

AGENDA FOR THE ONE HUNDRED AND SIXTY-THIRD BOARD MEETING

Date: Thursday 12 August 2021
Time: 10.15 – 12.10
Venue: In response to the COVID-19 pandemic and public health protection measures, this meeting will be held remotely using Microsoft Teams

1. **10.15 Chair’s introductory remarks**
2. **10.18 Apologies for absence**
3. **10.19 Declarations of interest**
4. **10.20 Minutes of the One Hundred and Sixty-Second Board Meeting** NES/21/65
27 May 2021 For Approval
5. **10.23 Matters arising from the Minutes and notification of Any Other Business**
6. **10.23 Actions from previous Board Meetings** NES/21/66
For review
7. **10.27 Chair and Chief Executive reports**
 - a. **10.27 Chair’s Report** (verbal report)
 - b. **10.42 Chief Executive’s Report** NES/21/67
8. **Performance Items**
 - a. **11:05 Risk Register Report** NES/21/68
For Assurance and Approval (J. Sinclair)
 - b. **11.15 Finance Report** NES/21/69
For Assurance and Approval (J. Sinclair)
9. **Annual Items**
 - a. **11.25 Strategic Risk Appetite** NES/21/70
For discussion and approval (J. Sinclair)
 - b. **11.40 Net Zero Routemap** NES/21/71
For Approval (N. Todd)

10. Governance Items

- a. Significant issues to report from Standing Committees:
- **11.50** Audit & Risk Committees held on 10 June 2021 and 29 July 2021 (D. Steele, verbal update)
 - **11.53** Digital & Information Committee held on 28 June 2021 (D. Garbutt, verbal update)
 - **11.56** Staff Governance Committee held 05 August 2021 (L. Dunion, verbal update)
- b. **11.59** Digital & Information Committee Terms of Reference For Approval (D. Thomas) NES/21/72
- c. **12.01** Amendments to SFIs and Remuneration Sub-Committee Terms of Reference (J. Sinclair) NES/21/73
- d. **12.05** Appointment of new Vice Chair; Audit and Risk Committee Chair and Remuneration Sub-Committee Chair For Ratification (D. Garbutt)

11. Items for Noting

12.10 Standing Committee Minutes

- a. Education and Quality Committee 4 March 2021 For Noting NES/21/74
- b. Audit and Risk Committee 29 April 2021 and 10 June 2021 For Noting NES/21/75 and NES/21/76
- c. Staff Governance Committee 06 May 2021 For Noting NES/21/77

12.10 Other items for noting

None.

12. Any Other Business

13. 12.10 Date and Time of Next Meeting

Private Board: 12 August 2021 at 12:20 p.m.
Public Board: 23 September 2021 at 10.15 a.m.

NHS Education for Scotland

DRAFT MINUTES OF THE ONE HUNDRED AND SIXTY-SECOND BOARD MEETING HELD ON 27 MAY 2021

This meeting was held via Microsoft Teams due to the COVID-19 pandemic.

Present:

- Mr David Garbutt (DG) (Chair)
- Ms Anne Currie (AC), Non-Executive Director
- Mrs Linda Dunion (LD), Non-Executive Director
- Mrs Jean Ford (JF), Non-Executive Director
- Mrs Lynnette Grieve (LG), Non-Executive Director/Employee Director
- Mr Douglas Hutchens (DH), Non-Executive Director
- Ms Gillian Mawdsley (GM), Non-Executive Director/Whistleblowing Champion
- Prof Stewart Irvine (DSI), Director of Medicine/Deputy Chief Executive (items 1-8a)
- Ms Audrey McColl (AMcC), Director of Finance
- Mrs Vicki Nairn (VN), Non-Executive Director
- Ms Karen Reid (KR), Chief Executive
- Dr Doreen Steele (DS), Non-Executive Director (Vice Chair)
- Ms Sandra Walker (SW), Non-Executive Director
- Mrs Karen Wilson (KW), Director of NMAHP

In attendance:

- Ms Tracey Ashworth-Davies (TAD), Director of Workforce
- Mr Colin Brown (CB), Head of Strategic Development, Chief Executive's Office
- Mr Donald Cameron (DC), Director of Planning & Corporate Resources
- Dr David Felix (DF), Postgraduate Dental Dean/Director of Dentistry
- Mr John MacEachen (JMacE), Head of Corporate Communications (items 1 – 7b)
- Ms Alison Shiell (AS), Manager, Planning & Corporate Governance (Minute Taker)
- Ms Della Thomas (DT), Board Secretary & Principal Lead – Corporate Governance
- Prof Anne Watson (AW), Postgraduate Pharmacy Dean
- Mr Christopher Wroath (CW), Director of Digital and NES Digital Service

1. Chair's Introductory Remarks

- 1.1. The Chair welcomed everyone to the meeting. He extended particular welcomes to Colin Brown who re-joined NES from Scottish Government on 29 April and Professor Anne Watson who recently became a formal member of the NES Executive Team, along with Dr Judy Thomson (Director of Training for Psychology Services).
- 1.2. The Chair noted this was the first Board meeting since NES came out of the COVID-19 'Governance Light' phase of Board Governance on 1 April 2021. The Board is now working within a 'Redesign whilst Recovering' phase of governance in line with the NES 2021/22 Phase Three Re-Mobilisation Plan, whilst also retaining some of the 'Governance Light' principles and processes that have been successful. Papers will continue to be prepared using an 'SBAR' (Situation/Background/Assessment/Recommendation) approach and taken "as read" at Board and Committee meetings.
- 1.3. For the public record the Chair noted that the Board last met on 22 April 2021 for a private Board briefing on the Independent Review of Adult Social Care (Feeley Report) and an informal Board Development session. The development session covered the NHS

Scotland Academy, Pharmacy Education Reform and Digital Prescribing and NES's 'Our Way' (ways of working and leadership behaviour principles).

2. **Apologies for absence**

- 2.1. Apologies for absence were received from Dr Judy Thomson.

3. **Declarations of interest**

- 3.1. There were no declarations of interest in relation to any of the items of business on the agenda for this Board meeting.

4. **Minutes of the One Hundred and Sixty-First Board Meeting** (NES/21/41)

- 4.1. The minutes of the Board meeting held on 25 March 2021 were approved. The Board noted a minor error on the agenda whereby the minutes of the 11 February 2021 meeting were referenced, instead of 25 March.

5. **Matters arising from the minutes and notification of Any Other Business**

- 5.1. There were no matters arising in relation to the minutes of the last Board meeting. There were also no notifications of any other business requiring consideration by the Board.

6. **Actions from previous Board Meetings** (NES/21/42)

- 6.1. The Board received the rolling Board action list for review and agreement. The Board noted that all but one of the action points are now complete.

- 6.2. The following points were discussed:

- a. 25 March Board meeting, Minute 7.7: the Board noted the progress update regarding the Executive Team's consideration of COVID-19 lessons learned and looked forward to receiving further information at the next public Board meeting on 12 August 2021.
- b. 25 March Board meeting, Minute 9.3: the Board noted that further discussions regarding the status of the COVID-19 contingency plan, and the potential to move to a revised NES Business Continuity Plan, would be discussed at the 10 June Audit and Risk Committee.
- c. 25 March Board meeting, Minute 11.8: Della Thomas provided an update regarding digital workforce capability governance arrangements as she has now met with Tracey Ashworth-Davies to progress this work. An update, which will include details of which Standing Committee this work will be delegated to, will be provided in the Chief Executive's Report to the 12 August 2021 Board meeting. **Action: DT/TAD**

7. **Chair & Chief Executive Updates**

a. Chair's Report

- 7.1. The Chair gave a verbal update on recent meetings and activity since the March Board in his roles as Chair of the NES Board and Chair of the NHSS Board Chairs Group.

- a. The Chair has attended two meetings of the Mobilisation Recovery Group, which is chaired by the previous Cabinet Secretary for Health and Sport. Recent meetings have focused on opportunities for collaboration with the Health and Social Care Alliance and the voluntary sector. The Chair has also attended two Health and Social Care Winter Planning Group meetings.

- b. The Chair advised that both the Mobilisation Recovery Group and Winter Planning Groups had been suspended due to the Scottish Government pre-election period. Members are awaiting information from the new administration regarding how these groups will meet going forward.
- c. The Chair attended a Scottish Government webinar for aspiring NHSS Board Chairs, which forms part of a new Board Chairs recruitment process.
- d. The Chair met with a number of other NHSS Board Chairs to discuss the establishment of a new Board Chairs sub-group on Population Health.
- e. In his role as Chair of the NHSS Board Chairs Group, the Chair met with Caroline Lamb (Chief Executive of NHSS and Director-General Health and Social Care at Scottish Government/SG) to discuss the potential for SG health and social care directorates to sponsor the work of Board Chair sub-groups. This plan aims to ensure clear channels of communication between Chairs and SG and support improved decision-making.
- f. The Chair has met with all Non-Executive Directors as part of their annual appraisal process and took the opportunity to thank colleagues for their continued work and support of the organisation during what continues to be challenging circumstances.
- g. The Chair updated the Board on the Active Governance programme of work and confirmed a further pilot has been developed and trialled in NHS Highland. The programme will formally rolled out to NHSS territorial Health Boards in July 2021. Work is continuing in relation to implementing Active Governance within the NHSS National Boards.
- h. The Chair and Vice Chair of the Board Chairs Group continue to meet regularly with their Chief Executive (CE) equivalents to discuss the streamlining of Chair/CE work. The Chair also met separately with the Chair of the Board Chief Executives Group (Ralph Roberts, NHS Borders) to discuss a joint Chair/CE briefing for the new Cabinet Secretary for Health and Social Care.
- i. The Chair attended a meeting of the SG Talent Management Board, which will shortly be superseded by a new oversight board for the Project Lift NHSS leadership programme. NES have a significant role in this work and updates will be submitted to the Education and Quality Committee.
- j. The Chair attended the virtual Educational Leadership Group session on the Feeley Report and the potential implications for NES. On behalf of the Board, the Chair thanked those involved for a very useful session and highlighted the helpful contributions from staff across the organisation during the discussion.
- k. The Chair chaired two meetings of the NHSS Board Chairs Group, however actions agreed cannot be taken forward until after the conclusion of the Scottish Government elections.
- l. The Chair attended a meeting of the Global Citizenship Programme Board. Members discussed how financial support can be brought together to fund opportunities for Scottish doctors.
- m. As part of the NES 'Connecting over Coffee' initiative, the Chair met with Paula Baird who has recently joined the Organisational Development, Leadership and Learning Team to lead on work that will support improved digital capability within the health and social care workforce.
- n. The Chair attended a Corporate Governance Steering group meeting where part of the discussion touched on the work NES has been doing in relation to establishing a framework of assurance.
- o. The NHSS Board Chairs held a follow-up development session on improving diversity in health boards. The Chair confirmed this programme of work is still in the early stages of development.
- p. In his role as NHSS Board Chair the Chair attended a meeting of the Access Collaborative and confirmed this work would transfer to the Centre for Sustainable Delivery (CfSD).
- q. Along with the Chair of Healthcare Improvement Scotland (HIS), the Chair met with members of the Public Appointments Team to shortlist candidates for new NES/HIS Non-Executive positions.

- r. The Chair, Karen Reid and members of the NES Executive Team continue to meet monthly with Gillian Russell (Director of Health Workforce) and other Scottish Government (SG) colleagues as part of NES's sponsorship arrangement.
 - s. The Chair attended the Annual Accounts workshops delivered by the NES Finance Team with Non-Executive and Executive Board members as part of the preparation for the sign off of the 2020-21 Annual Accounts.
 - t. The Chair opened the Scottish Improvement Leader (ScIL) Annual Celebration and Networking event and thanked those involved for their contributions and enthusiasm.
- 7.2. The Chair invited questions from the Board and a question in relation to the role of CfSD was raised. Karen Reid confirmed that the CfSD will support service redesign and transformation and that an action plan for the work of the CfSD had recently been published. It was agreed that the action plan would be circulated to Board Members for their information. **Action: CE Office**
- 7.3. The Chair thanked Board members for their attention and turned to the next item on the agenda.
- b. Chief Executive's Report (NES/21/43)
- 7.4. Karen Reid made initial opening remarks by highlighting a number of senior leadership changes in NES. Board Members noted that Stewart Irvine has announced his intention to retire on 31 March 2022 and opportunities to celebrate Stewart's exceptional contribution to NES and public life before he leaves the organisation will be announced in due course. Karen Reid also welcomed Colin Brown back to NES and confirmed that he would be working mainly within the Chief Executive's Office whilst also providing some support to the Chair in his role as Chair of the NHSS Board Chairs Group.
- 7.5. Karen Reid also announced that Audrey McColl will be leaving NES in July 2021 to move to a new role in another organisation. On a personal level, Karen Reid noted her sadness at not having the opportunity to work with Audrey McColl for a longer period of time. The Board recognised Audrey McColl's very significant contribution to NES and welcomed the opportunity to celebrate this before she leaves in July.
- 7.6. Karen Reid recognised that these leadership changes present opportunities for NES going forward. Tracey Ashworth-Davies and Karen Reid are already working to ensure that the recruitment process for the Directors of Medicine and Finance posts, along with a new Director of Social Care post, result in successful appointments.
- 7.7. Karen Reid then highlighted the following items for the Board's information:
- a. The Board noted the positive feedback letter from Gillian Russell (Director of Health Workforce, Scottish Government/SG) which confirmed that NES's Phase 3 Remobilisation Plan has been formally approved. The letter highlighted the work that is being delivered across the organisation in response to Scottish Government priorities.
 - b. The NHS Scotland Academy (NHSSA) Business Case was approved by the SG Health and Social Care Management Board (HSCMB) on 26 May 2021. Karen Reid and Jann Gardner (Chief Executive, NHS Golden Jubilee) attended the meeting to present the Business Case jointly and the HSCMB's approval enables formal NHSSA funding and governance arrangements can now be progressed.
 - c. The NES/SG sponsorship meeting on 19 May covered the sponsor framework agreement which has been submitted to this Board meeting under item 11c of this agenda, progress towards NES becoming an awarding body, the commissioning/funding of digital activities in NES and future NHSS workforce planning and development.

- d. Karen Reid has attended a number of meetings with colleagues in SG to discuss social care in relation to the outcomes of the Feeley Report and the opportunity to create a Director of Social Care role in NES. Karen Reid has also met with colleagues from COSLA and the Chief Officers group to discuss opportunities for future collaboration, and joint work between NES and Public Health Scotland in particular.
- e. Karen Reid was invited to attend a cross-sector session with John Swinney (Deputy First Minister and Cabinet Secretary for COVID-19 Recovery) on 25 May to consider cross-sector approaches to COVID-19 recovery. Colleagues in NES are already preparing a Phase 4 Remobilisation Plan, which will include a different set of performance measures for NES.
- f. Karen Reid thanked Colin Brown and John MacEachen for their work in producing a NES briefing for the new Cabinet Secretary for Health and Social Care.

7.8. The Chair opened up to questions. During discussion, the following points were raised:

- a. The update from the Medical Directorate indicating an anticipated oversubscription for the August 2021 UK Foundation Programme intake was noted as a positive outcome for the health service in Scotland. The positive feedback from the General Medical Council's (GMC) Annual Quality Assurance Summary, was noted and this will be discussed in detail at a future meeting of the Education and Quality Committee.
- b. A request to circulate the NES briefing for the new Cabinet Secretary.
Action: CE Office
- c. There was a question about the anticipated oversubscription of August 2021 UK Foundation posts and if this would lead to applicants being unable to source a placement in Scotland. In response, it was confirmed that SG would provide funding for any oversubscribed posts and noted that current numbers would reduce as examinations progress.
- d. The importance of NES's future communication strategy was highlighted particularly in the context of upcoming changes in NES, whilst also recognising the careful management of any communications/public relations changes. It was agreed that NES should await further information and clarity from SG regarding NES's future role before progressing a new communications strategy.
- e. The positive letter of feedback from Gillian Russell was welcomed and the approval of the NHSSA Business Case, those involved were congratulated.
- f. There was a query if the First Minister's 'First 100 Days' report aligned with recent discussions between NES and SG colleagues. It was confirmed that NES has been involved in National Treatment Centres and early cancer diagnostics in particular.
- g. There was a question if the NES/SG sponsorship framework should include formal reference to Whistleblowing. It was agreed that Karen Reid, David Garbutt and Colin Brown should discuss this outwith the Board meeting. It was noted that Whistleblowing is not included in the Model Board Standing Orders so further work would be required to ensure both the NES/SG framework agreement and Standing Orders are aligned.
Action: KR/DG/CB
- h. Colleagues in the NES Digital Team were congratulated for the 100% uptake of the Turas Care Management tool across adults and older people care homes in Scotland and its importance in the context of the Feeley Report and developments in NES going forward were noted.

7.9. The Chair thanked Karen Reid for her report and the Board moved onto the next agenda item.

8. Performance Items

a. Risk Register Report (NES/21/44)

8.1 Audrey McColl presented the NES Risk Register and associated COVID-19 Risk Annex as at 20 May 2021 to the Board for assurance and approval.

8.2 The paper was taken as read and the following points were made during discussion:

- a. Audrey McColl highlighted that work to develop a Risk Management Group in NES will be led by Janice Sinclair (Head of Finance) and that a workshop with the NES Extended Executive Team is planned for 7 June 2021. Once the 2020/21 Annual Accounts are complete then it is hoped that significant progress will be made between June – December 2021 to formalise new Risk Management arrangements in NES.
- b. The Board welcomed the progress update on the Risk Management work and reiterated the importance of this work taking place. Doreen Steele noted that the Audit and Risk Committee is receiving regular updates in relation to recommendations from NES's internal auditors and the Risk Maturity Assessment regarding progress towards new Risk Management arrangements in NES.
- c. The volume of work in NMAHP was commented upon and Karen Wilson confirmed that the work of Rapid Action Placement Oversight Group (RAPOG) has been extremely effective in bringing together key stakeholders and ensuring that the majority of NMHAP students will complete their 2020-21 courses on time. She also highlighted that Scottish Government is continuing to support the provision of placements going forward.

8.3 The Chair thanked Audrey McColl and Lorraine Turner (Manager, Planning and Corporate Resources) for their work and the Board approved updates to the NES Corporate Risk Register and COVID-19 Risk Annex.

b. 2020/21 Quarter 4 Performance Report (NES/21/45)

8.4 The Chair invited the Board to take this paper as read and invited Donald Cameron to make any additional remarks.

8.5 Donald Cameron asked the Board to note that this is the second and final performance report for the 2020/21 year, as performance reporting was previously paused due to COVID-19. Donald Cameron noted that over the 2020/21 period, as a consequence of the COVID-19 Pandemic, performance reporting had been challenging against the different versions of the Re-mobilisation Plans that NHS Boards had been required to prepare. He also advised that following on from discussions at the 11 February Board meeting, red and amber targets that have been impacted by COVID-19 are highlighted in blue in the tables on pages 4-25.

8.6 The Chair asked for questions and the following points were raised in relation to improving performance reporting for 2021/22:

- a. The report contains a lot of priorities, we need to determine what the main ones are.
- b. The report contains a number of areas highlighted as red. We need to better understand what the impact of this is and improve the reporting provided to reflect impact.
- c. The report needs to make much clearer linkage with the risk register.

8.7 Karen Reid responded to the points raised and outlined the plan to articulate the priorities for NES in line with the new Programme for Government once this is published. She also agreed with the points made to develop key performance indicators and measures with a clear articulation of impact and this was work which is being progressed.

8.8 The Chair thanked Donald Cameron for his work and the Board approved the 2020/21 Quarter 4 Performance Report.

9. Annual Items

9.1 There were no agenda items submitted under this agenda heading.

10. Governance Items

a. Significant issues to report from Standing Committees

Audit and Risk Committee held 29 April 2021

10.1 The Audit and Risk Committee Chair, Doreen Steele reported the following:

- a. The meeting agreed the 2021/22 Internal Audit Plan and that this was now be more risk based and will give us impact and outcomes advice.
- b. The meeting signed off the NES accounting policies on behalf of the Board
- c. The final external audit plan is making progress and will be ready for review at the 10 June 2021 Audit and risk Committee meeting.
- d. The meeting approved the Annual Information and Security report on behalf of the Board and this was available for all members to review on SharePoint and Admin Control should they so wish.

Staff Governance Committee held 06 May 2021

10.2. The Staff Governance Committee Chair, Linda Dunion reported the following:

- a. The meeting considered the lead employer role and dental trainees
- b. agreed quarterly reporting and the annual report of the SGC and the Remuneration Committee
- c. approved the 2021/22 NES Workforce Plan and noted the requirement to produce our three-year plan for publication in March 2022.

b. Board Standing Orders (NES/21/46)

10.3 The Chair invited the Board to take this paper as read and noted that these small amendments had already been considered and approved by the Audit and Risk Committee.

10.4 The Chair invited any questions or comments from the Board

10.5 A discrepancy in relation to the role of the Board and the Board Chair in appointing the Vice Chair of the Board between the Standing Orders and the NES/Scottish Government Sponsor Agreement was pointed out.

10.6 Della Thomas responded to advise that the NHS Model Standing Orders, that all NHS Boards have adopted including NES, state in section 9.3 that the Board shall appoint Committee members. The Sponsor Agreement specifies that it is the role of the Chair to appoint Board members to Committees. She confirmed that this had been taken directly from section 4.8 of the Blueprint.

10.7 The Chair advised that this would be take this forward with the Corporate Governance Blueprint Group to ensure alignment of the Model Board Stnading Orders; the Blueprint and the NES Sponsor Agreement. **Action: KR/DG/CB**

10.8 The Board approved the amendments to the board standing Orders and noted the ambition to bring the whole corporate governance package (the Board Standing Orders, the Standing Financial Instructions, the Board Scheme of Delegation, the Board member Code of Conduct and the Committee Terms of Reference) annually through January Audit and Risk Committee and onwards for final approval to February Board.

11. Items for Noting

Standing Committee Minutes

a. Audit and Risk Committee 28 January 2021 (NES/21/47)

11.1. The Board received and noted the minutes of this meeting.

b. Staff Governance Committee 4 February 2021 (NES/21/48)

11.2 The Board received and noted the minutes of this meeting.

Other Items for Noting

c. NES/Scottish Government Sponsor Agreement (NES/21/49)

11.3 The Board noted the NES/Scottish Government Sponsor Agreement

d. 2021/22 COVID-19 Contingency Plan (NES/21/50)

11.4 The Board noted the 2021/22 COVID-19 Contingency Plan and the requirement to revise the approach to Gold, Silver and Bronze Command in NES.

12. Date and Time of Next Meeting

12.1 The next Public Board meeting will take place on 12 August 2021.

12.2 The Chair thanked everyone for their attendance and closed the meeting.

NES
June 2021
AS/DT/KR/DG
v0.2

Actions arising from Board meetings: Rolling list

Minute	Title	Action	Responsibility	Date required	Status and date of completion
Actions agreed at Board meeting on 27 May 2021					
7.2a	Chair's Report	Circulate Centre for Sustainable Delivery action plan to Board Members for information	CE Office	May 2021	Complete Action plan circulated on 27 May 2021.
7.8b	Chief Executive's Report	Circulate new Cabinet Secretary briefing to Board Members for information	CE Office	May 2021	Complete Briefing circulated on 27 May 2021
7.8g		Discuss the potential inclusion of Whistleblowing in the NES/SG sponsor framework agreement	Karen Reid / David Garbutt / Colin Brown	August 2021	Complete This issue has been discussed with the sponsor team. It has been concluded that as the framework already sets out a general expectation that the sponsored body will have regard to relevant guidance as issued by SG and also comply with legislative requirements, it is not necessary to make any specific additions in relation to Whistleblowing.

Minute	Title	Action	Responsibility	Date required	Status and date of completion
					The sponsorship framework is kept under periodic review under the auspices of the formal SG/NES sponsorship meetings.
10.7	Board Standing Orders	Highlight the discrepancy between the role of the Chair detailed in the NHS Boards Model Standing Orders and that described in Blueprint and replicated in the NES Sponsor Agreement.	Karen Reid / David Garbutt / Colin Brown	August 2021	<p>Complete The Board Chair discussed this with John Brown (Chair, Corporate Governance Blueprint Group). The outcome is agreement that the Blueprint takes precedence.</p> <p>The NES Board Standing Orders will be amended and brought as scheduled through the January 2022 Audit and Risk Committee. The Board will follow the Blueprint in the interim which states it is the role of the Board Chair to appoint members to Standing Committees.</p> <p>In practice the appointment of, for example, Committee Chairs, will be brought to the Board for ratification. In the instance of the Vice Chair this is a Ministerial appointment, nominated by</p>

Minute	Title	Action	Responsibility	Date required	Status and date of completion
					the Board Chair and ratified by the Board.
Actions agreed at Board meeting on 25 March 2021					
7.7	Chief Executive's Report	Consider COVID-19 lessons learned with the Executive Team	Karen Reid	May 2021	Complete A review of COVID-19 lessons learnt, was progressed with EET on 4 June 2021. It was agreed that a further EET workshop would be held in the Autumn and this would be a topic to add to the Board Development rolling list for full Board discussion.
9.3	Risk Register Report	Discuss timeline for moving from the COVID-19 contingency plan (CCP) to a revised NES Business Continuity Plan (BCP) and when these plans would be available to the Board for review.	Donald Cameron / Christopher Wroath / Della Thomas	April 2021	In progress The Audit & Risk Committee reviewed the updated CCP at their 29 April meeting and agreed that this currently represents the NES BCP. This will be further reviewed in June 2021. The updated CCP is brought to the 27 May Board meeting for the Board to note.
11.8		Discuss governance arrangements for digital workforce capability work	Della Thomas / Tracey Ashworth-Davies	August 2021	In progress An update on digital workforce capability governance arrangements will be provided in the Chief Executive's Report for the 12 August Board meeting.

**NES
Item 7b
12 August 2021**

NES/21/67



CHIEF EXECUTIVE'S REPORT

Karen Reid, Chief Executive

August 2021

1. INTRODUCTION

- 1.1. The agenda for our August Board meeting is primarily focused on governance items. The Board is asked to approve Risk and Finance reports, including an annual strategic risk appetite report. The Board are also asked to review and approve Digital & Information Committee Terms of Reference (ToRs) and proposed amends to the NES Standing Financial Instructions and Remuneration Sub-Committee ToRs.
- 1.2. The Board will also receive a Net Zero Routemap report for the first time. NES were selected as part of a pilot project across three NHS Boards to work alongside Ricardo Energy and Environment Consultants to develop a plan to allow the Board to reach carbon net zero by 2045 in line with Scottish Government targets.

2. ANNOUNCEMENTS

2.1 Audrey McColl (Director of Finance)

- a. Board Members will be aware that Audrey McColl left NES on 9 July 2021 to become the Chief Financial Officer at the Student Loans Company. On behalf of the Board I would like to recognise Audrey's very significant contribution to NES as Director of Finance and wish her well in her new role.
- b. I am pleased to confirm that Janice Sinclair (previously Head of Finance) is acting as interim Director of Finance until a permanent replacement is found. As the Director of Finance is an Executive Board Member we have received formal approval from the Cabinet Secretary for Health and Social Care to confirm Janice's appointment to the Board.

2.2 NES Executive Recruitment Update

- a. The Director of Medicine recruitment process has now commenced and is being co-ordinated by the Eden Scott recruitment agency. The deadline for applications is 15 August 2021. The recruitment timelines for the Director of Finance and new Director of Social Care are in the process of being confirmed. It is hoped these posts will be advertised by the end of August 2021.

3. STRATEGIC UPDATES

- 3.1. As per ongoing Scottish Government announcements, COVID-19 restrictions continue to ease within Scotland, with the majority of restrictions ending on 9 August 2021. NHS Scotland continues to operate on an emergency footing and within NES, certain directorates continue to contribute to the ongoing COVID-19 response. Further details are provided within the directorate updates.

3.2. NES Remobilisation Plan (RMP4) 2021/22

- a. We have received the guidance from Scottish Government (SG) to prepare RMP4 (attached as Appendix I). The first draft is required by SG by 30 September 2021. As per the usual process, it is likely that SG will provide feedback and we will prepare a next draft for final submission and approval by SG. As the timeline for preparing the first draft is tight, we will aim to share the first draft with the Board via correspondence. If subsequent timing permits we will schedule the final draft through a Board meeting. That failing, we will again share via correspondence.

3.3. NHS Scotland Academy

- a. NHS Scotland Academy (NHSSA) governance structures, to ensure strategic alignment, have been agreed between NHS Golden Jubilee (NHS GJ) and NES. The NHSSA Strategic Programme Board, co-chaired by NES and NHS GJ Board Chairs, is now established and meeting. The NHSSA Executive Programme Group, co-chaired by NES & NHS GJ Chief Executives, is now established and meeting monthly.
- b. NES and NHS GJ have jointly developed NHSSA branding that has now been approved for use.
- c. A number of appointments have been made recently to start building the NHSSA team. Education and digital posts will be employed by NES and corporate and logistics posts will be employed by NHS GJ. These recent appointments, with the employer in brackets, will join the team in due course: Associate Director, NHSSA (NHS GJ); Programme Support Officer (NHS GJ); Project Officer (NES); Chair of National Endoscopy Training Programme (NES); and National Clinical Leads of National Endoscopy Training Programme x2 (NES).
- d. The Cabinet Secretary for Health and Social Care will officially launch NHS Scotland Academy on 25 August.

4. DIRECTORATE UPDATES

4.1 Dental

- a. **Reducing Inequalities workstream**
We have a key role in valuing and supporting the Social Care and Third Sector workforce to deliver oral care using a person-centred approach, with the aim of improving the oral health and reducing inequalities for those in priority groups.
- b. Following on from the recent publication of the Feeley Report on Adult Social Care in Scotland, the Reducing Inequalities workstream has been reviewing how current work aligns with the key principles in the report and how we can strengthen links and increase collaborative working with Social Care and Third Sector.

c. Examples of current and planned activity:

- i. 'Caring for Smiles' SCQF qualifications aimed at Care Home staff already involves locally delivered training in Care Homes. We plan to widen the scope of this training for those involved in Care at Home services to Adults with Additional Care Needs.
- ii. Including EPiC (Equal Partners in Care) in training to support unpaid carers. This has recently been included in 'Childsmile' training to help identify and support young unpaid carers. The intention is to also include in training related to the oral care of Adults with Additional Support Needs, supported by the 'Open Wide' national oral health initiative.
- iii. The SCQF qualification in Oral Health Peer Mentoring. An educational toolkit is currently being developed to support this qualification produced with SQA. This will be aimed at the prison population and those in social care and the third sector who work with the homeless population.
- iv. Open Badges are small chunks of digital learning, accessible to anyone, where assessment of reflection is used to award the badge. We have worked with SSSC to produce Open Badges in oral health which are issued by NES but hosted on the SSSC website. Two badges in Oral Care for Care Homes and Oral Care for Care at Home Services were produced as a response to Covid restrictions on in person training. A suite of Open Badges in oral health is under development aimed at those working in health, social care and third sector.

d. We currently work collaboratively with several organisations across health, social care and the third sector. To support this, and explore possible new collaborations, we recently recruited to two part time fixed term posts, for oral health improvement tutors with recent or current direct Third Sector experience. We also value patient and public engagement and actively seek input from those with lived experience to be involved in the co-production of resources.

