replace staff as recruitment is paused during organisational change. So the effect is a reduction in capacity. A check will be made of the position as the workforce reports indicates a reduction in staff turnover.
		Associate Director of Workforce

	The Board scrutinised the performance report and were content with the progress set out.	
4.1.2	**Financial Performance Report**	
	The Director of Finance, Planning and Governance provided a new format of report setting out the financial position as at the end of P5 and highlighted the following points: a) The Audit and Risk Committee received a financial report as at the end of P4 but the position was similar. b) There is an underspend of £800k which is 5% of the budget. This is being driven by lower pay costs due to a lower headcount than budgeted. The forecast at the end of March is a £500k underspend which is 1.2% of the budget and just over the tolerance of 1%. This is the forecast after redirecting funds to cyber security, eRostering and the 5% savings target. c) Savings to date total £1m and we are on target to achieve £2m of savings. d) Regarding additional allocations, £9m were expected though this figure was revised to £8.5m. To date only 50% of this has been received and the risk profile for this is increasing. e) A significant number of new commissions are being considered totalling £1.1m for this year alone and there is risk associated with delivery of these. f) If it is likely that HIS will return funds to Scottish Government then this needs to be done by the end of December 2023, therefore the next three months will need careful planning especially on additional allocations and new commissions. g) The integrated planning cycle for 2024-25 is about to commence. In response to questions from the Board, the following additional information was provided: h) The risk of not receiving the outstanding additional allocations is low but there is a risk of the amount being cut and a chance that more than 5% savings will be requested by Scottish Government. The projects affected will continue as it is not likely to be a removal of funding for one project, rather a cut in funds across all of them. i) Regarding the different funds for process mapping and redesign, this is due to these sitting under different work streams. Once organisational change has been implemented, this will be reviewed. j) The transfer of budgets in relation to the movement of ihub portfolios is set out at a high level and details the budgets agreed at the start of the year. The three ihub portfolio budgets have been moved to their new directorates' budgets. Board approval is required for this due the level of the budgets being greater than £500K, a requirement set out in the Standing Financial Instructions. The Board scrutinised the financial report and were content with the position reported. The Board approved the movement of the ihub budgets to the new directorates.	
4.1.3	**Workforce Report**	
	The Associate Director of Workforce took the meeting through the	

	summary workforce report and highlighted the following points:
	    a) The headcount at the end of August 2023 is 560.
	    b) The staff turnover rate is 4.9% which is lower than the same time last year.
	    c) The sickness absence rate is 3.4% which is an increase. The most common reason is anxiety, stress and depression.
	    d) There were 71 new recruitment campaigns.
	
	In response to a question from the Board about the increasing absence rate, it was advised that this will be kept under review. It is difficult to identify what is work related and what is not work related but individual cases are monitored closely. A number of staff have started phased returns. Support available includes the Occupational Health Service, signposting, ongoing conversations and phased returns.
	
	The Chair of the Staff Governance Committee advised that the Committee will examine staff absence at its next meeting.
	
	Having scrutinised the report and subject to the clarification provided above, the Board were assured by the workforce information set out.	

4.2	**Business Case - Mental Health Standards Implementation Support**	

	Diana Hekerem, Associate Director of Transformational Redesign Support, joined the meeting for this item.
	
	The Associate Director presented this business and highlighted the following points:
	    a) HIS has been asked to provide support to the implementation phase of the core mental health standards and the psychological therapies and interventions specification.
	    b) Implementation of the mental health standards is a key strategic priority for Scottish Government due to increasing demand on mental health services. The work aligns to HIS' key delivery area of mental health.
	    c) HIS will be involved in developing and piloting self-assessment tools and in the national learning system to support local areas to implement the standards.
	    d) The deliverables by HIS have been very clearly set out.
	    e) Due to the overall costs spanning several years being greater than £500K, approval of the business case is required by the Board as set out in the Standing Financial Instructions.
	
	In response to questions from the Board, the following additional points were provided:
	    f) In terms of receiving funds, all other mental health commissions have been received and Scottish Government has given an assurance that the programme will be funded.
	    g) There is specific provision in the budget for supporting lived and living experience. As well as this, the work will sit in the new directorate of Community Engagement and Redesign which will ensure additional expertise in this area is available. A review is underway of how people with lived and living experience are remunerated for their contribution.
	    h) Regarding system capacity and monitoring the standards, the standards belong to Scottish Government so they have responsibility for this. The capacity in the system is currently	

	stretched but there are already strong links with clinical expertise and implementation will consider the capacity of the system. The Board considered the business case provided and approved it.	
5.	**ENGAGING STAKEHOLDERS**	
5.1	**Death Certification Review Service Annual Report**	

	George Fernie, Senior Medical Reviewer, joined the meeting for this item.
	
	The Senior Medical Reviewer provided the annual report and highlighted the following:
	   a) There is a statutory requirement to produce the annual report and in a specific format. However, the aim has been to make it as accessible as possible.
	   b) The service returned to business as usual after the pandemic on 7 March 2022 but subsequently influenza, norovirus and covid increased and the random sampling rate was varied to reduce pressure on the health and care system.
	   c) During the period of the report clinical access to portals was improved. There was also work with NHS Boards to reduce the number of clinical and administrative errors on death certificates and to continue to improve appropriate reporting of deaths to the Procurator Fiscal.
	   d) The report includes a poster aimed at reducing common errors and a pictorial representation of the journey of a death certificate.
	   e) There has been a sustained improvement in performance but a higher breach rate due to unavailability of certifying doctors.
	
	The Board thanked the Senior Medical Reviewer and his team for the report and approved it for publication.	

5.2	**Communications Strategy Update**	

	Communications Managers Victoria Edmund, Kim Tooke and Stephen Ferguson joined the meeting for this item.
	
	The Head of Communications and the Communications Managers delivered a presentation that covered the following areas:
	   a) The value added by good corporate communications and the overall goals of internal communications.
	   b) The impact of recent internal communications approaches and future plans.
	   c) An update on work to improve media relations, the future development of the HIS podcast, the latest position with the HIS website redevelopment project and information about the branding refresh.
	
	In response to a question from the Board about measuring the success of the podcast, it was advised that the number of listeners gives an indication but every episode has a different audience relevant to the topic. Plans to reduce the podcast frequency will enable improvement in the approach and publicity for each episode. There is more work to do to understand and measure the impact of the podcast.
	
	The Board thanked the Communications Team for the presentation and noted the update.	

6.	**GOVERNANCE**	
6.1	**Schedule of Board and Committee Meeting Dates 2024-25**	
	The Director of Finance, Planning and Governance provided a draft schedule for Board and Committee meetings for 2024-25. The Board approved the schedule.	
6.2	**Governance Committee Chairs: key points from the meeting on 1 August 2023**	
	Due to lack of time, these key points and the Committee key points and minutes were taken as noted subject to the comments made below.	
6.3	**Audit and Risk Committee: key points from the meeting on 6 September 2023; approved minutes from the meeting on 20 June 2023**	
	The key points and minutes were noted. An error in the paper was highlighted where one key point was title eRostering but should have been One Team.	
6.4	**Quality and Performance Committee: key points from the meeting on 23 August 2023; approved minutes from the meeting on 17 May 2023**	
	The key points and minutes were noted.	
6.5	**Scottish Health Council: key points from the meeting on 24 August 2023; approved minutes from the meeting on 25 May 2023**	
	The key points and minutes were noted.	
6.6	**Staff Governance Committee: key points from the meeting on 9 August 2023; approved minutes from the meeting on 3 May 2023**	
	The key points and minutes were noted. The Committee Chair drew the Board's attention to the information about the approval of the Modern Slavery Statement.	
6.7	**Succession Planning Committee: next meeting 10 October 2023**	
	The date of the next meeting was noted.	
7.	**ANY OTHER BUSINESS**	
7.1	The Chair asked the Board to note that this is the last meeting for Board Member, Jackie Brock who completes her appointment on 30 September 2023. On behalf of the Board, the Chair extended thanks for her significant contribution during the eight years of her appointment and for her agreement to undertake a six months extension due to an unexpected Board vacancy.	

8.	**DATE OF NEXT MEETING**	
8.1	The next meeting will be held on 6 December 2023. Members of the press and public were excluded from the remainder of the meeting due to the confidential nature of the business to be transacted, disclosure of which would be prejudicial to the public interest.	
	Name of person presiding: Carole Wilkinson Signature of person presiding: Date:	

File Name: 20230927 board mins pub
Produced by: PS
Version: 0.1
Page: 11 of 11
Date: 27/9/23
Review date:

14/82

DRAFT ACTION POINT REGISTER

Meeting: Healthcare Improvement Scotland Public Board Meeting
Date: 27 September 2023

Minute ref	Heading	Action point	Timeline	Lead officer	Status
1.6	Executive Report	The report of the Independent Review of Inspection, Scrutiny and Regulation to be circulated to the Board.	Immediate	Governance Manager	Complete – circulated on 6 October 2023.
		Update on the website to be provided to the next Audit and Risk Committee meeting.	29 November 2023	Head of Communications	Complete – on agenda for Audit and Risk Committee meeting on 29 November 2023.
3.1	Risk Management: strategic risks	Executive Remuneration Committee issues register to be shared with the Board once it has been refreshed.	6 December 2023	Director of Workforce	Ongoing – further version of revised register to be discussed at the Executive Remuneration Committee on 5 December 2023.
		The provision of assurance of appropriate activity to mitigate risks between Board meetings to be discussed further with the Audit and Risk Committee.	29 November 2023	Director of Finance, Planning and Governance	Complete – covered in risk management item at the Audit and Risk Committee meeting on 29 November 2023.
4.1.1	Quarter 1 Performance Report	Comparison to be made regarding feedback of increased staff turnover as a result of organisational change versus the information in the workforce report indicating a reduction in staff turnover.	6 December 2023	Associate Director of Workforce	Complete – data on leavers, exit interviews, reasons for leaving reviewed and no marked increase in turnover across the two directorates experiencing organisational change. High number of vacancies being held for organisational change process which may have impacted delivery.

SUBJECT: Chair's Report

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1. Purpose of the Report
This report provides the Healthcare Improvement Scotland (HIS) Board with an update on key strategic and governance issues.

2. Recommendation
The HIS Board is asked to:
- receive and note the content of the report.

3. Strategic Issues

a) NHS Scotland Board Chairs Group
Since my report to the September Board meeting, the Chairs have met formally on 23 October and 20 November 2023. The October meeting discussed Global Citizenship, national and regional planning, and prisoner healthcare while the November meeting focussed on next steps in relation to key outputs from the Chairs' development days in September.

The Board Chairs group met with the Cabinet Secretary for NHS Recovery, Health and Social Care on 23 October 2023. This meeting covered NHS recovery and performance, quality assurance in light of the Letby case and undertook a deep dive into primary care.

I continue to attend the fortnightly informal meetings for the National Board Chairs.

b) Succession Planning for NHS Board Chairs
The first cohort of the Aspiring Chairs programme is in its latter stages with the programme ending in January 2024. A second cohort will be delivered in 2024-25. The programme aims to support applicants to move from Non-executive Director positions into Board Chair positions. I continue to act as Chair of the Advisory Panel and along with our Governance Manager, to support the participant assigned to us as host Board as they undertake a programme of activities and mentoring to meet their development goals. My intention is to volunteer HIS as a host Board for the second cohort as well.

4. Stakeholder Engagement

Joint Engagement with the Chief Executive

a) Engagement with Staff
The Chief Executive and I continue to share key developments about the organisation and its governance at the monthly all staff huddles. We also

continue to hold informal meetings with groups of staff who are new to the organisation. The latest of these was on 13 November 2023 where we received very positive feedback about colleagues' experience in joining HIS.

Other Engagement

b) **General Medical Council (GMC)**
I attended the GMC Symposium in London on 22 November 2023. The opening keynote address was delivered by Professor Dame Carrie MacEwen, Chair of the GMC, and the rest of the day covered leading change for healthcare leaders, inclusive working and training environments, and induction and training for doctors. There was a great deal of focus on the health and wellbeing of doctors, particularly trainees, and on the experiences of doctors from minority ethnic groups, linking this to the delivery of safe care.

c) **Community Engagement and System Redesign Directorate All Staff Event**
I was delighted to attend this in-person event on 28 November 2023 and to co-host the first half of the day with the Chair of the Scottish Health Council. The aim of the event was to create a shared understanding of the values and future direction of the new directorate. The staff present welcomed the opportunity to meet in person and commented for many of them they were meeting colleagues face to face for the first time, particularly those joining the directorate from system redesign. I thought there was a real buzz in the room and a willingness to participate and engage.

5. **Our Governance**

a) **HIS Annual Review**
The HIS Annual Review was held on 21 November 2023. Although non-Ministerial this year, it was a public event held in-person at our office in Delta House, Glasgow with many people also joining virtually. The Chief Executive, the Chair of the Scottish Health Council and I delivered a presentation covering progress and achievements in 2022-23 as well as looking forward. We then heard feedback from the Co-Chairs of the Clinical and Care Staff Forum and from the Employee Director who talked about the Partnership Forum. Finally a question and answer session was chaired by Jason Leitch, National Clinical Director, Scottish Government, and featured questions from external guest reviewers as well as the audience. Our reviewers were John Burns, Chief Operating Officer for NHS Scotland, Eddie Docherty, Director for Nurses, Midwives and the Allied Health Professions in NHS Lanarkshire and Nicola Cotter, Head of the General Medical Council Scotland. Questions covered the Patient Safety Commissioner, Healthcare Staffing Programme, Sharing Health and Care Intelligence Network, health inequalities, workforce wellbeing and development, and the HIS contribution to the key challenges facing the NHS over the next few years.

b) Blueprint for Good Governance Self-assessment
The self-assessment is a national exercise being undertaken in every NHS Board. The HIS Board and Executive Team have completed the self-assessment survey and a facilitated session will be held on 6 December 2023 to use the key themes from the survey to agree a development plan. The plan will be submitted to Scottish Government in early 2024.

c) Non-executive Directors
The single Board vacancy has been filled with the appointment of Nikki Maran from 2 October 2023. At its meeting on 27 September 2023, the Board approved her appointment to the Quality and Performance Committee. Mid-year reviews are in progress with the Non-executive Board members.

d) Board Development
A Board deep dive session was held on 31 October 2023 to consider our work in Responding to Concerns, Adverse Events and the Sharing Health and Care Intelligence Network. We received a presentation describing the three programmes and how they are supporting delivery of HIS' strategic priorities while demonstrating a One Team approach. We noted the Adverse Events Framework, that Responding to Concerns is supported by an Internal Assessment Group which brings expertise from across the organisation, and that the Sharing Health and Care Intelligence Network had expanded to include more national organisations and professional regulators.

Carole Wilkinson
Chair, Healthcare Improvement Scotland

| File Name : item 1.5 chair's report | Version: 0.1 | Date: 6/12/23 |
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EXECUTIVE REPORT TO THE BOARD – DECEMBER 2023

PURPOSE OF THE REPORT

This report from the Chief Executive and Directors is intended to provide the Healthcare Improvement Scotland (HIS) Board with information on key developments, including achievements, challenges and external engagement. In line with HIS' Strategy 2023-28 and specifically the 'One Team' approach, the structure of the report has been reviewed. Moving away from a Directorate specific approach, the content of the report is as follows:

In addition to keeping the Board up to date with organisational developments, the content is intended to provide information on our stakeholder engagement and how we are working with delivery partners – key aspects of our strategic approach.

RECOMMENDATION

The HIS Board is asked to note the content of this report.

1. REPORT FROM CHIEF EXECUTIVE

Assuring Patient Safety in the wake of the Letby Verdict

Following the Board paper in September 2023, we have been undertaking work to review our statutory functions and existing governance arrangements for assuring safety and quality of care based on the information known to date about the Letby case.

Work so far has included mapping our national assurance, improvement, evidence, and engagement functions against available information. We have undertaken a table-top exercise with senior staff from across the organisation to begin to assess the implications of the case for our work and identify any potential gaps we may have in effectively identifying and responding to potentials signals of failure in safety and quality of care. Emergent themes have been identified and there will be ongoing

consideration of the key implications of this case for all aspects of HIS' work and governance processes over the coming months.

In addition, Lady Justice Thirlwall has been appointed as chair of the statutory inquiry into the circumstances surrounding the crimes of Letby. The terms of reference for the Thirlwall Inquiry were published on 19 October Thirlwall Inquiry: terms of reference - GOV.UK (www.gov.uk). We will be following the developments relating to this inquiry and any parallel considerations it may raise for us and our work.

The Scottish Intercollegiate Guidelines Network (SIGN) celebrated its 30th anniversary at an in person event at the Royal College of Physicians of Edinburgh on September 19th - SIGN@30. The event was a great success, with almost 200 people attending. It was a great opportunity to celebrate SIGN's achievements and discuss the future shape of national guidelines for Scotland. Both Professor Jason Leitch and Professor Sir Gregor Smith spoke at the event. The audience was overwhelmingly in favour of a future role for SIGN.

Jane Davies Person Centred Care Award - 18 nominations received**.** Nominations to be shortlisted (including input from Jane's family), with a winner announced in early 2024.

I have been asked to join the **Edinburgh Medical School Curriculum Steering Committee**. The primary aim of the steering committee is to guide and oversee the transformation of the undergraduate Bachelor of Medicine, Bachelor of Surgery (MBChB) program curriculum, ensuring it meets current educational and professional standards, healthcare needs, and prepares graduates for future challenges in medicine.

I have nominated Safia Qureshi to join new **NHS Scotland Strategic Planning Board**. The NHS Scotland Strategic Planning Board, (NHSS SPB) will oversee significant change in the way services are planned, organised, delivered and funded, by strengthening national and regional planning. The group will deliver capability through the recommendations of the National and Regional Planning and Delivery Short Life Working Group, and support national decision-making alongside local delivery, through developing: a single coherent planning framework; strong national and regional planning capability, governance and collaboration; and strong network/collaborative models which stem across national, regional and local service provision, enabling greater connections across the national system. Safia will continue to ensure that the decisions of the Planning Board are guided and informed by evidence.

The **Chief Medical Officer for Scotland** recently established a Senior Medical Advisory Forum to support the delivery of the key national priorities and to provide medical advice to him. I am delighted to advise that Simon Watson has been invited to be vice-chair of the group going forward. This is important recognition of Simon's national contribution, skills and experience.

Long Service Awards Event - A planning group has been established to arrange an All Staff Event which will incorporate Long Service Awards and other award categories which will align with our Strategy. This will be a good opportunity for all staff to come together in person. It is proposed that the event will be held in a central location in late May 2024.

The **New Directorates** have been operating for three months. We are continuing to work through a programme of redesign and development but wanted to acknowledge the positive engagement from staff during this time of change and the focus on continuing to deliver on our priorities.

I attended the **Scottish Health Service Awards** on 2 November in my capacity as part of the judging panel.

I attended the **General Medical Council (GMC) UK Advisory Forum** on 12 October, which was an opportunity to share examples of how the service, HIS, other national bodies and the GMC can better collaborate on key challenges.

Complaints Update

The purpose of this section of the report is to update the Board on complaints relating to the work of Healthcare Improvement Scotland.

