

Agenda

Meeting: Board - Public

Date: 30 June 2025

Time: 10.30

Venue: Boardroom, Gyle Square

Contact: pauline.symaniak@nhs.scot

Item	Time	Topic	Lead	Report
1.		OPENING BUSINESS		
1.1	10.30	Welcome and apologies	Chair	Verbal
1.2	-	Register of Interests	Chair	Paper
1.3	10.35	Minutes of the public Board meeting on 26 March 2025	Chair	Paper
1.4	-	Action Points from the public Board meeting on 26 March 2025	Chair	Paper
1.5	10.40	Chair's Report	Chair	Paper
1.6	10.50	Executive Report	Chief Executive	Paper
2.		HOLDING TO ACCOUNT – including FINANCE AND RESOURCE		
2.1	11.10	Annual Report and Accounts 2024-25		
		2.1.1 Annual Accounts 2024-25 Update	Director of Finance, Planning and Governance	Paper
		2.1.2 Annual Audit Report 2024-25	Audit Scotland	Paper
2.2	11.35	Whistleblowing Champion Annual Report	Non-Executive Whistleblowing Champion	Paper
2.3	11.40	Operational Performance Report including 2025-26 Key Performance Indicators	Director of Finance, Planning and Governance/Director of Workforce	Paper

3.		SETTING THE DIRECTION		
3.1	11.55	Integrated Planning 2025-26: Annual Delivery Plan and Financial Plan	Director of Finance, Planning and Governance	Paper
	12.10	Break		
4.		INFLUENCING CULTURE		
4.1	12.55	iMatter Board Report	Director of Workforce	Paper
5.		ASSESSING RISK		
5.1	13.10	Risk Management: strategic risks	Director of Finance, Planning and Governance	Paper
6.		GOVERNANCE		
6.1	13.25	Governance Committee Annual Reports Action Plan and Code of Corporate Governance Update	Director of Finance, Planning and Governance	Paper
6.2	13.35	Governance Committee Chairs: key points from the meeting on 22 May 2025	Chair	Paper
6.3	-	Audit and Risk Committee: key points from the meeting on 23 June 2025; approved minutes from the meeting on 5 March 2025	Committee Chair	Paper
6.4	-	Executive Remuneration Committee: key points from the meeting on 24 June 2025	Committee Chair	Verbal
6.5	-	Quality and Performance Committee: key points from the meeting on 21 May 2025; approved minutes from the meeting on 19 February 2025	Committee Chair	Paper
6.6	-	Scottish Health Council: key points from the meeting on 15 May 2025; approved minutes from the meeting on 20 February 2025	Scottish Health Council Chair	Paper
6.7	-	Staff Governance Committee: key points from the meeting on 29 May 2025; approved minutes from the meeting on 13 March 2025	Committee Chair	Paper
6.8	-	Succession Planning Committee: next meeting will be held on 30 July 2025	Chair	Paper

7. 13.50 ANY OTHER BUSINESS

8. 13.55 CLOSE/DATE OF NEXT MEETING
The next meeting will be held on
24 September 2025

Register of Interests

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 1.2

Responsible Executive: Angela Moodie, Director of Finance, Planning and Governance

Report Author: Pauline Symaniak, Governance Manager

Purpose of paper: Decision

1. Purpose

The [Register of Interests](#) is provided to the Board for scrutiny and for approval to publish the latest version on the HIS website.

2. Executive Summary

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 and any changes to interests are notified within one month of them occurring. It also requires that a central Register of Interests is held which is published on the website. This Register must show all interests declared by Non-Executive Directors during the full period of their appointment. The Register is updated quarterly on the website. A more up to date version is maintained on file on an ongoing basis.

The Register is a key component of good governance, supporting the transparency of strategic decisions and reducing the risk of bribery and corruption.

The Register was last considered by the Board at its meeting on 26 March 2025. The Register is published on the website once approved by the Board.

Since the Register was last presented, the following changes have been declared:

- Evelyn McPhail declared that her husband is a Board member of Fife Employment Access Trust, a mental health charity supporting people with enduring mental illnesses back into employment. The start date was 1 March 2025 and the category is close family members.
- Doug Moodie added interests in the shares and securities category for Nursem, Plum, Hoptroff, Carnot. These are backdated declarations for interests that were in place but not captured on the register.
- Janet Napthine, Interim Director of Finance and Corporate Services from 2 June 2025, has been added to the register with the following declared interests, all under the non-financial interests category:

- Partick Housing Association: Board member and Chair of Audit and Risk Committee.
 - Learning Link Scotland: Board member and Treasurer.
 - Pomegranate IT Ltd, SC833505, Director: a one person company of her husband providing IT services.
- Rob Tinlin declared that the interest in respect of Director, Towler Tinlin Associates Limited ended on 31 March 2025.
 - Robbie Pearson's role as Chair of the NHS Scotland Board Chief Executives group ended on 1 April 2025.

3. Recommendation

The Board is asked to approve the Register of Interests for publication on the website. It is recommended that the Board accept the following Level of Assurance given that the Register is updated on an ongoing basis and scrutinised quarterly but noting that interests existed that hadn't been reflected in the Register:

Moderate: reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.

Board Public Minutes – Draft

Public Meeting of the Board of Healthcare Improvement Scotland at
12.45, 26 March 2025, Delta House, Glasgow/MS Teams

Attendance

Present

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

In Attendance

Sybil Canavan, Director of Workforce
Eddie Docherty, Director of Quality Assurance and Regulation (QARD)
Mhairi Hastings, Interim Director of Nursing and System Improvement (NSI)
Angela Moodie, Director of Finance, Planning and Governance (FPG)
Clare Morrison, Director of Engagement and Change
Safia Qureshi, Director of Evidence and Digital
Simon Watson, Medical Director/Director of Safety

Apologies

None

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 John Lund and Eddie Docherty, attending their first Board meeting since their appointments. 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 that changes for the register must be notified within one month of them occurring. Any interests should be declared that may arise during the course of the meeting.

Decision: The Board approved the register for publication on the website.

1.3 Minutes of the Public Board meeting held on 4 December 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 4 December 2024

The updates were noted and it was agreed to close those actions recommended for closure except the action from September 2024 in relation to Artificial Intelligence which should be ongoing pending the provision of the report from the national pilot.

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

1.5 Chair's Report

The Board received a report from the Chair updating them on strategic developments, governance matters and stakeholder engagement. The Chair highlighted the very positive events that she recently attended including the Community Engagement and Transformational Change directorate development session and the Public Partner annual event.

In response to a question from the Board, it was advised that work is already planned to raise awareness of the work of the Board with Public Partners.

Decision: The Board noted the update and approved the Committee and Board Champion appointments proposed.

1.6 Executive Report

The Chief Executive provided the report and highlighted the following:

- a) Two new appointments were welcomed – Eddie Docherty as Director of Quality Assurance and Regulation, and Laura Boyce as Chief Inspector for Independent Healthcare.

- b) The report from the review of the NHS Greater Glasgow and Clyde Emergency Departments will be published the next day and is a good example of One Team working. Aspects of the review link with the Royal College of Nursing stakeholder event noted in the report.
- c) The Improvement and Inspection Joint Working event was a further good example of One Team.
- d) Inspections of maternity services started in January 2025 with activity in NHS Tayside.
- e) There was good media coverage about our safety concerns related to botox parties and this was important in promoting safety and our role.

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

- f) The Intelligence Implementation Group will oversee digital developments and report to the Responding to Concerns Oversight Board.
- g) The changes to the National Care Service proposals will not affect the original key element covering joint working between HIS and the Care Inspectorate.
- h) Regarding the Right Decision Service (RDS), funding for 2025-26 at the same level as the previous year has been confirmed by the relevant directorate in Scottish Government (SG) but will still require confirmation from the finance directorate in SG. Evaluation of the impact of RDS is in hand but is a longer term piece of work.
- i) Regarding complaints, the majority relate to independent healthcare (IHC) and where there is complexity, further contact may be needed with the complainant and an extension required to the deadline for responding. Complaints often relate to HIS fulfilling its regulatory role. Detail on reputational impacts will be provided in future reports and the previous year's annual report on complaints will be shared with the member making the enquiry.
- j) HIS was previously involved in the Guthrie Card Index and is now engaging with SG around current involvement.
- k) Scottish Medicines Consortium (SMC) is showing good progress. During 24/25, 66% of medicines (including non-submissions) were accepted. There are various routes for medicines that are not recommended and further detail will be provided to the member who made the enquiry.
- l) Regarding the timelines for the Healthcare Staffing Programme alternative options for an improved employment model, the first paper will soon be provided to the Executive Team.

Decision: The Board noted the report.

Actions: Director of NSI to add information about reputational impact to future complaints information; Director of NSI to confirm to member what the abbreviation CAV means; Director of Evidence and Digital to provide more information to member on action in relation to SMC advice which is not recommended.

2.SETTING THE DIRECTION

2.1 Quality Assurance and Regulation Annual Plan

The Director of QARD provided the annual plan which had already been considered by the Quality and Performance Committee and thanked the Operations Manager for their input. He highlighted the new work covering maternity services and mental health, and a request for work related to Child and Adolescent Mental Health Services (CAMHS).

It was noted that a paper will be provided to the Quality and Performance Committee regarding a new approach to Safe Delivery of Care inspections. The HIS Chair advised that all Board members are welcome to attend to observe the discussion on this item.

In response to questions from the Board, the following points were made:

- a) The 129 inspections of IHC services equates to approximately one third of the total number of services registered.
- b) Resources for inspections need to be flexible to meet unpredictable demands and activity is risk and intelligence based. CAMHS work will be part of the mental health processes.
- c) Regarding maternity services, improved data is expected as this was an action from the neonatal deaths review.

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

2.2 Data and Intelligence Strategy

The Director of Evidence and Digital provided the draft strategy which had already been supported by the Audit and Risk Committee and advised that the strategy took account of the digital review in 2020, actions from the Responding to Concerns Review, digital capability and financial constraints.

The Chair of the Audit and Risk Committee advised that the Committee had discussed the achievement of digital enablement and demonstrating impact.

In response to questions from the Board, the following additional points were made:

- a) HIS is already data driven but the strategy seeks to make this more systematic and integrated while interfacing with national systems and triangulating data to ensure analysis is robust.
- b) Work will begin with an internal focus so that the person-centred approach will apply to what data staff need to deliver their work. Work will then look more externally.
- c) The work will be designed to fit within the funding available.

Decision: The Board approved the strategy and accepted the moderate assurance offered.

2.3 Collaboration and Leadership

The Chief Executive provided the paper which set out an update on activity by NHS Boards in support of SG's renewal and reform agenda, and in particular in relation to the letter from the Chief Executive of NHS Scotland/Director-General Health and Social Care about collaboration across all organisations. There are implications for HIS in relation to how we work beyond organisational boundaries and for our assurance activity.

In response to a question about public communications, it was advised that an update is awaited from SG on a communications and engagement group.

Decision: The Board approved the adoption of the recommendations and accepted the moderate assurance offered.

3.HOLIDNG TO ACCOUNT including FINANCE AND RESOURCE

3.1 Operational Performance Report

The Director of FPG and the Director of Workforce provided a new format of report which combined delivery performance, financial performance and the workforce report. The reports were previously considered by the relevant Committees. The key points from the report were:

- a) At the end of quarter 3, 82% of work programmes were on track; eight key performance indicators were head of or on track while four were behind.
- b) At the end of February, the financial position is a £200k underspend with a balanced budget forecast for year end.
- c) Of the £2.5m savings target, £2.1m has been achieved but almost 60% of this is non-recurring. Audit and Risk Committee requested a recurring savings plan.
- d) Headcount and whole time equivalent figures increased monthly while turnover is less than the same time last year.
- e) Sickness absence decreased slightly from the July 2024 peak and the deep dive is ongoing.
- f) Current focus is on redeployment as fixed term contracts come to an end due to funding patterns.

In the questions that followed, it was noted that the increasing headcount alongside reduced turnover creates risks in relation to financial resources and a challenge in making recurring savings. The HIS Employee model needs to be maximised to ensure there is not unnecessary recruitment when skills and capacity already exist within the organisation. The Audit and Risk Committee and the Staff Governance Committee respectively will be examining these points.

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

3.2 Business Cases

The Board received two business whose value exceeds £500k and therefore they need Board approval to proceed.

3.2.1 Mental Health

The Director of Engagement and Change provided the business case which detailed funding for 2025-26 including the addition of Mental Health Responsive Support which was a new development.

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

- a) There will be a meeting with SG the following week to ensure the correct priority areas are proposed.
- b) There is a combination of user engagement activity, some of which is already underway and some links to other engagement we are doing already.
- c) Measurement plans are in place and will be monitored both internally and with SG. Short term measurement relates to activity in the current year while longer term is beyond this.
- d) This year £256k is allocated to Mental Health Responsive Support as an additional allocation but the aim in future is to have it within baseline.

Decision: The Board approved the business case and accepted the moderate assurance offered.

3.2.2 Hospital at Home

The Interim Director of NSI provided an outline business case for HIS' involvement in the implementation support for the expansion of Hospital at Home services to 2000 beds by December 2026. She noted that there are ongoing risks in relation to the availability and capacity of NHS boards to engage.

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

- a) Quarterly returns from NHS boards will enable interim milestones to be measured.
- b) The cost of delivering a Hospital at Home bed varies, for example whether it is located in an urban or rural location. Also in rural areas there may need to be more flexibility so that a broader role can be delivered in the patient's home.
- c) Quality assurance of the services is within our statutory responsibilities and work will be done to develop an appropriate model for this.
- d) Support from NHS boards is essential especially in relation to the release of hospital staff to deliver the service. Overnight care is challenging but some areas are using monitoring technology and have escalation procedures in place.
- e) Work is underway to clearly articulate the difference between Hospital at Home and Virtual Wards as the different programmes have different funding streams.

Decision: The Board approved the outline business case and accepted the moderate assurance offered.

4.INFLUENCING CULTURE

4.1 Anti-racism Plan and Equality Mainstreaming Report

The Director of Engagement and Change provided these reports noting that they had already been considered by the Scottish Health Council and the Staff Governance Committee. The Equality Mainstreaming report included new equality outcomes and the Anti-racism Plan is a new requirement for all NHS boards.

The Chair of the Executive Remuneration Committee advised that SG have also set targets around Executives' responsibilities in relation to anti-racism activity and this will be reflected in performance reviews.

The Board extended thanks to the Equality, Inclusion and Human Rights Manager for their input to the report.

Decision: The Board approved the Anti-racism Plan and the Equality Mainstreaming Report, and accepted the significant assurance offered.

4.2 Flexible Work Location Policy

The Director of Workforce provided a paper setting out the implementation arrangements for the Flexible Work Location Policy within HIS which would reflect current ways of working and include a review of current contract types. The paper had already been considered by the Staff Governance Committee.

Decision: The Board supported the proposals and accepted the moderate assurance offered.

5.ASSESSING RISK

5.1 Risk Management: Strategic Risks

The Director of FPG provided the strategic risk register, noting there were two less risks than the previous report and the Board will have the opportunity in May to fully review the strategic risks and risk appetite.

In response to a question from the Board, it was advised that risks are reviewed monthly by the relevant Director and by the Executive Team as well as Committees reviewing the risks assigned to them.

The Chair of the Audit and Risk Committee drew the meeting's attention to the new risk sub-committee which will link with the operational group for risk management.

Decision: The Board gained assurance of the management of the strategic risks and accepted the following levels of assurance:

- limited on the strategic risks which are out of appetite with the exception of Covid Inquiries which is marginally out of appetite and therefore considered to be within tolerance
- for risks within appetite, significant level of assurance when the residual score is medium or low and moderate level of assurance when the score is high.

6.GOVERNANCE

6.1 to 6.7 Committee Key Points and Minutes

Committee Chairs provided key points and approved minutes as follows:

- Governance Committee Chairs: key points from the meeting on 26 February 2025
- Audit and Risk Committee: key points from the meeting on 5 March 2025; approved minutes from the meeting on 27 November 2024
- Executive Remuneration Committee: key points from the meeting on 3 December 2024
- Quality and Performance Committee: key points from the meeting on 19 February 2025; approved minutes from the meeting on 6 November 2024
- Scottish Health Council: key points from the meeting on 20 February 2025; approved minutes from the meeting on 14 November 2024
- Staff Governance Committee: key points from the meeting on 13 March 2025; approved minutes from the meeting on 23 October 2024
- Succession Planning Committee: key points from the meeting on 16 January 2025; approved minutes from the meeting on 30 May 2024

Decision: The Board noted the key points and minutes.

7.ANY OTHER BUSINESS

The Director of Evidence and Digital advised that four years of funding has been confirmed by SG for the voluntary scheme for branded medicines pricing, access and growth with the intent of finding ways to move medicines recommend by SMC into practice more quickly.

The Board Vice Chair asked the meeting to note that this was the final Board meeting for Carole Wilkinson as Chair of HIS ahead of her temporary move to NHS Tayside. Thanks were extended on behalf of the Board for her significant contribution as well as best wishes for her new role.

8.DATE OF NEXT MEETING

The next meeting will be held on 30 June 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: name, title

Date: date

Public Board Meeting Action Register

Minute ref	Report Heading	Action point	Timeline	Lead officer	Current Status
26/3/25 Item 1.6	Executive Report	a) Add information about reputational impact to future complaints information. b) Confirm to member what the abbreviation CAV means. c) Provide more information to member on action in relation to Scottish Medicines Consortium (SMC) advice which is not recommended.	30 June 2025	a) Director of Nursing and System Improvement b) Director of Nursing and System Improvement c) Director of Evidence and Digital	a) Recommend for closure. Will be provided in ongoing reporting. b) Recommend for closure. Comment was a direct quote from a stakeholder and related to HIS and Internal Health Board Care Assurance Visits c) Recommend for closure. Additional information has been provided to the member by SMC.
4/12/24 Item 2.2	NHS Greater Glasgow and Clyde Emergency Departments Review Progress Update	After action review to be completed of the full external review process.	December 2025	Deputy Chief Executive	In progress. Terms of reference for the review drafted and a non-competitive tender in progress to procure an external reviewer. Aim is to report by December 2025.

4/12/24 Item 3.1.3	Workforce Report	Absence deep dive to include benchmarking with similar organisations.	30 June 2025	Director of Workforce	In progress. NHS Scotland figures available and wider scoping underway across public sector.
25/9/24 Item 1.6	Executive Report	Regarding use of Artificial Intelligence (AI), national position statements are awaited. This to be followed up.	30 June 2025	Director of Evidence and Digital	Recommend for closure The national team have now issued the guidance on Microsoft Copilot which Digital Services Group (DSG) are reviewing. Before Microsoft Copilot can be used DSG will need to develop a Data Protection Impact Assessment.

Chair's Report

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 1.5

Responsible Non-Executive: Evelyn McPhail, Chair

Purpose of paper: This report provides the Healthcare Improvement Scotland (HIS) Board with information on key strategic and governance developments. The Board is asked to note the content of this report.

1. NHS SCOTLAND BOARD CHAIRS

The Board Chairs met for their private meetings on 28 April and 19 May 2025. The main topics were the Service Renewal Framework and Accelerated National Innovation Adoption. The Chairs also covered planning for their development days later in the year and the Annual General Meeting in which we received the annual report and terms of reference for review. The meeting of the Board Chairs on 19 May 2025 focussed on a presentation from Christine McLaughlin, the then Co-Director of Population Health, who gave a presentation "Digital First" approach to Health and Social Care Reform outlining the Scottish Government's digital priorities.

The meeting for the Board Chairs with the Cabinet Secretary for Health and Social Care was held on 14 May 2025 and chaired by Maree Todd, Minister for Social Care, Mental Wellbeing and Sport on behalf of the Cabinet Secretary. Although I was unable to join, the Chair of the Scottish Health Council was in attendance. The agenda focussed on the Service Renewal Framework as well as Operational Improvement Plans.

I also joined a meeting for NHS Board Chairs on 2 June 2025 with the NHS Scotland Chief Operating Officer/Deputy Chief Executive to discuss plans to achieve a sustained reduction in the numbers of patients waiting over 52 weeks. Detail on HIS' contribution to this is set out in the Executive Report.

As part of my induction period as Interim Chair, I met with the Chair of the National Board Chairs Group. I will continue to join this fortnightly meeting for the National Chairs to discuss strategic priorities and identify opportunities for collaboration.

2. STAKEHOLDER ENGAGEMENT

External Engagement

Also as part of my induction, I have taken the opportunity to meet with some of our key stakeholders to understand more about their current priorities and challenges. This has

included meetings with the Chair of the Care Inspectorate and our sponsor division at Scottish Government.

Along with the Chief Executive, I attended the Focus on Frailty learning session on 21 May 2025 at the Golden Jubilee conference centre. The event provided an opportunity for colleagues from across Scotland to come together to explore how quality improvement can support their frailty improvement work. The event was also attended virtually by the Cabinet Secretary and I was delighted to be asked to introduce him.

Both the Chief Executive and I also attended the annual NHS Scotland event on 9 June 2025. This year's session was titled NHS Renewal: Protecting and Strengthening Scotland's Health and Care Services. I attended virtually and joined breakout sessions on

- a) Improving Wellbeing and Working Cultures across NHS Scotland with interesting presentations from the Scottish Ambulance Service on managing sexual misconduct at work and NHS Forth Valley on changing culture and leadership.
- b) Transformation and Renewal: Delivering a Digital First Approach which built on the presentation provided to the Board Chairs Group in May 2025.

Internal Engagement

The Board Vice Chair joined the April all staff huddle as I was unavailable and I was then delighted to join my first huddle as Interim Chair in May. I have also been meeting with the Directors and other colleagues during my first two months as Interim Chair to learn more about the current work and challenges across the different parts of our organisation. The Chief Executive and I continue to hold sessions open to all staff to join us for an informal discussion. The most recent of these was on 12 June 2025.

3. GOVERNANCE

Annual Review

It has been confirmed with Scottish Government that our Annual Review will take place on 24 November 2025. It will be led by the Cabinet Secretary for Health and Social Care. National boards have received guidance from Scottish Government on expectations for the review and planning is being taken forward accordingly.

Non-Executive Appraisals

I have held annual appraisal discussions during April and May with all of the Non-Executive Directors. Any common themes for development will be captured in the Board development plan.

Board Activity

Since the previous Board meeting, the Board has held two informal sessions. A development session on 23 April 2025 covered an Internal Audit overview as well as progress with the Communications Strategy and the Strategic Plan for Safety. A Board seminar on 22 May 2025 looked at the draft Annual Report and Accounts for 2024-25 and a re-assessment of the Board's risk appetite. We also took time to reflect on the work of the Committees during the previous year and to look ahead to the current year, enabling us to identify any best practice or gaps in our governance.

Executive Report

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Title: Executive Report

Agenda item: 1.6

Responsible Executive: Robbie Pearson, Chief Executive

Purpose of paper: 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 and challenges, as follows:

1. REPORT FROM CHIEF EXECUTIVE.....	1
2. ACHIEVEMENTS.....	4
3. CHALLENGES.....	14
4. EXTERNAL DEVELOPMENTS INCLUDING STAKEHOLDER ENGAGEMENT.....	16

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.

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

1. REPORT FROM CHIEF EXECUTIVE

Executive Team Recruitment

Angela Moodie, Director of Finance, Planning and Governance

This is Angela Moodie's last formal Board meeting ahead of her departure from HIS. She joins Cambridgeshire Community Health Services Trust next month as Chief Finance and Resources Officer. Angela joined us in 2021 and has made a significant contribution in leading and supporting our growth as an organisation, especially given significant uncertainties with regards to funding streams.

Sybil Canavan, Director of Workforce

Sybil Canavan has been appointed Director of People and Culture at NHS Education for Scotland (NES). This is a well-deserved promotion for Sybil who has been with us since 2019. There will be an opportunity to reflect on Sybil's considerable contribution ahead of her joining NES on 1 September.

Gillian Gall, Associate Director of Workforce

We are delighted to have welcomed Gillian Gall to the People and Workforce Directorate as Associate Director of Workforce. Gillian joins the team with an extensive and varied career in Human Resources, most recently within West Dumbartonshire Health and Social Care Partnership (HSCP).

Janet Naphine, Interim Director of Finance and Corporate Services

Janet joined us at the start of June and has been working alongside Angela Moodie ahead of her stepping down on 30 June. Janet has been Vice Principal at Glasgow Clyde College and has extensive experience in the further education and wider public sectors.

Recruitment to Director posts

The interviews for the Director of Finance and Corporate Services post are scheduled for 27 June 2025. The Director of Nursing and Integrated Care post has also been advertised and has a closing date of 30 June 2025. The Director of Workforce post has also now been advertised with a closing date of 28 July 2025.

iMatter

The 2025 iMatter survey concluded on Monday 9 June, with team, Directorate and Board reports available for viewing, from Tuesday 10 June. This is followed by an eight-week window for team discussions and action planning to take place; action plans must be uploaded to the national system by midday on 5 August.

This year's response rate was 89%, with improvement showing across 26 of 28 indicators. The overall engagement index score increased from 75 to 78. The HIS iMatter Steering Group will review overall results, and an update will be prepared (for Board, Staff Governance Committee and Partnership Forum) highlighting points of interest, trends, and areas for improvement / action.

Elimination of waits over 52 weeks

Meeting the 52-week target for planned care services remains a significant challenge across NHS boards and is now a priority for action by the First Minister. We are considering how we can best support NHS boards across Scotland to rapidly assess, identify and implement changes to tackle the issues leading to these waits. This would be alongside the Centre for Sustainable Delivery (CfSD)'s work in this area and be likely to involve working with a small number of planned care services to apply a quality improvement approach to improve access to services. This would require the refocusing of current work for a period of at least 20 weeks, to support improvements in advance of winter pressures. Discussions are underway to clarify HIS' potential role and responsibilities alongside those of CfSD and other national organisations.

Consumer Scotland

HIS has consulted with Consumer Scotland about how NHS Boards and Health and Social Care Partnerships (HSCPs) meet the Consumer Scotland Act, including its potential overlap with existing public involvement duties. This topic has been raised by Chief Executives, Chairs, Directors of Engagement and Directors of Planning in recent months. HIS has now agreed a statement and approach with Consumer Scotland, which can be shared with boards and HSCPs.

NHS Greater Glasgow and Clyde Emergency Department review

The [report](#) of a review of safety and quality of care in emergency departments in NHS Greater Glasgow & Clyde (GGC) was published on 27 March 2025. The review considered patient and staff experience, safety and quality of care and leadership and culture relating to the departments and found significant areas for improvement across all of these areas. The evidence examined during the review identified that the current model of urgent and unscheduled care is struggling, not just in NHS Greater Glasgow & Clyde, but nationally.

The report makes 41 recommendations, 30 of which are for NHS Greater Glasgow & Clyde. The NHS board welcomed and accepted the findings of the review and has implemented an ambitious transformational change programme in response.

There are 11 broader recommendations for national bodies that have a role in improving safety and quality of health and care services across Scotland. We received a formal response from the Cabinet Secretary for Health and Social Care on the review and its recommendations. Scottish Government accepted nine of the recommendations and partially accepted two, and committed to working collaboratively with health and social care organisations in taking the recommendations forward. This includes commissioning discussions with HIS.

Scottish Child Abuse Inquiry

HIS was called to give evidence to the Scottish Child Abuse Inquiry. Ann Gow attended in May 2025 and was asked about written evidence that HIS provided to the inquiry. Lines of questioning included those around HIS's role and responsibilities relating to children under NHS care, the history of HIS and predecessor organisations, and HIS's role and remit in inspections. We are awaiting next steps but may be asked for further information on points raised in our submission and at the hearing.

Eljamel Inquiry

HIS is named in the terms of reference of the Eljamel inquiry. We have responded to a request for information outlining the relationship between HIS and its predecessor organisations, as well as information on the data we hold. On the advice of Central Legal Office (CLO), HIS has decided to not apply for core participant status in this inquiry. Preliminary hearings will be in early autumn 2025. CLO anticipate that evidence sessions relevant to HIS will not take place until 2026, but that the inquiry could be in touch before then. CLO have advised that HIS should be proactive in preparing for this inquiry and begin identifying and managing possibly relevant material, which may support with management of costs.

NHS Scotland Event

Our organisation played an important role at this year's NHS Scotland Event which took place at the Technology & Innovation Centre, University of Strathclyde in Glasgow on Monday 9 June 2025. The theme of the event was the renewal of the NHS in Scotland, with a focus on strengthening and protecting services.

Our work took centre stage at two key sessions.

- Focus on Frailty programme, and its work to improve access to person-centred and co-ordinated health and social care services for older people living with frailty. The session offered practical insights for those seeking to improve services for an ageing population.
- Primary Care Phased Investment Programme, a collaborative effort to strengthen and future-proof multidisciplinary teams working in primary care.

Our organisation had 11 posters featured as part of the event, with four on display at the event and the other seven highlighted through the online portal.

In addition, we ran the poster exhibition at the event, identifying poster abstract reviewers, helping to shortlist abstracts and running two poster presentation sessions at the event.

Royal College of Nursing Scotland Nurse of the Year Awards 2025

Chief Nursing Officer – Award of Excellence – Ann Gow

A new category for this year, this Award, sponsored by the Scottish Government, recognises a truly exceptional registered nurse who has made a career-long contribution to nursing practice, resulting in a legacy of sustainably improved outcomes for individuals, communities, and the wider population.

In achieving this award, I am delighted that Ann has received the recognition of her contribution to the leadership and development of the nursing profession in Scotland as well as her commitment to improving the experience and outcomes for patients. As the first Director of Nursing, Midwifery and Allied Health Professions at Healthcare Improvement Scotland, she has strengthened the profile of the profession at a national level and been influential in shaping policy.

Complaints Handling

The refreshed HIS Complaint Handling Procedure was published on the Healthcare Improvement Scotland Website in May 2025. To date, for financial year 2025-26 HIS has handled and closed one complaint. The complaint was handled as a Stage 2 (escalated) due to its complexity and was upheld at stage 2. The complaint was associated with the handling of a complaint about Independent Health Care (IHC) complaint handling which is an emerging theme to be addressed through IHC review.

EXTERNAL DEVELOPMENTS INCLUDING STAKEHOLDER ENGAGEMENT

Clare Morrison (Director of Engagement and Change) was invited to speak about the Scottish Approach to Change at the **NHS Confederation Expo**, the UK's largest health and care conference, in June, and received positive feedback on the approach.

HIS in partnership with the Health Foundation Q Community convened a **Safety Roundtable** bringing together safety leaders and wider academic experts from across the five nations to consider the recent Infected Blood public inquiry recommendation to establish safety management systems to inform Scotland's approach. The current UK and international contexts were explored with the learning shared on both implementation approaches, cultural and behavioural challenges alongside the opportunity to learn from other sectors. The summary of the session will be shared with an appetite from the group to continue the connection in order that a shared approach could be developed.

2. ACHIEVEMENTS

Supporting the Voices and Rights of People and Communities

69 nominations have been received from across the country for HIS' 2025 **Jane Davies Award for Person-Centred Practice**. Jane's family chose the winner and two runners up from the eight shortlisted finalists. The winner epitomised person-centred care in practice, scoring very highly in all four of the assessment criteria, and will be announced at the end of June.

In partnership with The ALLIANCE, NHS Tayside and Scottish Government, a [short film](#) was produced capturing the journey of staff at Ninewells Hospital, NHS Tayside, as they embed the '**What Matters to You?**' (WMTY) approach into everyday practice. It was published to coincide with WMTY day (3 June 2025).

A Safer NHS

Maternity and Paediatric Early Warning Score

In November 2024 our first safety bulletin highlighted clinical and technical challenges relating to the Maternity and Paediatric Early Warning Scores (MEWS and PEWS, respectively) and invited NHS boards to share their learning about the use of MEWS and PEWS as tools to support recognition of physical deterioration. In response to the survey findings, the Scottish Patient Safety Programme is leading a review with expert working groups of clinicians from across NHS Scotland. The expert working groups will draw on the evidence, experience from other nations and clinical expertise to recommend next steps for MEWS and PEWS.

Excellence in Care

Resources to support the use of the Quality of Care (QoC) Review guidance are now available on the Right Decision Service platform, this includes five instructional videos on how to use the guidance and templates in practice, as well as 10 completed examples across services, written with subject matter experts. Five case studies on how the QoC review guidance are also in development.

The Excellence in Care Board Clinical Lead Engagement Call process has now gone through testing and review and has now been launched. These engagement calls aim to support local

assurance and improvement implementation, with our first calls booked in using our new automated booking system.

Healthcare Staffing Programme

The Healthcare Staffing Programme (HSP) has presented recommendations to Scottish Ministers in relation to the Mental Health and Learning Disability Nursing in Patient Staffing Level Tool and Professional Judgement Tool. The HSP Staffing Level Tool Review Summary Report has also been prepared and informs future tool maintenance and development with the Emergency Care Provision tool being identified as the main priority.

The Monitoring Board Compliance team within the HSP have supported seven inspections and four responding to concerns so far in Q1 of 2025-26. Board engagement calls have taken place for Q1, and we have revised our engagement calls process for 25/26 and communicated this to the health boards.

The Board Healthcare Staffing Annual Report on HIS functions in relation to staffing was published on 24 April 2025.

A Decade of the Death Certification Review Service (DCRS)

The DCRS medical reviewer system links two governmental departments, the NHS and National Records for Scotland, and focuses on three aims:

- improve the quality and accuracy of Medical Certificates of Cause of Death (MCCDs)
- develop better public health data, which became especially important during the COVID-19 pandemic
- enhance clinical governance

Since its launch in May 2015, DCRS has reduced the not-in-order rate for MCCDs from over 50% to 18.8%.

The work of DCRS is fast moving and the emphasis remains on completing the reviews without causing delay to funeral arrangements for loved ones of the deceased. Find out more about the work of the [Death Certification Review Service](#) on the HIS website.

National Hub for reviewing and learning from the deaths of children and young people

In May 2025, the National Hub published its [first annual data release](#). The release provides an overview of currently available data which, over time, will inform future thematic child death reports. These reports will focus on factors we identify as having the greatest potential for change.

In the same month, the National Hub published a version of the National Child Mortality Database (NCMD)'s easy read leaflet for use in Scotland. It's called [After your child has died](#) and explains the child death review (CDR) process, why it's important and how the key contact can support bereaved families and carers. Designed and tested with Easy Read UK, it's for people who may find it difficult to understand or read English.

In June 2025, the National Hub launched a learning system to facilitate the sharing of insights from NHS boards and local authorities from CDRs. This learning can include good practice and areas identified for improvement and can have local or national implications or application.

Having trialled the new process with two learning summaries from an NHS board, the Hub welcomed feedback from Scottish Government on both learning summaries as to what actions will be taken nationally to reduce risks of harm to children that were identified in the two cases.

Safe Delivery of Care – Maternity Inspections

Our Safe Delivery of Care inspection programme has been extended to include maternity services. On 15 May we published our first maternity inspection report relating to an unannounced visit to Ninewells Hospital, NHS Tayside on 27-29 January 2025.

The maternity inspections programme has been developed in response to the findings of our Neonatal Mortality Review report in 2024. The report highlighted the importance of inspections to help improve patient care and provide public assurance.

The maternity services inspection to Ninewells Hospital resulted in nine areas of good practice, three recommendations and 20 requirements. The full report can be found [here](#).

Following publication of a **joint SIGN /British Thoracic Society/NICE guideline**, “[Asthma: diagnosis, monitoring and chronic asthma management](#)”, which recommends against prescribing short-acting beta 2 agonists to people of any age with asthma without a concomitant prescription of an inhaled corticosteroid, the Medicines & Healthcare Products Regulation Agency published a [Drug Safety Update](#) (for healthcare professionals) and [press release](#) (for the public) based on this recommendation.

Controlled Drugs

The Medicines & Pharmacy team have contributed to the post implementation review of the 2013 Controlled Drug Regulations to strengthen governance and assurance arrangements. This has been undertaken to support HIS Statutory obligations in relation to Controlled Drug Governance arrangements and designated bodies.

Health & Justice Team

HIS Health & Justice team secured a two-year extension to the current contract for prison pharmacy services and initiated discussions regarding increased clinical input to the service and have secured a saving on the prison pharmacy contract management fee for the second successive year. They have faced some challenges including progressing the prison IT system as the developer being placed in administration.

NHS Recovery and supporting a sustainable system

Phase 2 of the **Scottish Approach to Change (SATC)** has launched. To date we have achieved higher than expected engagement by senior leaders in NHS boards who are actively supporting its development and applying it locally. We have aligned SATC with the HIS Quality Management System (QMS) to provide clarity on using a QMS approach within change. We have engaged with local test sites to develop national approaches to implementing value-based health and care and a transformative approach to unscheduled care, and have actively engaged staff across HIS to achieve cross-directorate collaboration on SATC.

Quality Management System (QMS) – HIS has been working in collaboration with NHS GGC to design and test a self-evaluation tool that supports organisations to build and understanding of

and establish the conditions in which managing quality becomes daily business. Testing of the tool concluded with NHS GGC Board in May following tests at team and sector level within the Royal Alexandra Hospital. NHS GGC plan to use the outputs from the tool to support the delivery of the recently published Quality Strategy. Plans are now in development to offer the tool more widely and work is underway with the Right Decision Service to explore a digital platform for it to be hosted on.

The **Hospital at Home** programme annual report is being prepared for publication on 30 June 2025. Following a period of stabilising and sustaining services, the focus will now be on a Scottish Government target of 2000 Hospital at Home beds by December 2026. This is from a baseline of approximately 1000, of which 575 are older people/acute adult service, which are currently supported by HIS. Growth will be focused on both geographic coverage and scope beyond older adult care to include more specialist services such as heart failure, respiratory and paediatrics.

The team have also produced a report by conducting a scoping evidence review and a series of semi-structured interviews to better understand the impact of Hospital at Home on those living with dementia and those living in care homes.