4.2 NES Digital & NES Digital Service

- a. The Turas Vaccination Management Tool (VMT) has now recorded over 6.1 million patient vaccination records since it was rolled out nationally in December 2020. Further developments are advancing to support the co-administration of seasonal flu and COVID-19 booster vaccinations and a rollout to community pharmacy contexts.
- b. Work progresses on the COVID-19 Certification solution with NES providing support to the programme mainly around identity management and verification. A subsequent tender process was undertaken to select an identity verification supplier which will provide capability for identity documents (e.g. passport, driving license etc) to be verified to support the secure and accurate linkage of the citizen's identity to their vaccination records.
- c. NES are working closely with Scottish Government to make necessary adjustments to Turas Care Management to support Winter Planning 2021 and the Open With Care Policy (Care Home Visiting).
- d. Collaboration continues with NHS GG&C on leveraging existing practices and technologies developed as part of the Turas platform for the creation of a system supporting Stroke and treatment. Whilst GG&C are taking existing platform components and services to build their system, they are also developing their own that can be shared back with the platform and other NHSS Boards.
- e. NES also continues to provide support to other NHSS boards on cloud hosting and Microsoft 365 technologies.
- f. The Turas Clinical Assessment Tool provides a structured method of capturing COVID-19 clinical assessment data to support decision making and brokers the data to downstream systems e.g. TrakCare, GP IT and data systems. The tool is in use in NHS GG&C and NHS Forth Valley. A proposal has been finalised that will look to expand the tool to make it adaptable to future use cases e.g. the capture of Severe and Acute Respiratory Infection assessment data.
- g. A version of the Turas Clinical Assessment Tool for care went live in a controlled pilot in NHS GGC & NHS Lanarkshire, with the aim of testing the concept and data flows; lessons learned from the controlled pilot will inform the case for any wider roll out.
- h. The ReSPECT anticipatory care plan system pilot in Forth Valley has been expanded to include users from Primary Care and Hospice Care. Engagement with NHS Borders has progressed with discussions on how to implement imminent.

- i. The NDS hosted instance of the product that will eventually replace CHI (Community Health Index), NextGate EMPI (Electronic Master Patient Index) is in production and the Vaccination Management Tool has integrated with it successfully. This enhances the disaster recovery posture for the flu and COVID vaccination programme as when the main CHI system becomes unavailable, the VMT silently falls over to the Nextgate EMPI preventing disruption to operation in vaccination clinics.
- j. The Cancer Treatment Summary team provided a demonstration to the wider programme on an application that has been created that is capable of looking up a patient in the Community Health Index (CHI) system and then reading cancer treatment summary information about that patient from a clinical data repository. Work has also progressed on the data modelling, mapping and transfer from clinical systems in NHS GGC and NHS Lothian.
- k. The National Clinical Data Store (NCDS) team are focussing on preparing cohorts for scheduling for the next tranche of flu and COVID vaccinations while supporting required VMT functionality for this phase of the programme. Performance enhancements have been made to the NCDS in advance of the COVID-19 Certification solution going live which will heavily rely on NCDS to check vaccination status. The system has been tested successfully to handle 450 requests per second.

4.3 Medicine

a. **Professor Amjad Khan**

Professor Khan, Postgraduate Dean and Director of PG GP Education has been elected by his peers as the next **Chair of COGPED UK**. This is a mark of the considerable esteem in which he is held by his profession. COGPED (Committee of General Practice Education Directors) offers a forum for Postgraduate GP Directors to meet and share good practice. Its aim is to encourage and maintain a consistent approach to GP training across the United Kingdom. It is a focal point for communication between the Postgraduate GP Directors and other stakeholders such as Royal College of General Practitioners, BMA, GPC, NHS Resolution, GMC and Governments. COGPED has a record of achievement and leading partnership with other stakeholders in meeting its objectives e.g. Centralisation of Selection to GP Training, Higher Professional Education for Newly Qualified GPs, Out of Hours Training arrangement for GP Registrars and a number of other initiatives related to medical education standards and workforce issues.

b. **Medical Recruitment update**

The first recruitment rounds of 2021 were incredibly successful with most specialties filling all posts. The small number of unfilled posts will be re-advertised in Round 3 of recruitment for which applications close on 15th August with a view to appointable candidates starting in post in February 2022.

- c. The **plan for 2022 recruitment** for doctors in training has been agreed by the 4 nations. General principles will remain broadly the same as 2021 involving

anticipation of disruption due to Covid 19 and should therefore not include face to face interviews unless it is deemed that a specialty has clearly evidenced the need for this and this has been approved by the Lead Dean for the specialty. The majority of interviews will take place as a virtual one station interview although the possibility of procurement of a digital platform to enable teams to deliver multi station interviews is being progressed. It is anticipated that additional resource to administer the 2022 recruitment rounds will be required. It was agreed to keep a similar timeline to 2021 with round 2 closing before Christmas (1 week earlier than 2021 recruitment), this will give recruitment teams longer to interview and will help us to meet code of practice deadlines.

d. Scottish Medical Education Research Consortium

The Scottish Medical Education Research Consortium (SMERC), a national institutional collaboration of the Universities of Aberdeen, Dundee, Edinburgh, Glasgow, St Andrews and NES, was set up to support high quality and important medical education research and build education research capacity. In June, SMERC was awarded the inaugural **Institutional Commitment to Scholarship Award (ICSA)** by the Association for the Study of Medical Education (ASME). The award is presented to ASME members for exceptional commitment to 'Advancing Scholarship in Medical Education', including translation of medical education evidence into policy or practice.

e. This award was celebrated at the ASME Honours webinar held on 24th June where Professor Peter Johnston, Interim Director gave a presentation about SMERC, its aims and vision.

f. Accreditation by the Learning Performance Institute for the QI Team

The QI Team has achieved accreditation by the Learning Performance Institute (LPI), bringing recognition for its commitment to high quality and process improvement in the provision of learning, development and training services for the workforce of Scotland. The accreditation reviewed the delivery, support and evolution of education and training for a skilled, adaptable and compassionate workforce in a fast changing landscape. It involved a business consultation evaluating learning provision against a comprehensive set of KPI's developed by industry experts which are continually refined and validated by data from thousands of organisations.'

4.4 NMAHP

a. Health Care Built Environment

We are working with NHS Scotland Assure to strengthen infection prevention and control (IPC) in the design, construction and maintenance of major infrastructure developments within the NHS. To support this, we have developed an initial five year National Learning and Development Strategy for the Specialist Healthcare Built Environment (HBE) Workforce. The strategy aims to facilitate the creation and development of an organisational culture of patient safety, quality improvement and continuous learning while ensuring the availability of high-quality learning resources, opportunities and pathways,

that can be equitably and easily accessed by the workforce. Work is also ongoing to co-produce a knowledge and skills framework to help facilitate consistency of approach across Scotland.

b. Allied Health Professions (AHPs) Workforce Planning

The document [allied-health-professional-workforce-planning.pdf \(scot.nhs.uk\)](https://www.scot.nhs.uk/allied-health-professional-workforce-planning.pdf) provides a comprehensive overview of workforce planning for AHPs from which further pieces of work will emerge. One of the key deliverables of the report was to clarify the role and responsibilities of NHS Education for Scotland in the workforce planning process for AHPs in Scotland.

c. From the work done, it is also evident that significant and urgent attention requires to be given to AHP workforce data from undergraduate programmes right across the career journey for all AHP professions. This is particularly necessary with respect to role descriptors for each profession, in order to better understand where AHPs are deployed across the Health and Care system, and to facilitate the use of workload tools in a more meaningful and granular way.

d. One Out of Four e-learning resource

Launched in early July 2021, the [One out of Four](#) e-learning resource is a key deliverable in the trauma-informed maternity services project - a collaboration between NES NMAHP and NES Psychology through the [national trauma training programme](#). A short life working group was established in 2018 and integrated the voices of those with lived experience, identifying the need to prioritise trauma-informed care for survivors of sexual trauma. Policy developments in maternity services and the national trauma training programme provided the foundations for a review of the existing 'one out of four' educational resource from 2014.

e. [One out of Four](#) will be of interest to health and social care professionals and educational institutions who work with women, in particular: GPs and Practice Nurses; Sexual Health Services; Public Health Practitioners, including School Nurses, Health Visitors and Family Nurses; and Maternity, Obstetrics and Gynaecology care professionals, including Maternity Care Assistants and Maternity Support Workers.

f. Being trauma informed is essential in healthcare services and all healthcare professionals have a duty to ensure they minimise re-traumatisation during the provision of care. The resource aims to increase understanding of trauma informed practice, ensuring women receive trauma informed care throughout their maternity journey.

g. Preceptorship

The Nursing and Midwifery Council (NMC, 2020) recommend that all new registrants receive a period of preceptorship to support their transition to their new role and to becoming an accountable practitioner. New registrants include newly qualified first level nurses and midwives, registered first level nurses and midwives new to the Specialist Community Public Health Nursing

(SCPHN) part of the NMC Register, return-to-practice students, and nurses from overseas and new to the United Kingdom.

- h. The aim of preceptorship is to support newly registered practitioners to integrate within their new teams and to assimilate to the culture and practice of their new workplaces and role. Evidence suggests that the offer of a good preceptorship experience is attractive to newly qualified nurses and midwives and helps retain them in their posts creating a stable and satisfied workforce.
- i. A period of preceptorship is offered by most NHS Boards, Health and Social Care Partnerships, and other organisations that employ nurses and midwives; however, there has long been a desire for a consistent approach to preceptorship across Scotland. The work towards developing a national approach to preceptorship began with the 'Shaping Preceptorship for Nurses and Midwives in Scotland' event held in March 2020. This was a dynamic and lively event that provided an opportunity to explore ideas about preceptorship and to share current good practice with colleagues across Scotland and the UK. Following publication of the NMC's '[Principles for Preceptorship](#)' in July 2020, NES reconvened an Advisory Group and established a Short Life Working Group, that included nurses and midwives working in practice and education, as well as colleagues from NES and Scottish Government, to lead and drive the preceptorship project and embed the NMC principles. The result is a national resource that aims to promote consistency in the provision of preceptorship programmes offered by NHS Boards; Health and Social Care Partnerships; and other organisations that employ nurses and midwives across Scotland. The preceptorship learning resource webpages are now live at <https://learn.nes.nhs.scot/42348/preceptorship> . There will be an official launch of the resource at a webinar planned to take place on Wednesday 1st September at 2pm. The link for registration to the webinar is <https://register.gotowebinar.com/register/6504965193410931216>

4.5 Pharmacy

a. Pharmacy Simulation Faculty Development

Faculty development in simulation is key to providing high standards of safe learning experiences for participants which they can then transfer to the workplace. Simulation based education is also well recognised as being a powerful medium to develop health professionals' knowledge, skills, and attitudes, whilst protecting patients from unnecessary risks.

- b. NES Pharmacy are currently working with NHSScotland pharmacy colleagues to develop a Pharmacy Simulation Faculty to increase the quantity and quality of interprofessional simulation-based education for the pharmacy workforce in Scotland.
- c. In order to provide leadership and dedicated time to the development of a national pharmacy simulation training programme, NES Pharmacy are recruiting a part-time National Pharmacist Simulation Lead (0.2WTE) and 3 part-time Regional Pharmacist Simulation Leads (3 x 0.2WTE) to work

collaboratively with multi-professional and pharmacy education and training teams to develop, implement and co-ordinate pharmacy simulation in Scotland.

- d. In addition, an 'introduction to simulation training' is being offered to pharmacists to help build up a network of simulation-based educators to increase interprofessional simulation-based training opportunities for undergraduate pharmacy students, foundation pharmacist trainees & postgraduate pharmacists.
- e. **Simulation Research with Medical Students and Trainee Pharmacists**
The evolving and enhanced roles of pharmacists within UK hospital settings over the last 15 years are reflected in the substantial changes to the initial education and training of pharmacists currently being implemented in the UK by the General Pharmaceutical Council (GPhC). These changes will result in trainee pharmacists registering as prescribers after 5 years of initial education and training from 2026 and create the need for increasing emphasis on the development of skills in decision-making, communication and risk management. The expanded patient-facing roles of pharmacists in the UK clinical workplace also necessitates closer working with other healthcare professionals and a more prominent role for interprofessional education (IPE).
- f. NES Pharmacy has co-produced and funded some pilot research exploring how interprofessional simulation influences tolerance of ambiguity in medical students and trainee pharmacists. Tolerance of ambiguity, or 'operating in the grey', reflects an ability to accept unclear, uncertain or novel situations and continue to work effectively. This pilot study has shown that the tolerance of ambiguity of trainee pharmacists is increased by participation in an immersive interprofessional simulation session. Further research is required to establish whether the same effect is seen in medical students, and to explore the underlying reasons for the change. This pilot study was not sufficiently powered to determine whether the measured improvement in medical students' tolerance of ambiguity following the simulation session was significant. However, the trainee pharmacists did show a statistically significant improvement in self-reported tolerance of ambiguity.
- g. The results of this study offer many possible avenues for further work, including a larger study to explore whether there is any difference in tolerance of ambiguity at baseline and whether an interprofessional simulation session actually does influence the construct in medical students as well as trainee pharmacists.
- h. Currently two papers from this pilot are under review by peer reviewed journals; *Advances in Simulation* and *The Clinical Teacher*.

4.6 Psychology

a. **Core Funding for Psychology, Psychological Therapies and Camhs**

Scottish Government have recently confirmed indicative approval of funding from April 2022 – March 2026 for the continuation and extension of several workforce development programmes. This includes the expansion of psychology training places, as well as multidisciplinary training and education in psychological therapies and interventions across child and adult mental health, dementia, learning disability, neurodiversity, trauma, parenting perinatal and infant mental health, and suicide prevention.

b. **Trainee Recruitment Update**

Following selection interviews held in May for entry to doctoral training programmes in Clinical psychology, 80 successful applicants have been offered and agreed training places to commence in September and October 2021. Due to the pandemic this selection process was conducted entirely online for the second year.

c. **Scottish Trauma Informed Leaders Training Review**

The National Trauma Training Programme (NTTP), funded by the Scottish Government was formed with the ambition of supporting the development of a trauma informed and responsive workforce across Scotland which recognises the effects of trauma on the population, responds in ways that prevent further harm and supports recovery, addresses inequalities and improves life chances. In 2018 Scottish Trauma Informed Leaders Training (STILT) was developed, in order to support leaders to create and sustain shifts towards trauma informed culture, policy, practice and processes within their organisations.

d. In 2021 NES commissioned KSO Research to undertake an independent qualitative review of the STILT training to explore over time what impact and influence STILT had had on delegates, on their organisations and workforces, and on the people they serve. Two years on from attending STILT, leaders spoke confidently about being more able to recognise and respond to the impact of trauma, and to build systems and structures that were more resilient and supportive. For those working in multi-agency teams, the training had helped them to move towards more collaborative decision making and introduce processes which enabled service users and clients to have smoother and more positive experiences across services.

e. **Staff Support Models**

We have continued to explore the feasibility and contextual fit of staff support models and the training needs around this. This has included an information session for adult physical health and paediatric clinical psychology leads on the staff support model being used in Dumfries and Galloway and the PROSOCIAL approach being implemented within that. We have also provided Scottish Government with the Hexagon Tool as a methodology to inform programme selection decisions.

f. **Psychological Aspects of Covid and Long Covid**

In partnership with colleagues in Public Health Scotland we have developed training sessions for Covid vaccinators, on managing procedural anxiety/distress in children young people and adults. A review of the emerging literature base around the psychological impact of Long Covid across the lifespan is underway to inform potential future education and training on Long Covid.

4.7 Workforce

- a. **Future Working Arrangements:** Following a pilot to engage staff and line managers in a process to design future working arrangements, the NES Executive Team has agreed proposals, developed in partnership to adopt a 'remote friendly' working style involving a hybrid of office and home-working, with focus on 'work outcomes'. Each directorate is working through a consistent guided process, which includes discussions with individual staff members and teams, to develop proposals for their future working arrangements. This firstly considers the nature of work involved and, secondly, the preferences of individuals and teams. At the end of August, a review of the proposals developed across NES will be carried out by the People Recovery Group with recommendations to the NES Executive Team. Currently, the large majority of NES staff remain working from home. In alignment with national direction, all NES staff categorised as 'frequently' (more than once per week) working on NES premises have been provided with lateral flow tests. Following a national pause in the Once for Scotland Policies programme at the end of March 2020, a schedule of work has been agreed with priority on 'Home Working'. This is clearly relevant to NES's work on future working arrangements.
- b. **Equality, Diversity and Inclusion:** NES's statutory equality reports for 2021 have been published on the website: [Equality Outcomes and Mainstreaming Report, 2021-25](#) (which incorporates the staff equality data analysis and our Corporate Parenting Report); [Equal Pay Statement](#). Staff Networks are in place within NES for under-represented minority staff and allies, disabled staff and allies, parents and carers, and LGBTQ+ staff and allies with learning fed into work such as Recovery & Renewal Planning, staff wellbeing initiatives and learning and development programmes. Recent output, for example, has supported a review of entry level job specifications; design of staff recognition awards and the design of Healthy Working Lives campaigns. June saw the launch of the NHS Scotland Pride Pledge with 105 NES staff signed up to date. Youth employability has been an area of focus given the national Young Person's Guarantee and the opportunity for NES to increase its attractiveness to a wider demographic and more diverse population. A revised approach to the content and marketing of entry level roles is being trialled with diversity across age and protected characteristics being tracked pre and post the changes. More broadly, the NHSS Youth Academy, an initiative under the remit of the NHS Scotland Academy which is jointly led by NES and NHS Golden Jubilee is working with a range of partners to build career pathways for young people and address specific priorities within the health and care sector.

- c. **NES Staff Performance and Development:** As part of an organisation-wide approach to talent development, increased focus has been placed on career development within the annual Performance Review & Planning (PRP) process. The aim is to support staff in managing their careers with benefits to engagement, wellbeing, resourcing and retention. Senior role succession planning will be advanced in the second half of FY2021. The 2021 PRP cycle concluded with 83% of staff completing appraisals for the previous 12 months; 80% having objectives agreed for the year ahead and 82% having a development plan.
- d. **NES Workforce Planning:** NES's own 'Interim Workforce Plan 2021- 2022' was completed in line with Scottish Government timelines. In March 2022, NHS Scotland Boards are required to publish a 3-year workforce plan. This will be the focus of considerable work across NES over the next 6 months.
- e. **Lead Employer Arrangements extension to Dentists in Training:** Following extensive collaborative work across Boards and in partnership with the British Dental Association, in September, 95 new Core and Speciality dentists in training will be employed by NES for the duration of their training programme as the first phase of extending the lead employer arrangements and the associated benefits to dentists in training. In August, there will be communications shared across all Stakeholder Groups to share key messages about this extension, the timeline and what this means for different stakeholders. The existing 37 Specialty Dentists in training currently employed by Territorial Boards are likely to TUPE transfer into NES employment in November 2021. This will be confirmed following agreement on timelines with the current host Boards and approval via the Core Steering Group. Transition of vocational dental practitioners in general dental practice to the Lead Employer model is dependent upon the Scottish Government making necessary regulatory changes. The current agreement is to aim for implementation in August 2022. Work is continuing with Scottish Government to obtain confirmed timelines for required regulatory change and to inform the overall project timelines.
- f. **Leadership Development and Workforce Digital Capability (sector-services):** NES Workforce Directorate continues to provide staff development services across the sector. This includes contributing to the development of national strategy on future leadership development, talent management and succession planning whilst holding the responsibility for delivering a wide range of current leadership and management development online resources and programmes including the NHS Scotland Graduate Management Training Scheme, to which a record c. 800 applicants, due to commence shortly, were attracted this year and 'Project Lift' - a programme of support focused on the development of those aspiring to Director level roles.
- g. In April, Scottish Government provided the first tranche of funding for a two year programme of identified workforce digital capability priorities, to be delivered collaboratively. A Programme Board comprising representatives across the sector e.g. NHSS, COSLA, Local Government Digital Office, SSSC,

Scottish Care, SCVO, DHI, Scottish Government and others is being set up to provide direction and oversight of the programme. A small fixed term team, hosted by NES, will lead and support the work, complementing and working in collaboration with the resources of key partners. The aim is to support specific improvements in workforce digital capability across the health and care sector whilst reducing the current level of duplication and gaps. The programme is not intended to fund wide scale improvement in workforce digital skills and knowledge across the sector. Such improvement remains the responsibility of individual organisations for their staff. (For the avoidance of doubt, this work is separate to the NES Technology Enhanced Learning programme which focuses on development of the skills needed by NES educators and trainers to deliver blended learning in disciplines across the sector.)

- h. The detail of the governance arrangements for digital workforce capability, as requested by the Board at the 25 March 2021 meeting are as follows.
 - i. The Building Digital Skills and Leadership Programme Board is a multi-agency group chaired by Tracey Ashworth Davies (NES). The funding (£1.3m over 2 years to June 2023) for this work is allocated to NES. NES also is the employer for the nine staff associated with this initiative.
 - ii. The governance and accountability for the work strand is in development through discussion with Scottish Government. It is however, expected that this Programme Board will sit alongside the two other established multi-agency digital delivery Programme Boards: the “Digital Health and Care Digital Citizen Delivery Board” and the “Digital Health and Care Enabling Technology Board” and that they will be jointly accountable to the COSLA Health and Social Care Board (which comprises of a local government political membership) and the Cabinet Secretary for Health and Sport. It is also proposed that like the other two Programme Boards it will report into the SG Digital Health and Care Strategic Portfolio Board.
 - iii. The role for the NES Board in the governance of the work encompassed within the ‘Building Digital Skills and Leadership Programme’ is to be determined. As there is already a level of reporting and scrutiny applied to this work, it will be important that the distinct role of the NES Board is clarified and agreed.

CALENDAR from 20 May – 4 August

This section of the report provides an overview of the meetings I have attended since 20 May 2021. Rather than list every date individually, where possible meetings have been grouped and additional context provided.

NES Executive Team

The core Executive Team meet on a monthly basis to discuss strategic and governance issues in detail.

NES [Extended] Executive Team (EET)

The EET now meet formally on a fortnightly basis to share directorate updates and take decisions as required.

NHS National Board Chief Executives

BCEs of the national Boards and Public Health Scotland meet fortnightly via Microsoft Teams.

NHS Board Chief Executives (BCEs) + Scottish Government

Board CE meetings have returned to their pre-pandemic format with monthly Private, Strategy and Business meetings. All Accountable Officers also meet monthly with Caroline Lamb (Director-General of Health and Social Care and Chief Executive of NHS Scotland).

4 Nations (NES, Health Education England, Health Education & Improvement Wales and Northern Ireland Medical & Dental Training Agency)

The Chief Executives of the 4 Nation statutory Education and Training organisations meet fortnightly to discuss and co-ordinate our ongoing response to COVID-19, with a focus on our shared responsibilities for education and training in the UK.

Meetings since 20 May – 4 August 2021

NES meetings

I continue to enjoy meeting with NES staff on an individual basis and via team directorate meetings to hear about current priorities and future opportunities. Since the last Board meeting I have met with colleagues from Medicine, Digital and Pharmacy. I have also been invited to contribute to wider NES initiatives including giving the opening speech at the Multidisciplinary Rural Advanced Practice Education Pathway launch event in May. I attended an inspiring Scottish Clinical Leadership Fellow (SCLF) consolidation event in June and took the opportunity to attend a couple of sessions at the virtual NES Annual Conference held on 27/28 May 2021, as well taking part in the closing session.

NHS Scotland

I have met with a number of colleagues from NHS Scotland since the last Board meeting. As part of my ongoing induction, I have met with the Chief Executives of NSS, NHS Lothian, NHS Forth Valley, NHS Fife, NHS Borders, NHS Grampian, NHS Lanarkshire, NHS Shetland, NHS Ayrshire and Arran, NHS Dumfries and Galloway and NHS Highland.

I have regular meetings with Angela Leitch (Chief Executive, Public Health Scotland). Stewart Irvine, Karen Wilson and I met with Catherine Calderwood in her role as the National Clinical Director of the Centre for Sustainable Delivery at NHS Golden Jubilee. I have also met representatives from the NHSS Youth Academy,

Work in relation to the NHSS Academy continues to progress. I am Co-Chair of the NHSSA Executive Programme Group alongside the Chief Executive of NHS GJ. This group is now fully established and meeting monthly. The NHSSA Strategic Programme Board, co-chaired by NES and NHS GJ Board Chairs, held its first

meeting in July. I also attended an event at NHS GJ at Clydebank on 17 June where John Burns (Chief Operating Officer, Scottish Government) was given an introduction to the NHSSA and its potential impact.

External Stakeholders

I have met with a very wide range of key stakeholders across the health and social care sector since the last Board meeting, including Chief Executives and senior representatives from the Mental Welfare Commission, COSLA, GMC, DHI Scotland, Dundee Health and Social Care Partnership, University of Edinburgh, SSSC, CCP Scotland Enable Scotland, SFC, Capability Scotland Equalities and Human Rights Commission (Scotland), Carnegie UK, NMC, Care Inspectorate and Robert Gordon University,

Scottish Government

I have met with a number of SG colleagues since the last Board meeting including Caroline Lamb (Director-General Health and Social Care & Chief Executive, NHS Scotland), Gillian Russell (Director of Health Workforce) Catherine McMeeken (Deputy Director, Director of Leadership, Culture and Wellbeing), Judith Proctor (Chair of the Chief Officers Group), Jonathan Cameron (Interim Director, Digital Health & Care), Catherine Ross (Chief Healthcare Science Officer) and Tim McDonnell (Director of Primary Care).

In terms of wider SG meetings, I have attended the National Workforce Forum, the National Workforce Planning Group, the Independent Review of Adult Social Care in Scotland (IRASC) Sub-Group and a COVID-19 recovery meeting chaired by the Deputy First Minister and Cabinet Secretary for COVID-19 Recovery.

T: 0131-244 2480
E: John.burns@gov.scot

20 July 2021

Dear Colleagues,

Remobilisation Plans 2021/22: Mid-Year Update (RMP4)

In assessing and signing off the Remobilisation Plans for 2021/22 earlier this year, we agreed that the level of uncertainty around the trajectory of the Covid-19 pandemic meant it would be sensible to offer a formal opportunity to take stock of developments in our operating context half way through the year. I would like to thank the Directors of Planning and their teams who have collaborated with Yvonne Summers to develop this approach to RMP4.

I am now writing to commission an update of those 20/21 plans; asking you to reflect on progress to date and to set out what you expect to deliver over the second part of the year. This includes a Winter Planning Checklist as we will not be seeking a separate winter plan. As ever, the plans should reflect the work going on across the whole health and care system. I have also included with this letter a copy of the original Commissioning Letter for the 2021/22 Remobilisation Plans, issued in December last year, as the expectations set out in that letter will continue to apply for the remainder of this year.

In terms of the pandemic itself, there are indications that we are moving through this wave, with the success of the vaccination programme resulting in a weaker link between infection and severe illness/admission to hospital. The exceptional care that all NHS and social care staff have delivered throughout the pandemic, as well as their efforts on testing and vaccinations, have played an essential and incomparable role in getting us to this point. They will continue to be the lynchpin in the renewal of the NHS going forward and we recognise that the recovery of our services will not be possible without the recovery of our workforce.

We need to continue to encourage staff to take the time to rest and recover, ensuring that they take the annual leave and rest breaks they are entitled to, and to access the national and local resources that are available. We recognise the range of local services that have been put in place to support and promote staff wellbeing - and the national arrangements that have been established are intended to complement and enhance the options available to the health and care workforce during these challenging times. We recently announced an increased budget of £8 million - an increase of £3 million on last year - to provide ongoing support for the wellbeing of health and social care staff across Scotland. We will continue the 24/7 National Wellbeing Helpline, the National Wellbeing Hub, Coaching for Wellbeing

and Workforce Specialist Service as well as developing further practical support measures and additional resources for Boards.

Looking forward to the remaining months of 2021/22, we will continue to operate in exceptional circumstances. I recognise that we will have a continuing need across the health and care system to balance maintaining a readiness and resource to respond to demands related to Covid-19, as well as non-Covid related demands in both elective and unscheduled care, which have been building up over the past year. In many cases, that will require services to be delivered differently and I am keen to maximise the opportunity that the Integrated Planned Care and Integrated Unscheduled Care Programmes give us, as well as the work of the Centre for Sustainable Delivery (CfSD).

As we know, there are many factors that impact on our services over the winter months, including Respiratory Syncytial Virus (RSV), which I wrote to you about on 6 July, and seasonal influenza as well as Covid 19. Your plans for responding to these concurrent pressures should be reflected in your RMP4, in both the **Delivery Planning Template** and **Winter Planning Checklist** (both accompanying this letter). The expectation is that the updates should reflect any anticipated seasonal variations or pressures through to the end of March 2022. I mentioned earlier that there will be no separate Winter Plan requested this year. You have previously been advised of your Winter funding for 2021/22 and the release of this funding will be subject to our review of the RMP4s.

Part of the planning for that seasonal variation will involve ensuring that we have sufficient ICU and other system capacity to respond to surge scenarios. As you will know, we have already provided additional funding to support an increase in the baseline of ICU capacity from 173 beds to 203, and will expect to see the implementation of this additional capacity reflected in your updated plans.

The level of complexity and uncertainty going forward means that planning becomes an even more important tool; one which we must use as effectively as possible. As you know, I have been involved in oversight of the development of a Whole System Modelling Tool. I am aware that some Boards have already been making use of it and wanted to draw it to your attention as it may be useful to you in your preparation of the RMP4 updates, as well as in future longer term planning activities.

You will also want to ensure that your updated operational planning is informed by the information submitted in your recent interim workforce plans.

In terms of presenting the financial impact of Covid-19 and remobilisation in your RMP4, it is expected that high level costs are included in the plan, particularly for key areas that have developed since your RMP3 was submitted. This should also include how you intend to use the significant investments which have been provided to Boards in the past months such as the Mental Health Remobilisation and Renewal Fund. As part of our quarterly financial reviews, we will continue to agree with Directors of Finance the next steps in continuing to update these forecasts and scenarios in line with the development of your Remobilisation Plans.

It is expected that following submission of your RMP4, we will build on the work carried out with NHS Boards and Integration colleagues at Quarter 1 to assess the overall Covid-19 financial impact. The focus will be on the actual costs of the first six months of the year 2021/22 and revised full year forecasts to enable us to monitor funding requirements to support the planned activity as set out in your RMP4 and ensure plans demonstrate value for money and affordability. In addition to this, we will continue to work with Boards on the development of medium term financial plans and review measures to support NHS Board's longer-term financial sustainability - such as assessing the impact on savings plans and recurrent pressures faced as a result of Covid-19.