The tables below highlight HIS Complaints position in the year to date:

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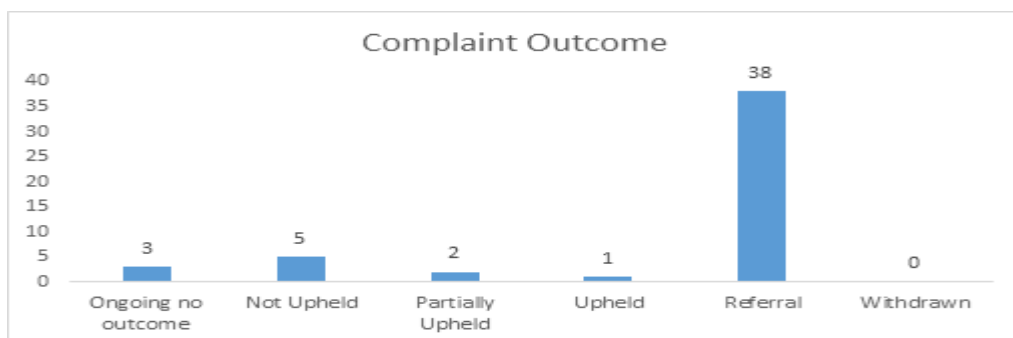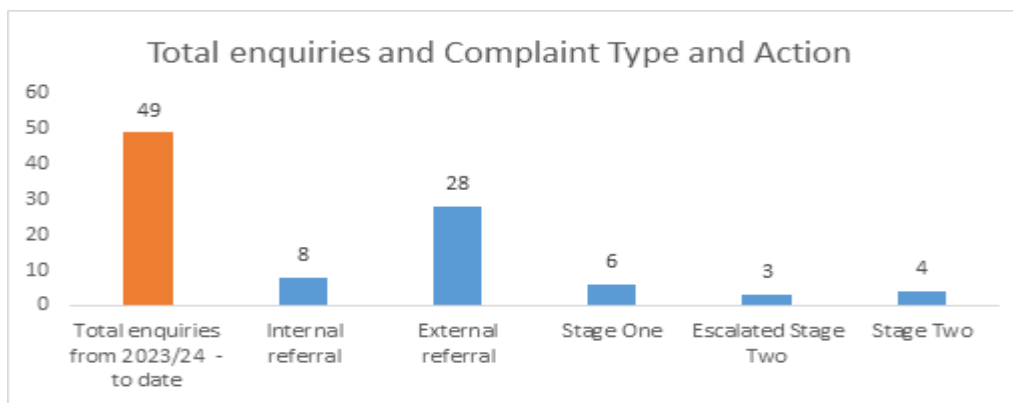
In the period 1 September 2023 to 31 October 2023 the complaints team received 18 inquires of which 4 were taken forward as complaints against HIS. These 4 complaints relate to:

- The provision of timeous information by the Death Certification Review Service. This complaint was upheld.
- A perceived conflict in the advice provided and remit of Independent Healthcare Inspections. This complaint was not upheld.
- A complaint regarding a request of a refund of fees from the Independent Healthcare Team. This has been resolved and the complaint was not upheld.
- A complaint regarding the inspection process of the Independent Healthcare Team. An outcome for this complaint is yet to be confirmed.

2. ACHIEVEMENTS

A Safer NHS

For **World Patient Safety Day**, 11 programmes of work from across the organisation were highlighted, demonstrating the value of listening to patients and the public, in relation to increased patient safety outcomes. Promotion of the day included a podcast, a special edition of eNews, blogs, media outreach (securing five pieces of coverage) and our all-staff huddle.

The HIS Healthcare Staffing Programme (HSP) have launched the Critical Care and High Dependency Real Time Staffing resource on the TURAS platform to aid real time staffing decision-making and risk management in line with the requirements of the Health and Care (Staffing) (Scotland) Act 2019. In addition, the HSP have released a suite of educational resources to accompany the Health and Care (Staffing) (Scotland) Act 2019 guidance chapters which have been positively received by stakeholders.

Scottish Patient Safety Programme (SPSP) Acute Adult Programme breakthrough series collaborative continues to generate improvement with seven hospitals across NHS Scotland demonstrating a reduction in falls and four with a reduction in falls with harm.

Scottish Patient Safety Programme Paediatrics Programme concluded an extensive period of co-design of the future programme content resulting in the launch of the SPSP Paediatric Collaborative on 20 September 2023 with 12 NHS Boards participating.

The Scottish Patient Safety Programme Perinatal programme concluded an extensive period of co-design of the future programme content resulting in the launch of the SPSP Perinatal Collaborative on 7 November 2023 with 13 NHS Boards participating.
The programme priorities are:
- Reduction in stillbirth
- Understanding and addressing the variation in caesarean section rate
- Improving the recognition, response, and review of the deteriorating woman / birthing person

- Reduction in neonatal mortality and morbidity

Safety Network Intelligence - A subgroup of the Safety Network has been established to develop a new process for identifying, gathering, and analysing safety intelligence within HIS programmes of work. This subgroup is due to meet in late November 2023 to consolidate wider progress to date in intelligence gathering processes, which will be used as a springboard for a new procedure for the management of all information in relation to safety in health and care. This new process will be shared with the Quality and Performance Committee in due course.

Ayrshire & Arran Follow-up Inspection - An unannounced Safe Delivery of Care Inspection of University Hospital Crosshouse, NHS Ayrshire & Arran in May 2022 resulted in a number of serious patient safety concerns being raised under level 1 of our formal escalation process: Healthcare Improvement Scotland and Scottish Government: Operating Framework, with a total of 13 requirements made to the NHS board. Following the quality and safety concerns identified during this inspection, HIS was commissioned to provide improvement support to NHS Ayrshire & Arran (NHS A&A) drawing on relevant expertise from across the organisation, including the SPSP Acute Care, Excellence in Care and the HSP.

We returned to carry out an unannounced follow-up inspection of University Hospital Crosshouse in July 2023. The purpose of this follow-up inspection was to assess progress made against the actions contained within NHS A&A improvement action plan and the serious patient safety concerns raised through our formal escalation process. In parallel to this follow-up inspection, we also carried out an additional focused inspection of University Hospital Ayr. The purpose of this was to provide assurance of NHS A&A board-wide improvement actions following the 2022 safe delivery of care inspection. We found that nine of the 13 requirements had been met and progress made with the remaining four. Through completion of both this follow-up inspection and the focused inspection at University Hospital Ayr we are assured progress has been made by NHS A&A to satisfy the serious patient safety concerns previously raised. This is an example of how as an organisation we are taking a holistic quality management approach and using our combined functions to support improvements in safety and quality of care.

Links to the inspection reports can be found here.

NHS Recovery And Supporting A Sustainable System

The Primary Care Improvement Portfolio has been successful in securing an additional allocation from Scottish Government amounting to over £3m over the next two years. The Primary Care Phased Implementation Programme builds on the success of the Primary Care Access Programme and will test full implementation of two key aspects of the General Medical Services Contract: pharmacotherapy and community treatment and care services. Despite significant government investment over the last five years, there is variation in the availability and delivery of these services. Both elements of the contract are designed to provide safe, effective patient care, whilst reducing the growing demands on GPs. There has been healthy interest

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from Health and Social Care Partnerships (HSCP) in applying to become demonstrator sites, with 15 applications received covering 13 NHS Board areas.

In a recent Scottish Government publication, Cabinet Secretary Michael Matheson called out HIS' access work:

"In particular, I also recognise the good work of Healthcare Improvement Scotland's Primary Care Access Programme, which has already worked with over 100 general practices to improve access arrangements and continues to run with excellent uptake."

Community Engagement and System Redesign worked in partnership the Scottish Government to ensure that the **National Improvement Framework for Adult Social Care and Community Health** has, at its core, an approach to managing quality that is consistent with the HIS Quality Management System.

Cancer Care

The **National Cancer Medicines Advisory Group** has implemented a decision-making framework for value judgements. Advice on the use of Abiraterone for non-metastatic prostate cancer was referred to in BBC news reports (website, TV and Radio).
[Abiraterone: Thousands of men miss out on life-extending prostate cancer drug - BBC News](#)

The recent **Scottish Health Technologies Group** (SHTG) recommendations on the use of tumour profiling tests published in October (for guiding chemotherapy decisions for people with breast cancer) will be considered by the Scottish Cancer Network with the intention of reducing variation in practice in the use of these tests across Scotland.

Review of Acute Leukaemia Quality Performance Indicators (QPI's) -The Scottish Government commissioned Healthcare Improvement Scotland to review Cancer Quality Performance Indicators (QPIs) data to compare performance nationally and identify any significant areas of concern and variation in practice across Scotland to help support the Scottish Government cancer recovery plan.

We recently published our review of acute leukaemia QPIs which shows that overall performance across Scotland is good, with the majority of QPI targets being met by NHS boards. There are some specific issues highlighted in the report, particularly around documentation, and it is recommended that NHS boards and cancer networks work together to develop regional solutions, in order to support a consistent approach and drive ongoing improvement.

More Effective And Appropriate Care

The HIS Excellence in Care (EiC) Programme Team in partnership with NHS Education Scotland have developed and launched a new resource for Nursing,

Midwifery and Allied Health Profession (NMAHP) Senior Charge Nurses and Team Leaders called Leading Excellence in Care [NMAHP Development and Educational Framework](#)

Focus on Frailty Programme - This collaborative delivered jointly between the Acute Care and Community/Dementia Portfolio has completed the first round of participating Board and HSCP site visits and held the second learning session in the collaborative. All sites have now developed their aims and all teams have submitted their first progress report. Through this work pharmacists reduced the need for 37 potential daily medication visits.

SHTG advice on the provision of a digital diabetes remission programme was key to the Accelerated National Innovation Adoption case for creating a national 'once for Scotland' NHS type 2 digital diabetes remission programme to augment the current Board services.

Medicines and Pharmacy Team continue to support the Digital Rheumatology programme. Patient Initiated Follow-Up pathways have gained enthusiastic and positive feedback from patients, the scope of this project highlights the potential for improving patient outcomes.

Funding has been received from Scottish Government for phase 2 of the **Mental Health and Substance Use programme** to develop, test and implement a protocol for how mental health and substance use services should work together.

The **Pathways to Recovery programme** has produced its first improvement action plan for residential rehabilitation pathways within North Lanarkshire Alcohol and Drug Partnership.

Supporting The Voices And Rights Of People And Communities

We published our [report](#) in October confirming that NHS A&A had met the requirements around **public engagement** set out in national guidance, in its endorsement of the proposals to retain the existing configuration of Systemic Anti-Cancer Treatment services. They have submitted a formal request to the Cabinet Secretary for approval of these proposed changes.

We are piloting a new process for all service changes to enhance stakeholder assurance on the quality **of NHS boards' engagement**. This is being tested with NHS Greater Glasgow & Clyde's GP Out of Hours service change.

We led a **'Landscape Review'** into short breaks for unpaid carers in Scotland which assessed the current system and identified areas for improvement. We presented the findings in a range of national forums. Scottish Government has asked us to build on this Landscape Review with further system transformation work.

We published our **12ᵗʰ Citizens' Panel report** which sought views on organ and tissue donation, and the regulation of independent healthcare.

We produced 3 **service user journey maps** that follow individuals before having an Early Intervention in Psychosis (EIP) service and the impact this has had on their life.

We supported North Lanarkshire HSCP to adopt a People Led Systems Transformation (PLST) approach to their strategic planning. As a result, their recently released Strategic Plan has PLST as the key mechanism through which they will deliver their plans for transformational system change. They are focusing on empowering change through an evidenced learning approach to deliver sustainable improvement.

Organising Ourselves To Deliver

Our **Anchors Strategic Plan**, which accompanies the Annual Delivery Plan, was approved for submission to Scottish Government by the Staff Governance Committee on 1 November. We await feedback from Scottish Government.

Public Protection –Significant progress has been made including implementing mandatory trauma informed training for all HIS staff, embedding trauma informed principles into policy and procedures e.g. Clinical Supervision, Complaints procedures and Gender Based Violence policy. The group have developed a self-evaluation tool to benchmark trauma informed principles across HIS and progress towards an implementation plan.

The Carers Network achieved Established Carers Positive Employer accreditation in August. The group are now working towards the next level of Exemplary Carer Positive Employer.

HIS Medical Workforce Model – Engagement, scoping and development is ongoing to support delivery of an improved HIS medical model which is strategically aligned and maximises impact and return on investment. A paper of initial recommendations will be shared with the Executive Team on 9 January 2024. The concepts and recommendations will be shared in advance of this with One Team Programme Board, One Team Workforce Group and the Clinical and Care Governance Group to obtain feedback and ensure alignment.

Clinical and Care Governance (CCG) Group – A new annual reporting template has been developed to assist Directorates. NMAHP piloted an early version of this and the Medical and Safety Directorate will lead on using the new template to provide an annual status update of their CCG arrangements in January 2024. A summary of their report and presentation will be shared with the Quality and Performance Committee on 7 February 2024.

Recruitment is in progress in the **Workforce and Organisational Development and Learning** teams, with post holders due to be in place during December.

An **eRostering training** schedule has been issued to staff with key dates in November and December.

The weekly **Internal Communications round-up** has been launched, highlighting at a glance, internal messages staff may have missed.

The contingency website for the **HIS Corporate Website** is now in place. A copy of our Corporate Website is taken every week and this will be restored if our current website becomes irrecoverable, through an emergency switch off plan between HIS and National Services Scotland. The **Corporate Website** has also been set up on a new cloud based platform ahead of the closure of the current platform in January 2024. Content updates are underway ahead of the formal switch over in January 2024.

Portable Appliance Testing for all employees has begun with employees being contacted in a phased approach by White Testing to arrange for the testing to be completed in their homes or an office location.

Death Certification Review Service (DCRS) access to clinical portals - DCRS has been progressing direct access to Health Board Clinical Portals with the aim of reducing the time it takes to complete a Level 2 review. Historically, DCRS obtained patient medical notes by emailing GP practices and/or hospitals and awaiting on the information being provided. Direct access means the medical reviewer can simply review the information instantaneously. DCRS now has access to most of Scotland and achieved the desired outcome, significantly reducing the time taken to complete Level 2 reviews.

Period	Clinical portal connectivity journey	Average Completion Time
1 April 2020 – 31 March 2021	No Clinical Portal Access	53% completed within one day (9 hours) 44% completed within 3 days (27 hours)
1 April 2021 – 31 March 2022	Connected to Health boards Clinical Portal in the West of Scotland	9 hours and 17 minutes
1 April 2022 – 31 March 2023	Connected to Health boards Clinical Viewer in the East of Scotland	8 hours and 8 minutes
1 April – 30 September 2023	Connected to Health Boards Clinical Care in the North of Scotland	6 hours and 3 minutes

The service implemented a new case management system in May 2021 which enabled better recording of case review completion rates.

3. CHALLENGES AND ISSUES

Finance

Our **financial outturn** is forecasted to be a £0.7m underspend (1.6%) for 2023/24 driven by lower staff numbers seen throughout the year. Most allocations have now been received and consideration of the return of funds to Scottish Government is underway.

Workforce

Teams in some Directorates continue to be affected by delays in progress on **organisational change** and recruitment to new posts. Staff have demonstrated high levels of professionalism and commitment in continuing to deliver despite the pressures and uncertainty they have been facing. The potential impact of the ongoing change process on resourcing, programme delivery and staff wellbeing is being closely monitored whilst we move towards implementation of the new Directorate structures and ways of working.

There have also been gaps in project support in some areas where staff have been promoted into other posts.

There are also ongoing concerns about the number of staff on **fixed term contracts** in relation to programmes funded by additional allocations. Many posts require specialist skills (e.g. redesign and improvement) that are difficult to replace or rebuild.

Mandatory training reporting will start in early December 2023. We have two Health and Safety modules which are currently on a stand-alone system; while these will be moved to LearnPro in the coming months, the compliance during this time may dip. Our compliance reporting will not take account of staff who are on long term absence, career break or secondment and this may impact our compliance rates.

Commissioning / Capacity to Deliver

HSP – On the 1st April 2024 HIS will have legislative duties under the Health and Care (Staffing) (Scotland) Act 2019 for monitoring Health Boards and where relevant integrated authorities' compliance with the Act. This will require a HIS One Team multifaceted Intelligence Led approach and HIS to utilise its powers under the Act to request additional information from the Boards to provide assurance and identify best practice and areas for improvement. This will require the development of significant new organisational systems and processes and increased capacity within HSP to lead on this new work.

Maternity Safety – Following high profile service reviews in England and Wales there have been protracted discussions with Scottish Government about Healthcare Improvement Scotland's role in maternity safety in order to secure funding and policy support to expand beyond our current maternity services footprint. HIS currently has no inspection programme for maternity services. Discussions have focused on the development of standards and maternity services inspection to ensure HIS supports the service with a quality management approach. Decisions are awaited and Scottish Government are taking a paper to management board in December.

Focus on Dementia – discussions are continuing with Scottish Government regarding future commissions in relation to dementia, following on from the decision made last year by Scottish Government not to continue funding for two community dementia programmes, which were planned from April 2022 – March 2024. We are currently

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focusing our resources on providing implementation support to the new Dementia SIGN guideline.

Within the **Area Drug and Therapeutics Committee** Collaborative programme there is continuing operational challenges in terms of resource, due to lack of funding for additional allocation work (Sodium Valproate Learning System). This has had a knock-on effect on resource for other Area Drug and Therapeutics Committee Collaborative work and the quality of engagement within the Valproate work.

Current Scottish Government legislation in relation to Controlled drugs accountable officer's exemption, and designated body status of independent healthcare clinics, creates challenges around controlled drugs governance.

Capacity versus demand remains an ongoing challenge. We have received more requests for standards than we can deliver. The SIGN and Scottish Medicines Consortium (SMC) both have a backlog. The SHTG is limited in the support it can provide nationally.

There have also been challenges recruiting co-chairs, guideline development group members and peer reviewers, in particular for SIGN and the standards team which has impacted on timelines.

SMC continues to work at full capacity to assess the high volume of submissions received though is making progress in reducing the number of deferred submissions. As of the middle of October, SMC has 9 deferred submissions and is scheduling assessments up until March 2024.

4. EXTERNAL DEVELOPMENTS INCLUDING STAKEHOLDER ENGAGEMENT

The **Patient Safety Commissioner for Scotland Bill** received Royal Assent and became an Act on 7 November and has now been published. HIS is mentioned in the Act in relation to access to information and we continue to engage with Scottish Government and the Patient Safety Commissioner once appointed.

World Patient Safety Day – we hosted the Adverse Events (AE) Network World Patient Safety Day event on 19 September. We extended invitations beyond the AE Network and received wide attendance from people across NHS Scotland and the independent health care sector.

The event included a recorded message from the Minister for Public Health and Women's Health, Jenny Minto, reiterating the emphasis of care for patients and families. Colleagues from Scottish Action for Mental Health presented on 'The use of lived and living experience in Suicide Prevention', and we had contributions from a Public Partner and a member of the public's experience of his mother's treatment. We also received updates from two territorial and one national board on local initiatives to improve patient and family experiences when engaging with adverse event reviews

and capture what matters to them. 138 people attended and the event sessions were positively received, particularly where patient stories were shared.