Improving Access to Integrated Care (formally Access Quality Improvement) - Single Point of Contact

Single point of contact provides patients with a single point of contact during their cancer care, supporting an improved experience as patients navigate through care pathways. It also releases clinical time to focus on complex care. The Improving Access team developed and published a scalability assessment with our findings, recommendations and supporting documentation, now available on the HIS website.

Focus on Frailty

We are supporting the aim to put in place specialised frailty teams in every core emergency department by Summer 2025. Recent milestones include delivery of a welcome session, in-person learning session and introductory calls with teams as well as the following publications:

- [Published implementation guidance to support the development of frailty care pathways in acute hospitals.](#)
- [Published implementation guidance to support the development of community-based frailty services.](#)
- [Published a quality improvement self-assessment tool for teams in the Focus on Frailty programme to support them to understand their system.](#)

Focus on Dementia – Reducing Stress and Distress

The programme started in January 2025 and is jointly delivered by HIS, Care Inspectorate and NES. We are working with 58 teams delivered over four cohorts in 2025. A range of engagement is taking place with the cohorts and we **published** the Reducing Stress and Distress self-evaluation tool on the HIS and Care Inspectorate websites.

Through the **Focus on Dementia – Post-diagnostic support (PDS) and care co-ordination** programme we aim to reduce unwarranted variation and improve the quality of PDS and care

co-ordination. We will work with 17 HSCPs across Scotland, with two cohorts over the year. Each cohort will run for 6 months and include learning sessions, monthly coaching calls, project surgeries, networking opportunities and follow-up calls at the end of the six month cohort, 100% of participating teams attended learning session 1.

The **Primary Care Phased Investment Programme (PCPIP)** is a tripartite collaboration exploring impact of policy change, system improvement and development and delivery. It is being jointly delivered by NHS boards, HIS and Scottish Government and is due for completion by December 2025.

107 teams were involved in phase one of the collaborative, and 22 teams are participating in the second phase which will continue to support shared learning through the use of Quality Improvement tools, resources and coaching sessions. An expert group of clinical and non-clinical professionals has been formed to review final reports, provide recommendations, and ensure a comprehensive evaluation of the PCPIP with clear roles and timelines.

The **Mental Health Responsive Support programme** supports the new Scottish Government initiative around implementation and evaluation of significant barriers to discharge within mental health services. We have provided focused local improvement support to NHS Ayrshire and Arran and NHS Grampian, produced case studies on out-of-area placements, published summary of the learning from improving delayed discharge processes, developed a QMS process to support discharge planning and are starting work on a Spend to Save Funding Project (housing adaptations).

Resources published by the **Mental Health and Substance Use Programme** include a toolkit to support collaboration between services aligned to the Scottish Approach to Change's eight Essential Steps, and strategic planning resources to support areas with local options appraisals, gap analyses, and consideration of different models of integrated care for mental health and substance use.

Conclusion of the **Delayed Discharge Adults with Incapacity (AWI)** responsive support programme, which included presenting our findings and advice on the next steps to Scottish Government and local stakeholders as well as delivering a series of resources to the Cabinet Secretary for the Collaborative Response and Assurance Group. Locally, our work has influenced the speed of discharge planning, enhanced the knowledge and skills among staff, and brought attention to the root causes of local challenges. Nationally, our work has led to a shift in how the Scottish Government approaches legislative change and their methods of engaging with and supporting local areas to reduce AWI delays.

The sustainability of complex care pathways and services is evident through NHS Dumfries and Galloway securing permanent funding for their Early Intervention in Psychosis service. This work was supported and developed through the **Mental Health Reform Pathfinder Programme**, focused on establishing pathways of care and services for those with complex mental health support needs. Prior funding to this service was direct from Scottish Government to a temporary seconded team until the benefits and positive impact of the Early Intervention in Psychosis service was proven.

More Effective Care

Work is underway as part of the Evidence & Digital directorate's commitment to the Voluntary scheme for branded medicines, Pricing, Access and Growth (VPAG) Investment Programme. Recruitment to new posts to support this work is progressing and work has begun on workstream one which aims to improve our health technology assessment methodology.

SIGN has published two updates to the Scottish Palliative Care guidelines, [Nausea and vomiting](#) and [Malignant spinal cord compression](#).

We also published four sets of revised standards: for [Healthcare and forensic medical services standards for people who have experienced rape, sexual assault and child sexual abuse](#), [Ageing and frailty](#), [cervical screening](#) and [pregnancy screening standards for chromosomal and health conditions](#).

The standards team held seven focus groups in relation to healthcare and forensic medical services standards with key stakeholders, including a range of staff and the third sector.

The Standards team is currently considering a review of the Flood, Fluid and Nutritional Care Standards. 127 attendees signed up to a workshop in June to discuss the implementation, evidence base and alignment of the current standards to inform the review.

Right Decision Service (RDS)

Between April and June 2025, RDS launched four national decision support toolkits that illustrate the range of topics that the platform is being used to support:

- [National cardiovascular disease \(CVD\) prevention and risk factors toolkit](#) for the Scottish Government Chief Medical Officer Directorate and Preventative and Proactive Care Programme.
- [National quality of care review guidance](#) for the Excellence in Care Programme. Includes interactive forms for recording service evaluation and improvement plans. This received excellent user feedback in its testing phase.
- [Valproate – easy read](#) information for people with learning disabilities – for Scottish Government Medicines Division
- [Oral care for care home and care at home services](#) – guidance and support resources published by Public Health Scotland

RDS is working with Scottish Government Effective Prescribing and Therapeutics to scope pharmacogenomics decision support for a European PeacePlus project. This builds on the existing RDS platform integrated with patient record systems and in Scotland will be evaluated initially in NHS Tayside as the test site.

Cancer medicines

The National Cancer Medicines Advisory Group decisions first in UK to support neo-adjuvant melanoma treatments which improve patient outcomes and reduce costs and service demand. Systemic Anti-Cancer Therapy risk stratification work led by HIS will now support service reform whilst optimising equitable and timely access to safe, high quality, patient centered care for people with cancer in Scotland.

Area Drug and Therapeutics Committee Collaborative

Familiarisation of the ADTC Collaborative forum to the forthcoming Scottish Patient Safety Programme (SPSP) Medicines in Hospital Programme as part of A Safer NHS topic and wider collaboration across stakeholders and the directorate. Provision of expert advice to support the Scottish Government update to their service specification for community pharmacy regarding Men B vaccination as part of More Effective Care topic.

Organising ourselves to deliver

Integrated Delivery Plan 2025-26

We received approval of our integrated delivery plan from Scottish Government in June 2025. This included feedback on areas requiring further clarification, which will be taken forward by relevant colleagues and Scottish Government policy teams. The plan will be published in July 2025.

Driving digital efficiencies at a national level

Our in-house monthly financial dashboard, built using existing Microsoft 365 tools, has been widely praised by other boards for improving efficiency in finance processes. Scottish Ambulance Service has recently adopted the 'HIS model', with NES, GGC, and Borders also interested in implementing.

Accessibility Compliance

Public bodies are legally required to ensure all public-facing documents are perceivable, operable, understandable, and robust. A 2024 audit by Government Digital Services found several inaccessible PDFs on the HIS website, including Board papers. In response, HIS has updated the Board paper template and guidance to improve accessibility. The papers for this meeting use the new template, ensuring a more accessible format is now available to the public.

Communications Strategy

Work is ongoing to update our corporate communications strategy. While the original aim was to finalise it by June, extended stakeholder engagement has delayed the timeline. The final strategy will now be presented to the September Audit and Risk Committee and Board for approval.

Corporate Website

Progress on the website project continues, with the intention to close the old corporate archive website by 31 August 2025. The old *ihub* site closed in April 2025. An archive version is available so users can still access important content, while work has started to move the 15 improvement areas to the corporate site. The search function for *IHC services* was made live on 30 May 2025, (see below) and *Scottish Approach to Change* content moved from the Community Engagement website to the corporate site on 31 March 2025, with further updates planned for Q3.

Independent Healthcare Register

Quality Assurance and Regulation Directorate (QARD) have been working with Communications and NHS National Services Scotland (NSS) to build website pages on the new HIS website to hold the public register of independent healthcare services that are regulated by HIS. This work

involved the development of the search page functionality, which allows users to search for services, and the building of a service website page for each independent healthcare service (approximately 600 services which includes registered services and those with a registration in progress). Each service website page holds information about the service including type of service, conditions of registration and inspection reports. The search page and service pages went live on the HIS website on 30 May [Find an independent healthcare provider or service – Healthcare Improvement Scotland](#)

Medical Workforce Model

We are reviewing the medical model with a view to expanding it in order to deliver in year savings of £100K. This will involve a One Team approach and will require the directorates all to participate and support the work moving forward. This was presented to the Audit and Risk Committee as part of 2025-26 savings plan at its meeting on 23 June 2025.

Independent Healthcare (IHC) Regulation Review

The Corporate Improvement Team continues to work with IHC and Ionising Radiation (Medical Exposure) Regulations teams as part of the Regulation Review, this also includes engagement of external stakeholders. Using a combination of Improvement, SPRINT and Short Life Working Group methodology, we are working towards an update report for the Quality and Performance Committee and Partnership Forum with clear recommendations and an outline action plan by late Summer. There is a HIS Board Seminar scheduled for 25 August to discuss the Regulation Review. The anticipation is a final report with updated deliverables and timescales will be completed by the end of November 2025.

Responding to Concerns

Following an independent report on the Responding to Concerns (RtC) service in September last year, the Corporate Improvement Team have been working closely with the service to identify and deliver improvements. Work so far has focused on process documentation and assignment of professional advisors, further work is planned on process automation and routing of concerns to the service. By the end of September 2025 this work will deliver a documented end to end RtC process, clarifying roles and responsibilities, escalation and resolution paths as well as relevant timescales, in a single document. This document will provide clear operational guidance for new and existing RtC staff. In addition, the work will deliver a directory of professional advisors along with their clinical specialities who will provide a resource pool for the RtC service, removing delays and uncertainty in finding an appropriate expert opinion. A 'Decision tree' document for use across HIS will also be delivered which will provide definitive guidance to improve and expedite the redirection of concerns to the RtC team when these concerns are received in other parts of our organisation.

Digital Improvement activity

The Corporate Improvement Team continue to support the Intelligence Implementation Group to deliver an action plan against the Digital & Intelligence strategy 2025-28. This includes mapping of the HIS data landscape and developing a user requirement specification for the information system to support HIS to be an intelligence-led organisation over April to June 2025. The work then will move toward data sharing standards, protocols and processes being developed throughout October 2025 to early 2026. The group's current focus is also in overseeing the delivery and use of 'Essential 2', a digitally connected information layer of the strategy. In addition is working to address the intelligence related recommendations from the RtC review.

The HIS Chief Pharmacist is working on review and refresh of **Clinical and Care Governance** and the integration of internal sharing intelligence into this alongside wider organisational work in this space to give assurance to Quality Performance Committee and the Board that this is delivering on its objectives and adding value for the organisation.

HIS Campus

The month of May marked one year of HIS Campus, our one-stop-shop for staff to access all organisational learning opportunities. Bringing the concept of HIS Campus to life has enabled us to create consistent and easy access to learning opportunities across HIS, playing an important part in supporting staff experience, helping us to improve our relationships and how we work together at HIS.

A celebration of the first anniversary of HIS Campus took place during the month of May comprising 49, well-attended learning events, with the majority delivered by our own leaders and subject matter experts. Subjects offered were wide and varied, covering contextual, leadership, topical, technical and management themes.

HIS Culture

The Chief Executive has set out a cultural aspiration in the form of the '4Ps'; Performance, Partnership Working, Personal Commitment and Personal Governance. An associated Engagement Plan is being progressed to engage HIS staff in a conversation about the ongoing process of change (and the external context and drivers which make this necessary), refresh collective organisational expectations, and work towards the growth of a shared mindset, where everyone in HIS understands 'what matters', as we go about our business internally, and across the wider health and care system. This process was launched at the most recent Partnership Forum Development session on 1 May, where the group considered how to strengthen partnership working in the broadest sense. A sub-group (which includes Executive Directors) has been established to consider and progress next steps. Similarly, Leadership Lens sessions with Senior Leadership Team members began on 5 June. Hosted by the Chief Executive and Employee Director, the aim is to re-energise our collective leadership thinking and ultimately, our people and cultural practices. Leadership Lens sessions will also be extended to include Head of Service and equivalent levels.

Core Strengths / Strengths Deployment Inventory (SDI)

SDI is a workplace psychometric tool which provides insights into individuals' motivations, behaviours and relationships dynamics in the workplace. Organisational investment was secured to make this available across HIS, to enhance our abilities to work collaboratively and responsively in line with our One Team ethos. Launched on 17 September 2024, almost 82% of HIS staff have chosen to complete an SDI assessment, and this supports the next phase of the work to take place over 25/26. Plans include;

- encouraging individuals and managers to develop their confidence in using SDI in their everyday practice, through learning opportunities (such as SDI 101 and SDI Essentials for Managers), and also by incorporating a discussion on strengths into the Personal Development and Wellbeing Review process, and
- delivering a pilot of team development sessions through our internal SDI facilitator network, during June and July. Feedback from these pilot sessions will inform our organisational SDI offer going forward.

Protecting Learning Time

As part of the pay settlement for Agenda for Change staff in 2023-24, **Protecting Learning Time** for Agenda for Change Staff in NHS Scotland (PCS (AFC) 2024/01) was agreed. A key action is to review Mandatory for All and Mandatory for Role training, and assess whether this could be established on a 'Once for Scotland' basis. HIS is contributing to this national workstream, and currently reviewing the agreed nine Mandatory for All modules. The approach involves assessing modules already in place across all boards, with a view to Once for Scotland implementation of the best / most suitable modules. Due to the number of modules required to be reviewed for Tranche 3 (June), the timeline for completion of this review has been extended to end of July.

3. CHALLENGES AND ISSUES

Workforce

Healthcare Staffing Programme

The main methodology underpinning staffing level tool development is observation studies, however the previous observer employment model presented a range of challenges and risk, both financial and operational. A short life working group led by Workforce Director and Employee Director has been established to consider a new model for employment. In the meantime there is potential for adverse impact to the delivery timeline for the Emergency Care Provision Staffing Level Tool.

Risk Management

Ongoing long-term staff absence continues to strain centralised risk management efforts. Responsibility now rests solely with the Director of Finance & Corporate Services. While support will continue, some delays may occur in system migration and updates to the risk management strategy.

Recruiting members of the public for our Gathering Views on Sodium Valproate project has been challenging despite exploring many avenues and advertising through a variety of means. The intention is to engage with 20 to 25 people about their experience taking the drug but less than 50% of the target has been interviewed so far.

System capacity

There are challenges in securing senior leadership support across HSCPs for the development and implementation of local **mental health and substance use protocols**. We are mitigating this by engaging with Scottish Government to disseminate information and resources, reaching out to areas not rated green for [Medically Assisted Treatment \(MAT\) standard 9](#) ("All people with co-occurring drug use and mental health difficulties can receive mental health care at the point of MAT delivery") to scope out challenges and offer targeted improvement support around the protocol that will help them achieve MAT-9.

Delivery challenges

During quarter one of 25/26, the Scottish Medicines Consortium received a significantly higher than usual number of medicine submissions. 39 submissions have been received compared to 19 last year. This will have an impact on the number of medicines deferred for assessment. The team are currently reviewing mitigation measures to minimise impact on timely access to new medicines for patients.

4. EXTERNAL DEVELOPMENT INCLUDING STAKEHOLDER ENGAGEMENT

Community Engagement and Transformational Change

Coming Home Expert Reference Group held 2 meetings in April and June engaging with key stakeholders and a lived experience representative to shape future sessions of the peer support network.

Worked with an external partner to **gather lived experience** insights from 105 people with mental health and substance use conditions, staff, and family members. Reports published to summarise the learning gained from the geographic areas receiving multidisciplinary support from us.

Harbour Ayrshire have been engaged as key partners looking at better inclusion of drug and alcohol recovery services and the people who use them, in the design and delivery of drug and alcohol services.

Regular engagement with **Scottish Independent Advocacy Alliance** to support strategic planning and deliver advocacy support to people who access alcohol and drug services as part of [MAT Standard 8](#) ("All people have access to independent advocacy and support for housing, welfare and income needs").

Collaboration with the **Bridges Project** to ensure the perspectives of young people who have been affected by their own or a loved one's substance use are included in our drugs and alcohol programme. Supporting the development of good practice guidance for Alcohol and Drug Partnerships to ensure compliance with [Planning with People](#) and to meaningfully and safely involve young people.

All NHS boards have submitted their local priority areas for the **Core SPSP Mental Health Standards**. Analysis and publication of the findings is due to be published by the end of June 2025.

Started a 12-month test of change in **Inverclyde HSCP** to screen people presenting to mental health services in crisis (Community Response Service and Acute Assessment Unit), using the ASSIST-Lite tool to enable more joined up care for co-occurring conditions.

Delivered two out of a planned four workshops in **NHS Tayside** aimed at improving urgent mental health care pathways for people with co-occurring substance use.

The Associate Director of Transformational Change attended a round table with the Cabinet Secretary focusing on the future on the National Drug and Alcohol Mission. The HIS work on pathways into, through and out of **residential rehabilitation** was highly commended, calling out improvements delivered in quality of care and access to services. 18 Alcohol & Drug Partnerships have submitted draft action plans that identify the short, medium and long-term actions required to support local improvements to residential rehabilitation pathways.

A **National Learning Session on Improving Interfaces** held on 21 May was attended by 189 staff from mental health and substance use services. The event highlighted how interface meetings have improved relationships and communication across the system. Feedback from participants highlighted how the examples shared would enable them to engage in local conversations and consider developments and improvements.

Hosted a **peer network workshop** on 3 June to further explore improving interfaces between mental health and substance use services. Insights were shared on how interface meetings might support work in local areas and challenges were considered as a group.

The **Volunteering Advisory Board (VAB)** held a development day on 29 April for 10 Board members. Attendees updated the VAB Terms of Reference, mapped out all the data collected on volunteering, and created a work plan for the Board.

17 new **Care Experience Improvement Model** Leaders graduated in Cohort five on 7 April. A second peer network session took place on 24 April and was rated 5/5, with both the case study and Pareto Chart sessions being noted as helpful. 30 applications received for Cohort 6; 24 applicants offered places on the next programme, which commences on 16 June.

Hosted two learning sessions for the **Coming Home Peer Support Network** in April and June (92 attendees in total) on housing and complex commissioning. Feedback from participants highlighted knowledge gaps and the need for national co-ordination, infrastructure, collaboration and alignment.

Launched the **Strategic Planning Community of Practice** that includes 200 members across most NHS boards and HSCPs. This will support the enablers of safer clinical systems, NHS recovery and a sustainable system by building planning capacity and influencing the way that planning is undertaken. The first learning session was attended by over 80 participants and focused on systems thinking within planning and its practical application.

Delivered a **Service Design Community of Practice** session to share key learning by NHS Lothian from an innovative collaboration that explored the power of mobilising resources in different ways, to bring in skills that the NHS needs for its transformation and innovation agenda.

Final webinar of the Drug and Alcohol national learning system on 26 March was attended by 176 people (highest attendance to date). The webinar focused on **polydrug use and alcohol** and included presentations from Scottish Government, clinical and service provider views.

National webinar on 1 May focused on “Looking back, looking forward - **renewal and reforming of mental health services in Scotland**”. 348 registered attendees with 186 joining us on the day. The webinar included presentations from HIS, Scottish Government, clinical and professional leads and NHS boards.

Hosted webinar on 29 May with NHS Tayside focusing on “**Involving People in Communicating Change**”. Over 70 people attended, and feedback was positive.

Stakeholder interviews held with seven key stakeholders focusing on their experiences with the Mental Health Substance Use programme, to support evaluation and identify future improvements.

Presentations delivered during May on the national mental health and substance protocol to the Royal College of Psychiatrists’ Faculty of Addiction conference, and at a See Me webinar on anti-stigma practice in mental health services for people with co-occurring conditions.

Evidence and Digital

The standards team represented HIS at an international workshop in October, hosted by the Swedish Institute for Standards and the International Standardisation Organisation. Building on the connections and learning from this event, we have since held seven webinars with approximately 100 attendees for each from Iceland, Hungary, Norway, the United States and Finland. Following this, the Standards team were invited to be members of an expert panel for the Bairns’ Hoose Anniversary Event in October. The panel was chaired by Bragi Gudbransson, Chair of the United Nations Committee on the Rights of the Child, who gave his views on Scotland’s progress towards a Bairns’ Hoose model and was highly complementary of the standards, particularly the participation of children and young people.

The Standards team also presented an update on the development of the maternity care standards at the Joint Clinical Directors and Directors of Midwifery meeting in May 2025.

At the end of April SIGN met with 29 current and prospective Patient and Public Involvement Network members to introduce a new, more inclusive approach to involving third sector organisations and people with lived experience in guideline development. The session emphasised embedding lived experience throughout the process, with a focus on “What matters to you?” Attendees welcomed the structured, proactive engagement and highlighted the need to reach smaller, community-led groups. Agreed next steps include a follow-up meeting, a draft Terms of Reference, a Q&A session and continued opportunities for meaningful involvement.

In June, [SHTG recommended the use of the vacuum bell device for people with pectus excavatum](#). The advice generated positive media coverage on TV, radio and in national newspapers. The coverage has highlighted the life changing benefits that the device can bring, helping young people with their physical and emotional wellbeing. The successful media coverage will raise awareness of pectus excavatum across Scotland and in doing so helps demonstrates the impact that our work has on the lives of people. Feedback has been

extremely encouraging and demonstrates the power of working together to achieve positive outcomes

Scottish Medicines Consortium (SMC) is launching a new quarterly communication aimed primarily at stakeholders within health boards as part of a developing communication strategy. This is intended to keep health boards informed of changes to SMC process and to help improve understanding of our work. SMC has been speaking with Area Drug and Therapeutic Committees across Scotland over the last 18 months and listening to their questions about SMC. The communication will address some of the frequently asked questions and feature statistics around submissions and acceptance rates.

The Oral Health Improvement Programme invited members of the standards team to a workshop hosted by Public Health Scotland to discuss standards or a best practice statement for oral health, including assessment of oral health needs and reducing health inequalities.

Quality Assurance and Regulation

There has been collaboration with colleagues in the QARD Directorate alongside key partners at the General Pharmaceutical Council to consider some challenges in relation to private clinics, prescribing and patient care. Ongoing work to consider priority comms and support co-ordination with multiple agencies to ensure joined up working and prioritising safety.

Nursing and Integrated Care

On 27 March the Primary Care team hosted a **National Primary Care Improvement Event**. This in-person event brought together healthcare practitioners from across Scotland alongside guests from NES, NSS, Public Health Scotland, British Medical Association, the Health and Social Care Alliance, Queen Margaret University, Community Pharmacy Scotland, Scottish Ambulance Service, Ministry of Defence and Scottish Government. The morning session included an update from the Cabinet Secretary and a series of spotlight sessions, focusing on three key areas which are integral to primary care: Multidisciplinary team (MDT) working, reducing inequalities, using Quality Improvement tools to improve access. The afternoon session had updates from the four Demonstrator Sites involved in the current PCPIP programme of work.

Healthcare Staffing Programme

The Healthcare Staffing Programme have undertaken extensive engagement with senior level stakeholders within Mental Health and Learning Disabilities services as part of the discovery and initiation phase of the Mental Health and Learning Disabilities Community and Specialist Roles Staffing Level Tool development. The HSP are working closely with NES around the development of Turas modules to support the use of the staffing level tools.

Healthcare Improvement Scotland

2024/25 Annual Audit Report



Prepared for Healthcare Improvement Scotland and the Auditor General for Scotland
June 2025

Contents

Key messages	3
Introduction	5
Audit scope and responsibilities	6
Audit of the annual report and accounts	8
Wider scope and Best Value audit	14
Appendix 1: Action plan 2024/25	27
Appendix 2: National and performance audit reports	33

Accessibility

You can find out more and read this report using assistive technology on our website www.audit.scot/accessibility.

Key messages

Audit of the annual report and accounts

- 1 All audit opinions stated that the annual report and accounts were free from material misstatement.
- 2 There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by Healthcare Improvement Scotland.

Wider Scope and Best Value audit

Financial Management

- 3 Healthcare Improvement Scotland operated within their key financial targets set by the Scottish Government in 2024/25 and did not require additional funding in order to meet its revenue resource limit.
- 4 Audit work performed on the arrangements in place for securing sound financial management found that these were effective and appropriate.

Financial Sustainability

- 5 The audit work performed on the arrangements in place for securing financial sustainability were effective and appropriate.
- 6 Medium and longer-term plans are in place however they are at a high level. There is a need to further identify and plan for more recurring savings in the medium to longer term.

Vision, Leadership and Governance

- 7 The arrangements in place for securing Vision, Leadership and Governance concluded that these were effective and appropriate.

Use of Resources to Improve Outcomes.

- 8 The audit work performed on the arrangements HIS has in place for use of its resources to improve outcomes found that these were appropriate.

Securing Best Value

- 9 Arrangements in place for securing Best Value are developing with the first best value review presented in September 2024. The report provides assurance in relation to best value across the organisation and sets out the challenges and actions required.
-

Introduction

Purpose of the Annual Audit Report

1. The purpose of this Annual Audit Report is to report the significant matters identified from the 2024/25 audit of Healthcare Improvement Scotland's annual report and accounts and the wider scope areas specified in the Code of Audit Practice (2021).
2. The Annual Audit Report is addressed to Healthcare Improvement Scotland, hereafter referred to as 'HIS' and the Auditor General for Scotland. It will be published on [Audit Scotland's website](#) in due course.

Appointed auditor and independence

3. Claire Gardiner, of Audit Scotland, has been appointed as external auditor of HIS for the period from 2022/23 until 2026/27. As reported in the Annual Audit Plan, Claire Gardiner and the audit team are independent of HIS in accordance with relevant ethical requirements, including the Financial Reporting Council's Ethical Standard. There have been no developments since the issue of the Annual Audit Plan that impact on the continued independence of the engagement lead or the rest of the audit team from HIS, including no provision of non-audit services.

Acknowledgements

4. We would like to thank HIS and its staff, particularly those involved in preparation of the annual report and accounts, for their cooperation and assistance during the audit. We look forward to working together constructively over the remainder of the five-year audit appointment.

Audit scope and responsibilities

Scope of the audit

5. The audit is performed in accordance with the Code of Audit Practice, including supplementary guidance, International Standards on Auditing (ISA) (UK), and relevant legislation. These set out the requirements for the scope of the audit which includes:

- An audit of the financial statements and an opinion on whether they give a true and fair view and are free from material misstatement, including the regularity of income and expenditure.
- An opinion on statutory other information published with the financial statements in the annual report and accounts, namely the Performance Report and Governance Statement.
- An opinion on the audited part of the Remuneration Report and the Staff Report.
- Conclusions on HIS's arrangements in relation to the wider scope areas: Financial Management; Financial Sustainability; Vision, Leadership and Governance; and Use of Resources to Improve Outcomes.
- Reporting on HIS's arrangements for securing Best Value.
- Provision of this Annual Audit Report.

Responsibilities and reporting

6. The Code of Audit Practice sets out the respective responsibilities of HIS and the auditor. A summary of the key responsibilities is outlined below.

Auditor's responsibilities

7. The responsibilities of auditors in the public sector are established in the Public Finance and Accountability (Scotland) Act 2000. These include providing an independent opinion on the financial statements and other information reported within the annual report and accounts, and concluding on HIS's arrangements in place for the wider scope areas and Best Value.

8. The matters reported in the Annual Audit Report are only those that have been identified by the audit team during normal audit work and may

not be all that exist. Communicating these does not absolve HIS from its responsibilities outlined below.

9. The Annual Audit Report includes an agreed action plan at [Appendix 1](#) setting out specific recommendations to address matters identified and includes details of the responsible officer and dates for implementation.

HIS's responsibilities

10. HIS has primary responsibility for ensuring proper financial stewardship of public funds, compliance with relevant legislation and establishing effective arrangements for governance, propriety, and regularity that enables it to successfully deliver its objectives. The features of proper financial stewardship include:

- Establishing arrangements to ensure the proper conduct of its affairs.
- Preparation of an annual report and accounts, comprising financial statements for HIS that gives a true and fair view and other specified information.
- Establishing arrangements for the prevention and detection of fraud, error and irregularities, and bribery and corruption.
- Implementing arrangements to ensure its financial position is soundly based.
- Making arrangements to secure Best Value.
- Establishing an internal audit function.

National and performance audit reporting

11. The Auditor General for Scotland and the Accounts Commission regularly publish national and performance audit reports. These cover a range of matters, many of which may be of interest to HIS and the Audit and Risk Committee. Details of some of the national and performance audit reports published recently are listed in [Appendix 2](#).

Audit of the annual report and accounts

Main judgements

All audit opinions stated that the annual report and accounts were free from material misstatement.

There were no significant findings or key audit matters to report. All audit adjustments required to correct the financial statements were processed by HIS.

Audit opinions on the annual report and accounts

12. The annual report and accounts were scrutinised by the Audit and Risk Committee (ARC) on 23 June 2025 and recommended to the Board for signing. The Board approved the annual report and accounts on 30 June 2025. The appointed auditor signed the Independent Auditor's Report on 30 June 2025 and this reports that, in the appointed auditor's opinion, the annual report and accounts were free from material misstatement.



Audit timetable

13. The unaudited annual report and accounts and all working papers were received on 5 May 2025 in accordance with the agreed audit timetable.

Audit Fee

14. The audit fee for the 2024/25 audit was reported in the Annual Audit Plan and was set at £37,500. There have been no developments that impact on planned audit work required, therefore the audit fee reported in the Annual Audit Plan remains unchanged.

Materiality

15. Materiality is applied by auditors in planning and performing an audit, and in evaluating the effect of any uncorrected misstatements on the financial statements or other information reported in the annual report and accounts.

16. The concept of materiality is to determine whether misstatements identified during the audit could reasonably be expected to influence the decisions of users of the annual report and accounts. Auditors set a monetary threshold when determining materiality, although some issues may be considered material by their nature. Materiality is ultimately a matter of the auditor's professional judgement.

17. Materiality levels for 2024/25 were determined at the risk assessment phase of the audit and were reported in the Annual Audit Plan, which also reported the judgements made in determining materiality levels. These were reassessed on receipt of the unaudited annual report and accounts and updated in [Exhibit 1](#).

Exhibit 1

2024/25 Final materiality levels

Materiality	Healthcare Improvement Scotland
Materiality: Set at 2% of gross expenditure	£920,000
Performance materiality: Set at 75% of materiality. This acts as a trigger point e.g. if the aggregate of misstatements identified during the audit exceeds performance materiality, this could indicate further audit procedures are required	£690,000
Reporting threshold: Set at 5% of materiality	£46,000

Source: Audit Scotland

Significant findings and key audit matters

18. ISA (UK) 260 requires auditors to communicate significant findings from the audit to those charged as governance, which for HIS is the ARC.

19. The Code of Audit Practice also requires public sector auditors to communicate key audit matters. These are the matters that, in the auditor's professional judgement, are of most significance to the audit of the financial statements and require most attention when performing the audit.

20. In determining key audit matters, auditors consider:

- Areas of higher or significant risk of material misstatement.
- Areas where significant judgement is required, including accounting estimates that are subject to a high degree of estimation uncertainty.

- Significant events or transactions that occurred during the year.

21. The significant findings and key audit matters to report are outlined in [Exhibit 2](#).

Exhibit 2

Significant findings and key audit matters

Significant findings and key audit matters	Outcome
<p>Quality of the unaudited Remuneration Report</p> <p>The audit of the Remuneration Report identified a number of errors and other disclosure changes that were required to ensure the report was fully compliant with the applicable guidance.</p> <p>While the Remuneration Report was subject to a high level review by the Board and senior officers, the review should include a sample of recalculations and disclosure agreements to FReM / NHS Manual.</p> <p>We previously reported this in our 2022/23 Annual Audit Report as a key audit matter with a satisfactory resolution.</p> <p>This is regarded as a key audit matter given the nature of the Remuneration Report and the short timescale between receipt of the unaudited accounts and approval / signing at the Board.</p>	<p>Management have updated and corrected the required values and disclosures within the Remuneration Report.</p> <p>We are satisfied that the revised Remuneration Report fulfils the disclosure requirements of applicable guidance.</p> <p>We discussed with officers how to take this forward and improve the process for the 2025/26 annual accounts and included this as a recommendation below and in the action plan at Appendix 1.</p>

Source: Audit Scotland

Recommendation 1

The Remuneration Report should be subject to sample recalculation and agreement with the FReM / NHS Manual to ensure completeness and accuracy prior to submitting to audit. This will further enhance the quality process and reduce potential delays with the audit process.

Qualitative aspects of accounting practices

22. ISA (UK) 260 also requires auditors to communicate their view about qualitative aspects of HIS's accounting practices, including accounting policies, accounting estimates, and disclosures in the financial statements.

Accounting policies

23. The appropriateness of accounting policies adopted by HIS was assessed as part of the audit. These were considered to be appropriate to the circumstances of HIS, and there were no significant departures from

the accounting policies set out in the 2024/25 Government Financial Reporting Manual (FReM).

Accounting estimates

24. Accounting estimates are used in number of areas in HIS's financial statements, including the valuation of land and buildings assets and the valuation of the pension liability. Audit work considered the process management of HIS has in place around making accounting estimates, including the assumptions and data used in making the estimates, and the use of any management experts. Audit work concluded:

- There were no issues with the selection or application of methods, assumptions, and data used to make the accounting estimates, and these were considered to be reasonable.
- There was no evidence of management bias in making the accounting estimates.

Disclosures in the financial statements

25. The adequacy of disclosures in the financial statements was assessed as part of the audit. The quality of disclosures was adequate, with additional levels of detail provided for disclosures around areas of greater sensitivity.

Audit adjustments

26. No audit adjustments were required to the financial statements greater than the reporting threshold of £46,000.

27. There are no uncorrected misstatements to report at the time of issuing this report.

Significant risks of material misstatement identified in the Annual Audit Plan

28. Audit work has been performed in response to the significant risks of material misstatement identified in the Annual Audit Plan. The outcome of audit work performed is summarised in [Exhibit 3](#).

Exhibit 3

Significant risks of material misstatement to the financial statements

Fraud caused by management override of controls:

Management is in a unique position to perpetrate fraud because of management's ability to override controls that otherwise appear to be operating effectively.

Audit response - The audit team:

Evaluated the design and implementation of controls over journal entry processing.

Made inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries.

Tested journals entries, focusing on those that are assessed as higher risk, such as those affecting revenue and expenditure recognition around the year-end.

Evaluated significant transactions outside the normal course of business.

Assessed the adequacy of controls in place for identifying and disclosing related party relationships and transactions in the financial statements.

Assessed changes to the methods and underlying assumptions used to prepare accounting estimates and assess these for evidence of management bias.

Audit work found:

The design and implementation of controls over journal processing were appropriate.

No inappropriate or unusual activity relating to the processing of journal entries was identified from discussions with individuals involved in financial reporting.

No significant issues were identified from testing of journal entries.

Outcome / conclusion: SATISFACTORY

We found no evidence of fraud caused by management override of controls.

Source: Audit Scotland

Prior year recommendations

29. Substantial progress has been made in implementing the agreed prior year audit recommendations. We have included management's response in the action plan at [Appendix 1](#). There were seven actions in total and six have been implemented during 2024/25.

30. Recommendation five, the remaining outstanding action, is a known risk across the NHS landscape and there is little that Healthcare Improvement Scotland can do to directly mitigate or address this beyond what has already been implemented locally. Further detail on this is included in [paragraphs 49-50 below](#).

31. Recommendation seven relates to best value and we note the annual best value report is now a standing agenda at each September ARC. The 2024/25 best value report will be presented in September 2025. We will use the 2024/25 best value report to inform our 2025/26 audit planning. We consider this action to be implemented and we will review the annual

best value report as part of our normal audit procedures. We comment more on this in the [best value section below](#).

Wider scope and Best Value audit

Audit approach to wider scope and Best Value

Wider scope

32. As reported in the Annual Audit Plan, the wider scope audit requires consideration of the significant audit risks in following areas:

- Financial Management;
- Financial Sustainability;
- Vision, Leadership and Governance and;
- Use of Resources to Improve Outcomes.

33. Audit work is performed on these four areas and a conclusion on the effectiveness and appropriateness of arrangements in place for each of these is reported in this chapter.

Duty of Best Value

34. The [Scottish Public Finance Manual](#) (SPFM) explains that Accountable Officers have a specific responsibility to ensure that arrangements have been made to secure Best Value. [Best Value in public services: guidance for Accountable Officers](#) is issued by Scottish Ministers and sets out their duty to ensure that arrangements are in place to secure Best Value in public services.

35. We have considered the arrangements in place to secure Best Value alongside the wider scope audit.

Financial Management

Conclusion

Healthcare Improvement Scotland operated within their key financial targets set by the Scottish Government in 2024/25 and did not require additional funding in order to meet its revenue resource limit.

Audit work performed on the arrangements in place for securing sound financial management found that these were effective and appropriate.

HIS broke even in 2024/25, however there remains a reliance on non-recurring savings

36. The Scottish Government Health and Social Care Directorates (SGHSCD) set annual resource limits and cash requirements which NHS bodies are required by statute to work within.

37. Late funding allocations hinder effective financial management by creating uncertainty in budgeting, disrupting cash flow and potentially delaying the start of planned programme expenditure. This can slow decision making and reduce the efficiency of resource use. We highlighted in [NHS in Scotland 2024 Finance and Performance](#) that the Scottish Government needed to work to provide more certainty for Boards to allow them to effectively manage their budgets.