Further information about the planning assumptions which should inform the completion of your updated plan can be found in the **Guidance** document accompanying this letter.

Content and Purpose of RMP4

In recognition of the fact that this next iteration of the Remobilisation Plan is essentially an update of those signed off in April, we are adopting a simplified and more template-based approach for this submission. In discussion with your Planning Leads, your RMP4 should be based on key deliverables, supplemented with a minimum level of narrative.

In summary, your completed submission for RMP4 should consist of the following elements:

- **Introduction and brief narrative** - focused on areas where there has been considerable change or development since the commissioning of RMP3. A number of these are specified in the attached Guidance. For these areas we expect a short narrative on what these mean for your Board, including the opportunities and risks they represent.
- **Delivery Planning Template/Progress Update** - a template designed to capture key deliverables, indicators, milestones and risks. It is expected that these deliverables will largely reflect the work-streams and activities described in your RMP3, with a progress update for April to September 2021 and planned deliverables for October to March 2022. This will be a key tool for monitoring progress and managing risks across the system.
- **Winter Planning Checklist** - this checklist follows a similar approach to previous years, and should also inform the deliverables included in your Delivery Planning Template.
- **CfSD Heat Maps and associated Action Plans** - these two elements will have been developed in conjunction with the CfSD between now and the submission of your plan, and should also inform the completion of your Delivery Planning Template.
- **Updated Activity and Performance Templates** – these are updated versions of the templates issued with previous Commissioning Letters and should include projected activity levels and performance trajectories for the next six months.

Further detail on the content for each element of RMP4 can be found in the **Guidance**.

As you know, we have had a number of discussions about moving to a three year planning horizon for the next set of integrated Operational Plans and we will continue to work with the Planning Leads and Regional Planners over the coming months to develop the approach to that.

In the meantime, I would encourage you to develop your plans in discussion with the relevant SG policy teams, and our Operational Planning Team is on hand throughout to support you, especially as you navigate the new format and templates. Yvonne Summers, Head of Operational Planning can be contacted via email at; yvonne.summers@gov.scot.

Your RPM4 plans should be submitted by **30 September 2021** and, as previously, should be sent to the Operational Planning Mailbox (NHSAnnualOperatingPlans@gov.scot).

Yours sincerely

A handwritten signature in black ink, appearing to read 'J G Burns', with a long horizontal line underneath.

JOHN G BURNS
NHSScotland Chief Operating Officer

Re-mobilise, Recover, Re-design: The Framework for NHS Scotland

Remobilisation Plan 4 - Guidance



Scottish Government
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Foreword

Welcome to the guidance for NHS Remobilisation Plan 4. This guidance covers the content for the six-month update to your NHS Remobilisation Plans, known as RMP4. Your update should be drawn from the detailed plans already developed for the start of the financial year (RMP3), rather than a completely new plan. The purpose of this update is to recognise the considerable uncertainty faced by the NHS during the Covid-19 Pandemic, and the substantial developments which have happened in the NHS in a short period of time. By taking this opportunity to review and update remobilisation plans, we can ensure that they continue to reflect the current situation, six months into an exceptional year.

In addition to acknowledging the rapidly changing context that Boards are operating in this year, RMP4 also presents us with an opportunity to start working towards simplifying and standardising the structure and content of operational plans; with the longer-term goal being to move towards an outcome-driven longer-term planning process from the start of next financial year.

For next year's plans, we expect that the main narrative aspects of your operational plans will concentrate on setting out the strategic context and the outcomes you are working towards over the medium-term. For the purposes of this update, we see the narrative already set out in RMP3 as fulfilling a similar role, and we would only expect you to provide an update to any aspects of this narrative where there has been material change. However, we are asking you to provide some additional narrative in a few areas where national projects and programmes have been launched or substantially developed over the last six months. The narrative section of your RMP4 also offers an opportunity to reflect on the latest available information on the impact of the pandemic on your delivery of services, specifically where this might have changed since your RMP3 was submitted.

We are also seeking to be more explicit about the fact that planning is an ongoing activity throughout the year, so we have included a simple Delivery Planning Template which will form the basis of your annual plans going forward. We will not expect this to be completely re-written each year; rather this should be updated as projects move forward, are completed and/or new projects started, with 'snapshots' provided to Scottish Government (SG) at regular intervals. This template focuses very deliberately on deliverables, which we expect will closely resemble the action plans or programme updates that many of you already use internally.

Alongside this Guidance document, the Delivery Template described above and the covering letter from the Chief Operating Officer NHS Scotland, the RMP4 'Commissioning Pack' also includes a number of supplementary templates for completion, including updates to the Activity Templates that were included with RMP3.

The Pack also includes a Winter Planning Checklist, which will be very similar to the one you have submitted to us in previous years. In addition to filling out the Checklist, we would expect that the deliverables in your Delivery Planning Template take account of the impact of winter and other seasonal factors which are likely to affect demand over the next six months. You will have received separate letters about a number of these, including the need for another round of Covid-19 booster vaccinations alongside the annual flu vaccination programme, and the potential for an upsurge in Respiratory Syncytial Virus (RSV) cases this winter.

Finally, the Operational Planning Team in Scottish Government and the various policy teams that you work with, will be on hand over the coming weeks, as you prepare your RMP4, to provide support and advice.

RMP4 Guidance

The following guidance covers each part of the RMP4 Pack in turn, providing information about the content and level of detail that we expect to see in each section or document. As a general point, we are not looking for high levels of detail, rather a focus on the key pieces of information.

This is the first time we have used this format and, although we have worked closely with Board Planning Leads in developing the Pack, we are expecting that there may be some variation between how Boards use the templates. We will be carrying out a review after RMP4 is submitted, in consultation with yourselves, to look at how the templates have been used, how useful and clear the guidance was, what worked well as well as any aspects that may need to be adjusted in the future. The results of this consultation and review will inform the final templates and guidance for the first set of three-year plans, due to be commissioned before the end of 2021.

This guidance has been written so that the various elements of RMP4 each have their own section, and each section is relatively self-contained. This is so that you can jump straight to the section you are working on. However, this does naturally mean that there is some repetition within the text.

National Boards

This guidance largely focuses on deliverables relating patient-facing services, which may not be directly applicable to all of the National Boards. National Boards should have regard to those sections of the guidance which relate to the general use of the templates etc. and any of the specific policy areas which are of relevance to your Board. Boards should also discuss their plans in advance with their SG Sponsor Teams including agreeing the specific areas that should be covered in the Delivery Planning Template and any key issues/changes which should be covered in the overview/narrative section.

A. Overview

1. The narrative for RMP4 should be a relatively brief overview, written in plain English, and should reflect the following:
 - performance in the first half of the year, and specifically the progress made with regards to whole system remobilisation;
 - uncertainty, key risks and opportunities; and
 - the impacts on your Board of significant developments or changes, both those seen in the first half of the year, or those anticipated impacts over the second half of the year.
2. The following specific areas have seen significant development or change, or were not fully covered in RMP3. These areas should be covered in your overview, with a brief outline on the implications for your Board. This list is not exclusive, and Boards should include information on any other new or changed factors which will have a significant impact on your Board going forward. All of these areas are also likely to have related deliverables which should be included in your Delivery Planning Template.

Pandemic Response

3. We will continue to live with the impact of Covid-19 on our health and care services throughout the remaining months of 2021/2022 and beyond. As this is an area of significant and ongoing change, and also an area of significant challenge, as we begin to mainstream the activities required to manage Covid-19 in the longer term. Boards should include reflections on the impact of the pandemic over the previous six months, along with an overview of the actions the Board will be taking over the remainder of the year, including in relation to vaccination and testing.
4. The ability to respond effectively to ongoing developments, to mitigate the potential impact of these on our NHS, and to balance that with non Covid demands, will require that adequate capacity is maintained across the system. Strong capacity planning will be a key enabler to successfully manage the many factors that affect the delivery of activity and we are committed to working with you over the coming months to embed an effective shared approach to this challenge.

In the meantime, your overview should reflect:

- **ICU Capacity (where applicable)** - To allow the NHS to maintain vital non Covid-19 services as far as possible, whilst continuing to remain able to respond to the virus, we will permanently uplift baseline ICU capacity by 30 from 173 to 203.

John Connaghan, the then-Chief Operating Officer, NHS Scotland wrote to the affected Boards on 24 June 2021 with details of the expected uplift and the related allocation of funding. Those Boards will therefore be expected to uplift their baseline ICU capacity and ensure suitable staffing on a permanent basis in time for Winter 2021/2022. This is a must-have deliverable which will support the NHS to increase elective activity and other non-Covid-19 services, whilst supporting staff wellbeing and retention by reducing the need to enact surge escalation plans - which are detrimental to patients and staff, and unsustainable in the long-term. Your RMP4 narrative should include details of your Board's specific uplift in ICU capacity, and the Delivery Planning Template should include any related deliverables or specific pieces of work required to deliver this uplift.

- **Vaccination Programmes** - Stephen Gallagher, Director for Vaccine Policy and Delivery and Colin Sinclair, Director for Covid-19 Vaccine Delivery wrote to Health Boards on 5 July 2021 regarding the potential requirements regarding the Covid-19 Vaccination Programme alongside other seasonal programmes such as Flu. This letter was in response to the interim advice from the Joint Committee on Vaccination and Immunisation (JCVI) provided on 30 June 2021. Your narrative should highlight the steps being taken to implement these requirements and any key deliverables subsequently agreed with the SG Vaccination Delivery directorate should be included in the Delivery Planning Template. The Covid-19 Vaccination Programme can be included in the strategies/plans column of that template.
- **Test and Protect** - Health Boards will be expected to continue to support Test and Protect activity for the remainder of 2021/2022 with progress to date and future deliverables included in the Delivery Planning Template.

Winter Planning

5. Winter preparedness planning plays a key role in ensuring Boards are ready to meet the additional challenges likely to be faced over the winter months. The pressures we are already seeing this year on our NHS are unprecedented and include: high levels of admissions and attendances; staffing shortages due to isolation; infection control requirements and the continuation of the pandemic. Boards and their partners must ensure robust planning takes place during the summer months to minimise any disruption to services over the winter and to maintain the standard of care every person deserves; balancing the various demands which will be placed on our service. The 4-hour Emergency Access Standard remains the default measure of pressure across the whole system and must be monitored and managed robustly to minimise all waits and delays resulting from additional winter pressures. Focus on this safety measure also supports positive patient and staff experience.

6. As advised in the covering letter, there will be no request for a separate Winter Plan for winter 21/22. Therefore, this iteration of your Remobilisation Plan should indicate how you are developing safe and effective pathways of care in preparation for winter. Your overview should make reference to your winter preparedness, informed by your self-assessment checklist, and relevant activities should be flagged up as deliverables in the Delivery Planning Template with 'Winter Preparedness' included in the 'Strategies/Plans' column in the template.

7. The self-assessment checklist that has been utilised in previous years will supplement your plans and should cover systems, processes and plans to mitigate risks arising from a resurgence in Covid-19, severe weather, winter flu and other winter respiratory issues – either individually or concurrently. The checklist also includes other areas of relevance but is not exhaustive. Local systems should carefully consider where additional resources might be required to meet locally identified risks that might impact on service delivery.

8. There is also an intention to produce a separate Social Care Winter Preparedness Plan this year. While this will be aligned with and take account of the actions being taken across the NHS, a specific commission for contributions to this Plan will issue separately, later in the year.

9. A review is being undertaken of the lessons learned during the previous winter which will inform the route forward over the next few months, building on what we have learned during the pandemic to shape the delivery of services during winter and beyond..

Care and Wellbeing Programmes

10. You should include a short narrative in the overview on what the new Care Programmes will mean for your Board. Where you are undertaking specific activities as part of the programmes, these should be reflected in the relevant section of your Delivery Planning Template and the link to the appropriate Care Programme identified in the Plans/Strategies column.

NHS Recovery Plan and Transforming Pathways

11. The Scottish Government has committed to publish an NHS Recovery Plan within the first 100 days of forming the new Government. At the present time the plan is still in development and will be published during the development of your RMP4. The Recovery Plan will be multi-faceted and will rely on both significant additional investment and the transformation of patient pathways to ensure delivery. All Boards will have a contribution to make to the commitments set out in the plan, and along with the Care Programmes, this will be one of the key documents which will form the context for much of our work across the health and care system over the next six months and beyond.

12. NHS Boards will wish to ensure their contribution to the delivery of the plan is set out in their RMP4 and is consistent with the principles in the Recovery Plan to:

- Focus on the whole system;
- Ensure quality and patient centred care;
- Bring services close to people's home;
- Reduce health inequalities;
- Ensure sustainability;
- Value and support the workforce.

13. You should include a brief outline in your overview, of the key aspects of the Recovery Plan which will drive activity and recovery for you and your delivery partners in the coming months, and how you intend to take these forward. You should also include relevant specific projects/deliverables in your Delivery Planning Template, flagging up the link to the NHS Recovery Plan.

14. Projects undertaken to support delivery of the Recovery Plan are likely to be closely linked with other areas such as the transformation work supported by the Centre for Sustainable Delivery (CfSD) and the ongoing implementation of the Redesign of Urgent Care (RUC); where this is the case, both should be flagged up in the plans/strategies column.

15. In relation to the Planned Care element of the Recovery Plan, Trauma and Orthopaedics has been identified as an area requiring particular focus as waiting lists for orthopaedic inpatients and daycases have increased significantly during Covid-19 from a position which was already extremely challenging. Orthopaedic patients have been disproportionately disadvantaged by the pandemic response with Trauma and Orthopaedic patients now accounting for half of all Scottish patients breaching the TTG standards. As a result, we have included specific requirements for relevant deliverables to be included in the Delivery Planning Template (see below).

Mental Health and Wellbeing

16. Hugh McAloon, Deputy Director for Mental Health, wrote to you on 5 May 2021 setting out the 2021/22 allocations to Boards from the Mental Health Remobilisation and Renewal Fund, with the funding to be used for:

- Full implementation of the Child and Adolescent Mental Health Service (CAMHS) Specification – Community CAMHS;
- Expansion of community CAMHS from age 18 up to the age of 25 years old for targeted groups and those who wish it;

- Clearance of any backlogs on waiting lists for CAMHS;
- Clearance of any backlogs on waiting lists for Psychological Therapies.

Your plans for utilising these funds, and any further allocations received before your plan is submitted, should be outlined in the narrative overview. You should also include forecast spend by the end of September and December 2021, and the end of March 2022 along with high level risks or issues that may prevent the allocation being fully spent in year. Associated deliverables should be included in the Mental Health section of your Delivery Planning Template.

Mental Health and Wellbeing of Staff

17. We recently announced an increased budget of £8 million - an increase of £3 million on last year - to provide ongoing support for the wellbeing of health and social care staff across Scotland. At a national level, we will continue the 24/7 National Wellbeing Helpline, the National Wellbeing Hub, Coaching for Wellbeing and Workforce Specialist Service as well as developing further practical support measures and additional resources for Boards. You should make reference in your narrative to your ongoing to the steps you are taking to; support staff in taking the time to rest and recover, access the national and local resources, the practical support that has been provided and how capacity and capability to provide psychological services has been increased. Where there are specific deliverables, these should be included in your Delivery Planning Template.

Digital

18. As you will be aware, the Digital Health and Care Strategy is currently being refreshed and will be published in the coming weeks. Boards will want to ensure that deliverables related to implementation of the refreshed strategy are included within the Delivery Planning template, and mentioned in the narrative overview as required.

B. Delivery Planning Template

19. In order to simplify progress reporting and facilitate performance analysis, we have worked with Boards to develop a Delivery Planning Template for RMP4, which requires Boards to draw out the specific deliverables (including milestones or targets) from RMP3 for each of your service areas. We are aware that some Boards already use a similar template for internal monitoring and reporting purposes. However, it is important that the relevant information is transferred and submitted in this template, as we will be collating all of the plans into a single spreadsheet for analysis across different policy areas, necessitating a single, consistent format for all submissions.

20. Within the Delivery Planning Template, you have flexibility to specify the headings or categories you wish to use capture your full range of services; likely to relate to the broad service areas or supporting/enabling corporate services (such as digital health and care, workforce etc).

21. The Delivery Planning Template should include for each deliverable:

- An assigned RAG Status;
- a progress update (setting out what has been achieved so far this year);
- the Lead Delivery Body;
- key risks which could impact on delivery along with actions being taken or planned to manage or mitigate the risk;
- where applicable, any agreed outcomes that the deliverable contributes to;
- where applicable, any plans, programmes or strategies that the deliverable contributes to;
- indicate any proposals for new activities, in particular where a need for additional funding has been highlighted. Full details of any proposals for additional funding should be included as an annex to RMP4 rather than as part of the plan itself, with reference included in your covering narrative.

22. Please note, we have provided the template in a Word format for readability and ease of printing. However, we will be transferring data into Excel for analysis. If you would prefer an excel version of the template please email NHSAnnualOperatingPlans@gov.scot and we can provide one.

What do we mean by service area?

23. We are not seeking to prescribe how you should define 'service area'. We recognise the integrated and multi-disciplinary nature of much of modern healthcare delivery so the headings you use will depend on your own internal structures and working approaches. You should subdivide the plan into groups of deliverables which are meaningful and useful for your Board. These will not necessarily correspond to SG Health Policy Areas so it is helpful if you mention any policy areas or specific plans/strategies relevant to deliverables in the column provided for related plans/strategies.

24. We would also expect to see deliverables relating to cross-cutting or corporate areas of activity – ie those relating to workforce, finance, infrastructure etc.

What do we mean by deliverables?

25. We are asking Boards to include only key deliverables in the template; this document should be relatively high level, and give a broad picture of activity within the work of the Board and local HSCPs. Much of your business-as-usual activity will continue to be managed within the Board and reported through performance indicators. The Delivery Planning Template should therefore focus on the key deliverables that contribute to national and local policy agendas and major programmes of work. There may be underlying workstreams etc., for a deliverable, but for the purpose of this plan, only the high-level deliverable needs to be included. Some further detail can be specified in the 'activities' column.

26. Health Boards, IJBs, HSCP and other delivery partners will want to work together to identify the key deliverables to be included within the plan, and these should reflect activity across the key delivery bodies. In addition, Boards will continue to discuss priorities for the next six months and progress to date with the relevant SG Policy contacts in advance of submitting the plans, so that where possible the deliverables represent a shared view of anticipated developments over the next six months.

27. Where Boards are awaiting confirmation of funding for specific initiatives to support the remobilisation of specific services (e.g., elective procedures) this should be made clear in the narrative and identified as a proposal/risk in the Delivery Planning template.

Key Deliverable - Description

28. This should be a title/name or short description of the deliverable. This is an important field for analysing similar deliverables across Plans.

Key Deliverable - Activities

29. This should be used to list any key pieces of work which will contribute to delivery. Again, this should be a short succinct list and should only include the most significant pieces of work.

RAG Status

30. You should include a RAG status for each deliverable in the template using the following standard definitions for each colour. Use of these definitions will allow comparison between Boards and build a picture of our most 'at risk' areas. Please use text here 'Proposal/Green/Amber/Red/Blue' as these will be subsequently collated into a spreadsheet with conditional formatting which will apply the appropriate colour.

Definitions:

Proposal – New project, funding not yet agreed.

Red - Unlikely to complete on time/meet target.

Amber - At risk - requires action.

Green - On Track.

Blue - Complete/ Target met.

Progress Update

31. Please include a short progress update for all deliverables, including those that are Green/On track. This will allow an analysis of performance, and in particular allow us to identify and highlight key achievements and examples of good practice. Where relevant, this update can also discuss the potential impact of risk and uncertainty, and the controls and mitigations you have in place, but these should also be included as a simple list within the appropriate columns to support wider analysis and collation of information on similar risks etc.

Lead Delivery Body

32. Please indicate where the Lead Delivery Body is not the Health Board, for example one of the HSCPs.

Risks and Mitigating Actions

33. One of the benefits of the simplified template approach, is the ability to highlight where key risks could impact on delivery, and facilitate analysis of shared or common risks across multiple Health Boards. This means that while you may wish to mention risks and mitigations within your progress update, you should also list key risks here, so that these can be included in the wider analysis. You do not need to include much detail here, as that would be in your progress update, and this field is primarily for cross Scotland analysis so a simple list is preferable. Where risks correspond to your corporate risks or Risk Register, please do include a **title** for the risk (rather than a number) to enable cross-comparison.

Outcomes

34. As previously discussed with Board Planning Leads, we will be transitioning to an outcome-based planning and performance framework as we move forward from 2022 onwards. Prefiguring this, the template for RMP4 includes the ability to link deliverables to outcomes for those Boards who are already working in this way. However, completion of this column is **optional** at this stage.

35. Outcomes could be ones you have developed specific to your Health Board, have agreed with your delivery partners at a local or regional level, [National Performance Outcomes](#), the [National Health and Wellbeing Outcomes](#), or a combination. Please list all relevant outcomes you have identified and, where these are national outcomes, this will also facilitate cross-Health Board analysis.

Contribution to Programmes, Plans and Strategies

36. You should include details where your deliverables contribute to or deliver against national approaches, plans and strategies, or your own published Strategies or Strategic/Service Plans. This will allow us to collate and analyse performance of deliverables for each plan/strategy.

37. Where there is no specific plan or strategy, you could flag up the SG Policy Team that your teams work most closely with on this deliverable, or a particular funding stream. You can include more than one plan/strategy etc., in this column as required, as we recognise much of the work you will be carrying out will be cross-cutting and relevant to more than one plan or policy. As with the column for outcomes, the plans etc., listed here could be local or national in scope (or both). This information will be used to carry out analysis across service areas and across Health Boards and also help to build up the picture of the local strategic context.

38. Example of links you are likely to highlight in this column include:

- Care and Wellbeing Programmes
- NHS Recovery Plan
- [Recovery and redesign: Cancer Services](#)
- Framework for Effective Cancer Management
- Pain Management Recovery Framework
- Mental Health Recovery Strategy
- Redesign of Urgent Care (RUC)
- Six Essential Actions (6EA)
- Centre for Sustainable Delivery Heat Map
- Digital Health and Social Care Strategy
- Primary Care Improvement Plans (PCIPs)
- Trauma and Orthopaedic Recovery Plan
- Winter Preparedness
- Vaccination Programmes
- Test and Protect
- National Treatment Centres
- Realistic Medicine

C. Guidance on areas deliverables should cover

39. There are a number of areas where we would expect all territorial Board plans to include relevant deliverables, based on the priorities set out in the Commissioning Letter for RMP3 and your published Plans, along with subsequent additional funding streams and policy priorities,. Depending on how you choose to structure your Delivery Planning Template, these may not all appear under the same service area, so it would be helpful if you could use the 'related plans/programmes/strategies' column to flag up the broad policy area that deliverables relate to, along with any specific strategies etc. This will allow us to extract and group deliverables from across multiple service areas and Boards to build a complete picture under each policy area.

40. Your deliverables should represent key work across the whole system, and should cover all of those areas which were commissioned for and included in RMP3. We would encourage you to discuss deliverables with the relevant policy teams to ensure that they cover the right areas. Below, we have included particular key areas which should be covered within your Delivery Planning Template, but this list is not exhaustive.

Primary Care

41. The Delivery Planning Template should include agreed deliverables identified in your Primary Care Improvement Plan for this period as well as any actions related to the implementation of the RUC Programme, the Year One Commitments in the NHS Recovery Plan and the relevant arrangements being put in place to deal with seasonal demand over the winter months, including during the festive season.

Social Care

42. Your Delivery Planning Template should include details of the deliverables your Board will undertake to ensure the effective remobilisation of Adult Social Care services and the continued support of the safe provision of these services. This should include details regarding how support for unpaid carers will be remobilised and expanded in response to the significant additional pressures on unpaid carers and the £28.5 million uplift in Carers Act funding for 2021/22.

Mental Health

43. The Delivery Template should include deliverables that cover the following specific areas, which have received significant additional funding since the commission of RMP3:

- Children and Adult Mental Health Services (CAMHS)
- Psychological Therapies
- Urgent and Emergency Mental Health Care
- Primary Care
- Perinatal and Maternal Mental Health Services

You may also wish to include deliverables relating to other areas including:

- Community Mental Health Teams or
- Inpatient Units.

44. For the Boards who have agreed Recovery Plans for CAMHS and Psychological Therapies, deliverables relating to the next phase of their implementation should also be reflected in the Delivery Planning Template. **Further more detailed guidance to support Boards with completing the Mental Health section of their plans will be issued to Mental Health leads directly.**

Unscheduled Care

45. The template should include deliverables relating to both the ongoing implementation of the Redesign of Urgent Care (RUC) Programme and the relaunch of the Six Essential Actions Programme. It should also reflect key actions being taken to improve discharge planning, and making best use of Community Hospitals and Intermediate Care.

46. We also wrote to you on 6 July regarding Preparing for Viral Respiratory Infections in Children, asking you to provide information about your capacity and capability to respond to a potential increase in cases over the coming months. We would expect that any additional pressures that may be experienced due to any such increase should be reflected in your Delivery Planning Template, and use the strategies/plans column to highlight the link to the overall approach to preparedness by including 'RSV' in this column.

Winter Preparedness

47. As a minimum Boards should ensure the funding they have been allocated contributes to the following priorities, and the specific deliverables are reflected in your Delivery Template:

- Reduced variation in delivery of 4-hour emergency access target caused by winter pressures.
- Surge capacity for Covid-19 patients is maintained to ensure resilience in the system to respond.
- Maintain the ability to stream Covid-19 and non-Covid pathways across the health and social care support system and ensure safety.
- High quality care and support is delivered, including patient and staff experience.
- Resources provided to ensure new and effective ways of working are maintained and built upon that aim to avoid unnecessary admissions, reduce length of stay and optimises discharge without delays in transfer of care.
- Maintain provision of urgent & emergency care 24/7.
- Resilience in place for festive period that reduces variation in 7-day working across the whole system, including Care at Home services.
- Effective and robust escalation plans are in place across all Boards including locally agreed trigger points.
- Adequate festive staffing cover across acute, primary and social care setting.

- Adequate alternative care for patients with urgent problems who may be better cared for closer to home.
- Support and promote the wellbeing of staff working in Emergency Departments.
- Eradicate crowding and corridor care and reduce ambulance handover time.
- Prioritise Covid and Flu vaccination our workforce from doctors, nurses and carers to security staff, cleaners, and porters.

Cancer Performance & Early Diagnosis

48. Cancer remains a priority for NHS Scotland throughout the pandemic. This should be reflected in the Boards' Delivery Planning Template and progress updates, including:

- agreed deliverables for which cancer waiting times funding has been allocated;
- work to reduce backlogs (*ie those that have breached the 62 day standard and are yet to receive treatment*);
- progress in embedding the Effective Cancer Management Framework and re-design efforts underway to support earlier diagnosis (i.e. establishing an Early Cancer Diagnostic Centre).

Planned Care/Electives and Diagnostics

49. Deliverables should reflect agreements reached regarding initiatives supported by the allocation of the initial tranche of Waiting Times funding, as well as proposals for any additional funding. Deliverables which represent proposals for additional funding should be flagged in the RAG Status Column as 'Proposal'. Specific focus should be given to improving performance in relation to Trauma and Orthopedics (T&O) as well as diagnostic services which impact on numerous pathways, including cancer. Where relevant, continuing work on the delivery of the National Treatment Centres should also be referenced.

50. In relation to T&O, deliverables should include the following aspects. These commitments will be measured and benchmarking data shared. Progress against these commitments is essential for recovery.

- action to achieve 100% of pre Covid activity with progression to 110% by March 2022 in line with National commitment. This may involve aiming for 120% to recover inpatient position;
- full implementation of ACRT/PIR across Scotland;
- increase in 4 joint day from 2019 22% Scottish average, with ambitions set for each relevant site;
- Increase in theatre productivity from 2019 rate, with site trajectories to be set;
- reduction in length of stay for arthroplasty, with site trajectories to be set;

- move to day surgery for all appropriate cases linked to BADS Directory of Procedures;
- virtual appointments for first post-operative arthroplasty review as standard.

Across the whole system, it is expected that this will be supported by:

- the return of pre Covid space, theatres and staff to allow 100% activity to resume;
- the protection of orthopaedic-safe inpatient beds all through the year;
- work towards consistent theatre teams to support high performance;
- recovery progress to be support in winter plans to allow continuation of orthopaedic inpatient surgery;
- theatre booking with a combination of urgent and long waiting patients.

National Board/Improvement Support

51. Key deliverables where support is provided by National Boards/Improvement Programmes, including HIS, CfSD etc should be included under the relevant service area rather than in a separate section, and the specific relevant National Board/Improvement Programme highlighted in the Strategies/Plans Column.

NHS Recovery Plan

52. Specific Year One Commitments should be reflected in the relevant Service Areas rather than including a specific section in the relation to the Recovery Plan, and the NHS Recovery Plan flagged in the Strategies/Plans column.

Pain Management

53. Key deliverables should demonstrate how you are:

- taking quality of life into account as part of clinical prioritisation and treating pain management as essential care, recognising the links to mental health;
- communicating with, and supporting, people with chronic pain needs (including in primary and community care);
- reducing the backlog of referrals to pain services and addressing the needs of people in chronic pain waiting longer across the wider elective care waiting list (recognising this can contribute to alleviating unscheduled care pressures).

Long Covid

54. The Delivery Planning Template should include deliverables relating to steps being taken to assess and respond to the needs of people with long term effects of Covid-19 ('long COVID').

This should include any actions underway to develop local referral pathways, or facilitate integrated working arrangements between the range of services that may be relevant to the needs of people with the condition.

Addressing Inequalities

55. The Delivery Planning template should include evidence of deliverables that actively seek to reduce inequalities across the health and care system that have arisen or been exacerbated by Covid-19.

Specifically this should include:

- Evidence of work to reduce the inequalities faced by minority ethnic groups, people experiencing the most socioeconomic disadvantage, as well as other protected characteristics.
- Details/evidence of work being undertaken in response to the recommendations made by the Expert Reference Group on Covid-19 and Ethnicity;
- Work to significantly improve health ethnicity data and to embed processes that enable the collection of good quality data on ethnicity;
- Plans to understand and address any negative impact your work has on staff from minority ethnic backgrounds, as well as all other protected characteristics, and
- Plans to monitor and measure progress of actions to reduce health inequalities and address the wider determinants of health in their area.

Corporate Services

56. We expect the Delivery Template to include deliverables relating to a number of potentially cross-cutting aspects of your services, including workforce, finance, infrastructure and digital health and care. You may choose to include these in separate sections (eg as Corporate or Enabling Services) or to include relevant deliverables within individual service area(s) if they are specific to that area of service.

D. Winter Planning Checklist

57. The Winter Planning Checklist has been included as a template for completion as part of the RMP4 pack. This follows a very similar format to recent years and should be submitted alongside your RMP4. You should also ensure that your Delivery Planning Template reflects the key actions or arrangements being put in place to respond to the predicted demands over the Winter Period, including the holiday periods, and flag up these deliverables as relating to winter preparedness using the related plans/strategies column in the Delivery Template.