Scottish Government

Elena Whitham MSP (Minster for Drugs and Alcohol Policy) and Maree Todd MSP (Minister for Social Care, Mental Wellbeing and Sport) have written to all Integration Authority Chief Officers to emphasise that ensuring that people with co-occurring mental health and substance use conditions can access high quality care is central to both the National Drugs Mission and the new Mental Health & Wellbeing Strategy. The letter outlines that HIS will develop an exemplar protocol setting out how mental health and substance use services should work together.

Healthcare Staffing Programme (HSP) – There is increasing political interest in the work being undertaken by the HSP, in particular in relation to the Staffing Level Tools named within the Health and Care (Staffing) (Scotland) Act 2019 which HIS has responsibility under the Act for monitoring and developing. This has necessitated several discussions with external stakeholders within the Scottish Government policy team and with professional bodies to promote a shared understanding and mutually agreed priority areas for improvement where applicable.

The National Health and Social Care **Staff Experience Report 2023** is expected at the end of November 2023, reporting on all Health and Social Care Boards.

Colleagues in **Standards & Indicators** ran a well attended session with Scottish Government about our role in the development of standards that included a case study on our Bairns' Hoose work.

NHSScotland

The **Area Drug and Therapeutics Committee** Collaborative (ADTCC) programme continues to sustain good engagement with Boards across various national meetings that support improvement in medicines safety. It met with 12 territorial ADTC Chairs & Professional Secretaries explore the medicines governance and medicine safety challenges within Boards. This intelligence will help inform the HIS strategy, the emerging HIS Medicine Safety plan and enable the ADTCC programme to identify common themes and pressing issues, to inform their 2024/25 work plan.

The **Controlled Drugs programme** has good engagement with national (Scotland-wide) groups (Controlled drugs accountable officer's Executive & working group). There is also continued linkage with UK-wide national groups with stakeholders from the Home Office and Care Quality Commission.

SMC's programme of increased engagement with key stakeholders within the NHS and internationally is well underway. Meetings have been successfully held with Board Chief Executives, Medical Directors and Directors of Pharmacy to increase awareness and understanding of the SMC and strengthen relationships.

International Engagement

This year's **Guideline International Network** (GIN) conference took place in Glasgow in September. The Director of Evidence was vice-chair of the Scientific Committee and the SIGN Programme Lead, Roberta James was voted in as vice-chair of GIN.

SIGN hosted a two-day study trip for the Agency for Care Effectiveness Singapore at the end of August. This was a great opportunity to share learning with an organisation doing similar work and facing similar challenges.

The **SMC's** Chief Pharmaceutical Adviser and Lead Health Economist were invited to speak at the annual Vancouver Group meeting in Canada – a group representing Health Technology Assessments (HTA) across Europe, the US, Canada, New Zealand and Singapore. The Scottish Medicines Consortium has also been represented at a recent CIRS conference (Centre for Innovation in Regulatory Science) and SMC's Lead Health Economist has been invited to be a panellist at the upcoming ISPOR (The Professional Society for Health Economics and Outcomes Research) conference in Copenhagen.

Webinars	Workshops
Approach to Developing Standards - For Scottish Government colleagues, (75 attendees). **Leading EiC NMAHP Education and Development Framework** planned for 30 November. **Involving children and young people in strategic planning** (CHAS) (126 participants). **EIP Webinar** - Programme Updates (53+ participants). **Adaptations of EIP** in the US with Emphasis on Addressing Social & Structural Determinants (50+ participants). **Mental Health and Substance Use (MHSU): Clinical Network Learning Event** - Maintaining Compassion (86 participants). **MHSU: Clinical Network Learning Event –** Personality Disorder with concurrent substance use (243 participants). **Medication Assisted Treatment Standards National Learning System** sessions - Collaboration a whole system approach (87 participants) and Recovery and People Led Care (78 participants).	- Regular workshops between **HIS HSP and NHS Education for Scotland (NES)** to ensure collaborative working and shared understanding of strengths, challenges and timelines to co-develop the real Time Staffing resources. **HSP** have held a number of workshops with NES and other external stakeholders to review and develop educational resources to accompany the Health and Care Staffing Knowledge and skills Framework. **Hosted a peer learning session** about engaging together on a nationwide innovation project: medical drone delivery (33 participants) . **Pathways to Recovery:** Workshops held with each Alcohol and Drug Partnership for Aberdeenshire, Edinburgh City and North Lanarkshire to support local analysis of residential rehabilitation pathways. **MHSU**: there have been workshops in Inverclyde, Edinburgh, Dundee and Glasgow between mental health and substance use statutory services and third sector exploring service user needs, service offerings, transitions between services, and opportunities for collaboration. **SPSP** Mental Health: End of Collaborative Celebration Event. Celebrating the successes and learnings of teams from the 18-month Improvement Collaborative.

Seeking stakeholder views and feedback	Conferences
• **HSP Staffing Level Tool** and Real Time Staffing resource development through expert working groups and consultation. • **EiC** have regular meetings with stakeholders to co-develop new Quality Measures for Nursing Specialties. • Significant stakeholder engagement in the development and testing of the **Leading Excellence in Care NMAHP Education and Development Framework** (circa 100 stakeholders tested across 5 Boards). • A range of stakeholder engagement with patient organisations to inform **SHTG** advice products, with Breast Cancer NOW, Scottish Cancer Coalition, Diabetes Scotland and Ochre. • In September **SHTG** presented at the Precision Medicines Scotland, on HTAs in genetics/genomics. There was a great deal of interest in the opportunity for evidence to facilitate informed decisions within the genomics strategic network. • At the start of October the **SHTG** took part in two online information sessions for the public and industry which gave information on the new Innovative Devices Access Pathway pathway. • **Gathering Views** on draft set of principles for access to General Practices published October 2023. • **Citizens Panel** 12 on Regulation of Independent Healthcare, and Organ and Tissue Donation (report published November 2023). • **Gathering Views** on a draft National Care Service charter of patients' rights – engagement with 4 protected characteristic groups: trans community, pregnant people and parents, minority ethnic communities, minority religious communities. • **Established Strategic Planning Professional Reference Group** and together identified areas of focus for the group that will prioritise Strategic Planning activities delivered by HIS. **Ongoing advice** and support on the Strategic Planning requirements being developed within the National Care Service and the National Improvement Framework for Adult Social Care.	• Joint conference for **HSP and EiC Board** leads to promote alignment and shared responsibilities under the Health and Care (Staffing) (Scotland) Act 2019. • **SIGN** presented at a number of sessions at the GIN conference including the GIN PUBLIC working group meeting, on sustainability and on how we use evidence. • **MHSU**: Improving Our Response Pathfinder Networking Day. • **SPSP** National Learning Event: Creating the Conditions for Safe Care. SPSP Mental Health ran 2 breakout workshops within the conference. • **Presented at the Homeless Network Scotland's annual conference:** "Fine Tuned: Striking the Right Chord on Homelessness" 31 October 2023 (250 attendees). • **Presented at 2 National Improvement Framework engagement events f**or adult social care and community health alongside COSLA, Scottish Government and SOLACE (60 attendees).

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Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Performance Report, Quarter 2 2023/24**
Agenda item:	**2.1.1**
Responsible Executive:	**Angela Moodie, Director of Finance Planning & Governance**
Report Author:	**Caroline Champion, Planning & Performance Manager**
Purpose of paper:	**Assurance**

1. Introduction

This report provides the Board with a high level progress summary against Healthcare Improvement Scotland's (HIS) Strategic Plan 2023-28, Annual Delivery Plan 2023-24 and Key Performance Indicators covering the quarter 2 (Q2) period, July - September 2023.

2. Strategic Overview

In the second quarter of delivering against our new strategy, progress continues to be positive, with the majority of work in all four priorty areas on track (Appendix 1). There are some gaps and areas of work yet to commence which is expected in this early stage of the five year plan.

We continue to develop our reporting and analysis against delivery of our strategy. An overview of the main contributing work programmes, initiatives and opportunities for each priority area at present was provided to Quality & Performance Committee (QPC). These may not change significantly each quarter but will allow for consideration of challenges, risks and gaps over time when considered alongside work programme and Key Performance Indicators progress.

The following is of note in the Q2 strategic overview:

- The importance of engagement with Scottish Government (SG) on progressing Independent Healthcare regulation and national patient safety policy.

- The emphasis on HIS' core funded, statutory functions which support the 'safety' strategic priority in comparison with the priority around improvement capability and capacity, which largely features programmes funded by additional allocations.

- The ambition regarding the voices and rights of people and communities delivered by activities carried out by all directorates.

3. Performance Measures

3.1. Key Performance Indicators (KPIs)

In Q2, 13 out of 22 KPIs were on or ahead of target, which is a fall from Q1. Of the 9 KPIs currently below target, 6 are expected 6 to recover by year end, resulting in a forecast of acheiveing 19 out of 22 KPIs. The KPIs behind target were:

Independent Healthcare Inspections – lower inspections due to staff training and higher cancelled registrations. It is now anticipated 201 inspections are due to take place before the end of Q4.

Healthcare Staffing Programme – delays due to the complexity of the tool build (Maternity and Mental Health and Learning Disabilities staffing) and the requirement to establish robust expert working groups in line with the staffing legislation.

Scottish Medicines Consortium (SMC) –due to the large and continued volume of new medicines for assessment. Recruitment is underway to increase capacity with improvements expected by the end of 2023/24.

Research and Information Service – due to staff vacancies with improvement expected in Q3. There is a risk the annual target will not be met.

Scottish Health Technologies Group – 14 reviews ongoing and as such expect to be back on target for Q3.

Published Improvement Resources –23 published so far (Q2) but still expecting the remainder to be delivered by the end of the year.

Mandatory Training – the training amnesty remains in place until November 2023 with 95% compliance anticipated Q3 and Q4.

Recurring Savings - £0.1m lower due to the Delta House lease with NHS National Services Scotland (NSS) starting later than expected.

3.2. Work Programme Status Report

63 projects were active at the end of Q2 which is a net movement of **-1** since Q1. **52** (83%) projects were on target, **11** (17%) running behind / 'repositioned'. No projects reported as late and **1** project has been completed (Cervical Screening Review) during the quarter. The main reasons for slippage were system capacity to support the projects and internal staffing vacancies.

As with Q1, the overall position at the end of Q2 is favourable however slippage is still anticipated over the forthcoming months resulting in the likelihood of more projects reporting as running behind.

3.3. Value for Money

In Q2 we reviewed three areas, Citizens Panel, Scottish Health Technologies Group, and Death Certification Review Service in accordance with the 4Es approach to assessing base value and linking each to the NHSScotland Value Based Health and Care Action Plan.

As we found with the areas assessed in Q1, key themes and findings highlight that we do not have the processes or capacity to follow through and measure impact and improvement outcomes on some of our programmes of work. A key action now is to consider how we

gather impact and outcome information and what investment might be required to achieve that level of data as this is key for value for money analyses.

4. Key Achievements and Challenges

4.1. Key Achievements

Some of the key highlights during the quarter include:

- **Scottish Intercollegiate Guidelines Network (SIGN)** hosted a symposium entitled "SIGN@30: Adapt or Die?"

- The review report and recommendations from the [Independent Review of Audiology Services in NHS Scotland](#) was published in August 2023.

- **Global Health** - HIS and Scottish Government (SG) colleagues recently travelled to Malawi as part of the SG funded initiative to bring together experts from Scotland, Malawi and Zambia to share knowledge, improve patient safety and the use of medications.

- **SMC** - three new medicines were accepted; Icosapent Ethyl used to reduce the risk of stroke, Tezepelumab for severe asthma and Diapagliflozin for chronic heart failure.

- **Focus on Dementia** - the Journal of Dementia Care featured our ['My new home' guidance](#) in its July edition.

- **Standards** – HIS published the new draft Congenital Heart Disease Standards in July.

- **NHSScotland Volunteering Programme Annual Report 22/23** was published in September. In 2022/23, volunteers gifted 483,000 hours of their time across every NHS Board, contributing the equivalent of £7.3 million to Scotland's economy.

- **Hospital at Home (H@H)** – a podcast episode featured interviews with colleagues from HIS, NHS Western Isles, NHS Lanarkshire, and a patient who shared his positive experience of the service and the benefits it brought to him and his family.

4.2. Projects at Risk

At Q2, the ramifications of the recent organisational change continues to cause a degree of disruption to our work including increased staff turnover in some programmes, risking not only a financial underspend but failure to deliver against our work programme, Strategic Plan and Annual Delivery Plan priority areas.

While reporting as on track Q2, the **Area Drugs & Therapeutic Committee Collaboration** team has had to adapt and absorb additional work and revise its work plan to ensure work on service priority areas can be accommodated.

The Community Engagement team continues to see an increase in the volume of **service change** in response to system pressures alongside challenges as a result of the delayed organisational change process and inability to recruit to vacancies.

4.3. Annual Delivery Plan (ADP) 23/24 Q2 Update

HIS' Annual Delivery Plan 23/24 was approved by SG and published in September. ADP progress update for quarter 2 was submitted on 26 October. The chart (Appendix 1) shows progress against each of the ten propriety areas. Most areas are broadly on track, with the expection of Workforce and Digital, where delivery is at risk.

4.4. Very High and High Operational Risks

At Q2, there were **16** 'high' operational risks and **4** 'very high' operational risks which is a net movement of **+6** from quarter Q1 mainly due to the upgrading of existing risk (see Appendix 1). The 4 very high risks reported relate to;
- Sustained increased volume of new medicine submissions for review by SMC;
- Information and Communication Technology shortage of Microsoft 365 licences;
- Clinical and Care Governance Nursing and Systems Improvement core work impacted by long term absences & vacancies; and
- Digital Development – NSS SHOW (Scottish Health on the Web) no longer able to host the corporate HIS website due to migration issues.

5. Forward Look

5.1. New Commissions

During Q2, 2 new commissions were received, taking the year to date total to 8, with 6 commissions under consideration at the end of Q2. Financially, the volume of new allocations has increased from £6.5m to £9m during the year.

Across the quarter, there were two pieces of work considered and subsequently declined.

5.2. Q3 2023/24 and Beyond

Winter planning continues to be a priority for Q3 and beyond. Conversations are ongoing with SG to outline and plan HIS's response in addition to ongoing work which will support the system throughout the winter period. The continuation of safe delivery of care inspections will remain sensitive to the operating context for NHS boards over the winter months and a focus on unscheduled care will be a priority.

A business case is being considered to expand our current **inspections of mental health inpatient units** to align with our broader safe delivery of care methodology. This will be within the three year commission for mental health inspections using existing resource allocations.

In light of the Lucy Letby case, work is underway to review systems and processes across HIS to ensure a high quality and robust approach to the delivery of our statutory duties in relation to the **safety and quality of health and care services**. The planned review across HIS will ensure our current systems are sufficiently robust and sensitive to the detection of matters of serious concern.

The next **Citizens Panel** 13 will be looking at the NHSScotland Climate Emergency and Sustainabilty Strategy with the aim feedback will shape how NHSScotland reduces the impact of the health and care it provides on the environment, ensuring that the care we give the people of Scotland is sustainable, while also playing a part in slowing the critical

and rapidly deteriorating state of our planet's climate system. The report is expected to be published in June 2024.

6. Quality and Performance Committee Q2

At the QPC meeting on 8 November 2023, the following points were discussed in relation to the Q2 performance report:

- The Committee approved the report and praised its continued development including the strategic approach to reporting performance and welcomed further developments anticipated on metrics and outcomes.
- On the strategy, there was a discussion regarding work that has not yet started and the potential impact on delivery against the strategic priorities. Being mindful that this is still at a very early stage in delivering a five strategy, it is not expected that everything would have commenced yet but gaps within the priority areas will be identified to focus on delivery next year.
- The Independent Healthcare (IHC) inspections KPI position and impact from organisational change was discussed. It was confirmed there is an expectation to carry out more inspections in the second half of the year with the aim of meeting the annual target. In terms of organisational change, there is a need to review what is planned for 2024/25 taking into account feedback from staff in relation to workload and work pressures which will be actively managed going forward so resources are focused in the right way.
- The inclusion of economic impact was welcomed given it's a clear SG priority.
- How areas of work are selected for value for money assessments was raised. At present, areas have been selected based on where we have readily available data however a methodology and a plan for next year will be developed for the next QPC.

7. Assessment Considerations

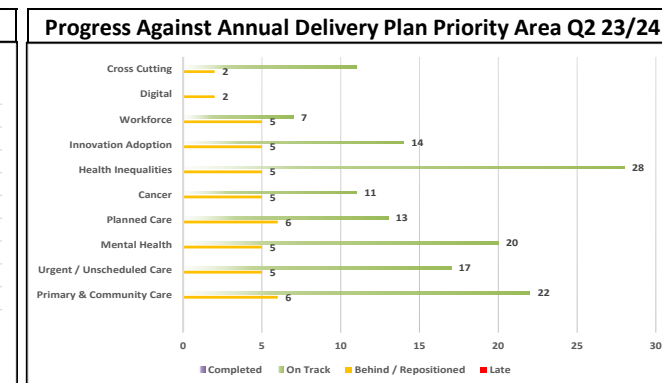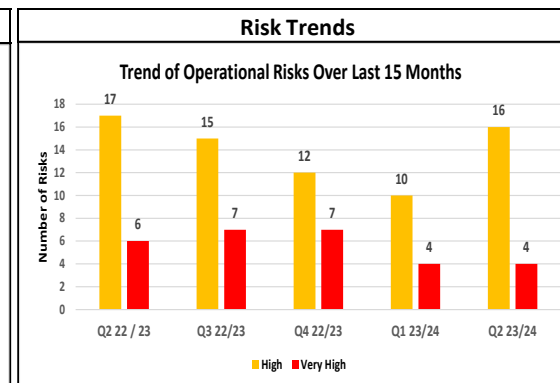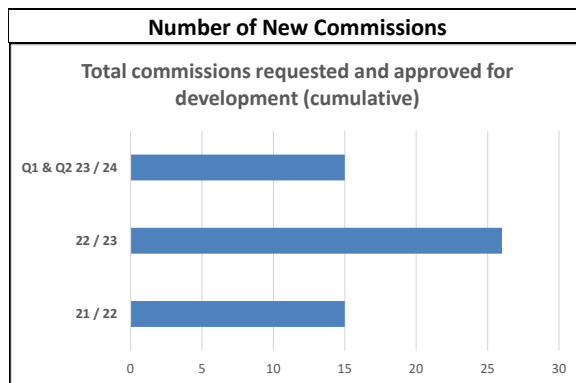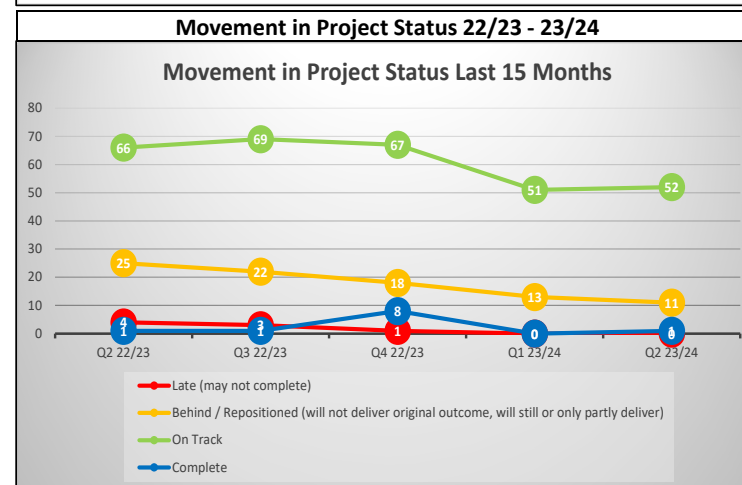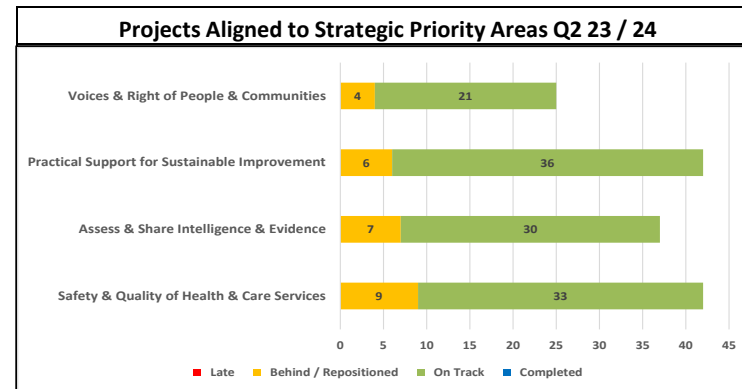| Quality / Care	The performance report is a key part of corporate governance, which in turn ensures the best outcomes in services we deliver.
Resource Implications	Workforce constraints are highlighted in various programmes of work where applicable.
Risk Management	The performance report is compiled with reference to programme risks and key risks on the organisational risk register.
Equality and Diversity	There are no equality and diversity issues as a result of this paper.
Communication, Involvement, Engagement And Consultation	The detailed Q2 performance report was considered by the Executive Team and then approved by QPC on 8 November 2023.

