NHS Education for Scotland **NES/18/01**

AGENDA FOR THE ONE HUNDRED AND THIRTY-SEVENTH BOARD MEETING

Date: Wednesday 24th January 2018
Time: 10.15 a.m.
Venue: Meeting Rooms 1 and 2, Westport 102, Edinburgh

1. Apologies for absence

2. Declarations of Interest

3. Chair's Introduction

4. Chief Executive's Report NES/18/02 (Enclosed)

5. Minutes of the One Hundred and Thirty-Sixth Board Meeting NES/17/107
To approve the minutes of the meeting held on 7th December 2017. (Enclosed)

6. Actions from previous Board meetings NES/18/03
For review. (Enclosed)

7. Matters arising from the Minutes

8. Governance and Performance Items

a. Finance Report *(A. McColl)* NES/18/04
To receive and endorse. (Enclosed)

b. Educational & Research Governance Committee: 14th December NES/18/05
(A. Tannahill) (Enclosed)
To receive a report and the minutes.

c. Audit Committee: 11th January *(C. Wilkinson)* NES/18/06
To receive a report and the minutes. (Enclosed)

ci Revised Risk Management Strategy *(A. McColl)* NES/18/06(a)
For approval. (Enclosed)

d. Audit Committee Remit *(A. McColl)* NES/18/07
Revised remit for approval. (Enclosed)

e. Review of Standing Orders *(C. Lamb)* NES/18/08
For consideration. (Enclosed)

9. Strategic Items

a. Budget and planning for 2018/19 *(A. McColl)* NES/18/09
To receive a progress update. (To Follow)

b. NES's Corporate Parenting responsibilities *(J. Thomson)* NES/18/10
For consideration. (Enclosed)

c. Intensification of Outcome Agreements *(S. Irvine and H. Raftopoulos)*
For consideration. NES/18/11
(Enclosed)

10. Items for Noting

a. Training and Development Opportunities for Board Members NES/18/12
For information. (Enclosed)

b. National Health and Social Care Workforce Plan, Part 2
For noting. (Enclosed)

11. Any Other Business

12. Date and Time of Next Meeting

Thursday 8th March 2018 at 10.15 a.m.

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January 2018
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CHIEF EXECUTIVE'S REPORT

Caroline Lamb, Chief Executive

January 2018

1 INTRODUCTION

The agenda for our Board meeting today contains substantive items for discussion on our 2018/19 operational planning and budgeting process, Corporate Parenting responsibilities and our continued joint working with the Scottish Funding Council.

I would like to extend a very warm welcome to Karen Wilson, our new Director of NMAHP. Karen took up post at NES at the beginning of January but is unfortunately unable to attend the Board meeting today due to prior commitments. I am sure that many of you will have the opportunity to meet Karen prior to our next Board meeting in March.

2 STRATEGIC UPDATE

The Board will want to note that Part 2 of the National Health and Social Care Workforce Plan was published by Scottish Government on 15th December 2017 and is included within these Board papers for noting.

We are continuing to make strong progress in developing the proof of concept for a Data Platform that will join up existing sources of workforce data and have engaged with SSSC and the Care Inspectorate around this work.

3 MEDIA INTEREST AND COMMUNICATIONS

November and December saw a range of activity, with news releases on digital technology in the workplace, Scotland's first mobile app to support dementia rehabilitation, a response to the GMC report on medical training, and the appointment of our new Director of NMAHPs.

On social media we continued the rollout of the Annual Report throughout November, using the case studies and animations to draw people to the website. We will resume this later in January. In December, we switched to promoting our 'NES Baubles' campaign: a social media series of animations highlighting successes over the last year and anticipated highlights for 2018. We issued just over a dozen tweets, with the best ones getting a reasonable 5-6,000 impressions each.

Looking ahead, we are supporting the NHSScotland 70th Anniversary planning, with representation on the national steering and working groups. NES successfully bid to lead on the design and branding elements and have created a suite of tailored materials for each NHS Board. In line with the NES Communications Strategy, we are also currently planning and discussing the communications priorities for this year with colleagues.

In relation to improving the attractiveness and uptake of our internal and external communications, we are discussing with Digital Directorate colleagues a refresh of both the NES intranet (for staff communications) and the NES external website.

4 DIGITAL

The Turas Appraisal team have delivered a Minimum Viable Product as scheduled, and in line with the December Deadline. As part of the next sprint they will be focussing on Board Administrative functionality and Executive Appraisal Objective Setting functionality.

The Turas Learn team are currently working on a variety of areas including finalising learning programme functionality, user and learning record migration and reviewing and moving NES content from LearnPro to Turas Learn.

The 'supply side data platform' proof of concept work required as part of the NES deliverables from Part One of the Scottish Government Health & Social Care Workforce plan was demonstrated successfully at the start of January. The Scottish Government Deputy Director of Workforce has signed it off and work will now continue with key stakeholders across Health & Social Care to focus on the development of a service proposition to support national, regional and local workforce planners in the next financial year.

5 DENTAL, OPTOMERY, HEALTHCARE SCIENCE & KNOWLEDGE INTO ACTION

Dental Update

NES Dental delivers training to Dental Nurses leading to the award of a Scottish Vocational Qualification and Professional Development Award in Dental Nursing; and to Orthodontic Therapists leading to the Diploma in Orthodontic Therapy of the Royal College of Surgeons of Edinburgh. In both cases these lead to registration with General Dental Council, so they are subject to GDC's quality assurance process. Over the period from 2016 to 2017 both programmes were inspected with satisfactory outcomes validating the work of the Directorate.

Oral Care for older people living in Care Homes

The recently published report from the Care Inspectorate, '*My Life, My Care Home. The experiences of people living with dementia in care homes in Scotland'* included a prominent section on oral care which reflected favourably on the work carried out by NES.

Support with oral health was one of three areas of specific focus in the report. Older people living in care homes are at higher risk of oral health problems and related conditions because of high levels of dependency and dementia. 'Caring for Smiles' is Scotland's national oral health improvement programme which aims to improve the oral health of older people, particularly those living in care homes. To support this initiative, the Priority Groups work stream within the Dental Directorate in NES developed an SCQF qualification in oral health specifically aimed at care home workers.

Some of the key findings from the Care Inspectorate were:

- 80% of care homes were participating in the 'Caring for Smiles' programme.
- Just over half of all care homes (55%) had an oral health champion in place. Trainers for 'Caring for Smiles' encourage care homes to consider having an oral health champion to sustain the good practice once the initial training has been completed.
- 66% of care homes carried out an oral health assessment on all residents as part of the general assessment on admission.
- 29% of care homes carried out an oral health assessment on some of the residents on admission.

The SCQF qualification in greater detail

In 2017, the milestone of 1,500 care home workers across Scotland having achieved the SCQF qualification in oral health was reached. This was achieved by working in partnership with health boards, social care, third sector and the private sector.

The latest figures are:
1,785 have achieved the qualification.
816 are currently undertaking the qualification.

To further increase capacity to deliver the teaching/ training associated with the SCQF qualification, a pilot has been undertaken on a new mode of delivery. This has involved training some care home workers to intermediate level so that they, in turn, can deliver training to fellow care home staff at foundation level. Initial evaluation has been positive.

6 PHARMACY

Improving the Quality of Over the Counter (OTC) Consultations (Responding to the Which? report – Phase 2)

In early 2017, every community pharmacy in Scotland was sent a copy of the NES distance learning pack `Effective Management of Over-the-Counter (OTC) Consultations`. This pack was developed to support community pharmacy staff in their daily practice to refresh and improve OTC consultations in response to the Which? report in 2013.

Following on from this, a second distance learning pack has now been developed by NES Pharmacy. This new resource, 'Improving the Quality of OTC Consultations', will be a workbook that will focus on OTC product requests, i.e. consultations which involve a customer/patient requesting a product by name, rather than seeking advice for the treatment of a condition or symptom.

A copy of this new resource will be sent to all community pharmacies in February 2018 and it is anticipated the new resource will allow community pharmacists to engage with team members, to develop their practice and knowledge.

In addition, three regional events to support the implementation of the resource will be held in Spring 2018 in Aberdeen, Edinburgh and Glasgow, as well as a recorded webinar. These events are aimed primarily at medicines counter assistants/healthcare assistants; however, all community pharmacy staff are encouraged to attend.

Pharmacy teams working in General Practice

The required training requested by Scottish Government for the initial 3 cohorts of pharmacists (n= 135) and pharmacy technicians (n=27) employed using Primary Care Funding has been implemented. These practitioners have commenced on the bespoke NES Pharmacy Learning Pathway which consists of e-learning, attendance national learning events and in the pharmacists' case completion of an Advanced Practice competency & capability Framework (APF), supported by TURAS portfolio. In addition, a Foundation Practice competency framework was developed and now a new Pharmacy Technician GP competency framework will be launched at the end of January 2018.

Three Senior Educators have been seconded and are supporting the pharmacists to develop their portfolios. The Senior Educators are also involved in development of national monthly webinars to facilitate ongoing learning, which will commence in January 2018, and in the organisation of additional national learning events for further cohorts.

A further national residential event will be run for additional appointments for Cohort 4 in January 2018 (44 pharmacists and 14 pharmacy technicians) with a follow up in June 2018. Plans are also in place to recruit cohort 5 with residential training in September 2018.

Work will also commence in early 2018 to explore the educational supervision requirements of GPs and experienced general practice pharmacists who are supporting experiential development of this new group of practitioners within general practice, while linking in with colleagues in the Medical directorate to facilitate this work.

7 NMAHP

Development of a placement scheme for trainee Environmental Health Officers within NHS Public Health teams

As part of NHS Education for Scotland and Health Protection Scotland partnership working we have, at the request of the Scottish Health Protection Network-Workforce Education Group (Co-Chaired by NES), helped develop a placement

scheme for trainee Environmental Health Officers within NHS Public Health teams. This need was identified by network colleagues.

These NHS placements will allow trainees to be placed in an NHS Board Public Health Team for a maximum of 6 weeks. The HR department of NHS Education for Scotland has been instrumental in helping support this work by working with NHS Board Depute HR Directors.

8 PSYCHOLOGY

Dementia

NES Psychology of Dementia launched the Cognitive Rehabilitation in Dementia mobile application in December 2017. The app, the first of its kind in Scotland, helps bring cognitive rehabilitation processes to the fore of clinicians' minds when working with people in the early stages of dementia. The main objective of the learning resource is to improve practice among health and social care staff in Scotland caring for people in the early stages of dementia and bring consistency to the cognitive rehabilitation process.

The team have also launched a training programme specifically for the care home sector: 'Essentials in Psychological Care – Dementia'. This training programme is for staff working at the skilled level or above within the Promoting Excellence framework. The focus of the training is on proactive and preventative strategies for people with a diagnosis of dementia.

Psychology in Physical Health

The Physical Health work stream hosted a conference on 'Innovations in psychology and Physical Health' on the 5th December. The event was well attended, evaluated well, and meets the intended learning outcomes for multidisciplinary staff sharing ideas from different settings across Scotland. There was a successful trial of webinar participation in the morning keynotes for those unable to attend.

Psychological Interventions in Forensic Settings

All heath boards with a forensic mental health service have now received Low Intensity Psychological Interventions Training in Forensic Mental Health Settings. This 5-day practical skills training programme has been developed to equip multi-disciplinary clinicians with the skills and competencies necessary to deliver an agreed suite of 'low intensity' psychological therapy programmes, which have been developed by the forensic matrix working group.

9 MEDICAL

GMC National Review of Scotland

As part of their programme of quality assuring medical education and training across the UK, the General Medical Council undertakes a series of regional or (in the case of the devolved nations) national review visits across the UK. The GMC has completed a review of medical education in Scotland during 2017, a process which involved discrete visits to several NHS Scotland Board sites, to all five of Scotland's medical schools, and to NHS Education for Scotland. During these visits, the regulator was seeking assurance that the standards which they have set[1] are being met, and that the curricula which they have approved[2] are being delivered.

During these visits, the GMC were focussing on Undergraduate education, including ScotGEM, Foundation, Core medical training, Core surgical training, General (internal) medicine, General surgery, Geriatric medicine and Paediatrics.

Alongside visits to NHS Education for Scotland and all five medical schools, the review included visits to 8 Health Boards.

- University Hospital Crosshouse, NHS Ayrshire & Arran
- Victoria Hospital, NHS Fife
- Aberdeen Royal Infirmary, NHS Grampian
- Inverclyde Royal Hospital, NHS Greater Glasgow & Clyde
- Royal Infirmary of Edinburgh, NHS Lothian
- Royal Hospital for Sick Children, NHS Lothian
- Gilbert Bain Hospital, NHS Shetland
- Ninewells Hospital, NHS Tayside
- Western Isles Hospital, NHS Western Isles

The final visit (to NHS Education for Scotland) took place on 11 and 12 December 2017, subsequent to which we have received initial written feedback, which has already been shared with Board members. We were pleased that the visit team identified 7 areas which they considered were working well, and 3 areas where they considered that improvements could be made. We are particularly grateful to the many NES staff and stakeholder colleagues who supported and participated in this exercise.

The GMC will now prepare formal reports for all sites visited, as well as a national overview report (so 15 reports in all) which will include requirements and recommendations for action. These reports will be published on the GMC website in due course.

UK Shape of Training Steering Group Report

The Board has previously been made aware that the UK Shape of Training Steering Group (UKSTSG), chaired by Professor Ian G Finlay, published (on the 11th of August 2017) its report providing policy advice and structure to guide implementation of the recommendations from Professor David Greenaway's

[1] https://www.gmc-uk.org/education/standards.asp
[2] https://www.gmc-uk.org/approval_curricula_and_assessment_system.asp

independent Shape of Training review. The report[3] was published alongside detailed supporting documents[4] describing the steering group's work in some detail.

In addition, the report was strongly endorsed by all four nations' health ministers in a statement[5] accompanying the publication, which concluded "*The outcomes from the Steering group's work are timely because they closely align with our respective transformational change programmes for health and social care services. … The key task now is to build on the momentum already achieved and bring to fruition the key changes to medical education and training that will deliver benefit for patients, assist employers in redesigning their services, and provide the highest quality of training and career flexibilities that our doctors expect*."

Following the publication of this report, the GMC, working with the 4 UK Departments of Health and the 4 Statutory Education bodies (NES, HEE, NIMDTA and HEIW) have established a **Curriculum Oversight Group (COG)[6]**. The purpose of this group is to take a view on whether or not a curriculum purpose and high level outcomes have the full support of the four countries of the UK and meet strategic workforce needs, without which curriculum development should not proceed. NES is represented on this group by the medical director.

Lastly, the Cabinet Secretary for Health and Sport plans to launch the implementation of the Shape report in Scotland at an event in late February.

CALENDAR

16 November: Organisational Development session with National Board Chief Executives

I attended an externally facilitated session with the Chief Executives of the other National Boards in relation to the National Boards collaborative proposition and future shared services.

21 November: Executive Team regional visit to Aberdeen

The Executive Team (ET) held its regular business meeting in Forest Grove House on 21 November. The ET met with Aberdeen regional staff beforehand and received presentations from staff on new areas of work in Medicine and Dental.

21 November: The State of the State 2017-18 Parliamentary Reception

I attended this public sector discussion event at the Scottish Parliament which was facilitated by Ed Roddis, Head of Government & Public Sector Research at Deloitte.

Deloitte and the think tank *Reform* published their sixth annual analysis of the public sector in Scotland. The 2017 report explored the implications for Scotland on public

[3] http://www.shapeoftraining.co.uk/static/documents/content/Shape_of_Training_Final_SCT0417353814.pdf
[4] http://www.shapeoftraining.co.uk/static/documents/content/Shape_of_Training_Annexes_Final_SCT0417353814.pdf
[5] http://www.shapeoftraining.co.uk/static/documents/content/Ministers_Statement_Final2.pdf
[6] https://www.gmc-uk.org/education/approval_curricula_and_assessment_system.asp

finances along with citizens and business expectations. The panel was comprised of MSPs and other senior decision makers and discussion focused on the key issues facing Scottish Government and local public services.

22 November: Workforce Planning in Health and Social Care briefing event

I spoke at this briefing event which looked ahead to the publication of Part 2 of the *National Health and Social Care Workforce Plan*. I highlighted the key priorities for NHS workforce education and training including increasing the number of training places for medicine, nursing and midwifery, a strategic approach to recruitment and retention including youth employment initiatives, ensuring the NHS has the workforce it needs to address future demand for safe, high quality services and how future NHS workforce data could fit into wider social care and local authority needs.

22 November: Cabinet Secretary, Scottish Government

Myself and other members of the Scottish Trauma Network steering group met with the Cabinet Secretary to discuss progress regarding the implementation of the four Major Trauma Centres in Scotland.

23 November: NHS Tayside Deep Dive Sessions

Along with other members of the Tayside Support Team I met with staff from NHS Tayside to discuss progress in relation to the recommendations from the AAG report in two key areas: Workforce and the development of an Integrated Clinical Strategy.

24 November: NHSScotland Implementation Leads Meeting

I chaired this meeting in which we received an update from Scottish Government colleagues regarding the arrangements for the future procurement of Consultants who are being commissioned to do some work around future demand. I also provided a summary of the Scottish Trauma Network steering group meeting I chaired on 13 November. We also discussed progress regarding the National and Regional delivery plans and received further guidance and feedback from Scottish Government.

24 November: NHSScotland (NHSS) Business Systems workshop

I met with colleagues from NSS and PA Consulting to discuss the NHSS Business Systems vision which is aiming to transform current NHSS business systems using modern digital delivery so that NHSS staff can focus on value-adding activities. Myself and Colin Sinclair (Chief Executive, NSS) are the co-sponsors of this project.

The NHSS Business Systems vision will be achieved through the procurement and implementation of a core suite of cloud-based Suite of Software as a Service (SaaS) products, which will cover HR, payroll and finance. Alongside the core SaaS products, the suite will also be supplement by specific systems covering additional and/or NHSS specific functionality.

5 December: National Boards Health & Social Care Delivery Plan Programme Board

I attended this meeting where we discussed progress toward the National Boards delivery plan and future communications and engagement.

5 December: Digital Health & Care Strategy

Angiolina Foster (Chief Executive, NHS24), Colin Sinclair and I met with Scottish Government colleagues to discuss the implementation plan which it is planned to publish alongside the Scottish Government's Digital Health & Care Strategy. We discussed the contribution that could be made to this from the National Boards.

11/12 December: General Medical Council (GMC) Visit

As noted in the Medical update on pages 6-7, the GMC visited NES as part of its national review of Scotland. I met the GMC along with the Medical Executive Team at the start of the visit and then attended a further meeting with Executive Team colleagues to discuss a number of questions relating to medical education and training, and the broader NES role in multi professional training.

13 December: Meeting with Shirley Rogers and Phil Raines

Angiolina Foster and I met, as the two National Implementation Leads, with Shirley Rogers and Phil Raines. We discussed the development of the National Boards Plan and the operations of the Health and Social Care Delivery Plan Programme Board.

14 December: Realistic Medicine Oversight Group

I attended the inaugural meeting of this group which has been set up to help plan, commission and oversee the work required to embed Realistic Medicine across health and social care in Scotland. We discussed the group's remit, terms of reference and work programme and the establishment of a Realistic Medicine learning framework.

14 December: Budget Briefing

Along with Audrey McColl I participated in a teleconference designed to brief Chief Executives and Directors of Finance on the Scottish budget.

15 December: National Workforce Planning Group

Myself and Christopher Wroath attended this group which has been setup to provide oversight to the delivery and implementation of the National Health & Social Care Workforce Plan. Christopher gave a progress update on NES Digital's work on the data platform which will be used to store future NHSS workforce data. The group also received an update on the upcoming National Workforce plans (parts 2 & 3) and received a presentation on integrated workforce planning.

18 December: NHSScotland Implementation Leads Meeting

I attended this meeting at which we discussed progress towards the national and regional delivery plans, current and future national planning arrangements and how to strengthen our joint approach to transformational change.

19 December: Scottish Trauma Network Steering Group

I chaired this meeting at which members received a range of updates on progress towards the implementation of the four Major Trauma Networks in Scotland. A formal implementation plan was presented to the steering group for approval.

20 December: Digital Health and Care Strategy

I participated in a teleconference with Geoff Huggins, Angiolina Foster and Lorraine McMillan (represents SOLACE on Digital). We discussed the requirement for new governance arrangements to ensure that the new strategy truly addresses the requirements of both health and care.

9 January: Meeting between the Tayside Support Team (TST) and AAG

I attended a joint meeting of the TST and the AAG to discuss the second report on the work of the TST in NHS Tayside.

9 January: NHSScotland Directors of Finance meeting

I gave an update presentation to the Directors of Finance on the NHSS Business Systems vision.

9 January: Sean Neil and Grant Hughes

I attended a presentation given by Christopher Wroath and Colin Tilley of the Proof of Concept Workforce data platform. This was also attended by Sean Neil and Grant Hughes from SG Workforce who commissioned this work. Both Sean and Grant were extremely positive about the progress that has been made.

10 January: NHS 70th Anniversary Steering Group meeting

Donald Cameron attended this meeting on my behalf to contribute to plans for the NHS 70th Anniversary celebrations which will be taking place throughout the first half of 2018 and culminating on 5 July.

RISK REGISTER

The Board had a substantive discussion on risk at its meeting in December which has resulted in changes to the NES Risk Strategy which were discussed by the Audit Committee at its January meeting and will be recommended to the Board. These

changes have not yet been taken into account in preparation of the Corporate Risk Register.

There are no changes to the risk ratings on the agenda but the narrative has been updated to reflect the publication of the Scottish Budget and the tightness of our financial position as we approach the year end.

Key Corporate Risks - January 2017

		Currrent Period					Last Period	
Brief Description	I x L	Inherent Risk	I x L	Residual Risk	Notes	Appetite	I x L	Residual Risk
Strategic/Policy Risks								
1 Retaining a strong focus on the importance of education and training through structural change	4 x 4	**Primary 1**	**4 x 4**	**Primary 2**	The Health and Social Care delivery plan published in December 2016 clearly sets out the requirement for organisations to work together differently in order to support the delivery of health and care in the future. We have had supportive feedback from SG in relation to our LDP		**4 x 4**	**Primary 2**
2 Signifiifcant pressure on budgets for 2017/18 and beyond	5 x 5	**Primary 1**	**4 x 4**	**Primary 1**	The Board has approved a draft budget for 2017/18 which includes a relatively high level of unidentified savings to be delivered from programmes of work within NES, and also through collaboration across the National Special Health Boards. The Scottish Government budget was published in December and has a flat cash settlement for NES which will clearly be very challenging	**Open**	**4 x 4**	**Primary 1**
3 Lack of capacity and continuity at SGHD	4 x 4	**Primary 1**	**3 x 3**	**Contingency**	High inherent risk due to staffing reductions at SGHD which risks the loss of some corporate memory which is important in UK wide discussions. Increasingly NES is the repository for this level of expertise and experience. There is an opportunity for us to demonstrate this through joining up some of the data we hold, and through working with other organisations, such as NSS.		**3 x 3**	**Contingency**
17 Approach to workforce development is driven by HEE without due attention to requirements and views of the devolved nations	4 x 4	**Primary 1**	**3 x 4**	**Primary 2**	High inherent risk due to size of England as compared to other nations and extent of cross border flow. In response to this NES continues to work with the other devolved nations, with SG and to meet regularly with HEE.		**3 x 4**	**Primary 2**
18 Challenges in managing changing relationships with partner organisations	4 x 4	**Primary 1**	**3 x 4**	**Primary 2**	The changing environment will also drive shifts in our relationships with existing partners and identify new partners. Of particular importance will be our ability to craft collaborative relationships which play to each of our stregnths, with the other national NHS Boards, and to build supportive relationships with the emerging regional structures.		**3 x 4**	**Primary 2**
Operational/Service Delivery Risks								
4 Ability to continue to support core business and respond to new demands in an agile and responsive manner.	5 x 5	**Primary 1**	**3 x 4**	**Primary 2**	We continue to experience pressures in maintaining core business in the face of increasing demands, and in the face of our Senior staff being asked to take on more national roles. We continue to review areas where we have the potential to release capacity and to use our workforce resource differently. Equally we will press SG for additonal resources where possible.		**3 x 4**	**Primary 2**
6 Dependency on key individuals	4 x 4	**Primary 1**	**3 x 3**	**Contingency**	Over the last year we have experienced some considerable turnover in senior roles and we have demonstrated our resilience in managing this. We are also now moving forwards with the development of our 'Potential and Career Management Strategy'.		**3 x 3**	**Contingency**
7 Turbulence and lack of cohesion due to internal organisational changes	4 x 4	**Primary 1**	**3 x 3**	**Contingency**	A number of significant organisational changes have been fully implemented. The budget paper that was considered by the Board in March highlighted a number of further areas that we will now be considering, we are committed to bringing a paper on our full programme of work to a future Board meeting.		**3 x 3**	**Contingency**

Key Corporate Risks - January 2017

			Currrent Period						Last Period	
	Brief Description	I x L	Inherent Risk	I x L	Residual Risk		Notes	Appetite	I x L	Residual Risk
16	Challenges in workforce supply in some areas	4 x 4	Primary 1	3 x 4	Primary 2		We are experiencing difficulties in recruitment to a number of key medical specialties and this is making it difficult to sustain services in some areas. There is a risk that NES is blamed for some of this, equally it is an opportunity for us to promote the position that good quality training and employment environments are essential to recruitment & retention; and to think creatively and innovatively about what we can do to maximise recruitment and retention and to support the contribution of other groups.		3 x 4	Primary 2
19	We lose the integrity of some of our reporting systems as a result of the introduction of e:ESS	5 x 5	Primary 2	3 x 4	Primary 2		NES is committed to the implementation of e:ESS and we have now implemented core e:ESS. We are continuing to experience some difficulties in replicating our reporting from the new system and this is causing some issues for us. We now have a direct influence on the review of NHS Business Systems which will help to drive developments in this area.		3 x 4	Primary 2
8	Major adverse incident - impacting on business continuity	4 x 4	Primary 1	2 x 4	Housekeeping		We have significantly improved our resilience in this area through roll out of more agile working, and the recent implementation of O365 has further enhanced our capabilities here.		2 x 4	Housekeeping
	Finance Risks									
9	Risk of underspends & resulting negative perception	4 x 5	Primary 1	3 x 3	Contingency		Our November position indicates a very small underspend. We will need to manage the position carefully into the year end		3 x 3	Contingency
10	Reduction of resources puts NES into deficit	4 x 5	Primary 1	3 x 4	Primary 2		As above	Averse	3 x 4	Primary 2
	Reputational/Credibility Risks									
11	NES is unable to demonstrate that it makes a positive contribution to patient safety/patient experience	4 x 5	Primary 1	3 x 4	Primary 2		This has been identified as a key objective in our refreshed strategic framework. Work is underway to identify existing data and ways of using this to demonstrate impact. We have also considerably increased our external PR activity, particularly on social media.		3 x 4	Primary 2
12	NES does not deliver on key targets	4 x 5	Primary 1	3 x 2	Contingency		Strong measures in place to demonstrate performance against key targets and to identify and remedy areas where performance falls behind.	Cautious	3 x 2	Contingency
	Accountability/Governance									
13	Failure in Corporate Governance	5 x 5	Primary 1	2 x 2	Negligible		Very strong internal audit opinion relating to system of internal controls. Good quality reporting from all NES Committees to Audit Committee.	Averse	2 x 2	Negligible
14	Data security issue	4 x 5	Primary 1	3 x 2	Contingency		We have strong data security processes in place. We are considerig our approach to GDPR going forwards, and this is reflected at risk 19		3 x 2	Contingency
19	Preparartion for GDPR	4 x 5	Primary 1	3 x 2	Contingency		We have a structured proramme in place to address the new regulations and engagement with all Directorates. We have brought Iinadditional resources to address the workload.		N/A	N/A

IN CONFIDENCE **NES/17/107**

NHS Education for Scotland

MINUTES OF THE ONE HUNDRED AND THIRTY-SIXTH BOARD MEETING HELD ON THURSDAY 7th DECEMBER 2017 AT WESTPORT 102, EDINBURGH

Present: Dr Lindsay Burley (Chair)
Ms Susan Douglas-Scott, Non-executive member
Dr Colette Ferguson, Director of NMAHP
Ms Liz Ford, Employee Director
Professor Stewart Irvine, Director of Medicine
Mr Douglas Hutchens, Non-executive member
Ms Caroline Lamb, Chief Executive
Mrs Audrey McColl, Director of Finance
Dr Doreen Steele, Non-executive member
Dr Andrew Tannahill, Non-executive member
Ms Carole Wilkinson, Non-executive member

In attendance: Mr David Ferguson, Board Services Manager (Board Secretary)
Mr Donald Cameron, Director of Planning & Corporate Resources
Dr David Felix, Postgraduate Dental Dean
Ms Dorothy Wright, Director of Workforce
Mr Christopher Wroath, Director of Digital
Ms Kate Harley, Associate Director, Health Protection Scotland (agenda item 9a only)
Mrs Ruth Robertson, Programme Director, NES/Health Protection Scotland (agenda item 9a only)
Mr Rob Coward, Educational Projects Manager (agenda item 9b only)
Ms Alison Shiell, Senior Officer (Planning & Corporate Governance)
Mrs Jackie Alexander, Executive Officer (Medicine)

1. APOLOGIES FOR ABSENCE

Apologies for absence were received from Susan Stewart.

2. DECLARATIONS OF INTEREST

There were no declarations of interest.

3. CHAIR'S INTRODUCTION

The Chair welcomed everyone to the meeting.

The Chair advised that this was Colette Ferguson's last Board meeting before her retiral as Director of NMAHP at the end of December. On behalf of the Board, the Chair thanked Colette for her very significant contribution to the work of NES and wished her well for the future.

It was noted that Kate Harley and Ruth Robertson would be joining the meeting for agenda item 9a (Joint Working between NES and Health Protection Scotland (HPS)).

It was also noted that Rob Coward would be joining the meeting for agenda item 9b (Risk Appetite).

4. CHIEF EXECUTIVE'S REPORT (NES/17/82)

The Chief Executive introduced the report, which provided information and updates on a wide range of NES activity, highlighting the following points:

- The successful NES Staff Conference and Annual Review held in Perth on 25th October. It was understood that an Annual Review sign-off letter would be received from the Cabinet Secretary in due course.
- A series of updates in relation to educational developments for healthcare scientists.
- The Chief Nursing Officer's establishment of a programme board to oversee the transformation of nursing, midwifery and AHP roles and the NES contribution to this work.
- UK consultation on the future regulation of the health professions.
- It was noted that recruitment to medical training had now closed.
- The Scottish Government's approval of a proposal by NES to establish a 'hub and spoke' infrastructure of centrally managed but both nationally and regionally oriented expert staff resource to lead the delivery of a leadership development approach.
- The introduction, at the Staff Conference on 25th October, of 'Our Way', which is now in the process of being developed as a way of working written by staff, for the staff. This work, being taken forward by a small group, is expected to make a significant contribution to organisational culture and approaches to collaborative working.

The following points arose in discussion:

- Susan Douglas-Scott advised that the Staff Governance Committee had been impressed by the work to date on the 'Our Way' development referenced in the last bullet point above.
- A member commended the content and format of NES's recently-published online Annual Report for 2016-17.
- Carole Wilkinson noted that she had not been present at the NES and SSSC Partnership Group meeting held on 24th October, referenced on page 8 of the report.

5. MINUTES OF THE ONE HUNDRED AND THIRTY-FIFTH BOARD MEETING HELD ON 26TH OCTOBER 2017 (NES/17/93)

The minutes of the previous Board meeting were approved. **Action: DJF**

6. ACTIONS FROM PREVIOUS BOARD MEETINGS (NES/17/94)

The Board noted that all of the action points were completed or were in hand.

7. MATTERS ARISING FROM THE MINUTES

There were no matters arising from the minutes which did not feature elsewhere on the agenda.