E. CfSD Heat Maps

58. The Centre for Sustainable Delivery (CfSD) may already have been in touch with you, or will be soon, to discuss the preparation of a Board level 'Heat Map'. Development of this Heat Map in collaboration with CfSD will allow Health Boards to provide an assessment of the potential impact, progress, and readiness for deployment of key programmes of work that will support redesign for sustainable recovery. These Heat Maps should be included as an attachment to your RMP4, and the key deliverables/actions which result from this process should be referenced within your Delivery Planning Template and CfSD Heat Map highlighted in the related plans/strategies column.

F. Data Templates

59. The Activity Data templates which accompany RMP4 are largely the same as those submitted along with RMP3, with the exception of T3 (requesting information on the Clinical Prioritisation of your Elective Waiting List) which has been omitted as this information is now being collected by Public Health Scotland on an ongoing basis. This has been replaced with a template requesting projected performance information on elective waiting times. Each of the Activity and Performance Templates includes specific guidance along with the data sheets so these are not covered within this guidance.

- **Template 1 (T1)** – Collects activity projections on Unscheduled Care, Mental Health and Delayed Discharges by quarter or month. Some performance measures are also collected for Unscheduled Care, (4 hour A&E), Cancer (31 and 62 day standards) and for Mental Health (CAMHS and Psychological Therapies waiting times). Definitions are included in the spreadsheet.

- **Template 2 (T2)** - Collects Elective Care: Monthly Actual v Planned Activity. Planned activity figures should be submitted with your RMP4 by end of September and cover October 2021 to March 2022 (2nd half of FY2021/22) – although these figures will be kept under review. We require that following this submission, you submit actual activity figures on a monthly basis by the 5th day (or closest working day) of each following month. The template should be signed off every month by the Waiting Times lead for the Board. Previous monthly activity and planned activity figures should not be revised. The updated templates should be sent to ttgreports@gov.scot with your Board's own Regional Access Performance Manager copied in. Definitions are included in the spreadsheet.
- **Template 3 (T3)** – Collects Elective Waiting Times Trajectories for patients waiting over 12 weeks (over 6 weeks for Diagnostics) and over 52 weeks, requesting information for Quarters three and four of 2021/22 (i.e. monthly figures from October onwards). These projections should also be submitted by end of September to ttgreports@gov.scot.

ANNEX 1 - Planning Assumptions

In preparing updated Remobilisation Plans for October 2021 – March 2022, Boards should take account of the following assumptions:

General Principles

- Person Centred Care is a strategic priority for the Scottish Government and for the NHS in Scotland. Healthcare in Scotland will be planned and delivered in a way that is right for each patient, individualised and taking into account community wishes and preferences.
- This person-centred approach will include improving our understanding of the health inequalities which have been brought into such sharp focus during the pandemic, and developing solutions to tackle these systemic issues. To do this, we will not only look within our own processes and assumptions, but also work with wider partners, including through the new Care Programmes, to identify and address the underlying causes of health inequality.
- As we continue to live with Covid-19 and to ensure the safety of patients, staff and visitors, effective Infection Prevention and Control will underpin all of our actions and interactions, and will be a key consideration in capacity planning;
- Workforce and recruitment assumptions will be kept under review to reflect new Business as Usual pathways or service redesign programmes;
- Supporting the recovery and ongoing wellbeing of our workforce will be key to service sustainability.

Living with Covid

- The continuing impact of the virus on the health and care system means that patient facing Boards will have to balance responding to Covid-related demand with the provision of non Covid-related services throughout the remainder of 2021/22 and beyond;
- The ability to respond effectively to this situation, as well as to seasonal demand, will require that appropriate surge and ICU capacity is maintained across the system;
- There will continue to be an enhanced/extended role for Public Health (including in relation to Test and Protect, contact tracing, support for Care Homes/home care, specialist advice/guidance, incident management, data and intelligence);
- Vaccination Programmes will continue to be supported for the remainder of the year;

- There will be a requirement for the continuation of screening and testing in line with national policy.

Delivering Non Covid Services

- The range and capacity for the delivery of non-Covid services will be impacted by the varying requirements of living with Covid, as well as other seasonal demands, with decisions guided by Clinical Prioritisation and the need to ensure the safety of patients and staff;
- The process of moving out of the current emergency footing and towards 'Business as Usual' will build on the new ways of working that have been developed;
- The delivery models for urgent and emergency care services will take account of the ongoing implementation of the Redesign of Urgent Care programme and the subsequent learning from that programme;
- Boards will continue to embed and extend the role for digital health and care;
- The optimisation of self-care and of the role of primary care/community-based services will be key elements of the new 'Business as Usual' models and pathways;
- Boards and delivery partners will be cognisant of the recommendations and forthcoming consultation related to the Independent Review of Adult Social Care, published on 3 February 2021, as they develop plans.
- Boards will make the best use of data/evidence to drive their planning and decision-making;
- Boards will fully exploit the opportunities offered by mutual aid; joint working; regional approaches and the support of National Boards.

Board Paper

1. Title of Paper

NES Corporate Risk Register, including COVID-19 Risk Annex

2. Author(s) of Paper

Janice Sinclair – Interim Director of Finance
Lorraine Turner – Manager, Planning and Corporate Resources

3. Situation/Purpose of paper

The purpose of this paper is to present the NES Risk Register and COVID-19 Risk Annex as at 5 August 2021.

4. Background

- 4.1 The paper presents the NES Corporate Risk Register as at 5 August 2021 which incorporates re-scoring, where appropriate, to reflect the impact of the COVID-19 pandemic on *existing* risks.
- 4.2 An annex detailing the *additional* key risks identified for the organisation as a result of the impact of, and the NES response to, the COVID-19 pandemic is included.

5. Assessment/Key Issues

(include identification of any strategic risks)

Corporate Risk Register

- 5.1 **Operational Service Delivery Risks:** An item was raised at the Extended Executive Team (EET) Meeting on 23 June 2021 in relation to cost pressures arising from fixed-term Digital Directorate contracted resource.
- 5.2 This is considered to fall within the scope of Risk 6 on the Corporate Register: *In the face of new and existing demands, NES is unable to allocate resources to support priority activities in an agile and responsive manner*, with Controls (5) and (6) in particular providing mitigation.
- 5.3 In light of the implications of the additional cost pressures, consideration was given to the residual scoring of Corporate Risk 6 at the next EET meeting on 21 July 2021. At that meeting it was agreed that the scores would not change, but a further mitigation would be added around workforce planning to reduce the reliance on contractors. This is included as a new action under mitigation measure no. 8.

COVID-19 Risk Annex

- 5.4 **Operational/Service Delivery Risks:** The COVID-19 Annex includes three Digital risks with resourcing implications and in light of the Digital resource cost pressures, the mitigation measures and scoring of the following risks was considered at the EET meeting on 21 July 2021.

Risk 4: New change programmes

Risk 7: Digital product demand exceeds what the available resources can support

Risk 3: COVID-19 Support Requirements: Impact on BAU (Business As Usual) delivery which has had to be de-prioritised and the workforce realigned to the immediate requirements to support COVID-19.

- 5.5 The EET agreed that the inherent likelihood for Risk 3 would move from level 3 to level 4, changing the overall score from 12 to 16, resulting in a Primary 1 inherent risk. This change is now reflected in the risk register.
- 5.6 Inherent and Residual scores for Risk 4 were due to be added and have been confirmed by the Director of Digital as risk owner. The scores are now included in the register.
- 5.7 Each risk evaluation is at a point in time and will continue to evolve. In order to ensure regular management review, the COVID-19 risk register is a standing item at each formal Executive team meeting.

Corporate Risk Register Content

- 5.8 In response to one of the recommendations in the NES Global Risk Maturity Report, a workshop supported by KPMG has been held, to begin a process of improving the articulation of risks and controls on the Corporate risk register.

This involves:

1. Extrapolation of each of the existing risks to better understand the drivers and the component risks (e.g. 17 new risks were identified from the 7 sampled risks).
2. The resulting principal risks will be articulated and their potential impact defined.
3. Risk controls and scores will be added and the new risks aligned with the NES risk appetite.
4. Any potential actions will be identified, and also an action owner and risk sponsor.
5. The new risks will then be prioritised according to their scores to determine whether they should be managed through the corporate risk register or local registers.
5. This approach, and continuation of this work through the RMG, was approved at the EET meeting of 21 July 2021. The final version will be presented to the EET before further circulation for review. Further work will involve taking account of the COVID-19 Annex to determine representation/integration of content going forward.

6. Recommendations

The NES Board is asked to approve the NES Corporate Risk Register and COVID-19 risks and provide any further feedback as appropriate.

Author to complete

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with [NES Strategy 2019-2024](#)

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

- Yes
 No

f) Have you considered a staff and external stakeholder engagement plan?

- Yes
 No

JS/LT
NES
August 2021

NES Corporate Risk Register - August 2021

Risk No.	Description	Risk Owner (Lead Director)	Current Period				Mitigating measures	NES Risk Appetite	Last Period	
			I x L	Inherent Risk	I x L	Residual Risk			I x L	Residual Risk
STRATEGIC POLICY RISKS										
R1	Pressures on the system result in education and training being considered as less important than service delivery priorities, including as a result of COVID-19 impact.	NES Chief Executive Karen Reid	4 x 4	Primary 1	4 x 4	Primary 1	<ol style="list-style-type: none"> NES Board to advocate and promote the importance of education and training. Revised NES Strategic Plan clearly articulates the importance of education and training to a sustainable workforce. This has been well received. The residual scoring of this risk remains as Primary 1 and now reflects the risk associated, across the professional groups, with the disruption to educational professional programmes. Detailed measures are reflected in Risk 1 and 2 of the attached COVID register. NES Remobilisation Plan focuses on recovery of priority areas of core business, acknowledging the continuing uncertainty and service pressures which may affect capacity within the workplace- based learning environment. 	OPEN (Score Range 10-12)	4 x 4	Primary 1
R2	Scottish Government budgetary decision results in an uplift for NES that is less than cost pressures which in turn could mean NES Board are unable to balance expenditure against expected funding.	NES Executive Team (Janice Sinclair)	5 x 5	Primary 1	4 x 3	Primary 2	<ol style="list-style-type: none"> NES Board approves annual budget which includes measures required to reach a balanced position. Monthly management accounts show actual performance against budget projections ahead of year-end. Monthly management accounts are reviewed by Directors and the Director of Finance allowing mitigating action to be taken to manage any overspend/ underspend. Close working underway with SG to address the underlying deficit resulting from the expansion of TGs and uplifts that have been less than cost pressures in this area. SG have agreed to underwrite the in-year deficit position on MTG's. We have received formal confirmation that the in-year impact of the historic training grade deficit will continue to be underwritten by SG for 2021/22. In addition, the 2021/22 allocation to NES included a £3m increase to the baseline for Medical Training Grade salaries. It has been confirmed that the pay uplift to base pay scales will be fully funded, although pay progression within AfC will be funded by Boards. 	OPEN (Score Range 10-12)	4 x 4	Primary 1
R3	Policy development UK-wide and within Scotland (including as a result of COVID-19 pandemic), may have negative impact on NES's capacity to support attraction, recruitment and retention of the workforce; potential future workforce supply; and training progression.	NES Chief Executive Karen Reid	4 x 4	Primary 1	4 x 3	Primary 2	<ol style="list-style-type: none"> NES Directors maintain strong engagement with relevant leads at Scottish Government. NES to maintain an evidence bank to support ability to influence policy decisions. Chief Executive and NES Directors to maintain links with other UK organisations. The ability to agree decisions on a 4 nation basis has been key during the COVID response. The detail of these decisions is included in the COVID appendix. 	OPEN (Score Range 10-12)	3 x 3	Contingency
R4	Challenges that Boards and other organisations have in meeting demand for staffing result in a negative perception of NES's involvement in the attraction, recruitment and retention of the workforce	NES Chief Executive Karen Reid	4 x 4	Primary 1	3 x 4	Primary 2	<ol style="list-style-type: none"> Maintain clarity in relation to NES's role and influence - through regular engagement with SG sponsor team, and relevant executive director groups, including SAMD, SEND and HRDs. Work with Boards to ensure optimal deployment of staff. 	OPEN (Score Range 10-12)	3 x 4	Primary 2

R5	Changes in the landscape of health and social care and pressures in the system result in a risk that NES is unable to manage constructive relationships with key partners	NES Chief Executive Karen Reid	4 x 4	Primary 1	3 x 4	Primary 2	<ol style="list-style-type: none"> Chief Executive and/or NES Directors maintain open and collaborative relationships/arrangements with counterparts in partner organisations Ensure Chair is well briefed to manage relationships with other Board/organisational Chairs - Chair's regular Newsletter now being issued to other Chairs. Parliamentary monitoring service provides daily briefing to NES Executives and senior managers. Board papers and minutes made available on NES corporate website. Discussions about pressures and national developments at EET are communicated to staff through regular staff video and Intranet updates. 	OPEN (Score Range 10-12)		3 x 4	Primary 2
R16	The UK is no longer a member of the EU: potential negative impact on recruitment, and reciprocal recognition of qualifications.	NES Chief Executive Karen Reid	4 X 5	Primary 1	3 x 4	Primary 2	<ol style="list-style-type: none"> Systems and processes have been updated to reflect the points-based system for NES recruitment and for NES employees, and more widely for the national immigration (formerly Tier 2) services provided to Health Boards by NES for trainees (doctors and dentists in training). Regular communications have been provided to colleagues across Boards and affected employees and trainees. Changes to immigration regulations have led to a 25% increase in unique applications in 2020/21. It is anticipated that this will result in improved fill rates to training programmes across the medical specialties. 	OPEN (Score Range 10-12)		3 x 5	Primary 1
R17	The National Digital Platform is not delivered in line with the updated Digital Health and Care Strategy.	NES Executive Team (Christopher Wroath)	4 X 4	Primary 2	4 X 3	Primary 2	<ol style="list-style-type: none"> New Director to review structures and deliverables and identify necessary changes to ensure resources are focused on delivery of the agreed outcomes from the Digital Health & Care Strategy (and take account of any changes when SG refresh the Strategy later in 2021). Continued engagement with key stakeholders. Performance Monitoring will be included in the remit of the reconstituted Digital and Information Board Committee. New Director to ensure all NDS work has clinical safety and medical device regulations embedded into all developments. 	OPEN Score Range 10-12)		4 x 3	Primary 2
OPERATIONAL/SERVICE DELIVERY RISKS											
R6	In the face of new and existing demands, NES is unable to allocate resources to support priority activities in an agile and responsive manner	NES Chief Executive Karen Reid	5 x 5	Primary 1	3 x 4	Primary 2	<ol style="list-style-type: none"> As part of operational planning all activities are linked to an agreed priorities framework and a NES strategic objective. The Senior Operational Leadership Group, chaired by the Director of Planning reviews budget submissions from across NES to ensure congruence, no duplication and identify opportunities for collaboration and efficiency savings. Continued focus on improving processes to release capacity - with plans to support this with QI coaching. At a Strategic Level argument to be made about requirement to invest in workforce organisation. Regular EET meeting are a positive contribution to the management of resource demands – priority areas identified quickly and addressed. Executive-led digital structure enables prioritisation of NES digital activity, Strong focus on continuing to build on innovations in delivery in response to COVID. Workforce planning approach approved by Executive Team to develop and implement NES whole system workforce planning covering 2022 -2025. Action Plan to be published by March 2022, linking workforce planning to operational planning, and incorporating prioritised actions informed by Directorate-level discussions. The Action Plan to include specific actions covering: recruitment, attraction and branding, succession planning, identification of skills gaps, and diversity. 	OPEN (Score Range 10-12)		3 x 4	Primary 2
R7	Turnover in key roles leads to loss of expertise/corporate knowledge resulting in negative impact on performance.	NES Chief Executive Karen Reid	4 x 4	Primary 1	3 x 3	Contingency	<ol style="list-style-type: none"> Executive Team has approved an approach to career development and succession planning. This includes mapping of key roles; a process to identify potential successors; work with potential successors on individual development plans. 	OPEN (Score Range 10-12)		3 x 3	Contingency

R8	Organisational or other changes lead to dissatisfaction and disengagement of staff	NES Chief Executive Karen Reid	4 x 4	Primary 1	3 x 3	Contingency	<ol style="list-style-type: none"> Strong partnership working arrangements in place and maintained through regular contact with the Employee Director and via the Change Management Programme Board. Strong focus on communication and encouraging employee voices e.g. introduction of Trickle App. 	OPEN (Score Range 10-12)	3 x 3	Contingency
R9	Major adverse incident impacting on business continuity	NES Executive Team (Christopher Wroath)	4 x 4	Primary 1	2 x 4	Housekeeping	<ol style="list-style-type: none"> Disaster Recovery Plan and Business Continuity Plans have been approved by the Executive Team. <ul style="list-style-type: none"> The plans were tested in a desk top exercise and recommendations were considered by the ET and incorporated into the current version of the plans. How these plans have been implemented is reflected in the COVID Annex. Availability of updated BCP to be confirmed. 	OPEN (Score Range 10-12)	2 x 4	Housekeeping
FINANCE RISKS										
R10	The complexity of the NES budget results in year-end underspend giving the impression that NES is overfunded	NES Executive Team (Janice Sinclair)	4 x 5	Primary 1	3 x 3	Contingency	<ol style="list-style-type: none"> Early engagement with the Audit and Risk Committee and NES Board to give indication of likely financial position. Directorates given indicative budgets to plan own activities and expenditure. Final budget approved by NES Board by end of March each year. For 2020/21 the Annual Operating Plan was superseded by the Remobilisation plan which has been agreed by SG (October 2020). The financial impact of COVID on the 2020/21 budget is being monitored closely and all additional funding has been received Ongoing discussions on the longer term (recurrent) impact of COVID. The NES budget is now managed and reported in two separate elements which highlights the underlying recurrent deficit on Medical training grade salaries which is underwritten by SG. Discussions with SG are underway to reclassify more non-recurring funding to recurring which should encourage the early commitment to programmes, reducing underspends caused by recruitment delays. 	AVERSE (Score Range 1 - 3)	3 x 3	Contingency
R11	NES is unable to identify in year savings required to balance budget and therefore has year-end overspend	NES Executive Team (Janice Sinclair)	4 x 5	Primary 1	3 x 3	Contingency	<ol style="list-style-type: none"> Early engagement with the Audit and Risk Committee and NES Board to give indication of likely financial position. Directorates given indicative budgets to plan own activities and expenditure. Ongoing programme of identifying efficiency savings. Final budget approved by NES Board by end of March each year. For 2020/21 the Annual Operating Plan was superseded by the Remobilisation plan which was agreed by SG (October 2020). The financial impact of COVID on the 2020/21 budget is being monitored closely and all additional funding has been received. The NES budget is now managed and reported in two separate elements which highlights the underlying recurrent deficit on Medical training grade salaries which is underwritten by SG. Savings captured from innovations in delivery in response to COVID. 	AVERSE (Score Range 1 - 3)	3 x 3	Contingency
REPUTATIONAL/CREDIBILITY RISKS										
R12	NES is not able to demonstrate the impact from the interventions that it has developed and delivered: Scottish Government guidance has required necessary reprioritisation of organisational activities in response to COVID-19.	NES Chief Executive Karen Reid	4 x 5	Primary 1	3 x 4	Primary 2	<ol style="list-style-type: none"> Directorates have focused on contingency planning and arrangements for paused work. UK based guidance from Statutory Education Bodies has informed education and training remediation responses. Some core areas of education and training have been maintained/adapted to mitigate long-term impact to workforce supply. Scottish Government guidance to NHS Boards will shape recovery phase requirements. NES Recovery Plan will focus on three-phased approach: to prioritise delivery of critical activities in short-term; resume delivery in medium term; and consider improvements to business model in longer-term. Annual Operational Plan, incorporating desired outcomes, will form baseline for organisational activities post-COVID-19. Planning systems require all activities to include anticipated desired outcome 	CAUTIOUS (Score Range 4 - 9)	3 x 4	Primary 2

						8. Desired outcome measured 9. Readiness to 'fail fast' rather than pursue initiatives that aren't working. 10. Development of focused communication plans as a pro-active measure to ensure awareness of NES activity.				
R13	NES does not deliver leading to a loss of reputation and confidence from stakeholders. Uncertainty in health and social care as a result of COVID-19 may lead to difficulties responding to service demands and needs. Future implications of the Independent Review of Adult Social Care in Scotland.	NES Chief Executive Karen Reid	4 x 5	Primary 1	3 x 3	Contingency	1. NES organisational activity has been refocused to support frontline services and implementation of NES Re-mobilisation Plans 2. Work has been undertaken with NHS Boards, statutory education bodies in the four nations, and professional regulators, to mitigate disruption and allow trainees/learners to progress where possible. 3. In consultation with statutory bodies across the four nations, recruitment procedures have been put into place to enable recruitment to operate effectively under current restrictions and support workforce supply chain. 4. Management of stakeholder expectations in relation to NES capability to deliver and support new systems developments. 5. Review of Operational Plan targets to identify and plan priorities in the recovery phase. 6. Ensure targets set are SMART and also have resources allocated to them to support delivery 7. Ensure Chief Executive, NES Directors, Board and standing committees have access to regular management reporting. 8. Development of focused communications to support management of stakeholder expectation in relation to NES capacity to deliver and support new systems development. 9. The implications for NES from the Adult Social Care Review which may be included in any future Manifesto or White paper will be subject to close review and this risk revisited.	CAUTIOUS (Score Range 4 - 9)	3 x 3	Contingency
ACCOUNTABILITY/GOVERNANCE RISKS										
R14	Failures in Board processes lead to corporate governance non-compliance and loss of credibility with Scottish Government e.g. failure to comply with statutory and/or other requirements, failures in financial/audit/staff governance/educational quality procedures	NES Executive Team (Donald Cameron)	5 x 5	Primary 1	2 x 2	Housekeeping	1. Standing committees responsible for each governance domain supported by Executive Groups. 2. Each committee provides an annual report to Audit Committee detailing how it has discharged its remit. 3. Comprehensive programme of internal audit 4. An Assurance framework has been developed in line with the 'Blue Print for Governance' and the Assurance and Audit Committee Handbook 5. Whistleblowing arrangements are in place with information and resources available to staff via the Intranet including Whistleblowing standards, policy and process. 6. During the pandemic our governance processes have been maintained through 'Governance light' to support secure governance. 7. Ensure corporate awareness of relevant statutory regulatory oversight, and maintain close working with relevant professional and other regulatory bodies.	AVERSE (Score Range 1 - 3)	2 x 2	Housekeeping
R15	NES has a breach of Information Governance requirements resulting in loss of data and/or negative publicity	NES Executive Team (Christopher Wroath)	4 x 5	Primary 1	4 x 2	Contingency	1. Statutory and relevant data security processes in place, with specific reference to the new General Data Protection Regulations. 2. Specific additional policies, procedures and practices (based on ISO27001) have been put in place to ensure robust security applies to the TURAS platform and the being developed National Digital Platform. 3. Whistleblowing arrangements are in place with information and resources available to staff via the Intranet including Whistleblowing standards, policy and process.	AVERSE (Score Range 1 - 3)	4 x 2	Contingency

R18	Impact to NES operations, staff and stakeholders as result of Coronavirus pandemic.	NES Chief Executive Karen Reid	5 x 5	Primary 1	4 x 5	Primary 1	<ol style="list-style-type: none"> 1. Immediate implementation of emergency planning arrangements including NES Business Continuity Plan, COVID-19 Contingency Plan, Re-mobilisation Plan and Communications Plan. On-going review, monitoring and update in response to UK and Scottish Government guidance and latest developments. 2. NES Resilience Co-ordinating Team in place. 3. Strategic deployment and enablement of remote access technology to support meetings and decision-making; operational activities; and staff working from home 4. Reporting protocols agreed and implemented. 5. Dissemination and cascade of organisation-wide communications across key platforms. 	AVERSE (Score Range 1 - 3)	4 x 5	Primary 1
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Operational/Service Delivery Risks								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
1.	NES Clinical Directorates: <ul style="list-style-type: none"> Medical NMAHP Dental Pharmacy Optometry Healthcare Science Psychology 	Interruption/delay /adverse impact to training programme delivery including Scottish Government mandated training. Risk Owner: Karen Reid	<ul style="list-style-type: none"> Cancellation of required courses or programmes Cancellation of required professional examinations Reduced clinical experience and training capacity due to: cancellation of routine clinical activities; redeployment of trainees to different clinical duties; absence from work due to self-isolation or illness 	<ul style="list-style-type: none"> Disruption to training leading to delays in training progression Slippage to recruitment and training plans Financial implications as a result of extensions to training and support Training capacity issues Negative impact on service delivery Potential future workforce supply issues/gaps Uncertainty around non-recurrent funding Several essential Medical Royal College examination diets continue to be postponed. Hopefully, many will be rescheduled within this training year, but this will introduce further lag into the system. Ongoing concern about the significant impact of reduction in elective clinical activity in many craft specialties (Surgical, some Medical, Pathology). Likely that significant numbers of trainees, especially in some specialties (Surgery) will not achieve expected curricular requirements in order to achieve satisfactory ARCP (Annual Review of Competence Progression) outcomes and therefore will need extensions to training in August. The impact may affect CCT (Certificate of Completion of Training) output and completion of core training programmes. 	Primary 1 4 x 4	Contingency 3 x 3	<p>Medical: Cancellation of professional examinations Control (1): During the second wave of the pandemic, a number of College examinations were postponed, however most professional examinations will be running again from the end of March and additional examination diets have been scheduled to compensate for postponed examinations. Many mandatory courses have been adapted or redesigned to be delivered virtually, and priority will be given to those approaching critical progression points. Reduced elective clinical activity has had an adverse impact on trainee experience and efforts are being made to mitigate the impact of this eg use of the Independent sector, increased use of endoscopy simulators and prioritising those trainees approaching critical progression points, such as CCT.</p> <p>NMAHP: Delay to pre and post registration commissioned programmes (by NES or Scottish Government). Control (1): NMAHP working closely with HEIs, Colleges and Boards to pre-empt problems and assist in ensuring that educational programmes can continue as smoothly as possible. Rapid Action Group set up with all stakeholders to ensure practice learning continues as much as possible. Data on magnitude of delays collected from HEIs. Some limited face to face NES education continuing following a rigorous risk assessment.</p> <p>Dental: Interruption to supply of workforce (major negative impact on undergraduate dental student progression and Dental Vocational Training and to a lesser extent Dental Core and Specialty Trainees as well as pre-registration Dental Nurse Training). Control (1) In response to the concerns over undergraduate dental student progression and the risk of no output from the Dental Schools in Scotland, the Board for Academic Dentistry has been meeting on a regular basis over the past seven months. The Postgraduate Dental Dean is fully involved in these discussions. The Cabinet Secretary for Health and Sport has accepted the proposal that final year undergraduate BDS programmes in the Universities of Dundee and Glasgow will be extended by one year. There will be a delay to December 2021/ January 2022 in the graduation of final year undergraduate students in the BDS programme in the University of Aberdeen. This cohort of students will graduate out of sequence with the normal recruitment cycle for dental vocational training. The expectation is that we will identify career opportunities for this group of graduates until they are able to commence VT in August 2022. . Control (1) Vocational Training: Online resources have been identified/developed to provide alternatives to study day activities and requirements, as well as some aspects of evidence required for Satisfactory Completion. Control (2) Financial impacts are under regular review with Directorates and SG Finance have been made aware of the potential costs.</p> <p>Action (1) Adjust existing students' training plans. Action (2) Review the teaching and assessment schedules. Action (3) Delay commencement of new Dental Care Professionals (DCP) programmes Action (3) Revise financial planning predictions in relation to the Modern Apprenticeship in Dental Nursing funding. Action: (4) Adapt teaching and assessment approaches utilising online technologies in line with awarding bodies requirements. Action (5) Current Dental Vocational Trainees will be offered a contract extension to July 2022. There will be no recruitment to dental vocational training in 2021. Action (6) Regular discussions at a UK level with all stakeholders including the other Statutory Education Bodies to develop recruitment plans for Core and Specialty Training. There will also be increased flexibility for Specialty training start dates. Action: (7) Trainee progression will be monitored through existing processes</p>	<p>OPEN</p> <p>(Score Range 10 – 12)</p>