38. HIS prepared a balanced budget for 2024/25 reliant on an ambitious £2.5 million savings target including non-recurring savings and a £1.1 million vacancy factor. The savings represent 10.7% of baseline funding. [Exhibit 4](#) shows that Healthcare Improvement Scotland operated within their key financial targets set by the Scottish Government.

Exhibit 4

Performance against resource limits in 2024/25 were met

Financial target	Limit £000	Actual £000	Variance £000
Revenue Resource Limit - core	42,987	42,987	0
Revenue Resource Limit – non-core	833	833	0
Total Revenue Resource Limit	43,820	43,820	0
Capital Resource Limit – core	60	60	0
Capital Resource Limit – non-core	214	214	0
Total Capital Resource Limit	274	274	0
Cash requirement	43,878	43,878	0

Source: Healthcare Improvement Scotland 2024/25 Annual Report and Accounts

Healthcare Improvement Scotland delivered against their savings target but challenges remain for the medium term.

39. In 2024/25 the Scottish Government required all health boards to plan to deliver at least 3 per cent recurring savings during the financial year. HIS's 2024/25 financial plan identified a savings target of £2.5 million.

40. The £2.5 million savings plan relied heavily on changes to the workforce including removing posts from team structures and not filling vacancies for the majority of the year. HIS achieved its savings target of £2.5 million in year, of this £1.1 million was on a recurring basis. This represents 44% overall of recurring savings. Monitoring reports to the ARC have stressed that this is not sustainable in the medium to longer term and many risks remain live including the funding of future pay awards and the uncertainty and timeliness of core funding from the Scottish Government. The most recent financial performance information was presented to the ARC in March 2025.

41. Non-executives were also advised that the savings target is the highest of all the non-patient facing health boards and is at a level similar with territorial health boards. High level plans were put in place by HIS to manage this however there is a need to focus strongly on longer-term savings in order to move to a more sustainable position. This is further discussed in the section on [financial sustainability below](#).

42. As at March 2025 there were few recurring saving initiatives identified for the 2025/26 year and still a reliance on non-recurring savings to meet targets. There is a risk that HIS is unable to remain in recurring financial balance in the medium term. This is an NHS-wide issue and not unique to HIS.

43. Our work found that during 2024/25 HIS was consistently on target to meet their overall savings target but underperforming on its recurring savings goal. The rate of recurring savings at 44% poses a risk to the achievability of savings across the five year financial plan. It is unclear how this gap can be met and HIS will need to further identify and plan to achieve more recurring savings.

Recommendation 2

HIS need to further identify and plan for more recurring savings in the medium to longer term to demonstrate financial sustainability.

There were appropriate internal control arrangements at HIS, however there are assurance gaps arising from shared service arrangements

44. From our review of the design and implementation of systems of internal control, including those relating to IT, relevant to our audit approach, we did not identify any significant internal control weaknesses which could affect HIS's ability to record, process and report financial and other relevant data to result in a material misstatement in the financial statements.

45. Across the NHS in Scotland a number of shared services exist and therefore Healthcare Improvement Scotland's control environment includes externally provided services from:

- NHS National Services Scotland (NSS) provision of payroll services and the national IT controls.
- NHS Ayrshire and Arran provision of the National Single Instance eFinancials service.
- Elcom who provide Professional Electronic Commerce Online System (PECOS) the eProcurement system used by NHS boards across Scotland.

46. The NHS in Scotland procures service audits each year to provide assurance on the controls operating within the shared systems. As part of our overall audit approach we consider the evidence from service auditors of NHS NSS and NHS Ayrshire and Arran to inform our risk assessment procedures.

47. The Type II service audit on NSS payroll resulted in a qualified audit opinion relating to two control objectives which did not operate effectively during the year:

- Controls provide reasonable assurance that new employees' data and amendments to existing data that impact payroll values are authorised and entered onto the payroll system.
- Controls provide reasonable assurance that payroll (including changes to the payroll amount) are processed in a complete, accurate and timely manner and that changes to the payroll amount are authorised.

48. As part of our substantive testing of payroll we gained assurance over the completeness, accuracy and occurrence of new starts, leavers and payroll amendments which feeds into the staff costs reported in the financial statements. No issues were identified from this substantive testing and therefore we are satisfied the control weaknesses reported did not materially impact the control environment at HIS.

49. A further qualification was reported on the Type II service audit of the national IT service contract, specifically on the controls relating to the systems. The control related to the objective, 'Controls provide reasonable assurance that logical access to applications, operating systems and databases is restricted to authorised individuals' and it did not operate effectively during the year.

50. NHS Ayrshire and Arran procures a Type II service audit of the National Single Instance (NSI) eFinancials services. The service auditor assurance reporting in relation to the NSI eFinancials was unqualified. The assurance gap identified in previous years for the IT general controls,

system backup and disaster recovery remains. Although this assurance gap did not impact on HIS's systems this year, there remains a risk for future years. All NHS boards should ensure that going forward they are satisfied that controls over the NSI eFinancials system are adequate in the absence of these service auditor assurances. NHS Ayrshire and Arran are working with NHS National Services Scotland to expand the service audit scope to cover this assurance gap for 2025/26.

Recommendation 3

HIS should ensure that going forward they are satisfied that controls over the NSI eFinancials system are adequate in the absence of these service auditor assurances.

51. In November 2024, the hosting arrangements of the PECOS application changed from being held at the Scottish Government's Saughton House data centre to being held and managed externally from the Scottish Government by third-party provider, Elcom.

52. While the Scottish Government own the contractual arrangement with Elcom, it is for individual bodies to ensure themselves that there are appropriate application and hosting controls in place at Elcom. Healthcare Improvement Scotland has not received any assurances around the operation of these controls at the third-party provider.

53. Healthcare Improvement Scotland is satisfied that there have been no issues around service performance or availability of information to support the preparation of the financial statements and there is no adverse impact on the Board's system of internal control or governance arrangements in respect of the use of the PECOS application.

54. During 2024/25, the purchase order system was reviewed and rebuilt in a manner that better supports governance including monitoring and reporting. Retraining on PECOS was provided to relevant HIS staff and updates will now be provided to members of the ARC on a regular basis. This change and retraining have resulted in a significant decline in the number of year-end accruals.

Strength of the financial management culture

55. From our review of various agendas and minutes, meetings with key senior officers and from our regular attendance at the ARC, we note that HIS demonstrate a culture of strong financial awareness and management. Finance reports and quarterly performance reports are presented and discussed at each ARC and at the Board. Reports are clear, easy to understand and set out the key risks and associated costs in plain English.

Accountability and arrangements to prevent and detect fraud, error and other irregularities, bribery and corruption

56. HIS is responsible for having arrangements to prevent and detect fraud, error and irregularities, bribery and corruption. It is also responsible for ensuring that its affairs are managed in accordance with proper standards of conduct by putting effective arrangements in place.

57. We assessed HIS's control arrangements, financial regulations and fraud reporting arrangements as satisfactory. No issues were noted regarding the regulations in place, their relevance, availability nor did we identify any risks in the arrangements for fraud risk management and reporting.

58. Fraud arrangements are discussed regularly at the ARC and the National Services Scotland (NSS) quarterly counter fraud reports are considered alongside any local HIS reports. One of the ARC non-executives was also the Counter Fraud Champion for HIS. There were no frauds reported during 2024/25.

Financial Sustainability

Conclusion

The audit work performed on the arrangements in place for securing financial sustainability were effective and appropriate.

Health boards across Scotland face substantial affordability challenges despite increases in funding

59. Health remains the single biggest area of government spending with a planned increase to £19.4 billion in the 2024/25 Budget Bill. The Scottish Government continued to distribute funding throughout the year which increased the final budgets provided to NHS boards and reflects the long-term trend of annual increases in health expenditure.

60. Despite increases in health spending much of the additional funding was consumed by pay deals and inflation leaving little room to invest in transformation or service improvement.

61. In their three-year financial plans submitted to the Scottish Government, for 2024/25, NHS boards continued to forecast increases in spending. Boards are also increasingly citing a reliance on non-recurring savings, and therefore carrying forward underlying deficits into future years, which poses a significant risk to long term financial sustainability.

62. Audit Scotland's [NHS in Scotland 2024 Finance and Performance](#) highlights that the affordability of healthcare spending is now an urgent issue that the Scottish Government must address. Difficult decisions need to be made about transforming services potentially identifying areas of

limited clinical value and considering how services can be provided more efficiently or withdrawn. Boards should work with the Scottish Government to focus on longer term reform. This will be essential for managing the demands placed on the healthcare system and ensuring its future sustainability.

Short term plans

63. Annual Delivery Plans: HIS produces an annual delivery plan setting out the strategy for delivering their strategic objectives. The 2024/25 plan was set amid the current financial context, and highlighted further financial pressures, including funding allocation delays from the Scottish Government. The delivery plan outlined a phased approach to be taken for the three largest programmes in order to minimise both the financial and delivery risk.

64. The 2025/26 Integrated Delivery Plan was presented to the ARC in November 2024 and was submitted to the Scottish Government in January 2025. The document is high level and sets out the purpose and direction of HIS. It includes financial and other planning assumptions as well as savings targets. The plan was cascaded to the senior leadership team in order to inform their budget processes.

65. For 2025/26 HIS do not want to have any savings targets, and want the budget to fully align to their work programme to ensure affordability. The plan highlights the risks of baseline funding as well as the need to revisit and review the risk appetite for funding in 2025/26. It was highlighted that an increase to baseline funding would help reduce this risk but overall mental health and primary care are key areas that can't be estimated and can vary.

66. Workforce Plan: Employee expenditure makes up the majority of HIS's annual expenditure (86%). Workforce plans are therefore critical to ensure delivery of objectives. An interim workforce plan was presented to the Board in December 2024 and is monitored quarterly by the staff governance committee. It is an in-depth document and considers all elements of the workforce including:

- external factors
- the increasing workforce demand and how to address this
- other areas where there are funding challenges impacted by this such as the Healthcare Staffing Programme (HSP) and Excellence in Care (EiC), and
- how new recruitment approaches are being implemented to mitigate the risks.

67. The workforce plan considers and addresses the risks and financial pressures and identifies actions set out to ensure both workforce and financial performance are effective.

68. Financial planning, management, monitoring and reporting is clear and sets out the key risks enabling HIS to plan effectively so that it can continue to deliver services. Nevertheless, there are considerable medium and longer term risks to ongoing financial sustainability, a challenge which is consistent across NHS boards.

Medium to longer term financial plans

69. Three Year Budget: HIS submitted their three year financial plan 2025/26-2027/28 and the 2025/26 Annual Delivery Plan to the Scottish Government in March 2025. The financial plan shows a breakeven position for each of the three years. For each of the three years HIS have outlined their key assumptions including a 3% increase to staff costs; 3% increase to the SLA as well as 2.2% increase to non-pay inflation

70. The detailed savings plans are being further refined by the senior leadership team and will look for the plans to include more details.

71. Five Year Financial Plan: The five-year financial plan was presented to the ARC in March 2024 and although brief it clearly identifies the risks to financial sustainability across the five-year period. The plan makes assumptions and highlights additional risks including the funding of pay awards and uncertainty on core funding from the Scottish Government.

72. The plan identifies savings of £3.1 million required over the next five years representing 9.2% on a recurring basis. If savings made in 2024/25 are maintained, then the saving target for 2025/26 and beyond will be significantly smaller, ranging from 0.3% to 0.7% and HIS will once again be in a position of a recurring balance.

Vision, Leadership and Governance

Conclusion

Audit work performed on the arrangements in place for securing Vision, Leadership and Governance concluded that these were effective and appropriate.

73. We considered the effectiveness of governance arrangements for delivery, which includes openness and transparency of decision-making; and reporting of decisions and outcomes, and financial and performance information. The paragraphs below demonstrate how HIS have demonstrate this.

Blueprint for Good Governance

74. As part of HIS' commitment to the Blueprint for Good Governance, during 2024/25 HIS developed and completed their Assurance Framework mapping all sources of assurance across HIS. The draft Assurance Framework was presented and agreed at the November 2024 ARC.

75. "The Assurance Framework is the high-level system of assurance that operates within Healthcare Improvement Scotland (HIS). This framework aligns to the NHS Scotland Blueprint for Good Governance which describes the Assurance Framework as promoting and delivering good governance by bringing together the organisation's purpose, aims, values, corporate objectives and risks with the strategic plans, change projects and operating plans to deliver the desired outcomes."

76. The Assurance Framework will be formally reviewed every three years by the ARC. It will be updated in intervening years if any assurance requirements need to change in line with national guidance, statutory duties or organisational delivery plans. An annual update will be provided to the ARC to support the annual governance statement in the annual accounts. There is also a standing action for the ARC to monitor the effectiveness of the Assurance Framework. The document was shared with all Board members, Executive Directors and the Senior Leadership team.

77. The Assurance Framework also features on the 2025/26 Internal Audit Annual Plan to review the new framework and ascertain whether it is fit for purpose and consistently adhered to.

Effectiveness of governance arrangements for delivery

78. Effectiveness of governance arrangements includes openness and transparency of decision-making; robustness of scrutiny and shared working arrangements; and reporting of decisions and outcomes, and financial and performance information.

79. The ARC prepares an annual governance committee report and it is reviewed at the ARC and then submitted to the Board. The governance committee annual report for 2024/25 was presented to the March 2025 ARC. As part of the report, the committee provide examples of how they have met their remit including for 2024/25 the consideration of the first best value report, the agreement of an assurance framework and the creation of a risk management sub committee. Reports presented are clear and these enable non-executives to carry out their role effectively.

80. From our regular attendance at the ARC and reviews of related agendas, minutes and papers, we conclude that there are appropriate governance arrangements in place for delivery.

Use of Resources to Improve Outcomes

Conclusion

The audit work performed on the arrangements HIS has in place for use of its resources to improve outcomes found that these were appropriate.

81. Audited bodies need to make best use of their resources to meet stated outcomes and improvement objectives, through effective planning and working with strategic partners and communities. This includes demonstrating economy, efficiency and effectiveness through the use of financial and other resources, and reporting performance against outcomes.

82. We considered the clarity of the arrangements in place to ensure that resources (e.g. the workforce) are deployed to improve strategic outcomes, meet the needs of service users taking account of equalities, and deliver continuous improvements in priority services.

Clarity of the arrangements in place to ensure that resources are deployed to improve strategic outcomes

83. Below are two examples we looked at to demonstrate the link between HIS's strategic objectives and delivery, outcome and impact to the users and the general public.

84. Scottish Health Technologies Group (SHTG): HIS's SHTG provide advice on health technologies. The SHTG recently issued advice on the use of a vacuum bell device. As part of this work, they reviewed published studies on the device to understand its effectiveness and safety; estimated the costs associated with using the device; looked at the age profile for use; consulted with experts from NHSScotland and key stakeholders including a patient organisation. HIS then developed recommendations on the use of the device in NHSScotland. One of the key recommendations is that the device should be available as a non-surgical treatment option for selected people who have the condition that is negatively affecting their physical and/or psychological wellbeing.

85. We noted that this guidance / advice was applied by a health board and a recent media report on the advice notes that it has helped the patient's mental health and significantly reduced the invasive alternative treatment. This links to HIS's delivery of strategic objective two: *assess and share intelligence and evidence which supports the design, delivery and assurance of high quality health and care service*.

86. Hospital at Home: This is a key initiative to alleviate pressure on hospital beds. The purpose of the service is to reduce hospital admissions for elderly patients by providing treatments in the comfort and familiarity of the person's own home. It aims to deliver care outside a traditional hospital

setting focussing on personalised care. Success relies on effective coordination between emergency and community health and care services.

87. We noted that during 2024/25 the Scottish Ambulance Service developed national guidance for clinicians using Hospital at Home guidance based on Healthcare Improvement Scotland's Guiding Principles. The guidance facilitates the rapid establishment of local pathways, providing clear advice on when to consider the service and the available local support for people. This link to HIS's delivery of strategic objective four: *deliver practical support that accelerates the delivery of sustainable improvements in the safety and quality of health and care services across Scotland*.

Three Year Delivery Plan 2024-27

88. HIS produced a three-year delivery plan for 2024-27. The medium term plan is in line with HIS's four strategic priorities and also considers service sustainability, health and social care system recovery, and a focus on safety. The plan is high level and attempts to address the challenges of ensuring financial obligations and savings targets are met while not disrupting key programmes. Financial risks are briefly considered alongside service delivery such as:

- The risk in additional allocations funding (projected to make up 29% of total income for 2024/25).
- The uncertainty of recurring funding for pay awards.
- The risk of accepting the need to make difficult decisions regarding commitment to programmes within the plan.

89. Whilst the delivery plan is not a financial plan it does consider financial sustainability over the medium term, however it is brief and limited detail is provided on the exact nature of the risks and how they will be addressed.

Recommendation 4

The delivery plan would benefit from having more linkages and signposts to financial plans / scenario planning / key financial reports to demonstrate financial sustainability in the delivery of the programmes in the medium to longer term.

Conclusions on duty of Best Value

Arrangements in place for securing Best Value are developing with the first best value review presented in September 2024. The report provides assurance in relation to best value across the organisation and sets out the challenges and actions required.

90. Best value is included within HIS's Performance Management Framework approved in 2023. Audit work performed on the arrangements in place for securing Best Value found the arrangements were developing, were effective, and appropriate. This judgement is primarily evidenced by our review of the 2023/24 best value report produced by HIS in September 2024.

91. The 2023/24 best value report is the first time this report has been produced and considers performance management, workforce and financial resources. The report was prepared to provide assurance in relation to best value across the organisation. It was presented to the ARC in September 2024 and now is a key standing agenda item for each September ARC meeting. The report is also included in the Quality and Performance Committee's business schedule.

92. Audit did not have sight of the 2024/25 report at the time of drafting this annual audit report. Comments below on best value are based on the 2023/24 report and any observations from the ARC during 2024/25. We will use the 2024/25 best value report to inform our planning for the 2025/26 audit.

93. Best value assessments were carried out in 2023/24 as part of HIS' quarterly performance reporting. The covering paper to the ARC recognised that officers need to do more to understand impact and outcomes. To date, HIS have not routinely gathered this type of information but work during 2024/25 was underway to address this. This will allow HIS to be better placed to carry out future assessments and assurances over best value.

94. The report contains an appendix with the best value assessments carried out in 2023/24. HIS use CIPFAs 4Es Framework (economy, efficiency, effectiveness and equity) and are also aligned to NHSScotland Value Based Health and Social Care Action Plan. This allows HIS to demonstrate its contribution to the six national commitments.

95. Audit observed strong support to demonstrate the commitment to best value by both officers and non-executives. The ARC agreed to integrate the best value assessment across whole organisation. The 2023/24 best value report was sent to all committees to review, discuss and provide feedback. This will help ensure and define how they are contributing and

making a difference with the aim of embedding best value in all the committees, not just the ARC.

96. Our 2022/23 annual audit report recommended that HIS should consider how it articulates that arrangements are in place to secure and demonstrate best value. We consider this recommendation to be closed given the progress made on best value over the last two years. This has also been commented on in [paragraph 31 above](#).

Appendix 1: Action plan 2024/25

2024/25 recommendations

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
<p>1. The Remuneration Report</p> <p>The audit of the Remuneration Report identified a number of errors and other disclosure changes that were required to ensure the report was fully compliant with the applicable guidance.</p>	<p>The Remuneration Report should be subject to sample recalculation and agreement with the FReM / NHS Manual to ensure completeness and accuracy prior to submitting to audit.</p> <p>This will further enhance the quality process and reduce potential delays with the audit process.</p>	<p>Accepted</p> <p>Details of agreed action: We will work with NSS colleagues to ensure a QC review of the remuneration report calculations are undertaken prior to the first draft being sent to Audit Scotland</p> <p>Responsible officer: Head of Finance</p> <p>Agreed date: 30 April 2026</p>
<p>2. Savings plans</p> <p>During 2024/25 HIS consistently met its overall savings targets but underperformed in meeting its recurring savings goals. Non-recurring savings cannot be relied upon. It is unclear how the recurring savings gap will be met in the medium to longer term.</p> <p>There is a risk that HIS will not be able to achieve recurring savings targets and this could represent a threat to the five year financial plan and financial stability.</p>	<p>HIS need to further identify and plan for more recurring savings in the medium to longer term to demonstrate financial sustainability.</p>	<p>Accepted</p> <p>Details of agreed action: We will continue to work with the organisation to identify recurring savings for the medium to long term to demonstrate financial sustainability.</p> <p>Responsible officer: Director of Finance, Planning and Governance</p> <p>Agreed date: 31 March 2026</p>

Matter giving rise to recommendation	Recommendation	Agreed action, officer and timing
3. Controls over NSI eFinancials The assurance gap identified in 2023/24 for the IT general controls, system backup and disaster recovery remains in place for 2024/25. Although this assurance gap did not impact on HIS's systems this year, there remains a risk for future years.	HIS should ensure that going forward they are satisfied that controls over the NSI eFinancials system are adequate in the absence of these service auditor assurances.	Accepted Details of agreed action: We will pick this up with the host board for the general ledger to ensure backups are appropriately taken and stored. Responsible officer: Director of Finance, Planning and Governance Agreed date: 31 March 2026
4. Delivery plans The three year delivery plan is high level and only contains minimal detail on how financial sustainability risks and challenges will be addressed in order to deliver the strategic objectives.	The delivery plan would benefit from having more linkages and signposts to the medium term financial plan / scenario plans / key financial reports to demonstrate financial sustainability in the delivery of the programmes in the medium to longer term.	Accepted Details of agreed action: We will continue to work on linking the plans across the organisation together to ensure we can demonstrate financial sustainability in the medium to long term. Responsible officers: Director of Finance, Planning and Governance Director of People and Workforce Agreed date: 31 March 2026

Follow-up of prior year recommendations (2022/23 and 2023/24)

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	2024/25 Update
2023/24 recommendations		
1. Impairment review of non-current assets There has been no impairment review for non-current assets conducted in 2023/24 and one has not been carried out for several years.	Recommendation: Non-current assets should be subject to an annual impairment review, in particular for material assets. Accepted: We are in agreement with this suggestion and will look to implement an annual	Implemented An impairment review was completed as part of the 24/25 fixed asset review at the end of the year.

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	2024/25 Update
	<p>impairment review of non-current assets.</p> <p>Responsible officer: Director of Finance, Planning & Governance</p> <p>Agreed date: March 2025</p>	
<p>2. Service Level Agreement (SLA)</p> <p>The 2023/24 SLA for financial services between NHS National Services Scotland (NSS) and HIS is dated 21 March 2024 and was not signed until April 2024.</p> <p>This means that there was not a mechanism in place to ensure accountability of the service provider during the 2023/24 financial year.</p>	<p>Recommendation: HIS should ensure formalised SLA documents are in place in advance of the service period.</p> <p>Accepted: We are in agreement with this suggestion and will look to implement an annual impairment review of non-current assets.</p> <p>Responsible officer: Director of Finance, Planning & Governance</p> <p>Agreed date: March 2025</p>	<p>Work in progress</p> <p>The SLA was received from NSS in April 2025 despite attempts to receive sooner. NSS are looking to review in June 2025 to ensure 25/26 SLA is signed promptly.</p> <p>Responsible officer: Director of Finance, Planning & Governance</p> <p>Agreed date: June 2025</p>
<p>3. Establishment checks</p> <p>An establishment check of the workforce as not been recently carried out.</p> <p>This is a routine check that should be performed at least once per year to ensure the validity and existence of staff.</p>	<p>Recommendation: An establishment check should be performed at least once per year to verify the existence of staff on the payroll.</p> <p>The output should be checked and reviewed by an appropriate staff member to ensure the completeness and existence of the workforce.</p> <p>Accepted: Full staff lists are issued as part of the monthly management accounts dashboards. Going forward we will implement and collate evidence of annual checks by Directors to confirm existence of staff on the payroll.</p> <p>Responsible officer: Director of Workforce</p> <p>Agreed date: March 2025</p>	<p>Implemented</p> <p>Establishment checks were performed by the organisation based on February 2025 EES information.</p>

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	2024/25 Update
<p>4. Review of non-current asset useful lives</p> <p>From our review of the accounting policies, we noted that the majority of IT, plant and machinery and software licence assets have been used for significantly longer than their designated useful life. We also noted that intangible assets have a NIL value in the accounts.</p>	<p>Recommendation: We recommend that HIS review their accounting policy and consider allocating longer useful lives for assets in the non-current asset categories. Consideration should be given whether it is necessary to include a separate note for intangible assets given that the NBV is zero.</p> <p>Accepted: We are in agreement with this suggestion and will review our accounting policy with regards to the useful economic lives of non-current assets.</p> <p>With regards to the separate note in the accounts, although the NBV is zero the assets are still in existence and therefore we believe the note is required to demonstrate ownership.</p> <p>Responsible officer: Director of Finance, Planning & Governance</p> <p>Agreed date: March 2025</p>	<p>Implemented</p> <p>We have completed a review of the useful lives.</p> <p>Buildings: 10 years for buildings based on lease.</p> <p>IT equipment: 5 years based on redundant and out of support; 7 years for routers in line with manufacturer's warranty.</p> <p>P&M: in line with supplier useful life recommendations.</p> <p>There are no items with a value which requires updated useful life calculations.</p>
<p>5. IT back up – general ledger</p> <p>NHS Scotland e-Financials service is hosted by Atos who perform all of the back-ups of the system (HIS' general ledger).</p> <p>Full responsibilities for the various system operations are included in System Operating Procedures, and these are reviewed and distributed to Boards Leads late May/ early June on an annual basis.</p>	<p>Recommendation: Evidence / confirmation should be obtained from Atos (the service provider) that routine back-ups of HIS' general ledger have been taken and tested.</p> <p>This is to ensure the integrity of the system and the ability to recreate the general ledger in the event of a failure.</p> <p>Accepted: We will pick this up with the host board for the general ledger to ensure</p>	<p>Superseded by recommendation 3 above (Controls over NSI eFinancials)</p> <p>Atos are unable to provide evidence/confirmation that back-ups of the ledger are being taken. This is a known risk between Atos and NSI. This has been excluded from the scope of the service audit.</p> <p>Audit have included a recommendation in the above action plan regarding this and officers have agreed to pick this up with the host board for</p>

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	2024/25 Update
<p>We could not find documentation to evidence the back-up process in HIS were completed.</p>	<p>backups are appropriately taken and stored.</p> <p>Responsible officers: Director of Finance, Planning & Governance Director of Evidence & Digital</p> <p>Agreed date: March 2025</p>	<p>the general ledger to ensure backups are appropriately taken and stored.</p>
<p>6. Digital strategy</p> <p>There is an opportunity to improve the Digital Strategy by incorporating the planned investment, governance arrangements, workforce considerations and reporting arrangements from the Business Case into the Digital Strategy.</p> <p>This would help to increase the awareness of these areas for staff and wider stakeholders.</p>	<p>Recommendation: The ICT Review Summary could be developed into an overarching Digital Strategy by incorporating details from the Business Case for IT Investment. A single overarching strategy document would also provide greater coherence between the digital strategy and the Corporate Plan.</p> <p>Partially accepted: Agree that an up to date Digital Strategy should be prepared.</p> <p>The ICT Review is probably out of date and requires more than insertion of details from the business case.</p> <p>Responsible officer: Director of Evidence & Digital</p> <p>Agreed date: March 2025</p>	<p>Implemented</p> <p>Digital strategy has been approved for 2025 – 2028.</p>
2022/23 recommendations		
<p>7. Best value</p> <p>HIS does not undertake a periodic self-evaluation of its best value arrangements. There is a risk that HIS cannot effectively demonstrate the arrangements it has in place to secure and demonstrate best value.</p>	<p>Recommendation: HIS should consider how it articulates that arrangements are in place to secure and demonstrate best value.</p> <p>Accepted: Best value and performance is an area where we made significant strides in 2022/23 – introducing KPIs, enhancing our performance reporting, reprioritisation for winter pressures and</p>	<p>Implemented</p> <p>The first best value report (2023/24) was shared with the Audit and Risk Committee on the 4 September 2024.</p> <p>The 2024/25 best value report is being prepared and will be presented to the September ARC. The report is now a standing agenda item the September ARC meeting.</p>

Matter giving rise to recommendation	Recommendation, agreed action, officer and timing	2024/25 Update
	<p>formalising our sharing intelligence network, and this work will continue into 2023/24 aligning to our new strategy. All of this was overseen by the Quality & Performance Committee (QPC) and the Board and is demonstrated in the Performance report, our SG annual review and can be seen on our website. Management has agreed to consider this collectively in a formal best value report which will be presented to QPC periodically.</p> <p>Agreed date: 31 March 2024</p> <p>2023/24 Update: Things have progressed including the introduction of best value / value for money assessments in our quarterly performance reports. The Director of Finance is developing an annual best value report. This will be our first annual report. It has been added to the Quality & Performance Committee's business schedule, with the first report due to be considered in August 2024.</p> <p>Responsible officer: Director of Finance, Planning & Governance</p> <p>Revised date: August 2024</p>	

Appendix 2: National and performance audit reports

Report name	Date published
NHS in Scotland: Spotlight on governance	25 May 2025
General practise: Progress since the 2018 General Medical Services contract	27 March 2025
Integration Joint Boards: Finance bulletin 2023/24	6 March 2025
Integration Joint Boards finances continue to be precarious	6 March 2025
Sustainable transport	30 January 2025
Auditing climate change	7 January 2025
NHS in Scotland 2024: Finance and performance	3 December 2024
Public service reform in Scotland: how do we turn rhetoric into reality?	26 November 2024
Fiscal sustainability and reform in Scotland	21 November 2024
Alcohol and drug services	31 October 2024
Tackling Digital Exclusion	22 August 2024
The National Fraud Initiative in Scotland 2024	15 August 2024
Integration Joint Boards: Finance and performance 2024	25 July 2024

Healthcare Improvement Scotland

2024/25 Annual Audit Report



Audit Scotland
102 West Port
Edinburgh EH3 9DN

Phone: 0131 625 1500

Email: info@audit.scot

Website: www.audit.scot

Whistleblowing Annual Report

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 2.2

Responsible Non-Executive: Keith Charters, Whistleblowing Champion and Non-Executive Director

Report Author: Sybil Canavan, Director of Workforce

Purpose of paper: Assurance

1. Purpose

As part of the Whistleblowing Standards overseen by the Independent National Whistleblowing Officer (INWO), Healthcare Improvement Scotland (HIS) is required to provide an annual report regarding our activity. The format of this report is in line with the current requirements from the INWO.

2. Executive Summary

The attached annual report includes detail on our current arrangements within the organisation, including our key points of contact, any learning for our organisation and details on our training completion across HIS.

The report also confirms that during the period covered, HIS has not received any reportable whistleblowing concerns. During this time, we received a total of two formal grievance submissions from individual staff.

Detail is also provided regarding our training compliance and there is information regarding our planned activity for the 2025/ 26 period ahead.

To ensure management of organisational risks, access to, and awareness of Whistleblowing arrangements for all staff, and the ability to raise concerns is essential to enable the provision of high-quality services and support to the wider NHS system in Scotland.

As part of existing employment and Workforce Policy arrangements, all staff must have access to Whistleblowing arrangements to ensure any concerns or risks within the organisation can be raised and responded to. This is also essential to ensure any potential matters regarding equality and diversity are responded to appropriately and timeously.

3. Recommendation

Board members are asked to

- Review the detail of the Whistleblowing Annual Report for the organisation to seek assurance on the detail prior to publication and sharing with the INWO office as required by the Whistleblowing regulations.

It is recommended that the Board accept the following Level of Assurance:

Moderate: reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.

4. Appendices and additional information

Appendix 1: Annual Whistleblowing Report 2024-25

Annual Whistleblowing Report

April 2024 – March 2025

June 2025

© Healthcare Improvement Scotland 2024

Published Month Year

This document is licensed under the Creative Commons Attribution-Noncommercial-NoDerivatives 4.0 International Licence. This allows for the copy and redistribution of this document as long as Healthcare Improvement Scotland is fully acknowledged and given credit. The material must not be remixed, transformed or built upon in any way. To view a copy of this licence, visit <https://creativecommons.org/licenses/by-nc-nd/4.0/>

www.healthcareimprovementscotland.scot

Contents

Contents	1
Background.....	2
Introduction.....	2
Key Performance Indicators	3
Activity in 2025/26	6

Background

All NHS Boards within Scotland are required to publish an annual report in respect of their approach and performance in handling Whistleblowing concerns as a requirement of the National Whistleblowing Standards since 2021.

This is the fourth annual report provided regarding this work within Healthcare Improvement Scotland and covers the period of April 2024 – March 2025.

Introduction

Healthcare Improvement Scotland, as Scotland's national improvement agency, was established in 2011 to enable the people of Scotland to experience the best quality of health and social care and the focus of our efforts are:

- Enabling people to make informed choices about their care and treatment.
- Helping Health and Social Care organisations to improve their services.
- Providing evidence and sharing knowledge with services that help them improve.
- Enabling people to get the best out of the services they use.
- Providing quality assurance that gives people confidence in NHS services.

We are a relatively small employer with approximately 580 staff employed across the organisation. We are constituted as a Special Health Board, like Public Health Scotland, and as such operate in a different manner from other NHS Boards.

Healthcare Improvement Scotland also has a unique role within NHS Scotland. If a member of NHS Scotland staff or member of the public has concerns relating to the safety or quality of patient care and has tried to resolve these through their own organisation or through the INWO or feel unable to use these routes, then they can raise their concerns in confidence with us. NHS Scotland staff can contact Healthcare Improvement Scotland directly with concerns under the Public Interest Disclosure Act (PIDA). This legislation protects whistleblowers from detrimental treatment by their employer and gives statutory protection against victimisation to workers who speak out. We can also receive referrals from other organisations when they become aware of potential patient safety or quality of care concerns about a service within the NHS in Scotland, such as the Mental Welfare Commission, the General Medical Council or the Nursing and Midwifery Council.

Healthcare Improvement Scotland has a legal obligation to respond to these concerns.

As such, our staff are aware of our role across the wider NHS system within Scotland and our responsibility to respond to concerns.

Key Performance Indicators

1. Learnings, Changes, and Improvements as a result of considering Whistleblowing concerns.

Within the organisation we have a range of support for Whistleblowing, as required by the national standards.

We have an established Board Whistleblowing Champion, Keith Charters, who has held this role since 2021. We have also nominated Whistleblowing Confidential Contacts: Ann Grant, Head of People and Workplace, and Kenny Crosbie from our inspection team who is also Unison Steward. Our Employee Director, Duncan Service, is also a key figure in oversight and support of our Whistleblowing standards and awareness.

Recorded activity

During the reporting period of April 2024 – March 2025 there have been no Whistleblowing concerns raised within the organisation. There have continued to be grievances lodged during the reporting period, a total of **two** in total which does confirm that concerns have been raised via the normal HR policy process.

iMatter Staff Engagement Survey

The iMatter survey for 2024 included questions relating to staff awareness of how to raise concerns and the degree of confidence that these will be dealt with appropriately.

The results reported in the 2024 survey results for Healthcare Improvement Scotland saw a drop in staff responding that they had confidence that they could safely raise concerns about issues in their workplace, from a response of 81 in 2023, to 74 in 2024. Similarly, in response to the question that their concerns would be followed up and responded to saw a reduction in the return percentage from 75 in 2023 to 68 in 2024.

As a result of this information, in addition to the established arrangements regarding awareness of the Whistleblowing standards, Healthcare Improvement Scotland undertook a range of additional activities to support engagement and culture within the organisation.

Nine actions were agreed in partnership to create the best chance of meaningful and sustainable solutions. It was particularly clear that frequent and real-time feedback on staff experience is invaluable and acts as an early indicator of matters of concern or equally where we can look at areas of good practice.

Pulse Surveys are now in place across all Directorates within the organisation and are running successfully. This provides invaluable detail at a local and organisational level with a focus on

action taken in response to concerns or issues that might arise. By doing this we are enabled to demonstrate to staff that we are listening and acting on what has been heard.

Organisational Approach

As an organisation, Healthcare Improvement Scotland works hard to have an open and inclusive approach to communication with our staff, including our regular monthly 'All staff huddles' conducted via Teams. These are well attended with an average of over 50% of our staff attending the actual events where they have an opportunity to ask questions of the speakers and on general topics that may be current. These events are also recorded and available to all staff.

Dialogue and discussion with our Executive Team and our Partnership Forum is also encouraged and visible to the organisation.

In the early part of 2024/25, we launched 'HIS Campus', a model which has been developed to support our overall approach to supporting Learning and development within the organisation. We actively foster a learning environment which enables individuals and teams to be involved in work projects and activities (both within, and beyond their sphere of influence) which will support, develop, and stretch their professional competence and confidence.

Healthcare Improvement Scotland also looked at how to evolve its project management function to maximise the flexibility of the skill set for this group and in recognition of the number of employees engaged within this work. In May and June 2024, Project Officer and Senior Project officer staff were invited to offer views on their roles, development and aspirations by participating in a series of listening sessions that followed a structured set of questions. The intention of these arrangements was to create a safe space for all participants to share their views openly. Our Partnership Forum and Staff Governance Committee were briefed about the sessions and the planned approach.

2. Experiences of all those involved in the Whistleblowing Procedure

As previously reported, the organisational experience indicates that staff will often initially consider whistleblowing as a possible route for raising a concern but, following discussion with Whistleblowing Confidential Contacts (either in that capacity or in their union guise), will ultimately choose the grievance route because of the nature of the issue. We view this positively: the fact that these conversations are happening means that concerns end up in the most appropriate channel.

Activity has taken place with the Partnership Forum and Directorates to ensure that staff are aware of processes to be undertaken to raise concerns. This has referenced the use of workforce policies including Whistleblowing arrangements.

