

Board Public Minutes – Approved

Public Meeting of the Board of Healthcare Improvement Scotland at
10.30, 30 June 2025, Gyle Square, Edinburgh/MS Teams

Attendance

Present

Evelyn McPhail, Interim Chair
Abhishek Agarwal, Non-executive Director (up to item 3.1 only)
Keith Charters, Non-executive Director
Suzanne Dawson, Non-executive Director/Chair of the Scottish Health Council/Vice Chair
Nicola Hanssen, Non-executive Director
John Lund, Non-executive Director
Nikki Maran, 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

Sybil Canavan, Director of Workforce
Eddie Docherty, Director of Quality Assurance and Regulation (QARD)
Ann Gow, Deputy Chief Executive
Mhairi Hastings, Interim Director of Nursing and Integrated Care (NIC)
Diana Hekerem, Associate Director, Community Engagement and Transformational Change
Angela Moodie, Director of Finance, Planning and Governance (FPG)
Janet Napthine, Interim Director of Finance and Corporate Services
Yvonne Semple, Chief Pharmaceutical Adviser
Simon Watson, Medical Director/Director of Safety

Apologies

Judith Kilbee, Non-executive Director
Clare Morrison, Director of Engagement and Change
Safia Qureshi, Director of Evidence and Digital

Meeting Support

Pauline Symaniak, Governance Manager

1. Opening Business

1.1 Welcome and apologies

The Chair opened the public meeting of the Board by extending a warm welcome to all in attendance including Janet Naphine, attending her first Board meeting as Interim Director of Finance and Corporate Services, and those attending as deputies. The Chair highlighted that this is the last meeting for Angela Moodie, Director of Finance, Planning and Governance, and Sybil Canavan, Director of Workforce, ahead of them moving to new positions. She thanked them for their contribution to the organisation. There were no apologies.

1.2 Register of Interests

The Chair asked the Board to note the importance of the accuracy of the Register of Interests and asked that any interests should be declared that may arise during the course of the meeting.

Decision: The Board accepted the moderate level of assurance offered and approved the register for publication.

1.3 Minutes of the Public Board meeting held on 26 March 2025

The minutes of the meeting were accepted as an accurate record. There were no matters arising.

Decision: The Board approved the minutes.

1.4 Action Points from the Public Board meeting on 26 March 2025

The updates were noted and closure accepted for those actions recommended for closure except action 1.6 from 25 September 2024 regarding the use of Artificial Intelligence. It was agreed that this should remain open until an assessment is completed.

Decision: The Board approved closure of the actions with the exception detailed above.

Action: Further update to be provided on action 1.6 above.

1.5 Chair's Report

The Board received a report from the Interim Chair updating them on strategic developments, governance matters and stakeholder engagement. The Interim Chair highlighted the following:

- a) National groups are discussing two key documents recently published and presented to the Scottish Parliament, the Health and Social Care Service Renewal Framework (SRF) and the Population Health Framework (PHF).
- b) The Chair advised that she along with the Chief Executive, had attended the Focus on Frailty event which was held in person and attended by the Cabinet Secretary as well as a broad range of colleagues.
- c) The HIS annual review has been arranged for 24 November 2025.

The Vice Chair advised she attended the joint Board Chairs and Board Chief Executives meeting on 23 June 2025. Of note is the formation of the new body, NHS Delivery which will have implications for how HIS works with it.

Decision: The Board noted the update.

1.6 Executive Report

The Chief Executive provided the report and highlighted the following:

- a) Regarding executives, he also thanked the two Directors moving to new posts for their contributions and welcomed the Interim Director of Finance and Corporate Services. He extended congratulations to the Deputy Chief Executive for her recognition in receiving the Chief Nursing Officer for Scotland Award for Excellence.
- b) The iMatter results showed an 89% response rate and improvement across a number of indicators.
- c) The organisation's contribution to the work to reduce waiting times to within 52 weeks has been given a lot of focus and is being progressed.
- d) The Death Certification Review Service is celebrating 10 years of operation.