<p>1. / Cont'd</p>	<p>NES Clinical Directorates:</p> <ul style="list-style-type: none"> • Medical • NMAHP • Dental • Pharmacy • Optometry • Healthcare Science • Psychology 	<p>Interruption/delay /adverse impact to training programme delivery including Scottish Government mandated training.</p> <p>Risk Owner: Karen Reid</p>	<ul style="list-style-type: none"> • Cancellation of required courses or programmes • Cancellation of required professional examinations • Reduced clinical experience and training capacity due to: cancellation of routine clinical activities; redeployment of trainees to different clinical duties; absence from work due to self-isolation or illness 	<ul style="list-style-type: none"> • Disruption to training leading to delays in training progression. • Slippage to recruitment and training plans. • Financial implications as a result of extensions to training and support. • Training capacity issues • Negative impact on service delivery • Potential future workforce supply issues/gaps • Uncertainty around non-recurrent funding • Several essential Medical Royal College examination diets continue to be postponed. Hopefully, many will be rescheduled within this training year, but this will introduce further lag into the system. • Ongoing concern about the significant impact of reduction in elective clinical activity in many craft specialties (Surgical, some Medical, Pathology). • Likely that significant numbers of trainees, especially in some specialties (Surgery) will not achieve expected curricular requirements in order to achieve satisfactory ARCP (Annual Review of Competence Progression) outcomes and therefore will need extensions to training in August. The impact may affect CCT (Certificate of Completion of Training) output and completion of core training programmes. • Negative impact on Dental Training across the undergraduate postgraduate continuum. • Potential impact on Dental workforce pipeline. <p>Cont'd over/</p>	<p>Primary 1 4 x 4</p>	<p>Contingency 3 x 3</p>	<p>Action (8) Mandatory training for new entrants to NHS Scotland dental workforce has been moved to online delivery.</p> <p>Pharmacy: Potential workforce gaps and extended training support required for the 2019/20 200 PRPS (Pre-registration Pharmacist Scheme) trainees Control (1) Continuing to support the 2019/20 Pro-Registrant Trainee group until the registration assessment re-arranged GPhC examination (now due 17/18 March 2021 with resit option). This group (known as Pro-registrant) has been offered a range of supports to be ready for assessment. Dialogue with SG re any candidates who fail the assessment in March 2021. Control (2) There was a financial impact 2020/21 with additional SG funding. The outcomes of the re-arranged GPhC assessments for this cohort will be known in April 2021 and at that point we will go back into discussion with SG only required.</p> <p>Optometry: Service delivery impact due to reduction in training and support</p> <p>Optometry: Service delivery impact due to reduction in training and support Action (1) Sourcing/using as many online skills training materials as possible. Action (2) Potential for implementation of socially distanced skills training with newly acquired Eyesi simulators: sessions delivered but remains dependent on ability to set up equipment and gain access to Louisa Jordan or other hospital clinic. Action (3) Regular touching base with the team, and encouragement around lockdown protocols, to reduce risk to health.</p> <p>Healthcare Science: Slippage to recruitment Control (1): Measures being put in place to facilitate virtual recruitment selection for September 2020 Clinical Science trainee intake.</p> <p>Healthcare Science: Slippage to Training Plans Action (1): Discussions with training leads to be progressed. Control (1): Financial implication for employment/SLA (Service Level Agreement) extensions - worst case scenario modelled and submitted to Finance.</p> <p>Psychology: Interruption to Workforce Supply of Clinical and Applied Psychologists Control (1) NES Psychology, Higher Education Institutes (HEIs) and Health Boards to meet monthly as part of wider Psychology Services meetings. Regular discussions to discuss COVID-19 impact on training placements. Action (2) Adjustment made to training plans to take account of COVID-19.</p>	<p>OPEN (Score Range 10 – 12)</p>
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				<ul style="list-style-type: none"> Pharmacy PRPS 2019/20 cohort will sit re-arranged GPhC Assessment in March 2021 with outcomes expected in April 2021. This overall delay has an ongoing impact on workforce pipeline. 				
Operational/ Service Delivery Risks (cont'd)								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
2.	NES Clinical Directorates: <ul style="list-style-type: none"> Medical Dental Optometry Psychology NMAHP 	Reduced capacity (human and financial) to deliver appropriate education and training once clinical services are re-established Risk Owner: Karen Reid	<ul style="list-style-type: none"> Significant backlog of clinical work Service delivery may not resume in line with previous mode of delivery Pressure to regain lost ground Surge in clinical demand 	<ul style="list-style-type: none"> Reduced capacity to deliver upskilling for roles in certain areas to maintain and improve the quality of patient care Methods of workplace education and training may need to be revised Potential implications from adapting to online delivery Training environment is compromised Significant requirement to release clinical trainers to deliver mandatory training/courses and professional examinations to remediate critical missed elements required for training progression, including Certificate of Completion of Training (CCT) Impact on availability of clinical placements for undergraduate teaching across disciplines. 	Primary 1 4 x 4	Contingency 3 x 3	<p>Medical: Ability to deliver education and training due to backlog of clinical work Control (1) Medical Directorate Executive Team (MDET) continues to review the position regularly with Health Board Directors of Medical Education (DMEs). Control (2) Regular discussions at UK level with all stakeholders including other Statutory Education Bodies, the GMC (General Medical Council), Royal Colleges and others, to address this risk. Control (3) A NES COVID-19 survey will be re-run to assess the impact on trainee and staff experience. Control (4) Medical Directorate has commenced a wide-ranging Business Recovery Programme that will also tackle this risk in all its aspects, including the availability of clinical placements for undergraduate teaching.</p> <p>Dental: Reduced Capacity to Deliver Upskilling of Existing Dental Workforce Action (1) Prioritise the delivery of specific programmes depending on workforce demands and access to relevant practical cases required for assessment. Action (2) Adapt teaching and assessment approaches utilising online technologies in line with awarding bodies requirements. Action (3) Delivery of some CPD online, using tools such as GoTo Webinar, will enable access to key CPD topics by a large proportion of the dental team. Action (4) Keep under review Enhanced Practitioner for Domiciliary Care - training is currently suspended and will be unable to re-start until it is clear when access to care homes for mentoring is once again possible. This will also be dependent on the capacity of the Public Dental Service (PDS) to provide the PDS mentors.</p> <p>Optometry: Reduced Capacity to Deliver Upskilling of Existing Optometric Workforce Action (1): The risk around failure to deliver NES Glaucoma Award Training (NESGAT) in 2021/22 is mitigated by increased use of remote supervision and recovery related community work. Action (2): Tackling IP placement bottleneck to ensure we can support additional optometrists into therapeutics modules at GCU – as per operational plan.</p> <p>Psychology: Training and education delivery compromised Action (1) Adjust method of delivery to Digital webinars and virtual training environments. Action (2) Work closely with Board colleagues and offer flexible support to mitigate effect. Action (3) Through regular contact with stakeholders, ensure that our work is aligned with their priorities.</p> <p>NMAHP: Training and education delivery compromised Action (1) adapt delivery methods as far as possible towards technology enabled learning. Action (2) ongoing contact with key stakeholders to ensure training & education meeting needs.</p>	OPEN (Score Range 10 – 12)
			Cont'd over/					

							<p>Action (3) continue face to face teaching methods where absolutely necessary (e.g. SMMDP) to meet service demands.</p> <p>Action (4) establish the Rapid Action Placement Oversight Group to ensure progression of recommendations from the NES report "Provision of Nursing, Midwifery and Allied Health Professions (NMAHP) placements in the 2020-21 Academic Session".</p> <p>Action (5) recognising that COVID has, by necessity, impacted the way training will be delivered in the future NES has a Technology Enhanced Learning Programme underway which aims to create a strategy for the future technology education and learning delivery for all Directorates.</p>
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Operational/ Service Delivery Risks (cont'd)								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
3.	NES Digital	Impact on BAU (Business As Usual) delivery which has had to be de-prioritised and the workforce realigned to the immediate requirements to support COVID-19. Risk Owner (Lead Director): Christopher Wroath	<ul style="list-style-type: none"> Scottish Government in combination with NHS Scotland determine new, amended or existing services which need to be developed and deployed in support of the wider COVID-19 response. These services require a significant proportion of the available resources within NES Digital effectively suspending or cancelling BAU services or delivery against agreed deadlines 	<ul style="list-style-type: none"> NHSS services are not deployed in a timely fashion causing detrimental effects to services and service users Training programmes and outcomes are not delivered on time to the detriment of the individual learner or the service expecting their completed outcome Financial loss due to disrupted services and the need for remedial action Reputational risk 	Primary 1 4 x 4	Contingency 4 x 2	<p>Action (1) Stakeholders of the agreed BAU outcomes communicated with to indicate the NES Digital resource reallocation and expected timeframes for the resumption of BAU developments and delivery. Action Owners: Product Owners – All Stakeholders engaged and sighted.</p> <p>Action (2) Assessment and interweaving of BAU functionality/service requirements into COVID-19 responses to reduce the time to delivery of BAU outcomes on resumption of services Action Owners: Product Managers/ Digital Senior Team - Ongoing</p> <p>Action (3) Accelerate (within quality limits) the development and deployment timetables of COVID-19 responses to more quickly end the redeployment of BAU resources. Action Owners: Principal Leads Development/ Delivery</p>	OPEN (Score Range 10 – 12)
4	NES Digital	Impact of new change programmes Risk Owner (Lead Director): Christopher Wroath	<ul style="list-style-type: none"> SG appetite for further delivery of change underpinned by NES technology has been increased by the NES COVID-19 response. This is particularly important as the Care Home support work has drawn Social Care sector demands, in addition to NHSS and the ongoing support to the new services already delivered. 	<ul style="list-style-type: none"> NES strategic objectives are compromised by too much demand on NES Digital and NES Digital Services. The new services are not adequately resourced on a recurrent basis. 	Primary 2 3 x 4	Contingency 2 x 3	<p>Action (1): Management of the expectations of possible outcomes and the associated resourcing (funding) requirement from SG.</p> <p>Action (2): Regular communications with SG and ET/Board sighted</p>	

Operational/ Service Delivery Risks (cont'd)								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
5.	NES Digital	Delivery and development of COVID-19 related work primarily now related to the COVID-19 vaccination programme. Risk Owner (Lead Director): Christopher Wroath	<ul style="list-style-type: none"> Rapid and fast changing requirements from the Scottish Government Workforce initiative to develop/redevelop Turas based applications and related data support services in support of the COVID-19 mass vaccination programme. Associated outcomes (Management reporting data to SG). 	<ul style="list-style-type: none"> COVID-19 vaccination programme not able to deliver to 'expectation' through misunderstanding of what the current systems landscape can deliver, poor communication of timetables and changing Scottish Government priorities Data breaches Reputational risk 	Primary 2 4 x 3	Contingency 4 x 2	<p>Action (1) Daily communications with Scottish Government to manage expectations and check and cross check requirements, expected deliverables and timeframes. Action Owner: Director NES Digital</p> <p>Action (2) Daily meetings with key NES and external stakeholders to identify, discuss and co-author responses to Scottish Government, Board and COVID-19 Vaccination Programme members' expectation. Action Owner: Director NES Digital</p> <p>Action (3) Co-ordinate NES staff across all Directorates to bring to bear increased, appropriate and targeted resources to increase available resource to assist timely delivery at expected quality, mainly but not exclusively supporting Vaccinations. Action Owner: Director NES Digital</p> <p>Action (4) Introduce as much technology support as practicable in an iterative manner, to reduce/remove manual processes as understanding of them matures and time is allowed to develop and implement. Action Owner: Associate Director, NES Digital – this work is ongoing.</p>	OPEN (Score Range 10 – 12)
6.	NES Digital Service (NDS)	National clinical data landscape is further fragmented by short-term COVID-19 digital solutions Risk Owner (Lead Director): Christopher Wroath	<ul style="list-style-type: none"> Responsiveness to a complex and ever-changing health and social care landscape; serial development of short-term Minimum Viable Product digital solutions that are adopted to address the pandemic. 	<ul style="list-style-type: none"> Short term digital solutions further exacerbate the fragmentation of clinical data and make the objective of delivering national infrastructure more challenging, compromising ability of NDS to deliver agreed outputs. Overall reduction in project impact. 	Primary 2 3 x 4	House-keeping 2 x 3	<p>Control (1) Through meetings with the Scottish Government and eHealth leads and by feeding into national policy work, continue to make the case for data integration and availability, with a view to the longer term, while understanding that there are some short-term requirements.</p> <p>Control (2) Continual delivery monitoring to ensure emergency digital solutions are robust, with product lifespan agreed at initiation of project. e.g. will this be used post COVID-19?</p>	OPEN (Score Range 10 – 12)
7.	NES Digital Service (NDS)	Digital product demand exceeds what the available resources can support Risk Owner (Lead Director): Christopher Wroath	<ul style="list-style-type: none"> Expectations and demands from external bodies in respect of new digital products exceed what the available NDS resources can support. 	<ul style="list-style-type: none"> NDS medium- and long-term business as usual work is impacted, resulting in delayed or absent platform roll-out. Weakened external credibility 	Contingency 3 x 3	House-keeping 2 x 2	<p>Action (1) Revisit short-term objectives for 2020/21 with clarity on required commitments to temporary COVID-19 projects and how this impacts longer-term work. Action Due Date: 31 March 2021 Action Owners: Christopher Wroath, Alistair Hann</p> <p>Action (2) Increase available resource, subject to agreement with Scottish Government. Recruitment of software engineers and product team continues, using a remote recruitment model developed by NES HR and NDS Principal Lead for Recruitment. This will increase capacity within the directorate on a long-term basis. Action Due Date: 31 March 2021 Action Owners: Christopher Wroath, Matthew Hill</p> <p>Control (1) NDS attend regular scheduled meetings with internal and external stakeholders (SG Vaccination Programme meetings, NDS Senior Management Team, NES Digital Senior Team, existing programme steering groups, Standing Committee) to ensure continuous evaluation and reflection on short-term COVID-19 objectives.</p>	OPEN (Score Range 10 – 12)

Operational/ Service Delivery Risks (cont'd)								
8.		<p>Failure to Recruit NES Staff and Trainees.</p> <p>Risk Owner (Lead Director): Tracey-Ashworth-Davies</p>	<p>Due to a lack of resource and/or systems support leading to a failure to recruit:</p> <ul style="list-style-type: none"> Trainees across NHSS through usual vocational training recruitment activity, and NES staff through usual recruitment processes. 	<ul style="list-style-type: none"> For the trainees any failure to recruit will affect frontline service provision, impacting of patient care. A failure to recruit vocational trainees will result in workforce supply issues. The impact of the inability to recruit staff to NES would impact on delivery of the NES operational plan. 	Primary 1 5 x 4	Primary 2 3 x 4	<p>Control (1) Directorate leads are linked to national discussions on trainee recruitment across all relevant professional groups, including the suite of national systems such as Oriel, and work with HR in progressing vocational training recruitment for trainee groups in Scotland.</p> <p>Control (2) Establishment control processes refined to enable more fluid response to Directorate demand for recruitment activity for NES staff.</p> <p>Control (3) Guidance on remote interviews developed and available to hiring managers, including support from HR. Jobtrain recruitment management system now embedded into NES recruitment processes.</p> <p>Action (1) HR and Finance work together to anticipate and mitigate issues relating to financial year end, working with directorates to identify posts needed beyond year end and to extend contracts where appropriate.</p>	OPEN (Score Range 10 – 12)
Finance Risks								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
9.	Finance	<p>Payment of NES Staff and Suppliers are delayed or incorrect</p> <p>Risk Owner (Lead Director): Janice Sinclair</p>	<ul style="list-style-type: none"> Staff absence. Requirement to work from home. Increased fraud risk as business processes have been amended in response to the COVID-19 pandemic <p style="text-align: center;">Cont'd over/</p>	<ul style="list-style-type: none"> Data not available in time to meet payroll deadlines Staff not available to approve business usual processes for suppliers (Purchase orders/Goods received notes/ Invoice matching) resulting in payments issued incorrectly or not issued on a timely basis. Expenses not paid as the system needs to be accessed via the SWAN network Loss of funds due to fraudulent payments not being recovered 	Primary 2 4 x 3	Contingency 3 x 2	<p>Control (1.1) Where a payroll deadline cannot be achieved a process is in place to enable an advance of salary to be made into the individuals bank account.</p> <p>Control (2.1) All directorate staff have been provided with SWAN VPN access to support working from home and social distancing.</p> <p>Control (2.2) The frequency of cheque payment runs has been reduced to limit the requirement to attend the office.</p> <p>Control (2.3) Suppliers have been contacted and requested to email invoices.</p> <p>Control (2.4) A member of staff is going into the office once a week to collect post and scan invoices.</p> <p>Control (2.5) Currently there are three members of staff able to complete each part of the payment process, The service can temporarily function with one staff member for a short period of time in each of these areas.</p> <p>Control (2.6) Before the period of Lockdown, procedure notes were refreshed and adapted to suit remote working to ensure teams have the necessary resources available to them. This will enable staff from other areas to be deployed into the payment function.</p> <p>Control (2.7) System authority levels have been amended to enable more flexibility in the number of authorisers and their authority levels. The required amendments to the SFI's have been approved.</p> <p>Control (3): A supplementary process has been agreed for the submission and approval of expenses where access to the SWAN network is not possible.</p> <p>Control (4.1) Fraud alerts are being circulated to relevant staff.</p> <p>Control (4.2) The same level of rigour to the controls is being applied before any supplier bank details are accepted and amended.</p> <p>Control (4.3) NES Finance are now also verifying supplier details with Directorates and the Procurement Team to ensure Bank details are legitimate and from a trustworthy source</p>	AVERSE (Score Range 1 -3)

9.	Finance (Cont'd)	Payment of NES Staff and Suppliers are delayed or incorrect (Cont'd) Risk Owner (Lead Director): Janice Sinclair	<ul style="list-style-type: none"> Complexities around the £500 payment rules result in over/under payment 	<ul style="list-style-type: none"> Staff do not receive the correct payment in relation to the £500 bonus 			<p>Control (5) Payroll services across Scotland have developed system reports to identify leavers/additional hours worked to be used as a tool by individual payroll teams. We are working closely with NSS to ensure payments are correctly processed.</p>	
10.	Finance	Maintenance of Financial Governance / Internal Control Mechanisms. Risk Owner (Lead Director): Janice Sinclair	<ul style="list-style-type: none"> The interim Governance arrangements in place do not enable appropriate oversight of the Financial position Business as usual control mechanisms are ineffective. Staff absence 	<ul style="list-style-type: none"> Effective scrutiny and assurance will be compromised Regular reporting and monitoring is impacted reducing the effectiveness of the internal control environment and Scottish Government reporting requirements. It is not possible to produce a set of annual accounts which is a statutory requirement. 	Primary 2 4 x 3	Contingency 3 x 2	<p>Control (1) The new governance arrangements ensure that financial reports are routed through the Audit & Risk committee, or presented directly to the board depending on the dates of the meetings.</p> <p>Control (2) In addition to the twice weekly Extended Executive Team meetings, the regular NES Executive team meeting once every 2 weeks continues. This longer meeting enables a focus on key operational issues to continue – including Financial decision-making and review of the current financial position.</p> <p>Control (3) We have robust reporting processes in place to capture the additional costs and savings resulting from the impact of COVID-19 on our operations. These arrangements have been reviewed by Internal Audit who reported that these controls reflect a strong governance structure.</p> <p>Control (4) NES staff attend all Corporate Finance Network and Director of Finance meetings to ensure that we are aware of the latest requirements from SG in terms of monthly reporting and Annual Accounts.</p> <p>Control (5) Standing Financial Instructions and desktop procedures have been reviewed and amended, where appropriate, to enable robust control measures in the current home working environment. Changes to the SFI's have been endorsed by the Audit & Risk Committee and approved by the Board.</p> <p>Control (6) We have established a revised approach to the field work required for the audit of the annual accounts with External Auditors which worked well for 2019-20 and will be repeated for 2020-21 Accounts.</p> <p>Control (7) Where required, Board committees have agreed to review the Annual Reports of committees remotely to enable the necessary assurance processes to be carried out in the development of the Governance Statement.</p> <p>Control (8) As we are not currently experiencing a high staff absence level we have continued to work with External Audit to agree an audit approach in line with the existing annual accounts timetable so that, if this risk does materialise, we should still be able to meet reporting deadlines.</p>	AVERSE (Score Range 1 -3)

Reputational/Credibility Risks								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
11.	NES Clinical Directorates: NMAHP	Unable to respond to demands and needs of the service Unable to respond to the needs of students to catch-up on placements missed due to COVID as the responsibility for placements rests with the Education provider. Risk Owner (Lead Director): Karen Wilson	Uncertainty in health and social care during the recovery phase from COVID-19. Unable to respond to the needs of students to catch-up on placements missed due to COVID as the responsibility for placements rests with the Education provider.	<ul style="list-style-type: none"> Potential negative effect on forward planning and ability to respond to, as yet, unknown demands/workload and potential broader impact on the health and wellbeing of staff due to the uncertainty for staff over a prolonged period of time. Lack of clarity in relation to future activity and workload and this may impact on visibility and perceived relevance of our work. SG have asked NES to take a leadership role working with education providers and placement providers to minimise the backlog of placements but this can only be a facilitation role as the Education providers, not NES, are directly responsible for the placements. 	Contingency 3 x 3	Contingency 3 x 3	<p>NMAHP: Ability to respond to service demands and needs</p> <p>Control (1) Strong links with Scottish Government to minimise uncertainty.</p> <p>Control (2) Reviewing remobilisation plans from Boards/Regions to understand plans and priorities.</p> <p>Control (3): Ensuring strong networking with professional bodies, regulators and Scottish Government, Boards, and partners such as Scottish Funding Council, Scottish Social Services Council, etc.</p> <p>Control (4) Good communication internally and externally.</p> <p>Control (5) NMAHP have carried out a COVID-19 debrief process which will ensure learning is captured and informs flexibility, effectiveness and agility of response.</p> <p>Control (6) NES Health and Wellbeing work for staff to reduce effect of uncertainty.</p> <p>Control (7) Listening Service from Spiritual Care Service in NMAHP for staff.</p> <p>Control (8) Commissioning template developed to record details of new work from Scottish Government including priorities, outcomes, timescales, and associated funding.</p> <p>Action (1) On the 22 June 2020, Chief Nursing Officer Directorate commissioned NES to develop a detailed report setting out comprehensively the range of issues affecting placement provision for NMAHP students currently and future issues that will emerge in the new academic term 21/22. The report, entitled Provision of NMAHP Placements in the 2020-21 Academic Session, was submitted to Chief Nursing Officer Directorate on 17 July 2020.</p> <p>Action (2) The Scottish Government requested NHS Education for Scotland's leadership, through a Rapid Action Placement Oversight Group (RAPOG), to facilitate discussions, support the building of relationships locally, regionally and nationally across Scotland, and co-ordinate a range of measures to manage placement issues from now and throughout the coming academic session at a minimum. RAPOG meets monthly, pressure is significant on placements particularly AHP placements but actions are being progressed to maximise placements with placement providers and Council of Deans for Health Scotland.</p>	CAUTIOUS (Score Range 4 - 9)
12.	Workforce/Digital/NDS/Finance	(i) COVID-19 Accelerated Recruitment Portal Risk Owner (Lead Director): Tracey Ashworth-Davies / Christopher Wroath/ Janice Sinclair/ Karen Wilson	<ul style="list-style-type: none"> The development of the Portal was at the request of Scottish Government and required to be available in a week. The residual risk relates to NES role and contribution via CARP, incorrectly represented in Scottish Government communications to NHS Boards 	<ul style="list-style-type: none"> Perception that NES is not providing appropriate details of applicants cleared but not deployed. <p>Cont'd over/</p>	Primary 1 4 x 4	Primary 2 3 x 4	<p>Control (1) Supply Lists of candidates, via CARP with completed pre employment checks processed by NES, have been shared with Boards for their direct use to meet local demand. Boards have direct access to Turas to review checks.</p> <p>Control (2) Ensure clear communication about the contribution which NES is making and the elements which are completely within our control.</p>	CAUTIOUS (Score Range 4 - 9)

		(ii)Vaccination Programmes	<ul style="list-style-type: none"> The current Vaccination programmes require multiple stakeholders to agree and implement a solution. NDS and NES Digital are both involved in developing different aspects of the enabling technology to support this programme. 	<ul style="list-style-type: none"> Wider challenges in respect of this high-profile vaccination programmes may adversely impact the reputation of NES, given NES's role in supporting the technology. 			<p>Action (1) Ensure clear communication about the contribution which NES is making and the elements which are completely within our control.</p> <p>Control (1) NES engagement of SG Vaccination programme at Silver Command and via multiple operational level forums to lead understanding of programme outcomes and delivery roles.</p> <p>Control (2) Significant resource applied to ensure clarity of requirement at business process and digital and data layers of the programme.</p> <p>Control (3) Delivery by NES digital group on time and to spec of first-cut architecture to meet go live in early December 2020 - achieved.</p>	
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Accountability/Governance Risks								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
13.	Planning and Corporate Resources	Ability and Capacity to meet Board Governance Standards Risk Owner (Lead Director): Donald Cameron	<ul style="list-style-type: none"> The governance arrangements in place to respond to the different phases of the COVID-19 pandemic may fail to provide sufficient oversight of the emerging priorities and the on-going business of the Board and strategic decision making, effective scrutiny and assurance will be compromised. The Chief Executive and the Executive Team come under increasing pressure to meet reporting requirements when they are required to manage the NES response to the public health emergency. Meetings held without key stakeholders and public involvement. 	<ul style="list-style-type: none"> NES as an organisation fails to meet some governance standards 	Contingency 4 x 2	House-keeping 2 x 2	<p>Control (1) Board business as usual governance has not been applicable in the context of the COVID-19 pandemic and interim governance arrangements, agreed with the Board, have been implemented in three phases:</p> <ul style="list-style-type: none"> Phase one: 'Gold Command' and 'Core Board Governance' 26 March 2020 – 27 August 2020 Phase two: 'Development of Board Governance: COVID-19 lessons Learnt and Remobilisation' 27 August 2020 – 5 January 2021 Phase three: 'Governance Light' 5 January – 31 March 2021. <p>Control (2) The NES Executive Team met formally every two weeks during COVID-phase one governance and subsequently reverted to meeting every four weeks and when agreed have enacted the COVID-19: NES Contingency Plan which includes the NES Extended Executive Team meeting between seven times to once a week (depending on the stage of the pandemic) and NES Internal Coordinating Group: COVID-19 (always on-call) using MS Teams for communication, incident management. Strategic decision making - all recorded and reported to the NES Board by the Board Chair further to his attendance at EET and formal Board reports as appropriate at Board meetings.</p> <p>Control (3) Over the COVID-19 Governance period we have prepared NES Re-Mobilisation plans for the approval of the Board. The 2020-21 AOP went through the 23 March 2020 Board and was subsequently paused as per SG direction, the 30 July 2020 Board approved RMP2 and 11 February 2021 Board approved the RMP3 for submission to Scottish Government for their comment and approval. We reported all phases of COVID-19 governance arrangements to Scottish Government. We recently (January 2021) defined and agreed our approach to 'Governance Light' with the Board</p> <p>Action (1) Review NES standing committees, management groups and planning/performance functions, considering the governance arrangements put in</p>	AVERSE Score Range (1 – 3)

							place for COVID-19, and re-start corporate governance with agreed changes where appropriate. Action Owners: Della Thomas and Donald Cameron 13/10/20 Update: A review of NES Board standing committees and management groups has been completed and new arrangements (taking the best practice from wave 1 of COVID-19) were implemented in October 2020. 20/1/21 Update: In response to COVID-19 third wave and Scottish Government directives, the NES Board have adopted a Governance Light approach effective from 5 January 2021 – 31 March 2021.	
14.	Planning and Corporate Resources	Current NES properties and facilities will not be fit for purpose in the 'post COVID-19' world in terms of training, meeting and office space Risk Owner (Lead Director): Donald Cameron	<ul style="list-style-type: none"> NES will be unable to provide training, meeting and office facilities which comply with the requirements (still to be formulated) of a post COVID-19 world. 	<ul style="list-style-type: none"> Ability to deliver NES activities, in line with our current modes of business delivery and workplace utilisation, is compromised. 	Primary 1 4 x 5	House-keeping 2 x 3	Control (1) The ability to work remotely using cloud-based systems and communications technology is already in place Control (2) The ability to reconfigure NES facilities in line with new guidance while NES staff continue to work remotely. Action (1) Maintain all NES property transactions 'on hold' and put in place a short-term extension to the Phase 1 lease at CfHS to coincide with the Phase 2 lease expiry. This is to give us time to consider post-COVID property requirements and ensure our total property needs in Inverness are considered together when it becomes clearer (post COVID-19). Action Owner: Nicola Todd Action Due Date: 30/9/21 Action (2) Compile common standards for all NES sites in line with post COVID-19 national guidance/policy and for locally managed sites, PFM will support their reconfiguration as required working with local facilities management colleagues in dental and medical so that NES sites are prepared and signed off as COVID-19 secure in line with a Facilities Recovery Plan. Action Owner: various –PFM, local site Facilities Managers (Medicine and Dentistry) and staff side. Action Due Date: 30/11/20 – Complete, and sites to be maintained as COVID-19 secure in line with available national guidance.	AVERSE (Score Range 1 – 3)

Accountability/Governance Risks/ (cont'd over)

Accountability/Governance Risks								
Risk No.	Directorate	Risk Title	Cause	Effect	Inherent Priority I x L	Residual Priority I x L	Mitigation Measures (Controls/Actions)	NES Risk Appetite
15.	Workforce Directorate	The implementation of COVID-19 health protection measures could result in an unintended adverse impact on staff health and wellbeing Risk Owner (Lead Director): Tracey Ashworth-Davies	<ul style="list-style-type: none"> Sustained home working as result of COVID-19 pandemic mitigation measures 	<ul style="list-style-type: none"> Staff feel disconnected and/or isolated from organisation and workplace. Health and safety issues as a result of lack of suitable equipment/space or ergonomic workstation set-up. 	Primary 2 4 x 3	Contingency 3 x 2	<p>Control (1.1) Regular communications from the Chief Executive are posted on the intranet. Regular corporate communications issued to all NES staff and a series of FAQs developed.</p> <p>Control (1.2) Guidance issued to managers on the importance of keeping touch and regular virtual team and individual check-ins. Strong partnership links have been maintained to inform these communications.</p> <p>Control (1.3) Monthly management matters e-newsletters now issued weekly to support managers to mitigate staff health and well-being challenges.</p> <p>Control (1.4) Guidance and training resources on using Microsoft Teams and remote working are available on Turas Learn.</p> <p>Control (1.5) The NES Healthy Working Lives Strategy Group promotes a focus on health and wellbeing in the current context.</p> <p>Control (1.6) People Recovery Group in place to manage people risk and have implemented various staff engagement and wellbeing measures e.g. parent and carer groups, diversity networks, line manager webinars and Spaces for Listening.</p> <p>Control (1.7) Trickle App launched to encourage communication, ideas, and a means of dynamically monitoring staff concerns.</p> <p>Control (2.1) The Executive Team, through the Internal Coordinating Group, are supportive of staff health and wellbeing, and implementing reasonable adjustments in the home working environment, by taking steps to provide staff with the required or appropriate computing equipment, other elements of digital infrastructure (phones, access, etc) and also making available for their home workstations, customised chairs or other equipment previously purchased for them. Update of homeworking policy underway to take account of the current context.</p> <p>Control (2.2) Support is available from Health and Safety Adviser including workstation ergonomics self-assessment support.</p> <p>Control (2.3) Agile Working Health and Safety module available as part of staff essential learning.</p> <p>Control (2.4) The majority of NES staff are working from home. All NES sites remain accessible for essential staff and those with extenuating circumstances who have the option to work in the office as their key workplace subject to completed risk assessments and return to the workplace approvals from their line manager and HR.</p>	AVERSE Score Range (1 – 3)
16.	Workforce Directorate	Failure to comply with legislative and statutory requirements Risk Owner (Lead Director): Tracey Ashworth-Davies	<ul style="list-style-type: none"> Failure to comply with legislative and statutory requirements these include employment legislation, Equality & Diversity legislation and Health & Safety reporting. 	<ul style="list-style-type: none"> NES staff placed in danger due to NES failure to comply with and fulfil health and safety obligations. Employment Tribunal claims where NES has failed to fulfil employment obligations or is found to have discriminated against an employee. Inadequate staff governance and reporting. 	Primary 2 4 x 3	Contingency 3 x 3	<p>Control (1) Ensuring robust health and safety arrangements are in place for all NES employees, including those who work in placement organisations.</p> <p>Control (2) Continued access to sufficient HR expertise to support Directorates in any employee relations cases.</p> <p>Control (3) Maintenance of data across systems including eESS, SSTS and Turas to inform reporting and performance dashboard.</p> <p>Control (4) Ensuring compliance with Staff Governance Standard for NES employees across all settings: <u>Well Informed:</u> via regular Corporate, Directorate and line manager led communications, including Hub and intranet sites. <u>Appropriately trained and developed:</u> ensuring induction, essential learning and development activity continues to be managed through usual processes including PDP&R activity. Updating materials to reflect new working arrangements.</p>	AVERSE Score Range (1 – 3)

16. Cont'd)	Workforce Directorate	Failure to comply with legislative and statutory requirements. Risk Owner (Lead Director): Tracey Ashworth-Davies		<ul style="list-style-type: none"> Failure to deliver the Directorate's operational plan. 	Primary 2 4 x 3	Contingency 3 x 3	<p><u>Involvement in decisions which affect them:</u> continued strong working in partnership. Ensuring Directors and line managers have regular two-way communication across teams. Staff survey to collate feedback from staff on impact of Covid19 on work life.</p> <p><u>Dignity and respect:</u> promotion of NES values across all communications. HR support to any formal and informal grievance or dignity at work issues.</p> <p><u>Health, safety and wellbeing:</u> updated policies to reflect new working arrangements, including refreshed risk assessments. Clear statements on responsibilities (employee, line manager, employer, placement). Healthy Working Lives Strategy Group Campaigns.</p> <p>Control (5) Manage any compliance risk, by publishing a brief report by the statutory date of 30 April 2021 which describes equality progress; equality outcomes; workforce KPIs; workforce data statistics, including occupational segregation analysis; overview of existing equal pay statement, and plans for equality outcomes and equal pay statement review in the following year.</p> <p>Control (6) Regular review and updating of progress against the operational plan, flagging any areas not being progressed for a further risk assessment.</p>	AVERSE (Score Range 1 - 3)
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Closed Risks - Summary							
Risk No.	Directorate	Risk Title	Inherent Priority I x L	Residual Priority I x L	Risk Category	Closure Details	Date Closed
16	NMAHP/ Workforce	Students employed by NES, deployed to non-NHS placement such as care homes, where the rate of COVID-19 is higher than the general population. Risk Owner (Lead Director): Karen Wilson/Tracey Ashworth-Davies	Primary 1 5 x 4	Primary 2 3 x 4	Accountability/ Governance	4/02/21 Update (Audrey McColl) - All outstanding additional hours payments have now been made. It was recommended that this risk is now closed.	12/2/21
7	Workforce	Failure to Recruit NES Staff and Trainees: <ul style="list-style-type: none"> Failure to Recruit Staff through the COVID-19 Accelerated Recruitment Portal (CARP) Risk Owner (Lead Director): Tracey Ashworth-Davies	Primary 1 5 x 4	Primary 2 3 x 4	Operational/ Service Delivery	Following discussion at the Audit and Risk Committee on 28 January 2021 it was agreed appropriate to close the COVID-19 Accelerated Recruitment Portal element of risk 7.	12/2/21
2	NES Clinical Directorates: Pharmacy	Interruption/delay/adverse impact to training programme delivery including Scottish Government mandated training: <ul style="list-style-type: none"> Pharmacy: Potential workforce issues due to alternative recruitment arrangements required for 2021/22 PRPS (Pre-registration Pharmacist Scheme) Owner: Anne Watson	Primary 1 4 x 4	Contingency 3 x 3	Operational/ Service Delivery	24/2/21 Update (Ann Watson) - This element of risk 2 now closed - alternative recruitment model has been successfully implemented.	24/2/21

Board Paper

1. Title of Paper

Finance Report as at 30th June 2021: Quarter One - 2021/22

2. Author(s) of Paper

Margaret Reid, Acting Head of Finance Business Partnering
Janice Sinclair, Interim Director of Finance

3. Purpose of Paper

This paper presents the financial results for the first three months of the year to 30th June 2021 to the Board for assurance that the Board will meet its financial targets for 2021/22.