8. GOVERNANCE AND PERFORMANCE ITEMS

a. Finance Report **(NES/17/97)**

Audrey McColl introduced a paper which presented the financial results for the seven months to 31st October 2017 and indicated the anticipated forecast outturn as at 31st March 2018. The following points were highlighted:

- The forecast underspend at 31st October 2017 is £643,000.
- There is potential for this position to move to break-even, or even an overspend, as the full implications of a recent HMRC decision on the VAT treatment of NES's e-library service is quantified. NES has sought clarification from HMRC and a meeting is in the process of being arranged with a HMRC client relationship manager. Work is also in hand to consider other areas where VAT can be re-claimed.
- Baseline funding has been received in relation to medical training grade expansion posts.

The following points arose in discussion:

- Members queried the HMRC's decision in relation to the VAT treatment of the e-library service and hoped that the meeting with the client relationship manager would prove fruitful. It appears likely, however, that it will be necessary to review the level of support for the e-library moving forward.
- Members were pleased at the direction of travel in relation to the funding of medical training grades.

Following discussion, the Board noted and was content with the information contained in the Finance Report.

b. Organisational Performance Report **(NES/17/98)**

Donald Cameron introduced a paper which provided an overview of NES's performance against the targets set out in the Operational Plan for the second quarter

of the 2017/18 reporting year. It was noted that the report focusses on reporting by exception, providing more detail on key performance targets which are assessed as being Red or Amber (which equate to not being delivered in accordance with the original plan). The following points were highlighted:

- This is the first organisational performance report produced since the introduction of the new MiTracker system. This system is more agile and enables a more flexible approach to including new targets in-year.
- It is hoped that the report for the next quarter will be more streamlined.
- A number of Red targets have been or are about to be closed, as a result of a re-prioritisation of the digital workload.

Discussion of the report resulted in the following main points:

- It was noted that all of the Red and Amber targets have been classified as low priority, which begs questions as to whether they should have been pursued in the first place. This will be taken into account in implementing the new approach to prioritisation in planning.
- It was confirmed that the intention is to reduce the overall number of targets moving forward.

Following discussion, the Board noted and was content with the current performance of NES.

c. Staff Governance Committee: 9th November **(NES/17/99)**

The Board received and noted the minutes and a summary, which were introduced by Susan Douglas-Scott.

Members also commended the progress being made in relation to the Lead Employer Model, acknowledging the scale and complexity of this work and the positive approach demonstrated.

d. Remuneration Committee: 16th November **(NES/17/100)**

The Board received and noted a summary of the meeting, which was introduced by Carole Wilkinson.

Subject to a minor revision to clarify the committee's reporting relationships, the Board also approved the recommended changes to the committee's remit. **Action: DJF**

In response to a question from one of the members, it was advised that issues relating to secondments are dealt with through NES's robust establishment control mechanisms.

e. Finance & Performance Management Committee: 22nd November **(NES/17/101)**

The Board received and noted the minutes and a summary, which were introduced by Lindsay Burley.
Some discussion took place on NES's new approach to operational and financial planning, where the process is to first plan, then prioritise and then budget. It was

noted that the new approach is guided by a priorities framework, based on the programme for government and NES's core business.

It was also noted that Linda Dewar had recently left NES to take up a new position with the University of Glasgow. An agency temp has been employed to ensure that the governance of property and facilities management is covered meantime, with a more collaborative approach to this area of work across the national NHS Boards being considered for the future.

9. STRATEGIC ITEMS

a. Joint Work between NES and Health Protection Scotland (HPS) **(NES/17/102)**

Kate Harley and Ruth Robertson were welcomed to the meeting for this item.

Colette Ferguson introduced a paper providing an update on the continuing successful partnership between NES and HPS in relation to the provision of strategic leadership and co-ordination in health protection workforce education in Scotland. The significant inputs from Professor Stewart Irvine and Professor Mahmood Adil (Medical Director of HPS, who was unable to attend this meeting) were acknowledged. NES and HPS have developed a very positive and productive working relationship since 2005 and this is reflected in the fact that the SLA between the two organisations has now been extended to 2022 (notwithstanding that HPS will become part of a new public health body for Scotland in 2019).

Kate Harley underlined the strength of the joint working between NES and HPS and Ruth Robertson highlighted some key points from the paper, as follows:

- The three key areas of joint working between NES and HPS have been around defining local and national needs for workforce development; participating in the definition and implementation of knowledge, skills and competency requirements; and developing and rolling out educational packages in specific health protection topics, e.g. Immunisation, HIV, Ticks and Lyme Disease, Pandemic Flu and Ebola.
- The new public health body, which will initially bring together HPS, ISD and NHS Health Scotland, will aim to reach out to stakeholder groups in the interests of developing the wider public health workforce.
- It will be necessary to take account of changing roles and skill mix and to develop an agile workforce.
- The refreshed NES/HPS partnership approach has a clear outcomes focus.
- It will be useful to consider what the success criteria and indicators might be.

A general discussion generated the following main points:

- It was noted that HPS is expected to cease to exist around three years before the end of the period covered by the refreshed partnership approach document. It was accordingly agreed that the document should be presented as being intended to facilitate smooth transition to the new public health body and help inform its activities, with recognition that the new organisation will wish to

develop its own programme of work and partnerships in the domain of health protection.

- It was agreed that the governance framework on page 9 of the strategic partnership paper should be clarified further. **Action: CF and RR**
- The joint NES and HPS work aligns well with the health and social care integration agenda. The creation of joint NHS Board and Local Authority Public Health Directors should also serve the integration agenda well.
- There will be opportunities for the new public health body to work across sectors, including the third sector and the regional NHS Boards structure.
- There is potential for a national approach to leadership.
- Digital transformation offers scope for facilitation of development work.
- It will be important for NES to be clear about its role and positioning in the new public health landscape.

Following discussion, Kate Harley and Ruth Robertson were thanked for their attendance and useful contributions to the paper and the discussion arising from it.

b. Risk Appetite **(NES/17/103)**

Rob Coward was welcomed to the meeting for this item.

A paper had been circulated to provide information to enable the Board to review the current levels of risk appetite for NES. This included information on current risk categories and the risk appetites assigned to each category of risk. Appendix A of the paper set out, for interest and possible relevance to NES, descriptors for levels of risk appetite, by risk category, developed by NHS Tayside.

Audrey McColl gave a brief presentation on NES Risk Appetite, covering the following main areas:

- Purposes of risk appetite
- Changing operating environment
- Current risk categories and appetite
- Link between risk assessment and risk appetite (risk category; stated appetite; and expected residual risk score)
- Do current residual risk scores reflect the stated risk appetite?
- Risk categories (currently five; noted that NHS Tayside have two additional categories)
- Summary: Questions for the Board to consider, i.e. Are the current risk appetites still appropriate? Are the current risk categories still appropriate? Should we add the two additional categories used by NHS Tayside?

The paper and presentation gave rise to discussion, resulting in the following main points:

- It was agreed that NES should be prepared to be more risk-hungry at the stages of exploring and identifying options for innovation, improvement and transformation, and that that might be captured by having separate appetite columns for 1) option exploration/identification and 2) action/implementation, cutting across the risk category rows, rather than the current single column.

- It was noted that there is currently no reference to NES's own workforce in the Corporate Risk Register.
- There may be useful learning from the approaches to risk appetite used in other NHS Boards and Scottish Government.
- It was recognised that risk controls are key and it was suggested that a 'test of change' framework might be applied to controls, as appropriate.
- Some discussion took place on the two additional risk categories used by NHS Tayside. It was agreed that 'Staffing Levels' is covered by NES's category of Operational/Service Delivery risks and that the category 'Potential Productive Opportunities' does not apply to NES.
- It was agreed that clinical governance risks in NES would feature in the Accountability/Governance risk category and that risks relating to recruitment of trainees could be included in either the Strategic or Reputational/Credibility risk category.
- The current risk categories and risk appetites were endorsed, with the proviso that it would be useful to adopt the matrix approach described in the first bullet point above.

Audrey McColl and Rob Coward were thanked for their inputs to the paper, presentation and discussion and it was agreed that the discussion points would be taken into account in revising the Risk Management Strategy and the Corporate Risk Register, for consideration by the Audit Committee and subsequently the Board.

Action: AMcC and RC

10. ITEMS FOR NOTING

a. Annual Review: 25th October 2017 **(NES/17/104)**

The Board received and noted a briefing note on the Annual Review held at the NES Staff Conference on 25th October 2017.

b. Partnership Forum: 19th October **(NES/17/105)**

The Board received and noted the minutes and a summary, which were introduced by Caroline Lamb.

c. Training and development opportunities for Board members **(NES/17/106)**

The Board noted a paper providing information on upcoming training and development opportunities for Board members.

11. ANY OTHER BUSINESS

a. Brief meeting of Remuneration Committee

The Chair advised that a brief meeting of the Remuneration Committee would take place immediately after the Board meeting.

b. March 2018 Board meeting

The Chair requested that the venue for the March 2018 Board meeting (which will be her last Board meeting before retiring from the Board) be moved from Glasgow to Edinburgh. **Action: DJF**

c. Season's greetings

The Chair wished everyone present a merry Christmas.

12. DATE AND TIME OF NEXT MEETING

The next Board meeting will take place on Wednesday 24th January 2018 at 10.15 a.m.

NES
December 2017
DJF/cf/at

NHS Education for Scotland **NES** **NES/18/03**
Item 6 **(Enclosure)**

Actions arising from Board meetings: Rolling list **January 2018**

Minute	Title	Action	Responsibility	Date required	Status and date of completion
Actions agreed at Board meeting on 7th December 2017					
7d	Remuneration Committee remit	Actions, as necessary, following approval of the committee's revised remit (subject to one further agreed change)	David Ferguson	December 2017	Appropriate documents updated on 12th December 2017
9a	Joint working between NES and HPS	Clarify the governance framework set out in the refreshed strategic partnership paper	Colette Ferguson and Ruth Robertson	December 2017	Document amended on 8th December 2017.
9b	Risk Appetite	Take account of the discussion points in revising the NES Risk Management Strategy and the Corporate Risk Register, for initial consideration by the Audit Committee	Audrey McColl and Rob Coward	January 2018	Paper produced for Audit Committee meeting on 11th January 2018
11b	March 2018 Board meeting	Explore the scope for moving the venue for this meeting from Glasgow to Edinburgh	David Ferguson	December 2017	Westport 102 meeting rooms booked on 12th December 2017
Actions agreed at Board meeting on 26th October 2017					
8c	Audit Committee: Revised Remit	Arrange to circulate the proposed revised remit to Board members, for the opportunity to comment.	David Ferguson	November 2017	Revised remit submitted to January 2018 Board meeting for approval
8d	Committee Chairing Arrangements from 1st April 2018	Arrange for committee records and lists to be updated, in due course.	David Ferguson	March 2018	In hand – on 'bring-forward' for action
9b	Mental Health Strategy	Actions, as necessary, following approval of the recommendations in the paper. Arrange for the NES/SSSC Steering Group to consider the upskilling of the existing health and social care workforce, using a flexible model. Arrange for the Executive Team to consider how NES can become even more influential and foster the right connections.	Judy Thomson Colette Ferguson Colette Ferguson	Ongoing Ongoing Ongoing	Ongoing Ongoing Ongoing

Minute	Title	Action	Responsibility	Date required	Status and date of completion
9d	NES Communications Strategy	Take account of the points raised in discussion in finalising the strategy document and sharing it with NES staff.	John MacEachen	November 2017	Action scheduled for completion by end January 2018
Actions agreed at Board meeting on 3rd August 2017					
8a	Progress against Strategic Outcomes 2014-19	Include specific examples of how staff have used impact guidance in next year's report (page 7) Share the progress report with NES staff and ask for feedback/future case study suggestions	Donald Cameron	August 2018	Ongoing

NES **NES/18/04**
Item 8a **(Enclosure)**
January 2018

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

Finance Report to 30th November 2017

2. Author(s) of Paper

Audrey McColl, Director of Finance
Janice Sinclair, Head of Finance

3. Purpose of Paper

To present the financial results for the eight months to 30th November 2017 and to indicate the anticipated forecast outturn as at 31st March 2018.

4. Key Issues

The forecast underspend at the end of November is £370k compared to a forecast underspend in October of £643k.

The position for Medical Training Grades forecast shows a relatively stable position from previous months in relation to the August 2017 rotations. Information relating the impact of the February rotations is currently being quantified.

A number of directorates continue to reflect significant Year to Date (YTD) underspends most of which are attributable to timing differences between budget phasing and actual spend.

The budget figures reported do not include £8.8m of outstanding allocations of which £4.3m has been received in early December. We are working closely with Scottish Government colleagues to expedite the £4.5m of allocations still to be confirmed.

We have received notification that we have been unsuccessful in our legal dispute with the landlord at Westport. The forecast includes a provision for NES's legal costs; however, there is no information available on the level of any award of expenses.

It should be noted that initial results for December suggest that there have been some significant movements which, if correct, would move the forecast outturn to a small overspend. This is being investigated and an update will be provided at the January Board meeting.

5. Educational Implications

This report sets out the financial impact of the on-going activity of the organisation in the delivery of its strategic objectives. Areas where we see significant movements may also indicate issues with the achievement of operational delivery targets.

6. Financial Implications

It is essential that we have effective mechanisms to ensure appropriate financial information is available for decision making at all levels of our Governance structures.

7. Which NES Strategic Objective does this align to?

An improved organisation

8. Recommendations

The Board is invited to note the information contained in this report.

AMcC

JS

January 2018

Finance Report to 30th November 2017

1. Anticipated Core Funding

The NES baseline budget for 2017/18 was £420m and the table below reflects the updated position as at November 2017.

Table 1: Anticipated Core Funding

Allocations from SGHSCD	Baseline Recurring	Earmarked Recurring	Non Recurring (in-year)	Totals
Revenue	£'000	£'000	£'000	**£'000**
Confirmed Allocations	423,353	898	13,333	**437,584**
Anticipated	45	3,926	4,840	**8,811**
Total Revenue	**423,398**	**4,824**	**18,173**	**446,395**

Our baseline was increased during November by £2.7million in relation to Expansion posts in Foundation Medical Training Grades. Of the £8.8million anticipated allocations, £4.3million has been received in December leaving £4.5million of allocations to be received, of which £1.75million is for GP100 and 2014 ST expansion, £1million is for Dental VT and £800k relates to the funding of the Medical Education Package. The only item where there is some doubt about the value of the allocation is in relation to vocational trainees in dental. This is under discussion with Dental colleagues and the Chief Dental Officer at Scottish Government.

2. Summary Financial Position

2.1 Revenue Summary

As at 30th November 2017, the year to date position is an underspend of £3.8million, with a forecast year-end underspend of £0.4million. Most of the YTD underspend is because of timing differences and these should be eliminated as we move towards the year-end.

The table below reflects the overall financial position and forecast by Directorate as at 30th November 2017.

Table 2: Summary Revenue Position as at 31st November 2017

Monthly Reporting for November 2017

Directorate	Year to Date			Full Year		
	Current Budget	Outturn	Variance	Current Budget	Forecast	Variance
Quality Management	51,850	51,383	468	78,660	78,623	37
Strategic Planning and Directorate Support	3,986	4,047	(62)	6,894	6,885	9
Training Programme Management	168,850	168,942	(92)	255,498	254,007	1,491
Professional Development	3,047	2,640	407	6,556	6,655	(99)
Pharmacy		0	0	0		0
Medical Total	**227,733**	**227,012**	**721**	**347,608**	**346,170**	**1,438**
Dental	30,175	29,769	406	45,482	45,033	448
NMAHP	7,117	7,020	97	11,542	11,374	168
Psychology	10,991	10,749	242	17,485	17,523	(38)
Healthcare Sciences	1,679	1,668	11	2,424	2,437	(13)
Optometry	630	601	29	963	963	0
Digital	6,129	5,427	701	9,500	9,446	55
Workforce	2,858	2,639	220	4,649	4,641	8
Finance	1,419	1,375	44	2,164	2,193	(29)
Properties	2,526	2,378	148	3,744	3,798	(54)
Facilities Management	426	407	19	641	645	(4)
Planning (incl OPIP)	765	747	18	1,134	1,138	(4)
Net Provisions	2,130	999	1,132	(942)	664	(1,606)
NES Total - Core	**294,578**	**290,790**	**3,788**	**446,395**	**446,025**	**370**
NON-CORE/AME ALLOCATION						
Depreciation				1,214	1,214	0
Provisions				(616)	(616)	0
NES Total - Non-Core/AME				**598**	**598**	**0**
Total Revenue						
Anticipated Allocations included in core & reported to SG but not in ledger				*446,993*	*446,623*	*370*

All figures in £'000s

The overall forecast underspend has reduced by £273k from the position reported in October. The most significant factors influencing this movement are:

- recognition of budget for £607k of expenditure in SPDS and TPM where expenditure had been incurred in advance of the allocation having been received
- review of forecast identified expenditure in Digital of £160k which will now not be incurred

The two items above are offset by a movement on provisions of £1.2m relating to the ongoing VAT dispute highlighted to the Board at the last meeting. An element of this is a technical accounting adjustment in respect of the reversal of an AME provision made in 2016/17 in relation to this VAT issue.

2.2 Capital Summary

In addition to revenue, NES has planned Capital expenditure of £2,254k for the following:

	£'000
Mobile Clinical Skills Unit (MSU) Replacement	300
Turas development programs	1,762
Other Equipment & Contingency costs	192
Total	**2,254**

Revenue to Capital transfers in respect of this sum have been agreed with Scottish Government.

3. Key risks to achievement of Financial Targets

To deliver outturn in line with budget for 2017/18 the risks below need to be managed:

- Allocation Letters – as noted above significant progress was made in confirming allocations in November and December. After including the sums advised around £4.4m remains to be confirmed. This includes Training Grades (£1.7m), cost relating to the Medical Education package (£0.8m), other Medical (£0.4m), Dental Vocations Training (£1.0m), and other smaller allocations totalling £0.5m.

  In some cases, expenditure has been incurred in advance of formal confirmation being received so as to ensure agreed delivery timescales are met. We will continue to monitor the situation to obtain confirmation as quickly as possible;
- YTD underspends attributed to timing differences across directorates need to be kept under review;
- Vacancy savings – In previous reports it was noted that projections were suggesting a shortfall of £200k against the target and we will continue to monitor these savings closely;
- Meeting the capital expenditure target is dependent on the successful delivery of the planned Turas programme activities before the 31st March 2018. The purchase order has now been placed for the MSU replacement but lead times indicate that this may not all be chargeable to 2017/18;
- VAT dispute – as noted above a ruling was received from HMRC on this matter in November. At this stage, the liability is expected to be in the region of £1.7m and this is reflected in our financial forecasts. This could change as a result of further discussions with HMRC and our VAT advisors.

4 Directorate Analysis

Year to date variances and full year forecasts are shown by Directorate in Table 2 above. The material variances in respect of the year to date and forecast outturn are discussed below.

4.1 Medical Directorate

At a consolidated level Year to Date (YTD), the Directorate is reporting a £721k underspend, increasing to £1,438 by the year end

4.11 Quality Management

The YTD variance of £468k is primarily timing differences, with all but £2k of this relating to the distribution of ACT funds and the timing of the receipt of income from the levy on overseas students. As has been reported previously several boards were slow to submit their ACT accountability returns these returns have now been received and the full funding will be paid out by the year-end. After this timing difference is eliminated Quality is forecasting a small underspend of £37k almost all of which relates to pay costs.

4.12 Strategic Planning & Directorate Support (SPDS)

SPDS is showing an overspend of £62k. These are all phasing and timing issues and will unwind by year end. The current year end projection is for a small underspend of £9k. This is an improvement from the position reported in October due to the recognition of the allocation in respect of Pharmacy training costs of £352k.

4.13 Training Programme Management (TPM)

Training Grade expenditure accounts for the bulk of the TPM budget and that is reflected in the variances as shown below:

Table 3: TPM Significant variances

	Variance Under/ (Over) spend	
	YTD £'000	Forecast £'000
Training Grades:		
Training Grade GP Pay costs	280	1,032
Trainee Support costs	300	468
Hospital Training Grade posts	(439)	(168)
	141	**1,332**
Other budget areas:		
ePortfolio	(243)	26
Fellow Programmes	53	81
Other	(43)	53
	(233)	**160**
Total TPM	**(92)**	**1,492**

The underspend in GP training reflects the fact that there are around 60 fewer trainees in place than anticipated when compared to the baseline and around 35 fewer once the GP100 hires are considered. This impacts on the pay costs in respect of these staff but also on associated costs such as training grants and the bursaries paid to GPs in difficult to fill posts.

The current and projected overspend in hospital grades is caused by a range of factors. Costs in respect of parental leave and the Core & ST vacancies are higher than planned.

In contrast expenditure on paid remedials, Locums Associated with Training (LAT) and the 2014/17 expansion programmes is lower than planned.

Further information and analysis on training grades will be provided at P9. The projections will include early estimates of the impact of the February rotations.

In the other areas of TPM,

- the YTD variance is a primarily due to timing differences in relation to income phasing for ePortfolio where £243k was forecast to be received in November but will now happen in December. A significant element of the adverse variance in the 'Other' category is study leave where there have been more applicants than anticipated.
- In terms of the full year position there is now expected to be an increased underspend on the Fellow Programmes due to the recognition of an allocation from SG.

4.14 Professional Development (PD)

PD is showing a YTD underspend of £407k with a forecast for the full year of an overspend of £99k.

Almost all the YTD underspend is the result of timing differences across the numerous areas of activity in PD. These include earlier than expected receipt of income on Quality Improvement work (£175k), delayed claims for payment for GP support work (£82k) and slower than expected spend on four programmes totalling £142k. We are expecting these areas to come back 'into line' by the year-end.

The year-end forecast for PD results from projected underspends on Quality Improvement activity (£98k - mostly from additional income) and the GP Returner Programme (£101k) offset by an overspend caused by extra demand for the Specialist and Associate Specialist (SAS) doctor programme (£303k).

4.2 Dental

The YTD underspend of £406k is largely the result of three factors

- underspend on training grade activity of £188k caused by fewer trainees than expected (see below);
- income having been received earlier than expected (£74k).
- Underspend in support costs for 4 areas (Dental Care Professional (DCP), Continuous Professional Development (CPD) – including the 'Smile-On' project, Clinical Effectiveness and Priority Groups) of £151k.

The full year forecast is for an underspend of £448k.

Training grade underspend is expected to be £286k, caused by 7 FTE fewer in Core & Speciality. As previously reported three students undertaking 'remedial training' are being funded by retaining part of the levy on overseas students by agreement with the Scottish Government.

The balance of the year end underspend relates to £37k anticipated savings in pay, £32k from extra income, and £40k less spend on the 'Smile On' programme.

This months projected year-end underspend has increased by £77k to £448k. The movement is the result of identified slippage in the CPD, DCP, Dental Vocational Training and Clinical Effectiveness areas.

4.3 NMAHP

The YTD position in NMAHP is an underspend of £97k, with a forecast £168k underspend at the year end. In October NMAHP reflected an overspend due to costs being incurred for appointments to Palliative Care Posts ahead of receipt of the budget allocation from SG. This allocation has now been received.

The YTD underspend is attributable to core directorate costs relating on pay (£82k) and non-pay (£20k) with project spend being in line with budget (albeit there are under and over spends in respect of individual projects). These are timing differences caused by budget phasing.

In terms of the full year position the underspend is attributable exclusively to directorate pay costs. Project activity is expected to spend in line with budget.

Certain allocation for NMAHP remain to be confirmed. This includes funding for Health Visiting (where funding is matched to our expenditure and so the financial risk is minimal) and for GP Nursing. This is also based on the level of delivery anticipated in Q4 (currently estimated at £300k/£320k).

4.4 Psychology

Psychology are reporting a YTD underspend of £242k which is forecast to move to an overspend of £38k at the year-end.

The YTD underspend is primarily timing differences. The forecast position reflects an overspend of £120k due to additional costs from the extensions granted to some of the doctoral candidates and the training expenses, being offset by pay savings of £82k.

4.6 Digital

Digital is showing a YTD underspend of £701k which is forecast to reduce to £55k by the end of the year.

In terms of the YTD position the underspend arises from pay (£505k) and non-pay (£196k).

- On pay - the hiring challenges previously reported have largely been addressed and the directorate now have the team in place to deliver the current major project portfolio (Family Nurse Partnership, replacement e-KSF, and the Doctors and Dentists in Training (DDiT) system) by year-end. For that reason, most of the pay underspend is seen as a timing difference.
- On non-pay - the e-Health initiative has not progressed (£96k) and there are other net underspends (£125k) across a range of digital and IT activity. Income has fallen short of plan by £25k because anticipated recharges (for the Digital Director) have not occurred.

The full year projection is for an underspend of £55k. Pay is expected to underspend by £74k, non-project activity will overspend by £80k, and project activity will underspend (£61k).

Following a more detailed review of forecasts, there has been a reduction in planned spend of £160k between October and November. The reasons for these movements are:

- Pay – the forecast has been decreased by £50k due to delays in recruitment and backfill in some non-project posts.
- Project activity - reduced by £99k in the month following a detailed review of the forecasts. Around £60k of VAT cost was found to have been effectively included twice in forecasts and £30k was projected for software we no longer use.
- Non-project area - although there is no overall movement in the month there are changes in both directions below the headline figure. Extra costs have been recognised for hosting charges (£33k), licensing (£14k), journal subscriptions (£20k), and e-books (£50k). These have been offset by unanticipated commercial income (£55k) and income from Boards for the e-books activity (£40k). An

underspend (£22k) will occur in respect of subscription services for social services due to costs included under the eSubscriptions budget.

4.7 Workforce

Workforce is reporting a current underspend of £220k. It is still expected that this will reduce to a small underspend by year end of £8k.

The YTD underspend is made up of three elements:

- underspend on pay of £159k (being the net impact of vacant posts less the cost of agency cover);
- lower spend than anticipated on project activity – particularly Organisational Development (OD) activity of £183k; and
- an overspend in relation to PVG & Tier 2 costs of £125k which we incur on a "Once for Scotland" basis as costs we have incurred have not yet been recharged to NHS Boards.

The full year position has moved to a small underspend of £8k. Some of the pay underspend is being used to meet other pressures including £54k of OD expenditure for NHS Tayside and eKSF development costs (£10k.

The year-end projections assume that the current underspend on OD activity reverses but actual delivery will be dependent on NHS Boards requesting the service.

The year-end projections also assume that PVG & Tier 2 costs are recharged to Boards. At the end of Nov around £208k of rechargeable costs have been incurred and further costs will arise in the rest of the year. which we incur on a "Once for Scotland" basis as costs we have incurred have not yet been recharged to NHS Boards.

4.8 Properties

The YTD underspend is £148k with a year end forecast of a £54k overspend.

The YTD underspend arises in respect of timing differences across a number of property costs. The overspend forecast relates to the NES legal costs in respect of the ongoing dispute about service charges at the Westport building.

4.9 Net Provisions

Net Provisions is made up of the following:

- central corporate charges for depreciation, amortisation and the Apprenticeship Levy;
- savings targets to be met by Directorates, e.g. vacancy savings,
- top-slicing of external income to cover overheads, and
- other provisions (such as those for redeployment and Fixed Term Contract (FTC) termination payments and potential claims).

The increase in overspend on Provisions compared to October is £1.2m and relates to the ongoing VAT dispute highlighted to the Board at the last meeting. An element of this is a technical accounting adjustment in respect of the reversal of an AME provision made in 2016/17 in relation to this VAT issue.

5.0 Recommendations

The Board is invited to note the information contained in this report.

AMcC

JS

January 2018

NES **NES/18/05**
Item 8b **(Enclosure)**
January 2018

NHS Education for Scotland

Board Paper Summary: Educational & Research Governance Committee (E&RGC) Minutes

1. Title of Paper

Minutes of the Educational & Research Governance Committee (E&RGC) meeting held on 14 December 2017: copy attached.

2. Author(s) of Paper

Rob Coward, Educational Projects Manager

3. Purpose of Paper

To receive the unconfirmed minutes of the E&RGC meeting held on 14 December 2017.

4. Items for Noting

Items 8.1-8.4 – Summary Educational Governance monitoring reports

As part of its ongoing work programme, the Committee considered Summary Educational Governance monitoring reports on four NES programmes and noted assurances given as to the appropriate management of their educational quality. It was agreed in respect of one programme that the potential for more cost-effective approaches to achieving the outcomes should be explored.

Item 9 – Equality and Diversity Mid-Year Progress Report 2017-2018

The Committee noted the report and welcomed the evidence of progress achieved. Difficulties beyond NES's control were noted in respect of an outcome relating to equality training. Assurances were given as regards interim measures to meet relevant requirements in the current financial year, but it was noted that a sustainable solution needed to be found for the longer term. The Committee was advised of specific challenges in relation to EQIA of partnership working, and of a possible more strategic approach to addressing cross-cutting workstreams.

Item 10 – Review of Risk Register

As an annual task, the Committee reviewed Primary 1 risks of relevance to its business and identified one for which mitigating controls needed to be developed as a matter of

urgency. The Committee was content with the controls identified for the other relevant Primary 1 risks.

Item 11 – Medical Deanery Quality Management Framework

The Committee noted the Framework document and considered that it provided substantial assurance as to the management of training quality. Some fine-tuning amendments were suggested.

Item 14 – Any other business: – General Medical Council National Review of Scotland 2017

Professor Stewart Irvine gave a brief verbal report on the GMC's recently-concluded Review of Scotland. The GMC's initial written feedback on the Review has since been received and circulated to all Board Members, and the GMC's full report will be presented to the Board when available.

5. Recommendations

The Board is asked to note the E&RGC minutes and invited to ask questions.

NES
January 2018
RC/at

Unconfirmed

NHS Education for Scotland

EDUCATIONAL & RESEARCH GOVERNANCE COMMITTEE

Minutes of the thirtieth meeting of the Educational & Research Governance Committee held on Thursday 14 December 2017 at Westport 102, Edinburgh

Present: Dr Andrew Tannahill (Chair)
Mr Douglas Hutchens
Dr Doreen Steele

In attendance: Professor Stewart Irvine, Director of Medicine/Executive Lead
Mr Rob Coward, Educational Projects Manager/Executive Secretary
Dr Lindsay Burley, NES Board Chair
Dr Kristi Long, Equality & Diversity Adviser

1. Welcome and introductions

The Chair welcomed everyone to the meeting, particularly Susan Key, Programme Director, NMAHP and Gail Radford-Trotter, Head of FNP Programme, NMAHP to whom members introduced themselves.

2. Apologies for absence

Apologies were received from Carole Wilkinson and Caroline Lamb (Chief Executive).

3. Notification of any other business

It was agreed that Stewart Irvine would provide a verbal report on the General Medical Council visit to NES, which had concluded on Tuesday 12 December.

4. Declaration of interests

There were no declarations of interest in relation to the items on the agenda.

5. Minutes of the Educational & Research Governance Committee

(NES/E&RGC/17/36)

The minutes of the E&RGC meeting held on 28 September 2017 were approved

6. Action status report and other matters arising (NES/E&RGC/17/37)

Rob Coward presented the consolidated report on the status of actions agreed at previous E&RGC meetings. The Committee discussed the report in detail, receiving updates and clarifications as required. Specific updates were given for the following items:

E&RGC meeting, 28 September 2017

- Relate to Minute 6.1 – Stewart Irvine advised the Committee that the GMC was unlikely to publish the formal report of the National Review of Scotland until March 2018. In addition, the GMC was planning to present its Overview Report on the Review at the Medical Education Conference in April 2018. He agreed to present the formal report at either the February or May 2018 E&RGC meeting depending on its availability. The report would be circulated to E&RGC members as soon as it became available. It would also be presented to the full NES Board before or after the E&RGC, depending on its timing. **Action: DSI/RC**
- Minute 13 – Rob explained that an outcomes-focused Committee remit had been drafted and would be sent to Douglas Hutchens shortly. The paper would be presented to the NES Executive Team subject to changes from Douglas. **Action: RC/SI/DH**

The Committee noted the updates and identified completed items to be removed from the consolidated report.

7. Minutes of the Educational & Research Governance Executive Group (NES/E&RGC/17/39)

The Committee noted the unconfirmed minutes of the meeting of the ERGEG held on 8 November 2017. Members commented that the minutes provided clear evidence of the flow of business to the E&RGC.