3. Levels of Staff Awareness and Training

In terms of the workforce information requested, the return for Healthcare Improvement Scotland that we can provide at the end of March, based on information available from our LearnPro system is as follows:

- **No of Staff registered on LearnPro (Headcount) – 637**

(this figure includes public partners and board members registered on the system)

- **No of Staff who completed training - Whistleblowing Overview - 579**
- **% of total staff who completed training – 91%**
- **Manager Headcount – 141 (Banded AFC 8 A and above)**
- **No of Individuals who completed training –**
 - a) **32 individuals have completed the Whistleblowing for Line Managers**
 - b) **38 have completed the module for managers and people who receive concerns.**
- **% of Managers who completed training – 50 % ***

*Based on the manager's headcount captured above

We continue to remind our employees of the need to complete the training as required.

4. The total number of concerns received.

As detailed above, Healthcare Improvement Scotland did not receive any Whistleblowing concerns from within our workforce during the reporting period of 2024- 2025.

As previously mentioned, the organisation has continued to receive Grievances as per current Once for Scotland Policy arrangements. During this time, we received a total of 2 formal grievance submissions from individual staff.

As part of the Grievance Policy, there is also an opportunity to resolve issues through informal resolution processes prior to the submission of a formal grievance, and this has been a useful process to deal with employee concerns within the organisation.

5. Concerns closed at Stages 1 and 2

6. Concerns upheld.

7. Time Taken to respond.

8. – 10. Compliance to Timescales

As no cases or concerns were received, then the KPI sections above are not applicable in terms of this annual report.

Activity in 2025/26

As mentioned earlier, Healthcare Improvement Scotland continues to have a high level of team, Directorate, and organisational engagement with all our staff on a regular basis, including through All-Staff Huddles and other collective meeting and engagement arrangements.

The Pulse survey work is now embedded within the organisation and will continue during the current reporting year.

We have also begun a further area of work in relation to organisational culture which will become a focus of discussion and awareness across Healthcare Improvement Scotland.

We will ensure continued maintenance of training for all staff with a further focus on the need for all managers to undertake the appropriate training modules.

INWO leads an annual Speak-Up initiative, and we will use its resources as part of our efforts to promote the vital role played by our whistleblowing procedures.

During 2025/26 our board representative will again be part of the Whistleblowing Champions Group to allow us to learn from good practice in other areas of the NHS.

Published Month Year

You can read and download this document from our website.

We are happy to consider requests for other languages or formats.

Please contact our Equality and Diversity Advisor on 0141 225 6999

or email his.contactpublicinvolvement@nhs.scot

Healthcare Improvement Scotland

Edinburgh Office

Gyle Square

1 South Gyle Crescent

Edinburgh

EH12 9EB

Glasgow Office

Delta House

50 West Nile Street

Glasgow

G1 2NP

0141 225 6999

www.healthcareimprovementscotland.scot

Organisational Performance Report

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 2.3

Responsible Executives: Angela Moodie, Director of Finance, Planning and Governance; Sybil Canavan, Director of Workforce

Report Author(s): Jane Illingworth, Head of Planning & Governance, Karlin Rodgers, Head of Finance

Purpose of paper: Assurance

1. Purpose

This report provides the Board with a summary of our organisational performance, including our delivery performance report, our finance report and our workforce report.

2. Executive Summary

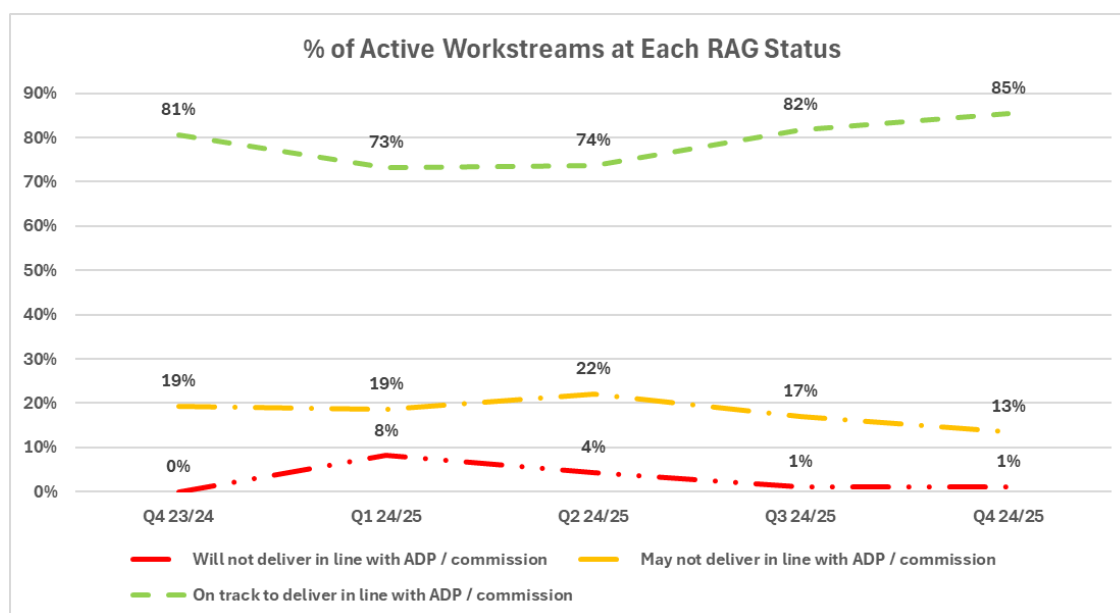
Detailed reports have been considered by the following governance committees:

- Performance report – Quality & Performance Committee (QPC)
- Finance report – Audit & Risk Committee (ARC)
- Workforce report – Staff Governance Committee (SGC)

These reports measure the performance against the Board's approved plans and also considers a forward look projection. While the Board delegates authority to the Committees to provide scrutiny and assurance across these areas, this report is a summary of the information presented and key discussions from each Committee.

Delivery Performance Report

Overall performance in the last quarter of 2024/25 remained positive with HIS ending the year with 85% of our work programmes reporting as 'green - on track to deliver in line with the Annual Delivery Plan (ADP)/commission' (Q3: 82%). Whilst there were ongoing risks to delivery earlier in the year from delayed funding and recruitment, delivery at year end was being impacted by the volume of work. Despite this the organisation achieved a number of strategic milestones planned for the year and in terms of Key Performance Indicators (KPIs), we met 47% of corporate measures (see Appendix 1).



The following achievements demonstrate progress against our strategic milestones during the last quarter of 2024-25.

- New **Adverse Events Framework** was published in February 2025 providing national guidance for all NHS Boards on reviewing and learning from adverse events.
- The report into a comprehensive **review of the emergency departments of NHS Greater Glasgow and Clyde** was published in March 2025.
- The first **maternity Safe Delivery of Care inspection** was carried out.
- An Assessment for **Accelerated National Innovation Adoption** was published, this reviewed the clinical and cost effectiveness evidence of AI-assisted clinician review of chest x-rays to detect lung cancer.
- **Dementia Post Diagnostic Support Quality Improvement Framework** third edition was published in March.
- **Medication Assisted Treatment** Standards Insights, Barriers and Recommendations for Improvement report, and Standards Involvement Plan published.
- **Scottish Intercollegiate Guidelines Network** Prevention and Remission of Type 2 diabetes guideline published. In relation to **Scottish Palliative Care** guidelines breathlessness, constipation, substance misuse, allergic reaction to opioid and social work published.
- **Cervical Screening Standards** published.
- The first **Scottish Health and Care Intelligence Network** Annual Statement was published.

In the forward look to quarter one 2025-26, Scottish Government announced in February that HIS and the Mental Welfare Commission will be asked to undertake reviews of all adolescent inpatient units as well as the national child inpatient unit, the first scheduled for May 2025. Also the NHS Greater Glasgow and Clyde (GGC) Emergency Department Review made several national recommendations, which we anticipate resulting in commissioning for HIS in 2025-26.

At the Quality and Performance Committee on 21 May 2025, the Committee continued to acknowledge the ongoing risks to delivery due to the volume of work and pressures on existing resources.

2025/26 Key Performance Indicators

The Committee also considered and approved the corporate KPIs for 2025/26. A different approach is taken for 2025-26 with the intention of more clearly demonstrating HIS' impact and outcomes of our work in areas of national priority. Some minor amendments were made following QPC feedback and the final KPIs are at Appendix 2.

Financial Performance Report

At 31 May 2025, total expenditure was £8.0m, driving a £0.3m underspend. This was driven by underspends in pay costs (£0.1m) and non-pay costs (£0.2m).

Category	Annual Budget (£m)	YTD Actual (£m)	YTD Budget (£m)	YTD Variance Under/(over) (£m)
Income	£49.3	£8.0	£8.0	-
Pay	£42.9	£7.0	£7.1	£0.1
Non-Pay	£6.4	£0.7	£0.9	£0.2
Under/(over) spend	-	£0.3	-	£0.3
Total WTE	-	552.9	564.9	12.0

In mid-June we received confirmation of £6.4m of additional allocation funding, which is 71% of our expected non-recurring funding for the year. £2m was baselined to recurring funding, including for programmes such as Healthcare Staffing and Hospital at Home.

Our expected outturn at the end of the year is a balanced position. The detailed Financial Performance Report at 31 May 2025 is available in Appendix 3.

At the ARC meeting on 23 June, the savings plan for 2025-26 was reviewed. Approximately half of the £1.5m target is expected to be achieved on a recurring basis. The Committee discussed the associated risks and enablers supporting the savings plan and asked for further evidence and assurance of delivery to cash releasing savings, noting that the two largest areas of recurring savings were 'amber' rated.

Delivery risk / 'RAG' status	Recurring savings	Non-recurring savings	Total savings
High risk – 'red'	-	-	-
Medium risk - 'amber'	£620k	-	£620k
Low risk – 'green'	£110k	£630k	£740k
-	£730k	£630k	£1,360k
Number of initiatives	6	5	11

In addition, members considered opportunities for non-recurring investment, made possible by the current underspend in 2025-26. These opportunities include advancing our digital and intelligence strategy, covering the costs of the NHS GGC review and enhancing support for workforce planning.

While we strive to treat savings and investment decisions separately, the interdependence between them is clear. The ARC endorsed the investment plans, but stressed the need to ensure we meet our savings targets while strategically investing in initiatives that drive efficiencies and support long-term financial sustainability.

Workforce Report

Workforce indicators year to date (YTD) (April 2025 – May 2025):

- At 31 May 2025, our total workforce (payroll & non-payroll) was 615 headcount (558.7 Whole time equivalent -WTE) - of this, 581 (544.8 WTE) were payroll staff.
- Total workforce turnover was 1.3% (compared to 1.9% at the same period last year).
- The sickness absence rate in this period was 3.4% which is lower than the same period last year (4.6% in May 2024) and less than the latest NHSScotland reported rates (6.4% in April 2025).
- The Workforce Strategy Group have reviewed 28 resource requests in total since April, of which 22 were recruitment related. The majority of recruitment requests (57%) were being funded from base allocations. All posts were reviewed in line with budget and service priorities.
- Of the 20 new recruitment campaigns commenced in 2025-26, 6 have been filled (4 by existing internal/NHS staff). We are committed to offer redeployment opportunities and recruit from within prior to advertising externally.
- We are seeking alternative opportunities for 9 staff who are currently on redeployment, some are of a specialist nature which do not frequently arise through vacancies.

3. Recommendation

It is recommended that the Board/Committee accept the following Level of Assurance:

Moderate: reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.




4. Appendices and links to additional information

The following appendices are included in this report:

- Appendix 1: Q4 2024/25 Corporate KPIs – status at Q4
- Appendix 2: Corporate KPIs 2025/26
- Appendix 3: Summary Financial Performance Report at 31 May 2025
- Appendix 4: Workforce report – YTD at 31 May 2025

Appendix 1: Corporate Key Performance Indicators 2024/25 – Status at Q4

Strategic Area	KPI	24-25 Target	24-25 Actual
Safety and quality of health and care services	NHS Inspections - % carried out within agreed timescales	100%	100%
Safety and quality of health and care services	Independent Healthcare Inspections - % carried out within Service Risk Assessment timeframe	80%	28%
Safety and quality of health and care services	Adverse Events - % of NHS Boards using Community of Practice	75%	95%
Assess and share intelligence and evidence	Responding to Concerns - % of cases with initial assessment undertaken within agreed timescales	90%	N/A
Assess and share intelligence and evidence	Scottish Medicines Consortium New Medicines Advice - % of decisions communicated within target timeframe	75%	88%
Practical support for sustainable improvement	Responsive Support – no. of commissions undertaken	4	1
Practical support for sustainable improvement	Primary Care Improvement Programme – no. of learning events held	47	47
Practical support for sustainable improvement	Mental Health Reform - % of supported NHS Boards with an improvement plan	80%	100%
Voices and right of people and communities	Service Change Engagement - no. of NHS board/IJB service change engagement plans influenced by our advice and assurance	60	68
Voices and right of people and communities	Governance for Engagement - % of directorate self-assessment engagement plans completed within agreed timescales	100%	100%
Voices and right of people and communities	Annual Stakeholder Survey – response rate	50%	N/A
Organising ourselves to deliver	Complaints - % upheld with an improvement plan	100%	100%
Organising ourselves to deliver	iMatter - Employee Engagement Index score	80	75
Organising ourselves to deliver	Recurring savings	£2.5m	£1.3m
Organising ourselves to deliver	Communications – no. of broadcast pieces per annum	70	159

 Behind target >10%  Within 10%  Ahead / on target

The number of **independent healthcare inspections** completed within Service Risk Assessment timeframe fell during the year as a result of the increasing complexity and the need to review our functions to ensure effective and efficient regulation.

As agreed by the Quality and Performance Committee, the **Responding to Concerns** KPI was paused during the year as an external review of the process was undertaken. Changes to the process are being taken forward in response to the findings and recommendations.

A new KPI was introduced this year for **Responsive Support** relating to the strategic commitment to provide agile support to the health and care system. It was difficult to anticipate the level of delivery given this is dependent on system need.

As agreed by the Quality and Performance Committee, the **annual stakeholder survey** KPI was paused given the publication of Scottish Government's emergency spending guidelines recommending only essential spend in this area.

Our total **savings target** for 2024-25 was £2.5m, with all savings expected to be delivered on a recurring basis. While this target was met in the year, it was delivered by £1.3m of recurring savings and £1.2m of non-recurring, or one-off savings.

Appendix 2 Corporate Key Performance Indicators 2025/26

The draft corporate KPIs were presented to the Quality and Performance Committee on 21 May. Since then, some further refinements have been made which are tracked for clarity below. The frailty metric has been refined in line with further scoping following the First Minister's announcement of this work. The Scottish Health Council Committee proposed changes to reflect a more flexible approach being taken to the delivery of Citizens Panel work and changes to some of the metrics in relation to scrutiny/review work have been proposed by Quality Assurance and Regulation Directorate to be more impactful. A specific new KPI on delivery of the revised Safe Delivery of Care inspection approach has been removed as the timing of this is now under review.

Source	KPI area	Proposed metric	24/25 actual	25/26 KPI	Safety & quality	Intel & evidence	Voices & rights	Sustainable improvements	Organising ourselves
Health and Social Care renewal	H@H beds	Expansion of scope of existing programme (bed numbers)	1,100 beds	2,000 beds	-	●	-	●	-
Health and Social Care renewal	Frailty teams	Hospital sites with access to specialist staff in frailty teams (those with Emergency Depts and participating in the Focus on Frailty programme)	3 Boards	100% (by Q4)	-	-	-	●	-
Health and Social Care renewal	Timely access to services	Primary care improvement programme participants demonstrating improved access to care	35%	70%	-	●	●	●	-
Health and Social Care renewal	Timely access to services	Citizens' Panel (full reports and pulse surveys) and Gathering Views reports to consider NHS renewal and accessing services	-	2 full CP 2 CP surveys 4 GV	-	●	●	-	-
Health and Social Care renewal	National evidence statements	Delivery of national evidence statements on major priority areas	-	2	-	●	-	-	-
Health and Social Care renewal	Mental Health Reform	% of supported NHS boards with an improvement in design or delivery of services	100%	80%	-	-	-	●	-

External – Scottish Government ‘15 box grid’	Sickness Absence Reduction	In line with national target	4.2%	4.0%	-	-	-	-	●
External – Scottish Government ‘15 box grid’	Recurring savings	As approved in budget	£1.3m	£1.5m	-	-	-	-	●
Statutory functions	NHS inspections (acute, maternity and mental health)	% of inspections with improvement plans identified and published	100%	100%	●	-	-	-	-
Statutory functions	Independent Healthcare inspections	Number of registered services inspections undertaken	96	129 (30 per quarter)	●	-	-	-	-
Statutory functions	New medicines advice	% of decisions communicated within target timeframe	80%	85%	-	●	-	-	-
Statutory functions	Service change engagement	Number of NHS board/IJB service change engagement plans influenced by advice & assurance	68	60	-	-	●	-	-
Statutory functions	Healthcare Staffing	% of boards' compliance monitored by HIS through Board reporting and engagement	81%	100%	●	-	-	-	-
Safety in the system	Adverse events	% NHS boards sharing learning summaries with HIS	-	100% by year end	●	-	-	●	-
Safety in the system	Responding to Concerns	% of cases with initial assessment undertaken within agreed timescales	100%	100%	●	-	-	-	-
Safety in the system	High Quality and Safe Healthcare	Deliver inspection of Child and Adolescent Mental Health Services inpatient services and national inpatient unit	-	4	●	-	-	-	-
Safety in the system	High Quality and Safe Healthcare	Publication of new national standards for clinical and care governance	-	Q4	●	●	-	-	-

Appendix 3 Summary Financial Performance Report at 31 May 2025

Year to Date - Performance Summary – P2

At 31 May 2025 total income was £8.0m and total expenditure was £7.7m, driving a £0.3m underspend (4%).

Underspend is primarily driven by **NSI (£0.2m)** underspend due to lower pay costs relating to PCIP (£0.1m) and lower non-pay costs in PCIP and HSP (£0.1m) and **QA&R (£0.1m)** underspend due to lower GGC review costs and lower outside contractors spend in IHC to date.

A full breakdown of the YTD position is available in **Appendix 1**.

	YTD Actual WTE	YTD Budget WTE	YTD Variance WTE
Baseline WTE	427.7	431.9	4.3
Allocation WTE	101.3	113.0	11.7
Grant WTE	3.2	3.2	-
IHC WTE	20.8	16.8	(4.0)
Total	552.9	564.9	12.0

	Annual Budget (£m)	YTD Actual (£m)	YTD Budget (£m)	YTD Variance (£m)
Income	£49.3	£8.0	£8.0	-
Pay	£42.9	£7.0	£7.1	£0.1
Non-Pay	£6.4	£0.7	£0.9	£0.2
Under/(over) spend	-	£0.3	-	£0.3
Total WTE		552.9	564.9	12.0

Total Whole Time Equivalents (WTEs) at the end of May were 553 which is in-line with the position in April. A full breakdown of the YTD WTE position is available in **Appendix 1**.

YTD 8 people have left the organisation - representing an overall turnover rate of 1.3% YTD. YTD 9 people have joined the organisation.

There are currently 9 staff on the redeployment register and 11 roles that have live recruitment campaigns.

Performance by Funding Source

Year to Date – P2						Full Year Budget					
	Baseline (£m)	Additional Allocations (£m)	Independent Healthcare (£m)	Grant and Other Income (£m)	Total (£m)		Baseline (£m)	Additional Allocations (£m)	Independent Healthcare (£m)	Grant and Other Income (£m)	Total (£m)
Income	£6.1	£1.3	£0.3	£0.3	£8.0	Income	£37.2	£9.0	£1.7	£1.5	£49.3
Pay	£5.5	£1.2	£0.3	-	£7.0	Pay	£33.5	£7.8	£1.4	£0.2	£42.9
Non-Pay	£0.4	-	-	£0.3	£0.7	Non-Pay	£3.7	£1.2	£0.3	£1.3	£6.4
Under/(over) spend	£0.2	£0.1	-	-	£0.3	Under/(over) spend	-	-	-	-	-

Key areas of variance YTD are:

- Baseline underspend driven by Pay and Non-Pay underspend primarily in the Primary Care programme (£0.1m) and underspend in Quality Assurance relating to lower pays and training costs.
- Allocation underspend driven by Pay underspends in the Primary Care, and Drugs and Alcohol programmes.
- IHC income is broadly in line YTD (£32k lower), the shortfall in P1 was due to the deferral of registrations and has been corrected in P2.

Baseline income of £37.2m has been confirmed by SG for the full year.

Other income includes rental income of £0.2m

Funding for additional allocations is unconfirmed at P2, with confirmation expected at the end of Q1.

Additional Allocations

Additional Allocations – P2			
<u>Funding Status</u>	<u>Funding Expected (£)</u>	<u>Actual Expenditure YTD</u>	<u>Over/Underspend YTD</u>
▣ Funding Outstanding	8,955,000	1,232,641	159,555
QM333A - Primary Care Improvement Plan	1,674,000	230,956	49,001
QN231A - Mental Health Reform Programme Allocation(s)	475,000	55,506	23,661
QM0040 - Health and Care Staffing Act	1,235,000	181,689	21,570
QN232A - Mental Health Responsive Support (delayed Discharge)	162,000	5,619	21,381
QB311A - Voluntary Branded Medicine	350,000	32,732	19,135
QN343A - Volunteering Management System	239,000	2,644	9,931
QE0034 - Adult Support and Protection	250,000	36,607	9,612
QN221A & QN222A - Drugs + Alcohol Programmes Allocation(s)	1,478,000	236,878	8,298
Q10185 - Right Decision Services	688,000	51,616	7,664
QL220A - National Review Panel	63,000	0	7,403
QL323A - Perinatal Clinical Leads	33,000	2,690	3,054
QA0062 - Police Custody (ext)	178,000	26,725	2,142
QA0053 - Mental Health Monitoring	480,000	81,069	(262)
QT0086 - Hospital At Home (external)	290,000	50,431	(2,930)
QC0081 - Scottish Medicines Council - External	450,000	86,168	(3,151)
QD0053 - Palliative Care Guidelines	160,000	21,131	(4,693)
QM0030 - Excellence In Care	520,000	84,685	(4,948)
QL240B - National Cancer Medicines Advice Group (ncmag)	230,000	45,495	(7,311)
Total	8,955,000	1,233,267	158,929



Resource position summary

(31 May 2025)

People and Workplace

The monthly flash report summarises the workforce position at each month-end, year to date (YTD). Headcount (HC) and Whole Time Equivalent (WTE) are referenced, along with comparisons to previous periods where appropriate. Terms used include 'Payroll' (HIS staff with permanent or fixed term contracts) and 'non-payroll' (external secondees/associates from other NHS Boards). E-ESS is the primary source of workforce data unless otherwise stated and reports on the current operational workforce up to and including Chief Executive level (e-ESS data excludes HIS employees seconded out to other organisations, agency and bank workers).

Periods referenced:

YTD month end: 31 May 2025

YTD Period: 1 April 2025 – 31 March 2026

Previous Year End: 31 March 2025



Summary highlights



Workforce Mix

Our current workforce is:

- 615 total headcount
- 581 payroll headcount
- 34 non-payroll headcount

Directorate workforce:
(total headcount)

- CEO: 9
- CETC: 103
- Evidence & Dig: 160
- Finance P&G: 30
- Medical & Safety: 62
- Nursing & SI: 108
- Paw: 17
- QA & Reg: 126



Staff Changes

YTD, 8 people left the organisation in total - representing an overall turnover rate of 1.3% YTD.

9 people have joined the organisation since the beginning of the financial year.



Sickness absence

6211 hours or 839 days were lost due to sickness absence this year, which represents a rate of 3.4% of available capacity.

63.6% of sickness has been due to long term conditions and the main reason given for absence is anxiety, stress or depression, which accounts for 37.7% (2338 hours or 316 days) of the total reported absence.



Vacancy Approvals

There have been 22 recruitment related posts that have been considered by the Vacancy Management Strategy Group (VMSG) since the start of the financial year - 21 have been approved.



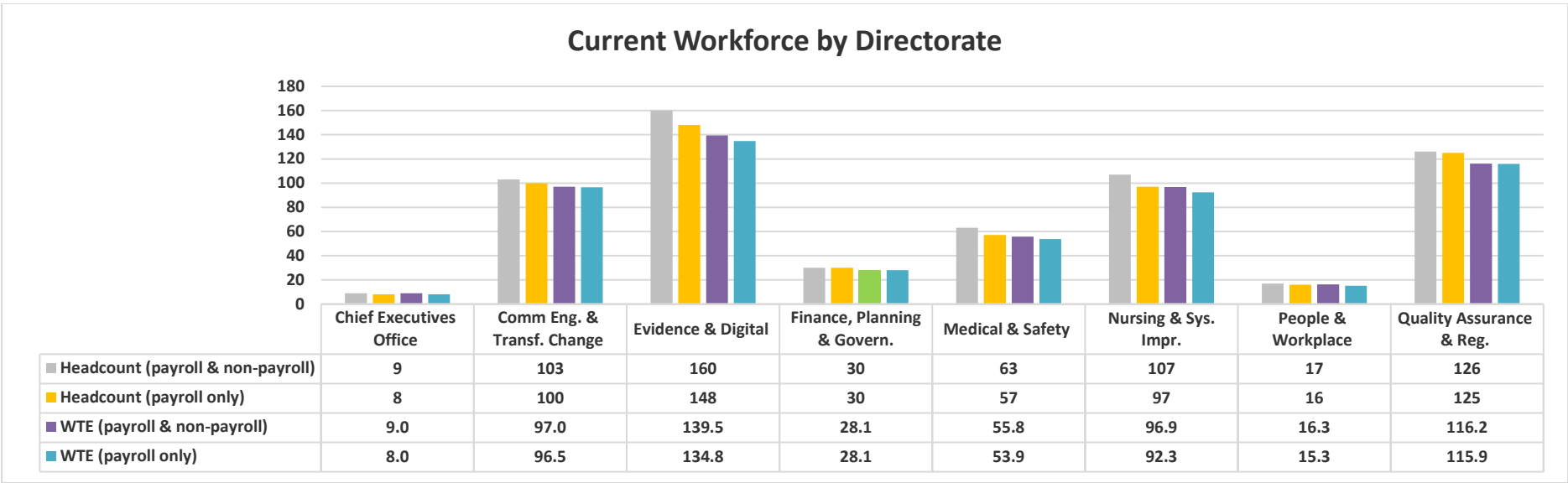
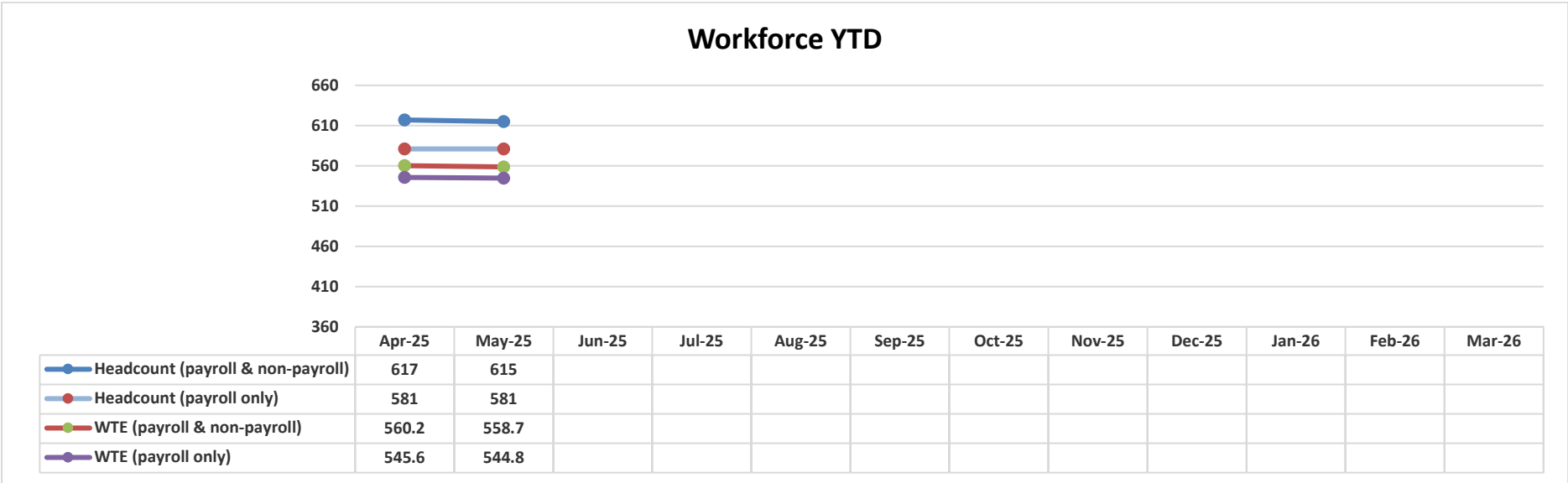
Recruitment

This year, 20 new recruitment campaigns have commenced, of which 6 have been filled (4 by internal/NHS staff) with others at various stages of recruitment.

Thus far, it has taken 31.2 days to reach offer stage and 61.7 days to confirm a start date from the point of advertising a vacancy.

YTD workforce position

The total workforce in-post currently stands at 615HC/558.7 WTE with 581 HC/544.8 WTE being payroll staff and 34 HC/13.9 WTE non-payroll (i.e. Secondees-in).



YTD Workforce Profile (job family & location)

Administrative Services is our largest job family consisting of 543 (88.3%) of the total workforce as shown along with a detailed breakdown of other job families below.

Hybrid working applies to most of our staff (96.6%) with the highest proportion substantively based in Delta House (330/53.7%), followed by those with a Gyle Square base (232/37.7%) as shown in the location breakdown below. There are currently 21 employees (3.4%) based at home.

Job Family	%	Headcount	WTE
ADMINISTRATIVE SERVICES	88.3%	543	513.4
FINANCE	1.0%	6	5.7
HUMAN RESOURCES	2.3%	14	13.3
INFORMATION	9.4%	58	54.4
SYSTEMS/TECHNOLOGY			
OFFICE/ADMINISTRATIVE SERVICES	75.6%	465	439.9
MEDICAL AND DENTAL	6.8%	42	18.2
OTHER THERAPEUTIC	3.7%	23	20.2
SENIOR MANAGERS	1.1%	7	7.0
Grand Total	100.0%	615	558.7

Substantive Base	%	Headcount	WTE
Office/hybrid	96.6%	594	539.9
Home worker	3.4%	21	18.8
Grand Total	100.0%	615	558.7

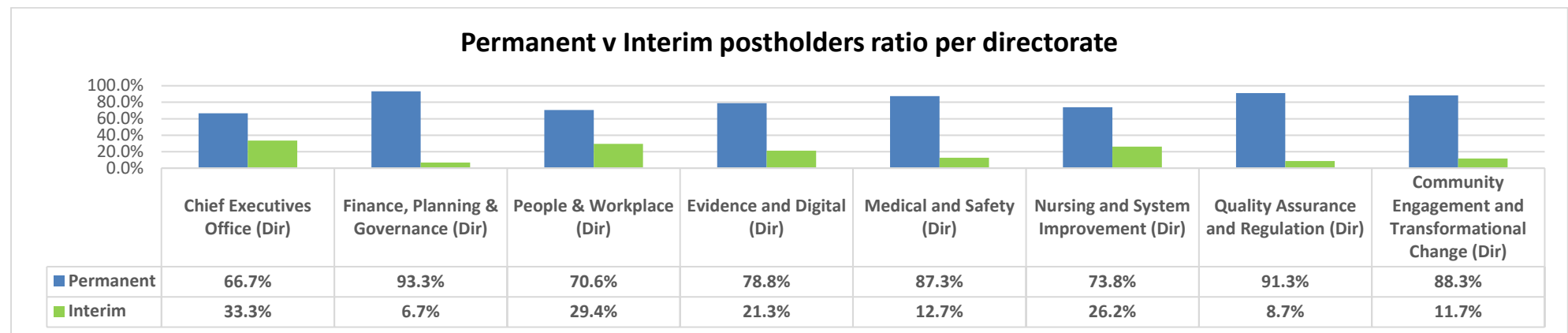
Location	% Split	Headcount	WTE
B010A CE Borders	0.2%	1	0.8
D009A NHS 24 - East Contact Centre	1.0%	6	4.6
D022A NHS 24 HQ & Cardonald Contact Centre	0.7%	4	3.0
F020A CE Fife	0.3%	2	2.0
H083A CE Highland	0.2%	1	1.0
L020A CE Lanarkshire	0.2%	1	1.0
N036A CE Grampian	0.8%	5	5.0
R008A CE Orkney	0.2%	1	1.0
T024A CE Tayside	0.3%	2	1.8
V017A CE Forth Valley	0.5%	3	3.0
W019A CE Western Isles	0.5%	3	3.0
X023A Aberdeen & North-East Scotland Blood Donor Centre	0.2%	1	0.6
X056A Healthcare Improvement Scotland (Glu)	53.7%	330	294.4
X057A Healthcare Improvement Scotland (Edi)	37.7%	232	216.9
Y007A CE Dumfries & Galloway	0.2%	1	1.0
Z012A CE Shetland	0.2%	1	0.8
ZZ001 Home based	3.4%	21	18.8
Grand Total	100.0%	615	558.7

Workforce mix and YTD changes

Since the start of this financial year, the total workforce has changed by a net of 1 HC /1.7 WTE year to date (net of joiners & leavers and adjustment to hours, which may alter WTE without impacting on headcount). At Directorate level, the key net changes to staffing are shown below.

Both the total workforce mix and the ratio of permanent to interim postholders across the organisation have remained broadly consistent with previous periods. 4 directorates have higher ratios of interim posts compared to an organisational average of circa 16.7%.

Overall Workforce mix and net variance YTD this financial year



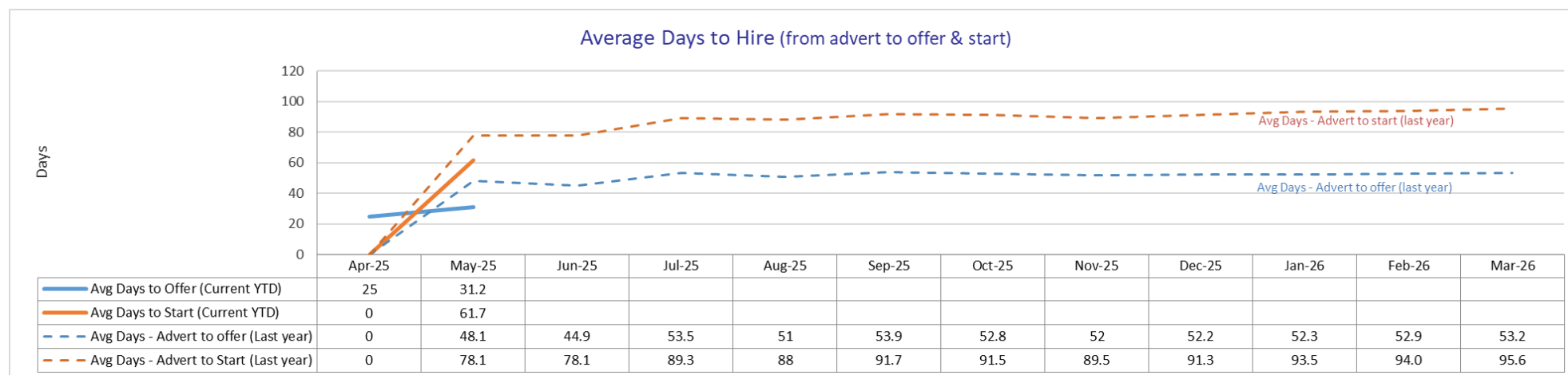
Recruitment Activity (YTD)

20 new campaigns have commenced so far this year – of these, 6 have been filled (4 by internal/NHS staff), 8 are at shortlisting/interview stage and 3 at offer/onboarding stage.

Recruitment Campaigns YTD Summary									
Vacancy Type	Total Campaigns YTD	Campaigns Filled YTD	Filled Internally	Filled Externally	On Hold/ Unfilled	Current Live Campaigns			
						1. Advert	2. Shortlisting	3. Interview	4. Offer
Fixed-term/Secondment	6	2	0	2	2	0	1	1	0
Permanent	9	2	2	0	0	0	0	5	2
Secondment Only	5	2	0	2	1	0	0	1	1
Multiple post combinations	0	0	0	0	0	0	0	0	0
Grand Total	20	6	2	4	3	0	1	7	3

Recruitment Timelines

Recruitment data is shown for new campaigns commencing from 1 April each year and therefore takes several weeks at the start of each financial year to complete the process and appear in time to hire data (reporting normalises from Q2 onwards). YTD, the average time for campaigns to reach offer stage is 31.2 days and 61.7 days to reach a confirmed start date.