The paper updates members on the anticipated costs of the NES response to the COVID-19 pandemic.

The Board is invited to approve the content and format of this report or advise of any changes which may be helpful in order to maximise their strategic governance role.

4. Background

- 4.1 The NES annual budget was approved by the Board in March 2021 based on the financial plan submitted to Scottish Government (SG) to accompany the Board's third Remobilisation Plan (RMP3). The NES recurring baseline was expected to be £482m in this financial year based on the initial allocation received and assumptions relating to Pay awards. The RMP3 and financial plan were approved by Scottish Government (SG) on the 18th May 2021. That Financial Plan included a request to carry forward £0.5m in financial flexibility to 2022/23 (0.1% of the baseline) in respect of the investment anticipated for Technology Enhanced Learning (TEL).
- 4.2 In 2018/19 NES, agreed to contribute £2.5m to the National Boards Savings target of £15m. However, the overall target was not met, and SG removed a further £1.5m from the NES Baseline. The Financial Plan for 2021/22 assumed that these funds would be returned on a recurring basis but retained a non-recurrent £1.5m pressure within Provisions. SG have since confirmed that the £1.5m will be available to NES on a recurring basis from 2022/23.
- 4.3 The Financial Plan included an estimate of £3.0m in respect of Net additional costs of COVID-19. In recognition that there continues to be significant uncertainty about the impact of COVID-19 on both financial and performance outcomes, SG have instigated a Quarter 1 review of revised financial forecasts. The return from NES reported at the end of July reflected net COVID expenditure of £4.95m which is an increase of £1.65m from the 2021/22 financial plan. This movement was largely due to additional costs and funding related to the Digital work for the TURAS Vaccination Management Tool and National Clinical Data Store.
- 4.4 Since the Financial plan was agreed, the business Case for the NHS Scotland Academy (NHSSA) has been approved by Scottish Government. The Academy is jointly governed

by NHS Education for Scotland and NHS Golden Jubilee and governance arrangements have specified that detailed financial scrutiny has been delegated to the Strategic Portfolio Governance Committee within NHS Golden Jubilee, with top level financial reports presented to the NHSSA Joint Strategic Programme Board. It has been agreed through both the NHSSA's Joint Strategic Programme Board and Executive Programme Group, that NHSSA funding allocations will be split across the two parent boards and treated as "ring-fenced" within the financial reporting of each board. Requests for specific allocations have not yet been submitted to SG and as at the end of June 2021, NES has incurred no direct costs. Once allocations and costs are identified, we shall show NHSSA in a separate reporting line within future reports.

5. Assessment/Key Issues (including strategic risk)

Review by the Audit & Risk Committee

- 5.1 The members of the Audit & Risk Committee (ARC) are responsible for scrutinising the detailed financial reports. The ARC received both the detailed report and the summarised Board report at their meeting held 3 August 2021.
- 5.2 The ARC approved the quarter 1 financial figures for onward scrutiny by the Board in summarised form as below and suggested that the full Board may wish to offer views on if this newly formatted Board report meets their strategic governance role.

Funding Overview

- 5.3 As shown in Table 1 below, we have recognised an additional £0.8m in recurring allocations and £82.7m in Non- recurring and Earmarked allocations, including £5m in relation to COVID-19. These are built into directorates budgets as reported within Table 2. To date we have received £2.6m of the additional budget in the allocation letter. As is normal for this time of year, we are still in discussions with SG for non-recurring allocations as per our financial plan. Once outcomes and funding are agreed they will be incorporated into the budget.

Table 1: Total Anticipated Revenue Funding as at 30th June

Area	Recurrent	Earmarked	Non Recurrent	Total	Total split by:	
					Received	Outstanding
Original budget	481,814	0	0	481,814	473,585	8,229
National Boards	0	0	(1,500)	(1,500)	0	(1,500)
TEL Carried Forward	0	0	(500)	(500)	0	(500)
COVID-19 - main allocation	0	0	3,106	3,106	1,765	1,341
COVID-19 - Specific Allocations	0	0	1,955	1,955	0	1,955
Other	756	13,109	66,516	80,381	482	79,899
Total in-Year allocations	756	13,109	69,577	83,442	2,247	81,195
Total Revenue Allocation	482,570	13,109	69,577	565,256	475,832	89,424

All figures are in £000's

- 5.4 The £1.8m allocation received to date for COVID-19 was based on 50% of the anticipated Gross costs we provided in March. During July it has been confirmed that we will receive additional specific COVID-19 allocations totalling £3.5m to cover Turas CARE; the Turas Vaccination Management Tool and National Clinical Data Store; and funding to support dental schools to employ additional Teaching staff for undergraduate teaching. Our current COVID-19 forecast as at the end of July now reflects total net costs of £4.95m. We will monitor this position throughout the year.

5.5 We have not included an anticipated allocation for the in-year impact of the historic recurrent funding gap on medical training grades which is underwritten by Scottish Government. This is due to the volatility of the factors influencing medical training grade costs, meaning that this gap will vary throughout the financial year. A final reconciliation will take place at the end of the year to determine the value of the funding required. The anticipated funding gap is now £109k (see Table 2 below).

Forecast Outturn

5.6 As shown in Table 2 below, the Quarter 1 financial position for all of NES is reflecting an overall overspend of £0.1m, due to the Medical Training Grade Salaries (MTGS) funding gap. We expect this to be funded in full by SG but will not be reflected in anticipated funding until the year end.

Table 2: Corporate Summary Financial Position

Financial Position as at month Ended June 2021				Period 3				
Directorate	Year to Date			Full Year				
	Current Budget	Outturn	Variance	Current Budget	Outturn	Variance	0	Net Covid Variance savings/ (costs)
Training Programme Management - MTG Salaries	67,863	67,777	86	288,570	288,679	(109)		(242)
NES - Non MTG Salaries	62,208	61,035	1,173	276,686	276,686	0		(3,054)
TOTAL NES	130,072	128,813	1,259	565,256	565,365	(109)		(3,296)
MTG Historic Funding Gap anticipated from SG				109	0	109		
Forecast Year end and Total NES	130,072	128,813	1,259	565,365	565,365	0		(3,296)

All figures are in £000's

** All costs and savings related to the COVID-19 response are included within the YTD and outturn forecast figures as at 30th June. A corresponding budget entry has also been included within the full year budget meaning there is no impact on each directorate's outturn as a result.*

*** All COVID-19 costs relating to Medical Trainee Salaries are reflected within NES Non-MTGS to separate the COVID-19 impact from the underlying gap for Medical Training Grades.*

5.7 Table 2 also reflects the net impact from the COVID-19 pandemic on NES's expenditure as we continue to deliver against the RMP3.

The risks to the year-end financial position result from the following:

Financial Planning

5.8 The RMP3 and Financial plan submitted to SG in March have been approved and signed off. However, COVID-19 continues to impact on Boards' performance and financial outturn. SG have indicated that Boards are required to submit a RMP4 at the end of September. The financial plan will also be reviewed at that time. We will work closely with directorate colleagues and the SG to ensure that the risk of insufficient funding is minimised.

COVID-19 funding

- 5.9 We are now anticipating a total £4.95m allocation from SG for the response to COVID-19. Although SG acknowledge that these forecasts are likely to move during the year, there is a risk that future allocations are less than required.

Medical Training Grades Baseline Funding Gap

- 5.10 The in-year impact of the historic recurrent gap in Medical Training Grades will move throughout the year as the cost drivers are out with NES' control. With anticipated fill rates now being higher than when the budget was set, there is a risk that the gap and anticipated funding level from SG will increase. There is also a risk that the funding required for the 2021/22 pay award will increase this gap. We will continue to update the Scottish Government on a regular basis with respect to funding requirements however it was agreed that the drawdown figure will be confirmed at year-end.

Vacancy Lag Recovery

- 5.11 We have forecast a vacancy lag recovery of £2.4m. Although this is the same as the actual figure for 2021/22, as we move out of COVID-19 restrictions there is a chance that vacancies are filled faster than before. The Workforce Directorate also plan to implement measures, approved by the Staff Governance Committee, to reduce the length of time it takes to employ a member of staff following their acceptance of a position. If £2.4m is not achieved, it will create a budget pressure.

Digital Infrastructure Costs Review

- 5.12 A review of Digital resource requirements is currently underway. There is a risk that the continued reliance on contractors to develop and maintain Digital products could create a forecast overspend or reduce the level of support available to maintain the products.

NDS Funding

- 5.13 We have now received confirmation that Scottish Government will provide 3-year funding of £4.0m for NDS from financial year 2021/22. This is less than had been anticipated and there is a risk that if costs cannot be contained within the funding approved, that we will have a budget pressure, however, we will work with SG colleagues to resolve this as soon as possible.

6. Recommendation for Decision

The Board is invited to:

- note the financial results for the first 3 months of the year to 30th June 2021. (Quarter 1).
- note the anticipated costs of the NES response to the COVID-19 pandemic.
- comment on the content and format of this report and advise of any changes which may be helpful in order to maximise their strategic governance role.

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with [NES Strategy 2019-2024](#)

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

- Yes
 No

f) Have you considered a staff and external stakeholder engagement plan?

- Yes
 No

MR /JS
August 2021
NES

Board Paper

1. Title of Paper

Strategic Risk Appetite

2. Author(s) of Paper

Janice Sinclair, Interim Director of Finance

3. Purpose of Paper

To enable the Board to review and amend if necessary, the current levels of risk appetite defined in the NES [Risk Management Strategy](#).

4. Background

As part of the NES internal control framework there is a requirement to review the Risk Strategy on an annual basis which includes a review of the stated Risk Appetite. The Risk Management Strategy was last reviewed by the Board in September 2020.

5. Assessment/Key Issues

The Risk appetite was last amended in December 2017, when a new approach to defining risk appetite was approved by the Board. That approach distinguished between 'business as usual', projects in 'pilot' and activities in 'concept'. The Board's appetite for risk is higher for projects in concept or pilot stages.

6. Recommendations

The Board are asked to consider the existing risk appetite in light of the changes to the operating environment for NES since last September and identify whether it would be appropriate to make any changes to the Risk Management strategy to assist NES in its future operations.

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with [NES Strategy 2019-2024](#)

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

- Yes
 No

f) Have you considered a staff and external stakeholder engagement plan?

- Yes
 No

JS
NES
Aug 2021

NES Risk Management Strategy

- 1.0 Within the NES Risk Management Strategy five *risk categories* are identified; Strategic, Financial, Operational, Governance and Reputational.
- 2.0 Risks which have been identified in each of these categories are then assessed. The likelihood of the risk materialising is given a score between 1 and 5, and the impact the risk would have if it did materialise is also given a score of 1 to 5 – the combination of these 2 is the *inherent risk*.
- 3.0 All mitigating controls are then considered and the likelihood and impact of the risk is reassessed. This, usually reduced score, is the *residual risk*. It is frequently necessary to take further action to further reduce the residual risk score (addressing the likelihood, impact or both).
- 4.0 *Risk Appetite* reflects the level and type of risk an organisation is prepared to accept (and not accept) in achieving its objectives. It acts as a reference point for directorates in the management of risks. It is a control mechanism which prompts the question ‘does the residual risk level match the Boards stated risk appetite?’. This then enables a decision on whether corrective action is required.

Development of Risk Appetite in NES

- 5.0 In December 2017, the Board agreed a recommendation to change the NES approach to the articulation of risk appetite from a statement of a single risk appetite for each category of risk to a matrix approach.
- 6.0 The range of activity carried out in NES was increasing in complexity from significant changes which were taking place in the operating environment at that time. Health and Social Care Integration was highlighting new models of care and support would be required; the National Clinical Strategy proposed a large expansion of GP trainee numbers which NES supported by implementing a number of innovations designed to restructure and improve the attractiveness of our GP training rotations; the Digital Health and Care Strategy meant the start of developing a ‘supply side’ digital platform to bring together data sources and analysis to inform workforce planning; Supporting the Health and Care Workforce by developing a new employment model for Doctors and Dentists in training, return to practice initiatives, careers advice and resources as well as high quality training and career development opportunities.
- 7.0 This new approach developed from a recognition that given the level and range of activity NES was involved in and the pace of change, that risk appetite would be different at different times and in different projects. The matrix approach which was introduced is based on where an activity is at in the development lifecycle. The aim of this change was to encourage ‘blue sky thinking’ and innovation, ensuring that opportunities were being identified yet maintain an appropriate level of internal control as proposals became more developed.

Current NES Risk Appetite

8.0 The different levels of risk appetite are detailed in the table below.

Risk Appetite Classifications	Description
Averse (very low)	Avoidance of risk and uncertainty is a key organisational objective
Minimalist (low)	Preference for safe options where the inherent risk has low impact and there is a potential for limited reward
Cautious (Medium)	Preference for safe options where the inherent risk has relatively low likelihood and there is limited potential for reward
Open (high)	Willing to consider all options and choose the one that is most likely to result in success, despite a relatively high level of risk
Hungry (very high)	Eager to be innovative and to choose options offering the highest potential rewards or transformation, despite a high level of residual risk

9.0 The current risk appetite matrix for NES is detailed in the table below. The level of risk appetite reduces as an activity develops from being an idea through to implementation.

Type of risk	Current NES Risk Appetite		
	Concept Stage	Pilot/Test of Change	Business as usual
Strategic / Policy	Hungry	Open	Open
Operational / Service Delivery	Hungry	Hungry	Open
Finance	Cautious	Cautious	Averse
Reputational / Credibility	Open	Cautious	Cautious
Accountability / Governance	Cautious	Minimalist	Averse

* Descriptors of risk appetite for each risk type are included in Appendix 3 of the Risk Management Strategy.

10.0 Before an activity moves to ‘Business as Usual’ the relevant Director must ensure that sufficient controls are in place to bring the residual risk level in line with the risk appetite.

11.0 The matrix was not adjusted for the impact of COVID-19 as a separate risk register was maintained and essentially, we had no choice in our risk appetite.

12.0 The risk appetite for Finance at the concept stage of an activity is ‘cautious’ to reflect the fact that whilst in Agile Development it is accepted that it is better to ‘fail fast’ when not a lot of resource has been invested, we would not want to risk large sums of money. The Board’s appetite for financial risk is averse for established workstreams.

Future developments

- 13.0 Board Members will be aware that KPMG conducted a Global Risk Maturity Assessment designed to benchmark NES's risk management processes and practice. This exercise concluded that NES is a 'risk mature' organisation but identified several areas where arrangements could be strengthened further.
- 14.0 A key recommendation from the KPMG review was the establishment of a NES Risk Management Group to act as a review mechanism. This Group is currently being established as a means of standardising risk management practice across the organisation and helping us to better understand the overall risk profile of the Board. A key element of this will be the consideration of how the risk profile aligns with the defined risk appetite.

Recommendation

15.0 The Board is asked to consider;

- Is the matrix approach to risk appetite still appropriate?
- Are the risk appetites defined for each risk type still appropriate?
 - Or are we bearing more risk than our current appetite levels suggest?
 - Or could we tolerate more risk to innovate and use our resource more effectively?

NES Risk Scoring Matrix
(Included for information)

IMPACT	5	CON	PR		PRIMARY 1	
	4		-TIN	-IM		
	3		-GE	NCY	-AR	
	2		H	OUSE		-Y 2
	1	LO W			-KEEPING	
		1	2	3	4	5
		LIKELIHOOD				

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

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

Table 1 – Risk Types/Risk Appetite

Type of Risk	Risk Appetite		
	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

Table 2 - Risk Appetite Classifications and Scoring

Classification	Description	Residual Score Range: Likelihood x Impact (see 4.4 Risk Priority Matrix)
Averse	Avoidance of risk and uncertainty is a key organisational objective	1 – 3 (Low Priority)
Minimalist	Preference for safe options where the inherent risk has low impact and there is a potential for limited reward	4 - 8 (Housekeeping Priority)
Cautious	Preference for safe options where the inherent risk has relatively low likelihood and there is limited potential for reward	4 - 9 (Contingency Priority)
Open	Willing to consider all options and choose the one that is most likely to result in success, despite a relatively high level of risk	10 – 12 (Primary 2 Priority)
Hungry	Eager to be innovative and to choose options offering the highest potential rewards or transformation, despite a high level of residual risk	15 – 25 (Primary 1 Priority)

Board Paper

1. Title of Paper

The NES Carbon Net Zero Routemap to be achieved by 2045.

2. Author(s) of Paper

Nicola Todd, Principal Lead – Property and Facilities Management
Donnie McCartney – Senior Facilities Manager
Donald Cameron – Director of Planning and Corporate Resources

3. Situation/Purpose of paper

The purpose of this paper is to present the NES Net Zero Routemap undertaken as part of a pilot project across NHS Scotland. This outlines the possible steps that could be undertaken to achieve decarbonisation to meet the Scottish Government target of being carbon net zero by 2045.

4. Background

- 4.1 NES were selected as part of a pilot project across three NHS Boards to work alongside Ricardo Energy and Environment Consultants to develop a plan to allow the Board to reach carbon net zero by 2045 in line with Scottish Government targets.
- 4.2 The report gathers baseline emissions data and outlines three possible futures to allow progress towards the carbon net zero target. The most aspirational of these indicates that the maximum reduction possible is 89.2% compared to maintaining the business as usual approach which would lead to a 34.5% reduction in carbon by 2045.

5. Assessment/Key Issues

- 5.1 The Routemap notes that NES occupy premises with varying degrees of control over those factors which impact the achievability of net zero emissions, with Central Quay (Glasgow), Westport (Edinburgh) and Forest Grove House (Aberdeen) being those sites where NES has the direct ability to influence emissions.
- 5.2 Most emissions arise from existing NES facilities with 44.9% of these emissions relating to those three offices where NES has direct operational control. The remaining facilities comprise 40.8% of these emissions. The balance of these emissions relates to business travel and fleet.

- 5.3 The aspirational pathway highlighted those measures which would lead to a reduction of carbon emissions as well as a series of intermediate targets in the run up to 2045.

These measures are summarised as:

- As lease expiries approach, NES to consider relocation to low or net-zero premises, or negotiate with existing Landlords to introduce energy reduction measures as part of these negotiations;
- Discussions with Landlords to ensure waste segregation measures and suitable space for the storage of segregated waste measures;
- Review and consider home working arrangements, with a 20% reduction in office-based working creating opportunities to reduce floorspace and emissions as a result;
- Embed within the travel policy that any fleet vehicles are electric.

6. Recommendations

- 6.1 The report recommends that NES maintain the Routemap as a live document with regular reviews of the measures highlighted as allowing progression towards the 2045 target. This includes in relation to any property lease expiries where net zero or low carbon buildings or alterations to existing should be considered as options.
- 6.2 The impacts of COVID 19 upon future working practices was not considered as part of this report, however, the 20% suggested move towards homeworking could be achievable as part of hybrid working and present a considerable step along the Routemap. The Board is asked to approve the NES Net-zero Routemap.

Author to complete

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with [NES Strategy 2019-2024](#)

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

Yes

No

f) Have you considered a staff and external stakeholder engagement plan?

Yes

No

NT
July 2021
NES



A routemap for NHS Education for Scotland to achieve Net-Zero by 2045

A report for NHS Education for Scotland



Customer:

NHS National Services Scotland

Contact:

Lisa Groves, Gemini Building, Fermi Avenue, Harwell, Didcot, OX11 0QR, UK

T: +44 (0) 1235 753 032

E: lisa.groves@ricardo.com

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Authors:

Ed Bovill, Lisa Groves, James Sharp, Fern Spencer, Rebecca Turner, Callum Forsyth, Stuart Ballinger, Jess Twemlow, Seamus Rooney, Warren Hicks, Tom Nokes, Charles Gaisford, Aaron Yule

Approved by:

John Murray

Date:

23rd March 2021

Ref: ED14304

Ricardo is certified to ISO9001, ISO14001, ISO27001 and ISO45001

Executive summary

The Scottish Government and NHSScotland have committed to be net-zero for greenhouse gas (GHG) emissions by 2045. As a step towards this, NHSScotland nominated three of its boards to produce net-zero routemaps as part of a pilot project. NHS Shetland, NHS Ayrshire and Arran (NHSAA) and NHS Education for Scotland were part of this pilot project and have worked with Ricardo Energy & Environment to develop the routemaps.

This report looks at the challenges and priorities facing NHS Education for Scotland (NES), the starting point in the Board’s 2019/20 baseline emissions and charts realistic options to progress the strategic decarbonisation of the Board towards achieving net-zero by 2045.

The routemap for NES has been developed by considering three possible futures for the Board in the form of pathways towards net-zero emissions by 2045. Each pathway involves different combinations of decarbonisation interventions, providing options and timings for deployment of measures under those pathways.

NES is categorised as a special Board within NHSScotland. No clinical services are provided, with the key focus of the Board being training provision. The Board does not own any assets and has offices in Edinburgh, Dundee, Inverness, Aberdeen and Glasgow.



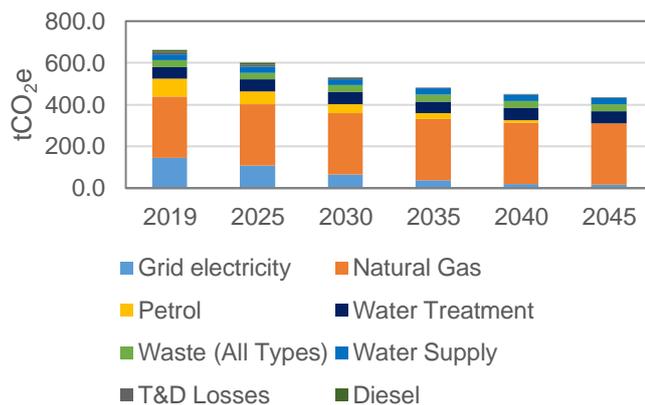
Board-specific challenges for NES that are covered in this routemap include:

- Re-confirming the scope and boundary for appropriate emissions reporting for the Board as the ownership, and therefore level of control, of assets is limited;
- Examining the evolving idea of ‘Business As Usual’ working patterns in a post-Covid world, and how NES could potentially utilise office space in future;
- Exploring options that give NES more control over their scope 3 emissions in their current and future office and vehicle leases;
- Understanding the most pragmatic options to managing waste segregation and reporting from smaller officers.

We reviewed historical data for the financial year 2019/20 to establish the emissions baseline for NES and mapped the projected emissions against that baseline out to 2045, using our current understanding of planned NES activities and the wider context of local, regional and national changes over that timescale.

The emissions sources included in the baseline are fuels, electricity, refrigerant gases, water supply and treatment, fleet vehicles, business travel and waste.

Figure 1 – Business As Usual emissions by source



In 2019/20, NES was responsible for **663 tCO₂e**, with roughly 66% of these emissions being associated with office use. A key reporting change for NES is that emissions associated with rented office use were not included in the reporting boundary for the 2018/19 carbon footprint.

Through discussions with NHSScotland and given the individual circumstances of NES, it was agreed that three net-zero pathways would be modelled. These were:

Aspirational Pathway – assumes that significant resources and budget are made available to allow the rapid implementation of measures while taking account of current contractual constraints. Importantly, this approach collectively applied by the public sector can support the required market transformation of buildings and energy use across Scotland. This approach would also minimise carbon emissions which, in turn, will reduce the impact of climate change and the associated health implications on the global population.

Restricted Pathway – assumes that the resources and budget available to allow the implementation of low-carbon changes are significantly constrained. This restricts the scale of planned changes and substantially delays the timeframe for action however it could reduce the cost of action as legislation and technological improvements drive change in the marketplace.

Balanced Pathway – attempts to find a middle ground between the two previous scenarios. The scenario assumes some restrictions on resources but also seeks to implement changes at a point where costs and risks are minimised while also reducing carbon emissions as quickly as possible given the identified constraints.

The figure below shows the emissions trajectory for all pathways. For NES, all three pathways achieve the same emissions reduction by 2045 as the measures themselves have a similar cumulative impact.

Figure 2 - Pathway comparison

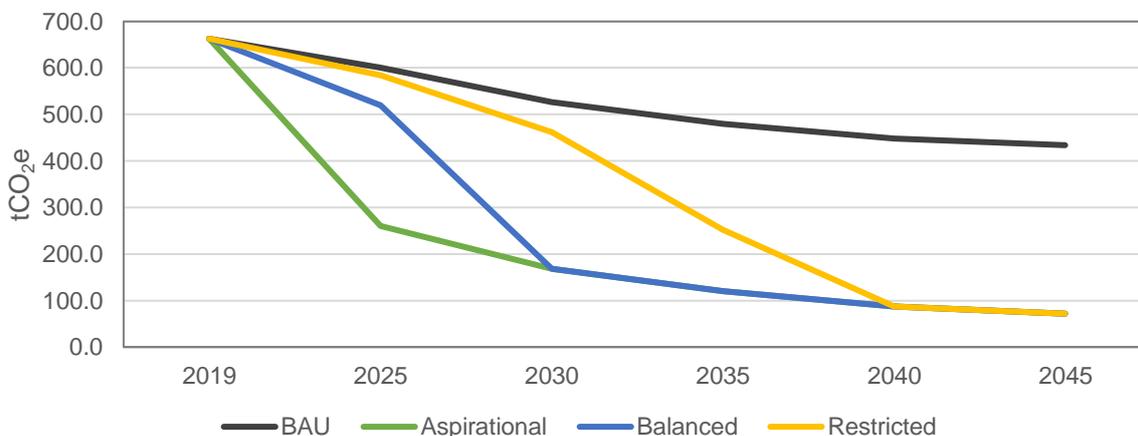


Figure 2 shows that all pathways ultimately lead to an 89.2% reduction in baseline emissions in 2045, compared to 34.5% under Business As Usual. The key differences are the *rate at which emissions are reduced*, which is greatest for the aspirational pathway and lowest for the restricted pathway. The pathways demonstrate the fact that NES has a strong opportunity to achieve net-zero emissions by 2045, with significant options to implement key policy measures primarily related to office leases to reduce the need for expensive off-setting requirements in the year 2044/45.

To achieve net zero through divestment from all fossil fuels, NES needs to implement the following measures at a minimum:

Offices

- As each office lease comes up for renewal, either move to a low-carbon leased office or;
- Negotiate substantial renovation improvements to the existing offices to reduce all fuel use.
- Building lease requirements should also consider the space required for waste bins and collection areas, and contracts for segregated waste collection.
- Review staff preferences for longer-term flexible home working and factor responses into future office footprint sizes.

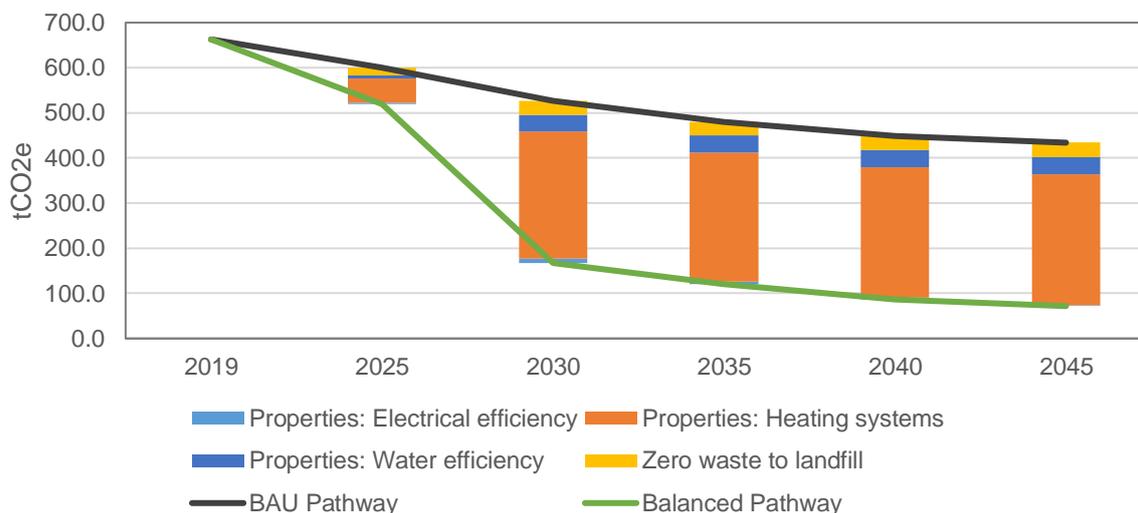
Transport

- Embedding a travel policy that all hire cars should be electric by 2030 at a minimum

Other identified measures across all three potential pathways are aimed at reducing absolute emissions through efficiency improvements and better operating practices through implementation of policies.