8. Recommendation

The Board is asked to gain assurance from this performance report about progress against the delivery of HIS' Strategy 2023-26, Annual Delivery Plan 2023-24 and Key Performance Indicators covering the Q2 period.

Q2 2023 - 24 PERFORMANCE DASHBOARD

Healthcare Improvement Scotland

Operational KPIs

Strategic Area	KPI	2022-23 Actuals	2023-24 Target	2023 - 24 Q1	Q2	Full Year To Date
Safety & Quality of Health & Care Services	Inspections (no. carried out)	52	50	14	13	27
	IHC Inspections (no. carried out)	152	190	48	30	78
	Death Certification Review Service (DCRS) (% of Medical Certificate of Cause of Death randomly selected)	11.5%	12%	12%	12%	12%
	Healthcare Staffing Programme (no. of new tools)	-	6	0	1	1
Assess & Share Intelligence & Evidence	SIGN (guidelines published)	7	7	2	1	3
	Scottish Medicines Consortium (SMC) (time from submission to issuing advice)	79	60%	18%	14%	14%
	Research & Information Service (RIS) (no. of literature searches / appraisals / projects supported)	189	580	100	63	163
	Scottish Health Technologies Group (SHTG) (reviews)	16	12	1	3	4
	Standards & Indicators (S&I) (no. developed & published)	12	15	7	8	15
Practical Support for Sustainable Improvement	Improvement support programmes with Logic Model	-	90%	84%	92%	92%
	Learning events delivered (no. of)	-	120	30	29	59
	Published improvement resources (no. of)	-	82	14	9	23
Voices & Right of People & Communities	Service change (no. of health & care services monitored & / or advised on)	54	50	57	60	60
	Engagement (no. of policy areas influenced by people's views)	7	10	3	2	5
	Equality assessment (initial screening completed)	70%	60%	85%	91%	91%
Organising Ourselves to Deliver						
Staff Experience	iMatter (employee engagement index score)	82	82	80		80
	Sickness absence (national target rate 4% or less)	2.5%	4.0%	2.9%	3.3%	3.3%
	Mandatory training	-	95%	23%	66%	66%
Value for Money	Recurring savings (£k)	384	1,606	333	394	727
Communications	Communications (no. of media releases)	52	40	17	15	32
Digital	ICT Service Desk (calls resolved within agreed Service Level Agreement compliance thresholds)	-	80%	82%	80%	80%
OneTeam	Staff feel well / very well informed (% of respondents)	26%	65%	38%	38%	38%

Projects Aligned to Strategic Priority Areas Q2 23 / 24

Voices & Right of People & Communities: 4, 21
Practical Support for Sustainable Improvement: 6, 36
Assess & Share Intelligence & Evidence: 7, 30
Safety & Quality of Health & Care Services: 9, 33

Legend: Late, Behind / Repositioned, On Track, Completed

Movement in Project Status 22/23 - 23/24

Movement in Project Status Last 15 Months

On Track: 66, 69, 67, 51, 52
Behind / Repositioned: 25, 22, 18, 13, 11
Complete: 1, 1, 8, 0, 0
Late: 1, 1, 1, 0, 0

Quarters: Q2 22/23, Q3 22/23, Q4 22/23, Q1 23/24, Q2 23/24

Legend:
- Late (may not complete)
- Behind / Repositioned (will not deliver original outcome, will still or only partly deliver)
- On Track
- Complete

Number of New Commissions

Total commissions requested and approved for development (cumulative)

Q1 & Q2 23 / 24: ~15
22 / 23: ~26
21 / 22: ~15

Risk Trends

Trend of Operational Risks Over Last 15 Months

High: 17, 15, 12, 10, 16
Very High: 6, 7, 7, 4, 4

Quarters: Q2 22 / 23, Q3 22/23, Q4 22/23, Q1 23/24, Q2 23/24

Progress Against Annual Delivery Plan Priority Area Q2 23/24

Area	Behind/Repositioned	On Track
Cross Cutting	2	11
Digital	2	
Workforce	5	7
Innovation Adoption	5	14
Health Inequalities	5	28
Cancer	5	11
Planned Care	6	13
Mental Health	5	20
Urgent / Unscheduled Care	5	17
Primary & Community Care	6	22

Legend: Completed, On Track, Behind / Repositioned, Late

Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**06 December 2023**
Title:	**Financial Performance Report**
Agenda item:	**2.1.2**
Responsible Executive/Non-Executive:	**Angela Moodie, Director of Finance, Planning & Governance**
Report Author:	**Karlin Rodgers, Head of Finance & Procurement**
Purpose of the paper:	**Awareness**

1. Situation

This report provides the Board with the financial position at 31 October 2023. A detailed version of the Financial Performance Report (FPR) was presented at the Audit and Risk Committee on 29 November 2023.

2. Background

The FPR details the financial position against baseline and other sources of funding. The report measures the financial performance against the Board approved budget and includes a prediction of full year outturn.

3. Assessment

Financial Performance Report

The FPR for 31 October 2023 is available in **Appendix 1**.

At 31 October 2023, total expenditure was £24.0m against a budget of £24.9m, driving a £0.9m underspend. Income was also down, due to phasing delays in allocation income and the savings commitment to Scottish Government (SG), resulting in a net underspend of £0.5m at P7. The majority of the underspend was driven by lower pay costs, with whole time equivalents (WTE) 19 lower than budget (3%) for the year to date.

The high-level outturn for the year is expected to be an underspend of £0.7m (1.5%). This is after spend on further areas for investment identified in addition to the budget on E-rostering, One Team, Cyber Security and a £0.4m commitment to SG as a 5% non-recurring contribution to a balanced position nationally.

Savings delivered to date were £1.2m, with an expectation of achieving £2m by year end. Recurring savings have been seen in pay, redesign work and income generation from the sub-let of Delta House and are expected to continue into next year.

This forecasted underspend is out with SG's tolerance and therefore it is likely a return of funds to SG is required. A final decision will be made in December following closure of the P8 accounts.

NHS Scotland financial position

SG provided an update regarding the consolidated position of NHS Scotland at the end of quarter 2. Boards are currently forecasting a significant deficit for the full year, which has been static since Q1. The financial landscape remains challenging with Boards being asked to ensure they are reporting an accurate position and to consider any areas for improvement which may support the financial challenge.

Update from Audit & Risk Committee (ARC)

At the ARC meeting on 29 November 2023, the following points were discussed:

- The underspend position has been noted and ARC are supportive of the proposal to review following the P8 results with a caveat on any return of funds being on a non-recurring basis. There was a recognition that recruitment is the main driver for the underspend but also that some areas of investment have also been identified to help close the gap.
- The NHS Scotland financial position causes some nervousness, particularly around the 2024/25 financial position. Although we won't know more until the budget announcement on 19 December it's recognised that the ask for next year may be challenging and require HIS to think differently in order to achieve a balanced budget.
- There was a discussion at the committee around an increase in our accrual position. The focus on accruals was welcomed by ARC and provided reassurance that our financial controls are effective in identifying trends. Finance are working with the organisation to reduce the accruals balance and are confident that there are no material misstatements in the accounts. Audit Scotland confirmed that they audit accruals as part of the year end process but will look to include additional sampling as part of the annual audit timetable.

Assessment considerations

Quality/ Care	The recruitment delays and uncertainty in the funding may impact on the initiatives we can deliver with the aim of improving quality of care in Scotland.
Resource Implications	We have lower resource than budgeted at present so our plans to ensure we remain in budget are likely to impact/ increase resource levels.
Risk Management	The management of the organisation's finances is covered on the strategic risk register.
Equality and Diversity, including health inequalities	No impact on equality and diversity.
The Finance Team has prepared this report	The Finance Team has prepared this report and a detailed version of the 31 October 2023 FPR was considered by the ARC on 29 November 2023.

4. Recommendation

The Board are asked to consider the Financial Performance Report for awareness. Noting the underspend position and the likely return of funds in P9.

5. Appendix

Appendix 1: Financial Performance Report 31 October 2023.

Financial Performance 31 October 2023

Report owner: Karlin Rodgers, Head of Finance & Procurement
Report author: David Johnston, Finance Manager

Supporting better quality health and social care for everyone in Scotland

Year to Date - Performance Summary – P7

At 31 October 2023, total expenditure was £24.0m against a budget of £24.9m, driving a £0.9m underspend. Income was also down, due to phasing delays in allocation income and the savings commitment to Scottish Government, resulting in a net underspend of £0.5m at P7. A full breakdown of the YTD position is available in **Appendix 1.**

The high-level outturn for the year is expected to be an underspend of £0.7m. There is an underlying saving of £1.8m full year, but actions have been taken to re-purpose these funds to other priorities. At present this underspend is out with tolerance and therefore consideration to return funds to SG in Dec-23 is required. A full breakdown of the forecast position is available in **Appendix 2**.

	Annual Forecast (£m)	YTD Actual (£m)	YTD Budget (£m)	YTD Variance (£m)
Income	£45.1	£24.5	£24.9	(£0.4)
Pay	£36.5	£20.9	£21.0	£0.1
Non Pay	£7.9	£3.1	£3.9	£0.8
Under/(over) spend	£0.7	£0.5	£0.0	£0.5

	Annual Budgeted WTE	YTD Actual WTE	YTD Budget WTE	YTD Variance WTE
Baseline WTE	435	408	434	26
Allocation WTE	82	88	82	(6)
Grant WTE	3	5	4	(1)
IHC WTE	22	22	22	-
Total	**542**	**523**	**542**	**19**

Total Whole Time Equivalents (WTEs) at the end of October were 523 which was -19 lower than budget (3%) and increase of +2 from P6. This was mainly driven by baseline WTEs which were 26 WTEs lower than budget (6%). A full breakdown of the YTD WTE position is available in **Appendix 1**.

As at the end of October there were 30 roles in various stages of the recruitment pipeline. The October 2023 average days to hire was 69 (up from 64 days in September).

Year to date at the end of October there have been 46 leavers (8% turnover rate) and 49 new starts, representing a net increase of 3 to overall workforce headcount since 1st April 2023.

Performance by Funding Source

Year to Date – P7

	Baseline (£m)	Additional Allocations (£m)	Independent Healthcare (£m)	Grants & Other Income (£m)	Total (£m)
Income	£20.2	£3.2	£0.8	£0.2	**£24.5**
Pay	£16.8	£3.0	£0.9	£0.1	**£20.9**
Non Pay	£2.8	£0.3	£0.0	£0.0	**£3.1**
Under/(over) spend	**£0.6**	**(£0.1)**	**(£0.1)**	**£0.1**	**£0.5**

Full Year Forecast

	Baseline (£m)	Additional Allocations (£m)	Independent Healthcare (£m)	Grants & Other Income (£m)	Total (£m)
Income	£34.6	£8.3	£1.6	£0.5	**£45.1**
Pay	£28.3	£6.4	£1.6	£0.2	**£36.5**
Non Pay	£5.7	£2.0	£0.0	£0.1	**£7.9**
Under/(over) spend	**£0.6**	**(£0.1)**	**£0.0**	**£0.2**	**£0.7**

- The Additional Allocation funding received for Independent Healthcare of £155k to date is included in the Independent Healthcare column.

- The Corporate services recharge between Baseline and Additional Allocations YTD was £0.4m.
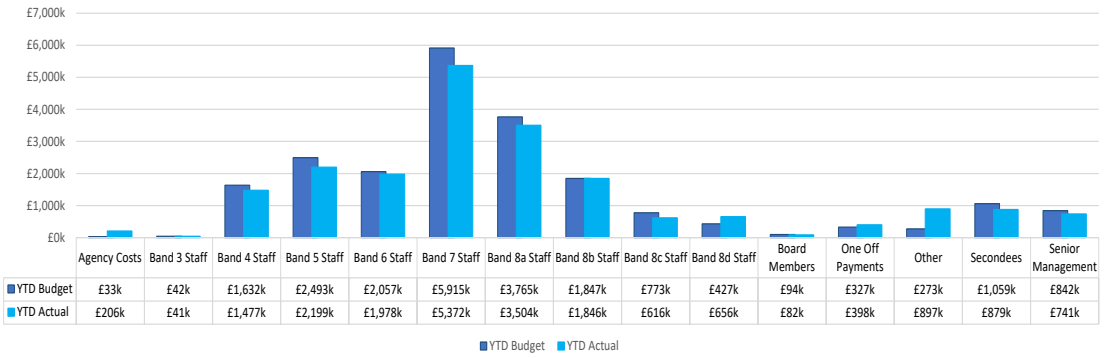
- The Additional Allocation funding received for Independent Healthcare of £265k is included in the Independent Healthcare column.

- The Corporate services recharge between baseline and allocations is £1.1m.

- There is an assumed release of Independent Healthcare reserves of £70k to deliver a full year balanced position.

- A full breakdown of the forecast position is available in **Appendix 2**.

Year to Date – Cost Analysis

YTD Pay Analysis

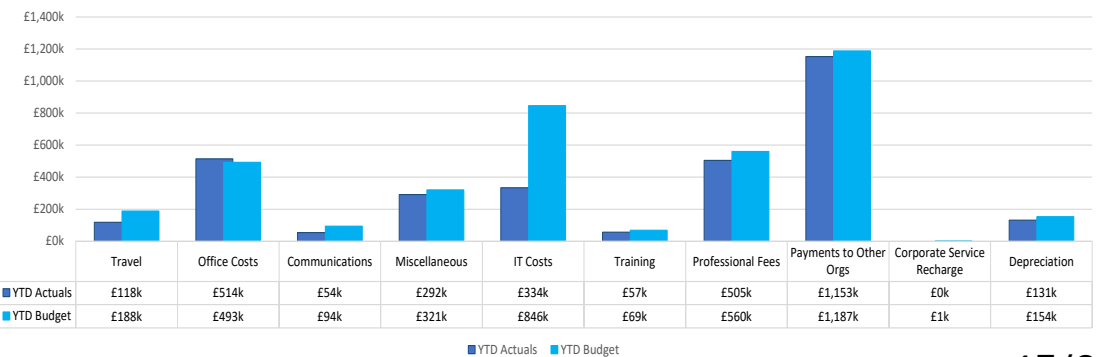|	Agency Costs	Band 3 Staff	Band 4 Staff	Band 5 Staff	Band 6 Staff	Band 7 Staff	Band 8a Staff	Band 8b Staff	Band 8c Staff	Band 8d Staff	Board Members	One Off Payments	Other	Secondees	Senior Management
YTD Budget	£33k	£42k	£1,632k	£2,493k	£2,057k	£5,915k	£3,765k	£1,847k	£773k	£427k	£94k	£327k	£273k	£1,059k	£842k
YTD Actual	£206k	£41k	£1,477k	£2,199k	£1,978k	£5,372k	£3,504k	£1,846k	£616k	£656k	£82k	£398k	£897k	£879k	£741k

■ YTD Budget ■ YTD Actual

PAY

- Total 23/24 pays budget of £36.0m
- YTD actual pay costs are £20.9m against a budget of £21.0m due to staff vacancies across multiple pay categories.
- Full year forecast on pays is £36.5m, which is £0.5m higher than budget due to additional recruitment related to post budget allocations, Cyber Security and investment in One Team offset by savings from vacancies during the year.

NON PAY

- Total 23/24 non pay budget £7.8m

- YTD non pay costs are £3.1m, which is £0.8m lower than budget mainly due to phasing on IT equipment expenditure.

- Full year forecast on non pays is £7.9m, which is £0.1m higher than budget due to additional costs associated with new allocations and additional spend through OneTeam.

YTD Non Pay Analysis

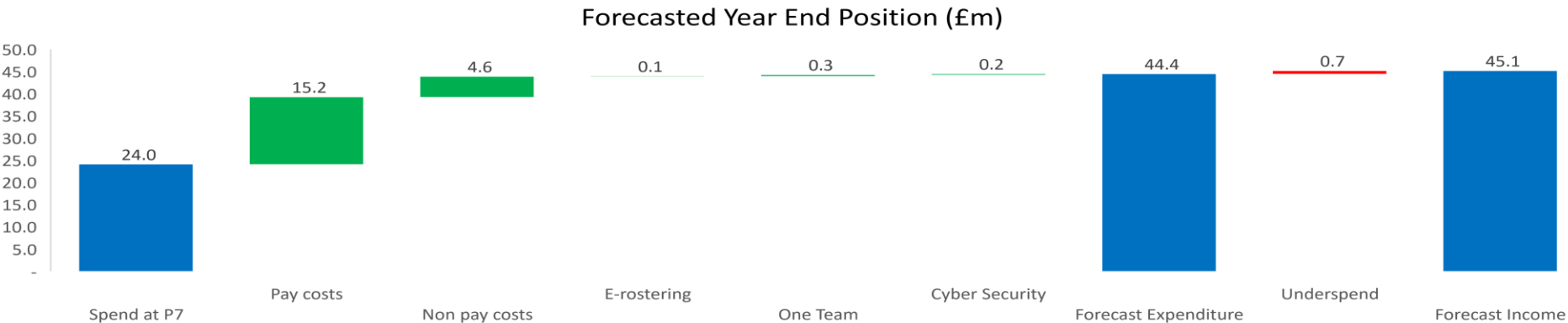|	Travel	Office Costs	Communications	Miscellaneous	IT Costs	Training	Professional Fees	Payments to Other Orgs	Corporate Service Recharge	Depreciation
YTD Actuals	£118k	£514k	£54k	£292k	£334k	£57k	£505k	£1,153k	£0k	£131k
YTD Budget	£188k	£493k	£94k	£321k	£846k	£69k	£560k	£1,187k	£1k	£154k

■ YTD Actuals ■ YTD Budget

4/11

Forecast Year End Position

We are forecasting a £0.7m underspend this year (1.6%), which is out with the 1% tolerance. A full breakdown is available in **Appendix 2**.