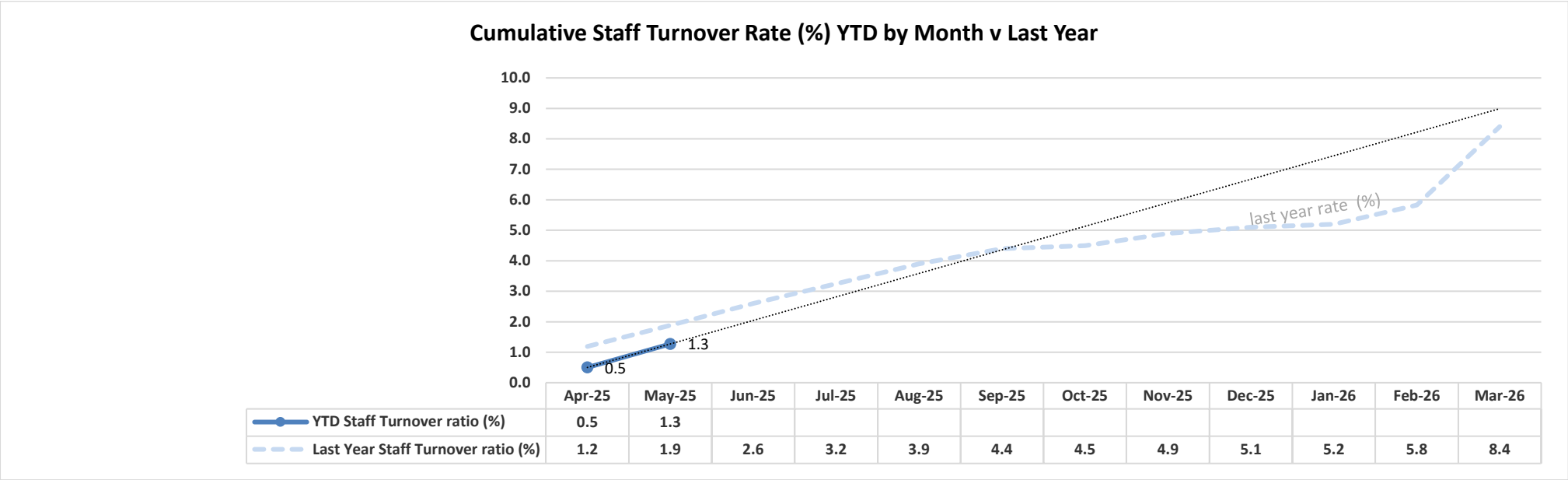
*Time to hire days are based on total days from when a post was advertised

Workforce Turnover (YTD)

This year, 8 people have joined the workforce and 9 have left as detailed below, representing an organisational turnover rate of 1.3% (lower than the same period last year). The attrition rate in relation to each category/type of contract (payroll & non-payroll) is shown below. Based on current trends, the attrition rate at the end of financial year is expected to be circa 9%.

YTD Turnover by Directorate	Starters	Leavers	Turnover Rate
Chief Executives Office (Dir)	1	0	0.0%
Community Engagement and Transformational Change (Dir)	1	2	1.9%
Evidence and Digital (Dir)	0	2	1.3%
Finance, Planning & Governance (Dir)	0	0	0.0%
Medical and Safety (Dir)	1	0	0.0%
Nursing and System Improvement (Dir)	3	2	1.9%
People & Workplace (Dir)	0	0	0.0%
Quality Assurance and Regulation (Dir)	3	2	1.6%
Total	9	8	1.3%

YTD Turnover by Contract Type	Starters	Leavers	Turnover Rate
Contract Type	Starters	Leavers	Turnover Rate
Fixed Term	3	0	0.0%
Inward Secondment	1	2	5.5%
Permanent	5	5	1.1%
Internal Secondment	0	1	3.2%
YTD Organisational Turnover	9	8	1.3%



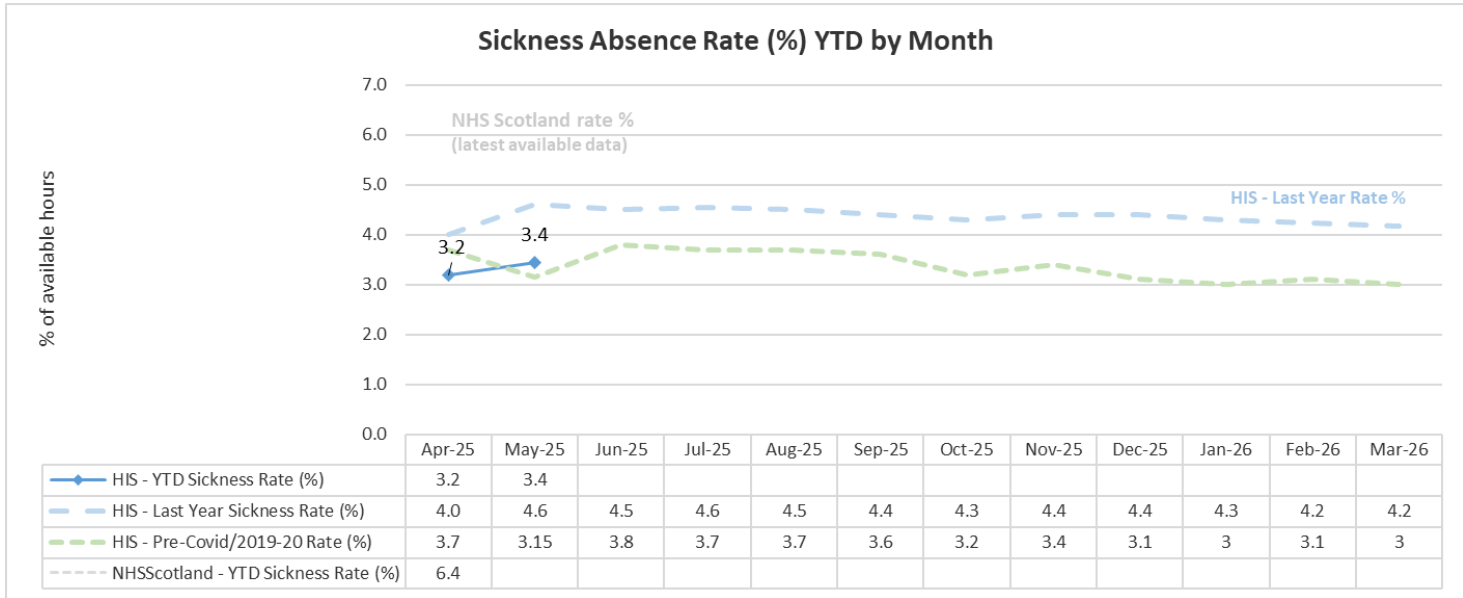
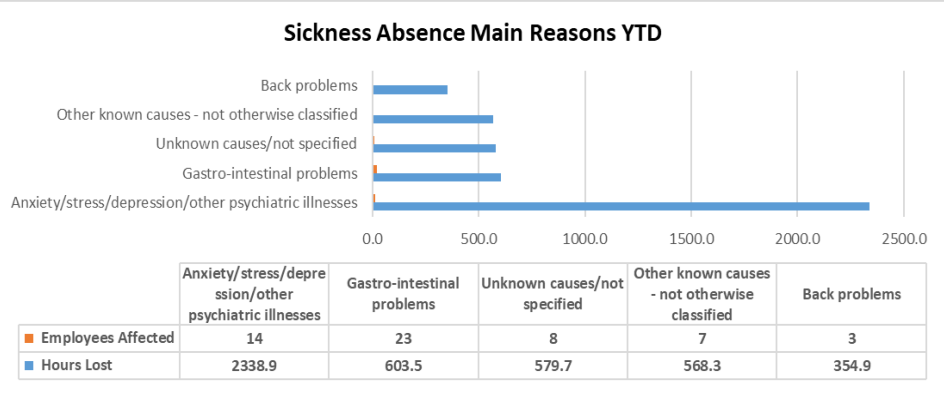
*Turnover calculation: total number of leavers (1 April to current YTD) divided by the average workforce headcount (1 April to current YTD)

Sickness Absence Rate (YTD)

Cumulatively YTD, a total of 6211 hours (839 days) were lost due to sickness absence, representing 3.4% of the total workforce with 63.6% attributed to long term conditions. A breakdown of long and short-term sickness absence by directorate is shown below.

More hours were lost due to 'Anxiety/stress/depression/psychiatric illnesses' related sickness than any other reason, with 2339 hours (316 days) lost – affecting 14 staff members (other main reasons are shown below). The reported sickness rate is lower compared to the same period last year (4.6 %) and remains significantly lower than the NHS Scotland average rate of 6.4% (compared to latest available data).

Directorate	Sickness Absence				Instances	
	Rate %	Long Term	Short Term	Hours Lost	Long Term	Short Term
Chief Executives Office (Dir)	0.0	0.0	0.0	0.0	0	0
Community Engagement and Transformational Change (Dir)	3.0	312.1	628.2	940.3	2	21
Evidence and Digital (Dir)	0.7	0.0	322.3	322.3	0	16
Finance, Planning & Governance (Dir)	2.2	195.4	7.5	202.9	1	1
Medical and Safety (Dir)	5.9	825.4	240.7	1066.2	3	11
Nursing and System Improvement (Dir)	8.1	1848.4	692.1	2540.5	8	24
People & Workplace (Dir)	1.1	0.0	57.5	57.5	0	4
Quality Assurance and Regulation (Dir)	2.9	771.1	310.4	1081.5	3	14
Organisational Total	3.4	3952.4	2258.7	6211.1	17	91



Vacancy Management & Approvals


So far this year, there have been 28 requests in total submitted to the vacancy group for approval (all reasons – including change in hours/duration etc.). 22 eRAFs were related to recruitment (incl. covering leavers/internal moves/secondments/sickness etc.) of which, 12 (57%) were being funded from base allocation and 10 (43%) from additional allocation.

In line with ongoing vacancy scrutiny, the vacancy group continues to work closely with Finance to ensure all posts are fully funded in line with budget requirements.

Vacancy Group Outcomes YTD (Recruitment related eRAFs)

eRAFs by Directorate	Posts
Community Engagement and Transformational Change	2
Evidence and Digital	7
Nursing and System Improvement	12
Quality Assurance and Regulation	1
Total	22

	Approved	Total
eRAFs by Reason		
Interim Backfill (postholder is returning)	4	4
New Post (not currently in structure)	9	9
Replacing a Leaver (postholder not returning)	8	8
(blank)	1	1
Total	22	22

eRAFs by funding/band/contract 	Fixed Term	Permanent	Secondment	Total
Additional allocation	6	4		10
Band 5	1	1		2
Band 6	3	1		4
Band 7	1	2		3
Band 8B	1			1
Baseline allocation (Core)	4	6	2	12
Band 4		2		2
Band 5	1	1		2
Band 6		1		1
Band 7	1			1
Band 8A		1		1
Band 8B		1	1	2
Band 8C	2			2
(blank)			1	1
Total	10	10	2	22

RAF Pipeline

At the month end, there were 11 posts in the early stages of the approval process (prior to review by the Workforce Strategy group). A breakdown of the posts in the pipeline is shown below and will be reviewed at forthcoming vacancy group meetings.

Directorate	RAF#	Post Title	Contract Type	RAF Pipeline (pre-Vacancy Group)
Evidence and Digital	27	Senior Project Officer	Permanent	1
	54	Project officer	Fixed Term	1
	57	ICT Support Analyst	Permanent	1
	61	Health Economist	Temporary	1
Finance, Planning & Governance	65	Director of Finance, Planning and Governance	Permanent	1
	66	Director of Finance	Fixed Term	1
Nursing and System Improvement	55	Administrative Officer	Fixed Term	1
	64	Programme Advisor	Permanent	1
Community Engagement and Transformational Change	56	National Clinical Lead for Mental Health and Substance Use	Fixed Term	1
Medical and Safety	59	Administrative Officer	Fixed Term	1
	60	Project officer	Fixed Term	1
Total				11

Workforce Equal Pay Data (updated quarterly)

As part of the Equally Safe at Work pilot, periodic gender pay data will be included in regular workforce reporting. As this data is unlikely to change significantly month-to-month, it will be updated on a quarterly basis.

There has been a decrease in the median gender pay gap last year. However, due to small sample sizes of male employees at certain grades, relatively small changes in staffing can cause variances across pay gaps (particularly median pay).

Workforce Gender Pay Gap	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26
Mean Female Pay	£26.31				
Mean Male Pay	£29.66				
Mean Pay Gap (M to F comparison)	11.3%				
Median Female Pay	£25.29				
Median Male Pay	£26.25				
Median Pay Gap (M to F comparison)	3.7%				

Redeployment

At the end of this period, 9 staff are currently on redeployment and being considered for alternative roles with some being specialist roles which do not frequently arise through vacancies.

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

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 3.1

Responsible Executive: Angela Moodie, Director of Finance, Planning and Governance

Report Author: Julia Simac, Policy and Business Analyst

Purpose of paper: Decision

1. Purpose

Developed through our integrated planning process, the plan—comprising the Annual Delivery Plan and financial plan—was submitted to the Scottish Government (SG) on 17 March 2025. Following SG approval, it is now resubmitted to the Board for formal sign-off ahead of publication.

2. Executive Summary

In December 2024, all NHS Boards were commissioned by SG to develop:

- An Annual Delivery Plan (ADP) for 2025–26, aligned with finance and workforce planning
- A three-year Financial Plan (2025–28)

HIS has maintained the principles of its 2024–27 plan, now focusing on fewer, more integrated themes to improve efficiency and coordination. This is underpinned by the Quality Management System (QMS) approach to ensure quality, safety, and consistency. This will support us to deliver both our statutory requirements as well as strategic priorities, which are grounded in driving the highest quality care for people in Scotland.

Development Process

The integrated plan was shaped through extensive engagement from September 2024 to April 2025, including Board sessions, SG meetings, and staff engagement.

Scottish Government Feedback

SG approved the ADP for June 2025 publication, with minor clarifications. Since the last Board review, updates include:

- Scottish Intercollegiate Guidelines Network (SIGN) topic selection aligned to national priorities (page 21)

- Updated mental health/substance use protocol timelines (page 27)
- Support for frailty unit priorities (page 35)
- Updating finance tables to accessible formatting (page 50 onward)
- Infrastructure planning position (page 58)

Flexibility & Risk

Due to resource constraints, the plan may need to adapt—pausing or reprioritising work as needed. Progress will be reported quarterly to the Quality and Performance Committee and the Board.

Funding

While the financial plan is approved, allocation funding is still pending, placing some ADP commitments at risk. We continue to engage with SG on this.

Policy Alignment

The ADP reflects SG’s NHS reform priorities, despite policy developments at various times during the planning process. HIS remains committed to supporting this agenda and will adapt as the new frameworks are released.

3. Recommendation

The Board is asked to approve the Integrated Delivery Plan for publication, noting it is a live document that may be updated throughout the year in response to evolving system needs and priorities.

It is recommended that the Board accept the following Level of Assurance: **Moderate:** reasonable assurance that controls upon which the organisation relies to manage the risks are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk mainly in relation to the financial uncertainty on additional allocations.

4. Appendices and additional information

Appendix 1: Integrated Delivery Plan 2025-26

Saved on Admincontrol as optional further reading:

Appendix 2: SG sign-off letter

Appendix 3: HIS response to SG feedback

Appendix 4: NHS reform and renewal policy briefing

Integrated Delivery Plan 2025-26

Incorporating the annual delivery
plan and financial budget

March 2025

Contents

Planning context	3
The Quality Management System (QMS) as our overarching approach.....	5
Our 2025-26 delivery plan.....	8
Planning priorities for all boards	45
Our 2025-26 budget	50
Workforce.....	59
Risks	62

Planning context

The principles and priorities outlined in our [Three Year Plan 2024-27](#) remain in place for 2025-26. These are:

1. Driving a stronger and more consistent focus on safety at a national level and ensuring safety is at the heart of all we do
2. Proactively supporting the recovery and renewal of our health and social care system
3. Reducing inequalities in care by making sure the views of diverse and seldom heard groups are listened to and acted upon
4. Supporting care that improves health and wellbeing outcomes, provides value for money and supports a sustainable health and care service

For 2025-26, we will continue with delivery of these overarching priorities, being guided by:

- A relentless focus on high quality and safe healthcare
- Greater alignment across all that we do using a Quality Management System approach
- Focussing on more flexible and responsive delivery programmes

We are also responding in our planning to the Scottish Government (SG)'s priorities for reform and renewal, announced by the First Minister in January 2025. This includes improving access to treatment, reducing pressures in our hospitals and engaging with the public around reform.

We will support the system to ensure that reform is underpinned by a clear and coherent approach to change, in our leadership role as the national improvement agency for health and care.

We will actively engage at every level in the health and social care system and work with the public sector, the third sector, the public and communities to make and share improvements.

Integrated position

We remain in a challenging position, which asks us to do more with less. This has required us to consider how to make best use of our resource and expertise and ultimately ensure we are delivering our greatest impact.

We will be shifting our approach to a focus on fewer, more integrated themes, which will allow us to create efficiencies and greater coordination across programmes. This will better join up individual programmes of work to enable a cross-disciplinary and more holistic focus

on key areas of the health and social care system. The method we will use to do this is described further in this document.

We will ensure we remain flexible and responsive to the needs of the system, which could require pausing, stopping or reprofiling work throughout the year. We will keep the priorities of the system and organisation under review and amend our plans accordingly.

Financial context

The financial context and associated uncertainty create a challenging set of circumstances for Healthcare Improvement Scotland (HIS) in developing the annual budget and associated delivery plan. We have had to make key decisions in the following areas:

- How we will achieve our savings and deliver a balanced budget
- How we will use our baseline funding, including repurposing and prioritising funding
- How we will maintain a flexible budget to ensure there is sufficient capacity to react to demand and responsive support
- How we ensure investment in areas of innovation and modernisation

To deliver this, we may at times need to stop, pause and/or repurpose both existing and new work programme commissions.

Workforce context

Following the development and publication of the [Workforce Plan 2022-25](#), a further interim Workforce Plan has been developed for 2024-2025 featuring detail on how we aim to support and develop our staff to remain a flexible, agile and high performing workforce with the right skills and expertise to support changing organisational and national priorities. Further work has taken place to provide an update to SG in March 2025 on our workforce planning activity to support and build on the knowledge provided within our delivery plans.

The Quality Management System (QMS) as our overarching approach

HIS exists to lead improvement in the quality and safety of health and care for the people of Scotland by using our skills and knowledge to tackle the quality challenges being faced. Our role is to be at the heart of national efforts to understand and shape the quality of health and care, and with partners, to embed quality management across the provision of health and care.

As well as supporting health and care systems across Scotland to embed quality management, HIS has committed to this as the method by which the organisation will operate.

The key elements are:

- **Planning for quality:** identifying priorities for improvement and designing appropriate changes to achieve them
- **Improving quality:** practical implementation of changes through repeated testing and measurement
- **Maintaining quality:** proportionate routine monitoring of “day to day” quality of services to ensure they’re good enough
- **Quality assurance:** independent assessment of the quality of care and the enablers of high quality care

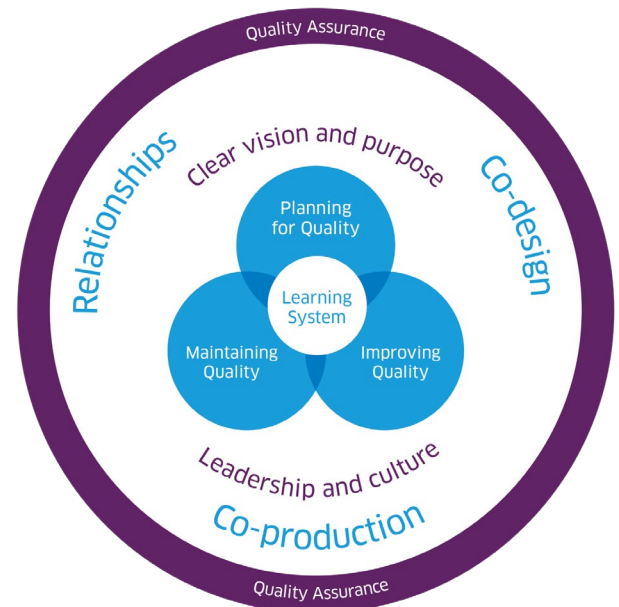


Figure 1: The Quality Management System framework

We believe this is the right direction for HIS, as an organisation comprised of staff with a wide range of expertise. The QMS approach allows us to harness this in a way that is greater than the sum of its parts, ultimately enabling us to lead improvement in the quality and safety of health and care for the people of Scotland.

Supporting high quality and safe care

We will embed a QMS approach to safety and quality for the whole of HIS, with intelligence at its heart. This will enable early detection of quality and safety issues, drive improvements in care and ensure a consistent approach to achieving quality.

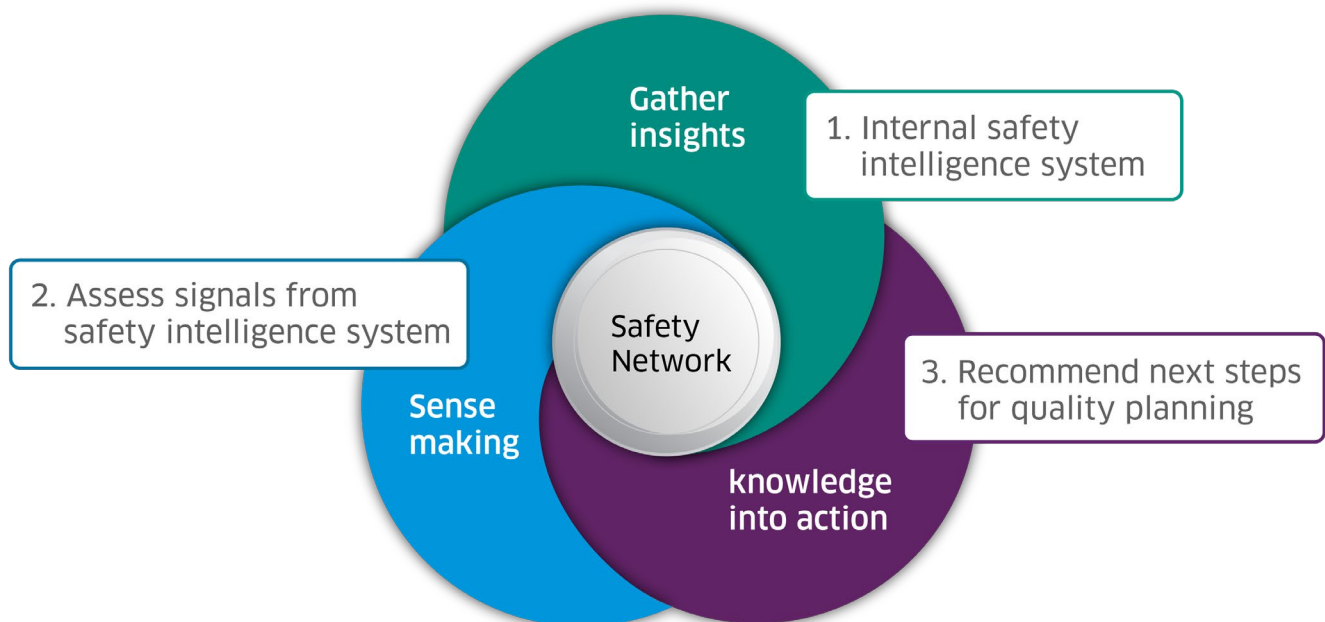


Figure 2: A QMS approach to quality and safety

Putting knowledge into action could include activities such as dissemination of information (for example via a Safety Bulletin), development of standards, guidelines or evidence, board-specific responsive support and inspections or changes to inspection.

Internally, our aims are to develop a systemic approach to managing quality and safety using the full range of HIS functions, as well as assurance that we have a full understanding of the status of the system.

Our external aims are to:

- Provide system leaders with oversight of national issues and trends in patient safety
- Provide system leaders with information and support to understand patient safety issues in their own local context
- Influence patient safety policy within SG

Work programmes across the organisation contribute to our understanding and delivery of safety and quality in the system. Further information on these is detailed throughout this plan.

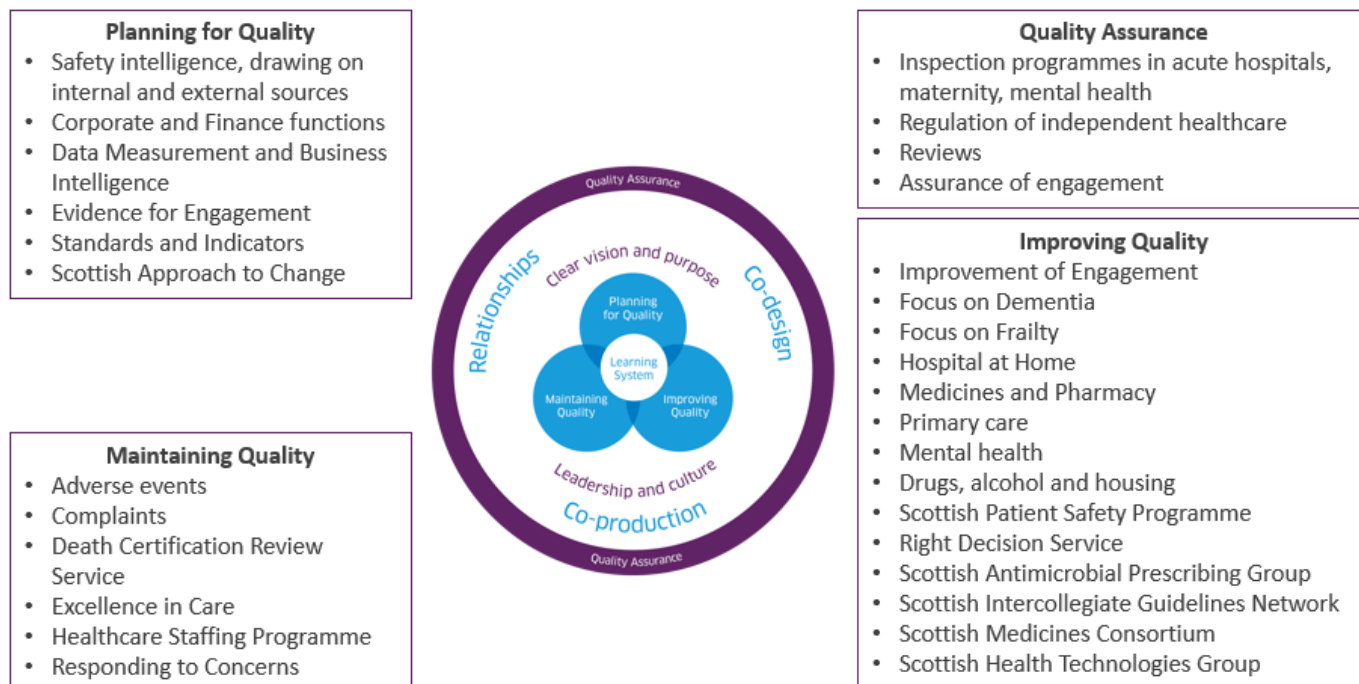


Figure 3: Examples of HIS programmes supporting key elements of a QMS approach to quality and safety

Our 2025-26 delivery plan

We are working to embed the QMS approach to support the following themes which we have identified for 2025-26.



We will also continue to undertake our **statutory functions** including providing national leadership for evidence-based advice and guidance, assurance and engagement.

The themes we have identified align directly to the planning priorities that SG has set for HIS for 2025-26:

- Supporting the shift in balance in relation to care closer to people's homes
- Supporting more sustainable primary care
- Maternal healthcare assurance
- Mental healthcare assurance
- National Mission to reduce drug related deaths and harms
- National leadership in intelligence sharing
- Maintaining agility and responsiveness to changing pressures and risks
- Anchor planning

Our work will also support delivery of the planning priorities that SG has set for territorial boards for 2025-26, including:

- Planned care
- Urgent and unscheduled care
- Cancer care
- Mental health
- Primary and community care
- Women and children's health
- Population health and reducing health inequalities

This shift will take time—our experience has shown us this requires a change both in how we work as an organisation and how we work with our stakeholders.

Statutory work

Our statutory work, outlined below, will ensure continued delivery of our national leadership role delivered through our statutory duties. Some of these will be cross-cutting and contribute directly to our priority themes (for example, inspections in maternity and mental health, and Healthcare Staffing Programme tools across a range of settings).

More broadly, different elements of our statutory work will contribute to elements of quality management, for example **planning for quality** by identifying opportunities for improvement and ensuring these are informed by engagement, **maintaining quality** by using data, tools and standards and **improving quality** by providing national evidence-based advice. They will form an important element of developing our integrated approach to quality and safety.

Assurance

We will publish our Quality Assurance and Regulation Plan for 2025-26 which outlines our planned inspection, regulation and review activity for 2025-26. Our scrutiny and assurance activities may need to change in-year to be responsive to system challenges and ministerial requests. We will work to retain flexibility in our plans, including consideration of areas which may need to be reduced or deprioritised.

We are also considering a revised and renewed Safe Delivery of Care inspection operating model to create a more flexible and agile approach, with the ability to release capacity for themed or reactive inspections arising from intelligence such as Responding to Concerns, Safety Networks or through wider sharing intelligence routes.

Evidence

HIS is a trusted source of evidence for both clinical and policy decision making. Our extensive experience in this, along with our strong partnerships with other organisations, means we have a lead role in supporting transparent and consistent decision making across Scotland. We have outlined key activity below as well as throughout this plan.

This includes providing advice on medicines and health technologies. The Scottish Medicines Consortium (SMC) will continue to provide advice for new medicines on a 'once for Scotland' basis with the aim of ensuring the people of Scotland have timely access to medicines that demonstrate value and provide most benefit based on best available evidence. The Scottish Health Technologies Group (SHTG) provides advice on non-medicine health technologies and working with other partners, HIS is committed to playing a stronger role in building a more cohesive and visible gateway for the evaluation of new and emerging technologies and which reflect national priorities, providing assurance to both the service and potential industry partners. The evidence that we gather through meaningful

engagement is core to our evidence base further strengthens our ability to ensure that the voices of people and communities inform decision making.

Engagement

HIS has a statutory duty to support, monitor and assure NHS boards and health and social care partnerships (HSCPs)' duty of public involvement, which are outlined in the [Planning with People: community engagement and participation guidance](#). Our quality assurance approach assesses major service change activity to ensure that engagement is carried out with people at the outset, and is inclusive, proportionate and robust.

Programmes for 2025-26

Programmes	Key deliverables and timescales
<p>NHS inspections</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> His Majesty's Inspectorate of Prisons for Scotland (HMIPS) His Majesty's Inspectorate of Constabulary in Scotland (HMICS) 	<p>Safe Delivery of Care inspections</p> <ul style="list-style-type: none"> Acute hospital: ten inspections planned Maternity: eight inspections planned Mental health: ten inspections planned. Additionally, SG announced in February 2025 that HIS and the Mental Welfare Commission (MWC) will be asked to undertake reviews of all adolescent inpatient units as well as the national child inpatient unit. These are currently being planned. <p>Reports for each inspection and associated improvement action plans will be published on our website.</p> <p>Joint inspections of prisons: four inspections planned. A report will be published for each inspection. Follow-up activity (eg inspections) will also take place where required.</p> <p>Joint inspections of police custody centres: three inspections planned. Follow-up activity (eg inspections) will also take place where required. <i>To note—the business case for this work is currently being considered through the commissioning process.</i></p>
<p>Multi-agency inspections</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> Care Inspectorate Education Scotland HMICS 	<p>Joint inspection of adult support and protection (ASP): At present, phase 2 of this work ends in July 2025, and discussions are ongoing with SG regarding next steps.</p> <p>Joint inspection of children's services: Undertake development work to develop and implement a joint methodology for inspections with a new focus on children looked after at home.</p>

Programmes	Key deliverables and timescales
	<p>The first of six planned inspections will commence in autumn 2025.</p> <p>Joint inspection of adult services (integration and outcomes): two inspections planned, on the theme of mental health. These joint inspections will focus on the effectiveness of partnership working in creating seamless services that deliver good health and wellbeing outcomes for people and their unpaid carers, through the lens of different service user groups. An inspection report and improvement action plan will be published.</p>
<p>Ionising Radiation (Medical Exposure) Regulations IR(ME)R</p>	<ul style="list-style-type: none"> • Undertake a programme of inspections, moving to a service-based graded approach to inspection frequency to align with the International Atomic Energy safety standard. The current programme target is ten inspections per year, and this will be reviewed once the preferred model for a graded approach has been agreed. • Respond to all statutory notifications, as outlined in the significant accidental or unintended exposures (SAUE) guidance (approximately 150 per year) • Take forward recommendations from the Integrated Regulatory Review Service mission
<p>Regulation of independent healthcare (IHC)</p>	<p>Our regulatory functions for IHC include:</p> <ul style="list-style-type: none"> • Registering IHC services • Proactive inspections of registered services • Investigating complaints about registered IHC services • Responding to notifications from registered IHC services • Taking enforcement action of registered IHC services where necessary, continuing with development work to support the regulation of independent healthcare <p>We will complete the internal deep dive review of systems and process for the regulation of IHC services to ensure sustainability and functionality of the approach. Our IHC inspection programme, including the planned number of inspections, will be informed by the outputs of the review.</p> <p>This year's delivery plan will also include the registration of Independent Medical Agencies (IMAs) and extension of</p>

Programmes	Key deliverables and timescales
	<p>legislative changes to include some pharmacy services. Work is ongoing for implementation in June 2025.</p> <p>We will also continue to engage with SG regarding further proposed changes in legislation, which would require a significant period of implementation.</p>
<p>Responding to Concerns (RTC)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NHS boards • National partner organisations • Independent National Whistleblowing Officer (INWO) • SPSO • MWC 	<ul style="list-style-type: none"> • RTC case handling: assess and investigate concerns raised and communicate with those raising concerns • Implement RTC programme redesign following outputs of the review undertaken in 2024 and undertake evaluation of implementation. This will include development and implementation of case assessment documentation, assessment and judgement framework, professional input/advice, roles and responsibilities, technology, key performance indicators (KPIs) and outcome measures, and programme governance.
<p>Death Certification Review Service (DCRS)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • National Records of Scotland • NHS boards • NHS Education for Scotland (NES) 	<ul style="list-style-type: none"> • Review of approximately 12% of Medical Certificates of Cause of Death (MCCD) • Support certifying doctors to accurately complete MCCDs via the DCRS enquiry line • Review all applications for repatriation to Scotland
<p>Healthcare Staffing Programme (HSP)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NHS National Services Scotland (NSS) • RL Datix 	<ul style="list-style-type: none"> • Monitor and maintain staffing tools for quality planning within: <ul style="list-style-type: none"> • Acute hospitals (inpatients and emergency departments) • Community (community nursing and Hospital at Home) • Children and young people (health visiting, school nursing, paediatrics inpatient and children's community teams) • Learning disabilities • Maternity and neonates • Mental health

Programmes	Key deliverables and timescales
	<ul style="list-style-type: none"> • Undertake monitoring and development of the Common Staffing Method (CSM) and NHS boards' compliance with staffing duties under the Health and Care (Staffing) Scotland Act • Build knowledge and capability in the system through provision of improvement support
<p>Assurance of engagement</p> <ul style="list-style-type: none"> • Service change • Quality Framework assurance support 	<p>Service change</p> <ul style="list-style-type: none"> • Provide advice and support for all service changes, including the implementation of nationally determined service changes for NHS boards and HSCPs. This work includes harnessing strategic and local intelligence. • For major service changes this includes approval of the consultation phase and development of an evaluation plan including feedback from members of the public participating in formal consultation. We will collate and analyse findings of assurance of engagement work against Planning with People guidance, to inform quality assurance reports on Major Service Change consultations. • For service changes that do not meet the threshold for major change, we will review engagement and consultation plans and provide feedback. We will develop an engagement assurance plan in agreement with partners to support improving planning of services in partnership with service users. • Deliver workshops for partners covering statutory duties, option appraisal, ongoing engagement and Planning with People. <p>Quality Framework assurance support</p> <ul style="list-style-type: none"> • Provide responsive and tailored advice and support to NHS boards and HSCPs on use of the Quality Framework for Community Engagement and Participation • Facilitate consensus discussion with external stakeholders followed by provision of support to boards to create improvement plans
<p>Scottish Medicines Consortium (SMC)</p>	<p>Core business including medicines assessment and horizon scanning</p> <ul style="list-style-type: none"> • Provide early intelligence on new medicines in development including contribution to the new SG-led Horizon Scanning Advisory Board

Programmes	Key deliverables and timescales
	<ul style="list-style-type: none"> • Provide advice on the clinical and cost effectiveness of new medicines for NHS Scotland <p>Innovation Licensing Access Pathway (ILAP)</p> <ul style="list-style-type: none"> • Work with partners on ILAP, which aims to reduce the time to patient access to innovative medicines, integrating the evidence base required for approval and access, involving both regulatory and Health Technology Assessment (HTA) agencies • Delivery partners: Medicines and Healthcare Products Regulatory Agency (MHRA), National Institute for Health and Care Excellence (NICE), All Wales Therapeutics and Toxicology Centre
Scottish Health Technologies Group (SHTG)	<ul style="list-style-type: none"> • SHTG expects to produce advice on approximately ten health technologies per year (including Accelerated National Innovation Adoption (ANIA) outputs). • Technology reviews planned for publication in 2025-26 include chronic pain interventions (for the SG Pain Management Task Force) in secondary care and home blood pressure monitoring (for the cardiovascular disease (CVD) workstream of the Preventative and Proactive Care Programme Board). • We are in discussion with SG regarding an expanded commission for Hospital at Home, which would include an HTA for virtual wards (further described in the frailty theme).
<p>Controlled drug governance</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • SG • Department of Health and Social Care • Home Office • Care Quality Commission (CQC) • Controlled Drug Accountable 	<ul style="list-style-type: none"> • Work in collaboration with SG and CDAO Executive to strengthen governance arrangements for safe and effective use of controlled drugs in all healthcare settings • Collaborate with SG, Home Office, Department of Health and Social Care, CDAO Executive and CQC Cross-Border Controlled Drugs Group to contribute to a post-implementation review of the Controlled Drug regulations • Implement the recommendations from the report on self-declaration and assessment of controlled drugs governance arrangements • Manage the process for annual returns for CDAO arrangements in all designation bodies

Programmes	Key deliverables and timescales
<p>Officers (CDAO) Executive</p> <ul style="list-style-type: none"> • Designated Bodies in Scotland 	<ul style="list-style-type: none"> • Develop an interactive website to allow HIS to discharge statutory duties in relation to a contemporaneous register of CDAOs

Safety

As noted above, programmes across the organisation contribute to the management of safe, high quality services. The following programmes are central to our management of safety in the system.