The recommended pathway for NES to follow is the Balanced Pathway, which addresses the main emissions sources from most offices by 2030, while implementing measures to reduce all other emission sources over a longer timescale to 2045 and achieving an 89% reduction in emissions from the 2019/20 baseline, as shown in Figure 3 below.

Figure 3 - Comparing the balanced pathway to business as usual



A proactive approach as modelled by both the Aspirational and Balanced pathways could avoid a situation where NES finds itself approaching the 2045 deadline and is having to pay a premium for low-carbon solutions because demand exceeds availability. Equally, pushing for the earliest possible prioritisation of low and zero-carbon infrastructure, procurement and operations is also likely to have negative cost implications before market forces and technology development drive down costs particularly in the building-retrofit sector, which is why the Balanced pathway is recommended for NES.

In spite of the risks outlined, it can be argued that the public sector has a duty to lead the way on investing in low and zero-carbon, provided that it is given the appropriate funding. Strong policy direction and clear requirements for future low carbon buildings will give the market confidence to develop solutions and generate efficiencies of scale, paving the way for the rest of society to follow.

Given Scotland’s aging population, early investment to cut carbon emissions would also mean that as the pressure on budgets increases over time, NES will already have made the investments necessary to transition to a low carbon solution and will be benefitting from the efficiencies it generates.

Most importantly, early adoption of low and zero-carbon solutions will lead to early cuts in carbon emissions which will have long term global health benefits. These benefits will be a direct result of NES cutting its emissions and, just as significantly, through supporting market transformation.

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1 Introduction

1.1 What is net-zero?

Achieving net-zero is about reducing your avoidable emissions as far as possible and then achieving zero-emissions by balancing your unavoidable use of fuels, energy, transport, and processes that generate greenhouse gases with projects that 'offset' the equivalent amount.

While there is no official definition of net-zero, Ricardo Energy & Environment's key working principals are to 'balance greenhouse gas emissions through mitigation measures and removal from atmosphere, within your boundaries, over time'.



The definitions of Scope 1-3 emissions are provided below for reference. In principle, Scope 1 and Scope 2 should be absolute zero by 2045 (other than unavoidable emissions, such as those from anaesthetic gases when all options to phase in lower-carbon anaesthetic gases have been taken up) and net zero when including Scope 3 emissions.

Scope 1: from the activities of an organisation or under their control. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

Scope 2: from electricity, steam and heat purchased and used by the organisation. Emissions are created during the production of the energy and eventually used by the organisation.

Scope 3: from activities of the organisation occurring from sources that they do not own or control, such as emissions associated with business travel, waste and water.

1.2 What is a net-zero routemap?

A net-zero routemap provides options for the strategic decarbonisation of an organisation, a public body, an industry sector or even entire regions over a set timescale.

This routemap for NHS Education for Scotland (NES) has been developed by considering three possible futures for the Board in the form of pathways towards net-zero emissions by 2045 that involve different combinations of decarbonisation interventions. This will enable NES to engage strategically with NHSScotland and the Health Facilities Scotland (HFS) team on their net-zero journey.

1.3 Why has NHS Education Scotland developed a net-zero routemap?

The Scottish Government and NHSScotland have committed to be net-zero for greenhouse gas (GHG) emissions by 2045. As a step towards this, NHSScotland nominated three of its boards to produce net-zero routemaps as part of a pilot project.

NES was part of this pilot project and has worked with Ricardo Energy & Environment to develop its routemap.

NES central offices are located in Edinburgh, with regional centres in Dundee, Inverness, Aberdeen and Glasgow. No clinical services are provided with the key focus of the Board being training provision.

Image – Westport Head Office, Edinburgh (left) and Central Quay, Glasgow (right)¹



Board-specific challenges for NES that are covered in this routemap include:

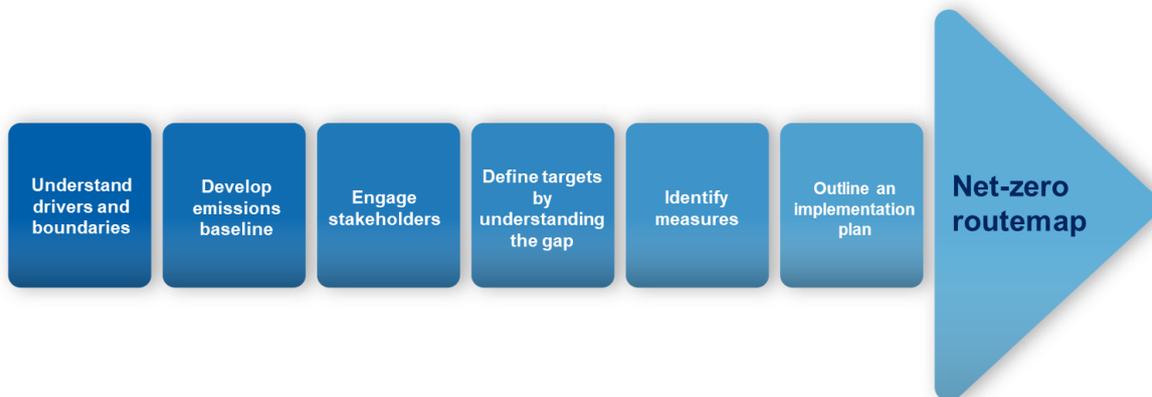
- Re-confirming the scope and boundary for appropriate emissions reporting for the Board as the ownership, and therefore level of control, of assets is limited;
- Examining the evolving idea of 'Business As Usual' working patterns in a post-Covid world, and how NES could potentially utilise office space in future;
- Exploring options that give NES more control over their scope 3 emissions in their current and future office and vehicle leases;
- Understanding the most pragmatic options to managing waste segregation and reporting from smaller officers.

¹ Westport head office, Edinburgh <https://www.nes.scot.nhs.uk/contact-us/>

2 What is included in the routemap?

The project workflow in developing the routemap is shown below in Figure 4.

Figure 4 - Key stages in defining and developing a net-zero routemap (Ricardo Energy & Environment 'How to achieve net-zero' webinar series 2020)



The routemap report itself covers four major steps:

1. Defining the 2019/20 emissions baseline for NES.
2. Setting a Business As Usual projection of those emissions to 2045, taking into account any known or planned interventions that will have an impact on emissions, including external factors outside the control of the Board.
3. Setting out pathways to net-zero that look at both technology and policy options to address the gap to net-zero.
4. Drawing conclusions from a comparison of the pathways and making recommendations for next steps.

At this stage, it is equally important to set out what the routemap **does not cover**, and why:

- *Carbon sequestration measures and other offsetting options* (such as greenhouse gas removal technologies) are not within the scope of work set out by NHSScotland. This limits the ability of all potential pathways to achieve net-zero as offsetting strategies are generally a core component of achieving net-zero, particularly for hard-to-treat emissions sources and scope 3 emissions. A separate project to calculate the carbon sequestration potential of the entirety of NHSScotland has been undertaken during 2020/21.
- *Staff commuting and patient travel* (separate to patient transport paid for by the Board) are not within the scope of work due to the lack of direct influence from the Board.
- *Supply chain and procurement* are also not in scope as efforts to reduce emissions from the NHSScotland supply chain are being coordinated through NHSScotland National Procurement.
- *Non-CAPEX/OPEX costs* of implementing measures are not included in the report, particularly in terms of staff resources for managing the implementation, procuring services to deliver the work, clearing out and/or moving of staff and equipment during the works etc. This 'unseen enabling cost' cannot be quantified at this level of granularity within the study. Where a measure is likely to incur significant disruption to normal operating procedures, this has been noted within the report.
- Finally the routemap does not cover the *immediate impacts of COVID-19 on emissions* during 2020/21, primarily due to the gap between the 2019/20 baseline and the first modelling year of 2024/25. The NHS is currently operating in a Business 'Not as Usual' situation, and with the time boundary of emissions projections reaching to 2045, it is assumed a large amount of previous 'Business As Usual' behaviours and related emissions will restabilise. With that noted, there are measures suggested as part of this routemap, particularly for office-based working, that are based on the latest understanding of likely future preferences for increased agile working and home-working with assumptions discussed and agreed with NES.

3 Baseline and business as usual trajectory

The first stage in working towards net zero is to understand current emissions. This is the emissions baseline. The baseline emissions have then been projected out to 2045 using a 'business as usual' scenario in order to understand the scale of additional intervention that will be required to achieve net-zero.

3.1 2019/20 baseline

Setting a baseline allows NES to understand the position from which it is setting out on its net zero journey. The 2019/20 financial year has been selected as the baseline year for the routemap. This provides a recent picture of emissions that is relatively unaffected by the Covid-19 pandemic, and therefore reflects typical activity levels as closely as possible.

The **emissions sources** included in the 2019/20 baseline for NES are as follows:

- Fuels (natural gas, gas oil, kerosene, biofuels, etc.)
- Electricity and transmission and distribution losses
- Refrigerant gases
- Water supply and treatment
- Fleet vehicles (NHS owned vehicles)
- Business travel (Grey fleet, public transport, flights)
- Waste (disposal)

The operational boundary applicable to NES is defined as all buildings and transport that constitute the operational activities of the board. This includes all properties leased or tenanted by NES and their staff, and all transport resulting from the operations of the Board.

3.1.1 Baseline data, uncertainties and assumptions

We reviewed historical data for financial year 2019/20 and established the emissions baseline for NES.

In 2019/20, NES was responsible for **663 tCO₂e**, with roughly 66% of these emissions being associated with office use. A key reporting change for NES is that emissions associated with rented office use were not included in the reporting boundary for the 2018/19 carbon footprint.

The full list of data requested, evidence received, and any estimations made to fill in data gaps has been detailed in the Business as Usual Report. All estimations made were based on relevant data from NES's other properties for which data was available.

Please note that all offices have been split into two categories: those with operational control and those without operational control. Operational control has been defined as those properties for which NES can have a significant impact on their energy use and, therefore, emissions by making changes to the operation of the sites through policy or equipment changes. Operational control often goes hand-in-hand with direct payment of energy invoices by NES rather than them being bundled in lease agreement monthly payments.

Three sites have been defined as having operational control: Aberdeen Forest Gove House (FGH), Glasgow 2 Central Quay (2CQ), and Edinburgh West Port. Emissions for these properties from energy use fall within Scope 1 and 2 due to NES having direct control of these emissions. All other sites are defined as not having operational control, and therefore all emissions have been allocated to Scope 3 (including electricity). These sites include: GDEC, EDEC, DDEC, ADEC, ICHS² and Postgraduate Medical Office.

² Site names as provided by NES

All emissions are reported using the location-based methodology as outlined in the GHG Protocol. Under this methodology, all emissions are reported using standard emissions factors as released by the UK Government annually.

For electricity emissions, all electricity originating from the national grid (i.e. not on-site or direct wire renewables) are reported using the average grid factor for the whole of the UK (there are no official emissions factors available which are specific to just Scotland at this time). This means that procurement decisions (such as purchase of green electricity from energy suppliers) which would result in electricity being “zero carbon” are not reflected in this methodology. Any electricity sourced from on-site or direct wire renewables are still reported as zero carbon under this methodology.

This has been chosen as the reporting methodology as otherwise the impact of measures on electricity consumption will be obfuscated by the fact that all electricity emissions are reported as zero. Considering that electricity is a major source of emissions and a large number of measures target reductions in its use, this would reduce the apparent impact of these measures significantly.

3.1.2 Baseline results

The following diagrams give a breakdown of the 2019/20 emissions baseline by emissions scope, by area within the board, and by the emissions source, as each way of looking at the data shows a different factor to consider in the routemap. Figure 5 below for example shows that 52% of the total footprint for NES relates to sources where the Board has very little control or influence over those emissions.

Figure 5 - 2019/20 baseline footprint by scope

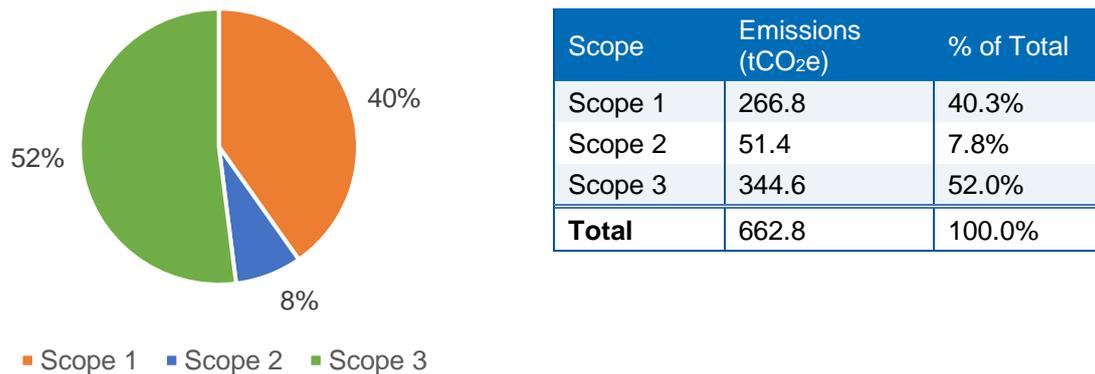
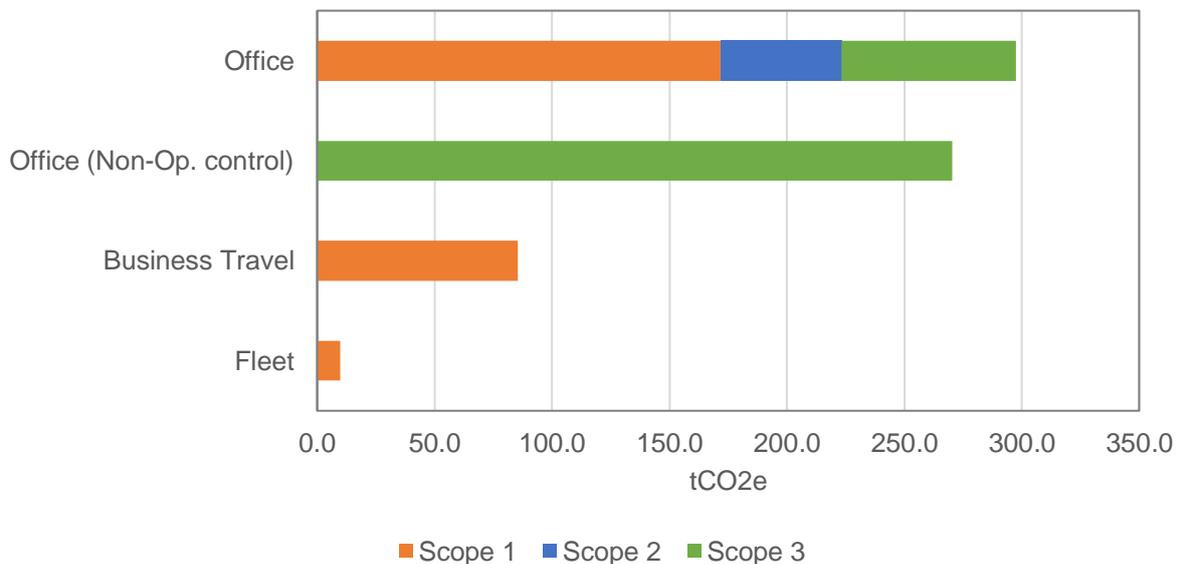


Figure 6 - 2019/20 baseline footprint summary by area and scope

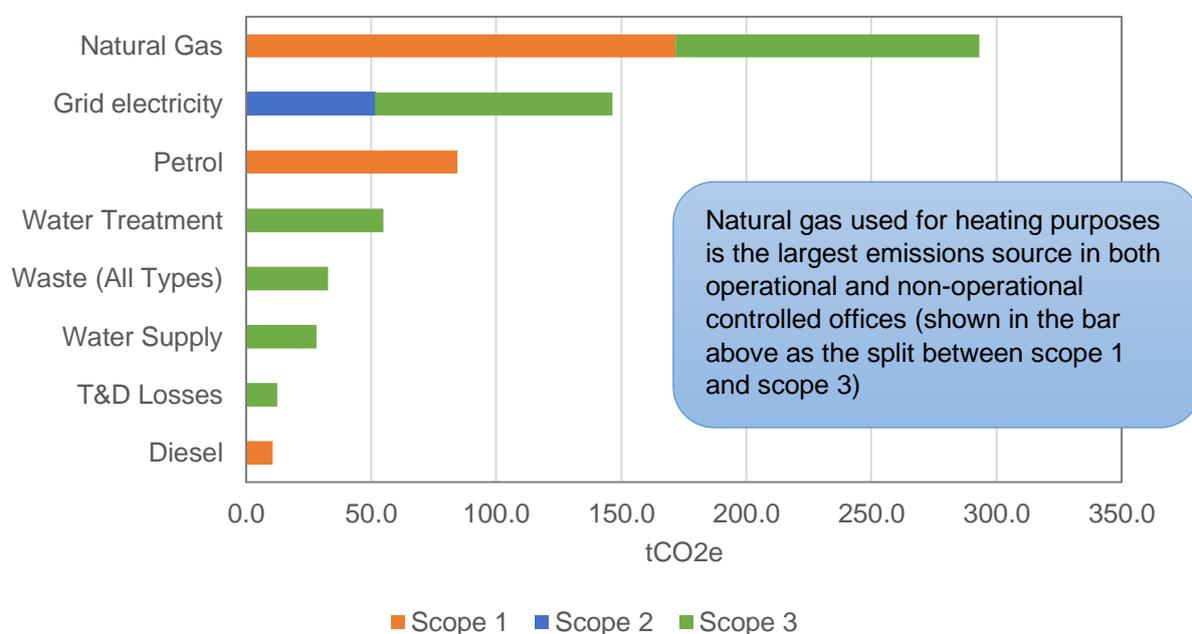


Area	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)	% of Total
Office	171.7	51.4	74.3	297.5	44.9%
Office (Non-Op. Control)	0.0	0.0	270.3	270.3	40.8%
Business Travel	85.4	0.0	0.0	85.4	12.9%
Fleet	9.7	0.0	0.0	9.7	1.5%
Total	266.8	51.4	344.6	662.8	100.0%

Offices with operational control are the single largest emissions source area for NES, representing 44.9% of the total baseline footprint. Offices without operational control are the second largest emissions area for NES, with 40.8% of the total emissions share.

Figure 7 shows the breakdown of emissions by source for NES, showing that natural gas and electricity are the first and second largest emissions sources, with 44.2% and 22.1% respectively. Petrol used in hire cars and grey fleet is the third largest emissions source, making up 12.8% of the total.

Figure 7 - 2019/20 baseline summary by emissions source and scope



Area	Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 3 (tCO ₂ e)	Total (tCO ₂ e)	% of Total
Natural Gas	171.7	0.0	121.5	293.2	44.2%
Grid electricity	0.0	51.4	95.1	146.5	22.1%
Petrol	84.5	0.0	0.0	84.5	12.8%
Water Treatment	0.0	0.0	54.8	54.8	8.3%
Waste (All Types)	0.0	0.0	32.8	32.8	5.0%
Water Supply	0.0	0.0	28.0	28.0	4.2%
Transmission & Distribution (T&D) Losses	0.0	0.0	12.4	12.4	1.9%
Diesel	10.6	0.0	0.0	10.6	1.6%
Total	266.8	51.4	344.6	662.8	100.0%

3.2 Business as usual trajectory to 2045

Projecting the baseline emissions to 2045 in line with business as usual (BAU) scenario provides an assessment of the gap compared to a net-zero scenario. This gap shows the scale of the intervention required to achieve net-zero.

The BAU scenario shows how emissions will change in line with the NES's activities that are currently projected out to 2045. It should be noted that this scenario only accounts for activities and events that are planned and are highly probable to occur.

As part of the BAU modelling, we looked to capture any information that will affect NES's carbon emissions under business as usual conditions. This includes known plans for building stock, projects confirmed and in the pipeline that will affect the emissions sources included within the baseline as well as growth in emissions sources due to external factors (such as population growth) and efficiency trends. These are summarised below

- **Office types:** It has been assumed that all offices are naturally ventilated and there is no air conditioning in place. This impacts a few emissions sources, including refrigerant gases and the CIBSE benchmark chosen for the offices without operational control.
- **Emissions factors:** The emissions factors used for calculation of the baseline come from BEIS emissions factors for company reporting for 2019³. The only emissions factor that changes with time is the national grid electricity for which BEIS modelled emissions out to 2100 have been used⁴. Grid electricity emissions are due to reduce with time as the grid decarbonises because the contribution from renewable generation increases. All other emissions factors remain constant out to 2045, as agreed with NHSScotland.
- **Conversion of cost data:** Where required, business or patient travel data that has been provided in cost have been converted to distance travelled for the purposes of calculating carbon emissions. We have used the assumptions detailed in the Sustainable Network Scotland latest available version of the Carbon Footprint and Project Register Tool⁵. This ensures that all cost data is converted to distance using a standard methodology across the NHS boards.
- **Growth/efficiency rates:** Assumptions made on growth rates are detailed below:
 - **Population growth:** The 0.2% national figure for Scotland has been utilised for all emissions sources that are directly related to the population. The data source used the most recent annual growth figure as published by the Scottish Government⁶.
 - **Appointment growth:** It has been assumed that the number of appointments grows above the population growth rate by an additional 1%. This figure can be adjusted if data is made available by NHS Scotland to support a more accurate reflection of appointment increases at the NHS boards. This 1% appointment growth is additive with population growth.
 - **Electrical efficiency:** Ongoing developments and improvements in technology lead to reduction in electricity use with time for the same equipment, e.g. laptops and monitors, LED lighting. This annual increase in energy efficiency has been estimated to be 0.5% year-on-year and has been applied to all electricity within the model.

The outcomes of the BAU meetings held with NES are detailed in Table 1 below.

³ <https://www.gov.uk/government/publications/greenhouse-gas-reporting-conversion-factors-2019>

⁴ https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/793632/data-tables-1-19.xlsx

⁵ <https://sustainablescotlandnetwork.org/resources/carbon-footprint-and-project-register-tool>

⁶ <https://www.gov.scot/news/scotlands-population-at-record-high-but-population-growth-has-slowed/#:~:text=The%20figures%20published%20in%20the%20year%20to%2030%20June%202018.>

Table 1 - NES BAU modelling: modelled changes, growth and efficiency rates

Site/Category	Emissions Source	Modelled BAU Changes	Growth (+% y-o-y)	Efficiency (-% y-o-y)
Building stock	Multiple	No current plans are in place for moving offices or downsizing.	No change	No change
Offices	Electricity	No projects were highlighted within BAU discussions that will impact electricity consumption in these properties.	0.2%: Driven by population growth, assumed staff growth at same rate.	0.5%: Reflects incremental improvements in technology.
	Heating fuels (Natural gas)	No projects were highlighted that will impact district heating use within properties.	0%: Despite increasing population the heating requirement for the properties will not change accordingly.	0%: Heating efficiency will not change with time unless improvements made.
	Water supply and treatment	No projects were highlighted that will impact water usage in these properties.	0.2%: Driven by population growth, assumed staff growth at same rate.	0%: Water use efficiency will not change with time unless improvements made.
	Waste	No projects were highlighted that will impact waste production in these properties.	0.2%: Driven by population growth, assumed staff growth at same rate.	0%: No changes to waste practices planned.
Fleet (Mobile unit)	Fuel	The mobile unit has just been replaced with a new vehicle, so this is not due to be replaced with a low emissions vehicle for some time. It is assumed that this vehicle is replaced in 2030 with an EV model.	0.0%: Mobile unit is already at maximum capacity.	0.5%: Reflects year-on-year improvements in engine/EV technology.
Grey fleet (personal cars)	Mileage	All grey fleet cars will be replaced with EVs by end of 2045 due to Scottish Government policy of halting sales of fossil fuel vehicles from 2030. Modelled as gradual change over next 25 years.	0.2%: Driven by population growth, assumed staff growth at same rate.	0.5%: Reflects year-on-year improvements in engine/EV technology.
Business travel (Hire cars)	Fuel	All hire cars will be replaced by EV variants by 2030 as this is expected to become a NHS Scotland hiring policy within this timeframe.	0.2%: Driven by population growth, assumed staff growth at same rate.	0.5%: Reflects year-on-year improvements in engine/EV technology.

3.2.1 BAU modelling results

The outputs of the BAU modelling are shown below in

Figure 8,

Figure 9 and Figure 10 along with the associated data tables.

Modelling shows that under a BAU scenario, total emissions will decrease by around 35% by 2045 without any further intervention from NES. The remaining emissions gap that will need to be addressed to achieve net-zero in 2045 is **434 tCO₂e**.

Figure 8 - BAU emissions by scope 2019-2045

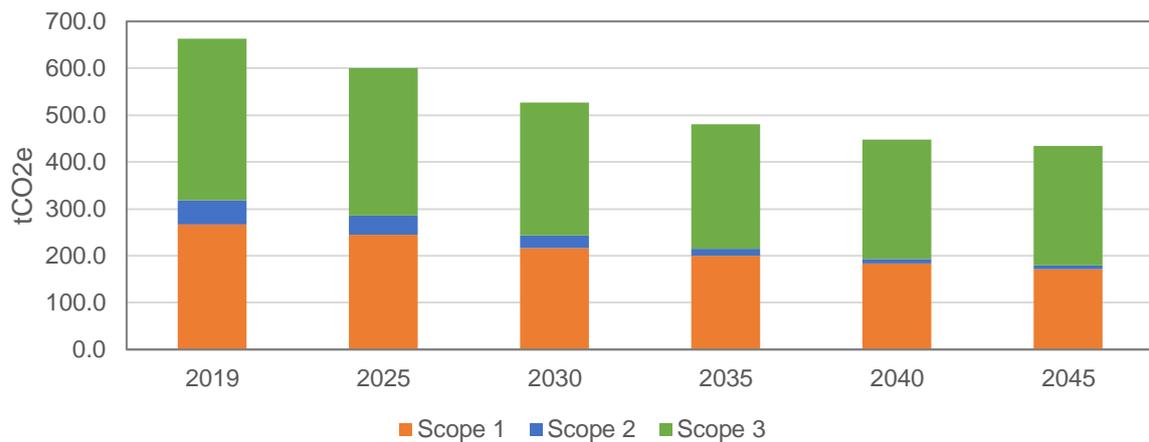
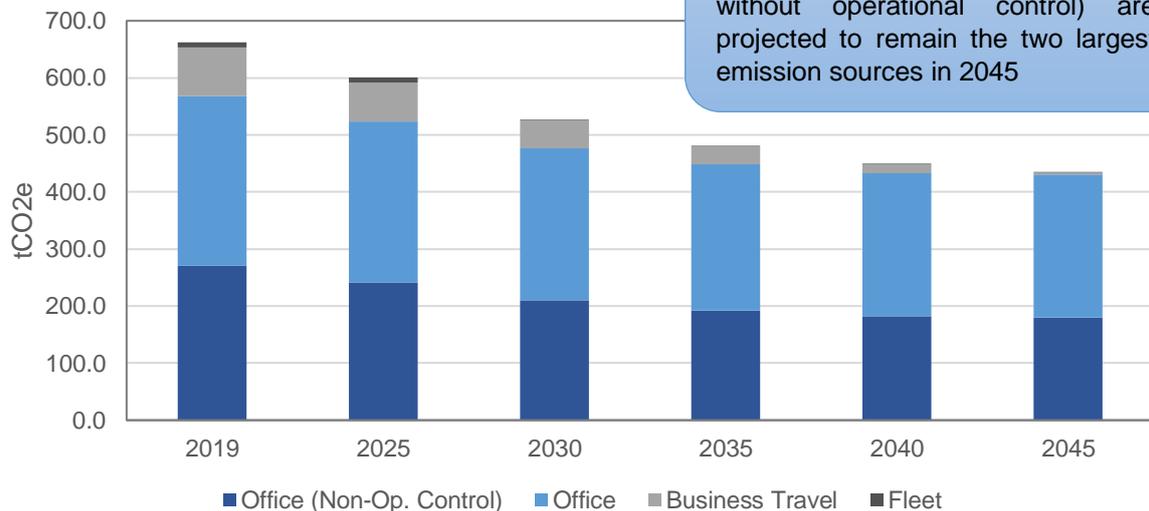


Figure 9 - BAU emissions by area, 2019-2045



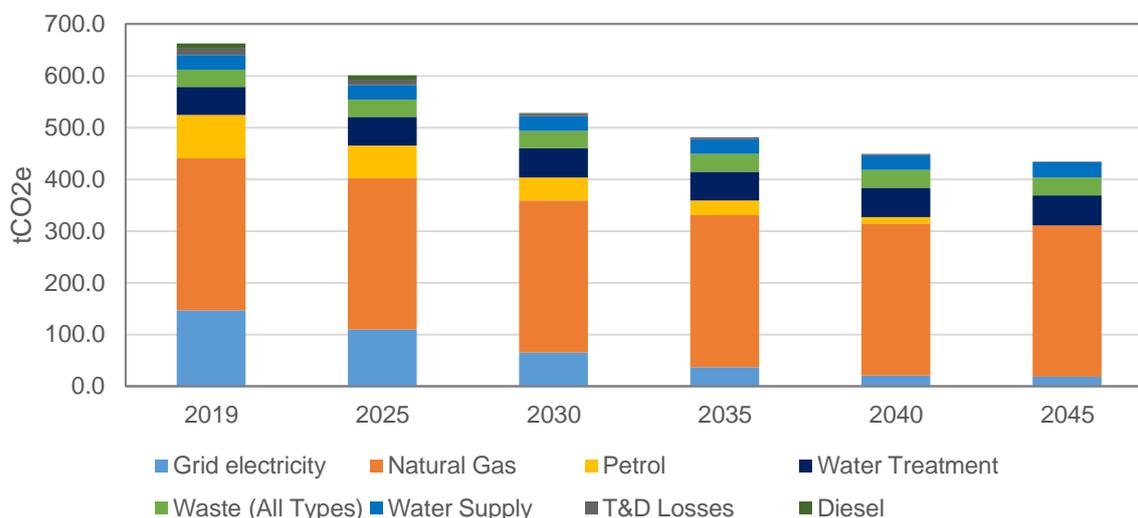
Under the business as usual scenario, offices (both with and without operational control) are projected to remain the two largest emission sources in 2045

Area	2019	2025	2030	2035	2040	2045
Office	297.5	282.4	265.9	256.4	251.5	251.0
Office (Non-Op. Control)	270.3	241.4	210.1	191.8	181.9	180.0
Business Travel	85.4	67.7	49.8	31.5	14.8	2.7
Fleet	9.7	9.4	1.2	0.7	0.4	0.3

Total	662.8	600.8	527.1	480.4	448.6	434.0
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Under the business as usual scenario, offices (both with and without operational control) are projected to remain the two largest emission sources in 2045 and are therefore the main focus of emissions reduction measures in the following chapter of this report.