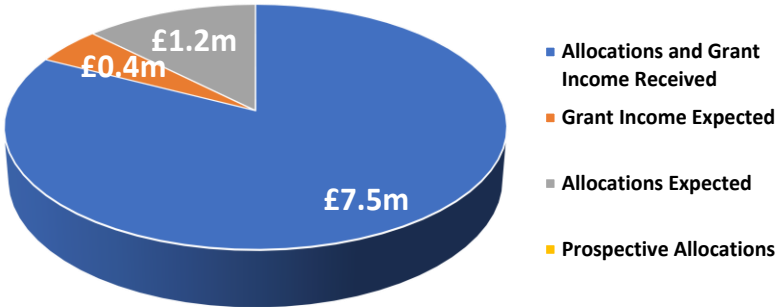The key assumptions in this forecast position are:

- Overall WTEs are unlikely to return to budget position, driving a £0.5m underspend.
- Areas for investment are forecast to be underspent due delays in deliverables – see **Appendix 3.**
- One Team investment spend in line with forecast – see **Appendix 3.**

It is recommended we wait one further month before committing to return funding in the region of £0.7m to SG.

Forecasted Year End Position (£m)

Allocations and Grants

Allocations and Grants

Pie chart legend:
- ■ Allocations and Grant Income Received
- ■ Grant Income Expected
- ■ Allocations Expected
- ■ Prospective Allocations

Chart values: £1.2m, £0.4m, £7.5m

- Total grants and allocations expected for 23/24 is £9.1m, down from £9.2m in September.

- We are forecasting slightly lower full year expenditure of £9.0m driven by recruitment slippage and delays across a number of allocations. This is after a corporate services recharge of £1.1m.

- To date we have received £7.5m (82%). Other than corporate adjustments, the only allocation outstanding is Right Decision Service (£0.9m).

- It has been assumed that **no further new allocation funding** will be sought in 23/24, this includes for Coming Home, Primary Care Demonstrator Sites and Scottish Health Technologies Group, which will be funded in 23/24 from the current underspend and has been included in the year end outturn position.

- YTD spend on allocations and grants is £3.5m which is £0.2m under budget.

- A full breakdown of allocations can be found in **Appendix 4.**

Savings Targets

Savings Target

The budget identified £1.6m of recurring savings to be delivered in 23/24. A further £0.4m was been identified following an ask from SG on a non-recurring basis. Therefore the total savings target for 23/24 is now £2.0m.

Progress Against Targets

We have achieved £1.2m of savings to date, which is 52% of our recurring savings target & 100% of our non-recurring savings target.

We are slightly behind on our recurring target due to the Delta House lease with NSS starting later than expected.

Although process mapping and income generation is forecasting lower savings, this is offset by higher savings expected for redesign and pay. We are on track to achieve £2.0m by the end of the year.

Savings Target (£m)

- £0.4m
- £0.8m
- £0.8m

- ■ Savings achieved
- ■ Savings to deliver
- ■ Non recurring 5% financial challenge
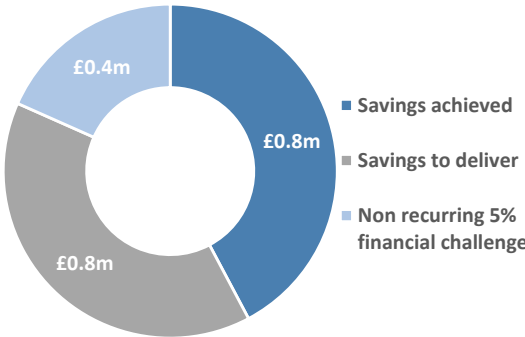
	Non-recurring (£)	Recurring (£)
Savings Target	**363,000**	**1,601,000**
Achieved		
Process mapping		-
Income Generation		54,651
Redesign		124,718
Pay Savings		506,747
Other		154,030
5% Additional Savings	363,000	-
Total Achieved	**363,000**	**840,146**
In Progress		
Process mapping		81,360
Income Generation		156,016
Redesign		162,462
Pay Savings		361,016
Other		-
Total in Progress	**-**	**760,854**
(Under)/Over Savings	**-**	**-**

Appendix 1 – YTD Financial Position

HIS - View All	Actual (£000s)	Budget (£000s)	Variance (£000s)
Baseline Income	20,197	20,197	0
Allocation Income	3,364	3,357	7
IHC Income	674	740	(65)
Grant Income	224	520	(296)
Other Income	58	107	(49)
Total Income	**24,517**	**24,920**	**(403)**
Pay Costs	20,686	21,553	867
Corporate Services Recharge	0	(578)	(578)
Agency Costs	206	33	(173)
Total Pay Costs	**20,892**	**21,009**	**117**
Travel & Subsistence	118	188	70
Rent, Occupancy & Office Costs	514	493	(21)
Communications	54	94	40
Miscellaneous	292	321	29
IT Costs	334	846	512
Training	57	69	12
Professional Fees And Charges	505	560	56
Payments To Other Organisations	1,153	1,187	34
Non Pay Savings Targets	0	1	1
Depreciation	131	154	22
Total Non Pay Costs	**3,158**	**3,913**	**755**
Total Operating Expenses	**24,050**	**24,922**	**872**
Reported Underspend / (Overspend)	**467**	**(2)**	**469**
Baseline WTE	408.0	433.5	25.5
Additional Allocations WTE	88.3	81.9	(6.4)
Grant WTE	4.6	4.0	(0.6)
IHC WTE	22.3	22.3	0.0
Total WTE	**523.1**	**541.6**	**18.5**

Directorate Expenditure	Actual (£000s)	Budget (£000s)	Variance (£000s)
Medical And Safety	2,836	2,948	112
Community Engagement And System Redesign	4,004	4,235	231
Nursing And Systems Improvement	3,392	3,776	384
One Team	143	178	35
Quality Assurance	3,666	3,977	311
Independent Health Care	949	891	(58)
Chief Executive	268	307	39
IT + Digital	975	1,065	90
Evidence	4,387	4,979	592
People + Workforce	627	646	19
Property	843	865	22
Areas for Investment	14	170	156
Finance Planning + Governance	1,242	1,192	(50)
Corporate Services Recharge	(436)	(578)	(141)
Corporate Provision	1,140	270	(870)
Total Operating Expenses	**24,050**	**24,922**	**872**

Directorate WTE	Actual	Budget	Variance
Medical And Safety	49.8	52.4	2.5
Community Engagement And System Redesign	105.6	117.0	11.3
Nursing And Systems Improvement	91.4	87.5	(4.0)
One Team	2.8	3.7	0.9
Quality Assurance	76.4	90.0	13.6
Independent Health Care	22.3	22.3	0.0
Chief Executive	3.7	3.7	0.0
IT + Digital	14.1	12.1	(2.0)
Evidence	110.9	106.4	(4.5)
People + Workforce	14.5	16.6	2.1
Areas for Investment	1.1	1.4	0.3
Finance Planning + Governance	30.5	28.8	(1.7)
Total Operating Expenses	**523.1**	**541.6**	**18.5**

Variance by Directorate
- Majority of underspend variances are due to lower WTE and pay costs, offset by Corporate Services Recharge.
- **Agency costs** are higher than budget mainly due to recruitment of additional cyber security resources.
- **IT non pay** underspend is due to phasing of computer hardware and software spend (£225k) as well as delay to RDS onboarding (£250k).

WTE by Directorate
- **Community Engagement & Quality Assurance** are currently working through organisational change.

Accruals
- YTD accruals of £1.8m have increased from £1.1m in March-23 demonstrating a fall in the number of purchase orders being raised in a timely manner.

Appendix 2 – Year End Forecast Position

HIS - View All	Forecast (£000s)	Budget (£000s)	Variance to Budget (£000s)
Baseline Income	34,504	34,325	179
Allocation Income	8,612	6,860	1,752
IHC Income	1,357	1,326	31
Grant Income	482	878	(396)
Other Income	138	212	(73)
Total Income	**45,093**	**43,600**	**1,493**
Pay Costs	36,227	36,937	711
Corporate Services Recharge	0	(990)	(990)
Agency Costs	312	57	(255)
Total Pay Costs	**36,539**	**36,004**	**(535)**
Travel & Subsistence	291	318	27
Rent, Occupancy & Office Costs	1,003	937	(67)
Communications	119	167	48
Miscellaneous	830	1,264	435
IT Costs	1,770	1,536	(234)
Training	214	114	(101)
Professional Fees And Charges	1,383	1,154	(229)
Payments To Other Organisations	2,042	2,020	(22)
Depreciation	234	263	29
Total Non Pay Costs	**7,886**	**7,773**	**(113)**
Total Operating Expenses	**44,424**	**43,777**	**(647)**
Reported Underspend / (Overspend)	**668**	**(177)**	**845**
Baseline WTE	408.0	434.8	26.8
Additional Allocations WTE	110.1	79.3	(30.8)
Grant WTE	4.6	5.5	0.9
IHC WTE	22.3	22.3	0.0
Total WTE	**544.9**	**541.8**	**(3.1)**

Directorate Expenditure	Forecast (£000s)	Budget (£000s)	Variance to Budget (£000s)
Medical and Safety	5,011	5,092	81
Community Engagement And System Redesign	7,304	7,602	298
Nursing And Systems Improvement	6,539	7,000	461
One Team	429	302	(127)
Quality Assurance	6,528	6,818	290
Independent Health Care	1,657	1,541	(116)
Chief Executive	494	526	32
IT + Digital	1,963	1,822	(142)
Evidence	8,919	8,571	(347)
People + Workforce	1,111	1,098	(13)
Property	1,493	1,477	(16)
Areas for Investment	296	414	118
Finance Planning + Governance	2,096	2,041	(55)
Corporate Services Recharge	(1,108)	(990)	118
Corporate Provision	1,711	463	(1,248)
Total Operating Expenditure	**44,424**	**43,777**	**(647)**

Directorate WTE	Forecast	Budget	Variance to Budget
Improvement Hub	-	-	0.0
Medical and Safety	49.8	53.1	3.3
Community Engagement And System Redesign	107.6	118.6	11.0
Nursing And Systems Improvement	110.2	87.5	(22.7)
One Team	2.8	3.7	0.9
One Team Programme	-	-	0.0
Quality Assurance	76.4	90.0	13.6
Independent Health Care	22.3	22.3	0.0
Chief Executive	3.7	3.7	0.0
Communications	-	-	0.0
IT + Digital	14.1	12.1	(2.0)
Evidence	111.9	104.2	(7.7)
People + Workforce	14.5	16.6	2.1
Areas for Investment	1.1	1.4	0.3
Finance Planning + Governance	30.5	28.8	(1.7)
Total	**544.9**	**541.8**	**(3.1)**

Expenditure by Directorate

- **Income** is forecasting a 3% increase from budget predominately due to new commissions during the year.

- **Pay costs** are up £0.5m verses budget due to additional resource in Cyber Security, One Team and RDS.

- **Misc costs** have reduced due to the dementia pathways allocations being removed following the approval of the budget. A corresponding reduction in income is also shown in the forecast.

- **IT costs** have increased due to the additional RDS costs.

- **Prof fees** are higher due to new commissions, namely the provision of service providers for PCIP.

- **One Team Programme** costs represent the additional investment agreed – see **Appendix 3**.

- **Evidence** directorate spend has increased due to the additional RDS costs.

- **Corporate Services Recharge** now reflected separately rather than as part of Corporate Provision line previously.

Appendix 3 – Areas for Investment

One Team - additional investment		YTD	Full Year	
Workstream	**Description**	**Actual £000s**	**Budget £000s**	**Forecast £000s**
Workforce	eRostering	-	35	22
	Management Structures	-	60	-
	Organisational Development Pool	-	30	-
	Leadership Development	-	20	19
	OD&L support	-	30	17
	HR Management	-	35	21
Redesign	CE&SR Development	-	30	30
	QAD Development	-	30	30
	Directorate Team Building	-	45	45
	All Staff Event	-	30	0
General	Release of Staff Time	-	70	0
	OTPB Programme Management	-	35	16
Grand Total		**-**	**450**	**200**

Areas for Investment	YTD	Full Year	
	Actual £000s	**Budget £000s**	**Forecast £000s**
Website	4	150	130
Secondary Server Solution	-	108	90
Associate Medical Director	13	79	46
Strength Development Inventory 2.0	-	14	14
HR Redesign Work Support	12	62	27
Grand Total	**29**	**414**	**308**

One Team

- Additional investment in One Team was approved in P4 at £450k, but this has been revised down to £200k. Spend has yet to commence.

- Management Structures (£46k) and Organisational Development Pool (£44k) spend has been removed for 23/24.

Areas for Investment

- Spend on the areas for investment has been slow to date.

- Full year spend has reduced from £414k to £308k

- Secondary Server Solution has been later than original budgeted.

- Associate Medical Director is now in post.

- Strength Development Inventory is scheduled to begin in November.

- HR Redesign budget for 1 WTE, actual recruitment 0.6 WTE.

Appendix 4 – Additional Allocations

Additional Allocations

Description	Income (£)	Expenditure (£)
Initial Baseline Allocation	33,604,000	33,463,000
Pay Award 2023-24	900,000	900,000
Baseline Allocation Total	*34,504,000*	*34,363,000*
Excellence in Care	308,700	321,694
Health and Care Staffing Act	850,000	591,067
Maternity Lead Post & C-Section Work	54,504	45,865
Citizens Panel	21,121	21,121
Joint Inspection of Police Custody Suites	173,817	183,610
National Review Panel	63,797	65,085
Management of Scottish Palliative Care Guidelines	159,892	100,804
Scottish Medicines Consortium	450,000	411,547
NHS Gender Identity Service	67,260	63,786
ASP Inspection Programme	282,757	166,997
HEI Mental Health	570,765	546,997
Early Intervention in Psychosis Improvement work	408,587	341,274
National Cancer Medicines Advisory Group & Systemic Anti-Cancer Therapy Improvement Work	326,892	367,620
SUDI Review process	62,639	32,418
Support for unpaid carers	255,116	250,429
HIS Rapid Review implementation Support	151,213	118,333
MCQIC Maternity Lead post	46,499	40,645
Volunteer Info System	35,120	19,050
Sexual Assault Response Coordination Services	90,787	55,302
Primary Care Improvement Portfolio	161,652	217,263
Personality Disorder	327,086	101,116
Commitment to SG	- 363,000	-
One-off Payment	394,000	-
Hospital at Home	290,000	170,119
Regulation of Independent Healthcare	265,200	291,031
SP Mental Health Substance Use & Rapid Review of Substance Abuse	937,522	921,253
Designing / Improving Residential Rehab Pathways	659,390	573,805
MAT / RR / NM Improvement and Implementation	405,940	337,528
Corporate Services Recharge		1,107,961
Additional Allocation Total	*7,457,256*	*7,463,719*
Allocations Received Per October Allocation Schedule	**41,961,256**	**41,826,719**
Additional Depreciation for Delta House	225,000	214,364
Right Decision Service Allocation	929,251	914,713
Total Additional Allocations to be Received	**1,154,251**	**1,129,077**
Anticipated Allocation Funding as at 31 October 2023	*43,115,507*	*42,955,796*

Grant Income

Description	Value (£)	Expenditure (£)
Commonwealth Paternships for Antimicrobial Stewardship (CwPAMS)	33,150	33,150
Global Health Partnership	12,818	6,827
Grants Received as at October 31st 2023	**45,968**	**39,977**
Scottish Intercollegiate Guidelines Network (SIGN) Polypharmacy	36,152	30,116
Accelerated National Innovation Adoption Pathway	168,000	159,166
Commonwealth Paternships for Antimicrobial Stewardship (CwPAMS)	31,220	31,220
Bairns' Hoose	64,596	65,785
Right Decision Service	133,820	133,820
Global Health Partnership	12,818	12,818
Total Grants to be Received	**446,606**	**432,925**
Total Grant Income	**492,574**	**472,902**

Allocations & Grants by Directorate

Description	Received	Awaiting Receipt	Total (£)	Forecasted Expenditure (£)
Nursing & System Improvement	1,610,352	-	1,610,352	1,300,143
Medical & Safety	491,692	-	491,692	519,215
Community Engagement & System Redesign	3,201,095	-	3,201,095	2,683,909
Quality Assurance	1,089,978	-	1,089,978	930,022
Independent Healthcare	265,200	-	265,200	291,031
Evidence	813,907	1,375,857	2,189,764	2,001,768
Corporate Provision	31,000	225,000	256,000	1,322,325
Total Allocations & Grants by Directorate	**7,503,224**	**1,600,857**	**9,104,081**	**9,048,413**

Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Workforce Report**
Agenda item:	**2.1.3**
Responsible Executive/Non-Executive:	**Sybil Canavan, Director of Workforce**
Report Author:	**Sybil Canavan, Director of Workforce**
Purpose of paper:	**Discussion**

1.   Situation

This report is provided to inform the Board of the current workforce position and pertinent workforce detail within the organisation.

2.   Background

The full standard report is provided on a monthly basis to Executive Team colleagues. This report provides Board members with a number of high level key workforce metrics across the organisation.

3.   Assessment

Our current workforce comprises of a headcount of 581 as at the end of **October 2023**. 542 are on our payroll as directly employed staff, a whole time equivalent (WTE) of 510.1 and 39 (headcount) secondees into the organisation, a WTE of 18.2 people.

During the current financial year (2023/24) 46 people have left the organisation, and 49 individuals have joined Healthcare Improvement Scotland representing an overall turnover rate of 8.0% to date.

Current absence levels are 3.4%, as compared to 2.1% for the same period last year, which does represent an increase and, as a comparator, are similar to pre Covid-19 rates (3.2%) at this point in the year. The majority of long term absence continues to be attributed to anxiety, stress or depression. This is within the 4% target for NHS Scotland.

Since April there have been 117 new recruitment campaigns, of which 76 have been filled and the others are at various stages of recruitment as at the end of October.

Assessment considerations

Quality/ Care	The detail provided assists in best use of resources, ensuring Healthcare Improvement Scotland's workforce is aligned to our service demand and impact on the quality of care (and services) provided.
Resource Implications	Whilst staffing within the organisation and how they are deployed, has major operational and financial implications, the report is not intended to be a detailed financial reporting tool.
	The attached appendix describes some of the resource position within the organisation including, current staffing, changes/turnover throughout the year and sickness absence which is reflective of staff health and wellbeing.
Risk Management	The workforce risk and mitigation activity is described in detail in the Strategic Risk register. The risk is reviewed and updated monthly.
Equality and Diversity, including health inequalities	The report is intended to inform how the workforce is developing in relation to previous periods and track our skill mix across the organisation. An impact assessment has not been completed because this information is from one of a series of regular monthly management information.
Communication, involvement, engagement and consultation	N/A

4   Recommendation

Board members are asked to review the detail of the enclosed appendix and provide further comment or questions as necessary.