The Medical Director – Director of Safety provided an update on the Infected Blood Inquiry, noting that Scottish Government (SG) have established an assurance board to oversee implementation of recommendations from the report. HIS will be involved with those that link to our work.

The Director of Quality Assurance and Regulation advised that there are new international recommendations for inspections in relation to the Ionising Radiation (Medical Exposure) Regulations. HIS will fully implement these but they will increase the footprint of inspections. SG have been advised.

The questions from the Board and the additional information provided covered the following:

- e) The finance dashboard is a good example of a model developed by HIS that is being adopted by some other Boards.
- f) The work to address 52 week waits will link with our healthcare staffing programme and the initial focus will be outpatient programmes.

Decision: The Board noted the report.

Action: Share the Measuring Impact internal audit report with the Board.

2. Holding to Account including Finance and Resource

2.1 Annual Report and Accounts

Claire Gardiner, Audit Scotland, joined the meeting for this item.

The Director of Finance, Planning and Governance provided the draft accounts updated since last reviewed by the Board and noted there is a balanced position at year end. It was advised that the Audit and Risk Committee considered the accounts at their meeting on 23 June 2025 and recommended their adoption to the Board.

Audit Scotland provided their report on the external audit, noting the following:

- a) An unqualified audit opinion is provided and achieving a balanced position is good in the current financial landscape.
- b) Although the savings target was met, only 40% of savings were recurring.
- c) There were minor issues in relation to the remuneration report which is a theme each year

but Audit Scotland are content with the resolution of these.

The Chair of the Audit and Risk Committee confirmed the Committee's endorsement of the accounts and the need to increase the level of recurrent savings.

Thanks were extended from all to the Finance Team for their work on the accounts.

Decision: The Board accepted the significant level of assurance offered and approved adoption of the Annual Report and Accounts for 2024-25.

2.2 Whistleblowing Champion Annual Report

This item was taken ahead of the Annual Accounts 2024-25.

The Non-executive Whistleblowing Champion, Keith Charters, presented the annual report, noting that there had not been any whistleblowing cases though more work will be done to promote whistleblowing awareness across the organisation. A moderate level of assurance is offered due to the uncertainty in relation to the resource needed to deal with a case should one arise.

Decision: The Board reviewed the report and accepted the moderate level of assurance offered.

2.3 Operational Performance Report including 2025-26 Key Performance Indicators

The Interim Director of Finance and Corporate Services and the Director of Workforce provided the performance report and highlighted the following:

- a) Performance reports have already been considered by the relevant Committees.
- b) The main theme is the financial challenge and the need for recurring savings.
- c) The report lists achievements that demonstrate progress against strategic milestones.
- d) Headcount is currently 581 with a whole time equivalent of 544.8.
- e) Staff turnover is less than the same period last year and the sickness absence rate has dropped to 3.4% which is below the NHS Scotland average.

In response to questions from the Board, the following additional information was provided:

- f) It was noted that it is difficult to compare the sickness absence rate in HIS with that of other Boards who deliver patient facing services.
- g) Underspend is often caused by vacancies and delays to recruitment, and this has been covered in the internal audit of recruitment processes. Some posts inherently take longer to recruit due to their specialist nature.
- h) Key performance indicators (KPIs) are set at a strategic level by delivery area rather than by funding which is a mix of baseline and additional allocations. They are reviewed at six monthly intervals and supporting resources are agile to enable flexibility.
- i) The KPI for inspections is based on the number planned but work is being done to ensure they also reflect responsive support. They will need to take account of the regulation of independent medical agencies.
- j) Rental income is guaranteed because a memorandum of terms of occupation is in place

which is tied to the HIS lease for Delta House.

- k) £2m of additional allocations has been baselined and at this point 70% of allocations are confirmed though some at a lower value than anticipated. There is ongoing discussion with SG.

Decision: The Board considered the performance report and accepted the moderate assurance offered.

Action: KPIs to be reviewed in relation to adverse events, NHS inspections, mental health reform, Primary Care Improvement Programme and Scottish Health Technologies Group/Artificial Intelligence. Update to be provided to the next Quality and Performance Committee.