Programmes for 2025-26

Programmes	Key deliverables and timescales
Sharing Health and Care Intelligence Network (SHCIN)	<ul style="list-style-type: none"> The SHCIN focuses on prioritisation of emerging issues in the health and care system which supports a more agile and responsive approach, taking early action on new risks as individual network members or as a collaborative across the SHCIN. The group will meet on a quarterly basis during 2025-26, with the option to convene a review panel meeting should an emerging concern arise. HIS will provide the secretariat for these meetings and produce the Annual Statement. <p>Network members:</p> <ul style="list-style-type: none"> Audit Scotland Care Inspectorate General Chiropractic Council General Dental Council General Medical Council General Optical Council General Osteopathic Council General Pharmaceutical Council Health and Care Professions Council Mental Welfare Commission for Scotland NHS Education for Scotland Nursing and Midwifery Council Public Health Scotland Scottish Public Services Ombudsman Scottish Social Services Council
<p>Adverse events</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> NHS boards Scottish Fatalities Investigations Unit (SFIU) 	<ul style="list-style-type: none"> Deliver the revised adverse events national framework for all NHS boards by early 2025. A toolkit will be launched in April 2025 Develop and implement the process for monitoring and evaluation of the framework Continue the programme for national standardisation of the commissioning of Significant Adverse Event Reviews (SAERs)

Programmes	Key deliverables and timescales
<ul style="list-style-type: none"> Scottish Public Services Ombudsman (SPSO) Mental Welfare Commission for Scotland (MWC) 	<ul style="list-style-type: none"> May 2025: Review of the HIS SAER Notification System. Embed the Community of Practice platform across NHS Scotland. Implement improved methodology for qualitative and quantitative analysis and implementation of revised data management protocol, working with National Hub for Reviewing and Learning from the Deaths of Children and Young People We will work with SG to embed the revised approach across boards and ensure clarity regarding roles and responsibilities

The Scottish Patient Safety Programme (SPSP) continues to provide a foundation of safety across what we do and is comprised of several workstreams.

Scottish Patient Safety Programme workstreams

Scottish Patient Safety Programme workstream	Key deliverables and timescales
Essentials of Safe Care and Learning System Delivery partners: <ul style="list-style-type: none"> NHS boards HSCPs Care Inspectorate SCHIN 	<ul style="list-style-type: none"> Review and publish refreshed SPSP Essentials of Safe Care change package and measurement framework Deliver a programme of SPSP learning events and activities throughout the year to support learning spread
Paediatrics Delivery partners: <ul style="list-style-type: none"> NHS boards Royal College of Paediatrics and Child Health SCHIN 	<ul style="list-style-type: none"> Offer improvement support to all NHS Scotland health boards informed by emerging priorities identified in the safety risk management system (for example, review of Paediatric Early Warning Score in line with evidence base and application in other UK nations)
Medicines Delivery partners: <ul style="list-style-type: none"> NHS boards SCHIN 	<ul style="list-style-type: none"> Offer improvement support to all NHS Scotland health boards informed by emerging priorities identified in the safety risk management system and key topics relating to medicines safety (for example, high risk medicines, time critical medicines, medicines dispensing)

Scottish Patient Safety Programme workstream	Key deliverables and timescales
Acute adult	<ul style="list-style-type: none"> • Offer improvement support to all NHS boards, informed by emerging priorities identified through HIS's safety risk management system as well as key topics for the safety of adults in hospital (medicines, falls, deteriorating patients and pressure ulcers)

Deliverables in SPSP perinatal and SPSP mental health are included within relevant themes.

We will also respond to the findings and recommendations from the [NHS Greater Glasgow and Clyde Emergency Department review](#) published in March 2025. It is likely that further work will need to be undertaken in relation to emergency care.

Cross-cutting work

The following programmes will also support delivery across multiple themes as well as the different elements of the QMS approach.

We support the service to make evidence-informed decisions through the provision of advice, guidance and recommendations that use internationally accredited methodologies to assess published research. This means that our work in evidence flexes to meet needs and sits across the multiple themes outlined in our work programme.

Programmes for 2025-26

Programmes	Key deliverables and timescales
Excellence in Care (EiC) Delivery partners: <ul style="list-style-type: none">Public Health Scotland	<p>EiC has prioritised developing quality and safety measures for perinatal and mental health as part of a QMS approach for HIS. This will provide data on the Care Assurance and Improvement Resource (CAIR) dashboard for monitoring how boards are maintaining quality and meeting the standards for perinatal and mental health. Additionally, EiC now regularly provides data from CAIR to inform HIS inspections, HIS monitoring of the Health and Care Staffing Act and in response to requests from RTC.</p> <p>EiC is currently monitoring and supports assurance and improvement within:</p> <ul style="list-style-type: none">Acute hospitalsCommunity (community nursing)Children and young people (health visiting and school nursing)Learning disabilitiesCustodial healthcare/secure environmentMaternityMental healthMedicines safetyInfection prevention and control
Right Decision Service (RDS)	<p>RDS is a 'Once for Scotland' source of digital tools that enable people to make safe decisions quickly 'on the go' based on validated evidence. It provides health and social care organisations with tools to build decision-ready guidance, pathways, risk scoring tools, shared decision aids and other decision support resources. It has an important role to play in both planning for and improving quality, and supports</p>

Programmes	Key deliverables and timescales
	<p>implementation of outputs from across the organisation. Examples of deliverables for 2025-26 include:</p> <p>Improving population health and inclusion</p> <ul style="list-style-type: none"> • Roll-out of new UK CA marked ASSIGN tool for CVD risk assessment in primary care in parallel with new coding system • Initiate integration of ASSIGN into Vision primary care system • Expand use of Prevent progress of diabetes app across at least two NHS boards, building on successful evaluation • Work with public library services in at least three local authorities to promote and embed use of RDS patient/public-facing apps. Continue strategic collaboration with the ALLIANCE and the Scottish Library and Information Council to strengthen partnership working between NHS boards and public library partners to build the role of public libraries as enablers of community health and wellbeing, self-management and preventative and proactive care. <p>Consistent evidence-based practice</p> <ul style="list-style-type: none"> • Deliver all Scottish Intercollegiate Guidelines Network (SIGN) guidelines, standards and technology assessment recommendations as decision-ready RDS tools. <p>Addressing workforce challenges</p> <ul style="list-style-type: none"> • Develop delivery plan and first phase of implementation of learning programme for end-users and creators of RDS decision support tools. <p>We are also working with NHS Lanarkshire to develop a Planned Date of Discharge Decision Support System in the RDS platform. It builds on the existing RDS tools for delirium, frailty, early signs of deterioration and malnutrition. Piloting will begin in June 2025. If this is successful then the potential to adapt and spread across Scotland will be explored. In addition, we will explore what existing RDS tools could be promoted and expanded to reduce delayed discharge, for example through spreading their use in social care settings.</p> <p><i>The RDS business case for 2025-26 is currently under discussion with SG.</i></p>

Programmes	Key deliverables and timescales
<p>Standards</p> <p>Delivery partners</p> <ul style="list-style-type: none"> • Royal Colleges • Scottish Screening Committee • Third sector • NES • Care Inspectorate 	<ul style="list-style-type: none"> • Breast screening standards • Clinical governance standards <p>Additional standards are outlined within relevant themes.</p>
SIGN guidelines	<ul style="list-style-type: none"> • Antibiotic prophylaxis in surgery guideline (delivery timescale dependent on publication of international guideline) • Palliative care guidelines updates to include, choosing and changing opioids, bone pain, out-of-hours handover, people with learning difficulties and palliative care needs (to be delivered by March 2026) • Epilepsy in children guideline update (to be delivered by October 2025) • Deliver a series of national position statements that summarise the state of play in areas of key clinical importance for NHS Scotland <p>Additional guidelines are outlined within relevant themes. Our processes for selecting topics are set up to ensure alignment to national priorities.</p>
Research and Information Service (RIS)	<p>Evidence for external stakeholders</p> <ul style="list-style-type: none"> • Tailored evidence services delivered to external stakeholders, supporting the broad healthcare system and fulfilling HIS's remit to promote improvement across Scotland. Includes reviews for other public sector bodies.

Equality and inclusion

Our work will be underpinned by a focus on equality and ensuring people and communities are at the heart of what we do.

As we outline in our three-year plan, one of our priorities is to focus on reducing inequalities in care by making sure the views of diverse, including seldom heard, groups are listened to and acted upon. We will undertake this through our statutory assurance of engagement work outlined above.

While we mainstream equality considerations throughout all our programmes of work, we have planned specific work to target key areas of inequality in healthcare and health outcomes. This will be undertaken as part of our refreshed [Equality Outcomes](#) and [Anti-Racism Plan](#) covering 2025-29. These all have associated actions and measures relevant to our external facing work as well as our workforce.

For example, as part of our commitment to improve the safety and quality of perinatal care we have set an outcome that by March 2029, through our perinatal QMS, including new standards and inspections for maternity care, we will improve the quality and safety of maternity care for everyone, with a specific focus on improving outcomes for people from protected characteristic groups.

We have also set an outcome that by March 2029, HIS employees who are disabled, neurodivergent and/or have a long-term condition experience an inclusive work environment and opportunities for professional development.

Furthermore, our Equality, Inclusion and Human Rights programme provides assurance that HIS is meeting its Public Sector Equality Duties. For 2025-26, the programme's outputs will be a quarterly HIS KPI on Equality Impact Assessment (EQIA) completion, HIS's Anti-Racism Plan and Corporate Parenting Action Plan, as well as revised resources, induction training and a refreshed handbook for Public Partners.

Perinatal

Our approach

Building on work initiated in 2024-25, our aim is to deliver a programme of assurance, evidence-based standards and improvement support for perinatal services. We are also developing a learning system to support collation of data, insights and intelligence to inform our ongoing work in this area. The learning system provides an opportunity for teams across HIS to come together to share, learn and understand our contribution to perinatal services and build knowledge, inform decisions about how we deploy resource and to accelerate improvement in outcomes.

Our vision is that perinatal services in Scotland can systematically manage and improve the quality and safety of care delivery.

The intended impacts of this work are improved outcomes for service users and their families across the domains of reduced stillbirth and neonatal deaths, reduced risk of preterm births, increased focus on inequalities (including via our Equality Outcomes) and increased recognition of deteriorating woman/birthing person. Families will benefit from a healthy mother, parent and baby returning to their home environment and contributing to a healthier Scotland. Women/birthing people and the wider public will have confidence in perinatal services in Scotland based on evidence.

Programmes for 2025-26

This work is supported by the following statutory functions highlighted earlier in our delivery plan:

- Safe delivery of care inspections–maternity
- Healthcare Staffing Programme–maternity staffing level tool

Programmes	Key deliverables and timescales
SPSP Perinatal	<ul style="list-style-type: none">• 13 NHS boards have joined the SPSP Perinatal Collaborative, which launched in November 2023.• SPSP Perinatal aims to reduce stillbirths, reduce neonatal morbidity and mortality, understand variation in caesarean birth rates and improve the recognition, response and review of the deteriorating woman/birthing person.• Progress and learning from the programme will be shared through the HIS Perinatal QMS learning system.• New priorities for improvement identified through the HIS QMS will inform revisions of SPSP Perinatal content as appropriate.

Programmes	Key deliverables and timescales
<p>Standards</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> Public Health Scotland (PHS) NES Third sector Royal Colleges Scottish Screening Committee National Screening Oversight Board (NSOB) 	<ul style="list-style-type: none"> Maternity/perinatal standards are being developed in parallel to core clinical and care governance standards, and are due for publication in September 2025. Newborn bloodspot screening standards are due for publication in December 2025.
<p>National Hub for Reviewing and Learning from the Deaths of Children and Young People (“National Hub”)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> Care Inspectorate 	<ul style="list-style-type: none"> Process data on the deaths of children and young people, from National Records Scotland, on a weekly basis. Receive and quality assure relevant data from NHS boards and local authorities. Provide child death data numbers and themes from child death reviews from the National Hub portal to NHS boards and Local Authorities. (May and November 2025). Publication of Data Release report for 2023-24 in May 2025. Implement improved methodology for qualitative and quantitative analysis and implementation of revised data management plan. Production of sudden unexpected death in childhood (SUDC) and care experienced child or young person data subsets.

Mental health

Our approach

We have consolidated our mental health work programmes and funding into a single HIS-wide offer focused on mental health standards, reform, assurance and responsive support. In 2025-26 we will further embed the QMS approach to this work to ensure a whole organisation, multi-layered impact to the design and delivery of the work. It will be facilitated through regular meetings across the organisation, to increase communication and knowledge, and build partnership approaches.

We are seeking to address the increased complexity and demand on fragile NHS mental health services.

Our aims are to:

- Reduce preventable harm and unwarranted variation for people accessing mental health services
- Reduce stress and distress in hospital that leads to self-harm, suicide and violence, through the Mental Health SPSP programme
- Reduce escalation of crisis in mental health, through the Mental Health Reform programme
- Support people to get access to the right care, in the right place, at the right time, with equitable experience across Scotland, by improving and creating new pathways of care and inclusion for currently poorly served marginalised groups who experience complex mental health issues
- Improve outcomes for people with co-occurring substance use and mental health conditions through ensuring each area in Scotland has an interface protocol between mental health and substance use services
- Respond to emerging requirements within the external Mental Health System, identified through SG and key stakeholders

Our intended impacts are:

- An increase in achievement of mental health quality standards from baseline
- A reduction in waiting lists for community, specialist and acute services
- A reduction in delayed discharges and inappropriate placements
- A reduction in harms within inpatient settings (suicide, safety incidence and violence)
- A reduction in detentions under the Mental Health Act
- An increase in people able to be in sustainable education and employment

KPIS and measurement plans for the programmes outlined below have been agreed with SG are in place until end March 2026.

This supports SG's priorities for NHS reform and renewal including reducing pressure on hospitals through reducing delayed discharges.

Programmes for 2025-26

This work is supported by the following statutory functions highlighted earlier in our plan:

- Safe delivery of care inspections – mental health
- Joint inspections of adult services
- Healthcare Staffing Programme – mental health staffing level tool

Our provision of assurance for mental health services will consider safety and quality of care and focus on identifying areas for improvement as well as sharing and promoting good practice.

Programmes	Key deliverables and timescales
<p>Mental health improvement standards and SPSP Mental Health</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NHS boards • Third sector • People with lived and living experience • Royal College of Psychiatry 	<ul style="list-style-type: none"> • Support the development and implementation of improvement plans in line with the core mental health quality standards and in line with a newly purposed SPSP for mental health within all mental health services by 31 March 2026 • Build upon previous work within SPSP Mental Health (for example seclusion, restraint, coercive practice, observation, safety at transition) and use data to support identification of national improvement priorities to be addressed with SPSP Mental Health
<p>Mental health reform</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NES • PHS • HSCPs • Third sector • See Me 	<ul style="list-style-type: none"> • Work with a minimum of six local sites focused on developing pathways and change in their system • Make a national offer of support to NHS Scotland boards who wish to develop evidence-based services and pathways for those who are poorly served within areas of complexity • Use the launch of the implementation guide (and Essentials of Early Intervention in Psychosis (EIP) module on Turas) to influence and support the development of evidence-based EIP services and lend support to managing other cohorts of people and conditions better

Programmes	Key deliverables and timescales
<p>Mental health responsive support</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • National health and care organisations and bodies • “Coming Home” leads • COSLA • Third sector 	<ul style="list-style-type: none"> • Respond to emerging high risk or high-profile priorities within the mental health system, identified through the safety intelligence system, SG, and/or key stakeholders (MWC or boards), prioritised through HIS’s responsive support process. • Work nationally to optimise and accelerate opportunities for change. • The current programme of work focused on reducing delays in discharge in both mental health and learning disabilities services will continue. The focus of this work is to reduce the length of delays, total number of delays and to prevent delays from occurring. • Continue to develop of peer network for "Coming Home". This brings together a range of experts from across Scotland to share good practice and focus collectively upon challenges to care of people with highly complex needs.
<p>Mental health and substance use</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • PHS • NES • MAT Implementation Support Team • 31 Alcohol and Drug Partnerships • Local mental health leads • Drugs and Alcohol Unit 	<ul style="list-style-type: none"> • Ensure all local areas have a protocol in place by spring 2026 • Support local areas to refine and implement protocols throughout 2025-26 • Test, refine and embed best practice around the implementation of these protocols • More in depth work with six localities to capture and utilise learning about the process of implementation • Develop and deliver a national learning system focused on the needs of those with co-occurring conditions. This will connect with the drugs and the mental health learning system work, to ensure maximum impact in the system. • In partnership with NES review education modules on mental health and substance use available to NHS Scotland staff <p>This also supports work within our drugs and alcohol theme.</p>

Primary and community care

Our approach

We have been commissioned to deliver practical support that accelerates delivery of sustainable improvements across key areas in primary and community care. We will do so by bringing together work in system improvement and improving access, underpinned by evidence-based guidelines and recommendations. The key deliverables for HIS are outlined in the table below.

This will support SG's intended impacts of the commission, which are that independent contractors, health boards and HSCPs can deliver:

- Improved access to primary care services and support
- Improved continuity of care
- Increasing the number of people supported by GP out-of-hours services and improved experience for people working in GP out-of-hours services
- Reduction in attendance at emergency departments through better access
- Improved early identification and intervention in multiple areas including frailty and dementia
- Improved medicines management in primary care, which reduces prescribing costs and improves efficiency
- Reduced inequalities in primary care
- Reduced antibiotic prescribing in primary care
- Improvements in appropriate staffing across multidisciplinary teams (MDT)
- Reducing demand on GP service for musculoskeletal (MSK)-related issues
- Improved patient experience through more timely access to community MSK services
- Reduction in number of people on orthopaedic waiting list
- Provision of evidence-based recommendations to support treatment in primary care and community settings
- Improved management of long-term conditions, which improve patient outcomes and quality of life as well as reducing avoidable admissions to hospital

This also supports the recently announced priorities for NHS reform and renewal by improving access to care closer to home and increasing general access to primary care services.

Programmes for 2025-26

Programmes	Key deliverables and timescales
<p>Primary Care Phased Investment Programme</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • SG • HSCPs • NHS boards • GP practices • PHS • NSS 	<ul style="list-style-type: none"> • Work with demonstrator site areas to improve implementation of Community Treatment and Care (CTAC) and Pharmacotherapy Services across six HSCPs by September 2025 • Design and lead a national primary care collaborative, which support teams to use Quality Improvement (QI) to improve aspects of access, workflow, CTAC, pharmacotherapy services and inequalities in primary care • Develop service principles with primary care teams through a national learning system based on learning from demonstrator sites and collaborative teams • Develop standards and advice through the creation of a standard set of national measures for ongoing monitoring and future evaluation of the impact of the MDT component of the general medical services (GMS) contract as part of the final evaluation in December 2025 • Build evidence on implementation through the data, measurement and evaluation component of the programme which includes QI data, evaluation data and SG assurance data and make recommendations based on this by December 2025
<p>Primary care learning system</p>	<ul style="list-style-type: none"> • Share learning and insights from the Primary Care Phased Investment Programme through webinars, events and progress updates • Develop topic specific opportunities for shared learning through our national webinar series • Work with people leading and supporting GP cluster work to share learning that improves the implementation and development of GP Clusters • Work with healthcare professionals implementing CTAC services to share learning that improves the delivery of CTAC services • Maintain the Primary Care QI Faculty to provide clinical support and leadership for our programmes • Capture learning about impact of QI in primary care. Synthesise and disseminate learnings into tools and resources that enable spread

Programmes	Key deliverables and timescales
	<ul style="list-style-type: none"> • Deliver national learning events to assist with scale up and spread.
Future care planning	<ul style="list-style-type: none"> • Maintain guidance and resources on all aspects of future care • Identify appropriate support for health and social care professionals throughout the care planning process • Develop the evidence base for future activities
Primary care access	<p>Develop an extended primary care national collaborative to implement local delivery of the Primary Care Access Programme. This will include:</p> <ul style="list-style-type: none"> • Supporting change through QI sprints • Redesign and transformation of primary care access via cascaded model of QI delivery • Building evidence on implementation • Developing guidelines and advice on improving access • Collaborating with citizens' panel to ensure effective engagement
<p>Primary care inequalities</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NES • PHS • Deep end GPs 	<ul style="list-style-type: none"> • Test redesign of primary care systems in general practice teams • Build on and implement current evidence on inequalities in primary care • Involve patients in our work at each stage through the evaluation of the Primary Care Phased Investment Programme • Improve meaningful engagement of populations affected by inequalities in primary care • Develop guidelines for wider primary care system on how to reduce inequalities
<p>Primary care medicines</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • PHS • NES 	<p>We will design a programme of work to support change and redesign primary care medicines management with a focus on reduction of antimicrobial prescribing in collaboration with Scottish Antimicrobial Prescribing Group (SAPG). This programme will include:</p> <ul style="list-style-type: none"> • Review of evidence base • Initial test of change with primary care teams • Patient engagement approaches to co-design improvement programme specific to primary care settings

Programmes	Key deliverables and timescales
	<ul style="list-style-type: none"> • Development of guidelines and advice to scale up and spread improvement
Improving access to GP out-of-hours	<ul style="list-style-type: none"> • Undertake a short improvement sprint with three services to test and refine the GP Access and Access QI improvement methods to improve access to GP out-of-hours • Offer a national improvement collaborative to all GP out-of-hours services in Scotland to support changes to maximise use of their capacity to improve access to out-of-hours services • Deliver a national learning system to enable peer-to-peer learning to enable knowledge mobilisation and surface evidence that can be used for future transformation of out-of-hours services
<p>Improving access to planned care</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • Centre for Sustainable Delivery (CfSD) • NHS boards • HSCPs • Care Inspectorate • NES • PHS 	<ul style="list-style-type: none"> • Deliver practical improvement support that accelerates the delivery of sustainable improvements in access to musculoskeletal (MSK) services in Scotland • Continue to share learning from Access QI which developed robust methods for improvement in access to planned care • Capture, synthesise and share evidence on changes that can successfully improve access to care with publication of advice and toolkits to enable spread of evidence-based change ideas • Support changes in pathways and processes through the delivery of improvement sprints. This will enable the identification of high impact opportunities to improve timely access to care and application of QI methods to rapidly improve access to care. • Enable services to redesign community pathways that sustainable reduce demand into secondary care elective care specialties • Align with Focus on Frailty programme for synergistic impact related to falls reduction in older people • Reduce attendance at emergency departments
SIGN guidelines	<ul style="list-style-type: none"> • Asthma guideline updates • Chronic pain guideline • Migraine guideline • Non-pharmaceutical management of depression guideline

Programmes	Key deliverables and timescales
	<ul style="list-style-type: none"> • Risk estimation and the prevention of CVD guideline • Obesity guideline

Frailty

Our approach

Our aims are to work across the health and social care system to manage the safety and quality of care and accelerate improvement of outcomes and experiences for people experiencing frailty, their families and carers. This will build on the successes of programmes such as Focus on Frailty, Focus on Dementia and Hospital at Home for adults and older people.

We will continue our support for the expansion of Hospital at Home beds. We recognise that there is some variation in the application of Hospital at Home in Scotland and that there is scope to ensure it is delivered in the most efficient and cost-effective way. The deputy Chief Medical Officer has commissioned us to undertake an HTA for virtual wards to provide evidence and support a consistent approach to the new and emergent clinical teams and this work is currently under discussion.

Our national work to develop an integrated approach to the identification, assessment and care coordination of frailty across community and hospital settings has identified opportunities to reduce length of stay and to allow individuals to be supported for longer at home. HIS is working in collaboration with SG and the CfSD to determine how the expansion of frailty pathways in unscheduled care across NHS Scotland can be supported across national organisations.

We have also been providing local improvement support to reduce delayed discharges for adults with incapacity. This work will be completed in April 2025, and in addition to work in mental health outlined above, we will continue to support reducing delayed discharges through the frailty theme.

Our intended impacts are:

- A reduction in time older people spend in hospital
- A reduction in avoidable hospital admissions for older people
- A reduction in number of older people experiencing delayed discharge
- A reduced demand on GP, acute and care home settings

This supports the recently announced priorities for NHS reform and renewal including shifting the balance of care by expanding the number of Hospital at Home beds available across Scotland and delivering direct access to frailty teams in emergency departments.

Programmes for 2025-26

This work is supported by the following statutory functions highlighted earlier in our ADP:

- Healthcare Staffing Programme—Hospital at Home staffing level tool

Programmes	Key deliverables and timescales
<p>National implementation of Hospital at Home for older people/acute adult</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • Territorial boards • HSCPs • NES • UK Hospital at Home Society • CfSD • PHS 	<p><i>To note–HIS is currently in discussion with SG regarding an expanded Hospital at Home commission including implementation on a broader scale, evidence (HTA) to underpin future development of monitoring through virtual wards and development of data, reporting and quality assurance. This will require formal commissioning and additional resource.</i></p> <p>Key deliverables (in current budget) include:</p> <ul style="list-style-type: none"> • Support existing older people/acute adult Hospital at Home services to transform from pilot services to sustainable services • Support changes within boards to scale up existing services to serve older people/adults living in geographical areas not currently covered by existing services • Deliver a national data collection process for older people/acute adult Hospital at Home services while working with PHS to develop a PHS-owned national data collection mechanism and publications to generate official statistics for scrutiny and assurance of services. This will enable HIS to begin transitioning national older people Hospital at Home data reporting to PHS. • Continue to build evidence base of value for Point of Care Testing equipment to enable publication of advice and guidance for services' investment in equipment and their role to maximise use of capacity in services • Progress engagement work with care home providers to understand the barriers care home residents have accessing care from Hospital at Home services and identify what changes are required to enable care home residents to avoid hospital admission. • Increase engagement activity with Hospital at Home patients, and their carers, to better understand impact of Hospital at Home on their lives compared to traditional hospital admissions • Facilitate a national learning system to enable peer-to-peer knowledge mobilisation across Hospital at Home services in Scotland to accelerate pace of change • Work with SG, CfSD and PHS to contribute towards development of national policy for a range of "Hospital at

Programmes	Key deliverables and timescales
	Home" services beyond the traditional adult/older people services.
<p>Focus on Frailty</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NHS boards • HSCPs • CfSD 	<ul style="list-style-type: none"> • The programme is open for expressions of interest and will focus on providing improvement support to teams seeking to: <ul style="list-style-type: none"> ○ Set up hospital front door frailty pathways ○ Improve integrated care coordination across community, primary and acute care. • Focus on Frailty is an integrated programme which builds upon previous frailty improvement programmes and the evidence base. It aligns with the principles of Getting it Right for Everyone and will support teams to implement the Ageing and Frailty Standards. It will also provide a phased approach to support NHS boards to meet ambitions for frailty teams in 2025.
<p>Focus on Dementia: Post-diagnostic support (PDS)</p> <p>Delivery partners</p> <ul style="list-style-type: none"> • Alzheimer Scotland • NES • NHS boards • HSCPs 	<p>This programme is presently being co-designed with stakeholders. It will focus on improvements in the three high impact areas:</p> <ol style="list-style-type: none"> 1. The quality of PDS provision 2. The development of personal plans as part of PDS 3. Improved care co-ordination for people with more complex needs either at diagnosis or if their needs change during PDS.
<p>Focus on Dementia: Reducing stress and distress for people living with dementia</p> <p>Delivery partners</p> <ul style="list-style-type: none"> • NES • Care Inspectorate • NHS boards and care homes 	<ul style="list-style-type: none"> • We will work with teams across hospitals and care home settings to support improvement in the prevention and support of stress and distress for people living with dementia. • A reducing stress and distress Self Evaluation (SE) Tool has been developed and prototyped. We are also developing additional resources. • The SE tool and additional resources will be used to support the delivery of the improvement programme where we will work with over 50 teams across hospital and care home settings to identify and implement improvement activity. • We will capture evidence and learning from improvement activity and share this with our networks to support wider spread.

Drugs and alcohol

Our approach

For 2025-26, we will develop a new HIS-wide QMS approach to reducing emerging harms from drugs and alcohol, with a focus on three programmes of work: improving quality in services, continuation of the Pathways to Recovery programme, and reducing inequality in healthcare driven by housing.

Our aims are to:

- Embed pathways to residential rehabilitation based on good practise for Alcohol and Drug Partnerships in Scotland
- Ensure services provided by Alcohol and Drug Partnerships meet the elements of quality and safety to ensure care is of the highest quality for those using drug and alcohol services
- Reduce in healthcare driven by housing aims to support QMS approach for HIS

Our intended impact is a reduction in harms associated with drugs and alcohol and delivery of the National Drugs Mission.

Programmes for 2025-26

Programme	Key deliverables and timescales
Improving quality in drug and alcohol services Delivery partner: <ul style="list-style-type: none">• PHS	<ul style="list-style-type: none">• Host two face-to-face and two digital learning sessions for Alcohol and Drug Partnership leaders• Identify specialist Planning with People guidance• Review partnership approaches to recovery locally• Evaluate the effectiveness of advocacy and integrated care models
Pathways to Recovery: Redesigning residential rehabilitation pathways Delivery partner: <ul style="list-style-type: none">• 31 Alcohol and Drug Partnerships	<ul style="list-style-type: none">• Support six national improvement hubs to build effective relationships and codesign improvements to local care pathways across 2025-26• Produce 31 thematic analyses, one national analysis on pathways to residential rehabilitation, deliver six hub meetings per year, and a toolkit for Alcohol and Drug Partnerships in Scotland to determine demand• Produce guidance that outlines critical success factors for effective pre-care and aftercare to support QMS approach to care• Support the development of a national data set to explore demand and capacity of residential rehabilitation to address inequalities

Programme	Key deliverables and timescales
	<ul style="list-style-type: none"> • Nurture regional improvement hubs to establish a self-sustaining learning system with the long-term aim of expanding improvement hubs to be inclusive of the whole system of care in treatment and recovery • Support building of local QI capacity to undertake continuous quality improvement work in relation to residential rehabilitation from
Reducing inequality in healthcare driven by housing	<ul style="list-style-type: none"> • Support the understanding and interpretation of 'Ask and Act' as part of Housing to 2040 homeless prevention duties • Provide expert advice and connections to the local and national housing system • Provide subject matter expertise to “Coming Home” and connected programmes focused on maximising community-based care

NHS reform and renewal

Our approach

To deliver the NHS reform and renewal agenda, there is a need for a clear and coherent method for change. As the national improvement agency for health and care, HIS has an essential national leadership role to develop this approach and to provide cross-functional support for specific aspects of NHS reform and renewal. This includes both planned work and responsive support for national priorities and is set within the context of the [Planning with People: community engagement and participation guidance](#) created by SG and COSLA.

SG recognised the need to underpin NHS renewal with a clear change approach in 2024 and commissioned HIS to develop the [Scottish Approach to Change](#) for health and social care. The Scottish Approach to Change articulates the steps that are needed for successful change to happen and the essentials that underpin the change process. It is not about replacing any of the existing methodologies used in change (such as QI, service design and engagement); all are vital, however they are frequently siloed from each other, so their benefits are not maximised. The Scottish Approach to Change brings them together into a clear, practical and systematic approach using simple, shared language. Following this approach will help achieve high quality, effective, safe and person-centred services and support change to happen at pace.

We will build on our work to date on the Scottish Approach to Change to enhance the high-level framework we have published, test and develop the approach further with pathfinder sites that focus on key elements of NHS renewal, create a digital resource and a learning system to support people to use the approach, and collaborate with other organisations. We will work with NES to develop the learning pathways for leadership in change which will help embed the Scottish Approach to Change across health and care.

As further delivery plans for NHS renewal are produced by SG, we will target our responsive support to specific areas of NHS renewal. We will share examples of good practice where this happens already and we will build further evidence through our improvement work, taking a structured approach based on whole system thinking, evidence-based practice and good engagement. We will share this learning through the case studies we are developing to underpin the Scottish Approach to Change.

Furthermore, HIS will support meaningful public engagement in NHS reform and renewal by gathering insights, strengthening research collaborations and providing responsive support for engagement on national priorities. Additionally, HIS will help NHS organisations improve engagement practices through structured frameworks, responsive guidance and a learning system that supports knowledge mobilisation into practice. Efforts will also focus on enhancing volunteering in NHS Scotland by improving management systems, expanding training and assessing the impact of volunteering experiences.

Our intended impact for our NHS reform and renewal work is to provide a clear and coherent approach to delivering change that will drive forward high quality change at pace, and to provide responsive support to areas of high priority/pressure.

Programmes for 2025-26

This work is supported by the following statutory functions highlighted earlier in our ADP:

- Assurance of engagement (Service change, Quality Framework assurance support)

Programmes	Key deliverables and timescales
<p>Scottish Approach to Change (SATC)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NES • NHS board pathfinder sites 	<ul style="list-style-type: none"> • Develop and run communities of practice (profession/discipline based) that give opportunities to embed discipline specific tools, methods and approaches into a consistent, national approach to change • Prototype and test the SATC approach in local boards and HSCPs (through pathfinder sites) and supporting the development of case studies providing examples of the approach in use in different settings • Create and share a digital resource setting out an approach for change. This will include the steps that are needed for successful change, guidance about how to apply the approach. Descriptions of how different methodologies and tools can be used and case studies providing examples. • Capture and share knowledge, examples, tools and resources to help those in health and social care deliver change and enhance the digital resource
Evidence for engagement	<ul style="list-style-type: none"> • Undertake three Citizens' Panels and four Gathering Views exercises by 31 March 2026. Topics for 2025-26 include medicines safety, long-term health conditions, and preconception health and care, and NHS reform and renewal. We will use this engagement activity to build on our Citizens' Panel Report on Reform published in November 2024. We propose considering use of digital innovation, shifting from acute to community, diagnostics, outpatient services and expanding on previous findings about people's preferences for accessing services (eg timely and local access). • Use Gathering Views activity to gather detailed qualitative data to better understand people's views on when timely access to services is most important and when continuity of care takes precedence. We will test models of care

Programmes	Key deliverables and timescales
	<p>informed by these findings within our improvement work, adapting as we learn, to provide further evidence for how to deliver person-centred care.</p> <ul style="list-style-type: none"> • Provide high quality and robust evidence on how to undertake effective engagement with the public to support improvements and advances in social research practice • Re-establish the Participation Research Network, provide responsive support on engagement practice for HIS programmes, develop relationships with the higher education sector, and generate bespoke research during 2025-26
<p>Improvement of engagement</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • NES • Scottish Social Services Council (SSSC) • Care Inspectorate 	<p>Volunteering in NHS Scotland</p> <ul style="list-style-type: none"> • Develop and implement in 100% of NHS boards a national Volunteer Management System (VMS) • Provide 12 volunteer management development and learning opportunities • Measure the impact of volunteering in NHS Scotland, and volunteer and volunteer manager experiences, with a goal of 50% participation in the staff and volunteering experience surveys <p>Quality Framework improvement support</p> <ul style="list-style-type: none"> • Provide focused support for NHS Scotland organisations wishing to improve aspects of engagement practice following self-assessment using the Quality Framework for Community Engagement and Participation • Develop and implement an accessible responsive support request pipeline, deliver a minimum of three responsive support responses in relation to the Quality Framework action plans, deliver two engagement practice responsive support webinars <p>Learning and improvement system</p> <ul style="list-style-type: none"> • Enable communities and people with lived and living experience to meaningfully inform and influence care, support and services • Create an evidence-based Engagement Practice Learning System that supports knowledge mobilisation into practice, develop an internal and external engagement practice responsive support programme, deliver three cohorts of the Care Experience Improvement Model (CEIM)

Programmes	Key deliverables and timescales
	Improvement Leaders learning programme, co-design and evaluate a national engagement practice change package within a learning collaborative, and develop and evaluate a new improvement approach to What Matters to You? conversations

Once for Scotland medicines support

(Not including SMC statutory function)

Programmes for 2025-26

Programmes	Key deliverables and timescales
<p>Health and justice</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> NHS boards Scottish Prison Service (SPS) NSS Community Pharmacy Scotland Cegedim Cohesion Medical SG Pharmacy and Medicines Division 	<p>Prison pharmacy contract</p> <ul style="list-style-type: none"> Lead a collaborative of NHS boards, National Procurement and current contractor to confirm compliance with prison pharmacy contract KPIs Lead the Prison Pharmacy Group (PPG) Collaborative to deliver QI initiatives to maximise the safe and effective use of medicines in agreed therapeutic areas Lead a collaboration of PPG and other NHS stakeholders in prison healthcare to identify options for future service provision Lead a collaboration between PPG and National Procurement to update service specification for inclusion in a future re-tender exercise. <p>GP Prison IT (GPIT)</p> <ul style="list-style-type: none"> Chair a Subgroup of the National Prison GPIT Programme Board dedicated to confirming prescribing and administration requirements. Agree requirements for development to provide a minimally viable product, as well as requirements for development at a later stage. Lead engagement with alternative prescribing and administration platform providers as a contingency arrangement. <p>This work also supports the joint inspection programmes of police custody and prisons.</p>
<p>Voluntary scheme for branded medicines Pricing, Access and Growth (VPAG) Investment Programme</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> NSS PHS 	<p>SMC, SIGN and RDS will work with partners (PHS and NHS National Procurement) to deliver the HTA component of the VPAG investment programme for Scotland. During 2025-26, all three workstreams of VPAG (streamlined HTA methods, digital pathways and implementation and data-driven approach) will be established.</p>

Programmes	Key deliverables and timescales
<p>Scottish Antimicrobial Prescribing Group (SAPG)</p>	<p>Educational output</p> <ul style="list-style-type: none"> • Work closely with clinical staff in NHS boards to promote the safe and effective use of antibiotics across hospital and community settings to tackle antimicrobial resistance <p>Guidance</p> <ul style="list-style-type: none"> • SAPG provides national guidance to support antimicrobial stewardship across Scotland. A variety of subgroups have a specific focus on improving prescribing in an identified area of antimicrobial stewardship. <p>QI tools</p> <ul style="list-style-type: none"> • Work to influence policy and guidance around antimicrobial stewardship at national and international level
<p>Area Drugs and Therapeutics Committee (ADTC) Collaborative Forum</p>	<ul style="list-style-type: none"> • Maintain a collaborative relationship with the ADTCs across Scotland to enhance and ensure the sharing of learning • Consider approaches to reduce variation in routes to access medicines via engagement and collaboration with Boards and key stakeholders
<p>Early Access to Medicines Scheme (EAMS)</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> • MHRA 	<ul style="list-style-type: none"> • Develop and promote the MHRA EAMS in NHS Scotland • Deliver EAMS operational Guidance on 'Once for Scotland' basis • Liaison with Pharmaceutical companies to agree Operational Guidance • Liaise with clinical experts from NHS Scotland
<p>National Review Panel</p>	<ul style="list-style-type: none"> • Maintain and deliver a consistent approach to medicines that are not routinely available for patients in Scotland by ensuring monthly National Review Panels are accessible
<p>National Cancer Medicines Advisory Group (NCMAG)</p> <p>Delivery partners</p> <ul style="list-style-type: none"> • Cancer Medicines Outcome Programme Public Health Scotland (CMOP-PHS) • University of Strathclyde 	<ul style="list-style-type: none"> • Working to the agreed guiding principles and methodology, issue national advice for off-label and/or off-patent use of cancer medicines that is consistent and meets specific criteria and standards, publishing 8-12 advice statements per year • Complete the annual horizon scanning exercise with clinicians for identification of off-label uses of cancer medicines and with national procurement for off-patent uses • Continue to work with CMOP-PHS to establish processes for accessing real world evidence from NHS Scotland which

Programmes	Key deliverables and timescales
<ul style="list-style-type: none"> SG Medicines and Pharmacy and Cancer Policy divisions 	<ul style="list-style-type: none"> supports proposal reviews and assessment of NCMAG decisions uptake across Scotland Continue to work with SG medicines and cancer policy teams to ensure NCMAG advice is embedded in medicines access policy
<p>Systemic Anti-Cancer Therapy (SACT) governance</p> <p>Delivery partners:</p> <ul style="list-style-type: none"> SACT Programme Board Regional Cancer Networks NHS boards Directors of Pharmacy Scottish Cancer Network 	<ul style="list-style-type: none"> Lead on review of CEL30 on behalf of SG cancer policy to incorporate risk-stratified approach to management of SACT within Scotland Lead on establishment of national SACT risk stratification review group Update of HIS SACT Governance framework and planning for next review cycle of SACT services within NHS Scotland and IHC Update of SACT Consent Framework Provide expert SACT and pharmacy leadership and support to national groups and work programmes Improve capacity and service planning across National SACT services through leadership in the development of a National SACT Workforce and Capacity planning/monitoring tool
<p>Medicines safety</p>	<ul style="list-style-type: none"> Support the shared learning to ensure the safe use of valproate (and potentially other teratogenic medicines) in Scotland

Planning priorities for all boards

Anchor planning

HIS remains committed to the Anchor principles, through the delivery of our strategic priorities, and that our work as a national board will supplement the activity of territorial boards. We will continue to focus on delivery of our Anchors Strategic Plan 2023-26, where we note that as a national board, our contributions may differ to those of other Anchor institutions, as the impact of our work is felt across Scotland. Within this unique position in the health and care system, we view our greatest contributions as an Anchor institution as being in the following areas.