8. Educational Governance monitoring reports

The E&RGC considered the following summary Educational Governance monitoring reports:

8.1 Family Nurse Partnership programme (NES/E&RGC/17/40)

Gail Radford-Trotter introduced the summary Educational Governance monitoring report on NES's Family Nurse Partnership (FNP) programme. She explained that the FNP programme, licensed from the University of Colorado, Denver, was a home visiting initiative starting in early pregnancy and designed to promote self-efficacy among young first-time mothers and aimed at improving antenatal health and birth outcomes, improving child health and development, and improving the economic self-sufficiency of families.

The Committee noted that NES's responsibility in relation to FNP was for the educational component of the programme. Susan Key informed the Committee that

territorial NHS Boards were responsible for FNP service delivery and that responsibility for the quality assurance of these services had been transferred from NES to the Scottish Government. It was explained that the transfer of responsibilities reflected confidence in the NES programme and the infrastructure put in place by the NES FNP team. The change also reflected changes in the Scottish Government's early years policies. Assurances were given to the Committee in respect of governance arrangements through the process of transition. It was noted that the transition had been collaborative, with regular meetings with the Scottish Government's Health Policy Team ensuing that programme requirements were well understood.

In response to a question about the potential effect of the FNP programme on the health visitor workforce, Gail Radford-Trotter reported that 50% of FNP nurses were health visitors, but they were also recruited from a variety of nursing backgrounds, which helped to enrich the programme.

Gail Radford-Trotter and Susan Key were thanked for attending the meeting and their helpful contributions. The Committee noted the assurance that the educational quality of the programme was appropriately managed.

8.2 Scottish Dental Postgraduate Career Fellowship Scheme
(NES/E&RGC/17/41)

Rob Coward introduced the summary Educational Governance monitoring report on the Scottish Dental Postgraduate Fellowship Scheme. The Fellowship originated in 2005 as the Rural Training Fellowship Scheme and had evolved to address the changing priorities of the Dental profession. The current iteration of the Scheme addressed a perceived deficit in quality improvement capability of the General Dental Service. The funding was used to enable a relatively small group of dental practitioners to undertake the MSc in Quality Improvement at the University of Dundee.

Rob reported that the ERGEG received assurance that the educational quality of the Scheme was managed effectively. Various mechanisms between the University of Dundee and the NES Dental Directorate were in place to ensure that academic standards were maintained and dental practitioners supported. It was noted however that the costs of the programme were relatively high due to the need to meet participants' salary costs/independent practitioner payments. The ERGEG had recommended that the Scheme Manager should contact the Head of NES's Quality Improvement programme with a view to identifying more cost-effective options for developing capacity in this area.

The Committee noted the assurance provided but agreed the report raised educational governance questions relating to ensuring value for money. The Committee endorsed the proposal to explore more cost-effective approaches to achieving the programme's outcomes. **Action: RC/DSI**

8.3 Quality Improvement Programme (NES/E&RGC/17/42)

The Committee considered the summary Educational Governance monitoring report on NES's Quality Improvement Programme; part of the Quality and Safety Workstream within the Medical Directorate.

E&RGC members welcomed the report, which detailed a creative and flexible approach to enhancing service capability and capacity. It was suggested that learning from the programme should be shared widely within NES, with a view to influencing practice across directorates as appropriate. In response, Stewart indicated that there were significant examples of cross-directorate collaboration on specific areas for educational support, such as in mental health. Moreover, the Education Leadership Group (ELG) had been established for the purposes of sharing good practice and inter-directorate learning. It was agreed that the ELG should routinely be notified of potentially important transferable good practice identified through the Educational Governance quality monitoring processes.

Action: RC

Members noted the successful education outcomes from QI programmes, such as the Scottish Quality and Safety Fellowship, which were well regarded throughout the service. It was apparent however that some participants were unable to apply their learning to practice because of time constraints and other limiting factors. This highlighted the need to develop 'real world' educational solutions which took barriers to implementation into account. It also emphasised the need for NHS boards to play their parts by supporting implementation effectively.

The Committee noted the assurance that the educational quality of the programme was appropriately managed.

8.4 Medical Appraisal (including Scottish Online Approval Resource (SOAR) (NES/E&RGC/17/43)

Stewart Irvine presented the summary Educational Governance monitoring report on the Medical Appraisal training programme including the underpinning Scottish Online Approval Resource (SOAR), which supported medical revalidation. He advised that participants had been satisfied with the quality of appraisal training, but there were complaints from NHS boards about the numbers of trained appraisers. However, the supply of appraisal training offered by NES outstripped demand in many cases. Also, it appeared that many trained staff did not apply their skills by undertaking appraisals in their workplace. Professor Irvine indicated that Medical Appraisals were very thorough and therefore quite time-consuming. There was therefore a need for Boards to recognise the time needed for appraisal in work plans. The Committee noted that consideration was being given to the possibility of a shorter – one-day – course for new appraisers, and that the Healthcare Improvement Scotland annual report on Medical Revalidation would be presented to the NES Board in January 2018.

The E&RGC noted the assurance that the educational quality of the programme was appropriately managed.

9. Equality and Diversity Mid-Year Progress Report 2017-2018
(NES/E&RGC/17/46)

Kristi Long presented the scheduled Equality and Diversity Mid-Year Progress report for 2017-18, which detailed NES's progress toward the published Equality Targets and planned equality impact assessments (EQIAs). She explained that the equality target reporting had been successfully implemented using NES's new MiTracker performance management system. This system indicated that NES is largely on track to achieve the planned outcomes. It was noted that an outcome relating to equality training had been adversely affected by the bankruptcy of an e-learning provider. Kristi Long advised that interim measures were in place to meet relevant requirements in the current financial year, but that a sustainable solution needed to be found for the longer term. **Action: KL**

It was noted that progress on the production of EQIAs was generally satisfactory, with only one target shown as amber. Specific challenges were identified in relation to EQIA of partnership work and Kristi Long advised that an alternative approach might be to address cross-cutting workstreams using a more strategic approach in considering longer-term equality implications. **Action:KL**

The Committee noted the report and welcomed the evidence of progress achieved.

10. Risk Register (NES/E&RGC/17/47)

Rob Coward presented a report drawn from NES's directorate risk registers for the Committee's consideration. The report included NES risks rated as highest priority (Primary 1) before the application of mitigating controls. Rob Coward explained that, due to time constraints, the risk of relevance to the business of the E&RGC had not been extracted from the fuller set of Primary 1 risks. The Committee considered those risks relating to Educational and Research Governance to check that they were being managed effectively.

Members highlighted a risk relating to Turas Learn, which did not detail any mitigating controls. Rob Coward undertook to liaise with with the Digital Risk Manager to ensure this is rectified as a matter of urgency. **Action: RC**

The Committee was content with the controls identified for the other relevant Primary 1 risks.

It was noted that the need or otherwise to retain a risk relating to the preparation of doctors for bereavement communications would be reviewed. **Action: RC**

It was emphasised that all E&RGC papers should have the normal covering paper explaining their purpose and identifying key issues for consideration.
Action: RC

11. Medical Deanery Quality Management Framework
(NES/E&RGC/17/45)

The Committee received the Medical Quality Management-Quality Improvement Framework for information and assurance. Stewart Irvine advised that the Framework had featured in the recent GMC visit to NES. He explained that it had taken longer than anticipated to complete because of the time taken by the regulator to finalise its requirements. The Framework now mirrored the GMC's own quality management arrangements quite closely.

The Committee noted the Framework document and considered that it provided substantial assurance as to the management of training quality. Members commented on the commitment and professionalism evident in the document and thanked everyone involved in its development.

It was suggested that it was timely to take an overview of the document and its structure, updating text where appropriate to reflect the state of implementation reached, incorporating a glossary of terms, and giving consideration to the possibility of presenting the material within it as a coherent suite of important documents rather than a document with a series of appendices. **Action: DSI/RC**

It was noted that Appendix 2 referred to the Senior Management and Leadership Team and E&RGC and ERGEG as 'full sub-committees of the Board'. It was agreed that the relevant text should be corrected to reflect the facts that the Senior Management and Leadership Team was not a committee or sub-committee of the NES Board and the E&RGC was a standing committee of the Board.
Action: DSI/RC

It was emphasised again that all E&RGC papers should have the normal covering paper explaining their purpose and identifying key issues for consideration.
Action: RC

12. Identification of risks

The Committee again flagged up the resourcing of Turas Learn (minute 10 refers) as a potentially significant risk without any specified controls. It was agreed that Rob Coward would work with the Digital Team to identify appropriate controls.
Action: RC

13. Items for inclusion in the E&RGC annual report

The Committee agreed to include references to the following items in the Business Transacted section of the 2017/18 E&RGC annual report, mostly grouped with related items under wider headings:

Item 8.1 Family Nurse Partnership programme
Item 8.2 Scottish Dental Postgraduate Career Fellowship Scheme
Item 8.3 Quality Improvement programme
Item 8.4 Medical Appraisal programme (including SOAR)
Item 9 Review of risk registers

Item 10 Medical Deanery Quality Management Framework
Item 11 Equality & Diversity Mid-Year Review 2017-18

14. Any other business

General Medical Council National Review of Scotland 2017

Stewart Irvine gave a brief verbal report on the GMC's recently-concluded Review of Scotland, describing the Review process and the initial verbal feedback from the GMC visiting team.

Secretary's note: The GMC's initial feedback has since been received and circulated to all Board Members.

15. Scheduled E&RGC workplan items not covered on the meeting agenda

It was noted that the planned summary Educational Governance monitoring report on the Clinical Skills programme had been postponed to enable the processing of other overdue monitoring reports at the November ERGEG meeting but was expected to be presented to the E&RGC's February 2018 meeting.

16. Date and time of next meeting

The next E&RGC meeting will be held on Thursday 22 February 2018 at 10:15am.

NES
January 2018
RC/SI/at

NHS Education for Scotland

Board Paper Summary: Audit Committee Minutes

1. Title of Paper

Draft minutes of Audit Committee meeting held on 11 January 2018: copy attached.

2. Author(s) of Paper

Jenn Allison, Admin Officer (Planning & Corporate Governance)

3. Purpose of Paper

To receive the minutes of the Audit Committee meeting held on 11 January 2018.

Please note these minutes have been approved by the Lead Officer (Audrey McColl), but have not yet been approved by the Committee Chair (Carole Wilkinson). The Chair has confirmed the minutes can be submitted to the Board meeting in draft form.

4. Items for Noting

a) Item 4 – Any Other Business – Internal Audit Contract

The committee agreed to extend the contract with Scott-Moncrieff for one year and that this should be reviewed in January 2019, which potential for one further year extension.

b) Item 8 – Internal Audit Reports

i) 8a- Follow up Audit Recommendations 2017/18 Q3
This report provided information relating to outstanding internal audit recommendations.

The committee noted the report and were satisfied that NES continues to make good progress in implementing outstanding actions.

ii) 8b- Organisational Change
This report reviewed NES's organisational change processes over the area of Pharmacy, which was most recently in progress.

The committee noted the report and the assurance provided.

iii) 8c- Budget Management
This report reviewed arrangements for setting and monitoring budget, including variance analysis and financial report.

The committee noted the report and the assurance provided.

iv) 8d- Expenditure and Payables
This report reviewed the procedures for non-pay expenditure payments and the management of payables.

The committee noted the report and the assurance provided.

v) 8e- Progress Report
This report summarised internal audit activity since the committee's last meeting in April 2017 and confirmed the reviews planned for the fourth quarter.

The committee noted the report and approved the plan for the next quarter.

a) Item 9 – External Audit Reports

i) 9a- Follow up Audit Recommendations 2017/18 Q3
The committee noted the materiality has increase from 1% to 2% of gross expenditure and were satisfied with the draft external audit plan.

ii) 9b- Follow up of External Recomendations
The committee noted the report and were satisfied that NES continues to make good progress in implementing outstanding actions.

vi) 9c- External Audit Fee
The Audit Committee approved the fees set by Audit Scotland.

b) Item 10 – Counter Fraud Update

This report highlighted activities underway in NES aimed at supporting the Strategy to Combat Financial Crime in NHS Scotland.

The committee noted the report and progress of actions. The chair thanked Janice Sinclair for her work.

c) Item 11 – Risk Management Strategy

This report introduced the amended Risk Management Strategy, which included changes to the Board's risk appetite.

The committee noted the amendments to the Risk Management Strategy and approved its submission to the Board for ratification.

d) Item 12 – Self-Assessment: Theme 2 – Internal control and financial reporting / regulatory matters checklist

The committee carried out a self-assessment of how effectively it is operating and agreed with the comments and scoring subject to minor amendments discussed.

e) Item 13 – Self-Assessment Tool Review

The committee reviewed the updated version of the Self-Assessment tool, which has been developed by Counter Fraud Services (CFS) and agreed to submit the actions proposed to Counter Fraud Services, following agreed changes.

f) Item 14 – Audit Scotland Report

The committee noted the following reports: NHS in Scotland 2017 and the 2016/17 audit of NHS Tayside: Financial sustainability.

5. Recommendations

Board members are asked to note the Audit Committee minutes.

NES
January 2018
JA

IN CONFIDENCE – DRAFT **NES/AUD/18/07**

AUDIT COMMITTEE

Minutes of the Sixty-Fourth meeting of the Audit Committee held on Thursday 11 January 2018 at Westport 102, Edinburgh, Room 8.

Present: Carole Wilkinson (Chair)
Doreen Steele
Susan Douglas-Scott
Susan Stewart

In attendance: Lindsay Burley, Board Chair
Audrey McColl, Director of Finance
Caroline Lamb, Chief Executive
Janice Sinclair, Head of Finance
Helen Berry, Scott-Moncrieff
Joanne Brown, Grant Thornton
Jenn Allison, Committee Administrator

1. Welcome and introductions

The Chair welcomed everyone to the meeting, particularly Joanne Brown from the External Auditors, Grant Thornton and Helen Berry from the Internal Auditors, Scott-Moncrieff.

2. Apologies for absence

Apologies were received from Robin Baker from Grant Thornton and Matt Swann from Scott-Moncrieff.

3. Declarations of interest

There were no declarations of interest in relation to items on the agenda.

4. Any other business

a) Internal Audit Contract

Audrey McColl informed the committee that the contract with Scott-Moncrieff is due to end in March 2018. The contract was initially for three years, with the option for extension by two single years. It was proposed that the contract is extended for one year, to be reviewed again in January 2019.

The committee noted that discussions between the National Boards have been taking place regarding the possibility of commissioning internal auditors for all National Boards under one contract. It was noted that due to the restrictions on any

one firm providing both the Internal and External Audit functions for the board, it may not be possible to have a single contract for the National Boards.

The committee agreed to extend the contract with Scott-Moncrieff for one year and that this should be reviewed in January 2019, which potential for one further year extension. **Action: AMcC**

5. Minutes of the Audit Committee, 05 October 2017 (NES/AUD/17/29)

The minutes of the Audit Committee 05 October 2017 were approved as a correct record. **Action: JA**

6. Action list of the Audit Committee, 05 October 2017 (NES/AUD/17/30)

Members noted that the actions from the previous meeting were completed or in hand.

- Audrey McColl noted that disaster recovery plans in Digital are in place and are tested on a regular basis. These will be drawn into one single plan by March 2018 as part of ISO27001 accreditation.

- Audit Committee induction documents have been updated as agreed in the last committee and the board services team have been made aware of documents to be supplied to new Audit Committee members as part of their induction.

7. Matters arising

a) Procurement Report

Audrey McColl updated the committee on the progress of a recommendation from the Internal Audit Procurement report, discussed during the October committee. The report had identified that there was no evidence to confirm that the Procurement Strategy for 2016/17 had been formally signed off by the Finance and Performance Management Committee and recommended that the committee do so retrospectively.

Management and members of the Finance and Performance Management Committee agreed that this would not be the most appropriate action and Internal Audit have issued an updated report to reflect this.

8. Internal Audit Reports

a) Follow up Audit Recommendations 2017/18 Q3

Helen Berry introduced the report, which provides senior management and the Audit Committee with assurance that agreed internal audit recommendation for Q3 2017/18 have been implemented satisfactorily or are in progress.

- Management has made good progress in completing actions during the third quarter of 2017/18. Six outstanding actions have been completed and two actions have been added to the tracker in the last quarter, resulting in 17 open actions.

- Two actions from 2014/15 remain outstanding but the management update indicates these are being progressed and are expected to be completed shortly.

The committee noted the report and were satisfied that NES continues to make good progress in implementing outstanding actions.

b) Organisational Change

Helen Berry introduced the report, which reviewed NES's organisational change processes over the area of Pharmacy, which was most recently in progress.

- The report concluded that NES has a well-established policy and related procedures to support organisational change and noted that management considered that aspects of the policy were too onerous for small scale organisational change. Internal Audit recognise that there could be benefits in implementing a more agile approach, which would allow for smaller changes to follow a scaled down process. Internal Audit therefore, deemed it appropriate that management have not followed more extensive procedures in this instance.

- The report recommended that management should revise the Organisational Change policy to clarify when it is appropriate for a scaled down process to be used and what the specific steps in this process are.

The Audit Committee noted the report and the assurance provided.

c) Budget Management

Helen Berry introduced the annual budget management report, which reviewed arrangements for setting and monitoring budgets, including variance analysis and financial reporting.

- The Report concluded that the NES budget management framework is well defined and supports the achievement of strategic objectives, which is reflected by a number of areas of good practice.

- The report recommended improvements to budget monitoring arrangements, the content of reports presented to the Board and Finance and Performance Management Committee and that budget variance thresholds are implemented. Helen Berry noted that the Christmas and New Year holiday period had meant that the normal detailed discussion of the recommendations with Management had not been possible. A further meeting will take place with internal audit to perhaps reframe the recommendations more specifically to the NES operating environment. The report will be re-submitted to the next Audit Committee. **Action: AMcC/HB**

- The committee agreed that the timing of the January Audit Committee meeting will be reviewed for 2019 to potentially take place later in January, to allow time for all papers to be prepared in January avoiding the holiday period. **Action: JA**

The Audit Committee noted the report and the assurance provided.

d) Expenditure and Payables

Helen Berry introduced the annual expenditure and payables report, which reviewed the procedures for non-pay expenditure payments and the management of payables. The scope of the review excluded consideration of procurement processes which have been reviewed elsewhere in the 2017/18 audit plan.

- The report concluded that NES's systems of control over non-pay expenditure are robustly designed and reflect good practice.

- The report recommended that NES ensure all control account reconciliations are subject to a formal secondary review in line with the established procedure.

The Audit Committee noted the report and the assurance provided.

e) Progress Report

Helen Berry introduced the report, which summarised internal audit activity since October 2017 and confirmed the reviews planned for the fourth quarter.

- At the end of December 2017, seven out of sixteen audits have been completed so far in 2017-18; Procurement, Organisational Change, Budget Management, Expenditure and Payables and Q1, Q2 and Q3 Follow up. A draft report has been presented on the Business Continuity Planning audit, which will be finalised shortly.

- Reviews for the next Audit Committee in April 2018 are in planning and on track for completion. These reports are: Q4 Follow up, Educational and Research Governance, Health & Social Care Integration Governance, Directorate Review, Talent Management Framework, Governance of e-ESS roll-out.

The committee noted the report and approved the plan for the next quarter.

9. External Audit Reports

a) External Audit Plan for financial year ending 31st March 2018

Joanne Brown introduced the External Audit Plan for financial year ending 31st March 2018.

- Materiality has been calculated at around £8.8m (2% of gross expenditure). This has increased to the level previously adopted by Deloitte from an initial materiality adopted by Grant Thornton on appointment, of 1%.

- Members noted the identified risks and agreed the report was clear and well presented.

- Audrey McColl informed the committee that there has been a change of staff in the External Audit team, who will all now be based in Scotland. Grant Thornton will ensure that there is an appropriate handover with the former team to enable a smooth transition. An interim audit is planned for February where NES staff will be available to answer any queries which arise from the handover process.

- The committee also noted that a paper on accounting policies and changes required as a result of revised guidance will be brought to the next committee.

Action: JS

The Audit Committee noted and were satisfied with the draft external audit plan for financial year 2017/18.

b) Follow up of External Recommendations (NES/AUD/18/02)

Audrey McColl introduced the follow up report which will be a standing item on the agenda and provided the Audit Committee with updates on the progress of External Audit recommendations.

The committee noted the report and were satisfied that NES continues to make good progress in implementing outstanding actions.

c) External Audit Fee

Audrey McColl introduced the letter received from Audit Scotland which informed the committee of the fees for 2017/18.

The Audit Committee approved the fees set by Audit Scotland.

10. Counter Fraud Update (NES/AUD/18/03)

Janice Sinclair presented the report which updated the Audit Committee on activities underway in NES aimed at supporting the Strategy to Combat Financial Crime in NHS Scotland.

- Satisfactory progress against the actions in the 2017-18 workplan is being made, with plans to roll out Anti Bribery training to the Senior Operational Leadership Group underway. There has been an increase in the uptake of the Counter Fraud eLearning modules, with 87% of staff completed the eLearning and 71% of line mangers completed WebEx session. It was agreed that the mandatory training should be added to Board inductions. **Action: JA**

- The review of the Gifts and Hospitality Registers have revealed no new declarations for the 3-month period to end of September 2017. The committee agreed to the proposal that Board Members are asked to provide an annual declaration in relation to offers of Gifts and Hospitality to provide assurance that records are complete. **Action: JS**

- The committee discussed current cases under investigation and agreed that case NES-2015-005 can be closed as this is now being dealt with by the Police. **Action: JS**

The committee noted the report and progress of actions. The chair thanked Janice Sinclair for her work.

11. Risk Management Strategy (NES/AC/18/04)

Audrey McColl introduced the amended Risk Management Strategy, which included changes to the Board's risk appetite as discussed by the Board on 7th December

- It was agreed that the revised strategy had captured the discussion at the Board that the current appetite for residual risk should be retained, but that the Board should signal greater appetite for risk during the early concept phases of new activities and ways of working. This reflects the agile concept and the desire to consider more innovative and transformational activities addressing the changing health and care landscape and the current budget constraints.

- Other key changes relate to the sections referring to the former Integrated Planning and Performance system (IPPS), which has been replaced with MiTracker.

The committee noted the amendments to the Risk Management Strategy and approved its submission to the Board for further discussion. **Action: AMcC**

12. Self-Assessment: Theme 2 – Internal control and financial reporting/regulatory matters checklist (NES/AUD/18/05)

Audrey McColl introduced theme 2 of the Self-Assessment Tool for the committee to carry out a self-assessment of how effectively it is operating and identify any areas for improvement.

The committee agreed with the comments and scoring noted for theme 1 which had been reviewed at the October meeting. Theme 2 was reviewed and evidence agreed against each heading. Theme 3 will be reviewed at the April Audit Committee. **Action: AMcC**

13. Self-Assessment Tool Review (NES/AUD/18/06)

The committee agreed to take item 13 after item 10, the counter fraud services update. Janice Sinclair introduced the updated version of the Self-Assessment tool, which has been developed by Counter Fraud Services (CFS) to assist organisations undertake a high-level assessment of their readiness to the risks posed by financial crime and to develop a time-bound improvement plan to increase resilience to fraud.

- The committee agreed that due to the size of NES it would not be required to set up an Integrity Group as recommended by Police Scotland Counter Corruption Unit. The committee felt the current arrangements in place are appropriate and ad-hoc meetings can be arranged as required.

- The committee identified a number of Policy updates which would require to be presented to the Staff Governance Committee in partnership with the Audit Committee. **Action: JS**

The Audit Committee reviewed the updated Self-Assessment tool and agreed to submit the actions proposed to Counter Fraud Services, following agreed changes. **Action: JS**

14. Items for information

The following Audit Scotland Reports were noted by the committee:

a) NHS in Scotland 2017

b) The 2016/17 audit of NHS Tayside: Financial sustainability

15. Private meeting between Auditors and Audit Committee Members

A private meeting was held between the Auditors and the non-executive Audit Committee members.

16. Date and time of next meeting

The next meeting of the Audit Committee will be held on Thursday 12th April at 10:15am in Westport Room 8.

The Chair of the Audit Committee, Carole Wilkinson, noted that the January meeting will be the last committee she will be chairing as her term of office on the NES board is due to end in March 2018. She thanked the committee members and the finance team for their support. The chair also thanked Susan Douglas-Scott for her membership on the Audit Committee; Susan's appointment to the NES board is also due to end in March 2018. The committee noted that new appointments will be announced in February.

NES
Jan 2018
JA/JS/AMcC

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

Revised NES Risk Management Strategy

2. Author(s) of Paper

Audrey McColl, Director of Finance
Lorraine Turner, Manager, Planning and Corporate Resources
Rob Coward, Principal Educator, Planning & Corporate Resources

3. Purpose of Paper

To present a revised draft Risk Management Strategy incorporating the changes to risk appetite discussed at the 7th December Board meeting.

4. Key Issues

4.1 Revised risk appetite

It was agreed that the current appetite for residual risk (after the application of mitigating controls) should be retained, but that the Board should signal greater appetite for risk during the early concept phases of new activities or ways of working. This reflects the willingness to consider more innovative and transformational activities addressing the changing health and care landscape and the current budget constraints.

The willingness to accept greater risk in the concept and planning stages is reflected in section 5 of the enclosed draft Risk Management Strategy (pages 13 to 15), which distinguishes between risks relating to new activities and ways of working and other 'business as usual' risks. The appetite for risk reduces during the piloting/test of change stage, indicating the need for some mitigating controls. For some risk categories, such as financial risks, the appetite for risk will reduce further during implementation. The 'draft' appetites in section 5.2 are indicative to enable discussion by the Board.

This approach reflects the Agile concept where it is accepted that some new approaches to existing delivery mechanisms or development of new activities will fail and if so, it is better that the failure is small scale and identified early in the development process.

Guidance on appetite for risk is provided in the Risk Appetite Descriptors presented at Appendix 3 to the amended Risk Management Strategy. These descriptors have been modified with reference to guidance published by the Institute of Risk Management.

4.2 MiTracker

In addition to the above proposed changes to the sections dealing with the Board's Risk Appetite, the other key change in the amended Strategy document is the replacement of references to the Integrated Planning and Performance System (IPPS) with MiTracker; NES's new risk management software system. MiTracker is currently being used by NES staff to record and manage corporate, directorate and project risks. For ease of reference, any changes to the Risk management Strategy, other than those relating to the change of system, have been highlighted in yellow.

4.3 Further developments

A further review of the risk appetite descriptors will be carried out to incorporate some NES specific examples. This will help in the roll-out of the revised strategy across the organisation. System changes will be made to enable risk to be captured at the different stages of development of new activities or ways of working.

5. Educational Implications

There are no significant educational implications arising from the amended Risk Management Strategy, although staff will be made aware any agreed changes to the Board's approach to risk appetite. This will be addressed through communications to Risk Champions, the Senior Operations Lead Group and other fora.

6. Financial Implications

The amended Risk Management Strategy has no direct financial implications.

7. Recommendation(s) for Decision

The amended Risk Strategy was reviewed by the Audit Committee on 11th January. The Board is invited to review and approve the proposed risk appetites for new activities and ways of working.

NES
January 2018
AMC/RC/LT

NHS Education for Scotland

RISK MANAGEMENT STRATEGY

December 2017

Contents

1. STATEMENT ON RISK MANAGEMENT

This paper sets out NHS Education for Scotland's (NES) Risk Management strategy

The NES Risk Management Strategy is founded on the belief that Risk Management is:

- a key tool in the management of the organisation;
- a major part of NES's internal control processes;
- important in ensuring the continuity of core activities;
- an inclusive and integrative process covering all strategic and operational risks; and
- a major corporate responsibility requiring strong leadership and regular review.

What is risk?
There is no single, universally accepted definition of 'risk,' but at NES we normally think of risk as the internal and external factors that have the potential to negatively affect the achievement of corporate objectives, the organisation, and individual programmes.

The aim of the risk management strategy is to raise awareness of risk among NES staff and stakeholders. It provides a key reference point setting out responsibilities in relation to the management of risk, thereby promoting an open and responsive approach to risk management which actively involves all elements of NES.

NES recognises that, in view of the nature of its business, the number of serious incidents and near misses will be limited. There are however risks that pertain to the achievement of NES's business objectives. This Strategy provides guidance on the identification, reporting and management of these risks.

2. RISK MANAGEMENT STRATEGY

The NES Risk Management Strategy is founded on a number of key objectives.

- The Risk Management Strategy is focused on managing the risks associated with the achievement of NES's strategic and operational aims, to a level that is acceptable to the Board

- The Risk Management Strategy involves both a 'top down' approach to the identification and management of risks with a clear focus on risk management from the Board and the Executive Team. It also involves a 'bottom up' approach with Risk Champions facilitating and co-ordinating the identification and management of risks at a local and project level in conjunction with service managers

- The Risk Management Strategy ensures that all staff are made aware of their responsibilities for risk assessment and management. It also promotes risk management as a key tool in the management of NES. This is achieved through clear definition of responsibilities, as set out at section 6, through staff induction, regular workshops for Risk Champions and regular sessions on risk management at an Executive and Board level

- The Risk Management Strategy is implemented though recording, assessing and planning the mitigation of risks through the maintenance of Risk Registers, as described at section 4

- The Risk Management Strategy recognises that risk needs to be managed at different levels within the organisation and therefore the system of Risk Registers is aligned to corporate, local, project and commissioning systems as appropriate

- The Risk Management Strategy ensures that, at all levels in the organisation:
  - Risks are systematically reviewed on at least a six-monthly basis by the Executive Team, with review of each risk register undertaken locally and submitted to the accountable Director on a quarterly basis
  - Risk is consistently measured, taking account of impact and likelihood, against NES business objectives so that an accurate picture of NES's risk profile is maintained
  - The risks associated with new proposals are identified at an early stage of the planning process and have a specific risk appetite
  - Measures, such as internal controls and contingency plans, already in place to mitigate risks are identified, recorded and periodically tested.
  - The residual risk is compared to the organisation's risk appetite to determine the need for further action
  - Additional measures required to control risks are identified and responsibility for implementation is assigned
  - The likelihood of the risk materialising and the impact that would result (taking into account measures already in place to control the risk) are quantified and scored on a consistent basis
  - New risks are recorded as they are identified
  - Risk registers are used to maintain an overview of the cumulative impact of risk for a project, directorate or NES as a whole
  - The management of risk is incorporated into NES's corporate performance management and governance systems
- The Risk Management Strategy is underpinned by a commitment to training and development in risk management

The effectiveness of the Risk Management Strategy will be reviewed and monitored based on the following measures:

- The extent to which NES is successful year-on-year in achieving its business objectives
- Occurrence of adverse incidents which have not been recognised and documented within the risk management structures; or which have been inappropriately rated within the structures
- Corporate and local Risk Registers are reviewed by the Executive Team to assess the organisation's cumulative exposure to risk, the quality of the risk registers and the effectiveness of risk controls.

3. RISK MANAGEMENT STRUCTURES

The risks associated with the ongoing business of NES and the achievement of its strategic and operational aims are managed through a system of risk registers held at different levels throughout the organisation. These provide a mechanism through which risk management information can be gathered, reported and action formulated. This ensures that potential threats and challenges are identified at strategic and operational levels, and the impact of risks is assessed in conjunction with relevant parties.

3.1 The Corporate Risk Register

The Corporate Risk Register is used to identify all risks which have an implication for the operations of NES as a corporate body, and are therefore managed at a corporate level. It is the responsibility of the Board, through the Audit Committee and the Executive Team to maintain and develop the Corporate Risk Register. The Corporate Risk Register will include risks that could fundamentally:

- Re-shape the way in which NES exists; and
- Affect the way in which NES provides its current services.

A summary of the Corporate Risk Register, including details on how the residual risks compare to the Board's risk appetite is included as part of the Chief Executive's report at each Board meeting.

3.2 Local Risk Registers

Local Risk Registers are maintained for each Directorate. The Local Risk Registers detail all risks identified as having the potential to impact at a functional, local, or operational level and on the ability of the directorate to achieve its objectives. The risks that are identified on the Local Risk Register are assessed with respect to their impact on the achievement of organisational objectives and organisational operations. The control measures that are identified are those measures that are capable of being implemented at a local level.