5   Appendices and links to additional information

The following appendices are included with this report:

- Appendix No 1 Workforce Metrics

Appendix 1 – Workforce Report

Workforce YTD v Previous Years

	Year Start 2022	Year Start 2023	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
Headcount (payroll & non-payroll)	554	570	567	560	557	561	567	571	581	#N/A	#N/A	#N/A	#N/A	#N/A
Headcount (payroll only)	519	542	538	530	527	530	535	537	542	#N/A	#N/A	#N/A	#N/A	#N/A
WTE (payroll & non-payroll)	511,3	521,6	519,7	512,5	509,3	514,5	518,9	522,4	528,3	#N/A	#N/A	#N/A	#N/A	#N/A
WTE (payroll only)	490,6	508,7	505,9	498,4	495,8	500,0	504,8	507,1	510,1	#N/A	#N/A	#N/A	#N/A	#N/A

Total Workforce Mix by Contract Type

Permanent 77%
Other 13%
Fixed Term 10%
on Internal Secondment 6%
Secondees Into HIS 7%

Cumulative Staff Turnover Rate (%) YTD by Month v Last Year
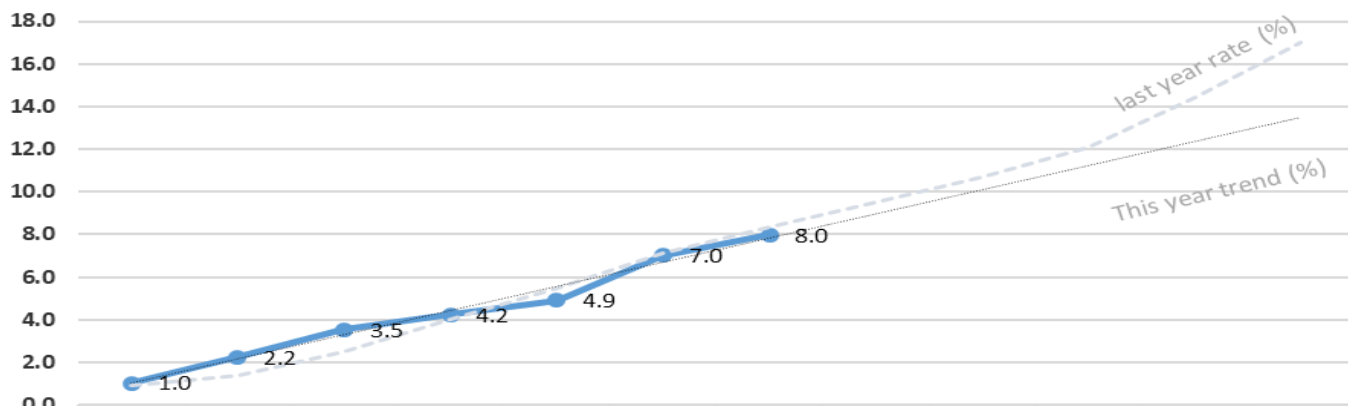
	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
YTD Staff Turnover ratio (%)	1.0	2.2	3.5	4.2	4.9	7.0	8.0					
Last Year Staff Turnover ratio (%)	0.9	1.4	2.5	4.0	5.5	7.1	8.3	9.5	10.7	12.1	14.5	17.0

Sickness Absence Rate (%) YTD by Month
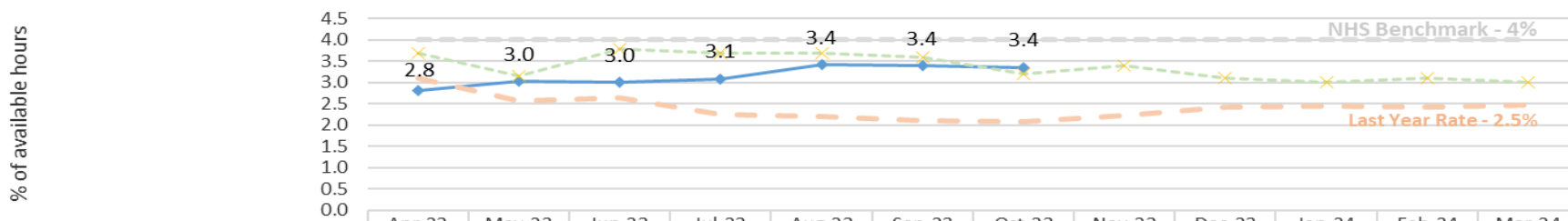
	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24	Feb-24	Mar-24
YTD Sickness Absence (%)	2.8	3.0	3.0	3.1	3.4	3.4	3.4					
Last Year Sickness Absence (%)	3.1	2.6	2.6	2.3	2.2	2.1	2.1	2.2	2.4	2.4	2.4	2.5
NHS Benchmark (%)	4	4	4	4	4	4	4	4	4	4	4	4
Pre-Covid/2019-20 (%)	3.7	3.2	3.8	3.7	3.7	3.6	3.2	3.4	3.1	3.0	3.1	3.0

Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Risk Management**
Agenda item:	**3.1**
Responsible Executive/Non-Executive:	**Angela Moodie, Director of Finance, Planning and Governance**
Report Author:	**Paul McCauley, Risk Manager**
Purpose of paper:	**Discussion**

1. Situation

The Board is asked to review the strategic risks currently held on Compass (Appendix 1) as at 22 November 2023. The Board is asked to afford particular focus on those risks which are currently out of appetite.

2. Background

The Board's role for assessing risk is set out in the NHS Scotland Blueprint for Good Governance as follows:

- Agree the organisation's risk appetite.
- Approve risk management strategies and ensure they are communicated to the organisation's staff.
- Identify current and future corporate, clinical, legislative, financial and reputational risks.
- Oversee an effective risk management system that assesses level of risk, identifies mitigation and provides assurance that risk is being effectively treated, tolerated or eliminated.

3. Assessment

Strategic Risks

There are currently 14 strategic risks, the same as the last Board meeting. There are two very high, six high and six medium rated. Seven risks are out of appetite and seven are within appetite. The full Strategic Risk Register can be found at Appendix 1.

Chart A Stratgeic Risks Six Months Trend
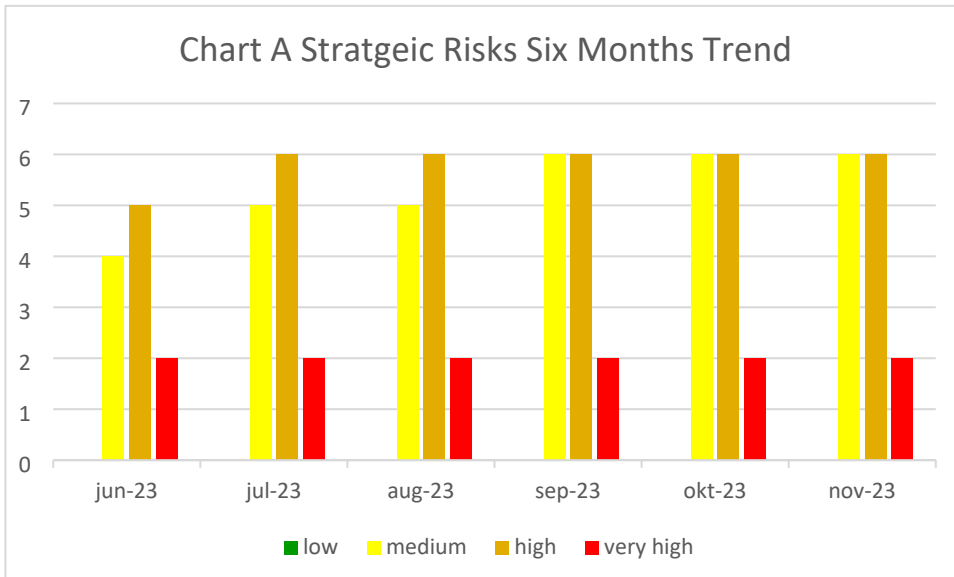
Out of Appetite Risks

The seven risks out of current appetite are summarised below:

Out of appetite risks	Residual score	Maximum in appetite score
Cybersecurity	16	8
Inspections & assurance activities	12	8
Independent Healthcare	12	8
Service Change	20	12
Workforce skills & availability	15	12
Safety of Patient care	15	8
Corporate Website	9	8

The respective risk Directors are now working on actions which will bring their risks into appetite or further towards appetite and these will be reported to the relevant Governance Committees going forward. Updates are noted below:

Cyber Security: Two contractors have been recruited to complete the recommendations of the Network and Information Systems Regulations audit with submissions required by January 2024. We are aiming to increase our compliance status from 49% in 2022/23 to 60% in 2023/24 at which the likelihood and impact of this risk will be reviewed. In addition, following the recent recommendation from Audit Scotland, progress will be formally reported and monitored at the Audit and Risk Committee going forward under the resilience update.

Inspections and Assurance Activities: A number of actions are underway to reduce the likelihood of this risk by the end of this year, thus bringing this risk within appetite. These include:

- a new directorate structure and ways of working to be in place in Q3;
- Quality Assurance System implemented on all work programmes underway;

- transformational change delivered in Q3 (dependent on resourcing);
- further progress on our Clinical and Care Governance framework.

Detailed updates on these actions will be considered at the Quality and Performance Committee going forward.

Service Change: We are currently developing a new assurance process for all service change. This will enhance our current assurance process for major service change and is in response to the publication of the updated Planning with People guidance. We have had a positive response from stakeholders on our proposal to develop this new process and its aim to provide assurance that meaningful engagement has taken place, not just for us but crucially for the public, boards and politicians. Ten NHS boards and Health and Social Care Partnerships are participating in its development and testing. It is anticipated that this risk will show some reduction by December of this year.

Workforce Skills: The degree and impact of organisational change associated with risk 1266 has resulted in a decision to create a shorter and more focussed workforce plan with a focus on Directorate activity and impact over the next 12-18 months. Once the new plan is agreed and actions are implemented, we will be in a better decision to determine when this risk will be brought to within appetite.

Safety of Patient Care: Work is continuing on refining this risk and this will include plans to bring it within/further towards appetite in areas where the risk is within our control. A One Team Safety Network has been established and will share updates on safety focussed work and evaluate new intelligence about safety care in the system. This risk is now a standing item on the Safety Network agenda and as a key stakeholder the Network will play a significant role in bringing it under control. As this risk is still being developed it is too early to say if or when there will be a reduction in the score.

Corporate Website: This risk is marginally out of our minimalist appetite for this type of risk. The corporate website remains at risk, but contingency plans are now in place, with a weekly back-up being taken and can be restored if our current website crashes and becomes irrecoverable. National Services Scotland have notified us that the switch off of the current platform has been postponed from November-23 to March-24. In addition, we have agreed via the Service Level Agreement that the platform will not be switched off until we have moved our corporate website to the new platform (scheduled for January 2024). This risk is expected to be within appetite once this move has successfully completed.

Assessment considerations

Quality/ Care	The risk register underpins delivery of the organisation's strategy and effective risk management ensures the best outcomes from our work programmes. Discussion of the risk register and its impact on delivery of the organisation's plan is a key part of the assurance arrangements of the organisation and in identifying opportunities.

Resource Implications	There is no financial impact as a result if this paper. Relevant financial risks are recorded on Compass and presented to the Audit and Risk Committee.
Risk Management	Risks and their mitigations are set out in the report for review by the Board.
Equality and Diversity, including health inequalities	There are no equality and diversity issues as a result of this paper. An impact assessment has not been completed because this is an internal governance paper.
Communication, involvement, engagement and consultation	The risk register is an internal management tool and therefore no external consultation has been undertaken in preparing this paper. Route to this meeting: The Audit and Risk Committee considered all of the strategic risks at its meeting on 29 November 2023.

4   Recommendation

The paper is presented for discussion.

The Board is also asked to review Appendix 1 to:
- Assure themselves that the risks presented are recorded and mitigated appropriately.
- To identify and agree any new risks that ought to be raised.
- To identify any opportunities that arise from the risk reports presented.

5   Appendices

The following appendices are included with this report:
- Appendix 1, Strategic Risk Register

Appendix 1: Strategic Risk Register – November 2023

Category	Project/ Strategy	Risk No	Risk Director	Risk Description	Inherent Risk Level	Controls and Mitigations	Current Update	Impact	Likelihood	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-22	May-22	Appetite Level In/Out
Reputational / Credibility	HIS Strategy 2023-28: Leading Quality Health and Care for Scotland	1072	Robbie Pearson	There is a risk that the development and implementation of our strategy and the associated operational plan, will be impeded by the unprecedented combination of external factors, including economic, political and environmental pressures and the recovery from the pandemic, resulting in a negative impact on the availability, performance and priorities of HIS.	VH 25	We continue to work closely with all Boards to understand the challenges and system pressures across NHS Scotland. We are adjusting the focus and tempo of our operational activities to deal with the changing circumstances such as surges in infections. The wider changes in HIS will seek to provide a platform for us building a more flexible and cohesive response to the challenges facing the system. The annual delivery plan 2023-24 has been developed with project leads/budget holders and progress on it will be reported to the Quality and Performance Committee, Board and Scottish Government (SG).The process for managing new work commissions in HIS has been redesigned to ensure a stronger collective response to the requests from SG. Our financial position is regularly monitored to ensure flexibility and affordability regarding inflation. Horizon scanning, risk management and ongoing stakeholder engagement.	The economic impact and wider pressures are having a serious and growing impact on public finances. This is resulting in a detrimental impact on aspects of health and social care provision, particularly safety of care. We are ensuring our response, in a rapidly changing set of circumstances, is tailored to alleviating such pressures. Our new strategy marks a significant shift in our approach as an organisation, with a stronger focus on systematically managing all the resources in HIS in a more efficient, flexible, integrated and agile way to ensure we are meeting the needs of the health and social care system.	4	3	H 12	H 12	H 12	H 12	H 12	H 12	H 12	Cautious In Appetite
Financial / Value for Money	Finance Strategy	635	Angela Moodie	There is a risk of financial instability due to national funding challenges resulting in changes to the organisational priorities, impact on staffing levels and a potential over/under spend.	VH 20	Monthly rolling forecasting remains a key control to ensure financial balance in 23/24. The underspend has continued to grow in H1 despite some spend being repurposed. There is a strong focus on recurring savings initiatives to ensure a sustainable financial position over the medium term (3-5 years). All/most initiatives have been identified with owners and targets. Our financial position is regularly monitored to ensure flexibility and affordability regarding inflation.	The wider NHS position is a significant deficit, and on the request from SG, we have increased our savings target for 23/24 by an additional £360k (5% on outstanding allocations). Consideration is being given to increase this further in December-23 given the increase in the forecasted underspend seen to date. All funding, bar one allocation, has been received for 23/24, reducing the financial uncertainty for this year at least. Baselining and confirming of funding for 24/25 is the emerging new risk and being considered as part of the annual integrated plan.	3	3	M 9	M 9	M 9	M 9	M 9	M 9	M 9	Cautious In Appetite
Reputational / Credibility	ICT Strategy	923	Safia Qureshi	There is a risk that our Information Communications Technology (ICT) systems could be disabled due to a cybersecurity attack resulting in staff being unable to deliver our work and causing reputational damage.	VH 20	Controls that are in place include a suite of processes and applications which protect us across our networks and systems, including; no direct connection to the internet, firewall devices, anti-spyware and anti-virus scanning, devices protected, data backups and security updates. HIS ICT receive notifications and alerts from National Cyber Security Centre and NHS Cybersecurity Centre of Excellence regarding security exploits and vulnerabilities and act accordingly. Staff are trained on Data protection, Information Security, Cyber Security and Freedom of information before being allowed access to HIS computers. Users also sign the HIS Acceptable Use Policy.	With the current suspected ransomware attack at Western Isles local authority and the ongoing issues that the University of West of Scotland (UoWoS) continue to experience as a result of a cyber-attack in July 2023 the threat remains significant and the risk scoring must remain the same. The project to upgrade all laptops to the latest Feature and Security release of the Windows 10 operating system is almost complete with only a few remaining. Given the current situation in the Ukraine there is a strong possibility that this risk could occur and it has happened recently to both Scottish Environmental Protection Agency (SEPA) and the Irish Health Service and should it occur HIS will experience a sustained loss of business services.	4	4	VH 16	VH 16	VH 16	VH 16	VH 16	VH 16	VH 16	Minimalist Out of Appetite
Reputational / Credibility	Information Governance Strategy	759	Safia Qureshi	There is a risk of a significant data breach due to the unintended disclosure of personal data of staff, stakeholders and the public resulting in reduced stakeholder/public confidence, financial penalty and/or sanctions from the Data Protection Regulator (Information Commissioner).	VH 16	Staff training, records retention policy, data protection policy, information security policies, technical security controls; Cyber security certification; data processor contractual arrangements, improved implementation of retention schedule; Staff training and awareness; review of the information asset register for compliance gaps on quarterly basis; review of HIS practices against the Information Commissioner's Office (ICO) accountability framework on annual basis; Implementation of One Trust governance module; adverse event report training;	The implementation of the One Trust governance modules is progressing in accordance with the NIS audit timelines. Quarterly governance reviews with each directorate are being introduced where the status of IG and security controls will be monitored and discussed with the Information Asset Owners highlighting areas of risk for the directorate regarding compliance.	3	2	M 6	M 6	M 6	M 6	M 6	M 9	M 9	Minimalist In Appetite