3.Setting the Direction

3.1 Integrated Planning 2025-26: Annual Delivery Plan and Financial Plan

The Interim Director of Finance and Corporate Services presented the Annual Delivery Plan (ADP) and the Financial Plan, noting that feedback from SG has been taken into account since they were last reviewed by the Board.

In response to a question from the Board, it was noted that a contribution analysis framework is not in place but work is ongoing to address this. It will also be important to demonstrate our contribution to the Operational Improvement Plan. It was also noted that there are challenges related to balancing planned activity with responsive activity within resources available.

Decision: The Board approved the plans subject to the actions below and accepted the moderate assurance offered.

Action: Update the ADP to reflect the flexibility that will be required to respond to the Health and Social Care Service Renewal Framework and the Population Health Framework and to be clear on collaborators.

4.Influencing Culture

4.1 iMatter Board Report

The Director of Workforce provided a paper and a presentation on the board level iMatter results. She noted that the Employee Engagement Index had increased by three points relative to last year's report and of the 28 questions, 17 increased by three points or more.

The Chair of the Staff Governance Committee advised that the Committee will examine variation at directorate level and the raising concerns outcomes which needed further action.

Decision: The Board noted the report and accepted the moderate level of assurance offered.

5. Assessing Risk

5.1 Risk Management: Strategic Risks

The Interim Director of Finance and Corporate Services provided the latest strategic risk register, advising that the review of the Board's risk appetite is reflected in the paper and there are two new strategic risks.

The Non-executive Cyber Security Champion advised that she had liaised with the Non-executive Fraud Champion given the intersection of these two risk areas. She highlighted that the risk appetite relating to Cyber Security has increased to minimal and is content with that given the organisation is not patient facing. However, it should be kept under review.

The Chair of the Risk Sub Committee advised that the group was now established and would provide assurance on risk to the Board with a focus initially on the highest out of appetite risks.

Decision: The Board gained assurance from management of the strategic risks and accepted a limited level of assurance on the strategic risks which are out of appetite. Regarding the risks which are within appetite, they accepted a significant level of assurance when the residual score is medium or low and a moderate level of assurance when the score is high.

6. Governance

6.1 Governance Committee Annual Reports Action Plan and Code of Corporate Governance Update

The Director of Finance, Planning and Governance provided the action plan arising from the Committee annual reports for 2024-25 and updates to the Code of Corporate Governance in relation to terms of reference and the Standing Financial Instructions. She confirmed that the changes were endorsed by the Audit and Risk Committee at their meeting on 23 June.

Decision: The Board noted the action plan, approved the updates to the Code subject to the action noted and accepted the significant level of assurance offered.

Action: To add to the Code the new requirement for Non-executive Directors to be members of the Protecting Vulnerable Groups scheme.

6.2 to 6.8 Committee Key Points and Minutes

Committee Chairs provided key points and approved minutes as follows:

- Governance Committee Chairs: key points from the meeting on 22 May 2025.
- Audit and Risk Committee: key points from the meeting on 23 June 2025; approved minutes from the meeting on 5 March 2025.
- Executive Remuneration Committee: key points from the meeting on 24 June 2025.
- Quality and Performance Committee: key points from the meeting on 21 May 2025; approved minutes from the meeting on 19 February 2025.
- Scottish Health Council: key points from the meeting on 15 May 2025; approved minutes from the meeting on 20 February 2025.
- Staff Governance Committee: key points from the meeting on 29 May 2025; approved

minutes from the meeting on 13 March 2025.

- Succession Planning Committee: key points and minutes were not provided as the next meeting will be held on 30 July 2025. The Chair advised the agenda will cover skills evaluation, the Blueprint for Good Governance diversity action and the Audit Scotland Spotlight on Governance report.

Decision: The Board noted the key points and minutes.

7.Any Other Business

There were no items of any other business.

8.Date of Next Meeting

The next meeting will be held on 24 September 2025.

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.

Approved by: Evelyn McPhail

Date: 24 September 2025