The responsibility for ensuring that risks are identified, reviewed and managed lies with the relevant Director. The Director is also responsible for appointing a Local Risk Champion, to liaise with other NES Risk Champions and to play a key role in co-ordinating the development and review of Local Risk Registers. Directors are accountable for risk management within their directorate, and will be asked to confirm that effective arrangements are in place when signing NES's annual Governance Statement. This will require assurance that all key risks have been identified and recorded in the corporate, local and project risk registers. In signing the Governance Statement, Directors are also certifying that the content of the risk register is up-to-date and accurate, and that effective mitigation is in place to control risks. Where effective controls are not in place, or need to be strengthened, Directors will require assurance that additional action is being taken.

The Executive Team will annually review all Primary 1 inherent risks prior to consideration by Board standing committees. Following review by the Executive Team, standing committees will each receive an annual report of the Primary 1 inherent risks pertaining to their remitted area of responsibility. The specific responsibilities of the Executive Team and Board standing committees for reviewing and managing risk are set out in section 6 of the Risk Management Strategy.

The local risk management process may also identify risks which have a wider implication for the organisation, or which are not capable of being controlled locally. In these instances the risk is flagged as a Corporate Risk within the risk management system for review by the Director of Planning and Corporate Resources, who has responsibility for ensuring that the risk is considered for inclusion in the Corporate Risk Register.

3.3 Project Specific Risk Registers

NES also operates a system for identifying and managing the risks associated with projects. Where proposals are submitted requesting the allocation of NES funding for new projects, project templates and project initiation documents must include brief details about the risks associated with the project and the measures proposed to control those risks.

Throughout the life of a project, it is expected that the project risks will be both managed appropriately and the risk register suitably maintained by the appointed project manager. The project manager will also be expected to escalate any project risks to the Local Risk Register via their Risk Champion as necessary.

3.4 Risks associated with contractual and SLA arrangements

The standard NES documentation used for contracts and service level agreements with third parties includes a reference to risk management and a recognition that in such arrangements risks need to be shared. Where NES enters into a contract or service level agreement with a third party (particularly a non NHS body) of more than three years in duration, NES will develop a Risk Register jointly with the contractor.

4 RISK MANAGEMENT PROCESSES

4.1 Risk Registers

NES currently records and assesses its risks using an integrated planning and performance system (MiTracker). This system allows risks, risk actions and risk scores to be managed and maintained locally. It also allows for centralised reporting across a range of parameters, for example reporting of all risks assessed as 'Priority' risks across NES, or of all risks flagged as 'Corporate' via the local processes.

The NES Risk Management Strategy requires the following information on Risks to be collected and maintained within MiTracker.

Information Field	Information Required
Risk Name	A short description of the risk that must be sufficiently clear to the non expert reader.
Risk Category	Strategic - risk relates to the achievement NES's strategic objectives Financial - risk relates to NES's financial position Operational - risk relates to NES's operations Governance - risk relates to the governance of NES Reputational - risk relates to the external reputation of NES
Cause and Effect	An explanation of the exposure resulting from the risk i.e. what would occur to cause the risk to materialise and what would be the effect of this.
Risk Controls	Details of the measures that are currently in place to control the risk (either in terms of the likelihood of the risk occurring and/or the impact it would have should it materialise). These measures must be clearly defined and capable of audit, via the 'assurance' field within each control.
Risk Actions	Additional measures to be put in place to better manage the risk identified. New actions should be expressed as SMART targets.
Person Responsible	Details of the individual identified as having responsibility for implementing the additional measures identified.
Risk Score - Inherent Likelihood	A score relating to the likelihood of the risk materialising in the absence of control measures.
Risk Score - Residual Likelihood	A score relating to the likelihood of the risk materialising, taking into account the control measures that are already in place.

Information Field	Information Required
Risk Score - Inherent Impact	A score relating to the impact, should the risk materialise, in the absence of control measures,
Risk Score - Residual Impact	A score relating to the impact, should the risk materialise, taking into account the control measures that are already in place.
Risk Priority	The risk priority is derived from the risk scores, and is expressed in terms of low, medium (Housekeeping or Contingency) or high (Primary1 or Primary2). See section 5.4.

4.2 Likelihood of Risk materialising – NES Scoring Definitions

	Score	Aids to assessment
Almost Certain	5	This is expected to occur frequently/in most circumstances - more likely to occur than not. Risk will materialise on average once every 6 months
Likely	4	Strong possibility that this could occur - likely to occur. Risk will materialise on average once within each year
Possible	3	May occur occasionally, has happened before on occasions - reasonable chance of occurring. Risk will materialise on average once every 3 - 5 years
Unlikely	2	Not expected to happen, but definite potential exists - unlikely to occur. Risk will materialise on average once every 5 - 10 years
Rare	1	Very unlikely to occur – context and risk controls indicate this will only happen in exceptional circumstances. Risk will not materialise more regularly than every 10 years

4.3 Impact of Risk – NES scoring definitions

	Score	Aids to assessment
Extreme	5	Severe service disruption Gross failure to meet professional/ national standards Major financial loss (>£1m) and/or severe damage to reputation Serious adverse publicity in the national press. Major public/political concern Major long term consequences Very limited time in which to mitigate impact before terminal
Major	4	Substantial disruption of service Failure to meet professional/ national standards Unfavourable national media coverage or adverse local coverage (less than 3 days) Significant public/political concern Substantial financial loss Significant long term consequences
Moderate	3	Noticeable effect on the operation May cause a degree of disruption Significant financial loss (£10k - £100k) Repeated failures to meet internal standards or follow protocols Unfavourable local/long-term media coverage Minimal long term consequences
Minor	2	Minimal interruption of service Isolated failure to meet internal standards or protocols Local press interest Limited financial impact No long term consequences
Negligible	1	Negligible effect on service delivery Minor non-compliance Consequences are not severe and any associated losses and financial implications are very low (<£1k) No long term consequences

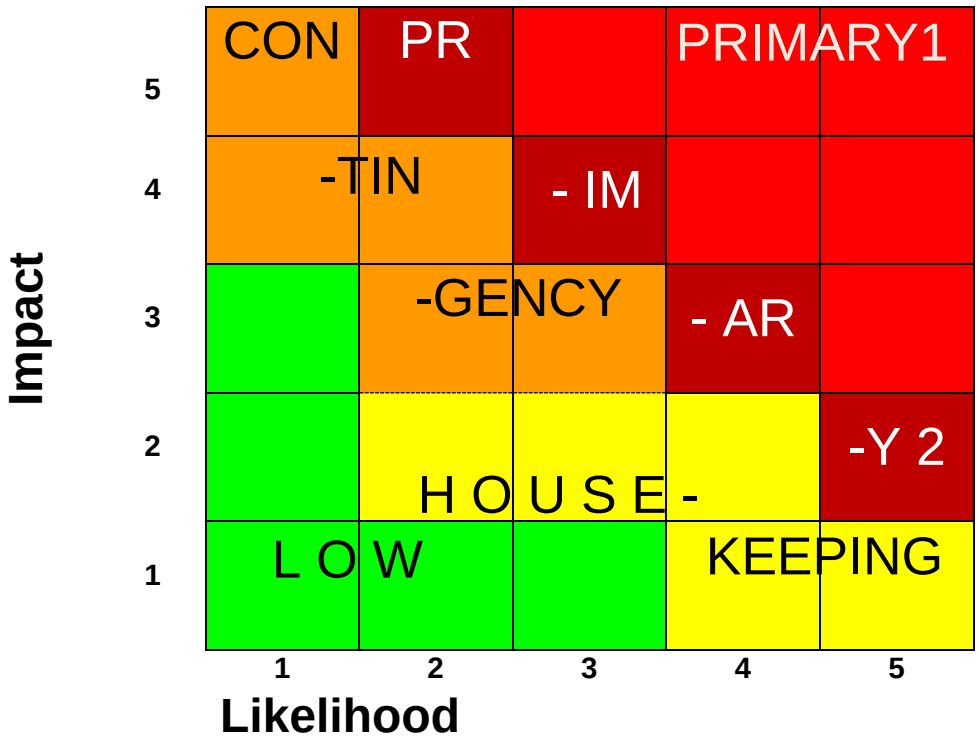
4.4 NES Risk Priority

NES uses the scoring of the impact and likelihood of risks to classify risks, from the different types of risk register, and thereby to produce comprehensive reports according to the type of risk and its priority.

Risks are classified under four categories, determined by the impact and likelihood values that are assigned to them. These are:

Residual Risk Scoring	Classification
High Impact, High Likelihood	**Primary 1 (score 15 - 25)**
High Impact, High Likelihood	Primary 2 (score 10 - 12)
High Impact, Low Likelihood	Contingency (score 4 - 9)
Low Impact, High Likelihood	Housekeeping (score 4 - 8)
Low Impact, Low Likelihood	Low (score 1 – 3)

The matrix below illustrates how the impact and likelihood of a risk determines its risk classification.



4.5 Reviewing and Updating Risk Registers

The Risk Registers maintained within NES are reviewed and updated as follows:

Corporate Risk Register	Reviewed prior to every Board meeting and reported to the Board within the Chief Executive's Report. Reviewed annually by each Standing Committee with particular reference to risks pertaining to their remit with an inherent priority of Primary 1.
Local Risk Registers	Reviewed quarterly with MiTracker being updated as appropriate. Risk Register submitted quarterly to accountable Director. Bi-annual reports on Local Risk Registers provided to the Executive Team. Inherent risks with Primary 1 priority are reviewed annually by each Standing Committee with particular reference to risks pertaining to their remit. Signed-off as accurate, up-to-date and effective by Directors each year as part of NES's annual Governance Statement.
Project Risk Registers	Reviewed regularly in line with project timetable.

4.6 Risk Management and Corporate Performance Management

The management of risk is a key executive responsibility within NES. Objectives in relation to the management of risk appear in the Common Core Objectives of all direct reports to the Chief Executive and are cascaded down the organisation.

The bi-annual performance review meetings between the Chief Executive and all their direct reports include discussion of the local processes in place for identifying and managing risk within the Directorate, and any significant risks identified in the local risk registers.

The oversight of risk and the production of risk reports from the NES risk management system is the responsibility of the Director of Planning and Corporate Resources. The positioning of risk in this department reflects the requirement to ensure that the NES risk management structures are appropriately aligned with planning processes, the achievement of corporate and local objectives and performance management against key targets.

NES has made a significant investment in performance improvement methodologies including Lean and Activity Based Costing. Any change programme inherently attracts risk which the Senior Operational Leadership Group is responsible for reviewing and prioritising. Any key risks arising through this programme must be communicated through the local risk registers.

4.7 Review of Risk Registers

For Risk Registers to remain useful it is essential that they are reviewed regularly. The Board is responsible for reviewing the Corporate Risk Register. Risk Champions, Directors and Board Standing Committees are responsible for reviewing local risk registers (see section 6 on Responsibilities below). The overall purpose of reviewing risk registers is to ensure that they include all relevant risks, that risks are being controlled effectively and that the information included in the registers is clear, accurate and up-to-date. More specifically the review process should focus on the following key issues by checking that:

- all key risks are included in the appropriate risk register
- residual risk scores remain within acceptable limits in relation to the Board's appetite for the various categories of risk
- risks included in the register remain current
- the information contained in the register is complete, clear, accurate and up-to-date
- controls are effective in reducing the impact and/or likelihood of the risk materialising
- the Risk Actions are up-to-date and are specified as SMART targets with target dates and named individuals responsible
- control assurances have been included with controls
- any breaches of risk controls are managed effectively and the risk controls are amended where appropriate.

The review process should enable Risk Owners and Risk Champions to update the information about individual risks and take remedial action where necessary.

5. RISK APPETITE

5.1 Risk Appetite Classification

NES recognises that in order to meet its strategic objectives[1], and achieve the vision of *Quality Education for a Healthier Scotland*, it will be necessary to be involved in activities that expose the organisation to a measure of risk.

We define our 'risk appetite' as the amount of risk that we are prepared to accept, tolerate or be exposed to at any point in time. Risk appetite is about taking well managed risks where the effective controls are in place to mitigate their impact and likelihood. Risk appetite needs to be considered at an individual (project) level, at a Directorate level and at an organisational (Corporate) level. The NES Board has considered its risk appetite using the classifications shown in the table below.

Classification	Description	Residual Risk Score Range
Averse	Avoidance of risk and uncertainty is a key organisational objective	1 - 3
Minimalist	Preference for safe options that have a low degree of inherent risk and a potential for limited reward	4 - 8
Cautious	Preference for safe options that have a low degree of residual risk and limited potential for reward	4 - 9
Open	Willing to consider all options and chose the one that is most likely to result in success, whilst also providing an acceptable level of reward	10 - 12
Hungry	Eager to be innovative and to choose options offering potentially higher rewards despite greater inherent risk	15 - 25

All risks identified are scored using the matrix shown at section 4.4 above, categorising risks into low (score of 1 - 3), medium - contingency/housekeeping (score of 4 - 9), primary 2 (score of 10 - 12) and primary 1 (score of 15 - 25). Risks are scored inherently (before controls are introduced) and residually (showing the net effect of the controls in place). The residual risk scores are then compared to the expressed appetite for risk, as set out in the table above. The regular report to the Board covering the Corporate Risk Register compares the residual risk to the risk appetite.

[1] As expressed in the NES Strategic Framework 2014 - 2019

5.2 Board Risk Appetite

In the context of our response to a rapidly changing operational environment, it is recognised that we are prepared to accept greater inherent risk to achieve improved efficiency and effectiveness, particularly in relation to innovative areas of work or ways of working where there are potentially higher rewards.

The table below sets out the inherent and residual risk appetite agreed by the Board applicable to each of the different stages of activity development and implementation, recognising increased risk tolerance at the conceptualisation and pilot stages. Definitions of each of the risk appetite categories can be found in Appendix 3.

	Risk Appetite		
Type of Risk	**Concept (Inherent Risk)**	**Pilot /Test of Change (Inherent Risk)**	**Business as Usual (Residual Risk)**
Strategic/Policy risks	Hungry	Open	Open
Operational/Service Delivery risks	Hungry	Hungry	Open
Finance risks	Cautious	Cautious	Averse
Reputational/Credibility risks	Open	Cautious	Cautious
Accountability/Governance risks	Cautious	Minimalist	Averse

Within the MiTracker system, the project module is used to track risks where activity is at the conceptual or test of change/pilot stage. Before an activity moves to 'Business as usual' the relevant Director must ensure that sufficient mitigating controls are in place to bring the residual risk level in line with the risk appetite agreed by the Board. Directors should advise the Director of Finance where further action is not possible, or is not considered cost effective.

6. RESPONSIBILITY

Through allocating specific risk management responsibilities NES has created an environment where:

- risk management is integrated into NES decision-making arrangements, helping to create an environment for continuous improvement and learning
- the adequacy of risk assessment, control measures and action plans are regularly reviewed, taking into account the Board's risk appetite
- The effectiveness of the risk management framework is reviewed at regular intervals and modified as necessary

Responsibility of:	Responsible for:
Board	The Board has overall responsibility for internal control within NES. The Board discharges this responsibility by ➢ considering the corporate risk register at each business meeting ➢ determining the acceptable level of risk for the organisation: its 'risk appetite' ➢ maintaining an awareness of the risk exposure and risk profile of the organisation ➢ receiving an update on the Corporate Risk Register at each of its meetings ➢ approving major decisions affecting the organisation's risk profile or exposure ➢ seeking assurances from the audit committee as to the operation of the risk management structures within NES, and ➢ annually reviewing the organisation's governance statement and its approach to risk management and ➢ approving any changes or improvements to key elements of its processes and procedures for risk management.
Audit Committee	The Audit Committee has delegated responsibility from the Board for maintaining an oversight of the implementation of the Risk Management Strategy and the operation of risk management processes and structures. The Audit Committee discharges this responsibility by: ➢ reviewing any changes to the Risk Management Strategy, processes or responsibility ➢ maintaining an oversight of the operation of the system of Local Risk Registers ➢ seeking assurances from the Internal Auditors and other assurance providers as to the effectiveness of the risk management system ➢ seeking assurances from the Internal Auditors as to the operation of key controls identified as being in place to control significant risks and ➢ reviewing the Statement of Internal Control in light of assurance reports received.

Responsibility of:	Responsible for:
Other Governance Committees	In instances where the Board delegates some or all of its responsibilities to Board Committees, those Committees have responsibility for retaining an oversight of the risks and treatment of the risks that pertain to the activities for which the Committee has responsibility. These committees are required to report on how they have discharged these responsibilities as part of their annual reporting to the Audit Committee. Each standing committee will undertake an annual review of the corporate risk register and all inherent risks scored at Primary 1 with particular reference to risks pertaining to their remit.
Chief Executive	The Chief Executive has overall executive responsibility for risk management arrangements within NES. The Chief Executive discharges this responsibility by: ➢ reviewing the Corporate Risk Register on a regular basis ➢ including the Corporate Risk Register in his/her report to the Board at every business meeting and ➢ delegating responsibility for risk management matters to the Director of Finance.
Director of Finance	The Director of Finance is the delegated Executive responsible for risk management within NES. The Director of Finance discharges this responsibility by: ➢ leading the development of risk management systems within NES ➢ provide direction to the Risk Champions ➢ promoting training and development in risk management throughout NES ➢ securing external risk management advice and challenge as required to assist with risk management development and ➢ receiving and responding to reports from NES's Internal Auditors and other assurance providers in connection with the effectiveness of the internal control environment for the purposes of managing risk.

Responsibility of:	Responsible for:
Director of Planning and Corporate Resources	The Director of Finance delegates day-to-day responsibility for the management of risk processes within NES to the Director of Planning and Corporate Resources. The Director of Planning and Corporate Resources is specifically responsible for: ➢ developing risk management systems and processes under the overall direction of the Director of Finance; ➢ co-ordinating and developing risk reporting processes; ➢ ensuring that Local Risk Registers are reviewed on a regular basis; ➢ monitoring critical risks; ➢ providing training and support to Risk Champions; ➢ providing induction training to new staff; ➢ ensuring compliance with Healthcare Improvement Scotland (HIS) Standards; and ➢ ensuring that risk management processes are aligned with planning and performance management processes.
Directors	Directors put in place risk management arrangements within their directorate by appointing Risk Champions to take responsibility for the day-to-day management of risk. Directors will confirm that arrangements are in place for the effective oversight and management of risk within their directorate, by ensuring that biannual reviews of local risk registers are completed and signing NES's annual Governance Statement.
Executive Team	The NES Executive Team is responsible for approving the NES Risk Management Strategy and associated arrangements prior to submission to the Audit Committee. The Executive Team also assures itself that all significant corporate and local risks are effectively managed by considering reports on the corporate and local risk registers on at least two occasions each year. The Executive Team will receive an annual report on all Primary 1 inherent risks in the Corporate and Local Registers before they are presented to Board standing committees.
Risk Champions	The Risk Champion role includes: ➢ enabling and co-ordinating the identification, documentation and management of risk in their region or Directorate through the risk management system; ➢ raising awareness of both the risk management process and specific risks; ➢ reviewing all risks within the relevant local risk register with risk owners to check that: • risks remain current • scoring is appropriate to the risk appetite for the risk category • controls are effective in reducing the inherent impact and/or likelihood of risks materialising • each control includes evidence (assurance) to confirm the control is operating effectively • the Risk Actions are up-to-date and are specified as SMART targets with target dates and named individuals responsible

Responsibility of:	Responsible for:
	• Quarterly progress updates are recorded for each risk in the local risk register ➢ supporting staff on risk management issues through the provision of information and advice; and ➢ working with the other Risk Champions to: • bring consistency to the approach to risk management across NES • share knowledge and experience • make the necessary changes happen e.g. process or behavioural changes. Fuller guidance on the role of the Risk Champions is provided at Appendix 2.
Risk Owners	Risk Owners are responsible for managing and reporting on individual risks. This involves identifying risks and reporting them to their local Risk Champion, identifying and implementing risk controls and/or actions, taking any necessary actions to further control risks, liaising with Risk Champions to review and update Risk Registers.
All Staff	All NES staff are responsible for: ➢ understanding and managing risks as an integral element of their job; and understanding their role in ensuring that internal control systems are effectively operated.

Appendix 1 - Review Checklist for Risk Champions (for use in consultation with Risk Owners)

Checklist	YES/NO
Are the risks in your risk register still relevant?	
Are there any new risks to be included?	
Is the risk title in the *Short Description* field clearly expressed in terms of what there is a risk of……eg *loss of archived data due to system failure*	
Is the *Cause* and *Effect* clearly described and up-to-date?	
Is the name in the *Risk Owner* field correct?	
Are the Residual Impact and/or Residual Likelihood scores lower than the Inherent Impact and/or Inherent Likelihood, scores? (Note: they should not be the same unless no further controls/actions can be put in place to help mitigate the risk).	
Is the **Residual** Priority score (Residual Likelihood x Residual Impact) within the acceptable range for that type of risk as detailed in the NES Risk Management Strategy Finance Risks and Governance Risks – maximum score 3 Reputational Risks – maximum score 9 Strategic Risks and Operational Risks – maximum score 12	
Do the descriptions in Risk Controls refer to activities that are **currently** in place to control the risk? If these are actions that are yet to be completed then they should be recorded as *Risk Actions* with a Due Date.	
Do the assurances for each of the Risk Controls provide auditable evidence that the control is in place (e.g. approved policies, procedures, governance arrangements, web links)	
Are the Descriptions in Risk Actions all *SMART* activities which will be implemented by the Due Date?	
In Risk Actions is the name in the *Person Responsible* field correct?	
Are there any Actions in Risk Actions which have not yet been completed by the stated *Due Date*?	
Has the Comments box on the Updates page been completed with progress on the risk for that quarter?	

Please note that this is a guidance document only and does not need to be returned.

Appendix 2 – Guide to the Risk Champion role

1. ROLE PURPOSE

The aim of Risk Management is to create an open and responsive approach to risk management in which NES staff and stakeholders are aware of risk, its potential impact, and their own responsibilities.

The Risk Management process is supported by **Risk Champions** covering all areas of NES work.

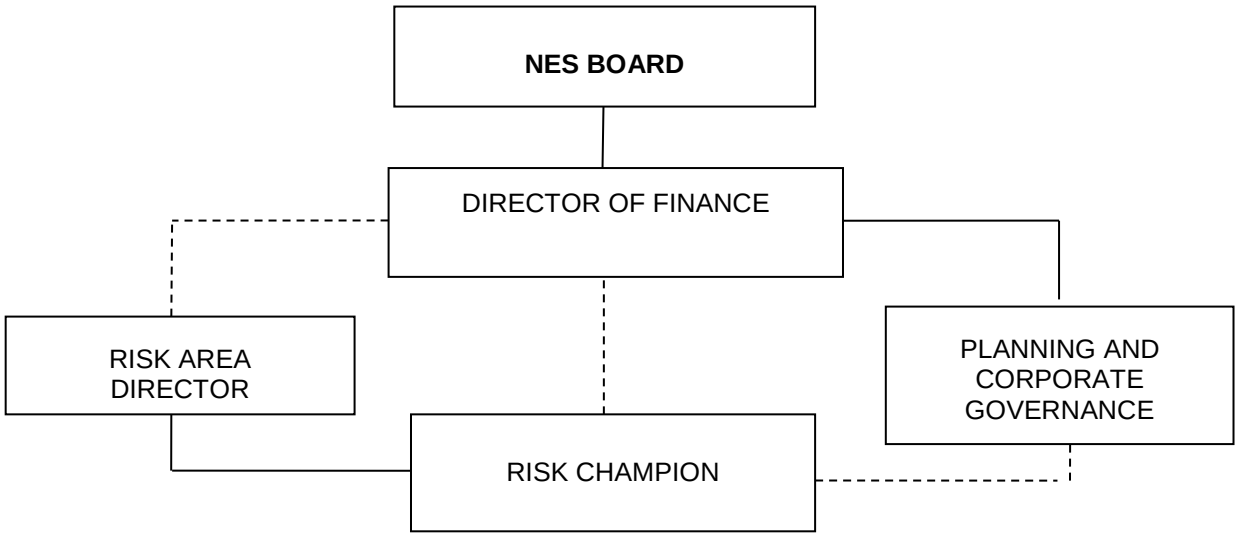
To spread the responsibilities for the role and maximise NES staff exposure to, and understanding of Risk Management, it is recommended that the Risk Champion role is rotated among appropriate staff.

2. RISK MANAGEMENT

- The Risk Management Strategy focuses on managing the risks associated with the achievement of NES strategic and operational aims
- The Risk Management Strategy involves both a 'top down' approach to the identification and management of risks with a clear focus on Risk Management from the Board and the Executive Team. It also involves a 'bottom up' approach with Risk Champions facilitating and co-ordinating the identification and management of risks at a local and project level in conjunction with service managers.
- The Risk Management Strategy sets out responsibilities of all staff for risk awareness and risk management; it also promotes risk management as a key tool in the management of NES.
- The Risk Management Strategy is implemented though recording, assessing and planning the mitigation of risks through the maintenance of Risk Registers.
- The Risk Management Strategy reflects the need to manage risks at different levels of the organisation and the system of Risk Registers is aligned to Corporate, Local, Project and Commissioning systems.

The Risk Management Strategy is underpinned by a commitment to training and development in risk management and recognition of the importance of staff responsibilities in this area.

3. ORGANISATION CHART



4. KEY AREAS OF RESPONSIBILITY AND MAIN TASKS

Risk Champions are appointed by the Director/Manager of the Risk Area as an addition to their existing role within the Directorate/Team. The Director/Manager must ensure that suitable arrangements are made to allow the risk champion sufficient time and resources to carry out the requirements of the risk champion role. The Risk Champion is not responsible for managing all risks within their Risk Area - this is the specific responsibility of the individually identified Risk owners within the Risk Area.

For their specified Risk Area, the Risk Champion should:

- enable and coordinate the identification, documentation, management and review of risk using Local Risk Registers and supported by the MiTracker Risk Management system;
- liaise with risk owners to ensure that inherent risks to NES business objectives are consistently measured and scored using the NHS standard methodology taking account of the impact and likelihood of risks occurring;
- liaise with risk owners to ensure the measures in place to mitigate risks, such as internal controls and contingency plans, are identified, recorded and periodically tested;
- liaise with risk owners to ensure that residual risks are consistently measured and scored taking account of the impact and likelihood of the risk materialising once existing controls and contingency plans are considered;
- liaise with risk owners to ensure that additional actions required to control risks are identified and responsibilities for implementation are assigned;
- monitor and periodically test the implementation and effectiveness of actions and controls;
- review and update the MiTracker Risk Management system for their risk area, presenting complex information in a way that is easily comprehensible to the lay reader.
- raise awareness of both risk management and specific risks within their Risk Area;
- induct new staff into risk management;
- provide local staff with advice and support on risk management issues; and
- maintain and develop awareness of new developments in systems, processes and practice relating to risk management at NES.

Working with the other champions, the Risk Champion should:

- bring consistency to the approach to risk management across NES;
- share knowledge and experience;
- facilitate necessary changes e.g. process or behavioural changes; and
- escalate high level risks to the Corporate Risk register

Risk Champions report to the Director of their risk area and the Director of Finance via the Planning and Corporate Governance Team, which also provides support.

Descriptors for levels of risk appetite by risk category (shaded areas indicate current Board appetite for residual risk)

Risk Category		Averse	Minimalist	Cautious	Open	Hungry
		Avoidance of risk or uncertainty is a key organisational objective	**Preference for safe options which have a low degree of *inherent* risk and a potential for limited reward**	**Preference for safe options which have a low degree of *residual* risk and a potential for limited reward**	**Willing to consider all options and choose the one which is the most likely to result in success, whilst also providing an acceptable level of reward**	**Eager to be innovative and to choose options offering potentially higher rewards despite the greater *inherent* risk**
Reputational/Credibility	**New activities/ways of working**	New activities/ways of working are planned with a view to avoiding reputational harm to NES.	New activities/ways of working are only considered where the likelihood or impact of reputational harm to NES is considered minimal.	Limited reputational risks are accepted for new activities/ways of working, but only where there are strong controls to mitigate the impact and likelihood of harm to NES.	External reputation is not the primary concern during early planning phases.	Acceptance that new developments may expose NES to reputational harm where this is justified by strategic and other benefits.
	Business as usual	No appetite for decisions or activities that could lead to increased scrutiny or criticism of NES.	Appetite for risk taken where there is minimal chance of significant repercussions for NES.	Appetite for risk taken where there is limited chance of significant repercussions for NES following the application of relevant controls.	Appetite for decisions and actions which may expose NES to additional scrutiny or criticism, but only where appropriate steps have been taken to minimise exposure.	Appetite for decisions and activities which may to expose NES to additional scrutiny or criticism, if the potential benefits outweigh the negative impact.
Strategic Risks	**New activities/ways of working**	No appetite for decisions or activities that could result in strategic failures and consequent scrutiny or criticism of NES.	Appetite for decisions or actions where there is minimal chance that strategic aims will be achieved with consequent repercussions for NES	Appetite for decisions or activities where there is limited chance that strategic aims will not be achieved, following the application of relevant controls	Appetite for decisions or actions which may expose NES to a risk of failing to meet strategic aims, but only where appropriate controls are applied.	Appetite for decisions and actions which may expose NES to additional strategic risks where these are outweighed by the potential benefits. Initial conceptual thinking should highlight potential benefits.
	Business as usual	No appetite for decisions or activities that could result in strategic failures and consequent scrutiny or criticism of NES.	Appetite for decisions or actions where there is minimal chance that strategic aims will be achieved with consequent repercussions for NES	Appetite for decisions or activities where there is limited chance that strategic aims will not be achieved, following the application of relevant controls	Appetite for decisions or actions which may expose NES to a risk of failing to meet strategic aims, but only where appropriate controls are applied.	Appetite for decisions and actions which may expose NES to additional strategic risks where these are outweighed by the potential benefits.
Financial	**New activities/ways of working**	New ways of working are planned with a view to preventing any risk of breaching financial limits.	New ways of working are only considered where the risk of exposure to variance in budget lines is minimal.	There is due regard to financial risk, but this should not impede innovation in the early stages of project planning.	Appetite for financial risk during early planning stages of new activities with the expectation that effective controls will be applied during implementation.	Appetite for financial risk in new ways of working, accepting that these are justified by strategic and other benefits.
	Business as usual	No appetite for decisions or actions that may prevent NES from operating within the agreed financial limits set by Scottish Government.	Appetite for the potential for minimal variance in budget lines. Focus only on staying within current budget envelope.	Appetite for some variance in budget lines and the potential for some minor underspend/overspend. Value for money is the primary concern, with emphasis on quality as well as price.	Prepared to take some financial risk by investing in new projects or activities (recognising that this could result in underspend/overspend) as long as appropriate controls are in place. In assessing value for money, price is not the most valued factor.	Prepared to take some financial risk by investing for the best possible return, accepting the possibility of underspend/overspend.

Risk Category		Averse	Minimalist	Cautious	Open	Hungry
		Avoidance of risk or uncertainty is a key organisational objective	**Preference for safe options which have a low degree of *inherent* risk and a potential for limited reward**	**Preference for safe options which have a low degree of *residual* risk and a potential for limited reward**	**Willing to consider all options and choose the one which is the most likely to result in success, whilst also providing an acceptable level of reward**	**Eager to be innovative and to choose options offering potentially higher rewards despite the greater *inherent* risk**
Accountability/ Governance risks	**New activities/ways of working**	No appetite for decisions or activities which may compromise NES's compliance with statutory, regulatory or policy requirements.	Minimal appetite for decisions or actions that may risk non-compliance with statutory, regulatory or policy requirements.	There is due regard to governance requirements, but this should not impede innovation at early stages of development.	Accountability and governance risks are accepted during the early planning stages, with the expectation that controls will be applied during implementation.	Appetite for decisions and actions which may expose NES to additional risk of non-compliance with governance requirements where these are outweighed by the potential benefits.
	Business as usual	No appetite for decisions or activities which may compromise NES's compliance with statutory, regulatory or policy requirements.	Minimal appetite for decisions or actions that may risk non-compliance with statutory, regulatory or policy requirements.	Appetite for decisions or activities where there is limited risk of non-compliance with governance requirements, provided that relevant controls are applied.	Appetite for decisions and actions where there is some risk of non-compliance with governance requirements, but only where appropriate controls are applied.	Appetite for decisions and actions which may expose NES to additional risk of non-compliance with governance requirements where these are outweighed by the potential benefits.
Operational/ Service Delivery risks	**New activities/ways of working**	No appetite for decisions or actions that might compromise efficient and effective delivery of NES services. Defensive approach - aim to maintain or protect existing ways of working, rather then create or innovate.	Appetite for decisions and actions where there is a minimal risk of undesirable variation in service standards.	Appetite for decisions and actions where there is a limited risk of compromising service standards, but where appropriate controls are applied.	Appetite for decisions and actions that may put service standards at risk (e.g. innovative practice) but only where appropriate controls are applied.	Appetite for innovative practice, where service standards may be compromised, but where the risks are outweighed by the potential benefits. NES actively looks for opportunities to innovate during the early stages of planning and development.
	Business as usual	No appetite for decisions or actions that might compromise efficient and effective delivery of NES services. Defensive approach - aim to maintain or protect existing ways of working, rather then create or innovate.	Appetite for decisions and actions where there is a minimal risk of undesirable variation in service standards.	Appetite for decisions and actions where there is a limited risk of compromising service standards, but where appropriate controls are applied.	Appetite for decisions and actions that may put service standards at risk (e.g. innovative practice) but only where appropriate controls are applied.	Appetite for innovative practice, where service standards may be compromised, but where the risks are outweighed by the potential benefits.