Procurement

HIS's procurement services are provided by the Scottish Ambulance Service (SAS) under a shared service arrangement (the Shared Procurement Service). SAS's [Procurement and Logistics Service Strategy 2023–2026](#) outlines how the service will undertake activities to maximise local, progressive procurement of goods and services, and HIS is committed to supporting this.

Employment

Ongoing development of our Workforce Plan is described above in “Workforce Context”. Our Workforce Plan includes detailed actions on how we will plan, attract, train, employ, retain and nurture our workforce to deliver sustainable high quality services that achieve our strategic and operational priorities. HIS is an accredited Living Wage Employer, and our actions are aligned to the ambition of Scotland becoming a Fair Work Nation. Living Wage accreditation highlights employers that choose to go further than the government minimum, by paying the real Living Wage to all relevant workers.

In 2025-26 we will begin work to develop an Employability Strategy which sets out how we will develop a considered and cohesive approach to employability/work-based learning programmes.

Equalities

As an Anchor institution, we will strive to place equity at the centre of all decision making, and we note earlier in our plan that a focus on equalities cuts across our work programme, and outline key activities we are undertaking. One of our strategic priorities is to enable the health and care system to place the voices and rights of people and communities at the heart of improvements to the safety and quality of care. We will provide independent assurance of the quality and safety of the care provided by Scotland's health and care system and measure how outcomes for people are improving and inequalities are reducing.

With partner organisations, we will consider how services are working together as an integrated system to implement improvements.

We have also developed our [Equality Outcomes and Activities for 2025-29](#) which support our role as an Anchor institution.

Community empowerment and involvement in service design

Our statutory role to support, ensure and monitor NHS legal responsibilities around public involvement is one way we help ensure health and care services co-design changes with those who rely on them to ensure we place their needs, rights and preferences at the heart of the delivery of services. We have outlined our work in this area for 2025-26 under our statutory functions.

Value-based health and care

HIS will continue to support the SG Value-Based Health and Care team and programme. This includes sourcing and summarising the evidence to support the development and implementation of national guidance for procedures of low and limited clinical value. RDS will offer support in translating this guidance into decision support tools for clinical use and shared decision making at point of care.

RDS will continue to develop and embed use of the national web and mobile app for Realistic Medicine for professionals and of the *Being a partner in my care—Realistic Medicine together*—app for citizens. RDS will further support Value-Based Health and Care through its lead role in:

- Collaborating with the SG Value-Based Health and Care team to implement national use of Patient-Reported Outcome Measures (PROMs) across health and care, including national digital infrastructure and knowledge mobilisation approaches to engage practitioners and citizens in the transformational change associated with widespread use of PROMs. This builds on the feasibility study which the RDS team delivered in 2024.
- Delivering and embedding use of digital tools for shared decision making and person-centred care decisions.
- Translating national and local guidance into decision support tools for use at point of care to reduce unwarranted variation, waste and harm and spread consistent evidence-based practice.

SAPG, SIGN, and SMC recommendations are noted in the [SG guidance on achieving value and sustainability in prescribing](#), including items of low and limited clinical value and effective use of antimicrobials. Appropriate use of antibiotics helps to reduce unwarranted variation in prescribing and maximise value of healthcare, achieving better outcomes for the individual and leading to the creation of a more sustainable health care system.

Digital and innovation

We are currently developing a HIS Digital and Intelligence Strategy for 2025-28, which describes how we will deliver on the digital commitments outlined in our organisational 2023-28 strategy. It also sets the direction for our organisation-wide approach to using intelligence about the safety and quality of care.

It sets out a digital vision for HIS, that by 2028 HIS will be a digitally empowered, data-driven, intelligence-led organisation. It also outlines four digital essentials to underpin this vision.

It details the systems-wide approach that is required to provide the infrastructure, integrated systems and skills base needed to drive maximum return from the intelligence and evidence we receive and to bring together knowledge and skills from across the organisation to have most impact in reducing waste, variation and harm.

It also acknowledges that an essential building block to transformation is empowering our staff with the skills and confidence to allow digitalisation to be led by teams.

The strategy outlines key actions for us to take forward for implementation once the strategy has been finalised and approved.

Below, we have also outlined key activities in relation to the priorities set out in the 2025-26 planning guidance.

Adoption and implementation of the national digital programmes

Within HIS, we will continue the work to ensure we have secure, resilient and sustainable systems and that our staff are digitally empowered. We will also focus on planning the development of a digitally connected, accessible information system that will inform our work and stakeholders, including our intelligence and web presence.

Improving cyber resilience and compliance with the Refreshed Public Sector Cyber Resilience Framework

Cybersecurity requirements will be provided by SG Department of Health and Care and NHS Cybersecurity Centre of Excellence. We will further explore this once additional detail is available and will continue to work with the Competent Authority on the Network and Information Systems (NIS) regulations.

How analysis of Digital Maturity Assessment updates informs planning, priority setting and progress reporting aligned to the Board's Digital Strategy

We have completed the Digital Maturity Assessment update and are using the results to inform the development of our Digital and Data Strategy.

Improving access to innovations

We will evaluate promising technological and service innovations and practices that improve health and wellbeing outcomes, provide value for money, support a sustainable health and care service.

RIS and RDS will develop their role as leaders in using digital technology to translate evidence into action through:

1. Use of AI tools (Nested Knowledge) to support and augment research and information specialist expertise in sourcing and screening evidence, and extracting data to support evidence review
2. Using and further developing RDS technology to:
 - Support health and social care reform, improving population health, prevention and early intervention, provision of safe, high quality health and care services, underpinned by a person-centred approach
 - Deliver digital tools to support safe and consistent evidence-informed decision making based on research, insights into people's lived experience and real world practice experience
 - Widen use of digital decision support tools for shared decisions
 - Deliver first stages of a national digital infrastructure for gathering PROMs as a basis for person-centred and shared decision making
 - Continue to explore and evaluate use of artificial intelligence for RDS search technology, and augmenting specialist expertise in sourcing and updating evidence to inform guidelines and other evidence products

Accelerated National Innovation Adoption (ANIA)

SHTG will continue to provide evidence support for ANIA and Innovation Design Authority (IDA) decision making via three specialist delivery roles:

- Horizon scanning: a quarterly report capturing new health technologies of potential interest for national scale and adoption
- Evidence assessment and economic/cost modelling: initial evidence summaries and modelling frameworks for ANIA Strategic Cases; detailed evidence reviews and modelling for ANIA Value Cases
- Benefits realisation (SHTG providing support to CfSD): data/evidence measurement plan for technologies approved at Value Case; subsequent impact reports and final evaluation

Reducing the environmental impact of healthcare

HIS has a role in the delivery of the NHS Scotland Climate Change and Sustainability Strategy, as well as in the consideration of how we incorporate sustainability as a core element that underpins our work. Our key activity in this area for 2025-26 includes:

- Developing our route map to achieving net zero status by 2040. This will be informed by data from Corporate Travel Management (CTM) on carbon emissions from business travel, as well as eSight Energy Management System on building water and energy usage.
- Progressing with implementation of the SG Environmental Management System (EMS).
- Leadership and collaboration alongside national stakeholders to streamline climate change and sustainability reporting requirements to reduce duplication and overlap and ensure this process is more effective and efficient.
- Linking environmental considerations into our business continuity planning and reporting.

We will deliver technology assessment reports to support implementation of the National Green Theatre Programme. RDS will continue to support implementation of the national Quality Prescribing Guides through provision of web and mobile decision support tools for professionals and patients and through embedding patient-specific evidence-based prompts for safe and sustainable prescribing within electronic care record systems.

We continue to carry out methodological work on the potential role of HTA in mitigating the environmental impacts of new technology adoption by the healthcare system. SHTG collaborates with partner HTA agencies within the UK–Health Technology Wales and the National Institute for Health and Care Excellence—to explore best practices in ensuring that environmental sustainability is a key component for health technology decision making within Scotland.

Our 2025-26 budget

The financial context and associated uncertainty create a challenging set of circumstances for HIS in developing the annual budget and associated delivery plan. We are presenting a balanced budget for 2025-26, but with reliance on a £1.5m savings target.

Overall position

The table below shows the consolidated budget position for the organisation.

Table 1: Consolidated HIS budget 2025-26

Reporting category	2025-26 budget £000s	2024-25 actuals £000s	Variance £000s
Baseline income	38,249	37,084	1,165
Allocation income	8,955	7,126	1,829
IHC income	1,694	1,382	312
Other income	182	182	-
Grant income	220	88	132
Total income	49,300	45,862	3,438
Total pay costs	42,868	38,965	(3,903)
Total non-pay costs	6,432	6,897	465
Total operating expenses	49,300	45,862	(3,438)
Reported underspend/ (overspend)	-	-	-
Whole Time Equivalents (WTE)	565	570	5

We are forecasting to start the year in a position of financial balance, with recurring savings of £1.5m being achieved during 2024-25 and non-recurring savings of £1.0m being carried into 2025-26 as an additional cost pressure.

Baseline funding

Our baseline funding for 2025-26 is anticipated to be £38.2m, this includes:

- The budget funding letter received from SG on 4 December 2025 of £37.6m, which included an uplift of £2.5m for the 2024-25 pay award and a further uplift of £1.1m for the anticipated 2025-26 pay award.
- A further £0.3m for the SG funded portion (60%) of the National Insurance increases from April 2025.
- An additional unconfirmed amount is anticipated as part of a £10m recurring sustainability uplift to be applied pro-rata to National Boards. For planning purposes, we are assuming this is in the region on £0.3m.

Other key assumptions include:

- Non-pay inflation of 2.2%
- 3% pay increase fully funded by SG (with the exception of Board member pay awards)
- No change to capital allocation from 2024-25 levels
- No financial impact from IFRS15 relating to service level agreements
- National insurance increase is partially funded by SG (60%) with the remainder as a

Additional allocation funding

Additional allocations have been included in the budget in line with the 2024-25 values. These are outlined in the table below. Funding confirmation is expected from SG before the end of Q1 2025.

Table 2: Additional allocation funding

Funding category	2025-26 funding £000s	2024-25 funding £000s	WTE
Expected to be baselined in 2025-26	2,078	2,085	24.8
Expected to be baselined in 2026-27	2,711	2,683	35.0
Non-recurring	4,166	2,358	51.2
Grand Total	8,955	7,126	111.0

Table 3: Additional allocations expected to be baselined in 2025-26

Expected to be baselined in 2025-26	2025-26 funding £000s	2024-25 funding £000s	WTE
Healthcare Staffing Programme	1,235	1,235	12.4
Excellence in Care	520	460	6.9
Hospital at Home for Older People	290	290	5.4
Sudden Unexpected Death in Infancy (SUDI)/Perinatal Lead	33	100	0.1
Total	2,078	2,085	24.8

Table 4: Additional allocations expected to be baselined in 2026-27

Expected to be baselined in 2026-27	2025-26 funding £000s	2024-25 funding £000s	WTE
Scottish Medicines Consortium	450	450	4.7
National Review Panel	64	64	1.0
ASP Joint Inspection Programme	250	250	2.5
National Cancer Medicines Advisory Group	230	210	3.6
Volunteer Management System	239	231	1.3
Drugs & Alcohol	1,478	1,478	21.9
Total	2,711	2,683	35.0

Table 5: Non-recurring funding

Non-recurring funding	2025-26 funding £000s	2024-25 funding £000s	WTE
Primary Care Phased Investment Programme	1,674	1,062	23.2
Right Decision Service	688	688	3.9
Mental Health Care–Community Engagement and Transformational Change (CETC)	476	476	7.1
Mental Health Care–Quality Assurance and Regulation Directorate (QARD)	455	455	6.1
Mental Health Responsive Support	185	185	2.8
Police Custody	178	178	2.1
Scottish Palliative Care Guidelines	160	160	2.0
Maternity Standards/Caesarean Section	-	94	-
SG Adjustment–Policy v Budget Difference	-	(1,290)	-
VPAG	350	350	4.0
Total	4,166	2,358	51.2

Allocations which were notified as ‘baseline recurring’ and ‘earmarked recurring’ by SG we expect to be baseline funded in 2025-26 and 2026-27 as shown in the table above.

Cost pressures, with uncertain sources of funding at this stage, include:

- Pay award: £0.2m
- National Insurance increase: £0.1m

Independent healthcare (IHC)

An agreed 7% increase in fees, alongside an anticipated 18% increase in registered services, is expected in 2024-25 for our regulation of independent healthcare work. This increase is primarily caused by the extension of legislative changes to include the registration of IMAs. This is outlined in the table below.

Table 6: Independent healthcare budget

Reporting category	2025-26 budget £000s	2024-25 actuals £000s	Variance £000s
Baseline income	-	252	(252)
IHC income	1,694	1,382	312
Total income	1,694	1,634	60
Total pay costs	1,818	1,420	(398)
Total non-pay costs	252	216	(36)
Savings target	(376)	-	376
Total operating expenses	1,694	1,636	(58)
Reported underspend/ (overspend)	-	(2)	2

Our bad debt provision is expected to fall from 9.5% to 7.7% during the year, because of an increased focus on bad debt management and we continue to hold a £0.6m provision for possible financial claims. There are no reserves to carry forward in 2025-26.

Pay costs and WTE

Total pay costs have increased from £38.7m to £42.9m (3%) as a result of:

- 2024-25 pay awards and pension increase (£2.5m)
- 2025-26 baseline pay awards uplift (£1.1m)
- 2025-26 national insurance uplift of 60% (£0.2m)

The remaining increase relates to additional allocations and the expectation we will be fully resourced by 1st April 2025.

The 2025-26 budget includes staff turnover at a value of £1.0m (24-25: £1.1m) which represents a 2.5% vacancy factor overall against our pays budget. This is slightly lower than prior year (2.6%) and is consistent with our current staff turnover rate.

Total WTEs are budgeted to increase by from 560 to 565 during the year (increase of 5 WTEs, 1%), mainly because of an increase in non-recurred funded programmes.

Non-pay costs

Non-pay costs are expected to increase by £0.9m in 2025-26 mainly because of Professional Fees relating to the Volunteer Management System (£0.1m) and the Primary Care Improvement programme (£0.3m). Other key cost increases are in IT costs for RDS (£0.2m) and licence increases (£0.1m).

Table 7: Non-pay costs

Non-pay category	2025-26 budget £000s	2024-25 actuals £000s	Variance £000s
Payments to other organisations	1,878	1,888	10
IT costs	1,576	1,966	390
Professional fees & charges	995	852	(143)
Rent & occupancy costs	753	800	47
Miscellaneous	437	638	201
Travel & subsistence	314	231	(83)
Depreciation	241	218	(23)
Communications	120	96	(24)
Training	118	208	90
Total non-pay costs	6,432	6,897	465

Savings targets

While our preferred position is to avoid generic savings targets, achieving a balanced budget in 2025-26 will still necessitate a savings target. However, this target has decreased from £2.5m (8%) to £1.5m (3%) in 2025-26 because of recurring savings made in-year.

Recurring savings not made in-year will be carried forward into 2025-26 at a directorate level. The plans to achieve the £1.5m savings target will rely heavily on identifying recurring efficiencies. We will continue to take a One Team approach to the savings targets, with corporate wide, strategic initiatives rather than incremental one-off savings.

Detail plans on how to achieve the savings remain in progress and therefore there remains a risk in achieving financial balance. To mitigate against this, tighter financial controls may need to be implemented during the year. This includes vacancy freezes and declining discretionary spend by the Finance Team. It is recognised this is a crude approach, but one required until the work programme is in an affordable position.

In addition, a £1.0m vacancy factor is included in the budget. The vacancy factor is not a savings target, but a consequence of staff turnover, representing on average three months of vacancy before the post is filled. The vacancy factor in the budget has reduced from 17% to 10% in 2025-26.

Areas for investment

At this time there is limited funding available for new areas for investment in 2025-26 because of recurring commitments made in 2024-25. We have been careful to ensure all areas of work in our delivery plan is affordable, however, there is minimal contingency remaining in the plan to accommodate any unforeseen changes or additional work.

We will continue to review throughout the year and reconsider areas for investment if and when funding becomes available.

Five-year plan

Our five-year financial plan is based on several assumptions and extrapolated from the 2024-25 budget. This plan assumes financial balance in all the years, in line with the previous five-year plan.

Key assumptions include:

- 3% funding uplift from SG per year
- Staff wage inflation of 3% per year
- Fixed costs consumer price index (CPI) of 3% per year
- IHC income increases by 3% year on year
- Pay uplifts are fully funded by SG
- Allocations earmarked to be baseline are included in recurring funding for respective years

Table 8: Five-year plan

Reporting category	24/25 actuals £000s	25/26 budget £000s	26/27 budget £000s	27/28 budget £000s	28/29 budget £000s	29/30 budget £000s
Baseline income	37,084	38,249	41,537	45,658	47,028	48,439
Allocation income	7,126	8,955	7,083	4,420	4,553	4,689
IHC income	1,382	1,694	1,650	1,650	1,650	1,650
Other income	182	182	198	198	198	198
Grant income	88	220	209	209	209	209
Total income	45,862	49,300	50,677	52,135	53,638	55,185
Total pay costs	38,965	42,931	44,219	45,545	46,912	48,319
Payments to other organisations	1,888	1,878	2,224	2,291	2,359	2,430
IT costs	1,966	1,576	1,413	1,455	1,499	1,544
Professional fees & charges	852	995	1,019	1,049	1,081	1,113
Rent & occupancy costs	800	764	736	758	781	805
Miscellaneous	638	374	403	415	428	441
Travel & subsistence	231	303	353	363	374	386
Depreciation	218	241	771	794	817	842
Communications	96	120	51	52	54	55
Training	208	118	198	203	210	216
Non-pay savings Target	-	-	(709)	(792)	(877)	(965)

Reporting category	24/25 actuals £000s	25/26 budget £000s	26/27 budget £000s	27/28 budget £000s	28/29 budget £000s	29/30 budget £000s
Total non-pay costs	6,897	6,369	6,458	6,590	6,726	6,866
Total operating expenses	45,862	49,300	50,676	41,135	53,638	55,185
Reported underspend/ (overspend)	-	-	-	-	-	-
Percentage underspend/ (overspend)	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Capital expenditure	60	79	79	79	79	79
WTEs	570	565	565	565	565	565

To achieve financial balance, savings of £3.3m are required over the next five years (6%). This is reliant on savings made in 2025-26 being recurring to bring ourselves into a position of financial balance.

Infrastructure planning

Our plans for service delivery in 2025-26 will not be impacted by developing infrastructure plans. We do not have any large estate or IT projects. We undertook an internal review and concluded that for phase 1 of the infrastructure planning, we would be able to manage all capital expenditure through our normal capital allocation.

Workforce

Below, we have outlined key activities in relation to the priorities set out in the 2025-26 planning guidance.

Increasing efficiencies across administrative and support services

HIS have employed a cohort of 20 staff across Administrative Officers and Project Officers as part of a new model of working in 2024-25. They are permanent staff who have been appointed to support the need to be flexible and responsive to the changing demands within HIS. This minimises our reliance on fixed term contracts and will create a more flexible and agile workforce model. This model will support staff development as well as delivery needs and over 2025-26, consideration will be given to other groups of staff where this model could be extended.

HIS has carried out a series of Listening Sessions with project support staff, encouraging open dialogue about how to improve and enrich roles; find common ways of working; promote the 'One Team' ethos, and share resources. We will continue to build on this work to ensure lines of communication are open and feedback acted upon where appropriate.

In HIS, the aim is to develop more agile ways of working, and it is envisaged that the Awesome Network will enable this process within the field of administration and support.

Support for attendance

Managers receive monthly absence reports for their teams. Working closely with human resources (HR) Advisors, the managers review and support their staff in accordance with the national Attendance Policy, with the emphasis on supporting people who are in work and especially supporting staff back to work after a spell of absence.

Through HIS Campus, we offer specific courses (Supporting Attendance and Supporting Capability) aimed at ensuring line managers recognise the key role they have in supporting attendance and capability matters to ensure that they have the confidence to use the associated policies as a framework for supporting staff.

Support is also available through several routes:

- Occupational Health Services, via self and manager referrals.
- Employee Assistance Programme (EAP) which offers face-to-face, online and telephone counselling, wellness seminars, legal advice, a virtual gym and information on many more health and wellbeing topics. This can be via self or manager referral.

- Bespoke support services are available through our EAP, and have been tried, tested and found to be very beneficial.
- Health and Wellbeing section on the HIS intranet site, which is dedicated to promoting many events, workshops, websites, charities, the National Wellbeing Hub and other external organisations from whom support and guidance can be reached.
- Several initiatives are in place via our Health and Safety Committee to support staff mental health and wellbeing. Regular sessions include weekly meditation and wellbeing support drop-in sessions, alongside our various networks who have regular sessions for staff (eg Menopause Café, Carers Network, Disability Network and Race and Ethnicity Network).
- Working in partnership, we are currently undertaking a 'deep dive' exercise focussing on the current sickness absence levels, reasons for absence, identifying any trends and areas whether further support may be required. The data will help to inform future actions and areas of focus.
- We have introduced a Reasonable Adjustments Passport, agreed in partnership, which aims to help support staff to remain in work, and to be able to move around the organisation without having to repeat conversations and re-negotiate adjustments which may be needed to enable them to carry out their roles effectively.

In the coming year HIS will continue to support employees—both at work and those absent because of health issues—to have a healthy working life. The Attendance Policy is the mainstay of this support and will be used as appropriate to each situation.

We are in the process of training facilitators through PHS to provide in-house training in Mentally Healthy Workplace Training for Managers. Once this cohort is in place, we are looking to roll out a programme of training for managers across HIS.

We are also reviewing the potential to provide refresher training for our Mental Health First Aiders, alongside offering this opportunity for new staff to be trained in this area. As this would be delivered by an external provider, consideration is being given to how this could be funded.

Additionally, we are considering introducing See Me in the Workplace which supports employers and individuals to tackle mental health stigma and discrimination. Signing up to the portal would enable HIS to access advice, tools and support to improve the working lives of employees experiencing mental health problems; encourage an equal and fair recruitment process for those seeking employment, support people to stay in work, wherever possible and ensure those returning to work following mental ill-health are fully supported back into the workplace.

Starting in January 2025, we will deliver several sessions specifically for those with managerial responsibility. At the sessions, managers will have the opportunity to consider their role in developing individuals and teams, providing feedback, holding good conversations and creating psychological safety. This aims to increase managers confidence in creating a positive culture in their own area of influence.

eRostering

In line with national timeframes, HIS assigned dedicated resource throughout 2024-25 to successfully manage the full implementation of eRostering. Having met all project milestones, our status has been confirmed as being complete by the eRostering National Programme Team when the national implementation phase drew to a close in November 2024.

During 2025-26, we will continue to work closely with eRostering national groups to facilitate the direct to payroll integration programme when timeframes and requirements become clearer during the year. Further work will also be undertaken to accommodate the reduced working week adjustments necessary in 2025-26 and 2026-27.

Working with Further and Higher Education institutions

Working alongside Edinburgh Napier University, we are exploring the opportunities for student placements in 2025-26. This will involve establishing a talent pipeline with access to driven and talented students for computing placements. Discussions will take place with Partnership Forum and colleagues in 2025 to determine if we are in a position to offer a placement opportunity to provide students with relevant and structured work experience that enhances their employability and skills.

HIS participates in the (NHS) National Employability Leads Group, and so far, this has involved gaining an understanding of how employability is approached and resourced, predominantly within territorial boards. Currently, the approach to wider employability in HIS tends to be addressed at directorate level, and in response to an opportunity being made available via NES, such as securing a candidate via the Graduate Career Advantage Programme, and the Management Trainee Scheme (for Finance and General Management Trainees). This is a developmental area for HIS and future plans include:

- Identifying existing internal groups which can inform/influence employability activity (such as the Children and Young People Working Group)
- Assessing the range of employability programmes available, and their fit/value for HIS
- Assessing employability opportunities through workforce planning processes
- Assessing potential for developing partnerships with universities/other NHS boards to support the growth of particular clinical/professional skills

Risks

The HIS Board maintains an overview of the main issues that impact on our operating environment and the risks to the achievement of our organisational objectives. There are several high-level risks to delivery of the Plan as follows.

Strategic delivery risks

The most significant emerging risk as we move into 2025–26 is that we fail to identify risks to the safety and quality of care through our scrutiny and assurance activity, potentially resulting in patient harm and reputational damage. We are responding by ensuring we provide a flexible and agile response, improving cross-organisational-intelligence sharing with the aim of identifying areas of particular concern at the earliest opportunity.

Further risks relate to our capacity to deliver as follows:

- Organisational resilience is thin. Prolonged periods of cost-saving measures have significantly reduced resources, along with additional work, creating a heightened risk to our capacity to deliver.
- There are challenges around balancing deliverables to ministerial priorities against a backdrop of constrained funding.
- There is a risk of financial instability because of national funding challenges resulting in changes to the organisational priorities, impact on staffing levels and a potential over/under spend.
- There is currently limited national implementation support given pressures in the system.
- There are risks regarding independent healthcare. The growth in the independent sector, for example delivery of non-surgical cosmetic procedures, has potentially significant implications for the scope and resourcing of our regulatory activity.
- There is increased pressure from NHS boards to provide support, particularly around community engagement and redesign in light of increasing service change.
- Additional capacity and expertise are required to deliver increasing demand regarding public inquiries.

Financial risks

There are several assumptions in the 2025-26 budget submission that could have an impact on the annual delivery plan within the financial envelope. These scenarios range from a £5.3m overspend (-10%) to a £2.5m underspend (+5%).

Table 9: Financial overspend risks

Overspend risks	£m	Probability
Savings targets not met (50%)	(0.8)	High
Higher pay awards on baseline (2%)	(0.7)	High
IHC unable to breakeven	(0.2)	High
Unfunded 2025-26 pay award on allocations (3%)	(0.2)	High
Non-receipt of allocations (25%)	(2.3)	Medium
Lower staff vacancy rates (5%)	(0.5)	Medium
Non-receipt of recurring sustainability payment	(0.3)	Medium
Cost of change	(0.3)	Medium
Higher inflation (2%)	(0.1)	Low
Total overspend risk	(5.4)	-

Table 10: Financial underspend risks

Underspend risks	£m	Probability
Additional allocation slippage (20%)	1.8	High
Higher sustainability payment	0.2	Low
Higher staff vacancy rate (5%)	0.5	Low
Total underspend risk	2.5	-

Workforce risks

Our staff remain the largest asset to the organisation and a key enabler in delivering this plan. Our workforce model must be flexible and agile to focus our strengths and resources on addressing challenges to secure positive, sustainable change in the health and care system. Risks include:

- **Financial pressures:** A proportion of the work commissioned by SG from HIS is funded annually on an additional allocation basis. Delays to date in receiving

allocation letters present a risk to our ability to commence and deliver certain programmes of work within planned timescales.

- **Workforce shortages/competition:** Within HIS we recruit to a range of specialist roles that are not replicated elsewhere within NHS Scotland, for example in improvement, service redesign and health economics. We are often in competition with private industry, such as large pharmaceutical companies, or seeking to employ to these roles from a smaller skills base than other roles.
- **Recruitment employment challenges:** Given the nature of our funding, we are reliant on a proportion of fixed term contract appointments and the need to attract individuals on secondment from other NHS boards. The One Team approach to developing a new framework to manage fixed term posts and a new workforce model should support us to overcome these challenges by minimising the reliance on the use of fixed term contracts and having greater scope to flexibly deploy and develop staff across the organisation as work priorities change.

Published June 2025

**You can read and download this document from our website.
We are happy to consider requests for other languages or
formats.**

**Please contact our Equality and Diversity Advisor on 0141 225
6999**

or email his.contactpublicinvolvement@nhs.scot

Healthcare Improvement Scotland

**Edinburgh Office
Gyle Square
1 South Gyle Crescent
Edinburgh
EH12 9EB**

0131 623 4300

**Glasgow Office
Delta House
50 West Nile Street
Glasgow
G1 2NP**

0141 225 6999

www.healthcareimprovementscotland.scot

iMatter Board Report

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 4.1

Responsible Executive: Sybil Canavan, Director of Workforce

Report Author: Sybil Canavan, Director of Workforce

Purpose of paper: Awareness

1. Purpose

This paper is to provide Board members with detail on the recent iMatter 2025 survey results for Healthcare Improvement Scotland which were published on Tuesday 10 June.

2. Executive Summary

As Board members are aware, following the 2024 results a range of actions were agreed to seek to respond to the matters that had been highlighted in the lowered scores in responses that were received.

A focus on the introduction and use of Pulse surveys within Directorates is now in place. Work was also undertaken to ensure clarity and production of action plans for teams and Directorates to enable agreed actions to be highlighted.

The results received for 2025 show a small reduction in the response rate, which sits at 89% and is one percentage lower than 2024. However, our overall Employee Engagement index has increased by 3 points, from 75 last year to 78 for 2025.

The overall experience of working within the organisation shows an improved position, rising from 6.6 to 7.1 for the 2025 survey. Of the 28 categories measured, 26 have shown an increase in ratings with two remaining unchanged. It is also important to note that 17 categories saw an improvement of three points or more.

Looking ahead there is still a need to build confidence for staff in being able to raise concerns to ensure that staff feel able to speak up but also that their concerns will be acted upon.

Moving forward the priority is now to ensure completion of the required action plans in response to these survey results. The deadline for completion of these is 5 August and ongoing communication across the organisation has highlighted the importance of teams ensuring this work is completed.

The National Health and Social Care Staff Experience Report will be published later in the year.

3. Recommendation

It is recommended that the Board accept the following Level of Assurance:

Moderate: reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.

4. Appendices

The following appendices are provided in the additional reading folder on Admincontrol.

- Appendix 1 – HIS Board Report 2025
- Appendix 2 – 2025 Board Yearly Components Report
- Appendix 3 – Raising Concerns Report 2025

Risk Management

Meeting: Board Meeting -Public

Meeting date: 30 June 2025

Agenda item: 5.1

Responsible Executive: Angela Moodie, Director of Finance, Planning and Governance

Report Author: Geoff Morgan, Programme Manager

Purpose of paper: Assurance

1. Purpose

The Board is asked to review all the current strategic risks (Appendix 1) as of 6 June 2025 to gain assurance of the effectiveness of risk management at Healthcare Improvement Scotland.

2. Executive Summary

This paper supports the Board's duties under the NHS Scotland Blueprint for Good Governance by outlining responsibilities related to setting risk appetite, overseeing risk management, and monitoring key organisational risks. It also aligns with HIS's strategic goal of ensuring strong governance to support safe, effective, and person-centred care.

In the quarter, there were two new strategic risks raised, taking the total to fifteen, with six risks being out with appetite. The highest related risks are regarding regulation of Independent Healthcare, cybersecurity, inspections & other assurance activities and safe delivery of care in Scotland.

Board Risk Appetite Review

The Board undertook a comprehensive review of its approach to risk appetite at its seminar on 22 May 2025. This included realignment of organisational risk categories to enhance strategic clarity, governance, and operational resilience.

The proposed changes consolidate risk categories into four domains: Operational, Strategy, Workforce, and Clinical & Care Governance. Notably, the Finance category is removed with associated risks moved to Operational, and Reputational risks are reclassified under Strategy.

Risk Category	Previous appetite	New appetite
Financial / Value for money	Cautious	-
Operational	Cautious	Open (minimal appetite for cybersecurity and information governance)

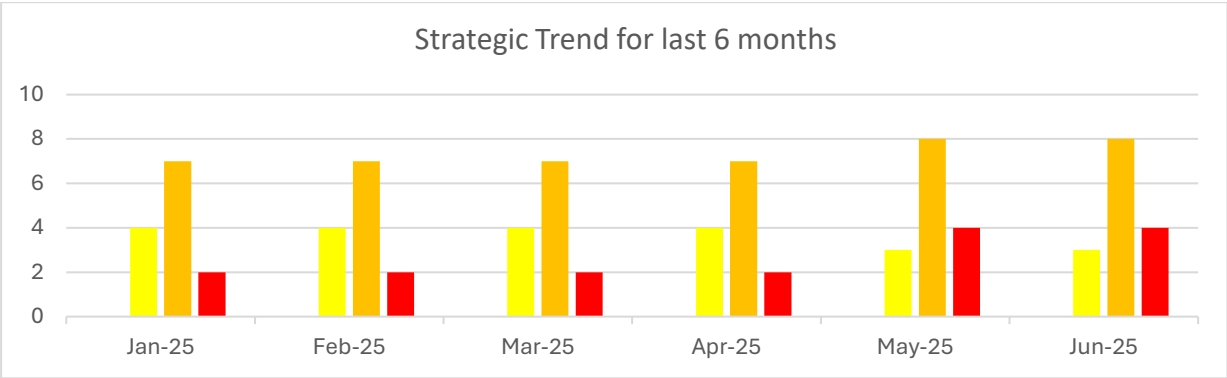
Strategy (previously named reputational)	Cautious	Open (minimal for statutory duties)
Workforce	Cautious	Open (minimal for behaviours, equality, and T&Cs)
Clinical & Care Governance	Minimalist	Open (averse for delivery of care that causes patient harm)

Strategic Risks

There are currently fifteen strategic risks identified, which is an increase of two since the last report presented to the Board:

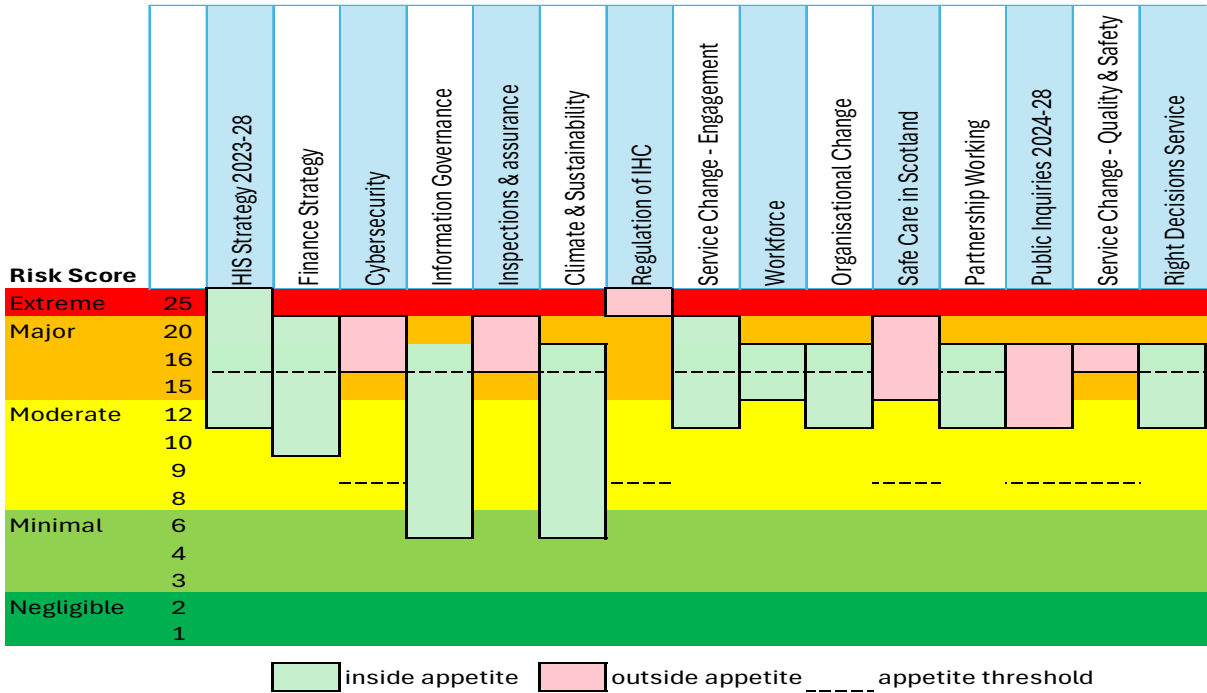
Two new risks added – Service Change: Quality and Safety, and Right Decision Service: Funding.