										Residual Risk Level							
Category	Project/ Strategy	Risk No	Risk Director	Risk Description	Inherent Risk Level	Controls and Mitigations	Current Update	Impact	Likelihood	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-22	May-22	Appetite Level In/Out
Clinical Care Governance	HIS Strategy 2023-28: Leading Quality Health and Care for Scotland	1160	Lynsey Cleland	There is a risk that inspections or other assurance activity carried out by HIS fails to identify significant risks to the safety and quality of care, resulting in potential harm to patients and damage to the reputation of HIS.	VH 20	The risk is mitigated by ensuring staff are appropriately qualified and trained and have sufficient experience to carry out their role. Quality Assurance System and associated Standard Operating Process promotes a consistent and robust approach and a clear escalation policy is in place. Also Memorandum of Understandings are in place with partner agencies, including the Care Inspectorate. Risk assessments inform decisions on frequency and focus of inspections and other assurance activities and focused inspections/reviews are undertaken in response to intelligence on potential significant risks or concerns.	A key driver for our strategic review and transformational change process within QAD is to ensure that our systems and processes are fit for purpose to enable us to deliver robust quality assurance programmes. This includes strengthening business planning processes and programme delivery. A range of improvement activity has already taken place, including updated clinical and care governance arrangements. It is anticipated that the change process will bring further benefits, including a reshaped programme management function.	4	3	H 12	H 12	H 12	H 12	H 12	H 12	H 12	Minimalist Out of Appetite
Operational	HIS Strategy 2023-28: Leading Quality Health and Care for Scotland	1131	Robbie Pearson	There is a risk that HIS is not appropriately involved in the design and development of the National Care Service (NCS) as has previously been requested by Scottish Ministers. There is a risk also of impact on our resources and capacity to support any expansion of our statutory duties as set out in the draft Bill.	VH 16	We are connecting to the SG policy team/sponsor unit / SG to ensure our voice is heard in any specific proposals regarding HIS and early opportunities for broader engagement. We have opened discussion with other national bodies around agreeing an overarching framework for improvement support and key principles about how we work together that would address the issue of a model that "practitioners at all levels can implement as a whole rather than a sum of the parts". We also continue to work with a range of partner organisations in designing the future priorities for improvement support in integrated health and social care services.	A revised Bill is scheduled to be brought before the Scottish Parliament by end of January 2024. There have been substantial revisions to the proposals regarding the shape of the NCS following the publication of the Verity House agreement between Scottish Government and COSLA. In essence, local authorities will retain existing powers and functions in any new arrangements. We will continue to explore the implications of the revised proposals with regard to HIS whilst pursuing our current work such as in relation to supporting improvements in social care and community health services.	5	2	M 10	M 10	M 10	M 10	M 10	M 10	M 10	Cautious In Appetite
Reputational / Credibility	NHS Scotland Climate Emergency & Sustainability Strategy	1165	Safia Qureshi	There is a risk that HIS will be unable to achieve the Scottish Government and UN sustainability requirements or the NHS Scotland net zero target for 2040. This would be mainly due to a lack of capacity to deliver the work required resulting in reputational damage to HIS and a failure to capitalise on the financial and health & wellbeing opportunities associated with sustainable delivery of our work.	VH 16	National Sustainability Assessment Tool (NSAT) annual assessment Development of an organisational Net-Zero Route map action plan. Active Travel Adaptation Policy. Submission of an annual Sustainability Assessment Report audited by Health Facilities Scotland and Scottish Government. Collaboration with other NHS boards contributing to Climate Change Risk Assessment & Adaptation Plans, including Biodiversity reporting.	HIS are hosting a workshop on the 16 November, with the national sustainability group leads to try and realign the 171 NSAT questions with the new national climate emergency strategy, public bodies duty report and annual climate change report. This is another example of how collaboration is driving change and improving our processes. The new national boards biodiversity questions which HIS recommended have also been approved by the Scottish Government strategy group and they will be included in this year's annual report for the eight national boards. The reports are due for submission in January 2024. While limited resources leads to constrained reporting, we are still expecting to reduce our carbon footprint as an organisation.	3	2	M 6	M 9	M 9	M 9	M 9	M 9	H 12	Cautious In Appetite
Operational	Workforce Strategy	634	Sybil Canavan	There is a risk that we may not have the right skills at the right time, at all levels of the organisation, to deliver our work because of a skills shortage or lack of capacity resulting in a failure to meet our objectives.	VH 16	Management of workforce risks occurs through everyday management activities including business planning, role design, departure practices, organisational design, staff development, knowledge of the external labour market, attraction activities, recruitment activities, 'on-boarding', performance management and organisational culture. Workforce planning arrangements are in place. Activity and progress monitored quarterly via Staff Governance Committee and Partnership Forum. Oversight of recruitment and vacancy arrangements for the organisation are monitored via the Vacancy Review Group, alongside any structural and service requirements.	The Workforce Plan for 2022-25 is accompanied by a detailed action plan for this risk, including actions on workforce planning, succession planning and other areas of workforce challenge and activity. The Staff Governance Committee have received detailed updates on the current plan in the course of the current financial year in line with the agreed action plan. Since completion of the original plan, there has been significant change across the organisation in terms of both organisational change and the change of management of a range of improvement work. Following detailed at the SGC in November 2023, further work will now be undertaken to update and provide a more focussed and shortened action plan with a focus on Directorate activity and impact over the coming 12 - 18 months.	5	3	H 15	H 15	H 15	H 15	H 15	H 15	H 15	Cautious Out of Appetite

Category	Project/ Strategy	Risk No	Risk Director	Risk Description	Inherent Risk Level	Controls and Mitigations	Current Update	Impact	Likelihood	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-22	May-22	Appetite Level In/Out
Reputational / Credibility	Service Change	1163	Clare Morrison	There is a risk that system pressures together with regional/national planning and COVID remobilisation and recovery reduces the priority given to meaningful public involvement and engagement in service change resulting in failure of Boards to meet their statutory responsibilities with the subsequent operational and reputational risk to HIS.	VH 20	Identifying options for delivery of core functions; and raising awareness through governance structures, via engagement with NHS boards, partnerships and SG. Development of Quality Framework for Engagement to support implementation of national guidance. Revised Planning with People published on 21 April 2023 with significant HIS-Community Engagement involvement. The Scottish Health Council Service Change Sub-Committee continues to provide governance over the issue (discussed at each meeting). An action plan has been developed and this has led to quarterly meetings with the 3 Regional Planning Directors. Ongoing discussions with boards and partnerships to emphasise need for engagement and support available via HIS-CED. Involvement in regional and national planning structures is helping to highlight the importance of engagement in national and regional planning.	The current system pressures are impacting on boards' ability to meaningfully engage around service change. Many "temporary" service changes have now been in place for 36 months. We are reviewing the support we provide for boards to ensure relevant guidance is applied and the risks around failure to meaningfully engage are considered. Work to develop a new assurance process for all service change activity is underway with 10 statutory health & care bodies (mostly NHS boards) involved and testing is ongoing with one NHS Board. Mitigation of this risk depends on successful implementation of the new Community Engagement structure including both the embedding of the Strategic Engagement Lead role at a national, regional and board level and the establishment of the new Assurance of Engagement programme. Further delays with the organisational change process in September and October increased the likelihood of this risk but the process started to move forward in November - providing this continues, the likelihood of this risk will reduce.	4	5	VH 20	VH 16	VH 16	VH 16	VH 16	VH 16	VH 16	Cautious Out of Appetite
Workforce	Workforce Strategy	1266	Sybil Canavan	There is a risk that the current and potential future organisational change activity within Healthcare Improvement Scotland will impact on delivery of our strategic priorities and also on our organisational performance leading to possible adverse outcomes, poor quality care and the associated reputational damage to HIS.	VH 16	Organisational Change proposals and processes for the organisation are governed by the 'Organisational Change' policy in place. This is in line with organisational change requirements for NHS Scotland contained in the current circulars and as detailed in the existing Staff Governance Standards for NHS Scotland. The principles of 'One Team' specifically stipulate the need for a consistent and Partnership approach to all organisational change activity. The Partnership Forum and Staff Governance Committee within Healthcare Improvement Scotland ensure appropriate oversight and due diligence in terms of governance and transparency regarding implementation and engagement. Individual and collective communication and partnership working is a requirement of this activity.	Work has now been completed, and agreed in Partnership, regarding the final structures for both QAD and CED. Alongside this the AFC processes have been concluded for all affected roles and work is now underway within both Directorates to complete populating the structure via the agreed processes. At this time it is anticipated that the QAD process will be completed and individuals confirmed in post prior to the end of December. The CED structure is envisaged to be completed in early January. Staff communication and engagement has continued and all affected staff have received updates advising of the process and implementation timescales.	4	3	H 12	H 12	H 12	H 12	H 12			Cautious In Appetite
Clinical and Care Governance	Regulation of Independent Healthcare (IHC)	1159	Lynsey Cleland	There is a risk that HIS cannot effectively regulate the independent healthcare sector, due to the breath, diversity and volatility of the sector and a limited regulatory framework, leading to possible adverse outcomes, poor quality care and the associated reputational damage to HIS.	VH 25	The IHC Team are at full staffing in terms of the current model. Changes to the staffing model and ways of working are planned as part of the ongoing directorate transformational change process, but there will be dedicated leadership and programme support for to ensure key regulatory functions can continue to be delivered as the directorate transitions through the change process. A new approach to accessing the required clinical expertise and updating staff knowledge has been developed in partnership with the medical directorate and the Quality Assurance Directorate Clinical and Care Governance Group and is in the process of being adopted into the QAS. Work continues with the finance team to monitor the financial picture and maintain accurate forecasts. Work ongoing with main partners (CLO and NSS) to improve debt recovery processes. The QAD Clinical Care Governance Group considers and monitors relevant risks and is seeking to ensure appropriate and timely clinical input. Online forum between Care Quality Commission, Regulation and Quality Improvement Authority, Healthcare Inspectorate Wales & HIS in place to discuss UK wide regulatory considerations and share emerging issues in relation to digital healthcare.	As a part of the directorate transformational change, the chief inspector is taking forward a detailed review of ways of working, policies, processes and distribution of workload across QAD's regulatory functions (IHC & IRMER) to ensure the effective and sustainable delivery of statutory duties in a way that makes best use of collective skills knowledge and expertise; reflects available resources; and ensures fair and achievable workloads. There is ongoing work and regular engagement with Scottish Government on regulatory reform proposals to close known loop holes. The regulation of independent healthcare services provide by pharmacy professionals and the regulation of independent medical agencies in expected to come into effect in spring 2024. Other anticipated legislative changes, include the ability to remove services from the register that do pay annual leaves and changes to the current fee caps to enable HIS to continue to collect sufficient fees to cover existing regulatory costs . However, significant legislative reform will take time, particularly where changes to primary legislation are required. In addition, The Chief Executive has written to sponsor colleagues at SG to detail patient safety concerns and set out the need for wider reform of IHC regulation. A meeting to further discuss this is planned for early December.	4	3	H 12	H 12	H 12	H 12	H 12	H 12	H 12	Minimalist Out of Appetite

Category	Project/ Strategy	Risk No	Risk Director	Risk Description	Inherent Risk Level	Controls and Mitigations	Current Update	Impact	Likelihood	Nov-23	Oct-23	Sep-23	Aug-23	Jul-23	Jun-22	May-22	Appetite Level In/Out
Clinical Care Governance	HIS Strategy 2023-28: Leading Quality Health and Care for Scotland	1922	Simon Watson	In the context of wider significant system pressures, there is a risk that our work is not attuned to these pressures and we fail to fulfil our commitments to support safe care in Scotland resulting in avoidable harm for patients and the public. Previously: There is a risk that increasing financial and workforce pressures across NHS boards leads to a reduction in the quality and safety of patient care resulting in further demands on our planned work programmes and on our ability to deliver to a high standard across our work.	VH 20	We are developing an approach to safety which is more co-ordinated across the whole organisation. Under the Safety Network we will focus on two key areas. 1. What we currently do in this area. 2. How we seek and share intelligence on emerging safety issues. This will all feed into how we are managing this risk. We continue to be present and influential at system wide stakeholders meetings to ensure safety is at forefront, whether that is financial or patient safety led. Initiatives include safety alerts, Scottish Patient Safety Programme and Excellence in Care. We remain mindful of the high volume of work here in an unstable system.	The Safety Network is taking a One Team approach to ensuring that we fulfil our various strategic and other commitments to safety. This risk is now a standing item on the Safety Network agenda going forward. Work is underway to address immediate issues, with attendance at relevant stakeholder meetings, sharing intelligence work and papers on the winter response and safety concerns written and circulated. We are also supporting Boards with bespoke work in Ayrshire & Arran and Forth Valley.	5	3	H 15	H 15	H 15	H 15	H 15	H 15	H 15	Minimalist Out of Appetite
Operational	Information Governance Strategy	1258	Robbie Pearson	There is a risk that we fail to provide the required documentation or evidence to the UK and Scottish Covid19 Inquiries due to inadvertent destruction and an inability to locate and retrieve files due to non-compliant, person dependent document naming conventions and folder structures resulting in potential legal action against and reputational damage set in the context of HIS being in receipt of a 'Do Not Destroy' notice (by the Scottish Inquiry).	H 12	Clear guidance that the 'Do Not Destroy' notice means we must retain all pandemic related material from March 2020 to December 2022. This is monitored by the Information Governance steering group. We have established a central repository for all documentation that has been located so far in response to the initial informal requests from the Scottish Inquiry. We have a cross-directorate group in place to help co-ordinate the responses to inquiry requests. We have an emphasis on those programme areas most likely to be impacted by the inquiries investigations.	The two public inquiries are only getting underway and conclusion will be some years away, therefore we may be asked for this information at any time from this point forward and for an as yet undefined period into the future. This is about future-proofing the organisation given that personnel and work programmes have been changing, and are likely to continue to change into the future. We have submitted material to the UK Module 3 Inquiry.	3	2	M 6	M 6	M 8	M 8	M 8			Minimalist In Appetite
Reputational / Credibility	ICT Strategy	1270	Ben Hall	There is a risk that our website is not available and 'goes down' due to the resilience of the site no longer being guaranteed because of technical issues and outdated technology, resulting in HIS being without a corporate web presence and unable to fulfil its statutory publishing duties.	VH 20	A weekly copy of the Corporate website to the Azure cloud platform is being undertaken both for contingency purposes and will be the basis for our new website. The WordPress site will be used as a 'starter' site to enable us to begin redevelopment of the corporate website. The website redevelopment project is being led by the Communications Team and other work is being reviewed and re-prioritised to support this.	A programme of work is underway to review and cleanse existing content on the corporate website and a plan created to work with the 'owners' of the other websites in the HIS web estate to agree timescales and resources to work towards bring the entire web estate onto the WordPress content management system.	3	3	M 9	M 9	M 9					Minimalist Out of Appetite

Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Code of Corporate Governance**
Agenda item:	**4.1**
Responsible Executive/Non-Executive:	**Angela Moodie, Director of Finance, Planning and Governance**
Report Author:	**Karlin Rodgers, Head of Finance & Procurement**
Purpose of paper:	**Decision**

1. Situation

The Code of Corporate Governance sets out the organisation's Standing Orders, Board and Committee terms of reference and the Standing Financial Instructions. Amendments to the Code of Corporate Governance are being presented to the Board in this paper following endorsement from the Audit and Risk Committee on 29 November 2023.

2. Background

The Standing Orders set out the framework for delivery of the Board's governance meetings. The HIS Standing Orders mirror those agreed on a Once for Scotland basis across NHS Scotland Boards with minor adjustments to reflect any aspects specific to HIS.

Each of the Governance Committees created by the Board has a set of terms of reference which explains their remit, purpose and membership. This ensures there is clarity in the roles that the Board delegates to its Committees and that they operate within their delegated role. Committees' terms of reference are reviewed annually and incorporated into the next revision of the Code of Corporate Governance.

The Standing Financial Instructions detail the financial responsibilities, policies and procedures adopted by our organisation. It is best practice to review and update these instructions on a regular basis.

3. Assessment

The Standing Financial Instructions have been reviewed to ensure compliance with current best practice and the changes are summarised below. A tracked version of the Code of Corporate Governance is attached at Appendix 1. By incorporating these changes it will give clarity to all parties around levels of approval for both income and expenditure.

Page, section	Change	Rationale for Change
Page 48, Part F, Section 1	De minimis limit of £1,000 for invoicing NHS Scotland boards	Reduces the amount of low value invoices and administration time for both parties. Transactions between NHS Boards are consolidated and eliminated in the whole of governance accounts.
Page 58, Part K, Section 2.0	Removal of wording which references transfers of budgets between budget heads requires Board approval	Budgets are set and delegated to relevant directors at the start of the financial year. Budget transfers are covered by updated delegation letters.
Page 64, Appendix 1, Section 1.1	Removal of competitive tenders section	Covered by procurement thresholds 1.2.
Page 64, Appendix 1, Section 1.1 (new)	Addition of procurement threshold and contract signing section	Introduced to give clear guidance on who can sign contracts and manage procurement processes.
Page 64, Appendix 1, Section 1.3 (new)	Addition of purchase order approval limits	Introduced to give clear guidance on the approval levels which are built into the purchase order system.
Page 65, Appendix 1, Section 1.4 (new)	Addition of Non-Competitive Tender sign off	Introduced to give clear guidance on who can sign off non-competitive tenders.
Page 67, Appendix 1, Section 8.1 & 8.2	Addition of grant agreements, other income and Scottish Government income approval section	Introduced to give clear guidance on the governance routes income should follow before being committed to.
Page 68, Appendix 1, Section 8.3	Addition of credit note approval section	Introduced to provide a level of governance and visibility of credit notes being raised.
Page 68, Appendix 1, Section 9	Addition of expense payments section	Introduced to show who can sign off expense payments within the organisation.

Assessment considerations

Quality/ Care	The Code of Corporate sets out the governance and financial framework of the organisation and supports the delivery of good corporate governance and achievement of value for money. This in turns supports the best outcomes for our work programmes.
Resource Implications	Changes to processes will be communicated to staff following approval of the revisions.

Risk Management	Financial controls risks are captured on the operational risk register.
Equality and Diversity, including health inequalities	The Code of Corporate Governance is a key component in achieving good corporate governance which ensures the best outcomes for our stakeholders.
Communication, involvement, engagement and consultation	This paper has been prepared by the Finance team and was endorsed by the Audit and Risk Committee on 29 November 2023.

Update from Audit & Risk Committee

The Committee endorsed the above changes and welcomed the clarity to the SFIs.

4 Recommendation

The Board are asked to approve the revised Code of Corporate Governance.

5 Appendices and links to additional information

The following appendices are included with this report:

- Appendix No1, Code of Corporate Governance 2023

CODE OF CORPORATE GOVERNANCE

Approved: June 2023
Review date: November 2024

Contents

Please note, only sections which include changes are shown on the following pages. The full version of the Code of Corporate Governance has been added to the additional reading folder on AdminControl.

Part F - Income, Information and Services

1.0 Income

The Director of Finance, Planning and Governance shall be responsible for designing and maintaining systems for the proper recording and collection of all monies due.

All officers shall inform the Director of Finance, Planning and Governance of monies due to the Board arising from transactions, which they initiate. The Director of Finance, Planning and Governance shall be consulted about the pricing of goods and services and nationally negotiated rates shall be observed.

The Director of Finance, Planning and Governance shall take appropriate recovery action on any outstanding debts.

Periodic disposals of scrap material and items surplus to requirements shall be dealt with in a manner which is prescribed by the Director of Finance, Planning and Governance at the time.

Invoicing to NHS Scotland boards will only take place for values greater than £1,000.

Income not received shall be dealt with in accordance with loss procedures.

Officers shall notify the Director of Finance, Planning and Governance when over payments are detected so that recovery can be initiated.

Part K - Scheme of Delegation

2.0 Financial matters reserved for the Board

The following shall be reserved for agreement by the Board:

- strategic plans, policies and requests to/from SG for funding (additional allocations) with costs greater than £500,000;
- business plans with capital costs (including Information & communications technology) greater than £1,000,000;
- the acceptance of contracts where the value exceeds £1,000,000 (where the contract value is greater than £2,000,000 this must be submitted to the SGHSCD for approval);
- approval of the transfer of funds between budget heads, including transfers from reserves and balances where the value in any one instance exceeds £500,000;

The foregoing list shall not be held as exhaustive and may be altered or extended at any time as the Board may deem necessary.

5.0 Finance

Resources shall be used only for the purpose for which they are allocated, unless otherwise approved by the Chief Executive, after taking account of the advice of the Director of Finance, Planning and Governance.

Specifically the Chief Executive shall:

- ensure that all public funds made available to HIS are used for the purpose for which they were intended by the Parliament, and that such funds, together with HIS assets, equipment and staff, are used economically, efficiently and effectively;
- ensure that timely monitoring information and forecasts are provided to our sponsor

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division;

- that corrective action is taken to avoid overspends and underspends; and that the SGHSCD is notified promptly when overspends are likely; and
- ensure that financial considerations are taken fully into account by the Board at all stages in reaching and executing its decisions, and that standard financial appraisal techniques are followed as far as is practicable.