Board Paper Summary

1. Title of Paper

Audit Committee Remit

2. Author(s) of Paper

Audrey McColl, Director of Finance

3. Purpose of Paper

The purpose of this paper is to seek Board approval for proposed changes to the Audit Committee remit.

4 Background

The Audit Committee remit was reviewed at the April 2017 meeting and the committee agreed to a further review in October 2017, to facilitate the move to an annual review cycle.

The Audit Committee remit, and those of all standing committees of the Board, are included in the NHS Education for Scotland 'Standing Orders' which form part of the 'Governance Handbook' (14th Edition 2017). This handbook consolidates all key documents relating to Governance in NES.

The model terms of Reference for an Audit Committee from the Scottish Government 'Audit Committee Handbook' was reviewed and each element referenced to where it can be found in the NES 'Governance Handbook'. Any omissions have either been included in the revised remit or included in the proposed revisions to the Standing Orders.

For ease of reference a comparison table is provided as Appendix 1 and all proposed amendments to the remit are highlighted in yellow.

5 Recommendations

Members are asked to approve the amendments to the Audit Committee remit.

Audrey McColl
January 2018

Appendix 1

Original Remit	Proposed Remit
Internal Control, Risk Management and Corporate Governance	
to assess the scope and effectiveness of the risk management processes;	to assess the scope and effectiveness of the risk management processes;
to review the system of internal control and to evaluate the control environment and decision-making processes	to review the system of internal control and to evaluate the control environment and decision-making processes
to receive reports from management on the effectiveness of internal controls;	to receive reports from management on the effectiveness of internal controls;
	to provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year and the impact this work has had;
	to review the Annual reports of the other standing committees;
to review and recommend for approval by the Board, the corporate governance disclosures on audit and risk management in the annual accounts; and	to review and recommend for approval by the Board, the Corporate Governance Statement which includes disclosures on audit and risk management in the annual accounts; and
to review internal arrangements by which staff may raise concerns about possible improprieties.	to review internal arrangements by which staff may raise concerns about possible improprieties, to include Whistleblowing
	to review compliance with Counter Fraud and Anti-Bribery and Corruption guidance and legislation

Appendix 1

Internal Audit	
to approve the appointment and termination of Internal Audit and to ensure that appropriate resources are devoted to Internal Audit;	to approve the appointment and termination of Internal Audit and to ensure that appropriate resources are devoted to Internal Audit;
to review and approve Internal Audit's remit, including liaison with external audit;	to review and approve Internal Audit's remit, including liaison with external audit;
to review and approve the Internal Audit annual work plan;	to review and approve the Internal Audit annual work plan;
to receive regular Internal Audit reports and to review management responsiveness to recommendations and findings; and	to receive regular Internal Audit reports and to review management responsiveness to recommendations and findings; and
to review the annual Internal Audit report.	to review the annual Internal Audit report.
	to hold discussions in private with Internal Audit;
External Audit	
to review the External Audit strategy and plan;	to review the External Audit strategy and plan;
to hold discussions with External audit;	to hold discussions in private with External Audit;
to review the External Audit management letters; and	to review the External Audit management letters;
to ensure co-ordination between Internal and External Auditors	to ensure co-ordination between Internal and External Auditors; and
	to review the Management letter of Representation

Appendix 1

Standing Orders (SOs) and Standing Financial Instructions (SFIs)	
to review changes to the SOs and SFIs;	to review changes to the SOs and SFIs;
to examine the circumstances associated with each occasion when SOs are waived; and	to examine the circumstances associated with each occasion when SOs are waived; and
to review the Scheme of Delegation.	to review the Scheme of Delegation.
Annual Accounts	
to review the Financial Statements including significant financial reporting issues and judgements;	to review the Financial Statements including significant financial reporting issues and judgements;
to review the clarity and completeness of disclosures in the financial statements;	to review the clarity and completeness of disclosures in the financial statements;
to approve changes in accounting policies; and	to approve changes in accounting policies; and
to report its views on the Financial Statements to the Board.	to report its views on the Financial Statements to the Board.

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

Review of Board Standing Orders

2. Author(s) of Paper

David Ferguson, Board Services Manager

3. Purpose of Paper

To propose some changes to the Board Standing Orders; to inform a review of the Board Standing Orders; and to propose a timescale for subsequent reviews.

4. Key Issues

- The current Board Standing Orders do not stipulate that they should be reviewed at any particular interval.
- The main Standing Orders document has been updated as and when necessary, the last update being in June 2010 (except for amended committee remits, which feature as an Appendix to the Standing Orders).
- A number of changes to the Standing Orders are proposed, arising from the Audit Committee's recent discussion of its own remit. The proposed changes are set out in the attached sheet and tracked on the attached copy of the Standing Orders.
- The Board is invited to review the current Standing Orders (which are also attached) and endorse or comment on them.
- It is proposed that the Standing Orders should be reviewed by the Board every 3 years and that a new Section 14 should be inserted in the Standing Orders accordingly, as follows:

"14. Review of Standing Orders

The Board shall normally review its Standing Orders every 3 years, usually at the March meeting."

5. Recommendation(s) for Decision

(i) The Board is invited to consider and approve the changes to the Standing Orders proposed in the attached sheet and tracked on the attached copy of the Standing Orders.

(i) The Board is invited to review its current Standing Orders and to endorse or comment on them; and

(ii) The Board is invited to approve the insertion of a new Section 14 in the Standing Orders, to the effect that the Standing Orders shall normally be reviewed every 3 years.

NES
January 2018
DJF

NHS Education for Scotland

Proposed changes to Board Standing Orders (arising from the Audit Committee's recent discussion of its own remit)

i. **Attendance:** It is proposed to amend the first sentence of clause 5.2.3 to read "Names of members present (in person or via videoconferencing, Skype or telephone) shall be recorded."
ii. **Frequency of Committee Meetings:** It is proposed to add a new clause 9.14 to read "Each standing committee shall normally meet four times per year."
iii. **Vice Chair:** It is proposed that clause 3.2 should be amended to read "Vice Chair", rather than "Deputy Chair".
iv. **Declaration of Interest:** It is proposed to amend clause 6.5.1 to read "At the start or during the course of a meeting,...".
v. **Questions:** As the circumstances described in clause 6.13.1 have never applied in practice, it is proposed to delete the whole of section 6.13.
vi. **Name of Audit Committee Chair:** It is regarded as good practice to indicate the name of the Audit Committee Chair in the Audit Committee's terms of reference. This might usefully be indicated in the Audit Committee's remit (part of the Appendix to the Standing Orders).

NES
January 2018
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CONTENTS

NHS Education for Scotland

1. Constitution and Standing Orders

NHS Education for Scotland (NES) was constituted as a Special Health Board on 1st April 2002 under the terms of The NHS Education for Scotland Order 2002 (Scottish Statutory Instrument 2002 No. 103), as amended by The NHS Education for Scotland Order 2006 (Scottish Statutory Instrument 2006 No. 79).

2. Functions of the Board

The Board has key functions for which it is held accountable by the Scottish Government Health Directorates on behalf of the Scottish Ministers:

- To set strategic direction of the organisation within the overall policies and priorities of the Government and NHSScotland, define its annual and longer term objectives and agree plans to achieve them;
- To oversee the delivery of planned results by monitoring performance against objectives and ensuring corrective action is taken when necessary;
- To ensure that there is effective dialogue within the organisation and between the organisation and key stakeholders on its plans and performance and that these are responsive to stakeholders' needs
- To ensure effective financial stewardship through value for money, financial control and financial planning and strategy;
- To ensure that high standards of corporate governance and personal behaviour are maintained in the conduct of the business of the whole organisation; and
- To appoint, appraise and remunerate senior executives.

In fulfilling these functions the Board should:

- Specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully understand its responsibilities;
- Be clear what decisions and information are appropriate to the Board and draw up standing orders, a schedule of decisions reserved to the Board and standing financial instructions to reflect this;
- Establish performance and quality targets that maintain the effective use of resources and provide for money;
- Ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior officers for the main programmes of action and for performances against programmes to be monitored and senior officers held to account;

- Establish committees, including audit and remuneration committees, on the basis of formally agreed terms of reference which set the membership of the committees, the limit to their powers, and the arrangements for reporting back to the Board; and
- Act within statutory, financial and other resource constraints.

3. Membership

The Board shall consist of a Chair and such members as are appointed by Scottish Ministers.

3.1 Chair of the Board

The Chair is responsible for leading the Board and for ensuring that it discharges successfully its overall responsibility for the organisation as a whole.

It is the Chair's role to:

- Provide leadership to the Board;
- Ensure that the Board acts as a team and enable all Board members to make a full contribution to the Board's affairs;
- Ensure that key and appropriate issues are discussed by the Board in a timely manner;
- Ensure that the Board has adequate support and is provided with all the necessary data on which to base informed decisions; and
- Advise the Cabinet Secretary for Health and Wellbeing, through the Head of the Scottish Government Health Department, on the performance of non-executive directors.

3.2 ~~Deputy~~ Vice Chair

The Board shall appoint a non-executive member to be the ~~Deputy~~ Vice Chair. Any person so appointed shall hold office for such period as the Board may determine, not exceeding the term of office as a non-executive member.

3.3 Resignation and Removal

A member who wishes to resign his/her membership shall give written intimation of their resignation to Scottish Ministers and the Chair of the Board.

3.3.1 Where a member has not attended any meeting of the Board or of any committee of the Board for a period of six consecutive months, Scottish Ministers shall, unless satisfied that her/his absence was due to illness or other reasonable cause, declare that her/his seat on the Board has become vacant and that person shall cease to be a member.

3.4 Co-opted Members

3.4.1 NHS Education for Scotland may co-opt for any of the meetings of its committees and sub-committees, representatives of organisations having a special interest in a particular matter, or persons not being members of the Board who may serve the purpose of the Board.

3.4.2 Co-opted members shall not have voting rights and shall serve for a specified period of time, not exceeding 3 years, in the first instance.

3.5 Appointment of Additional Members to Board Committees

The procedure for making such appointments shall be as follows:

The proposed nomination of an additional member shall be considered by the relevant committee. The Chair of the relevant committee shall discuss the proposed appointment with both the Chair and the Chief Executive. Consequently, the Chair of the relevant committee shall submit a short paper to the Board seeking authorisation for the proposed appointment.

3.6 Observers

Observers from the Scottish Government shall be invited to attend ordinary meetings of the Board. Observers may participate in discussion if invited to do so by the Chair, but shall not have the right to vote. If requested to do so, they shall retire from the meeting. They must withdraw from the meeting while any issue concerning remuneration is being considered.

3.7 Members of Staff In Attendance

It shall be the right of the Chair to determine the members of staff of the Board, other than the executive members, who shall be in attendance, and the nature of their participation.

3.8 Suspension or Disqualification

A member may be suspended from or disqualified by the Chair from taking part in any business of the Board on reasonable cause being shown.

3.9 Directions by Scottish Ministers

The foregoing provisions relating to membership shall be subject to such orders and directions which may be given and/or changes made by Scottish Ministers from time to time.

4. Arrangements for Board Meetings

4.1 The Chair shall preside, or, in her/his absence, the Deputy Chair. In the event of neither being present, the Board shall appoint a Chair, from the non-executive members present, to preside at that meeting.

4.2 Ordinary meetings of the Board shall be held on a regular basis, at a frequency agreed by the Board from time to time, with a minimum of six meetings per year.

4.3 An extraordinary meeting of the Board may be convened at any time. The Chair shall, within fourteen days of receipt of a written request from three members, convene an extraordinary meeting of the Board. In each case, the business they desire to be considered should be clearly stated and must fall within the remit of the Board.

4.4 The Chief Executive shall cause notices and agendas for all ordinary meetings of the Board, together with any supporting papers to reach members not less than three clear working days before the date of the meeting. The business of the Board shall not be invalidated where any member fails to receive notification.

4.5 Requests for inclusion of any item on the agenda of meetings shall be sent to the Chief Executive so as to be received not less than fourteen days before the date of that meeting.

4.6 The quorum of the Board shall be six members, of whom at least three shall be non-executive members.

5. Order of Business

5.1 The business shall be dealt with in the order specified in the agenda, unless the Board agrees otherwise.

5.2 At ordinary meetings, the business shall be transacted as nearly as may be practical in the following order:-

5.2.1 The Chair shall open the meeting.

5.2.2 Apologies for absence shall be intimated.

5.2.3 Names of members present (in person or via videoconferencing, Skype or telephone) shall be recorded. Where a member is not present for the whole of the meeting, this shall also be recorded.

5.2.4 The minutes of the previous ordinary meeting and any special or additional meetings shall be submitted for approval. Any amendments which are approved to previous minutes shall be duly recorded. The Chair shall subsequently sign the final approved minutes.

5.2.5 Any matter arising from previous meetings, and which requires to be progressed further at the current meeting.

5.2.6 Matters and business of which prior notice has been submitted to the Chief Executive for inclusion in the agenda.

5.2.7 Consideration of recommendations and reports of Committees and other items properly submitted.

5.2.8 Any other business of a competent and urgent nature raised by members of the Board.

6. Conduct of Business

6.1 Conduct and Accountability

6.1.1 The business of the Board will be conducted in accordance with the NHS Code of Conduct and Accountability for NHS Boards published by the Scottish Government Health Department. The principles underlying the Code are reflected in these Standing Orders.

6.1.2 The Scottish Government has identified the following nine key principles underpinning public life in Scotland. These incorporate the seven Nolan Principles and introduce two further principles (see *) .

*****Public Service	Holders of public office have a duty to act in the interests of the public body of which they are a Board member and to act in accordance with the core tasks of the body.
Leadership	Holders of public office should promote and support these principles by leadership and example.
Selflessness	Holders of public office should take decisions solely in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their family, or other friends.
Integrity	Holders of public office should not place themselves under any financial or other obligation to outside individuals or organisations that might influence them in the performance of their official duties.
Objectivity	In carrying out public business, including making public appointments, awarding contracts, or recommending individuals for rewards and benefits, holders of public office should make choices on merit.

Honesty	Holders of public office have a duty to declare any private interests relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
Accountability	Holders of public office are accountable for their decisions and actions to the public and must submit themselves to whatever scrutiny is appropriate to their office.
*****Respect	Holders of public office must respect fellow members of their public body and employees of the body and the role they play, treating them with courtesy at all times.
Openness	Holders of public office should be as open as possible about all the decisions and actions that they take. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands.

6.1.3 All Board members are required, on appointment, to subscribe to the Code of Conduct and Accountability.

6.1.4 All staff should subscribe to the principles in the Code of Conduct and Chairmen, Directors and their staff should be judged upon the way the Code is observed.

6.2 No business other than that specified on the agenda shall be conducted at any meeting, unless with the consent of the majority of members present.

6.3 Any member unable to attend a meeting of the Board may submit written comments on any item of the agenda, provided these are received no later than the day prior to the relevant meeting of the Board. These comments shall be copied to members or read out in their entirety by the Chair.

6.4 The normal practice of the Board shall be to reach agreement by consensus. Following discussion of each item on the agenda, the Chair shall summarise the decision or other conclusion reached. If agreement cannot be reached by this means, then the following formal procedure shall be invoked:

6.4.1 Every motion or amendment shall be moved and seconded, and shall, if the Chair so requests, be given to her/him in written form, and shall be read out by the Chair before it is further discussed or put to the meeting.

6.4.2 Items raised by members (notice of motions) shall be in writing, signed by the member concerned, and shall be given or sent to the Chief Executive.

6.5 Declaration of Interest

6.5.1 ~~During~~ At the start or during the course of a meeting, if a conflict of interest is declared the member shall withdraw and take no part in the relevant discussion or decision, or vote on any question relating to that matter. Such declarations of interest shall be recorded in the minutes of Board meetings.

6.5.2 At the discretion of the Chair, with the agreement of the Board, the requirement to withdraw or not to participate in the discussion may be waived.

6.6 Voting

Where the Board cannot reach a decision by consensus, the question shall be decided on a show of hands by a majority of members present and voting. Any member can call for a division, in which case the names of members for and against, and those who abstained from voting, shall be recorded and entered in the minutes. The Chair shall have a second or casting vote in the case of equality of votes.

6.7 If the Chair so rules, a ballot shall be taken of those Board members present at the meeting.

6.8 If a Board member so proposes, and if the proposal is seconded and supported by a simple majority, voting shall be by ballot.

6.9 The Chair shall decide upon any point of order or procedure, and her/his decision shall be final.

6.10 Closed Session

The Chair may propose, or may accept a member's proposal, that any item on the agenda be taken in closed session, and, if this proposal is agreed by the Board members present, those persons who are not members of the Board shall withdraw, unless invited by the Chair to remain.

6.11 Adjournment of Meetings

6.11.1 During any meeting of the Board, it shall be competent for a member, at any time, except in the course of a speech by another member, to move that the meeting be adjourned, but no motion for adjournment may be made within thirty minutes of a motion for adjournment having previously been rejected if the Board is still considering the same item of business.

6.11.2 A motion for adjournment shall have precedence over all other motions and, if moved and seconded, shall be put to the meeting without discussion or amendment.

6.11.3 If the motion is carried, the meeting shall be adjourned until the date and time, and at the venue specified in the motion. Unless the time and place are specified in the motion for adjournment, the adjournment shall be until the next ordinary meeting of the Board or relevant committee.

6.11.4 Where a meeting is adjourned without a time for its resumption having been fixed, it shall be resumed at such other time as may be fixed by the Chair.

6.11.5 When an adjourned meeting is resumed, the proceedings shall be commenced at the point at which they were interrupted by the adjournment.

6.11.6 The Chair may adjourn any meeting of the Board if he/she is of the opinion that the conduct of the meeting cannot properly be conducted by reason of disorder. Such adjournment shall be signified by the Chair rising and quitting the Chair and shall be for one hour or such shorter period as may be specified by the Chair at that time.

6.12 Duration of Meetings

6.12.1 Every meeting of the Board shall end not later than five hours after the time at which the Board commenced.

6.12.2 It shall, however, be competent, before the expiry of the time limit, for any member to move that the meeting be continued for such further period as deemed appropriate.

~~6.13 Questions~~

~~6.13.1 At any ordinary meeting of the Board, a member may put a question to the Chair or to the Chair of any standing committee relating to the functions of that committee, irrespective of whether the subject matter of the question relates to the business which would otherwise fall to be discussed at that meeting, provided that notice in writing of the question, duly signed, has been delivered to the Board Secretary (Board Services Manager), not later than ten working days before the meeting.~~

~~6.13.2 The original questioner may ask a supplementary question, limited to seeking clarity on an answer given.~~

~~6.13.3 No discussion shall be permitted on any question or answer which does not relate to an item of business otherwise falling to be considered at that meeting.~~

~~6.13.4 Questions of which notice has been given in terms of 6.13.1 above and the answers thereto, shall be recorded in the minutes of the meeting only if the questioner so requests, but any supplementary questions and answers thereto shall not be recorded.~~

6.14 Alteration or Revocation of Previous Decision

6.14.1 A decision shall not be altered or revoked within a period of six months from the date of such decision being taken.

6.14.2 Where the Chair rules that a material change of circumstances has occurred to such extent that it is appropriate for the issue to be reconsidered, a decision may be altered or revoked within six months by a subsequent decision arising from:-

- A recommendation to that effect, by an executive member or other officer in a formal report; or
- A motion to that effect of which prior notice has been given in terms of notice of motions' requirements.

6.14.3 This Standing Order shall not apply to the ongoing progression or development of an issue on which a decision is required.

7. Press and Public

7.1 Business meetings of the Board shall be open to the press and public, to the extent to which accommodation permits.

7.2 It shall be open to the Chief Executive, with the consent of the Chair, to show, on a separate agenda, any items which it is considered should be taken in closed session.

7.3 The Board shall reserve the right, at any time during a business meeting, to take an agenda item, or part of an item, in closed session.

7.4 Representatives of the press and members of the public admitted to meetings of the Board shall not be permitted to make use of photographic or recording apparatus of any kind.

7.5 Except as provided for above, no communications, pronouncements or information shall be made or released on behalf of or in the name of the Board and/or any of its committees to any person, other body or bodies, press or other media except by or through the Chair, Chief Executive or other officer authorised to so do by the Chief Executive.

8. Board Minutes

8.1 The minutes of the proceedings of each Board meeting shall be drawn up on behalf of the Chief Executive and kept as a permanent record. The names of members present shall be recorded in the minutes.

8.2 Where a member attends part of a meeting only, the minutes shall show, under the list of those attending, the items for which that member was present.

8.3 Copies of the minutes shall be sent to members prior to the next meeting at which the minutes are submitted for approval.

8.4 The minutes shall be submitted for approval at the following Board meeting and, subject to any agreed amendments, shall be signed by the Chair as a true record.

8.5 Approved minutes of Board meetings may be made available to interested parties, on request, at the discretion of the Chief Executive.

9. Committees of the Board

9.1 The Board has established the following five standing committees:

- Audit Committee
- Educational and Research Governance Committee
- Finance and Performance Management Committee
- Remuneration Committee
- Staff Governance Committee

9.2 All of the standing committees shall consist of, or have a majority of, non-executive Board members.

9.3 Board members will normally be appointed to committees for an initial period of 3 years, which may be extended following review. The remits of the standing committees are included as an Appendix to the Standing Orders.

9.4 The Board shall establish such other standing committees as it deems necessary.

9.5 The Board shall appoint or re-appoint the members of any committees constituted by the Board at its discretion.

9.6 Any vacancy which occurs on any of these committees may be filled by the Board at such future meeting of the Board as may be convenient, and the person appointed to the vacancy shall hold

office for the remainder of the term of the person in whose place she/he was appointed.

9.7 When a vacancy on a committee requires to be filled, the Board Chair shall formulate a proposal for the Board's consideration, following consultation with the Chair of the committee concerned.

9.8 The Board shall appoint the Chairs of its committees, except where the authority is delegated to a committee to select a Chair from its members.

9.9 Minutes of the proceedings of a meeting of a committee shall be drawn up by or on behalf of the Chief Executive and, whenever practical, be submitted for adoption by the appropriate standing committee at the first ordinary meeting of the standing committee held after the date of the meeting of the committee.

9.10 The Board may delegate aspects of its functions to its standing committees. Any delegation shall be specified clearly in the remit approved by the Board for the standing committee and may include the authority to appoint a sub-committee and to authorise Board officers to exercise specified responsibilities on behalf of the standing committee.

9.11 Notwithstanding any delegation of authority, the Board reserves the right to review and, if necessary, alter decisions made by its standing committees, in appropriate circumstances. A schedule of decisions reserved for the Board is included under Section 11 of these Standing Orders.

9.12 No expenditure shall be incurred by a committee without the consent of the Chief Executive.

9.13 The quorum of a standing committee of the Board shall normally be two non-executive members.

~~9.13~~ 9.14 Each standing committee shall normally meet four times per year.

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9.14 Orders relating to procedures for business of the Board shall apply, as appropriate, to committees of the Board. (N.B. this clause would become 9.15)

10. Amendment or Suspension of Standing Orders

10.1 Any one or more of these Standing Orders may be suspended at any meeting of the Board, by the agreement of the Board, whether by consensus or by invoking formal voting procedures.

10.2 These Standing Orders may be amended at any time by a decision of the Board.

11. Schedule of Decisions Reserved for the Board

The Board shall reserve to itself decisions on all matters of and pertaining to its powers, responsibilities and functions and the making, application and execution of its policies, except where explicitly delegated, including:-

- Strategy, business plans and budgets
- Standing Orders
- Standing Financial Instructions
- The establishment of terms of reference and reporting arrangements for all sub-committees acting on behalf of the Board
- Approval of Annual Report and Accounts
- Financial and performance reporting arrangements
- The foregoing list shall not be held as exhaustive and may be altered or extended at any time as the Board may deem necessary.

12. Schemes of Delegation

12.1 Without prejudice to its overall authority, the Board delegates to its Chief Executive all matters not particularly reserved by the Board for its own decision and in particular the Chief Executive shall have overall responsibility for the effective management, commissioning and purchasing functions of the Board.

12.2 The Board may delegate its responsibilities for the conduct of its business to committees, to individual directors, or to senior officers.

12.3 The Board may also delegate the responsibility for certain matters to the Chair for her/his action. In such circumstances, the Chair's action should be homologated at the next ensuing ordinary meeting of the Board.

12.4 The Board has a responsibility to prepare and submit corporate and financial plans in accordance with the requirements of the Scottish Government.

12.5 The Board's Scheme of Delegation is to be found within the Standing Financial Instructions.

13. Exclusion from Delegations

There shall be excluded from any delegation:

- The incurring of expenditure for which no provision or insufficient provision has been made in the budget of NES;

- The dismissal of executive members of the Board, and other senior members of staff, where the filling of the posts concerned requires the involvement of non-executive members of the Board;
- The making, alteration and revocation of the Code of Corporate Governance;
- Any matter involving the determination of differences between committees.

14. Review of Standing Orders

The Board shall normally review its Standing Orders every 3 years, usually at the March meeting.

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NHS Education for Scotland

Board Paper Summary

1. Title of Paper

The development of a draft NES budget for 2018/19

2. Author(s) of Paper

Audrey McColl, Director of Finance

3. Purpose of Paper

To present an update on the development of the draft Budget for 2018/19

4. Key Issues

The draft Scottish Budget, released on the 15th December 2017, confirmed that there would be no uplift to the NES baseline recurrent budget. However, there will be additional funding made available later in the financial year to fund the Agenda for Change (AFC) pay awards.

The pressure on the NES budget arising from the AFC pay award, incremental drift for AFC staff, pay awards for those not on Agenda for Change terms and conditions (mainly the trainee cohorts), inflationary pressures across our non-pay budgets and a recurrent baseline reduction in relation to the £15m efficiency target applied collectively to National Boards, amounts to approximately £14.8m. Initial savings identified by directorates have reduced this gap to £12.4m.

Given the scale of the challenge associated with producing a balanced budget for 2018/19 this paper is being presented to the Board to explain the revised approach we have taken to drafting the 2018/19 budget, the progress to date and the action planned, as it is recognised that this will be an iterative process.

The previous Local Delivery Planning process will be replaced with an Annual Plan which will link into the Regional and National Delivery Plans. This will set out a number of principles to be delivered in relation to finance and wider performance. Guidance on what is required has not yet been received.

In parallel, NES is also supporting the development of the draft Financial Framework for the national Boards proposition to contribute to the implementation of the health and social care delivery plan.

5. Educational Implications

The draft budget will underpin the activities that we will include in our operational plan. This has been drafted based on Directorate submissions to the planning system however this work cannot be completed until we have agreed the measures we will need to take to balance the budget.

6. Financial Implications

The projected budget gap is significant. In order to close the gap we will need to consider what adjustments we need to make to planned activity in order to manage within the revised funding. Additionally, we need to consider the strategic context for the management of trainee costs.

7. Which NES Strategic Objective(s) does this align to?

The budget underpins the achievement of all our strategic objectives

8. Impact on the Quality Ambitions

The education and training that NES provides/commissions, and which is supported by this budget, is designed to impact on all the Quality Ambitions.

9. Key Risks and Proposals to Mitigate the Risks

10. Equality and Diversity Impact Assessment

The funding settlement may result in a decision to cease activity in some areas. Where this is necessary we will need to carry out an equality impact assessment.

11. Recommendation(s) for Decision

The Board is asked to consider the information contained in this paper.

A McColl
January 2018

DRAFT NES BUDGET FOR 2018/19

1 Introduction

The purpose of this paper is to:

- Brief Board members with regard to the budget for NHS Scotland for 2018/19 and in particular, the anticipated allocation for NES.
- Describe the process by which the draft 2018/19 budget for NES has been developed to date.
- Provide an update on the current budget gap and the work planned before the end of March 2018.

2 The Scottish Budget for 2018/19

The draft Scottish Budget was published on 15th December 2017.

The draft budget included a cash terms uplift for Territorial Health Boards of 1.5% for 2018/19. In addition to this, those Boards furthest from NRAC parity will receive a share of £30 million, which will mean that no Board is further than 0.8% from NRAC parity in 2018-19.

The Special Health Boards have been considered separately with the patient facing Boards (Scottish Ambulance Service, NHS24, Golden Jubilee and The State Hospital) receiving a cash terms uplift of 1%. If appropriate, they will also have received an NRAC parity adjustment.

The remaining four national Boards (NHS National Services Scotland, Healthcare Improvement Scotland, NHS Health Scotland and NHS Education for Scotland) will receive no uplift to their baseline recurrent budgets.

Details of the allocations for Special Health Boards are shown in table 1 below.

National Boards	**2016/17 £m**	**2017/18 £m**	**2018/19 £m**
NHS Waiting Times Centre	46.5	51.9	54.0
NHS Scottish Ambulance Service*	218.5	229.3	237.9
NHS State Hospital	34.3	34.4	34.8
NHS 24	64.6	65.2	66.3
NHS National Services Scotland	293.4	324.7	328.2
Healthcare Improvement Scotland	15.5	24.7	24.7
NHS Health Scotland	18.2	18.4	18.4
NHS Education for Scotland	**408.7**	**420.0**	**420.0**

*The Scottish Ambulance Service 2018/19 figure includes an additional £6m to support the implementation of their strategy.

The indicative funding letter received from Scottish Government also highlighted core areas of investment where additional funding has been made available although there are no details yet as to how this will be distributed.

Investment Area	**2017/18 Investment in Reform £m**	**2018/19 Investment in Reform £m**	**Increase £m**
Transformational Change Fund	25.0	126.0	101.0
Primary Care	60.0	110.0	50.0
Mental Health and CAMHS	30.0	47.0	17.0
Trauma Networks	5.0	10.0	5.0
Cancer	8.0	10.0	2.0
Total Investment in Reform	**128.0**	**303.0**	**175.0**

As members will be aware, the National Boards have developed a collaborative proposition, to support the implementation of the Health and Social Care Delivery Plan. It is expected that some of the proposals included in the Financial Framework may involve bids for funding from one or more of the 3 investment areas highlighted below.

Transformational Change
The transformational change fund of £126 million will provide support to the regional delivery plans for implementation of new service delivery models, improved elective performance and investment in our digital capability.

Primary Care
Investment in the Primary Care Fund will rise to £110 million in 2018-19. This will support the transformation of primary care by enabling the expansion of multidisciplinary teams for improved patient care, and a strengthened and clarified role for GPs as expert medical generalists and clinical leaders in the community

Mental Health
Through the new Mental Health Strategy, there is a shift in the balance of care towards mental health, increasing the level of investment in mental health services and improving support in the crucial period from birth to young adulthood. To support this, in 2018-19 a further £17 million will be invested, which will go towards the commitment to increase the workforce by an extra 800 workers over the next 5 years; and for transformation in CAMHS.

3.0 NES Budget and planning parameters

3.1 Anticipated Allocation

It should be noted that the indicative allocation for NES of £420m in table 1 does not yet reflect £3.4m of funding which was transferred to the NES baseline during 2017/18. This is detailed below;

Funds available	**£'000s**
2017/18 baseline	420,005
Expansion of Medical Foundation training posts	2,700
SciL Programme	80
NMAHP Educational Outcomes Framework	610
Confirmed 2018/19 baseline funding	**423,395**

In addition, we receive a number of earmarked allocations on a non-recurrent basis totaling approximately £8.6m which funds the Aberdeen Dental School, Pharmacy pre-registration training, distinction awards and Travel and subsistence for Dental Outreach centres.