Two risk scores increased – Cybersecurity and Independent Healthcare.



Out of Appetite Risks

The below chart provides a summary of our strategic risks by risk score and appetite. Six out of the fifteen risks are currently out of appetite.



Cyber Security

Despite strong technical safeguards, the risk level has been increased to Likelihood 4 following a recent phishing simulation and a rise in successful phishing attacks across other sectors. The primary vulnerability lies in the human element.

To mitigate this, Digital Services Group is delivering targeted Information Governance and Security awareness sessions via HIS Campus, Staff Huddles, and Directorate Management Team meetings. Additionally, all staff receive mandatory training in Data Protection, Information Security, Cybersecurity, and Freedom of Information, and must sign the HIS Acceptable Use Policy before accessing systems.

Inspections and Assurance Activities

Staff capacity remains a key risk, with pressures from absence and ongoing development work. Development activities—such as redesigning the Responding to Concerns process, reviewing regulatory work, and enhancing the NHS Safe Delivery of Care inspection programme—have impacted capacity. Some planned initiatives, like Quality Assurance and Regulation (QARD)-wide staff development, have been delayed. Updated plans are in place to stabilise activity, and the risk is expected to reduce once short-term measures take effect.

Independent Healthcare (IHC)

A detailed review is underway to assess the effectiveness and sustainability of delivering statutory regulatory duties, with a report expected by Autumn 2025 and an implementation plan to follow. A key risk relates to legislation enacted to regulate Independent Healthcare services provided by pharmacy professionals and Independent Medical Agencies (IMAs).

The scope of IMAs is broader than initially anticipated, extending beyond online services. There is a risk of inconsistent application of discretion, which could lead to regulatory gaps, legal challenges, and risks to patient safety. Legal advice from Central Legal Office (CLO) and Counsel is pending. HIS has formally notified Scottish Government of delays in regulating IMAs.

Safety of Patient Care

To address the absence of a formal intelligence sharing mechanism, HIS has launched the Internal Sharing Intelligence Network to enhance coordination and sharing of safety and quality data across all directorates. The HIS Board has approved the Digital and Intelligence Strategy, which defines intelligence, outlines sharing principles, and clarifies its purpose. An integrated programme of workshops, seminars, and continuing professional development (CPD) will be developed to build staff confidence in sharing intelligence beyond traditional silos.

Public Inquiries

This risk remains out of appetite due to the volume and complexity of recent requests. Ongoing risks include information governance, financial strain, capacity limitations, and loss of

institutional knowledge over time. Work is being undertaken to more explicitly identify the resource requirements to provide longer term leadership and stability in this area.

Service change – quality and safety

To mitigate this risk, HIS will incorporate specific guidance into the Scottish Approach to Service Change framework, clarifying how quality and safety standards should be considered.

Furthermore, HIS will clearly define its own responsibilities in relation to service change, alongside those of NHS Boards and Health and Social Care Partnerships.

3. Risk Management Sub Committee

The Risk Management Sub Committee held its first meeting on 30th May 2025. The Audit & Risk Committee approved the draft Terms of Reference, and the first full update will be brought to the September Audit & Risk Committee.

4. Recommendation





The Board is offered a **limited** level of assurance on the strategic risks which are out of appetite. Regarding the risks which are within appetite the Committee is offered a **significant** level of assurance when the residual score is medium or low and a **moderate** level of assurance when the score is high.

The Board is asked to:

- Assure themselves that the levels of assurance provided are reasonable.
- 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.

Appendix 1, Strategic Risk Register

Risk Title	Category	Appetite	Risk Director	Risk Description	Inherent Risk Score	Controls & Mitigations	Current update	Impact score	Likelihood score	Residual risk score
HIS Strategy 2023-28	Strategy	Open	Robbie Pearson	There is a risk that external pressures—economic, political, environmental, and post-pandemic recovery—could hinder the delivery of our strategy and operational plan, impacting HIS’s performance and priorities.	25	<ul style="list-style-type: none"> • Ongoing engagement with Boards to understand system pressures. • Development of the HIS Data & Intelligence Strategy and Internal Sharing Intelligence Network. • Workforce Strategy refresh and internal improvement initiatives to enhance flexibility and cohesion. • Annual Delivery Plan 2025–26 agreed with Scottish Government; progress monitored and updated regularly. 	We are strengthening strategic delivery by managing HIS resources more efficiently and flexibly. Year-end performance shows strong progress on strategic milestones. Corporate Key Performance Indicators (KPIs) are in place for 2025–26, and a Board Strategy Day is scheduled for September to review progress and set priorities for 2026–27.	4	3	12
Financial Sustainability	Operational	Open	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.	20	Regular financial monitoring via forecasts continues to be a key control in our ability to deliver financial balance. We have been transparent with SG on our position regarding allocation funding while awaiting confirmation in 25/26 and continue to highlight the risk and impact on our Annual Delivery Plan.	<p>The key focus in Q1 is on defining our recurring savings plan for 25/26 totalling £1.5m.</p> <p>April-25 financial results show a 1% underspend, with monthly reporting and forecasting key over the following months to determine our financial sustainability in the year.</p>	3	3	9
ICT Strategy: Cybersecurity	Strategy	Minimalist	Safia Qureshi	There is a risk that our Information Communications Technology systems could be disabled due to a cybersecurity attack, disrupting operations and damaging HIS’s reputation.	20	<ul style="list-style-type: none"> • Network protections: no direct internet access, firewalls, anti-virus/spyware, device security, backups, and updates. • Alerts from national cybersecurity bodies are monitored and acted upon. • Mandatory staff training on data protection, cybersecurity, and acceptable use. 	Following a phishing simulation and recent high-profile attacks in other sectors, the likelihood score has increased to 4. While technical controls remain strong, human factors are a concern. Awareness sessions are being delivered via HIS Campus, Staff Huddle, and Directorate meetings.	4	4	16
Information Governance Strategy	Strategy	Minimalist	Safia Qureshi	There is a risk of a significant data breach through unintended disclosure of personal data, potentially leading to loss of trust, financial penalties, or regulatory sanctions.	16	<ul style="list-style-type: none"> • Staff training, data protection and security policies, retention schedule, and contractual safeguards. • Quarterly reviews of the Information Asset Register and governance meetings. • Monthly key risk indicator (KRI) reporting, OneTrust module implementation, audits, and supplier oversight. • Ongoing awareness efforts and review of email distribution lists. 	Risk remains medium. Technical controls are fully operational (KRI status: Green). Some activities, including email list reviews and the Information Commissioner's Office (ICO) accountability framework assessment, are pending scheduling.	3	2	6

Risk Title	Category	Appetite	Risk Director	Risk Description	Inherent Risk Score	Controls & Mitigations	Current update	Impact score	Likelihood score	Residual risk score
Inspections & other assurance activity	Clinical & Care Governance	Minimalist	Eddie Docherty	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.	20	<ul style="list-style-type: none"> • Risk-based planning and targeted interventions based on intelligence. • Strengthened intelligence sharing within QARD and with external partners. • Staff training, supervision, and professional development. • Quality Assurance System, standard operating procedure (SOP), and escalation protocols. • Memorandum of understanding (MoUs) with partner agencies (e.g. Care Inspectorate). 	Staffing pressures persist due to absences and ongoing development work (e.g. redesigning processes and inspection programmes). Some planned initiatives, like QARD-wide staff development, are delayed. Updated plans aim to stabilise activity, with risk expected to reduce once short-term measures take effect.	4	4	16 
Climate Emergency & Sustainability Strategy	Strategy	Open	Safia Qureshi	There is a risk that HIS may be unable to meet Scottish Government, UN sustainability goals, or NHS Scotland's 2040 net zero target due to limited capacity, risking reputational damage and missed financial and wellbeing benefits.	16	<ul style="list-style-type: none"> • Key plans and reports: Net Zero Action Plan, Climate Risk Assessment, Net user satisfaction (NSAT), Annual Delivery Plan, and Public Bodies Duty Report. • Governance: Audit & Risk Committee, Resilience Group, and International Financial Reporting Standards (IFRS)-compliant reporting. • National collaboration: Leading the National Boards Sustainability Group and working with Scottish Government (SG), NHS Assure, and other boards on reporting reforms, active travel, biodiversity, and funding bids. 	HIS is actively contributing to the redesign of NHS sustainability reporting, which will shape future targets for achieving net zero by 2040.	3	2	6 
Regulation of Independent Healthcare	Clinical & Care Governance	Minimalist	Eddie Docherty	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.	25	<ul style="list-style-type: none"> • Strategic review underway, supported by an Interim Associate Director (in post until Dec 2025). • New model for accessing clinical expertise developed with the Medical Directorate and QARD. • Ongoing collaboration with SG, CLO, and NSS on policy, legislation, and debt recovery. • UK-wide regulatory forum established to address digital healthcare issues. • MoUs and governance structures in place to ensure clinical oversight and escalation. • Work is ongoing with CLO, Counsel and SG pertaining to newest legislative updates and the interpretation of IMAs. 	A full review of regulatory processes is in progress, with a report due by Autumn 2025. Legislative changes have expanded the scope of regulation (e.g. IMAs, pharmacy services), requiring further clarification. HIS has alerted SG to delays in IMA regulation and continues to engage on broader reforms, including fee structures and aesthetics regulation.	4	5	20 
Service Change - engagement	Strategy	Open	Clare Morrison	There is a risk that increasing service change pressures and untested national engagement guidance may hinder meaningful public engagement, affecting HIS's ability to meet its statutory duties and damaging public confidence.	20	<ul style="list-style-type: none"> • Governance through the Scottish Health Council and Service Change Sub-Committee. • Revised Planning with People guidance (2024) shared with Boards and Health & Social Care Partnerships (HSCPs). • Strategic Engagement Leads and Practitioner Network support and promote best practice. • Ongoing collaboration with Scottish Government and participation in national planning groups. 	New guidance and an Assurance of Engagement Programme have improved oversight. However, a vacant Strategic Engagement Lead post since May 2024 has reduced visibility in some areas. Organisational change is planned for May 2025 to address this. The first test of the new guidance (vascular services) is underway but currently on hold following HIS feedback to Scottish Government.	4	3	12 

Risk Title	Category	Appetite	Risk Director	Risk Description	Inherent Risk Score	Controls & Mitigations	Current update	Impact score	Likelihood score	Residual risk score
Workforce	Workforce	Open	Sybil Canavan	There is a risk that HIS may lack the right skills or capacity at the right time, including at executive level, impacting delivery of objectives.	16	<ul style="list-style-type: none"> Workforce risks managed through planning, recruitment, role design, staff development, and performance management. Oversight via the Vacancy Review Group, Staff Governance Committee, and Partnership Forum. Interim Workforce Plan in place; updates shared with Scottish Government. 	Directorate-level reporting on staffing, changes, and flexibility is now provided on a rolling basis to support delivery of the Staff Governance Standard and service priorities.	5	3	15
Organisational Change	Workforce	Open	Sybil Canavan	There is a risk that ongoing and future organisational change within HIS may impact strategic delivery and performance, potentially leading to poor outcomes and reputational damage.	16	<ul style="list-style-type: none"> Governed by the NHS Scotland-aligned Organisational Change Policy. Oversight by the Partnership Forum, Staff Governance Committee, and Transformational Oversight Board. Emphasis on transparent communication, partnership working, and lessons learned. Commitment to engaging staff throughout change processes. 	Organisational change is actively monitored and discussed with partners. Continued change is expected, and efforts are focused on ensuring open communication and staff engagement throughout.	4	3	12
Safe Care in Scotland	Clinical & Care Governance	Minimalist	Simon Watson	There is a risk that HIS may not align its work with wider system pressures, reducing its ability to support safe care and potentially leading to avoidable harm.	20	<ul style="list-style-type: none"> Formation of the Internal Sharing Intelligence Network (ISIN) to improve cross-directorate data sharing. Approved Digital and Intelligence Strategy defines principles and purpose of intelligence sharing. Development of an “information layer” to enhance safety and quality data use. Ongoing staff training, governance oversight, and evaluation frameworks in place. Lessons from the external Sharing Intelligence for Health & Care Network (SIHCN) are being applied internally. 	ISIN replaces the HIS Safety Network and is supported by the Intelligence Implementation Group. Early work includes a draft logic model and planning for better use of existing intelligence. Directorates remain engaged, with refreshed representation encouraged.	5	3	15
Partnership Working	Strategy	Open	Sybil Canavan	There is a risk of partnership working arrangements being destabilised because of the need to respond to the financial position in 2024/25 and beyond which may impact service delivery, potentially straining partnership working and creating a more challenging employee relations environment.	16	<ul style="list-style-type: none"> Long-standing partnership agreement with trade unions and staff representatives. Active engagement through the Partnership Forum, co-chaired by the Chief Executive and Employee Director. Clear communication and use of established policies during change processes. Learning from recent organisational change reviews is being applied. 	All directorates and the Executive Team continue to engage with staff and the Partnership Forum on service planning. A development session in May focused on organisational culture and reinforcing partnership values.	3	4	12
Public Inquiries 2024-28	Strategy	Minimalist	Robbie Pearson	There is a risk that HIS may not meet the demands of five concurrent public inquiries due to competing requests, staff turnover, and challenges in locating or preserving key records.	16	<ul style="list-style-type: none"> Ongoing monitoring and early preparation for inquiry demands. Engagement with CLO and inquiry teams. Adherence to records management and information governance policies. Knowledge capture from departing staff. 	Inquiries Involved: <ul style="list-style-type: none"> Scottish & UK Covid Inquiries Eljamel & NHS Tayside Inquiry Scottish Child Abuse Inquiry Scottish Hospitals Inquiry <p>Since Nov 2024, inquiry support is led by the Corporate Governance Team. Recent activity has increased, especially for the Scottish Child Abuse Inquiry, placing pressure on resources. Risks</p>	4	3	12

Risk Title	Category	Appetite	Risk Director	Risk Description	Inherent Risk Score	Controls & Mitigations	Current update	Impact score	Likelihood score	Residual risk score
							remain around capacity, information governance, and loss of corporate memory, requiring prioritisation and resource reallocation.			
Service change – quality and safety	Strategy	Cautious	Clare Morrison	There is a risk that HIS may identify quality or safety concerns during service change engagement but lack the statutory authority to act, risking public misunderstanding of HIS's role and potential harm to patients.	16	<ul style="list-style-type: none"> Developing the Scottish Approach to Change to guide high-quality service change. Creating guidance on incorporating quality and safety standards into engagement assurance. Clarifying HIS's role and responsibilities, and how intelligence from engagement feeds into the HIS intelligence system. 	Work on mitigations has begun following discussions with the Executive Team, SHC, and Responding to Concerns Oversight Group in May 2025.	4	4	16
Right Decision Funding	Operational	Open	Safia Qureshi	There is a risk that support for the Right Decision Service (RDS) will cease after March 2026, because of failure to secure long term funding.	16	<ul style="list-style-type: none"> A strong business case highlights RDS's value, widespread use, and impact on national priorities. RDS supports over 2 million users annually and is embedded in all 14 territorial boards and multiple national programmes. Scottish Government recognises RDS as vital and is exploring a phased transition plan, with NHS Boards gradually assuming funding responsibility. Discussions are ongoing with SG, NHS Education for Scotland, and other partners to secure sustainable funding. 	RDS continues to attract external funding (e.g. Voluntary Scheme on Pricing, Access and Growth (VPAG), EU projects). SG is convening policy leads to build senior-level support and identify additional funding sources.	4	3	12

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

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.1

Responsible Executive: Angela Moodie, Director of Finance, Planning and Governance

Report Author: Pauline Symaniak, Governance Manager and Karlin Rodgers, Head of Finance and Procurement

Purpose of paper: Decision

1. Purpose

This paper provides a summary for awareness of the actions for this year arising from the Governance Committees' consideration of their 2024-25 annual reports and updates for approval to the Code of Corporate Governance.

2. Executive Summary

The Healthcare Improvement Scotland (HIS) [Code of Corporate Governance](#) sets out the governance framework of the organisation which provides a foundation for good governance and effective stewardship of resources. It includes the requirement for Committees to complete an annual report. When considering their annual reports, the Committees also review their terms of reference for any updates required. At the same time, the Governance Chairs review their terms of reference and those for the Board.

All of the Committees completed an annual report and reported that they met their remit for 2024-25. These were provided to the Board for discussion at its seminar on 22 May 2025. They are provided again alongside this paper as additional reading. The actions that the Committees agreed to take forward during 2025-26 are set out in Appendix 1 with each action aligned to a strategic priority. An update on these actions will be provided to the Board in December.

Updates are required to the Code of Corporate Governance to reflect changes from the following:

- Revisions to terms of reference for the Board and its Committees have arisen from the annual review of these and are supported by the Committees and the Governance Committee Chairs.
- Internal Audit have recommended in recent audits of governance functions that tenures are stated for Committee membership. It is proposed that these are three years with the option of up to two re-appointments. It is also proposed that the Chair of the Board

retains the discretion to adjust these term limits as necessary, taking into account the overall composition of the Committees.

- Minor updates are required to the Standing Financial Instructions because of an update to the procurement thresholds removing reference to the European Union (EU) and an update to wording for condemnations making it clearer when condemnations are required.

The full list of changes and the rationale for each is set out in Appendix 2.

The proposed changes to the Code of Corporate Governance were considered by the Audit and Risk Committee at their meeting on 23 June 2025. They accepted significant assurance on the paper and were content to recommend approval of the changes to the Board.

3. Recommendation

The Board is asked to:

- Note the actions arising from the Committee annual reports for 2024-25.
- Approve the updates to the Code of Corporate Governance.

Given the detailed consideration that the annual reports and terms of reference have already received and given that the recommendation to add tenures to Committee membership has arisen from several Internal Audit reports, it is recommended that the Board accept the following Level of Assurance:

Significant: reasonable assurance that the system of control achieves or will achieve the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none.

4. Appendices and links to additional information

Committee Annual reports for 2024-25 are included in the Additional Reading folder on Admincontrol. The following appendices are included in this paper:

- Appendix 1: Actions from the Committee annual reports 2024-25
- Appendix 2: Schedule of proposed changes for the Code of Corporate Governance

Appendix 1 Governance Committee Annual Reports Action Plan

Committee	Action	Strategic Priority*
Audit and Risk	Monitor the effectiveness of the Assurance Framework	5
Audit and Risk	Provide oversight for the operation of the new risk sub group and receive updates on its outputs	5
Executive Remuneration	Maintaining oversight of Executive appointments to the organisation	5
Executive Remuneration	Review of objectives and performance against objectives throughout the annual cycle	5
Executive Remuneration	Continued overview of senior leadership structures and any planned or potential arrangements to these arrangements	5
Executive Remuneration	Ensure continued oversight of our leadership capacity and resilience as an organisation	5
Executive Remuneration	Work with Internal Audit to implement recommendations from the audit carried out at the end of 2023	5
Executive Remuneration	Ensure due consideration of any appropriate circulars and other information from Scottish Government regarding matters of Executive and Senior manager pay and grading	5
Executive Remuneration	The Committee will maintain oversight of recruitment to senior positions	5
Quality and Performance	Consider updates from the Responding to Concerns Oversight Board on progress with the action plan arising from the Responding to Concerns external review	2
Quality and Performance	Continue to seek assurance on organisational performance especially in light of constraints with resources	5

Quality and Performance	Provide oversight for the development of work to better demonstrate the organisation's impact	1
Quality and Performance	Seek assurance on the delivery of new work related to mental health and maternal healthcare	4
Scottish Health Council	Scrutinise the new process for assurance of engagement on nationally determined service change	3
Scottish Health Council	Scrutinise the updated Governance for Engagement process for corporate directorates	3
Scottish Health Council	Continue to monitor the risk and planned mitigations around an increased volume of service change associated with financial and workforce pressures	3
Staff Governance	Scrutiny of the Workforce Plan linked to operational delivery and more future-focused approach to workforce development and planning	5
Staff Governance	Directorate Level Staff Governance Committee Reporting	5
Staff Governance	Workforce Culture activity, including '4 Ps'	5
Staff Governance	Equality, Diversity and Inclusion, particularly implementation of the Race Equality Plan	5
Staff Governance	HIS Employee/ Agile workforce arrangements and organisational readiness for the future	5

Succession Planning	Consider short term succession planning for non-executives, in particular to enable them to take on other non-Executive leadership roles, such as Committee Chairs	3
Succession Planning	Review the Succession Plan in 2025 alongside the Board diversity action from the Blueprint for Good Governance self-assessment to gain assurance of progress	3
Succession Planning	Identify guest speakers who can bring useful insights and fresh ideas to succession planning activity	3
Succession Planning	Begin early succession planning for the HIS Chair and Chair of the Scottish Health Council	3
Succession Planning	Review skills matrices and tenures for committee membership	3

*Strategic priorities:

1. Enable a better understanding of the safety and quality of health and care services and the high impact opportunities for improvement.
2. Assess and share intelligence and evidence which supports the design, delivery and assurance of high quality health and care service.
3. Enable the health and care system to place the voices and rights of people and communities at the heart of improvements to the safety and quality of care.
4. Deliver practical support that accelerates the delivery of sustainable improvements in the safety and quality of health and care services across Scotland.
5. Organising Ourselves to Deliver

Appendix 2 Schedule of Changes for the Code of Corporate Governance

Reference	Subject	Change	Rationale for Change
Part A, page 14, section 5	General Principles Applied to All Governance Committees	Add to membership: <i>The Chair of the Healthcare Improvement Scotland Board holds the responsibility for appointing members, Chairs and Vice-Chairs to the Governance Committees. Committee members should initially be appointed for a recommended term of three years, with the possibility of reappointment for up to two additional terms. The Chair of the Board retains the discretion to adjust these term limits as necessary, taking into account the overall composition of the Committees. This ensures a balanced distribution of responsibilities and allows for careful consideration of each member's specific skills, experience, and expertise.</i>	Internal Audit recommendation.
Part B, page 17 section 2	Board – remit for setting the direction	Where the remit says <i>Oversight and approval of high level plans that support delivery of the organisation's strategy and legislative duties such as operational plans, finance plan, workforce plan</i> , add the following: <i>and plans in relation to internal improvement and transformational change.</i>	To bring in line with the Assurance Framework.
Part B, page 20, section 6	Board - information requirements	Add to information requirements: <ul style="list-style-type: none"> • The report from the Chief Executive and Directors also includes complaints and feedback information. • Other reports relating to statutory duties, add to this the annual Quality Assurance and Regulation Plan and reports on United Nations Convention of the Rights of the Child (UNCRC). 	To bring in line with the Assurance Framework and reflect that there will be new reporting requirements under UNCRC.

Part C, page 21, section 5	Governance Committee Chairs – information requirements	Add Annual Best Value Report to information requirements.	Reflects current business.
Part D, page 22, section 3	Audit and Risk Committee - remit	Under governance, risk and control, amend to: <i>monitor the effective development and operation of risk management via the risk sub committee, and monitor progress in addressing risk-related issues reported to the committee.</i>	New risk sub committee in operation and reports to the committee.
Part D, page 23, section 6	Audit and Risk Committee - membership	Remove <i>The Audit and Risk Committee Chair shall not be a Chair of another committee.</i>	Not a formal governance requirement and the current Chair is also chairing another committee.
Part D Page 24, section 9	Audit and Risk Committee – information requirements	Updates to information requirements: <ul style="list-style-type: none"> • monthly financial performance report now includes anti-fraud activity • remove resilience report covering fraud, cyber-security and business continuity and replace with Digital Solutions Group update covering Information Governance, Business Resilience & Sustainability • add annual reports on procurement and best value; updates on public inquiries involving HIS; the Communications Strategy and updates when required; Digital and Intelligence Strategy and updates when required; report from risk sub committee. 	Reflects the current business of the committee and the report from the new risk sub committee.
Part E, page 25, section 2	Executive Remuneration Committee - remit	Add the following to the remit: <i>Executive Remuneration Committee members are not normally expected to consider decisions on their own personal remuneration/ performance but will absent themselves from any meeting where such details are discussed. Similarly, the Chief Executive, Director of Workforce or other staff attending the committee shall</i>	Internal Audit recommendation.

		<i>absent themselves from any meetings when their personal issues such as remuneration and performance are being considered.</i>	
Part E, page 25, section 3	Executive Remuneration Committee - membership	Add to membership: <i>Tenure of membership of the committee and the possibility of re-appointment to the committee will be in line with the approach determined by the Board from time to time.</i>	Internal Audit recommendation.
Part E, page 26, section 6	Executive Remuneration Committee – record of business	Add to record of business: <i>Director of Workforce will have responsibility for preparing, reviewing and circulating the Executive Remuneration Committee minutes and actions.</i>	Internal Audit recommendation.
Part F, page 28, section 3	Quality and Performance Committee - membership	Change Lead Director to Director of Evidence and Digital.	New Lead Director in place from May 2025.
Part F, page 28, section 6	Quality and Performance Committee – information requirements	Add to information requirements: the Annual Quality Assurance and Regulation Plan is included in the Corporate and Operational Plans (draft stage); Healthcare Staffing Programme Annual Report; regular updates on the National Cancer Medicines Advisory Group.	Reflects the current business of the committee.
Part G, page 30, section 3	Scottish Health Council - membership	Remove the line from the membership section: <i>The Healthcare Improvement Scotland Chair cannot be a member of the Committee but has the right to attend</i> and replace it with <i>The HIS Chair is an ex officio member of the Scottish Health Council.</i>	Not a formal governance requirement and making the HIS Chair an ex officio member brings it in line with other Committee (except Audit and Risk).
Part H, page 32, section 6	Staff Governance Committee –	Add to information requirements: Workforce Data report including health and wellbeing activity; updates on National Boards Collaboration; risk management report; minutes of the Local Negotiating Committee; reports on iMatter;	Reflects the current business of the committee and One Team programme has ended. The risk management report was a previous omission.

	information requirements	<p>Workforce Development activities included in the report on Organisational Development and Learning activity.</p> <p>Remove One Team from information requirements.</p> <p>Add to “as and when appropriate”: Information confirming Directorate and organisational workforce planning activity; reports on Organisational Development and Learning activity, including Workforce.</p>	Committee requested workforce planning to be included.
Part J, page 33, section 2	Succession Planning Committee - remit	<ul style="list-style-type: none"> • Public Appointments Commissioner change to Ethical Standards Commissioner. • Community Engagement and Redesign Directorate change to Community Engagement and Transformational Change. • Equality and Diversity Advisor change to Equality, Inclusion and Human Rights Manager. 	Updates to job and directorate titles.
Part J, page 34, section 3	Succession Planning Committee - membership	Statement <i>Up to two representatives from our stakeholders/public partners</i> to move into attendance list from the “may attend” list and change to <i>stakeholders</i> only to maintain flexibility.	To introduce an external perspective into regular attendance but to maintain flexibility in who that might be.
Part J, page 34, section 6	Succession Planning Committee – information requirements	Remove issues log from the list.	Issues log no longer in use in response to Internal Audit recommendation.
Part G, Page 51, Section 2	Condemnations	All articles recorded on the fixed asset register which are surplus to requirements....	Providing clear guidance as to when condemnations are required.

Part E, Page 44, Section 4	Procurement Threshold	<p>Between £50,000 and less than the UK tendering thresholds</p> <p>- Tender - the procurer undertakes a formal tendering process and is encouraged to advertise on the national advertising website Public Contracts Scotland.</p> <p>Over UK Thresholds (>£111,750 exluding VAT) - The procurer undertakes a full formal tendering process and advertises the contract in the Find a Tender Service (FTS) via the Public Contracts Scotland portal.</p>	Updating following changes to EU thresholds.
----------------------------------	--------------------------	--	--

Governance Committee Chairs Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.2

Responsible Non-Executive: Evelyn McPhail, HIS Chair

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Governance Committee Chairs' meeting on 22 May 2025. 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.

1. Equality Outcomes 2025-29

The Chair of the Staff Governance Committee (SGC) brought this item to the meeting in light of the importance of delivering the outcomes but also due to potential links to the business of all of the Committees. We noted that the SGC and the Scottish Health Council (SHC) provide ongoing assurance in relation to progress but we agreed it was also important that the full Board received interim progress reports. With this in mind, it was agreed that the Chairs of SGC and SHC would provide a report to the Board at the end of the calendar year on the assurance they have gained of delivery and progress at that point.

2. Levels of Assurance

The Director of Finance, Planning and Governance joined the meeting to support further discussions on the Board and Committees' use of Levels of Assurance. The Chairs welcomed the use of Levels of Assurance but were keen to explore what actions should accompany the different levels. It was agreed that papers providing no, limited or moderate assurance should set out the actions that will be taken to increase the Level of Assurance and the anticipated timescales for this. Information on this to support paper authors will be added to the corporate guidance.

3. Corporate Paper Template

In discussing the Levels of Assurance above, we also considered the current template for governance papers and agreed to test an executive summary style of paper. Along with the use of Levels of Assurance, we felt this would support the provision of focussed, strategic papers and active governance principles.

Audit and Risk Committee Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.3

Responsible Non-Executive: Rob Tinlin, Chair Audit and Risk Committee

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Audit and Risk Committee meeting on 23 June 2025. The approved minutes of the Audit and Risk Committee meeting on 5 March 2025 can be found [here](#). 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.

1. Savings Plan 25/26

The savings plan for 2025-26 was reviewed. Approximately half of the £1.5m target is expected to be achieved on a recurring basis. The Committee discussed the associated risks and enablers supporting the savings plan and asked for further evidence and assurance of delivery to cash releasing savings, noting that the two largest areas of recurring savings were 'amber' rated.

2. Cybersecurity

The Committee welcomed the breadth and depth of information provided in the digital update paper, with particular attention given to the issues raised around cybersecurity. The recent phishing exercise was a point of concern, as the results highlighted vulnerabilities in resilience and exposure. In response, additional controls—including enhanced education and training—are being implemented to mitigate these risks. Further work is also planned in collaboration with the Centre for Cybersecurity, in which the Committee welcomed future updates on.

3. Internal Audit

KPMG presented three substantive internal audit reports to the Committee: Responding to Concerns – Escalation Protocols, Measuring Impact, and Quality and Performance Committee. While the Committee endorsed the findings, it was recommended that the reports be shared with the relevant leads of other committees. Additionally, it was advised that the Responding to Concerns – Escalation Protocols report be shared with the Scottish Government, given the inclusion of joint recommendations.

The Committee accepted limited assurance on the strategic risks that were out of appetite.

Executive Remuneration Committee Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.4

Responsible Non-Executive: Rob Tinlin, Non- Executive Director

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Executive Committee meeting on 24 June 2025. 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.

1. Chief Executive and Executive Director Annual Appraisals

As required by the existing Executive and Senior Management Pay and Performance management arrangements, Executive Remuneration Committee members reviewed the detail of the individual appraisal outcomes for the Chief Executive and Executive Directors. There was robust discussion and examination of the detail of this work to ensure that Committee members were assured and in agreement with the information presented.

2. Update on Executive Recruitment

Committee members received an update on the current activity underway regarding recruitment to the roles of Director of Finance, Planning and Governance, Director of Nursing and Integrated Care and the Director of Workforce.

Interviews are taking place on Friday 27 June for the Director of Finance, Planning and Governance role, and the recruitment timetable for the other two posts has been confirmed to ensure the processes are completed by the end of August.

Quality and Performance Committee Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.5

Responsible Non-Executive: Abhishek Agarwal, Chair Quality and Performance Committee

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Quality and Performance Committee meeting on 21 May 2025. The approved minutes of the Quality and Performance Committee meeting on 19 February 2025 can be found [here](#). 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.

1. Clinical and Care Governance

The Committee received an annual report on Clinical and Care Governance (CCG) activity and raised concerns around significant challenges in relation to staffing resource and capacity. This has impacted delivery of the work and availability for meetings of the management group. We accepted moderate assurance on the overall management of CCG risks but only limited assurance that the CCG management group is providing effective peer review, support, and challenge to ensure robust CCG risk management within individual directorates. In light of this, we will receive a further report at the next meeting. It was also noted that the workforce implications of the report would fall within the remit of the Staff Governance Committee.

2. Independent Medical Agencies

An update was provided on the regulation of Independent Medical Agencies (IMAs), in particular the delay in receiving legal advice about the definition of an IMA. This risks HIS having insufficient time to register all services that fall within the definition by the deadline of 19 June 2025. The Committee accepted moderate assurance on the paper given that HIS was doing all within its power at this time to receive the definition. We requested an update setting out proposed actions closer to the deadline if the matter was not resolved by then.

3. Safe Delivery of Care

The Committee considered the Safe Delivery of Care National Overview Report which provides key findings and learning from the first three years of the Acute Hospital Inspection Programme. The report identified areas of good practice as well as areas of concern. Committee members made a number of suggestions about the report and it will therefore be updated ahead of submission to the Board and subsequent publication.

The Committee accepted limited or no assurance on the following items: Risk management - limited assurance on all of the strategic risks as they were out of appetite.

Scottish Health Council Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.6

Responsible Non-Executive: Suzanne Dawson, Vice Chair/Chair of Scottish Health Council

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Scottish Health Council meeting on 15 May 2025. The approved minutes of the Scottish Health Council meeting on 20 February 2025 can be found [here](#). 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.

1. Service change quality and safety and public understanding

Healthcare Improvement Scotland (HIS) has a statutory duty to assure engagement undertaken by NHS boards and Health and Social Care Partnerships (HSCPs) on service change, and this activity is overseen by the Scottish Health Council. Through this duty, HIS can become aware of service changes where there are concerns about the quality or safety of a proposed service. In addition, there can be a public perception that HIS assures the service change itself, rather than the engagement on it. Scottish Health Council members agreed that intelligence from engagement is an important information source to feed into the developing HIS intelligence system. It reflected the need for HIS to undertake further work to develop guidance on how NHS boards/HSCPs should consider quality and safety standards in service change. It also recommended that HIS clearly defines responsibilities in service change to reduce public misunderstanding. Finally, SHC noted the need for the HIS strategic risk register to be updated to reflect this discussion.

2. Evidence from Engagement

The Scottish Health Council reviewed the proposed annual workplan of the Engagement Practice – Evidence unit. It endorsed the development of the additional Citizens' Panel pulse surveys and considered topics for future Citizens' Panels and Gathering Views activities. The Scottish Health Council was pleased to hear the proposed development of bespoke research to reduce reliance on commissions and improve knowledge on innovative engagement methods. It stressed the need for high standards of quality assurance across the evidence programme and the importance of capturing the impact of engagement work.

3. Clarity on social care role

In several reports the terms “care” and “social care” have been used interchangeably which led the Scottish Health Council to a discussion about the need for greater clarity about the role of HIS in social care. Some Scottish Health Council members noted that they had heard that people working in the social care sector were confused about HIS’s role. In addition, one member noted that they had concerns of a perception within the sector that HIS may be over-reaching its role. The Scottish Health Council agreed that this lack of clarity on terminology had the potential for wider impact beyond the Scottish Health Council and was a matter for the HIS Board to address and proposed it should be referred to the Board for a strategic discussion. It was noted this should cover clarity on both the role of HIS and terminology used in reports.

The Committee accepted limited or no assurance on the following items: Engagement on Service Change – Limited assurance.

Staff Governance Committee Key Points

Meeting: Board Meeting - Public

Meeting date: 30 June 2025

Agenda item: 6.7

Responsible Non-Executive: Duncan Service, Non-Executive Director

Purpose of paper: Awareness

This report provides the Healthcare Improvement Scotland Board with an update on key issues arising from the Staff Governance Committee meeting on 29 May 2025. The approved minutes of the Staff Governance Committee meeting on 13 March 2025 can be found [here](#). 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.

1. Organisational Development and Learning Update

The Committee received a report outlining the breadth and depth of work being delivered by the Organisational Development and Learning team in support of HIS staff, aligned to the Organisational Development Strategy shared in January 2024. Committee members were positive about the opportunity to examine and discuss the current work in place and the impact and plans of the continued roll-out of the Strengths Deployment Inventory.

2. Sickness Absence Deep Dive

The Committee received a report outlining a detailed action plan following the completion of the Sickness Absence Deep Dive. This work was undertaken by a Short Life Working Group, established in partnership, which has now confirmed the actions to be taken forward.

3. Staff Governance Action Plan

The Director of Workforce provided the Committee with a report outlining the planned approach for gathering evidence to support the development of the Staff Governance Action Plan. The report highlighted recent discussions around introducing a stronger directorate-level focus and identified potential areas for future reporting. This will support the provision of more detailed and directorate-specific information moving forward. As discussed at the meeting, there will be a continued focus on effective workforce planning reflecting delivery of the organisational strategy, including skills and development priorities, with additional capacity being identified to support this work.

4. One Team Discussion

The Committee received an update paper on the next steps for the One Team Programme as work transitions to business as usual, with reference to the Working Environment, Workforce, and Redesign workstreams. Following discussion, it was agreed that a revised update report would be provided at a future meeting to address some gaps in the detail provided.

The Committee accepted limited or no assurance on the following items: limited level of assurance for the overall workforce risk (634) as it is out of appetite.