Appendix 1 - Delegation of Powers to Directors and Officers

	Delegated matter	Details of authority
1.	**Purchasing**	
1.1	**Competitive tenders:** Goods and services of £50,000 and above to be sought through competitive tenders.	Budget holder, Director of Finance, Planning & Governance, Procurement & Efficiencies Manager and Chief Executive (or deputy).
1.1 2	**Procurement threshold and contract signing – including but not limited to, supplier contracts, memorandum of understanding, service level agreements, secondee agreementsQuotations:** Three quotations shall be sought wherever possible, as follows:	
	All secondee agreements	Director of Workforce (or delegate)
	Expenditure below £4,999 (excl VAT)	Budget holder
	Expenditure between £5,000 and £49,999 (excl VAT)	Budget holder, or Director,
	Expenditure greater between £50,000 and £999,999 (excl VAT)	Budget holder, Director, Director of Finance, Planning & Governance, or Chief Executive,
	Expenditure between £1,000,000 and £1,999,999 (excl VAT)	Budget holder, Director, Director of Finance, Planning & Governance, Chief Executive, Board of Directors
	Expenditure greater than £2,000,000 (excl VAT)	Budget holder, Director, Director of Finance, Planning & Governance, Chief Executive, Board of Directors, Scottish Government
	expenditure of £5,000 to £49,999 (excluding VAT) – three written quotations	Budget holder, Director of Finance, Planning & Governance, Procurement & Efficiencies Manager and Chief Executive (or deputy).
	expenditure of £1,000 to £4,999	Budget holder/delegated member of staff.

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	(excluding VAT) – three telephone quotes	
	expenditure below £1,000 (excluding VAT) – no quotations are required but best value shall be sought	Budget holder/delegated member of staff.
1.2 3	**Administration of tenders:** The opening of tenders and maintenance of tender registers	Director of Finance, Planning and Governance
1.3 4	**Purchase Orders: Approval of purchase orders as follows**	
	Order value below £10,000	Budget holder
	Order value between £10,000 and £49,999	Budget holder, Director, Head of Procurement, SAS
	Order value between £50,000 and £249,999	Budget holder, Director, Head of Finance & Procurement, Head of Procurement, SAS
	Order value greater than £250,000	Budget holder, Director, Head of Finance & Procurement, Chief Executive, Director of Finance, Planning & Governance, Head of Procurement, SAS
1.4 5	Non Competitive Tenders	
	Any value – non medical	Senior Procurement Specialist, Director, Head of Finance & Procurement or, Director of Finance, Planning & Governance or Chief Executive
	Any value – medical	Senior Procurement Specialist, Director, Medical & Safety Director or /Nursing & System Improvements Director, Head of Finance & Procurement or, Director of Finance, Planning & Governance or Chief Executive
1.6		
8.	**Income**	
8.1	Grant agreements and Other income not covered in 8.2 or 8.3	
	Agreement value below £49,999	Director
	Agreement value greater than £50,000	Director, Head of Finance & Procurement,
8.2	Additional allocations (Scottish Government)	
	Allocation value below £49,999 (not bundled)	Falls below the de minimis limit for SG funding. Do not progress
	Extension to existing allocation value below £49,999	Director
	New or extension to allocation value between £50,000 and £499,999	Director, Executive Team
	New or extension to allocation value	Director,

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	greater than £500,000	Executive Team, Board of Directors	
8.3	Credit Note Approval		
	Value (excl VAT) less than £999	Budget holder	
	Value (excl VAT) between £1,000 and £4,999	Budget holder Director/Associate Director/Head of Department	
	Value (excl VAT) between £5,000 and £9,999	Budget holder Director/Associate Director/Head of Department, Head of Finance & Procurement	
	Value (excl VAT) greater than £10,000	Budget holder Director/Associate Director/Head of Department Head of Finance & Procurement, Director of Finance, Planning & Governance/Chief Executive	
9.	**Expense Payments**		
9.1	Non NHS Staff Expense Payments	One of the following: Budget holder/ or Head of Service/ or Unit Head or /Associate Director or /Director	
9.2	HIS Staff Expense Payments	One of the following: Budget holder or Head of Service or Unit Head or Associate Director or DirectorOne of following: Budget holder/Head of Service/Unit Head/Associate Director/Director	

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Healthcare Improvement Scotland

Meeting:	**Board Meeting - Public**
Meeting date:	**6 December 2023**
Title:	**Committee Annual Reports Action Plan Update**
Agenda item:	**4.2**
Responsible Executive/Non-Executive:	**Angela Moodie, Director of Finance, Planning and Governance**
Report Author:	**Pauline Symaniak, Governance Manager**
Purpose of paper:	**Awareness**

1.   Situation

To present an update to the actions identified by Governance Committees in their annual reports for 2022-23.

2.   Background

The Code of Corporate Governance requires that each Governance Committee produces an annual report which summarises its activities during the course of year, how it has met its remit and what future actions are proposed based on the learning of the Committee during the year.

3.   Assessment

All Committees of the Board prepared an annual report for 2022-23 which included actions they agreed to take forward in 2023-24. Those actions were reported to the Board meeting on 28 June 2023. In keeping with normal practice, the Board receives a progress report at its quarter three meeting for the actions set out in the Committees' annual reports. As at quarter 3, Committee Lead Directors have reported that all actions are ongoing or are complete. The more significant actions of note which are not covered by the Committees' normal standing business are highlighted below for information.

Committee	Action	Update
Audit and Risk	Continue to lead on risk deep dives across the Committees throughout the year.	Risk deep dives have continued, with Scottish Medicines Consortium undertaken this year to date. A deep dive will be held into the risk related to sustainability on 14 December 2023 and a risk deep dive is planned for quarter 4 into the risk that inspections or other assurance activity

		carried out by HIS fails to identify significant risks to the safety and quality of care.
Executive Remuneration	Continued overview of senior leadership structures and any planned or potential arrangements to these arrangements.	In the course of 2022/23 the changes regarding the change of line management of ihub services was one item discussed at Executive Remuneration Committee.
Quality and Performance	Provide assurance on relevant elements of the new HIS organisational strategy for 2023-2028.	The committee has received updates on key priorities in the strategy, including:- 1. ***Better understanding of safety and quality in the system:*** Safety and winter pressures overview reports; Assurance of patient safety relating to Lucy Letby verdict 2. ***Assess and share intelligence:*** Death Certification review service annual report Public protection reports; Complaints annual report; Sharing intelligence for health and care network 3. ***Enable the voices and rights of people and communities to be heard:*** People led system transformation (PLST) programme; Mental health improvement work (linked to PLST); Governance for engagement report 4. ***Deliver practical support that accelerates the delivery of sustainable improvements in safety and quality:*** New improvement support commissions in mental health, substance misuse, redesign of housing and healthcare support and the Right Decision Service; Responsive support to NHS Boards; Healthcare within Justice
Scottish Health Council	Consider further action and guidance on the strategic direction of HIS-Community Engagement and work with the directorate to support the implementation of a final structure, allowing staff to effectively assure and support meaningful engagement across Scotland's healthcare system.	Ongoing. Strategic vision and new directorate structure defined. Organisational change process to implement new structure progressing.

Staff Governance	Oversight and reporting on the number of grievances.	To be included in the Business Planning Schedule to regularise reporting.
Succession Planning	Support the Aspiring Chairs programme and provide oversight.	One aspiring chair has been supported in 2023, and this programme is nearing completion. Feedback from the individual was very positive. The programme will run again in 2024 and HIS will again offer to host.

The full list of actions and updates can be found in the additional reading folder on Admincontrol.

Assessment considerations

Quality/ Care	In completing their annual reports, the Committees are considering their effectiveness throughout the year and the contribution which they make to good corporate governance. This ensures the best outcomes for the services we deliver.
Resource Implications	The Audit and Risk Committee annual report included an action related to financial stability and a progress update has been provided for this.
	Updates have been provided for actions from the Staff Governance Committee's annual report which include actions related to workforce.
Risk Management	There are no risks on the risk register related to this paper.
Equality and Diversity, including health inequalities	The Staff Governance Committee considers matters concerning equality and diversity. The Scottish Health Council also has a role in the context of our work with stakeholders.
Communication, involvement, engagement and consultation	Each Committee and its lead director considered its annual report for 2022-23 and agreed the actions. The Board received the annual reports at its meeting on 29 June 2022.

4 Recommendation

The Board is asked to gain assurance from the progress reported on actions identified in the 2022-23 Committee annual reports.

5 Appendices and links to additional information

The following appendix is provided in the additional reading folder:

- Appendix No 1, Committee Annual Reports Action Plan Update

SUBJECT: Governance Committee Chairs' Meeting*: key points

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1. Purpose of the report
This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Governance Committee Chairs' meeting on 17 October 2023.

2. Recommendation
The Healthcare Improvement Scotland Board is asked to receive and note the key points outlined, and review any areas escalated by the Committee to the Board.

a) Fixed Term Contracts
The Chairs received a paper from the Deputy Chief Executive, the Director of Workforce and the Director of Finance, Planning and Governance setting out considerations in relation to Fixed Term Contracts (FTC) within the workforce. The matter fell within our remit to take a collective view on the handling of new or emerging strategic issues and we were asked to consider the matter ahead of the Staff Governance Committee. The issue was also a cross-committee topic given the impact on staff wellbeing and the disruption to programme delivery that is generated towards the end of each financial year as a result of FTCs coming to an end. The Chairs supported the proposal to create a more sustainable model by seeking to minimise the number of FTCs and increase the ratio of permanent members of staff who are funded within the baseline. The Chairs recognised there were a number of risks in relation to this including losing some flexibility in workforce and financial management but also significant opportunities in terms of job attraction, improved internal opportunities, staff satisfaction and retention, and alignment to the One Team vision.

b) Organisational Change
As part of discussing cross-committee matters, we were supportive of plans to capture lessons learned from the recent organisational change processes. We agreed that these could be used to implement improvements for any future organisational change and to capture what worked well. The Chair of the Staff Governance Committee advised that the matter will be discussed by this Committee as well as Partnership Forum and a subsequent update will be provided to the Board.

c) Patient Safety in the Wake of the Letby Case
Another cross-committee matter discussed by the Chairs was the letter which had been sent to the Cabinet Secretary for NHS Recovery, Health and Social Care providing assurance in relation to the governance measures in place within HIS related to patient safety. We noted that the letter had highlighted specific areas of work that fall within the remit of the Staff Governance Committee including Whistleblowing and iMatter, and detailed several programmes for which the Quality and Performance Committee has oversight including clinical and care governance, Responding to Concerns and Adverse Events. We agreed that patient safety would continue to be an area of focus for the Committees and the Board.

Carole Wilkinson
HIS Chair/Chair of the Governance Committee Chairs

SUBJECT: Audit and Risk Committee*: key points

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1. **Purpose of the report**
    This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Audit and Risk Committee meeting on 29 November 2023. The approved minutes of the Audit and Risk Committee meeting on 6 September 2023 can be found here.

2. **Recommendation**
    The Healthcare Improvement Scotland Board is asked to receive and note the key points outlined, and review any areas escalated by the Committee to the Board.

    a) **Website**
        An update was provided on the redevelopment of the web estate for HIS and a proposed incremental approach to achieve this goal. Redevelopment has commenced with National Services Scotland as the lead delivery partner, through an affordable model, with less upfront commitment and agility in implementation. Firstly addressing the continuity risk (given the impending platform switch off date), then content cleansing and finally an incremental approach to enhancements. An archive website is also now in place to restore the current website in case of a crash. The Committee discussed the ambitious timescales and resourcing ask and it was confirmed more scoping is underway and both of these factors may change subsequently. The Audit and Risk Committee agreed to this approach to progress the website redevelopment project and welcomed the detailed update by the Head of Communications. The Committee will receive regular updates on progress.

    b) **Network & Information Systems Regulations (NISR) Internal Audit Report**
        KPMG presented the report, which focused on 13 black and red NISR audit actions. KPMG explained that this is a different type of report given the stringent requirements and reporting from NISR auditors. The report concluded on partial assurance, with recommendations under the theme of organisational governance and risk management. 6 of the NISR audit actions had been implemented and 7 were in progress. Risk management is still to be aligned to address these remaining priorities, including a robust resourcing plan. The Committee questioned the prescribed nature of the recommendations and how the effectiveness of roles would be determined. They also questioned likelihood of achieving the 60% NISR target by January, but it was explained this target is across all items, not just these 13 actions and there is comfort at this stage the target would be met. The Committee acknowledged this would be a 'step by step' approach towards achieving higher compliance, based on risk and what was achievable in the recruitment market.

    c) **Financial outturn**
        The accounts at 31 October 2023 were presented for discussion, alongside the 2023/24 outturn, which is showing a £0.7m underspend (3.8%). The underspend has been driven by lower whole time equivalents seen throughout the year. Additional areas for investment have been identified year to date, including in One Team, cybersecurity and E-rostering, alongside the return of funds already to Scottish Government (SG) under the ask which came to all National Boards. The net position after this additional spend is the £0.7m underspend. Therefore consideration was given at the Committee to return further funds to SG, in the region of £0.5m to £1.0m in December 2023. The Committee questioned the impact this would have on recurring funding and delivery of our work programme. It was discussed that

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accompanying commentary would reflect that this is on a non-recurring return of funds to SG, the first which HIS has done in a number of years, but a risk would still remain on how this would be viewed by SG. The Committee agreed funds should be returned on a non-recurring basis after the November accounts were closed and an updated position was available.

Gill Graham
Committee Chair

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**SUBJECT: Quality and Performance Committee*: key points*

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1. **Purpose of the report**

   This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Quality and Performance Committee meeting on 8 November 2023. The approved minutes of the Quality and Performance Committee meeting on 23 August 2023 can be found here.

2. **Recommendation**

   The Healthcare Improvement Scotland Board is asked to receive and note the key points outlined, and review any areas escalated by the Committee to the Board.

   a) Committee Business Planning

   The Committee Lead Director presented proposals for a review of the structure and content of the Committee's business planning schedule. The proposed changes would enable the Committee to better plan and focus its work in the right areas during 2024-25. The suggested structure includes new items on delivering the organisational strategy, strategic horizon scanning and scheduled papers on specific areas of risk alongside the regular risk reports. This refresh of the business planning schedule will be accompanied by work to ensure that papers presented are clear on purpose and the impact of work under discussion. The Committee were supportive of these plans and a formal proposal will be provided to the next meeting in February 2024. Discussion will also take place at the Governance Chairs Committee to ensure alignment across all governance committees.

   b) People-Led System Transformation and Mental Health

   The Community Engagement and Redesign Directorate presented two overviews to the Committee. The first of these covered the People-Led System Transformation programme which has an emphasis on placing the voices and rights of people and communities at the heart of improvements to care and delivering practical support for sustainable improvements in health and care services. The second overview set out the work of the Mental Health Improvement Portfolio and noted that HIS has been commissioned by Scottish Government to deliver a number of additional programmes to support improvement and system redesign in mental health. The Committee welcomed the updates but requested a future report setting out the impact, sustainability, future work and any risks associated with this work.

   c) Sharing Health and Care Intelligence Network

   The Committee received an annual update about the work of this group which has undergone significant change following a review of the original Sharing Intelligence for Health and Care Group. The new Network provides a forum for an expanded group of national organisations with a scrutiny or improvement role to come together to share intelligence, present analysis and have collective discussion regarding emerging issues related to safety and quality of care. The Committee fully endorsed the changes proposed from the review and gained assurance from the progress reported on those changes and on the contribution of One Team to the development of the Network. The Committee noted that work is progressing to create the refreshed Operating Framework and to ensure the focus of the Network is on sharing and acting upon intelligence. Future reports will be provided to the Committee.

   Evelyn McPhail
   Committee Chair, Quality and Performance Committee

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SUBJECT: Staff Governance Committee: key points

1. **Purpose of the report**

   This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Staff Governance Committee meeting on 1 November 2023. The approved minutes of the Staff Governance Committee meeting on 9 August 2023 can be found here.

2. **Recommendation**

   The Healthcare Improvement Scotland Board is asked to receive and note the key points outlined, and review any areas escalated by the Committee to the Board.

   a) **Workforce Plan**

   The Committee considered the information provided regarding the current detail of the Workforce Plan for the organisation. The level of change and wider organisational development discussions and activity was recognised. From this it was confirmed that there was a need to revisit the identified Workforce Plan activities to focus on the key priorities agreed by the Committee, including those from the HIS Strategy, One Team and wider Directorate redesign.

   b) **Organisational Change**

   An update was provided about the ongoing activity in place regarding the changes to both the Quality Assurance Directorate and the Community Engagement Directorate. The discussion detailed work in relation to outstanding completion of Agenda for Change grading work, finalising structures and grading and addressing capacity matters within the Directorates.

   Discussions were ongoing regarding the need to provide support to staff, the changes to the number of posts and the planned rapid learning activity that will look at the lessons to be learned from this work.

   c) **Fixed Term Contracts**

   Staff Governance Committee members were asked to consider the proposals previously shared with the Governance Committee Chairs regarding work to review and change the current approach to fixed term contract arrangements across Healthcare Improvement Scotland. After due consideration, the Committee agreed to support;

   - A shift from an ad hoc approach of the management of fixed term posts to a new framework which seeks to mitigate the impact of short-term funding streams on delivery and consequential in year underspends.

   - A very different approach to our staffing model with the opportunity to recruit individuals to HIS rather than individual directorates.

   - The key principle that we would seek to minimise the number of fixed term posts in HIS, with the view of moving to a greater share of staff being employed on a permanent basis with due governance and oversight in place.

Duncan Service
Committee Chair

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SUBJECT: Succession Planning Committee: key points

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1. **Purpose of the report**

   This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Succession Planning Committee meeting on 10 October 2023. The approved minutes of the Succession Planning Committee meeting on 15 March 2023 can be found here.

2. **Recommendation**

   The Healthcare Improvement Scotland Board is asked to receive and note the key points outlined, and review any areas escalated by the Committee to the Board.

   a) Board Succession Plan

   The Committee discussed the feedback from stakeholders and agreed that further time was needed to consider the content of the draft plan, and to conduct more meaningful engagement with internal and external stakeholders. The sub-group would meet again to pick up the various themes of the feedback and provide a further update to the committee in January 2024. In the first instance a meeting would be held with the HIS Race and Ethnicity Network (REN) to hear feedback and ideas for developing the draft plan. (This took place on 30 October).

   b) Board Development Plan

   The Committee heard from the Board Development Lead at NHS Education Scotland (NES), Board Development Business Partner who provided an overview of board development. The committee noted the following:

   - The NES national induction programme for all new non-executives has recently also been opened up to executive members. Furthermore, NES offer a mentoring programme for non-executives and Chairs and have received positive feedback from those who have taken part.
   - Online learning is offered to non-executives via TURAS and a new module, recently launched on the Blueprint for Good Governance, is currently being developed.
   - A Succession Planning module is also being developed and the HIS Chair, Governance Manager and two HIS board members have agreed to take part in a supporting video to be shared with other boards.
   - NES are also continuing to provide support to aspiring board members, focusing on people from ethnic minorities and younger people.

Carole Wilkinson
Committee Chair

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