This table excludes a number of non-recurring allocations where funding has been discussed with Scottish Government Health Directorates (SGHD), and which relate to items in the Operational Plan, such as Mental Health funding in Psychology. These items, and the associated costs, will be incorporated into budgets as allocations are formally agreed.

There are also areas where interim funding arrangements need to be formalised with SGHD, such as the GP100 programme and expansion posts in Medical Specialty Training.. In the preparation of this budget, it has been assumed that all required funding will be received.

3.2 Pay cost assumptions

The Scottish Government has set out its 2018-19 pay policy, which recommends a 3% pay increase for public sector workers earning £30,000 or less and a cap of 2% on the increase in the pay bill for staff earning more than £30,000. In addition, there will be a cap on the pay increase for highest paid, with a maximum cash increase of £1,600 for those earning above £80,000. Although the pay settlement for NHS staff will be subject to the NHS pay reviews process we have used this as the basis for our calculations. We have also included an estimate of the cost arising from the Modern Apprenticeship Levy.

The Board will be aware of the significant amount of the NES budget which is committed to paying the salaries of doctors, dentists, clinical psychologists and others while they are in training. As a result, the impact of the 2018/19 pay policy on this element of the NES recurrent budget is a total of £5.4m.

	Cost pressure £'000s
Trainee related pay expenditure	5,400
NES staff – pay increase, incremental drift & MA Levy	1,900
	7,300

It is expected that additional funding will be provided to meet the cost impact of the pay rise for AFC staff only. This will not cover the cost of incremental drift where an employee is still moving through their pay scale. As the cost pressure was calculated at a global level further analysis is required to split the £1.9m above between the different national pay agreements (eg – Agenda for Change, Consultants contract, CRUMP).

However, we need to be mindful that it is our commitment to paying a contribution towards Training Grade salaries that is driving a significant element of the pay cost pressures that we face. Over the last couple of years we have managed cost pressures on these budget lines which have been greater than the uplift on budget that we have received. We are now at the stage that we can no longer reasonably expect to cover cost pressures on Training Grades by identifying reductions in all other areas of our budget. Our consideration of the possible measures we can introduce is at different stages in relation to producing reliable estimates of savings and assessing all the risks. Details of the options under consideration will be available for the March Board meeting.

3.3 Non Pay cost assumptions

In preparing the draft budget, it has been assumed, at this stage, that Medical and Dental Additional Cost of Teaching (ACT) will remain flat. ACT is paid towards the direct teaching cost of undergraduates within the NHS.

We have assumed an average 1% pressure on non-pay costs across the organisation because contracts do have specific annual increases built in and given the nature of the work NES carries out, many of our service level agreements which will be recorded under non-pay have agenda for change pay implications within them. In addition, there are some more significant items which we have identified such as the cost increase arising on our e-Library service from the recent HMRC ruling (£550k).

3.4 Collaborative savings target

SGHD wrote to the Chief Executives of the eight National Health Boards on 15th December 2016 informing them of the need to deliver, collectively, £15m of recurrent savings, through efficiencies and closer joint working. As part of this requirement, in 2017/18 we contributed non-recurrent savings of £2.5m. There is an expectation that in 2018/19 the National Boards will deliver this on a recurrent basis which would mean a recurrent reduction to our baseline. Although there is no formal agreement as to how this will be split between the Boards we have assumed that the same level of savings will be expected.

The combined impact of these planning assumptions results in a budget gap of approximately £14.8m

Pressure	**£m**
Pay Trainee	5.4
Pay Non Trainee (inc incremental drift and MA Levy)	1.9
Non-pay	1.8
SG Efficiency Savings target – National Boards	2.5
Underlying recurrent gap	3.2
Total	**14.8**

4.0 Budget Process for 2018/19

Given the scale of the expected challenge the Executive team agreed a different approach to budgeting for 2018/19. A Priorities framework was agreed at the start of the planning process (attached as Appendix 1) based on the implementation of the Health and Social Care delivery plan. As part of creating their operational plan Directorates considered each of their activities against the framework to identify the key element it supported. If no direct link could be established then the activity was flagged.

Directorates were not issued with detailed indicative budgets but were asked to submit the most cost-effective budget which enabled them to deliver their required outcomes. The only caveat was that the recurrent budget requested for 2018/19 should not exceed the 2017/18 budget. At this stage, no adjustments were made for vacant posts or for the recruitment lag factor which has been implemented in the last 2 years.

Planning closed on the 1st December and throughout December and early January the Finance team have been meeting with individual directorates to review their initial submissions. The total recurrent budget available is £423.4m and the initial consolidated budgets which have been submitted total £435.8m, giving a gap of £12.4m.

Therefore, during the development of the draft budget, cost savings of £2.4m have been delivered.

	Recurrent £m
Initial recurrent budget gap	14.8
Recurrent Savings identified	(2.4)
Residual recurrent gap	**12.4**

5.0 Next steps

A meeting is planned for the Executive team at the end of January to review the output from the first phase of the budget process, to discuss options for closing the gap and agree actions to enable a balanced budget to be agreed. These will be presented to the Finance and Performance Management Committee in February and to the Board in March.

6.0 Summary

Although progress has been made we still have a significant gap to close in order to present a balanced budget for 2018/19. The Board is invited to note the current position.

NES **NES/18/10**
Item 9b **(Enclosure)**
January 2018

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

NES Corporate Parenting Plan

2. Author(s) of Paper

Judy Thomson and Sarah Doyle

3. Purpose of Paper

- **Note and comment** on the corporate parenting plan prior to publication

4. Key Issues

NES is a corporate parent. Under the Children & Young People (Scotland) Act 2014, we have statutory duties to exercise our functions in ways that actively promote and protect the interests and wellbeing of care experienced young people. We are required to plan, review and report our corporate parenting activities and to collaborate with other corporate parents. Our first progress report is expected April 2018. Our corporate parenting plan and progress reports must be published.

A summary of the plan's development, including NES leads involved, is attached with the plan. We consulted with Who Cares? Scotland (WC?S), the third sector organisation commissioned by Scottish Government to support corporate parents, and we made revisions in response to their recommendations.

Care experienced young people face appalling disadvantage and poor outcomes overall. At its heart, corporate parenting is about carrying out many of the roles that parents should, and making sure care experienced young people have the same life chances as everyone else.

5. Educational Implications

The intended outcomes of our corporate parenting plan will support and have educational implications for our own NES workforce, for the wider NHSScotland workforce, and for a range of initiatives aimed at widening access to NHS careers. With Who Cares? Scotland, we plan to develop additional brief materials tailored for the Child & Adolescent Mental Health, Dental, Health Visiting and Midwifery workforces.

6. Which of the 9 Strategic Outcome(s) does this align to?

- Education for improving quality to enhance patient safety and people's experience of services
- Education for new models of care to support the 2020 vision

7. Key Risks and Proposals to Mitigate the Risks

- Risk of unsustainable demand for resources to be mitigated by managing stakeholder expectations and ensuring activities align closely with core organisational functions
- Who Cares? Scotland is a small organisation and we recognise the pace of some activities will progress according to their capacity as well as according to NES capacity

8. Equality and Diversity

Briefly describe:

a. Any equality and diversity impacts or risks which have been considered and actions identified for mitigating any negative impact or managing risk.

b. Opportunities identified for the work to reduce inequalities, advance equality of opportunity or foster good relations.

The Plan supports NES's delivery of its equality outcomes, particularly the outcomes focusing on mitigating or reducing health inequalities and enhancing access to employment and career development for young people.
This work will specifically promote the interests of all care experienced young people, by helping NES and wider NHS staff to understand their particular needs. Care experience is not a protected characteristic but care experienced young people are vulnerable to inequalities by virtue of age, and disproportionately often by virtue of disability (for example specific learning disabilities, mental health difficulties), which are protected characteristics. Key opportunities:

- Reduce health inequalities by supporting NHS staff to promote the interests of care experienced young people using services
- Advance equality of opportunity for care experienced young people by improving access to and supporting routes into work and employment in NHS Scotland
- Promote accessible and inclusive communications and educational resources, informed by the views of care experienced young people, both within NES and more widely across NHS Scotland by working in collaboration with NES Equality & Diversity Advisor

c. Arrangements for completing an equality impact assessment (where the paper describes a new policy or workstream or a substantial revision to a policy or workstream).

Briefings on issues relevant for care experienced young people will be made available to supplement the NES EQIA toolkit to support implementation of the actions in the Plan.

9. Communications Plan

A Communications Plan has been produced and a copy sent to the Head of Communications for information and retention:

Yes		No	x

A communications plan has been discussed with Head of Communications and will be finalised to align with publication of the Corporate Parenting Plan. Focus will be on internal awareness raising activity for the NES workforce, with carefully targeted external communications at key points throughout the next year as we make educational resources available on Turas Learn. Recent communications activities have included an article in NES Express, papers for key groups including Senior Leadership & Management Team, Executive Team, Educational Leadership Group, Person-centred Care Equality & Diversity Leads Network, and arrangement of an information session for the Board delivered by Who Cares? Scotland.

10. Summary of Governance Arrangements

Board members are invited to note that the following governance arrangements have been put in place:

- Quality of educational development will be supported by educational governance review cycle, 3 yearly to align with required progress reports to Scottish Government
- Progress on activities will be reported internally through quarterly meetings of the Person-Centred Care, Participation, Equality and Diversity Leads Network (PEDLN)
- NES directors will support dissemination of information and resources for their own work streams
- NES corporate parenting plan will be published on the external NES website, supported by internal communications activities to raise awareness and promote engagement of NES workforce

NES
January 2018
Judy Thomson and Sarah Doyle

NES Corporate Parenting Plan

Introduction

NHS Education for Scotland (NES) is a national special health board. In NHSScotland, there are fourteen territorial health boards delivering health and social care to all geographical areas, and eight special health boards each providing specialist national functions. Further information about each health board is available at http://www.scot.nhs.uk/organisations/.

In NES our specialist national function is to improve health and care through education of the health and social care workforce. We oversee education and training for doctors and dentists, and we prepare professionals for practice in clinical psychology, pharmacy, optometry and health care science. We provide access to education for nurses and midwives, and for allied health professionals (for example, physiotherapists and art therapists), health care chaplaincy and for health care support workers and administrative, clerical and support staff.

Along with a wide range of other public bodies and individuals, NES is a corporate parent.

What is corporate parenting?

Corporate parents have responsibilities for the wellbeing of care-experienced young people. This group includes all children and young people up to the age of 26 who are or have been in residential care, in foster care, in kinship care and looked after at home with social work involvement.

Corporate parents are intended to carry out many of the roles that parents should. Under the Children and Young People (Scotland) Act 2014, NES must:

- Be alert to matters which adversely affect the wellbeing of looked after children and care leavers
- Assess the needs of those children and young people for the services and support we provide
- Promote the interests of those children and young people
- Provide opportunities for those looked after children and young people to participate in activities designed to promote their wellbeing
- Take action appropriate to help those children and young people access such opportunities and make use of the services and support provided
- Take any other action we consider appropriate to improve our functions to meet the needs of those children and young people

What do we know about care experienced young people in Scotland?

Care experienced young people continue to face disadvantage and poorer outcomes overall. Around a third of Scottish prisoners have been in care,[1] and nearly half of 5-17 year olds living in care have been diagnosed with a mental health condition.[2] 73% of looked after young people leave school before the age of 16,[3] and only 4% of looked after young people went straight to university compared with 39% of non-looked after young people.[4] These are only some of the challenges facing those leaving care, and the combined effects of such adversity mean that care experienced young people need extra help and support in order to help them cope. Accessing opportunities and sustaining work and/or education can be very difficult for children and young people whose families are unable to look after them. For these children and young people, continued support is needed if they are to make the most of any opportunities available.

How can NES meet its corporate parenting duties through its core functions of education and workforce development?

At its heart, corporate parenting is about making sure care experienced young people have the same life chances as everyone else. Corporate parents are not expected to undertake new functions to meet corporate parenting duties, but we have responsibilities to exercise our existing functions in ways that take account of and help to address the needs of this population of children and young people. Our corporate parenting plan supports two of our strategic themes:

- Education for improving quality to enhance patient safety and people's experience of services
- Education for new models of care to support the 2020 Vision

Our Chief Executive, Chair and Board take leadership in this area of work, and the delivery of the plan is supported by a designated Director reporting to the Senior Leadership and Management Team. This is our first corporate parenting plan, and we will report formally on our progress in April 2018. Who Cares? Scotland provided feedback on an earlier draft of this plan. We will continue to ensure the plan takes account of the needs and views of care experienced young people by engaging through Who Cares? Scotland, and by collaborating with other corporate parents. Our corporate parenting plan will be published on the external NES website.

Governance arrangements

Our Educational and Research Governance Executive Group (ERGEG) and Executive Team have approved this corporate parenting plan. Progress on activities will be reported quarterly through our Person-Centred Care, Participation, Equality and Diversity Leads Network (PEDLN). ERGEG and PEDLN will advise on implementation. Additional scrutiny will be provided through our educational governance review cycle, 3 yearly to align with required progress reports to Scottish Government. NES directors will support dissemination of information and resources for their own work streams.

References

1 Scottish Prison Service (2016). *Prisoner's Survey 2015 – Young People in Custody*. SPS: Edinburgh.

2 Office of National Statistics (2004). *The Mental Health of Young People Looked After by Local Authorities in Scotland.* London: HMS.

3 Scottish Government (2016). *Education Outcomes for Scotland's Looked After Children, 2014/15.* Edinburgh: Scottish Government.

4 Scottish Government (2016). *Education Outcomes for Scotland's Looked After Children, 2014/15.* Edinburgh: Scottish Government.

NES Corporate Parenting Plan

	Outcome	Actions	Owner
1	NES understands and is alert to the needs of care experienced young people, and uses this understanding to inform its policy, planning and functions	Represent the national corporate parenting agenda in our strategic framework Work with Who Cares? Scotland and other organisations representing the views of care experienced young people to ensure their needs are reflected in our plans Work with Who Cares? Scotland to develop case study materials focused on learning more about what care experienced young people need from the NHSScotland workforce Work with Who Cares? Scotland to provide corporate parenting learning opportunities for key staff members in NES, including the senior leadership and management team Explore opportunities for collaboration and partnership with other corporate parents, especially towards better understanding what care experienced young people need from NHSScotland	**Judy Thomson** **Judy Thomson/Sarah Doyle** **Sarah Doyle** **Judy Thomson** **Judy Thomson**
2	NES staff are aware of and understand the needs of care experienced young people and NES's corporate parenting responsibilities	Review induction materials and processes to identify and provide opportunities for new staff to learn about the needs of care experienced young people, and about NES's corporate parenting responsibilities and corporate parenting plan Identify and provide opportunities for all existing staff members in NES to learn about the needs of care experienced young people, and about NES's corporate parenting responsibilities and corporate parenting plan Review and update Equality and Diversity educational resources to include care experienced young people	**Anne Campbell** **Judy Thomson/Anne Campbell** **Kristi Long**
3	NHSScotland staff are aware of and understand the needs of looked after	Reflect the needs of care experienced young people in our educational resources and initiatives	**Judy Thomson/Sarah Doyle**

	children and care experienced young people and NHSScotland's corporate parenting responsibilities	Reflect NHSScotland's corporate parenting responsibilities in our educational resources and initiatives Engage with Equality and Diversity leads across NHSScotland to consider how equality and diversity educational resources at local, regional and national levels could contribute to raising awareness of the needs of care experienced young people Work with Who Cares? Scotland to make a range of educational resources for corporate parenting available across NHS Scotland, by hosting these on our digital learning platform and by helping health and social care partners to access them Work with Who Cares? Scotland to support the development of new case study materials focused on specific health care contexts	**Judy Thomson/Sarah Doyle** **Kristi Long** **Sarah Doyle/Gillian Flett** **Sarah Doyle**
4	Care experienced young people are better able to access routes into work and employment within NHSScotland, including Foundation and Modern Apprenticeships	Work with the NHSScotland Modern Apprenticeship Network and key partners to promote and support further development of opportunities for care experienced young people, including helping to build capability to meet the support needs of care experienced young people transitioning into and sustaining MA programmes Work with NHSScotland partners to explore more flexible entry and career pathways, further qualifications, and requirements for support for care experienced young people joining the workforce Create and promote a dedicated section of the NHSScotland careers website for care experienced young people, working with key partners to ensure care experienced young people shape the development of this section; that it supports a wide range of career aspirations; and that it delivers engaging content With key partners, initiate dialogue to explore potential for improving national health and social care workforce data intelligence around care experienced young people working in NHSScotland	**Sheena Greco** **Sheena Greco** **Ameet Bellad** **Sheena Greco/Kristi Long**

		Manage a levy on clinical placement costs for non-EU overseas medical undergraduates, in support of deliverables to be determined by Scottish Government Health Workforce, including additional medical undergraduate places and a graduate entry programme to support widening access	**Kim Walker**

Development of NES Corporate Parenting Plan

Our Chief Executive, Chair and Board take leadership in this area of work and the development of the plan has been supported by the designated lead for corporate parenting in NES, Judy Thomson (Director of Training for Psychology Services) and by Sarah Doyle (Principal Educator, Health and Social Care Integration). ERGEG members and the Executive Team have now approved the plan.

All of those named in the plan have contributed to the articulation of outcomes and actions, and have confirmed the commitments made in the plan are deliverable and support strategic priorities for their own work streams.

- Ameet Bellad (Senior Specialist Lead, Workforce)
- Anne Campbell (Principal Lead, Organisational and Leadership Development)
- Gillian Flett (Business Analyst, NES Digital)
- Sheena Greco (Principal Educator, Workforce)
- Kristi Long (Equality and Diversity Adviser)
- Kim Walker (Education Director, Medical)

The plan has been shared with the following NES leads:

- Donald Cameron (Director, Planning and Corporate Resources)
- David Felix (Postgraduate Dental Dean)
- Colette Ferguson (Director, NMAHP)
- Elaine Figgins (Associate Director for AHP, NMAHP)
- Stewart Irvine (Director, Medicine)
- Susan Key (Associate Director NMAHP and formerly Programme Director for Women, Children, Young People and Families)
- John MacEachen (Head of Communications)
- Anne Watson (Post Graduate Dean, Pharmacy)

Suggested additions have been incorporated. Where further details about activities currently underway have been shared with us, these have not been included in the plan but will be developed and included in our progress report April 2018.

We consulted with Who Cares? Scotland (WC?S) in the development of this plan. WC?S is a third sector organisation commissioned by Scottish Government to provide a range of different training and support opportunities for corporate parents. We also sought general feedback from WC?S on an earlier draft of this plan, and we made revisions in response to their recommendations.

Sarah Doyle and Judy Thomson 12/12/17

NES **NES/18/11**
Item 9c **(Enclosure)**
January 2018

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

NES /SFC Joint Work: Specific health- related outcomes included in the "intensification" of SFC's outcome agreement process

2. Author(s) of Paper

Stewart Irvine
Helen Raftopoulos

3. Purpose of Paper

To provide an update on specific health-related outcomes which are included in the "intensification" of the SFC outcome agreement process.

4. Key Issues

In response to the NES Board's recommendation at the August 2017 Board meeting, SFC and NES officers have been in discussion with Scottish Government Health and Social Care Directorate (SGHSCD) to develop a set of specific outcomes related to health which focus on meeting the needs of the NHS and address areas such as widening access and improving retention and recruitment.

Outcomes related to medicine, nursing and dentistry are prioritised because student intake into these courses is controlled and the funding of this provision is provided by SGHSCD (for nursing) and the undergraduate clinical training funding is managed by NES (for medicine and dentistry). The full list of the outcomes is attached at Annex A for information.

As requested by the NES Board, the specific outcomes related to medicine include widen access and increasing the pool of applicants who may stay and work for the NHS and in the care sector in Scotland. These outcomes are in keeping with the widening access outcomes sought from the university sector in general.

The medical outcomes also include a focus on enabling medical students to gain more experience in primary care and mirror the criteria set by SGHSCD in their letter to the medical schools regarding the announced increase to the intake to medicine.

In nursing, key outcomes include increasing retention, and ensuring that there is a reversal in the downward trend in the number of male applicants and acceptances to nursing. There is also the need for more collaborative working between the universities on adult nursing to support the integration of health and social care and across all four fields of nursing to meet the challenges of working in primary care settings, meeting the challenges of care homes, and supporting the regional collaboration of NHS Boards.

The outcomes also reflect the need to work in collaboration across institutions to clarify and simplify the application process so that the application process not viewed as a barrier to students considering a healthcare career. These outcomes also reflect the recommendations of the Commission for Widening Access.

This year, the intention is to develop a baseline to monitor progress and to discuss and agree specific actions which the universities will take, either individually or collectively. We also intend monitor all the outcomes with the support of the SFC/NES Group and SFC outcome agreement managers, revising and strengthening them as required.

While at this stage the focus of the outcomes is in the controlled subjects, SFC and NES officers are in discussion with Scottish Government colleagues responsible for social work, allied health professionals, and other health and social care groups to identify and develop any specific outcomes related to other NHS or social care workforce needs.

The letter informing the institutions of the specific health related outcomes was sent in December 2017, and we have received comments from medical school representatives at the Board for Academic Medicine and from Professor Downes as the Universities Scotland lead member for Health. SFC officers are liaising with colleagues in NES, SGHSCD and Education to determine how best to respond to any issues raised.

5. Educational Implications

The development of specific health related outcomes are part of the NES/SFC work intended to enable both organisations to respond efficiently to the changing service landscape and new models of care and patients' changing needs through education provision.

6. Financial Implications

Monitoring the progress and supporting institutions to meet these specific outcomes are likely to require both organisations to commit resources. Both organisations will need to discuss and approve (through their respective governance systems) any associated financial implications.

7. Which of the 9 Strategic Outcome(s) does this align to?

This work is aligned to:
Theme 1: An excellent workforce
Theme 3 New models of Care

and the key outcomes of:

- A demonstrable impact of our work on healthcare services;
- An excellent learning environment where there is better access to education for all healthcare staff;

8. Impact on the Quality Ambitions

These outcomes respond to Scottish Government's aims included in the National Health and social Care Workforce Plan (part 1), and have the potential to make a significant impact in supporting the recruitment and retention of staff

to ensure an NHS workforce which is fully fit for purpose, in the right place, with the right numbers.

They are also aimed at meeting the First Minister's aspirations for widening access.

9. Key Risks and Proposals to Mitigate the Risks

The key risk associated with the introduction of specific health related objectives lies in the institutions' ability to meet the outcomes in a complex landscape. We believe that, by introducing these outcomes to the SFC outcome agreement process, a greater focus will be placed by all the key stakeholders (including senior officers in universities) on developing targeted actions or intensifying existing activities to meet the agreed targets.

In addition, while SFC's Outcome Agreement managers have responsibility for managing the overall outcome agreement process, we will also mitigate against the risk of slow progress by working in partnership with the relevant NES officers, and colleagues in SGHSCD and Education Department to develop a baseline by which progress can be monitored, and to support the development of any activities either on an institutional basis or on regional basis and to respond to any issues as they arise.

10. Equality and Diversity

The specific health outcomes relating to widening access to education in medicine and dentistry will further support the Scottish Government's aims of reducing health inequalities, as well as widening access to education.

The development of plans with current providers of pre-registration nursing to address gender underrepresentation will also support meeting equality and diversity in the nursing workforce.

11. Communications Plan

A Communications Plan has been produced and a copy sent to the Head of Communications for information and retention:

Yes [ ] No [x]

12. Recommendation(s) for Decision

Note the specific health-related outcomes.

NES
January 2018
HR

Annex A

Health related outcomes

Dentistry Outcome:

- To widen and improve access to dental education across all dental schools in Scotland.

Specific actions:

- To provide evidence of collaborative activities (including developing contextualised admissions processes) between Scottish dental schools to simplify and clarify the admissions process and widen access to dentistry.
- To provide evidence of an increase in activities with schools and colleges with the aim of increasing the number of applicants to dentistry, and in particular from SIMD 20%.

Medicine Outcomes:

- To retain more graduates of Scottish medical schools in Scotland and working for NHS Scotland throughout their careers.
- Encouraging more of our young doctors to enter GP and other shortage specialities.
- To simplify and clarify the admissions process across all the medical schools in Scotland.
- To increase the number of Scottish domiciled applicants to medicine.

Specific actions:

- Increase the percentage of teaching that takes place in general practice to at least 25% of the clinical curriculum.
- Provide evidence that all students are regularly taught by GPs (e.g. clinical skills teaching or leading seminars) from the beginning of first year.
- To provide evidence of collaborative activities between and with Scottish medical schools to simplify and clarify the admissions process.
- To provide evidence of an increase in activities with schools and colleges with the aim of increasing the number of Scottish domiciled applicants to medicine and in particular from SIMD 20%.

Nursing and Midwifery Outcomes:

- To increase the retention and completion rates in nursing and midwifery.
- To improve the gender balance across all fields of nursing.
- To increase regional collaboration between universities across all fields of nursing and midwifery provision.
- To increase collaboration with Scotland's Colleges to strengthen access and articulation into pre- registration programmes.

NHS Education for Scotland

Board Paper Summary

1. Title of Paper

Training and Development Opportunities for Board Members

2. Author(s) of Paper

David Ferguson, Board Services Manager

3. Purpose of Paper

To provide details of any upcoming training and development opportunities for Board members

4. Key Issues

- Papers detailing any upcoming training, conferences and seminars that may be of interest to Board members have become standing items for noting on Board agendas.

- We also continue to draw training and development opportunities to Board members' attention as they arise.

- The items below have been notified to Board members previously by e-mail:

(i) 'On Board Scotland' training

15th March 2018 – Glasgow
19th June 2018 – Stirling
11th September 2018 – Edinburgh
10th December 2018 – Stirling

(ii) Non-Executive Directors Networking Session

16th March 2018 - Dumfries

(iii) Non-Executive Directors National Event

14th May 2018 – To be confirmed (central Scotland)

(iv) Public Body Board Members' Finance Workshop

31st January 2018 – Edinburgh

(v) QI for NHS Board Members: National Masterclass

26th February 2018 - Edinburgh

- A list of confirmed and pending national conferences for the coming year and beyond (provided by the NES Conference Team) is attached to this paper.

- Members may also find it helpful to have this link to the details on the NES website of forthcoming events organised by the NES Conference Team: http://events.nes.scot.nhs.uk/

5. Educational Implications

None.

6. Financial Implications

The events at (i) above cost £295.00 plus VAT per place.

There is no charge for the events at (ii), (iii), (iv) and (v).

7. Recommendation(s) for Decision

None. This paper is for information only.

NES
January 2018
DJF

National Conference Dates 2018

Month	Date	Meeting/Workshop	Location	NES Contact	Conference Team Confirmed
March	TBC	Infection Prevention & Control: Showcasing Care Home Trainers Programme	TBC	Lesley Armstrong	Y
April	26 & 27	Medical / Appraisers / Practice Managers Pharmacy GPN Conference Also, proposals to include NMAHP	EICC	Rowan Parks / Niall Cameron / Tracey Crickett / Anne Watson / Ruth Aird	
Nov / Dec	TBC	Health Protection Symposium	TBC	Lesley Armstrong	Y

COSLA

National Health and Social Care Workforce Plan

Part 2 – a framework for improving workforce planning for social care in Scotland

Healthier Scotland
Scottish Government

December 2017

CONTENTS

Joint COSLA/ Ministerial foreword

The integration of health and social care is one of the most ambitious programmes of public sector reform undertaken in Scotland. Through integration there will be a greater emphasis on community-based services along with more joined-up, anticipatory and preventive care to ensure that people get the right care, at the right time and in the right place, and are supported to live as independently as possible.

The Scottish Government and COSLA are jointly committed to the achievement of the National Outcomes and National Health and Wellbeing Outcomes. We recognise the key role that Integration Authorities have in looking at the best way, locally, to transform, plan and deliver high quality and sustainable care in our communities. We also recognise that in the social care sector, independent and third sector employers play a major role in delivery and that their involvement in planning for these outcomes is critical.

We know that Scotland's social care services are valued by those who use them: in the Health & Care Experience Survey of 2015/16, 81% of people receiving formal social care services rated their overall help, care or support services as either excellent or good. Little could be more important to the achievement of those outcomes than the workforce that delivers our services.

The purpose of the National Workforce Plan for Health and Social Care is to enable better local and national workforce planning to support improvements in service delivery and redesign. We are seeking a whole system, complementary approach to workforce planning recognising the new integrated landscape, and it is clear that the NHS and social care employers have taken different approaches to date. As we progress, it is important that we strive for and support continuous improvement in our workforce planning. The recommendations in this Plan recognise that we can all benefit from taking a national approach to some aspects of workforce planning as we move forward.

Workforce planning in respect of social care faces distinct challenges. The social service workforce is the largest publicly funded workforce in Scotland, making up 7.7% of all Scottish employment. That's 200,650 people currently in paid employment within the independent, public and third sectors who are working with citizens who need support - ranging from vulnerability in older people to those with disabilities, mental ill-health and homelessness, children's services and criminal justice.

The social care workforce, unlike that for the NHS, has many different employers in local government and in the third and independent sectors. Volunteers and unpaid carers also play an important role as part of local assets and support to the employed workforce. Looking to the future, Integration Authorities will need to be able to draw on a more integrated and multidisciplinary workforce and so the workforce we currently have and our approach to recruitment and retention, training and education will need to be supported to respond to that challenge.

At national and local government levels, we are also conscious of the fact that the current financial environment means that we have to make the best of the resources

that we have. In addition, it is likely that the impact of leaving the EU will place a particular pressure on the social care landscape.

We have listened to the views of councils, Integration Joint Boards, regulatory bodies, commissioners and providers of services, professional bodies and trade unions in articulating the scale of the challenge we all face – not least of which is the complexity of the landscape and diversity of need.

This publication starts to provide a shared understanding of the scale of this challenge and the priorities therein, and affirms our collective commitment to building more informed, strategic and locally sensitive workforce planning. That, in turn, enables us all to deliver better, more sustainable, high quality services for those who need them now and into the future. This plan will support the integration journey by giving a national focus to workforce planning at a time of local innovation and service redesign, and will set out recommendations which will start to dismantle any systemic barriers to effective, integrated, local workforce planning.

Clearly in this dynamic environment, the agenda will evolve and the plans we make nationally will have to be iterative also. In light of this, the commitments made here are for progress over the next 12 months, with a further commitment to publishing a fully integrated National Workforce Plan in 2018 which brings together Parts 1, 2 and 3 (Primary Care) to build on progress being made.

How we understand and plan for our social care workforce is critical to the whole ambition of integrated high-quality services, to the staff we value and the outcomes for our citizens. This plan lays out the first steps we will jointly take to improve and support workforce planning for social care.

CHAPTER 1 - EXECUTIVE SUMMARY

1. This document, jointly agreed by COSLA and Scottish Government is Part 2 of the 2017/18 National Health and Social Care Workforce Plan, for Social Care in Scotland. Part 1 was published in June 2017; Part 3 will be published in early 2018. Work arising from the recommendations in the three parts of this plan aims to enable the production of a combined Health and Social Care Workforce Plan in 2018.

2. The purpose of each part is to support organisations that provide health and social care services to identify, develop and put in place the workforce they need to deliver safe and sustainable high-quality services to Scotland's people. The iterative process being undertaken aims to enable the many organisations involved in commissioning, delivering and supporting services to work together over time to help deliver a whole system approach to workforce planning for health and social care.

3. Part 2 acknowledges some of the distinct challenges for workforce planning in the social care sector. These include the complexity of service provision and commissioning; the ramifications of the dominant market dynamic; the distinct challenges within rural and urban areas; the current financial environment and resource constraints; the substantial changes taking place in service delivery; and the impacts of social and technological change on demand for services and on workforce skill requirements and supply. It outlines specific areas within this context that have been identified as initial priorities for action, including the need to improve the evidence base for workforce planning, the need to further engage partners across the sector in planning activity and the need for workforce planning tools that are developed with the sector, for the sector. This document also highlights a number of existing workforce challenges that are priorities for action now, including recruitment and retention, improved opportunities for career progression and addressing skill needs through improvement to training and education.

Key Recommendations

4. The following recommendations arise from engagement between Scottish Government, COSLA and other key partners involved in the delivery of social care in Scotland. They build on the development of Part 1 of the National Health and Social Care Workforce Plan – a framework for improving workforce planning across NHS Scotland.

5. Delivery of these recommendations and improved national and local workforce planning across the health and social care sector can only be delivered through extensive partnership working across these sectors. For the recommendations in Part 2, this means, in particular, working with the organisations that commission and provide services and/or their representative bodies. Turning these initial priorities into action requires engagement between the Scottish Government, COSLA, Scottish Social Services Council (SSSC), Care Inspectorate, Integration Joint Boards (IJBs) and other key partners and stakeholders including, critically, employers in the third and independent sectors. The National Workforce Planning Group established under Part 1 of this Workforce Plan will play a role as a key vehicle for engagement with many of these partners.

6. The seven recommendations aim to begin a process that will improve national and local workforce planning for social care in Scotland to help ensure we get the right people into the right place, at the right time, to deliver sustainable and high-quality services with improved outcomes for those who use them.

Data, analysis, tools and guidance to support workforce planning

Recommendation 1: Integrated workforce data

- To enable better collation of health and social care workforce data to support national and local workforce planning. This will draw on the work of the Scottish Social Services Council and the Care Inspectorate and take place in alignment with the work being led by NHS Education for Scotland on the NHS Scotland workforce in response to Part 1 of the Plan. The work will contribute to the wider, whole system approach required for health and social care in the future.

Recommendation 2: National and local labour market and workforce analysis

- To develop our understanding and provide evidence of the interactions between the national and local labour market pressures, the interactions between different parts of the sector and the specific challenges presented by the configuration and location of the current social care workforce.

Recommendation 3: Workforce planning guidance for partnership working

- To develop guidance for Integration Joint Boards and their commissioning partners in local authorities and NHS boards that supports partnership working for the formulation of workforce plans at regional and local level that include consideration of the third and independent sector workforce. This work will aim to:
    - engage with third and independent sector employers and/or their representative organisations, and trade unions;
    - support and facilitate alignment of local workforce plans with associated commissioning and financial plans;
    - make use of the work delivered under recommendation 2 above, to develop improved understanding and awareness of the impact of market mechanisms in social care;
    - develop approaches through which workforce planning can take these mechanisms into account in contributing to the delivery of improved outcomes for those who use services.

Recommendation 4: Workforce planning tools

- To progress and co-produce social care and multi-disciplinary workforce planning tools that support the delivery of high quality care that reflects the new health and social care standards, and enable service redesign and new models of care. In developing this work, we will take account of progress with planned Scottish Government legislation that includes a focus on tools and methodology to inform and support workforce planning, starting with nursing and midwifery in the NHS.

Recommendation 5: Promoting social care and social care settings more widely as a positive career choice

- To deliver a national campaign to promote the social care profession as a meaningful, valued and rewarding career choice and social care as an employment area of choice for a range of professionals. In developing the campaign, we will engage with employers, including those in the third and independent sectors and/or their representative organisations and trade unions. The campaign will:
  - be targeted at the potential, current and future workforce;
  - be targeted at new entrants to the sector at any age, career changers and those returning to work;
  - aim to support improved recruitment and retention within the sector;
  - aim to increase the appeal of the social care sector to nurses and other health-related professionals;
  - reinforce social care as a career in itself as well as highlighting possible pathways between different areas of work.

Recommendation 6: Career pathways

- To develop proposals for enhanced career pathways within social care, recognising the context of the developing multidisciplinary, integrated workforce environment. The third and independent sectors, as employers of the great majority of the social care workforce, will be essential partners in this work. Consideration will be given to:
  - improving entry routes and pathways into the sector, recognising current progress and initiatives such as Foundation, Modern and Graduate Apprenticeships;
  - exploring how career pathways between health and social care can be further developed;
  - work being developed under Part 1 of the National Workforce Plan, such as a review of learner and student support across the health and social care workforce and promotion of careers in schools.

- To work with workforce and service regulators to ensure they are empowered to enable and support recruitment, career progression and flexibility in the workforce of the future, including through categories of registration.

Recommendation 7: Training and education

- To develop training and education proposals that will better enable a flexible, confident and competent workforce with relevant and appropriate qualifications.

- To develop a professional framework for practice in social care and social work, including in advanced practice. This work will take into consideration:
  - the national qualification structure of the Scottish Credit and Qualifications Framework (SCQF);
  - the recent Review of Social Work Education;

- work in progress to support the workforce in implementing the new Health and Social Care Standards.

CHAPTER 2 – SETTING THE CONTEXT: THE VISION FOR SOCIAL CARE IN SCOTLAND

7. This chapter provides the context for our future thinking about the workforce by highlighting the key policy and strategic drivers that shape our shared priorities and will influence the kind of workforce we need in the future.

8. Through national outcomes, policies and legislation, Scottish Ministers, local government and third and independent sector providers are implementing the transformation of care through a partnership approach which focuses on empowering people to be equal partners in their care and supports decisions which enable them to participate fully in social and economic life and be supported in choices about how they live their lives. To achieve this alongside better health and wellbeing, better care and better value, requires public service transformation. The 2011 Christie Commission set the underpinning framework for this.

9. Our shared priorities across the spectrum of Social Care and the drivers that shape these are set out in a range of policies and strategies including:

- COSLA's 2017-18 priorities for Health and Social Care, which are supporting local government and Integration Joint Boards (IJBs) to address demographic and financial challenges, enabling communities to live healthy, independent lives and promoting an outcomes and prevention culture;
- Current work on reform of Adult Social Care, which will consider workforce issues and new models of care and support;
- Implementation of Integration of Health and Social Care with an increased emphasis on community-based and preventive care, support for people living with complex needs and on responsive, person-centred services;
- Implementation of the Social Care (Self-directed Support) (Scotland) Act 2013, allowing people, their carers and families more choice in their support and how it is delivered;
- Getting it Right for Every Child, the national approach in Scotland that puts the wellbeing and rights of children and young people at the heart of services that support them;
- The expansion of Early Learning and Child Care. Due to the proposed expansion of early learning and childcare there is currently a strong focus on this specific workforce;
- The Mental Health Strategy 2017-2027 which aims to achieve parity of esteem between physical and mental health, working across service boundaries to enable people to get the right help at the right time;
- The Health and Social Care Standards, effective from April 2018. These outcome-based standards seek to ensure that individuals are treated with dignity and respect and are involved in decisions about their care;
- Implementation of the Carers (Scotland) Act 2016, from April 2018. The Act is designed to support carers' health and wellbeing and help make caring more sustainable;
- The National Strategy for Community Justice, which is underpinned by principles that include preventive intervention and high-quality, person-centred, collaborative services;
- The Digital Health and Social Care Strategy in development that will set out how outcomes will be improved through enabling those who use services to

use digital information and tools to maintain their own wellbeing and improve data use in service improvement and planning; and
- The Health and Social Care Delivery Plan (December 2016) that promotes greater joint working between IJBs, local authorities, NHS Boards and other partners, including at regional level.

This social care–focused part of the National Health and Social Care Workforce Plan should, therefore, be read in the context of the wide range of ambition for improving the lives of people in Scotland which has been informed and is shared by all the delivery partners in social care.

10. Our shared ambition is that social care supports people at all stages of their lives to live as independently as possible and achieve meaningful personal outcomes. Some of the common themes that emerge from the policies and strategies outlined above include:

- The need to recognise the individual assets of those who use services, and those of their family and wider community;
- The need to work with people, ensuring they are treated with dignity and respect and where possible, can direct their own support and achieve their personal outcomes;
- An increased focus on prevention and early intervention;
- The need for collaboration and integration between services and professional disciplines, with an increase in multidisciplinary team working, so that support is integrated from the point of view of the person; and
- The need for greater innovation, flexibility and creativity in service design and delivery, making full use of the potential of technology.

11. Delivering this vision of how services support and enable people at all stages in their lives when they need it will require new ways of working, redesign of services, new models of care and innovative and flexible approaches to responding to changing demand. One new model of care designed around people and communities is the Buurtzorg model of neighbourhood care which has been successful in the Netherlands. Several areas in Scotland are testing the Buurtzorg principles of self-help, independence, continuity of support and empowering staff teams, using the learning to accelerate progress with integration as well as the development of the community health and social care workforce. We need to look across the whole landscape for the opportunities which will help to deliver the changes sought. For example, the regulation of services and the workforce plays an important role in acting as a quality gateway for social care. The legislative framework for regulators was established prior to the integration of health and social care and we need to ensure that they can continue to play an enabling role in supporting new models of care and providing public assurance. A further example comes from current work to explore the concept of a Teaching/Research Care Home for frail older people in Lothian. This would bring together doctors, nurses, allied health and social care professionals with involvement of local communities and multidisciplinary training for students, to determine what benefits this would have on outcomes.

12. The integration of health and social care and Self-directed Support together provide the opportunity and expectation for reforming how social care for adults is delivered. This links with the transformation agenda across the whole of social care as well as that for wider public services. We also need to explore further the opportunities afforded by all kinds of technologies, and the work to develop and implement a Digital Health and Social Care Strategy is well underway. New approaches in these areas are being introduced and developed in many localities; these will need to keep pace with further change and to adjust to continuing growth in demand for health and social care services.

13. This has significant implications for the workforce we need now and for the future; implications not only for workforce numbers but also for the roles, skill sets and career pathways across the health and social care workforce. The changes we have embarked upon are occurring within a wider context of financial constraint, historically low levels of unemployment and the uncertainty created by the outcome of the referendum on the UK's membership of the EU. Given Scotland's geography, rural areas face particular challenges, such as a restricted number of service providers and geographic remoteness. It is therefore both timely and necessary to work together in more consistent and effective ways to develop improved approaches to workforce planning across the health and social care sector.

14. Part 2 recognises the complexity of the social care landscape and the size and diversity of the workforce, which is described further in Chapter 3. It recognises the need to improve the evidence base for workforce planning and makes recommendations to improve the data, tools and guidance available to the diverse partners who play a role in planning the workforce (Chapters 3 and 4). In order to make progress towards our vision for social care there are both current and future challenges for the workforce, described further in Chapter 5. The recommendations in that chapter identify a number of current challenges that are priorities for action.

15. The recommendations set out in this Plan will establish initial work streams in seven priority areas, which seek to enable progress in workforce planning for social care in an increasingly integrated landscape, with the purpose of improving outcomes for those who use services.

CHAPTER 3 – SETTING THE CONTEXT: THE CURRENT WORKFORCE - DEMOGRAPHY AND SKILLS

16. This chapter provides a national level overview of the current social services workforce we have in Scotland. Further detail on some of its key characteristics and past trends is provided in Annex A. Having access to and understanding data on the current workforce and how it is changing is critical to our ability to plan for the future. These data form an essential part of the evidence required for workforce planning. However, changing structures and approaches to service delivery mean that data needs for workforce planning are also changing. Thus one of the priorities for action identified in this plan is to better understand the data needs of the different partners involved in workforce planning and develop approaches to how they can be fulfilled.

An overview of the workforce

17. The social services workforce is the largest public service workforce in Scotland, with 200,650 people in paid employment at end of 2016[1] (latest official statistics). This makes up approximately 7.7% of all Scottish employment. There have been small fluctuations in the size of the workforce since 2008, with an overall increase of 1.9% between 2008 and 2016. By comparison, in June 2016 the NHS employed approximately 161,000 workers[2]. The education and financial services sectors in Scotland employ approximately 193,000 and 49,000 workers respectively[3].

18. The structure of employment is complex, with the workforce employed in 13,481 active services registered by the Care Inspectorate. 42% of workers are employed in the independent sector, 31% in the public sector and 28% in the third sector. At the end of 2015[4]:

- 2,644 employers provided care services in Scotland (excluding childminders)
- 1,536 were independent sector organisations
- 1,070 were third sector organisations
- 80% of service providers employed fewer than 50 people.

19. The workforce is involved in delivering a range of services and care to different groups of people who use services, including adult social care/social work; children's social services, criminal justice (offender) services and early learning and child-care. Some of these services are provided as part of integrated health and social care services; some are publicly provided but are not integrated; and some of these are accessed privately by people without the involvement of statutory services.

- 140,370 (headcount) work in adult social services[5]

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[1] Scottish Social Service Sector: Report on 2016 Workforce Data (Official Statistics) Scottish Social Services Council, 14 September 2017

[2] Information Services Division (2016) NHS Scotland Workforce Information, Quarterly update of staff in posts and vacancies at 30 June 2016.

[3] Figures for education and financial services are from the UK Business Register and Employment Survey (BRES). The BRES also includes an estimate for the social service sector (179,000). That figure appears to be an underestimate in Scotland.

[4] Scottish Social Services Workforce Data Group Minutes and Papers, 16 March 2017, Agenda Item 7, Scottish Social Services Council.

[5] Some double counting as 2,250 work in generic services which have been included here under both children and adults services.

- 17,050 (headcount) work in children's social services[6]
- 2,050 (headcount) work in offender services
- 40,550 (headcount) work in early learning and child care.

20. The workforce also includes people working in a wide variety of roles, from service commissioners to frontline staff.

- 80% (approximately) of workers are in frontline care roles
- 13% (approximately) of workers are in support roles such as administration and catering.

21. As at the end of 2016:

- Around half the workforce works full time
- 85% of the workforce is female
- The median age across the workforce is 44 years, slightly higher than the median age of the Scottish working population (41).

22. Workforce density varies between local authority areas, between highest levels of 727 staff per 10,000 people (in the Shetland Islands) to lowest levels of 261 per 10,000 people (in West Lothian). For those in registered services[7] 87.2% of the workforce is in urban areas and 12.8% in rural areas[8].

23. There are a number of groups of people with important roles in providing social care that are not included in the official social services workforce statistics. These include paid workers such as child-minding assistants and Personal Assistants, and unpaid roles such as volunteers and carers.

Availability of workforce data

24. The Scottish Social Services Council (SSSC) is responsible for providing data and intelligence on the social services workforce at a national level, undertaking an annual survey of local authority social work services each December. Data is collected on the workforce in all registered services by the Care Inspectorate through their annual returns. These two data sets are combined and published annually as the Scottish Social Services Workforce Data Report (Official Statistics)[9]. Much of the data is also made available for use at a local and comparative level through the SSSC online data portal – (see http://data.sssc.uk.com/).

25. The SSSC also publishes:

- Annual Mental Health Officers' Reports (National Statistics) based on an annual survey of social workers employed as mental health officers by local authorities;

[6] Some double counting as 2,250 work in generic services which have been included here under both children and adult's services.
[7] Analysis uses raw workforce data for 2016 for registered services (SSSC). The workforce in Local Authority field work services is not included as the data analysis is not yet available.
[8] Categorised using the Scottish Government 2-fold urban rural classification. Urban areas – settlements of 3,000 or more people; Rural areas – settlements of less than 3,000 people.
[9] Scottish Social Service Sector: Report on 2016 Workforce Data (Official Statistics) Scottish Social Services Council, 14 September 2017. Unless otherwise referenced, the data in this chapter is from this report.

- Workforce Skills Reports every two years that bring together data on the workforce, uptake of qualifications, service users and drivers for change to identify key workforce development challenges for the sector (the latest report was published in October 2017[10]);
- Quarterly reports on Scottish Vocational Qualification (SVQ) provision, with data on those undertaking and completing qualifications relevant to the sector.

26. Skills Development Scotland produces regular official statistics for Modern Apprenticeships, including those in the health and social care sector[11].

Use of data to inform workforce planning

27. This section has set out an overview of the numbers of workers in the social services sector. These data and further detailed information on the workforce is published annually, with some data available for interrogation on the SSSC website. Data from any one year is currently published in Quarter 3 of the following year[12]. Data availability for this workforce differs from that of the NHS workforce - for example in location, detail and regularity of publication - and these differences create some challenges in workforce planning for integrated services.

28. While some work has taken place to obtain an improved understanding of what changes to workforce data would assist effective workforce planning, further work is required to determine what improvements would be most useful and how these can best be delivered. For example, there may be value in considering the costs/benefits of more timely and/or more regular collection and publication of workforce data. At a national level, there may also be value in developing a specific picture of the parts of the workforce that are working under integrated arrangements. Changes in data standards may also be required, to reflect service redesign, increased multidisciplinary team working and changing staff roles.

29. As the outline in this chapter shows, there is a wide range of data available on the current social care workforce. However, structures and requirements for workforce planning are changing and to ensure that these data can assist fully, a clearer, shared articulation of specific data gaps and needs is now needed, bringing in the range of partners involved in workforce planning at national, regional and local levels. In addition, for integrated health and social care services, dedicated resource may be required to bring the information together with NHS workforce data in a useful format. This work will need to align with the work being led by NHS Education for Scotland (NES) under Part 1 of the National Health and Social Care Workforce Plan, which includes recommendations on bringing together existing data sources, and development of a minimum standardised dataset.

[10] Workforce Skills Report 2016-2017, SSSC, October 2017
[11] Skills Development Scotland Statistics: http://www.skillsdevelopmentscotland.co.uk/publications-statistics/statistics/?page=1
[12] Workforce Skills Report 2016-2017, SSSC, October 2017 and data available for interrogation on the SSSC website

Recommendation 1: Integrated workforce data

- To enable better collation of health and social care workforce data to support national and local workforce planning. This will draw on the work of the Scottish Social Services Council (SSSC) and the Care Inspectorate, in alignment with the work being led by NHS Education for Scotland on the NHS Scotland workforce in response to Part 1 of the Plan. The work will contribute to the wider, whole system approach required for health and social care in the future.

CHAPTER 4 – PLANNING THE WORKFORCE

30. This chapter describes the complex landscape within which workforce planning for social care takes place. It outlines some of the varied roles and responsibilities of employers, Integration Authorities and national bodies in workforce planning. It identifies three priorities for action to support these responsibilities:

- improved information about the surrounding labour market;
- workforce planning tools that will support the changes needed in services and the workforce to deliver these; and
- guidance to support partnership working in workforce planning at multiple levels.

Complexities of workforce planning for social care

31. Workforce planning for social care is a complex activity taking place at different levels, over different time horizons, and involving a multiplicity of stakeholders. It takes place in a varied context provided by the surrounding labour market within which over 2,500 public, independent and third sector employers provide social services and use many different approaches for their own organisational workforce planning. Along with service commissioners, these employers also have interests in and/or responsibilities for workforce planning that come into play to varying degrees at regional and local levels. This complexity means that considerable benefit can be gained from a clearer and more consistent approach to workforce planning at multiple levels that involves appropriate engagement between service commissioners and employers.

32. To manage and plan their workforces effectively, organisations need to have up-to-date information in regard to:

- The numbers of people they employ and what they do;
- Current deployment of staff, past trends and anticipated changes;
- What skills the workforce has and where there are gaps;
- What skills and staff will be needed to deliver future services and priorities.

33. In addition to this kind of data, workforce planning in the social care and social work sectors must also take account of complex factors such as:

- Demand – the needs of the populations they serve, the intensity of care needed and the demand for different kinds of services;
- The financial resources available;
- Availability, productivity and skill level of staff;
- Technology and local factors such as the physical premises where services are delivered, or geographic remoteness;
- The current and future policy landscape;
- The aims and objectives of the social service being provided, and the purpose for which it is being, or could be, commissioned.

34. Given the market arrangements prevalent in social care, there are strong interconnections between strategic commissioning and service procurement, workforce planning and pay, recruitment and retention and a range of other factors that influence the wider labour market, such as the departure of the UK from the European Union. In addition, workforce requirements shift over time as new policies and approaches to best practice come into play – for example implementation of

Self-directed Support, shifting the balance of care to care at home, the expansion of free personal care to under 65s and increased up-take of new technologies.

35. Understanding the influence of these dynamic forces is critical in planning and redesigning care services and therefore the workforce locally and nationally. The Local Government Improvement Service is currently undertaking work to assist in a better understanding of workforce dynamics within the broader labour market. This work is examining past trends and developing projections at sectoral level, considering the likely future competition for labour in Scotland. It is also looking at international practice in making the care sector more competitive. Analysis emerging from this work and other relevant data, such as the regional skills assessments and other reports[13] published by Skills Development Scotland, will help in providing that understanding and the evidence base needed for workforce planning.

36. Recommendation 2 below sets out the need to build on this work to improve understanding of how local and national labour markets interact, how different parts of the sector interact and what these interactions mean for workforce planning locally and regionally. Part 1 of this Plan identified a need to integrate statistical, demographic and labour market information on the NHS Scotland workforce to build the evidence NHS Boards will require in the future. In order to meet the evidence needs of IJBs and others involved in commissioning and delivering integrated health and social care services, Recommendation 2 in this document seeks to deliver similar work for the social care sector that links to and aligns with the work being developed for the NHS Scotland workforce. This will aim to help in predicting recruitment and retention challenges, in understanding how they may be affected by service, policy and wider changes, and in identifying approaches to tackle them at appropriate levels.

Recommendation 2: National and local labour market and workforce analysis

- To develop our understanding and provide evidence of the interactions between the national and local labour market pressures, the interactions between different parts of the sector and the specific challenges presented by the configuration and location of the current social care workforce.

Current workforce planning activity

37. Workforce planning responsibilities rest primarily with employers and with commissioners of services, and there is a range of organisations with interest in this area including Integration Authorities, health boards, local authorities, employers and employer representative bodies such as COSLA, Scottish Care, the Coalition of Care and Support Providers in Scotland (CCPS) and the Scottish Council for Voluntary Organisations (SCVO).

[13] For example, Jobs and Skills Scotland: The Evidence, November 2017.

Employers

38. In the social care sector, workforce planning activity is primarily undertaken at individual employer level (local authority and other statutory providers, independent and third sector providers). Each employer will undertake their own workforce planning linked to local demand and their service delivery plans. In registered services, detailed staffing arrangements are considered and agreed by the Care Inspectorate prior to a service being registered to operate; such staffing schedules may form part of the conditions of a service's registration. Providers of care services are required by law to ensure that at all times suitably qualified and competent persons are working in the care service in such numbers as are appropriate for the health, welfare and safety of service users, and that suitable training is provided[14].

39. Research undertaken by *Why?Research* in 2016 as part of a wider project[15] indicated that almost all of the 73 respondents involved in workforce planning reported that their organisation discusses workforce planning at senior levels and collects a variety of workforce data. Most collect data on current staff numbers and costs, current vacancies and current training activity. Most organisations used this information for budget setting, day to day management and planning for a 1-2 year time frame. A significant, though smaller, proportion used workforce data for medium term (3-5 year) planning and for service delivery planning and the strategic commissioning of services.

Integration Authorities

40. Integration Authorities have responsibility for managing services covering adult social care, adult primary health care and unscheduled adult hospital care; some are also responsible for children's care and criminal justice social work. Integration Authorities will increasingly become a key link in the workforce planning landscape. The Public Bodies (Scotland) Act 2014 places a duty on each Integration Authority to produce a Strategic Commissioning Plan which sets out how the Integration Authority will plan and deliver services for its area over the medium term, using the integrated budgets under its control. In general these plans include a high-level summary of workforce issues.

41. In advance of developing the Strategic Commissioning plan, the Integration Authority should oversee the production of Joint Strategic Needs Assessments (JSNAs). JSNAs analyse the care needs of local populations and inform and guide the commissioning of health, wellbeing and social care services within its area in order to improve the physical and mental health and wellbeing of individuals and communities. Within the Strategic Commissioning Plan process, a Market Facilitation Plan (which is a summary of the key requirements to meet current and future demand) should be developed, clearly stating the level and type of services required. Based on a good understanding of need and demand, market facilitation is the process by which strategic commissioners ensure there is sufficient, appropriate

[14] Regulation 15: The Social Care and Social Work Improvement Scotland (Requirements for Care Services) Regulations 2011

[15] http://www.gov.scot/Resource/0051/00512889.pdf The study involved an online survey of social services providers. 73 of 163 respondents were mainly involved in workforce planning for their organisation; 49% of these were in the third sector, 22% in the independent sector, 14% local authorities and 7% health and social care partnerships.

range of provision, available at the right price to meet needs and deliver effective outcomes.

42. Taking into account their Strategic Commissioning Plans, Integration Authorities are also required to have in place plans for workforce development that include, at a minimum, a list of the plans that the relevant health board and local authority have undertaken to put in place, (a) for developing and supporting the staff employed in integrated services and (b) for organisational development (OD) of the NHS board, local authority and (if relevant) the IJB in relation to integrated services. In the majority of cases, where the Integration Authority also has responsibility for service delivery, it will take responsibility for the workforce development and OD plans that cover integrated services. In practice, all three parties share in the responsibility for ensuring that appropriate staffing is in place. In doing this, they will be working to:

- Consider anticipated changes in the demography of their populations;
- Develop new ways of working and redesigning services; and
- Ensure an appropriate skill mix, including development of multidisciplinary teams.

43. An assessment of 12 Integration Authority workforce development plans available at the end of 2016 indicated that all plans provided an overview of existing staff employed by statutory partners, while most considered the policy context and included some assessment of local demographics and future demand. Some had done initial work on future workforce needs, and some had started to consider the workforce contributions from the third and independent sectors.

44. As outlined in Chapter 2, nearly two thirds of the social care workforce is employed by the third and independent sectors, which make an essential contribution to the delivery of integrated services in most parts of Scotland. It is therefore important that workforce planning takes account of this wider workforce in considering how services will be delivered. As indicated above, it is apparent that this is currently occurring to varying degrees across Scotland.

45. One of the priorities for action identified in developing this plan and addressed in Recommendation 3 below is thus the need for development of guidance to support Integration Authorities and their commissioning partners to include consideration of third and independent sector employers and their representative bodies in workforce planning at multiple levels, to enable greater consistency in approaches. This work should consider how workforce planning can further be aligned with financial and commissioning plans that involve third and independent sectors. It should also take account of work delivered under Recommendation 2 on local labour market conditions and operation.

Recommendation 3: Workforce planning guidance for partnership working

- To develop guidance for Integration Joint Boards and their commissioning partners in local authorities and NHS boards that supports partnership working for the formulation of workforce plans at regional and local level which include consideration of the third and independent sector workforce. This work will aim to:

- engage with third and independent sector employers and/or their representative organisations, and trade unions;
- support and facilitate alignment of local workforce plans with associated commissioning and financial plans;
- make use of the work delivered under recommendation 2 above, to develop improved understanding and awareness of the impact of market mechanisms in social care; and
- develop approaches through which workforce planning can take these mechanisms into account in contributing to the delivery of improved outcomes for those who use services.

National bodies

46. The Scottish Government funds two Non-Departmental Public Bodies with relevant responsibilities: the Scottish Social Services Council (SSSC) and the Care Inspectorate.

47. The SSSC registers many groups of social services workers, sets standards for their practice, conduct, training and education and supports their professional development. Where registered workers fall below the required standards of practice and conduct, the SSSC can investigate and take action. As part of their work, the SSSC publishes Codes of Practice that place requirements on employers in the sector with regard to provision of learning and development opportunities for their staff, including those needed for registration. The Codes of Practice also place obligations on all employees in the sector with regard to their ongoing learning. As outlined in Chapter 2, the SSSC also produces official workforce statistics that aim to support workforce planning by relevant organisations.

48. The Care Inspectorate authorises care services to operate; it is an offence to operate a care service that is not so registered. As part of the detailed registration process, the Care Inspectorate considers the staffing arrangements to be provided for the particular service seeking registration and may, where necessary, require (or vary) mandatory conditions in relation to the numbers and skill of staff to be employed.

49. As part of its scrutiny responsibilities, the Care Inspectorate collects and considers other information on workforce matters such as vacancy information and issues arising in terms of staff availability and capacity. Regulated care services are inspected to ensure that people using the service experience high quality care which is consistent with the national care standards. Inspections may, where considered necessary, include detailed scrutiny of staffing arrangements, including skill mix, quality of staffing, staffing levels, and approaches to recruitment and induction. The Scottish Government have worked with COSLA and other stakeholders to develop Health and Social Care Standards that apply across all health and social care. These will be rolled out from April 2018 onwards, forming the basis of the Care Inspectorate's scrutiny model. The standards set out how a person should experience care and are relevant across service planning, assessment, commissioning and delivery. Where people wish to make a complaint about the quality of care, including staffing levels, the Care Inspectorate can investigate this.

50. Some of the information identified above is published annually (e.g. SSSC workforce data reports), while some is published in individual Care Inspectorate inspection reports and aggregated thematic reports. Both of these sources can provide information to national and local government, regulators and commissioners about workforce capacity across the sector and help to identify where action may need to be taken locally or nationally.

51. The Scottish Government publishes annual official statistics across the range of social care services that provide information on current service provision, demand and outcomes and on trends, largely at national level. The publications cover care homes, Children's Social Work, Adult Social Care Services and Criminal Justice Social Work, amongst other topics. A summary of these statistics was published in Jan 2016, with an updated summary due for publication in early 2018[16].

Improving approaches to workforce planning

52. The *Why?Research* study referred to above suggested that employers across different sectors used a variety of approaches in undertaking their workforce planning, including case management tools, IORN (Indicator of Relative Need), the NHS Scotland 6-step methodology and guidance such as that provided by the SSSC. The study suggested that these are used particularly for training and skills needs; however, relatively few of the respondents' organisations use formal planning tools for workforce planning purposes. There was some support from this study for the development of suitable, robust tools, alongside acknowledgement of the inherent difficulties in developing tools for the complex landscape of social care.

53. This complexity includes the diversity of employers in the sector, both in terms of size and service area, and the different roles of, and interactions between, commissioners and service providers. As indicated in the *Why?Research* study, budgetary considerations and workforce planning are intertwined in this sector. Independent and third sector social care service providers may be commissioned to deliver a service for a fixed period of time (e.g. one or more years) before the contract is put out for tender again. Uncertainty regarding contract renewal can make proactive workforce development and planning difficult.

54. This issue is linked to underpinning annual budgetary cycles at national government level, and the Scottish Government is working to develop a medium term financial framework, within the context of the budget settlement that it receives. This will be to outline the broad direction for the NHS and care services to meet the changing needs of the people of Scotland, including shifting the balance of care towards community health services. In the longer term, providers will need the strategic commissioning plans to be clear about what kind of care and support will be commissioned in the future, so that they are better able to plan and develop their workforce appropriately in order to respond.

55. The planned "Safe and Effective Staffing" legislation in health and social care was consulted on earlier in 2017. Scottish Government is considering ongoing feedback on legislative proposals and will publish its response to the consultation

[16] A Summary of Social Work and Social Care Statistics, January 2016, Office of the Chief Social Work Adviser, Scottish Government

exercise by end of 2017. These considerations will take into account how the legislation can support and enable the recommendations of this plan.

56. Acknowledging the complexity highlighted above, one of the priorities for action identified in the development of this plan is the development of improved workforce planning tools for the social care sector that can be applied in the context of integration, changing models of care and an increasingly multidisciplinary workforce. This priority is addressed through Recommendation 4 below, which seeks the development and co-production of improved workforce planning tools for the sector for use, where appropriate, by partners in workforce planning at different levels in order to support the delivery of high quality care.

57. Workforce planning tools developed for the sector should aim to:

- Be built on robust information;
- Accommodate the third and independent sectors, as major employers;
- Complement existing practices and be adaptable for local needs;
- Be flexible enough to be used in settings of different size and type;
- Add value to workforce planning activity, for example by supporting joint role development or co-ordinated approaches to recruitment, training and development;
- Be accompanied by training on the tool being made available; and
- Support alignment with associated financial and commissioning plans.

58. The identification of resource needs for this work and how these can be addressed will be an early priority. This will include exploring how existing expertise and practices can inform the work and whether/which existing workforce planning resources can form a base to build on. The SSSC will be publishing an online resource in spring 2018, which aims to bring a range of resources together in one location to support workforce planning in the social services sector. The online resource has been developed with nput from local authorities and third and independent sector providers, and will contribute to the early stages of this work.

Recommendation 4: Workforce planning tools

- To progress and co-produce social care and multi-disciplinary workforce planning tools that support the delivery of high quality care that reflects the new health and social care standards, and enable service redesign and new models of care. In developing this work, we will take account of progress with planned Scottish Government legislation that includes a focus on tools and methodology to inform and support workforce planning, starting with nursing and midwifery in the NHS.

CHAPTER 5 - THE CHANGING SHAPE OF THE WORKFORCE

59. This chapter outlines some of the priorities and challenges for the workforce, in achieving the vision for social care set out in Chapter 2. There is a long-standing national policy to support the upskilling and professionalisation of the workforce and the current frameworks for the regulation and development of the workforce are summarised below to provide this context. This chapter also outlines some of the current challenges for the workforce such as recruitment and retention, clear pathways for career progression and demand for new skills, which have led to additional priorities for action. These priorities are set out in recommendations to improve recruitment, enhance career pathways and further develop training and education to equip the workforce for now and for the future. This section does not consider the early learning and childcare workforce due to the parallel programme of work resulting from the commitment to expansion of this workforce.

Delivering the vision: Priorities for a skilled and valued workforce

60. We share a vision that whatever its size and composition in the future, we will need a social care workforce which is skilled and valued and which works collaboratively to empower, support and protect people, with a focus on prevention, early intervention and enablement. Some of the priorities for the workforce that arise from the vision outlined for Social Care in Chapter 2 are:

- The need to ensure that social care becomes a career of choice for people at all stages of life, including by investing in the workforce and by championing the invaluable contribution that the social care workforce makes in our society;
- The need to invest in developing the workforce so that their skills are refreshed to meet changing demands arising from policy and service developments;
- The need to support a compassionate, autonomous workforce that is skilled at having good conversations with people, can support them to live as independently as possible for as long as possible, is confident in supporting people to set and make progress towards their own goals and can help people manage risk in their lives;
- The need to equip the workforce and users of services for digital transformation and greater use of technology.

61. Some of the challenges involved in addressing these priorities include:

- How to balance people's rights to choice and control of their social care support with rewarding roles and a good work-life balance for staff;
- How to support and equip the workforce to work in multi-disciplinary teams to ensure people get the right support at the right time;
- How to support the workforce in responding to policies which demand greater autonomy for the social care workforce and more innovation in models of support that are personalised for individuals;
- How to improve career opportunities that recognise the variety of responsibilities and skills required in social care roles and that provide flexible career pathways which give personal job satisfaction while supporting the retention of staff.

Frameworks for regulation and development of the workforce

62. A number of the priorities and challenges outlined above identify the need for further development of the workforce. The Scottish Government in partnership with employers and other partners, including COSLA, has a long-standing policy to increase the skills, qualifications and quality of the social care workforce, with the aim of improving outcomes for service users and increasing public protection. Regulation and registration of the workforce forms a key element of this approach.

63. Many groups of social care workers are required to register with the SSSC and there are now more than 100,000 individual people on the register, including social workers, workers in residential childcare, care home services for adults, day care of children services and care at home/housing support services. On current estimates by 2020, the work of the SSSC will bring the numbers of staff regulated to around 80% of the workforce. Those employed as nurses in care services are required to register with the Nursing and Midwifery Council; other health and allied health professionals may be registered with other professional bodies.

64. When registration was introduced in the early 2000s, it was estimated that around 80% of the social services workforce did not have any qualifications. Now, all those currently registered with the SSSC are in a position where they will have achieved or be working towards the qualifications required for their role and continuously updating their skills and knowledge to maintain their registration.

65. To meet their requirements under the SSSC Code of Practice for Employers and the National Health and Social Care Standards, employers are required to ensure that their staff have the necessary skills and knowledge to undertake their roles and continuously update their skills to reflect changes in policy and practice. The Care Inspectorate has the lead role in ensuring that employers exercise these responsibilities in a way which supports positive experiences and outcomes for people who use services.

66. The SSSC develops and updates the National Occupational Standards (NOS) in Scotland. The NOS underpin SVQs used by people in practice settings including adult social care, work with looked after children, secure care, community justice, substance misuse and youth justice. These qualifications provide workers with pathways into leadership and management roles, as well as routes into further education and development such as the social work degree.

67. Social workers must hold a suitable social work qualification to be registered with the SSSC. For other roles, people new into a role for which registration is required have six months after staring work in which to register, following which they have five years in which to obtain the qualification required for that role. The qualifications required for many roles can be obtained through vocational training while in employment. Courses are available at Further Education Colleges or Universities and in many cases can also be organised and provided locally by employers. The Workforce Skills Report 2016/17 reports that[17] (approximate figures):

- 33% of 30,000 support workers in care homes for adults hold the required qualification for registration;

[17] Workforce Skills Report 2016-17, Extended Version, SSSC, October 2017.

- 53% of 1,400 housing support managers hold the required qualification;
- 62% of 7,000 residential childcare workers hold the required qualification.

68. All social services workers on the SSSC register are required to undertake a minimum number of hours of professional development within a registration period. A wide variety of activities can contribute to the requirement, including, for example, formal training delivered by employers, self-directed learning and research.

69. Some workers in the sector may lack confidence as learners and be reluctant to undertake formal learning. The SSSC has worked with the Scottish Qualifications Authority, the Scottish Credit and Qualifications Framework (SCQF) and representatives from the social services sector to develop an approach to recognition of prior learning that allows consideration of informal learning and can speed up attainment of qualifications.

70. Modern Apprenticeships (MAs) provide a work-based route into a career in the sector. The SSSC works with Skills Development Scotland and other partner bodies to maximise the number of MAs in social services and the sector obtains almost ten per cent of MAs in Scotland. This is greater than the sector's share of Scottish employment, which is just under eight per cent. Foundation Apprenticeships provide a further entry route into the sector, and help young people gain experience and access work-based learning while still at school.

71. A number of learning and skills frameworks have been developed to support the learning and development needs of the workforce. These include:

- Enhancing Leadership – a delivery plan for 2017-2020;
- Enriching and Improving Experience – Palliative and End of Life Care (2017);
- Promoting Excellence – a framework for health and social services staff working with people with dementia;
- Equal Partners in Care – guidance to support workers in working in partnership with carers.

Current workforce challenges

72. A number of priorities for the workforce to enable delivery of the vision for social care were outlined at the beginning of this chapter. During development of this workforce plan, we have identified a number of existing areas of challenge that are shared priorities for action now. These are set out below and have led to the development of recommendations 5-7.

Recruitment challenges in adult social care services

73. Recruitment challenges in social services, particularly in the adult social care sector, have been regularly highlighted (eg SSSC Workforce Skills Report, October 2017). Problems appear to be most prominent in the independent and third sectors and in rural areas of Scotland. Recruitment challenges have been linked to low pay, difficulties finding people to work anti-social hours, perceptions of the sector and the emotional stress of care work[18]. The Care Inspectorate report on Staff Vacancies in

[18] Care Home Workforce Data Report 2017, Scottish Care

Care Services also provides evidence of increasing difficulties in filling vacancies, particularly in adult social care[19]:

- At the end of 2016, 35% of social care services reported one or more staff vacancies, an increase of 1 percentage point from the previous year;
- Care homes for adults/older people, housing support and care at home services were the main service types with the largest proportion of services reporting vacancies;
- 41% of services had difficulties filling vacancies (an increase of 2 percentage points from the previous year);
- Care at home services (64%), care homes for older people (57%), care homes for adults (49%) and housing support services (48%) had particularly high proportions of services reporting problems filling vacancies;
- The main reasons why services found vacancies difficult to fill were too few applicants with experience, too few applicants in general and too few qualified applicants.

74. The UK's departure from the EU will potentially have a negative impact on both recruitment and retention in the social care workforce. Additionally, early indications are that fewer non-UK EU/EEA[20] nationals are seeking employment in the UK and that current uncertainties in relation to the UK Government's future migration policy are a significant disincentive. Current official statistics indicate that 4.4% of the social work workforce is made up of non-UK EU nationals[21]. These statistics are based on a survey of sample households with self-reported employment data, and stakeholder surveys have suggested that in some parts of the sector, the percentages may be higher (eg Scottish Care data suggest that 6% of care home staff and 8% of nurses in care homes are non-UK EU nationals[22]). The Scottish Government has commissioned work to improve understanding of the contribution of non-UK EU nationals to the social services workforce.

75. The impact of the UK's departure from the EU will also be influenced by the extent to which future migration policy provides flexibilities to allow for sectoral and/or regional recruitment activity in areas of acute need, with particular relevance to the restrictions presented by the current visa and immigration system. Pursuant to commitments made in the 2017-18 Programme for Government, "A Nation with Ambition", the Scottish Government will publish a series of evidence-based discussion papers, exploring, amongst other things, new immigration powers for the Scottish Parliament, to enable the Scottish Government to better achieve its ambitions.

76. Low pay is being addressed through action on the Living Wage. From October 2016 all adult social care workers have been entitled to receive the Scottish Living Wage; this commitment has included adult day care staff and personal assistants from April 2017. The recent commitment to include care workers delivering sleepovers will be delivered over 2018/19.

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[19] Staff Vacancies in Care Services in 2016, Care Inspectorate, October 2017
[20] European Economic Area – includes Iceland, Liechtenstein and Norway in addition to EU Member States.
[21] Annual Population Survey 2016, Office for National Statistics.
[22] Care Home Workforce Data Report 2017, Scottish Care

77. The Fair Work Convention, established to drive forward Fair Work in Scotland, has established a Social Care Working Group to address current issues in the social care workforce. The Fair Work Convention will use the recommendations developed by the Working Group to advise Scottish Government on how best to ensure the Fair Work Framework is implemented across the social care sector.

78. Other support for recruitment in the sector comes from the SSSC's Ambassadors for Careers in Care network, and online resources for careers advisers and individuals interested in a career in care (e.g. A Career in Social Services 2017). The SSSC and Skills Development Scotland have developed Foundation Apprenticeships to enable people at school to study and gain experience for a career in care. Modern Apprenticeships also provide a route for recruiting more young people into care and Graduate Apprenticeships are at the early stages of development.

79. Some Integration Authorities are developing approaches for tackling local recruitment challenges. For example, Edinburgh Health and Social Care Partnership are working with partners on a multi-pronged approach, including a Health and Social Care Academy for Edinburgh's schools to promote careers in care, exploring pre-employment care at home academies previously developed in the independent sector, and targeted marketing materials.

80. Part 1 of this Plan sets out a number of recommendations to address persistent recruitment challenges in the NHS Scotland workforce. These include new approaches to make health and social care careers more attractive to young people through improved marketing and advertising and promoting careers in schools.

81. A recruitment marketing campaign is being developed to meet the workforce needs arising from the expansion in provision of Early Learning and Childcare (ELC). This expansion will almost double entitlement to funded early learning and childcare to 1140 hours a year by 2020 for all three and four-year olds and eligible two-year olds. Phase one of the campaign was launched in October 2017 and focused on school leavers, raising awareness of a career in ELC and encouraging them to apply for appropriate training opportunities. Phase two will focus on career changers, including parental returners. Concerns have been expressed by a range of stakeholders that expansion of the ELC workforce will increase recruitment and retention challenges in other parts of the care sector.

82. In parallel with these actions, consideration should be given to similar national level activity to support recruitment and retention and to promote social care as a meaningful, valued and rewarding career choice. Recommendation 5 below seeks to establish such a campaign, which will require further engagement with employers, including local authorities and those in the third and independent sectors, and/or their representative bodies, with commissioners of health and social care and with skills and education bodies to ensure there is alignment with local activity and that additional value is gained by national action.

Recommendation 5: Promoting social care and social care settings more widely as a positive career choice

- To deliver a national campaign to promote the social care profession as a meaningful, valued and rewarding career choice and social care as an employment area of choice for a range of professionals. In developing the campaign, we will engage with employers, including those in the third and independent sectors and/or their representative organisations and trade unions. The campaign will:
    - be targeted at the potential, current and future workforce;
    - be targeted at new entrants to the sector at any age, career changers and those returning to work;
    - aim to support improved recruitment and retention within the sector;
    - aim to increase the appeal of the social care sector to nurses and other health-related professionals;
    - reinforce social care as a career in itself as well as highlighting possible pathways between different areas of work.

Availability of nurses in care homes

83. Nurses play a vital role in delivering services across the health and social care sectors. There were around 6,650 registered nurses working in the social services sector at the end of 2016, representing around 10% of the registered nursing workforce in Scotland. The role of nurses is particularly significant in care homes for adults; with 91% of all nurses working in social services employed by the independent sector either in care homes for adults (64%) or in nurse agencies (27%). Nurse agencies provide a source of registered nurses and other types of care staff to social care service providers, hospitals and others who need care staff.

84. The number of nurses in nurse agencies has increased substantially in recent years (an increase of 44% between 2014 and 2016), while the number of nurses directly employed in care homes has fallen by 12% over the same period. Stakeholders from the independent sector have raised concerns about the impact of this shift - from direct employment to use of agency staff - on sustainability and quality of care and linked it to wider issues with recruitment and retention of nurses in adult social care. Scrutiny evidence from the Care Inspectorate identifies a link between stable and consistent staff teams, and the quality of care experienced by people; over-reliance on agency staff can therefore impact negatively on care quality.

85. Care Inspectorate data and stakeholder surveys indicate that the numbers of services with nursing vacancies has risen over the years 2014-17[23]. The Care Inspectorate has considered and in some cases agreed changes to staffing models in care homes where it has not been possible to recruit nurses and where satisfactory arrangements are put in place to provide nursing care in innovative ways, often accompanied by upskilling care staff to work as part of multi-disciplinary team. The data indicate that:

- 21% of services had problems filling nurse vacancies at end 2016, an increase of 1 percentage point from the previous year[24];

[23] Independent Sector Nursing Data 2017, Scottish Care, November 2017 and reference below.
[24] Staff Vacancies in Care Services in 2016, Care Inspectorate, October 2017

- 49% of care homes for older people reported one or more vacancies at end 2016[25];
- A Scottish Care 2017 survey indicated a 31% level of nurse vacancies across their member providers, an increase of 3 percentage points from 2016[26];
- The same survey showed that 91% of their member providers were having difficulties filling nurse vacancies, with 54% finding recruitment more difficult than the previous year;
- The main problems identified by providers were an insufficient supply of suitably qualified/experienced nurses, the perception that the care sector offers less attractive career opportunities for nurses than does the NHS, pay and the impact of the UK's planned departure from the EU[27].

86. A number of ongoing national and local initiatives aim to ensure an appropriate and sustainable registered nursing workforce within care home settings. Part 1 of the National Health and Social Care Workforce Plan describes the current nursing workforce in NHS Scotland and sets out work currently in progress to deliver sustainable approaches to meeting a rising demand for qualified nurses. Part 1 commits to creating an estimated 2,600 extra training places over the next four years as part of a wider package to recruit newly qualified nurses and midwives and to retain existing nurses. Actions will be focused on priority areas. In several areas, IJBs are working flexibly with care homes to ensure registered nursing input is available to their residents. The Chief Nursing Officer's *Transforming Roles* programme is helping to develop nursing roles to meet the current and future needs of Scotland's health and care system. As part of this work the Scottish Government has recommended that NHS Boards and IJBs develop locality integrated community nursing teams that enable nurses, social care, allied health professionals and other partners to improve outcomes and services for those requiring community care. In addition, work is in progress to support care homes as a positive learning environment for student nurses, and an attractive career choice for qualified staff and those returning to nursing after a career break. The Chief Nursing Officer's Nursing 2030 Vision recognises the importance of attracting individuals into careers in nursing, including within care home settings. Workforce issues, including those in respect of nurses in care homes, are also being considered as part of the work on reform of the National Care Home Contract.

87. In order to help address this issue, the work developed under Recommendation 5 above to promote social care as a career choice will need to reflect the importance of nursing, allied health and other health professionals in social care. Linkages will also be needed to other work in progress to address recruitment issues in these areas, including that highlighted above and work arising from the recommendations of the Chief Nursing Officer's Commission on Widening Participation in Nursing and Midwifery Careers, published on 7 December 2017.

Career pathways and progression

88. One of the factors that have been identified as important for recruitment and retention in the sector is that career pathways in the sector, with opportunities for

[25] Staff Vacancies in Care Services in 2016, Care Inspectorate, October 2017
[26] Independent Sector Nursing Data 2017, Scottish Care, November 2017
[27] Independent Sector Nursing Data 2017, Scottish Care, November 2017

career progression, are perceived to be limited[28]. This document has highlighted the need to build and assist with flexible career pathways which give personal job satisfaction while supporting the retention of staff. Recommendation 6 below seeks to address this priority by developing clear routes for career progression within social care, routes for social care workers to progress to social work, routes that facilitate movement of staff across health and social care, and further enhancement of entry routes and pathways into the sector, that builds on current initiatives such as Modern and Foundation Apprenticeships.

89. Regulation of the social services workforce by the SSSC, along with regulation of services by the Care Inspectorate, is structured around the definitions of care services and social work contained within the Public Services Reform (Scotland) Act 2010. Both the SSSC and Care Inspectorate work widely with stakeholders in considering how regulatory approaches need to evolve in response to developments in policy and practice. Examples of recent change include the new, outcome-based, Health and Social Care Standards, which will form the basis of Care Inspectorate inspection; and the move to a Fitness to Practise model of regulation by the SSSC.

90. Current legislative arrangements for the registration categories for social services and the social services workforce can be perceived as a barrier to movement between roles. While there are specific qualifications required to register for different roles within the sector, movement of workers between different roles is facilitated by recognition of prior learning in previous roles and credit transfers from qualifications already attained.

91. It is clear, however, that with integration of health and social care, changing roles within the workforce, the need for greater flexibility and the move to multidisciplinary team working, further consideration of the current definitions of services and roles may be useful in ensuring approaches that lead to high-quality care and support innovative models of care. Recommendation 6 will address this issue by ensuring that regulators are empowered to respond to changing needs and demands upon the workforce and to enable and support recruitment, flexible career progression and more innovation in service delivery.

Recommendation 6: Career pathways

- To develop proposals for enhanced career pathways within social care, recognising the context of the developing multidisciplinary, integrated workforce environment. The third and independent sectors, as employers of the great majority of the social care workforce will be essential partners in this work. Consideration will be given to:
    - improving entry routes and pathways into the sector, recognising current progress and initiatives such as Foundation, Modern and Graduate Apprenticeships;
    - exploring how career pathways between health and social care can be further developed;

[28] E.g. Workforce Skills Report 2016-17, Extended Version, SSSC, October 2017.

- work being developed under Part 1 of the National Workforce Plan such as a review of learner and student support across the health and social care workforce and promotion of careers in schools.

- To work with workforce and service regulators to ensure they are empowered to enable and support recruitment, career progression and flexibility in the workforce of the future, including through categories of registration.

Skill gaps/shortages in the social care workforce

92. The SSSC has recently reviewed skills challenges for the social services sector, considering both current and future skill gaps and shortages[29]. Key skills shortages and gaps included:

- Leadership and management
- Dealing with conflict
- Understanding and knowledge of specific conditions and illnesses such as dementia.

93. Specific skills shortages have also been identified in this and other studies that are relevant to particular types of service. Some examples include:

- In delivery of Self-directed Support (SDS) – personalisation, knowledge of SDS options, principles of outcome-based support[30] ;
- In adult social care – a range of specialist skills needed for people with complex needs, including health care and preventative care, re-ablement, end of life care.

94. Future skills needs identified included:

- Increased awareness of complex conditions and needs;
- Skills in tasks previously done by medical and nursing staff;
- Knowledge of, and skills for, partnership working with other professions;
- Skills arising from changes in policy and legislation.

95. There is a significant amount of learning and development activity in the social services sector in Scotland. The requirements for all registered workers to have a minimum level of qualification and to undertake minimum levels of continuing training and learning were outlined earlier in this chapter. SVQs form a significant part of the formal learning for the sector, with many other courses relevant to social care being provided by further education colleges. The registration of support workers in care at home/housing support[31] between October 2017 and October 2020 means that around 44,000 additional workers will be added to the register over this period, with a requirement to have achieved an SVQ2 in Health and Social Care within five years of registration[32]. According to the Workforce Skills Report[33]:

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[29] Workforce Skills Report 2016-17, Extended Version, SSSC, October 2017.

[30] Reference above and The Enablers and Barriers to Voluntary Sector Organisations Providing Personalised Support through Delivery of Self Directed Support, University of Strathclyde, 2016.

[31] Care at home/housing support services include housing support services, care at home services and combined services.

[32] Some workers in this category may already have the required qualification.

[33] Workforce Skills Report 2016-17, Extended Version, SSSC, October 2017.

- In 2015/16 there were 7,553 certifications, up slightly from the previous year (Children and Young People SVQs made up approximately 30% of this figure);
- In 2015 six of every 100 adult social care workers registered for an Adult Social Care SVQ, while just under five of every 100 achieved an award;
- The numbers of HNC and HND enrolments have increased in the last year;
- Workers and providers appear to be positive about their ability to find relevant training courses and awards.

96. Registration of the workforce has been a driver to increase the skills and qualification levels across the sector. The changes highlighted earlier in how services are delivered, in job roles, and in the complexity of tasks, all reinforce the need to continuously update and further develop qualifications to ensure their relevance and enable a flexible, confident and competent workforce. Recommendation 7 below seeks to address this need through developing training and education proposals that will better enable a flexible, confident and competent workforce with relevant and appropriate qualifications. Relevant work is also being delivered under Part 1 of the National Health and Social Care Workforce Plan on support for continuous professional development and exploration of regional curricula with colleges.

Availability of social workers

Social workers

97. The number (and whole time equivalent (WTE)) of social workers in fieldwork services in local authorities has fluctuated since 2008, but overall has increased by approx. 4% to 5,833 (WTE of 5,283):

- Numbers in adult fieldwork services have increased overall by 3% to 1,798
- Numbers in generic services have increased overall by 7% to 434
- Numbers in offender services have increased overall by 1.7% to 911
- Numbers in children's fieldwork services have increased overall by 5% to 2,690, though numbers fell by 204 between 2015 and 2016.

98. Progression of social care workers into social work while in employment is currently possible through the Open University and this route is used as a 'grow your own' approach by some local authorities, in particular those in remote and rural locations. The Open University post-graduate social work qualifying programme offers a further route to social work for graduates employed in social care settings.

99. Entry of social workers to qualifying programmes is not controlled centrally; higher education institutions are responsible for their admissions policies. Admissions to social work training programmes have been on a downward trend over the last five years, with the number of admissions in 2015/16 down by 12% from numbers in 2008/9. Numbers of qualifications have also been falling for the last three years and are expected to fall further, following the downward trend in admissions. This will be closely monitored in case action is required.

100. Local authorities are responsible for ensuring they have enough trained social workers to deliver their statutory responsibilities. There is currently no regular

approach to collecting or reporting information on vacancies or developing predictions for demand for social workers at national level.

Mental health officers

101. A mental health officer (MHO) is a trained mental health social worker who provides a statutory service. Local authorities tend to recruit MHOs from their existing practising social workers and support them to train while in employment. Achieving an MHO award and delivering MHO statutory duties are not necessarily linked to changes in pay and status, though this is up to local discretion. Local authorities are responsible for ensuring they have sufficient MHOs to deliver their statutory responsibilities.

102. In recent years concerns have been raised about difficulties in recruiting MHOs, with around two-thirds of local authorities reporting a shortfall in MHO staff since 2013. The SSSC collects and publishes official statistics on MHOs annually. In 2014, the number of MHOs fell to 655, the lowest since 2005. Numbers increased in the year to 2016, and while the reported shortage of MHOs fell, the shortage at end 2016 was equivalent to 36 full time MHOs[34]. The latest official statistics show that:

- The number of practicing MHOs increased by 5.4% to 722 between 2015 and 2016 (WTE increased by 5.7%);
- After reaching a reported low of 11.2 in 2015 the MHO WTE rate per 100,000 people rose to 11.8 in 2016, similar to levels seen in 2013;
- For the first time since 2012, the numbers of MHO Award programme completions (62 in 2015-16) was greater than the number leaving their role;
- The MHO workforce has a slightly older age profile than social workers overall. Just over a third of MHOs are aged 55 years or older.

103. There appear to be a number of challenges contributing to pressures on the delivery of MHO statutory functions. These include an increase in demand for some MHO-specific statutory functions linked to legislative and policy change; insufficient capacity among existing MHOs linked to demands to deliver other social work services, and insufficient numbers of trained and skilled MHOs due to a mix of complex factors such as pay and conditions (which vary between local authorities which have the autonomy to set the pay scales for their staff); numbers training; and MHOs leaving through retirement/other reasons.

104. Action 34 of the Mental Health Strategy commits the Scottish Government to reform of the Adults with Incapacity legislation. Delivery of commitments under this legislation has formed an increasingly significant component of the workload of MHOs.

105. Action 35 of the Mental Health Strategy commits key stakeholders to work in partnership to better understand MHO capacity and demand, and to consider how pressures might be alleviated. Since the launch of the Strategy, publications by the SSSC[35] and Social Work Scotland[36] have provided further insights into this issue.

[34] Mental Health Officers (Scotland) Report 2016 (National Statistics) SSSC, August 2017
[35] Mental Health Officers (Scotland) Report 2016 (National Statistics) SSSC, August 2017
[36] The Mental Health Officer: capacity, challenges, opportunities and achievements, Social Work Scotland, October 2017

Key factors identified as contributing to pressures included variation in employment terms and deployment, increasing workloads and governance arrangements. Action 35 of the Mental Health Strategy, through development with COSLA and other key partners, will be taken forward further through Recommendation 7 of this plan in 2018. This work aims to increase the numbers of social workers undertaking additional professional qualifications, including the MHO award, and to increase the numbers of qualified specialists, including the numbers of MHOs available to deliver specialist functions.

Social workers with practice learning qualifications (PLQ(SS)).

106. As part of social work qualifying programmes, students are required to complete two assessed placements that must be assessed by a qualified practice teacher. To qualify as a practice teacher, social workers must obtain one of two possible qualifications located within the Scottish Credit and Qualifications Framework.

107. The recent Review of Social Work Education identified a shortage of qualified, active practice teachers available to supervise placements for social work students. Qualitative research indicates that a mix of factors is contributing to this shortage[37]. There is currently no national collation or publication of data on numbers of qualified or active practice teachers. The recommendations arising from the Review of Social Work Education include establishing a clear approach to address challenges in practice learning and this will need to include consideration of supply and demand for practice teachers.

108. Recommendation 7 seeks to address the issues outlined above in relation to social worker availability across a range of specialisms through providing a clearer professional framework for social work professionals, with appropriate advanced practitioner qualifications to help provide routes into more senior positions. Work will include consideration of the benefits of developing advanced practitioner qualifications in children's, adults and criminal justice social work. Such a framework could provide nationally recognised routes for further development of specialist skills, reward attainment of specialist qualifications and facilitate retention of skilled practitioners in areas of the profession where they are needed. A specific aim of this change would be to increase the numbers of social workers undertaking additional professional qualifications, including the MHO and practice teaching awards, and to increase the numbers of qualified specialists available to deliver these specialist roles.

Recommendation 7: Training and education

- To develop training and education proposals that will better enable a flexible, confident and competent workforce with relevant and appropriate qualifications.

- To develop a professional framework for practice in social care and social work, including in advanced practice. This work will take into consideration:

[37] Practice Teaching and Practice Learning in the West of Scotland, Learning Network West, July 2017.

- the national qualification structure of the Scottish Credit and Qualifications Framework (SCQF);
- the recent Review of Social Work Education;
- work in progress to support the workforce in implementing the new Health and Social Care Standards.

CHAPTER 6 - CONCLUSIONS AND NEXT STEPS

109. The recommendations developed in this document by Scottish Government, COSLA and partners, and agreed by Scottish Government and COSLA, are intended to initiate seven workstreams. An early priority for these workstreams will be agreement on who will lead each area of work and how each will be resourced.

110. Delivery of the recommendations and further work to improve approaches to workforce planning will require engagement between the Scottish Government, COSLA, SSSC, Care Inspectorate, IJBs, NES and other key partners and stakeholders, with particular partners expected to play a stronger role in some of the recommendations. Work with key partners to develop specific actions and timetables under each workstream will take place over the first half of 2018.

111. The National Workforce Planning Group established under Part 1 of this Workforce Plan, is expected to play a role in monitoring progress and as a vehicle for engagement of many of the key partners. This Group will also provide a forum to ensure linkages are made across the different parts of the Plan and that progress is made under the three parts of the Plan, towards the first iteration of a single joint Plan across the health and social care workforce, during 2018.

ANNEX A

The social services workforce – additional detail

Information in this annex is largely derived from the Scottish Social Service Sector: Report on 2016 Workforce Data (SSSC), except where otherwise referenced.

The workforce in adult social services

112. Approximately 70% of the total workforce works in adult social services. The majority of workers in the adult social services subsector provide care at home/housing support services or work in care homes and are employed in over 3,000 different registered services.

- 68,970 people work in care at home/housing support
- 53,680 people work in care homes for adults
- 7,780 people work in adult day care
- 7,350 people work in fieldwork services that are for adults or are generic. 2232 of these are social workers, while 543 are occupational therapists
- 2,400 people work in nurse agencies.

Care homes and care at home services

113. Independent sector service providers employ nearly half of the workforce in care at home/housing support[38] and care homes. However these two subsectors differ in their patterns of employment and in how they are changing.

114. Nearly three quarters of the workforce in care homes is employed in the independent sector, with 16% employed in the third sector. The numbers employed in care homes have fallen slightly since 2008 with a small shift in employment towards the independent sector (up 4%). Over this period there has also been a small fall in care home places (down 3.6% from 2008-2016) and similar falls (down 3%) in the number of adults in care homes[39].

115. Nearly one half (46%) of the workforce delivering care at home/housing support services is employed in the third sector, with 30% employed in the independent sector. The numbers employed in care at home/housing support services have increased by 9.2% since 2008, with a shift in employment pattern from the public sector (12% drop), largely to the independent sector (9% increase).

116. It is not possible to determine the reasons for changes in workforce numbers in care homes and care at home/housing support with certainty, in part as they may be affected by changes in work patterns. However, it could be interpreted that the trends are consistent with changes in health and social care priorities, with an

[38] Care at home/housing support services include housing support services, care at home services and combined services Many housing support and care at home services register jointly with the Care Inspectorate and so are presented in the SSSC Workforce Data Reports and in this document as a combined sub-sector.

[39] Care Home Census for Adults in Scotland, 2006-2016, (National Statistics) Information Services Division, NHS National Services Scotland, 25 October 2016.

increased emphasis on providing care in settings appropriate to individual needs, in particular increasing care provision at home or in a homely setting.

117. Official statistics covering the workforce providing adult social care do not include personal assistants. These are in the main employed directly by users of services who have chosen Self-directed Support, option 1[40]. While the numbers cannot be estimated with certainty, they are likely to have increased substantially in recent years, as uptake of option 1 has expanded.

The workforce in children's social services

118. Approximately 28% of the total workforce works in children's social services. Due to the proposed expansion of early learning and childcare and the current focus on this area, this workforce is not considered further in this document. Within the remainder of this sector:

- 7, 680 people work in residential childcare.
- 7,750 people work in fieldwork services that are for children or are generic. 3,124 of these are social workers[41].
- 1,420 people work in fostering or adoption services (not including foster or adoptive parents).

119. The third and public sectors play the major part in provision of these children's services. Residential child care services are provided by a mix of public, third and independent sectors, which employ 30%, 41% and 29% of the workforce respectively. For fostering and adoption services, the workforce is 58% public sector and 42% third sector. All fieldwork services for children are provided by the public sector.

120. Workforce numbers in these children's services have increased overall by about 8% between 2008 and 2016[42].

The workforce in offender services

Services for offenders include offender fieldwork services and offender accommodation[43]. The size of this workforce in 2016 was 2050, and this has fallen slightly overall since 2008 (by 1.4%).

[40] Self-directed Support option 1 is a direct payment to a supported person. The supported person, either on their own or with support, can then purchase the support that they wish to order to meet their personal outcomes (For further details see www.selfdirectedsupportscotland.org.uk)
[41] Note that the number of workers in generic field work services is included here under both children's and adults social services – for total figures, please see Scottish Social Service Sector: Report on 2016 Workforce Data (Official Statistics) Scottish Social Services Council, 14 September 2017.
[42] Numbers providing generic fieldwork services have been excluded from this calculation.
[43] The workforce in generic fieldwork services has not been included in these figures.

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