Figure 10 - BAU emissions by source, 2019-2045



Source	2019	2025	2030	2035	2040	2045
Grid electricity	146.5	109.1	65.6	37.4	21.3	17.9
Natural Gas	293.2	293.2	293.2	293.2	293.2	293.2
Petrol	84.5	62.5	44.7	27.7	12.1	0.0
Water Treatment	54.8	55.4	56.0	56.5	57.1	57.6
Waste (All Types)	32.8	33.2	33.6	33.9	34.2	34.5
Water Supply	28.0	28.3	28.6	28.9	29.2	29.5
T&D Losses	12.4	8.9	5.1	2.8	1.5	1.3
Diesel	10.6	10.2	0.3	0.0	0.0	0.0
Total	662.8	600.8	527.1	480.4	448.6	434.0

Due to the decarbonisation of the UK national grid, electricity emissions fall year-on-year at a faster rate than the growth rate and efficiency rate account for. All other emissions factors remain static across the modelled period, and as such any changes reflect growth and efficiency rates as well as any modelled BAU changes.

By 2045, the remaining emissions under scope 3 for NES cover a range of emissions sources, including natural gas, water treatment, waste and water supply.

After accounting for planned Business As Usual activities and changes, the largest challenges for NES to address by 2045 if the Board is to achieve net-zero are:

1. Divesting from all fossil fuel use across all sites
2. Emissions from office use (both with and without operational control)

The next chapter of this report looks at options to address these challenges and examines how those options could be applied to NES.

4 Defining the pathways to net-zero

4.1 Approach

Through discussions with NHSScotland and given the individual circumstances of NES, it was agreed that three net-zero pathways would be modelled. These were:

Aspirational Pathway – assumes that significant resources and budget are made available to allow the rapid implementation of measures while taking account of current contractual constraints. Importantly, this approach collectively applied by the public sector can support the required market transformation of buildings and energy use across Scotland. This approach would also minimise carbon emissions which, in turn, will reduce the impact of climate change and the associated health implications on the global population.

Restricted Pathway – which assumes that the resources and budget available to allow the implementation of low-carbon changes are significantly constrained. This restricts the scale of planned changes and delays the timeframe for action however it could reduce the cost of action as legislation and technological improvements drive change in the marketplace.

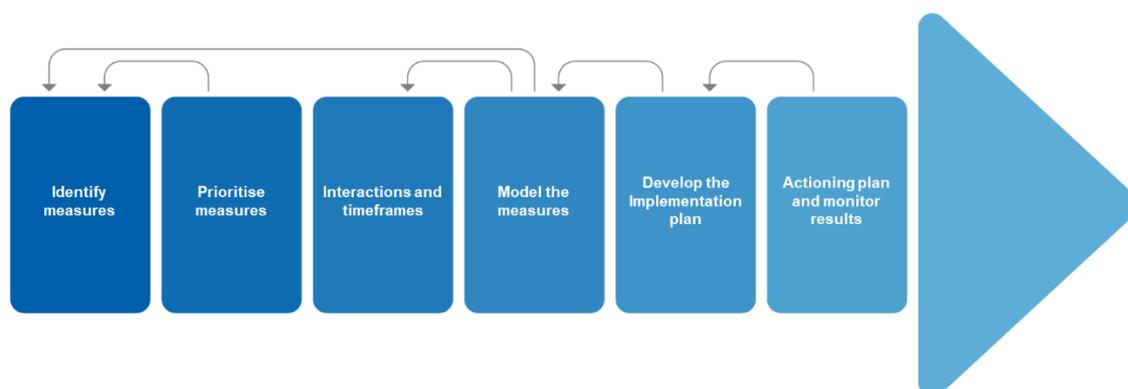
Balanced Pathway – attempts to find a middle ground between the two previous scenarios. The scenario assumes some restrictions on resources but also seeks to implement changes at a point where costs and risks are minimised while also reducing carbon emissions as quickly as possible given the identified constraints.

To translate the net-zero carbon definition into a framework for exploring these emissions pathways to 2045, a set of overarching parameters were established to define the pathways. These were used to ensure the proposed mitigation measures were established on a solid foundation and that the three Boards in the net-zero routemap pilot utilised a consistent framework. The table in Appendix A1 of this report describes the scenario parameters that were treated as maximum boundaries when setting the modelling assumptions for NES within each pathway.

4.2 Decarbonisation interventions

Identifying decarbonisation interventions and developing emissions reduction plans is an iterative process that has generated a live document for NES that will evolve over time. The feedback loops are shown in Figure 11 below, and the following chapters reflect some of the identification, prioritisation, interactions and modelling loops that took place during the project.

Figure 11 - Workflow to develop decarbonisation interventions



A long list of measures was identified by the Ricardo technical leads across the following categories:

- Energy efficiency and energy management.
- Electricity supply.
- Heat supply.
- Transport.
- Non-CO₂ gasses.
- Waste.
- Water.

The measures were entered into a detailed measures template, taking account of factors such as:

- Fuel type and kWh (before and after each measure is implemented).
- Investment required.
- Opex (£/year).
- Which year the measure is undertaken, and the number of years needed to implement.

Table 2 below details the decarbonisation measures considered relevant for NES, prior to rationalisation and prioritisation with the Board.

A workshop was then held with NES stakeholders from the Sustainability, Estate, Transport, Finance and HR teams to review the proposed measures and determine how likely it might be for NES and/or the sites to adopt these measures. Minutes from this workshop are attached as Appendix A2 of this report. The output of the workshop was a Red/Amber/Green (RAG) rating for each proposed measure, considering factors around site suitability, technical feasibility and financial feasibility to inform the modelling of those measures within each of the three scenarios.

Importantly, one of the major suggested measures, 'transferring to owned buildings' was rated as Red for NES and was not taken forward into the model as it is not an option the Board wished to explore.

Table 2 - Summary of decarbonisation measures relevant for NES

Measure	Summary	Costs and savings
<p>Transferring to owned buildings*</p> <p><i>*Measure not taken ahead after feedback from NES</i></p>	<p>This would give NES control and ability to implement:</p> <ul style="list-style-type: none"> • Retrofitting of energy efficiency measures • On site renewables • Improved metering and understanding of energy use 	<p>The potential to allow for large emission reductions</p> <p>Only applicable as a high investment scenario measure</p>
<p>Leasing low or zero carbon properties</p>	<p>A policy measure: a phased move to low/zero carbon building stock as existing leases expire.</p> <p>Would allow for:</p> <ul style="list-style-type: none"> • A reduced carbon impact, by selecting energy efficient properties divesting from fossil fuels • The potential to combine this with reduction in footprint of premises (see measure below) 	<p>A balanced investment scenario measure</p> <p>Could be included in all scenarios</p> <p>See case study on low/zero carbon office space in section 4.3 for more information</p>
<p>Reducing the footprint of buildings</p>	<p>This would involve reducing the size of number of buildings leased by NES.</p> <p>There is potential to:</p> <ul style="list-style-type: none"> • Consolidate with other NHS boards, increasing purchasing power • Combine this with greater levels of homeworking 	<p>A low investment scenario measure</p> <p>Could be included in all scenarios</p>
<p>A permanent switch to home meetings and virtual training</p>	<p>This would reduce travel and associated emissions.</p> <p>Could be used in combination with other measures, e.g. leasing low carbon properties and consolidating buildings.</p> <p>However, the following limitations apply:</p> <ul style="list-style-type: none"> • These emissions would still exist under scope 3, implying limited control to reduce them • The emissions benefits of homeworking fluctuate seasonally • Many assumptions would need to be made to estimate emissions per employee 	<p>A low investment scenario measure</p> <p>Could be included in all scenarios</p>

Promoting the use of electric vehicles	<p>Could include:</p> <ul style="list-style-type: none"> • The installation of charging points at NES facilities • Introducing a policy for the use of electric hire cars only • A salary sacrifice scheme to encourage staff purchasing of electric vehicles 	<p>Installation of charging points could be factored into leasing low carbon premises.</p> <p>Hire car policy and salary sacrifice schemes can be included in all scenarios*</p>
Future replacement of mobile training unit	<p>A new unit was recently purchased; however it will need to be replaced in 7-8 years' time (late 2020s).</p> <p>A low/zero emission unit could be purchases when replacement is due.</p>	<p>This could be included in all scenarios, or as a business as usual measure.</p>
Energy management	<p>This measure would involve:</p> <ul style="list-style-type: none"> • Increasing energy management in buildings with operational control • Influencing energy management in leased and shared properties 	<p>This could be included in all scenarios.</p>
Solar PV	<p>Both rooftop and carpark solar PV could be utilised as an NES owned renewable generation asset <i>if NES were to contemplate a move to owned buildings</i>. These are subject to less planning risk than larger, commercial-scale projects and it is recommended that these measures are sized to minimise export so that most of the decarbonisation benefits are borne by NES.</p>	<p>Due to the urban location and low power demand of NES buildings ground-mounted solar PV should be discounted as power options for NES under all Pathways</p> <p>Due to the suboptimal roof orientation, roof pitch and shading from surrounding objects such as trees and buildings, it is assumed that in both the Restricted and Balanced Pathways that off-balance sheet renewables could be utilised though a power purchase agreement (PPA).</p>
Purchase of green energy tariffs	<p>This measure would involve:</p> <ul style="list-style-type: none"> • Purchasing green tariffs, where a proportion of power bought is matched by renewables • Establish a power purchase agreement (PPA) with an existing renewable asset to ensure renewable power supply 	<p>This could be included in all scenarios.</p>

* Additional decarbonisation methods for handling grey fleet emissions

One aspect that was requested to investigate was methods and incentives for reducing the grey fleet emissions. Research was carried out on this and a number of documents accessed.

Employee-owned vehicles are typically older and therefore more damaging to the environment and therefore contributing more to the organisations carbon footprint than other forms of transport including company and daily rental cars. Fleet operations issued a report in 2020⁷ which included a ten-step guide to controlling the grey fleet and the emissions from the fleet. This included the following steps:

1. **Measure before you monitor.** It is important to conduct a thorough audit of the grey fleet and establish a clear process for grey-fleet record keeping.
2. **Get board-level buy-in.** The policy should have buy-in from all relevant business stakeholders including human resources, health and safety, finance and sales.
3. **Move to mobility.** Encourage employees where possible to be aware of the most environmental options that they could take. For instance, prefer train travel over car for longer trips.
4. **Communication is key.** Need to send out regular updates and reminders on what your drivers should and should not be doing.
5. **Raise the bar.** Stipulate clear minimum standards on vehicle age, mileage limits, safety features and emissions levels.
6. **Make it legal.** Mandate employees to read your grey fleet policy thoroughly and include their responsibilities in their employer contract.
7. **At your driver's service.** Send employees timely, mileage-based reminders of their MOT obligations.
8. **Keep a lid on mileage claims.** Digitally monitor use to avoid fraudulent claims.
9. **Covered for covid.** Employees should be aware of their obligations with regard to Covid.
10. **Cash vs Car.** Offer your employees transport alternatives such as electric company car or public transport options in lieu of a car.

In addition to the points above establishing with the organisations policy a hierarchy of transport options that employees can understand should be emphasised⁸. For instance, the following structure could be employed:

1. Can the journey be avoided through the use of audio (or video) conferencing facilities?
2. Can the journey be carried out by foot, bicycle, or public transport?
3. Do you have a lease vehicle available for the journey?
4. Is a pool car of fleet vehicle available for the journey?
5. Will a hire car be more cost effective?
6. Where none of the above, authorised private vehicles may be used for short journeys (e.g. 70 miles or so).

Such a policy adopted through education within NES would lead to emissions savings.

The following section details how the identified decarbonisation measures were modelled under each net-zero pathway and shows the resulting emissions savings from the interaction of those measures, in tonnes of carbon equivalent over time.

⁷ Fleet operations (2020) – Conquering the grey fleet challenge (A guide to managing your hidden fleet) [FO-grey-fleet-WP-9-1.pdf \(fleetoperations.co.uk\)](#)

⁸ Energy Saving Trust (2020) – A guide to managing and reducing grey fleet mileage: [15-05 4940-EST-Grey-Fleet-Management-Guide-A4-final.pdf \(energysavingtrust.org.uk\)](#)

4.3 The three net-zero pathways

Each of the net-zero pathways were modelled to include the decarbonisation measures agreed with NES. This section covers the results of this modelling and sets out a narrative and graphical explanation of what each of the pathways could look like. The detailed breakdown of assumptions and modelled factors for each pathway can be found in Appendix A3 of this report.

4.3.1 Aspirational pathway

4.3.1.1 Overview

Aspirational Pathway – assumes that significant resources and budget are made available to allow the rapid implementation of measures while taking account of current contractual constraints. Importantly, this approach collectively applied by the public sector can support the required market transformation of buildings and energy use across Scotland. This approach would also minimise carbon emissions which, in turn, will reduce the impact of climate change and the associated health implications on the global population.

The premise of the aspirational pathway model is that NES is supported by the Scottish Government to prioritise the reduction of carbon emissions ahead of cost implications. The model assumes that budget could be secured to allow rapid investment in measures that reduce carbon emissions. This early prioritisation of low and zero-carbon infrastructure, procurement and operations is likely to have negative cost implications. Early adoption of low and zero-emission practices could lead to efficiency savings however it is likely that a premium will be paid as a result of early adoption of these solutions before market forces drive down costs. There is also a risk that NES could invest in solutions which are made redundant by later technological developments.

Importantly this proactive approach could avoid a situation where NES finds itself approaching the 2045 deadline and is having to pay a premium for low-carbon solutions because demand exceeds availability. This could be exacerbated by a late rush to adapt by the private sector, facing punitive legislation, which ultimately could lead to NES missing the 2045 deadline.

4.3.1.2 Pathway intervention measures

The main aspects of the aspirational pathway are set out below.

Buildings

Wherever possible, NES would aim to move into low or zero-carbon buildings as soon as the current leases expire with an expectation that this transition is completed by 2027. That could involve moving into new premises or, potentially, working with the current landlord to significantly refurbish the current building. A significant constraint to this plan would be the availability of suitable buildings, so the earlier that NES can make its current landlords and the marketplace aware of its requirements the greater the likelihood that suitable properties will be developed to meet them.

While the option of low-carbon buildings is included in the plan, zero-carbon buildings where cradle-to-grave carbon emissions are considered should be prioritised wherever possible. This will minimise whole-life carbon emissions and maximise the impact on transforming the marketplace.

Case study: Low and net-zero carbon office spaces

Moving to low or zero carbon office space is particularly relevant to NES, as this is where a significant amount of their baseline emissions originate. As the measures above demonstrate, NES will have the most control over this by moving to owned buildings and office space. However, with the majority of NES' facilities being leased from third parties, sourcing low or net-zero carbon leased office spaces is an important measure for NES to achieve net-zero GHG emissions by 2045.

There are currently a range of low carbon properties near NES' main office locations and these can be used to demonstrate the type of office spaces available to NES once current leases expire. In Glasgow, Clyde Gateway is an 840 ha new business hub, with low carbon office space available for an annual price of £13-19 per square ft⁹. Located 3-10 miles from the current NES Glasgow office, with good transport links to Glasgow centre, these office spaces have BREEAM excellent and EPC A energy ratings. Offices at Rutherglen Links are an example of this¹⁰. Police Scotland also have a large office in the Clyde Gateway portfolio¹¹.



Image: A building design under the Clyde Gateway portfolio (www.pbctoday.co.uk)

The model for the aspirational pathway assumes a 20% increase in the proportion of staff working from home. This is assumed to occur as a result of employee choice and improved remote working practices, however it would need to be actively supported and encouraged by management and IT initiatives to maximise uptake. The pathway does not assume any office building consolidation, however proactive engagement with employees combined with prioritised relocation to zero-carbon offices would see a reduction in required floor space of 20% across all buildings. This reduction has been modelled across the timeframe for transition to low or zero-carbon buildings.

Energy

Where NES controls its own energy purchasing the model assumes that the relevant sites would switch to a green electricity tariff as soon as the current contracts can be renegotiated. Other sites are assumed to switch to green electricity as soon as it can be arranged with the landlord, with the expectation that this transition is completed by 2030 at the latest.

It is assumed that there would be no fossil fuel use by 2030 as it is expected that NES would occupy low and zero-carbon buildings by this point.

The model assumes that the new, leased buildings would rely on decarbonised grid electricity for energy. However, on-site renewables would ideally be in place on new buildings to help achieve the zero-carbon goal, such as rooftop and carpark solar PV. Installed capacity would be matched against expected demand profiles to maximise the cost effectiveness of the system.

Waste

Minimising embedded carbon emissions and the generation of waste would be incorporated into procurement processes by 2030 (recognising procurement-specific measures are out of scope of this study).

On-site segregation is a critical step in maximising effective recycling. The model therefore assumes that new building leases and waste management contracts would include a requirement for this. Waste management contracts would require zero waste to landfill by 2030 and include monitoring processes

⁹ <http://www.investinclydegateway.com/benefits/value-for-money>

¹⁰ <http://rutherglenlinks.com/>

¹¹ <http://www.clydegateway.com/economic-regeneration/police-scotland-clyde-gateway/>

and penalty clauses. Building lease requirements would also consider the space required for waste bins and collection areas.

Senior management would ensure that NES leads the way on waste minimisation by appropriate allocation of resources, policy implementation, monitoring and targeting linked to management performance. Employees would be supported to minimise waste through staff engagement activities including regular campaigns, group reporting including the comparison of sites against each other and the resourcing and senior management support of Green Teams.

Water

The model assumes that water use is reduced as a result of increased homeworking. New buildings should implement best practice water minimisation solutions such as low flow taps, toilets and showers. This may involve rainwater harvesting for non-potable uses as well as the diversion of rainwater to sustainable drainage systems.

Transport

Under the aspirational pathway model, all hire cars would be electric by 2025 with trials run between 2023 and 2025 to support this transition.

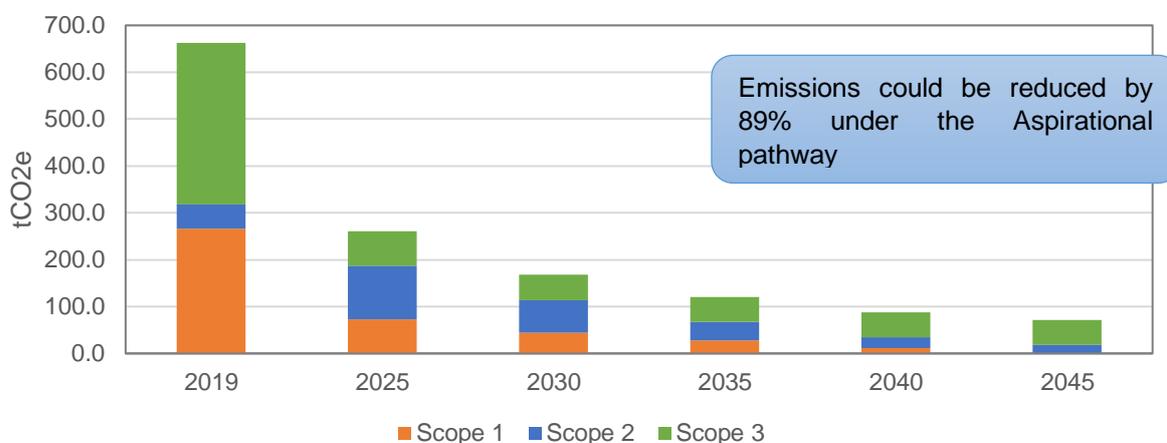
Public transport use and car-sharing would continue to be encouraged through employee engagement and Green Team campaigns.

It is intended that the mobile training unit will be replaced with a zero-emission vehicle in 7-8 years' time which is in line with the expected lifetime of the current vehicle.

4.3.1.3 Pathway mitigation potential

The following charts illustrate the mitigation potential for the aspirational pathway.

Figure 12 - Impact of the aspirational pathway split by emissions scope



	2019	2025	2030	2035	2040	2045
Scope 1 (tCO ₂ e)	266.8	73.2	43.8	27.7	12.1	0.0
Scope 2 (tCO ₂ e)	51.4	114.4	69.3	39.5	22.5	18.9
Scope 3 (tCO ₂ e)	344.6	73.1	54.6	53.2	52.6	52.8
Total (tCO₂e)	662.8	260.7	167.7	120.3	87.2	71.8
% change	0.0%	60.7%	74.7%	81.8%	86.9%	89.2%

Figure 12 shows the impact of the aspirational pathway on total baseline emissions, as well as each individual emissions scope. The overall reduction in emissions seen between 2019 and 2045 is 89.2%. The residual emissions at 2045 are 73.6% attributed to scope 3, with the remaining 26.4% in scope 2.

The effect of prioritising early investment can be clearly seen through a 60.7% fall in emissions between 2019 and 2025. Scope 1 is then reduced to zero by 2045 whilst Scope 2 reduces to near-zero emissions in 2014 after a spike in emissions in 2025. Scope 3 emissions reduce by around 79% by 2025 and reduces emissions at a slower rate through to 2045. This difference reflects the available level of influence over the various emissions scopes that are available to NES.

Figure 13 - Impact of the aspirational pathway split by emissions source

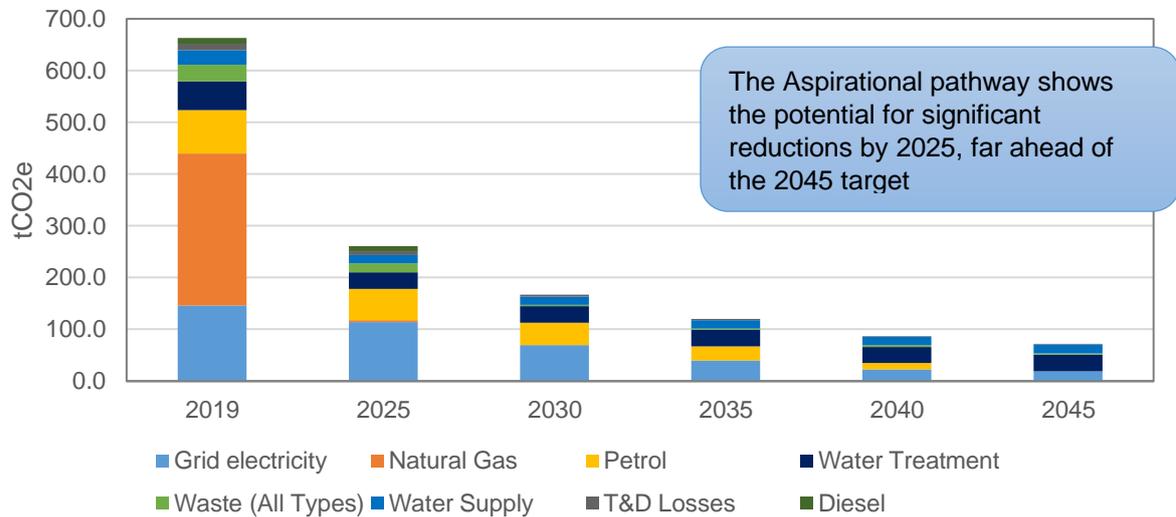


Figure 13 shows how the aspirational pathway impacts each of the emissions sources that contribute to the total footprint. The impact of early investment can again be seen, with emissions associated with natural gas and diesel reaching net-zero by 2030. In 2045 the residual emissions are attributed primarily to water treatment, intermediate contributions from water supply and grid electricity, and small contributions from waste arisings and transmission and distribution losses.

Figure 14 - Impact of the aspirational pathway split by activity area

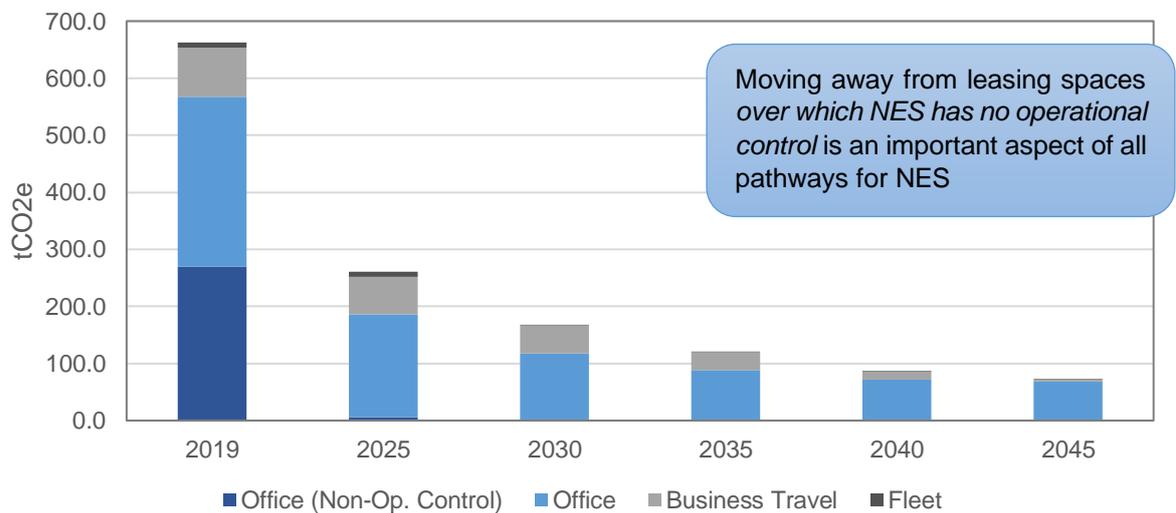
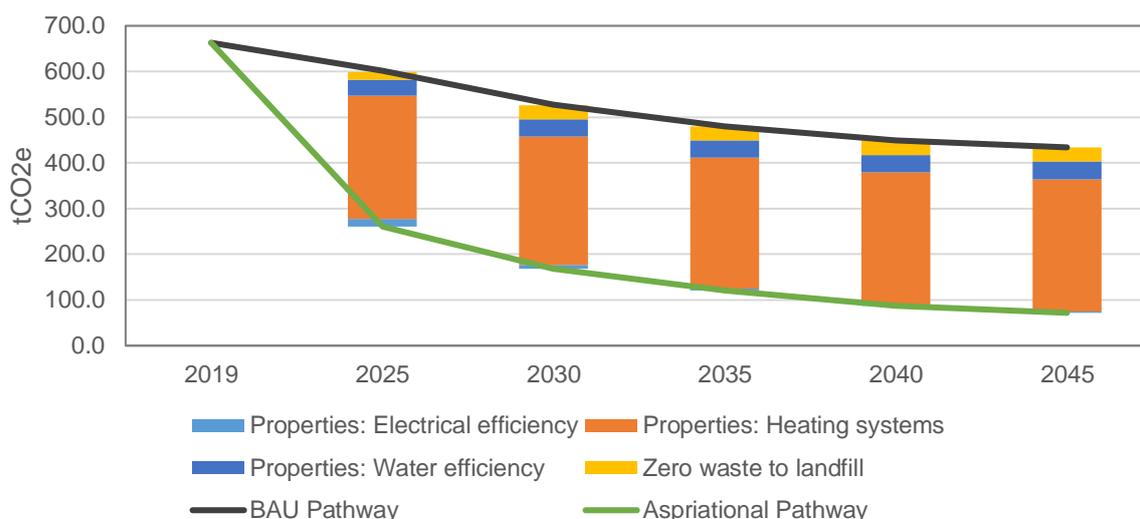


Figure 14 shows how the aspirational pathway impacts each of NES' areas of activity. This shows that the substantial early reduction in emissions is heavily influenced by the move towards leasing low/zero emissions buildings. Moving away from leasing spaces *over which NES has no operational control* is an important aspect of this.

Reductions in emissions associated with business travel and fleet are primarily associated with the projected electrification of the transport sector.

In 2045 most residual emissions (96%) are associated with office use.

Figure 15 - Comparing the aspirational pathway to business as usual



Under the aspirational pathway baseline emissions are reduced by 89.2% compared to 34.5% under a business as usual scenario. Figure 15 shows the contribution of groups of measures to the significantly reduced emissions profile of the aspirational pathway. Again, this highlights the substantial opportunity available through leasing low or zero emissions properties; most notably ones with low emission heating systems.

4.3.2 Restricted pathway

4.3.2.1 Overview

Restricted Pathway – which assumes that the resources and budget available to allow the implementation of low-carbon changes are significantly constrained. This restricts the scale of planned changes and delays the timeframe for action however it could reduce the cost of action as legislation and technological improvements drive change in the marketplace.

The premise of the restricted pathway model is that NES could find itself in a position where available resources and budget are constrained. This could in part occur because of an aging population in Scotland which requires higher levels of care. This situation could be exacerbated by a prolonged and complicated global recovery from Covid-19. The model therefore assumes a limited scope in the changes made and a delayed timeframe for them being implemented.

While a slow rate of implementation is not ideal, a potential advantage of this is that legislation, improved manufacturing efficiencies and technological advances could reduce the cost and risks associated with these changes. This could maximise the positive impact of constrained budgets and avoid investment in solutions which are found to be ineffective or are surpassed by technology advancements.

The expectation that solution costs will reduce over time has been seen in low-carbon solutions such as LED lightbulbs and photovoltaics, however there can be exceptions to this. Between now and 2045 it is possible that energy and property costs could increase due to the requirement for both to be decarbonised and the investment needed to achieve this. Energy and property costs are significant factors in the transition to net-zero that NES would like to make.

The cost of electricity has risen over the last decade and, as energy decarbonises, it is likely that this will continue. It can be expected that the market will respond to the growing demand for low or zero-emission buildings by introducing efficiencies which, in the long term, drive down building costs. The 2045 deadline combined with legislative restrictions could, however, generate a premium for these buildings where demand for low or zero-emission buildings exceeds supply as the 2045 deadline approaches.

4.3.2.2 Pathway intervention measures

The main aspects of the restricted pathway are set out below.

Buildings

The transition to low and zero-carbon buildings is constrained by the current leasing arrangements. However, a rapid transition to sustainable buildings is likely to attract a high cost due to the current restricted availability of suitable buildings. The plan assumes that NES would transition over to low and zero-carbon buildings between 2030 and 2040. This could potentially be facilitated by working with landlords on long term plans where they factor in the refurbishment or building of these facilities as part of a future leasing agreement. This approach could help to ensure that suitable buildings are available on the required timescales at a competitive cost.

The model assumes that one outcome from Covid-19 is that there would be a 20% increase in the proportion of staff working from home. This reduction would be in response to employee choice and improved remote working practices. It would be flexible with some staff working from home part time while others work from home or the office permanently. The plan does not assume any office building consolidation partly because of the challenges in implementing this change with the support of employees. As the impact of home working is relatively small it is proposed that only the four largest offices would see an actual reduction in required floor space of 20% which would impact future leasing agreements implemented over the 2030 to 2040 timeframe.

Energy

Where NES controls its energy purchasing then the model assumes those sites would switch to a green electricity tariff when the current contract is renewed with the latest being changed by 2025. Other sites would switch to green electricity as soon as it can be arranged with the landlord, with the expectation that that transition is completed by 2040.

It is assumed that there would be no fossil fuel use by 2040 as it is expected that NES would occupy low and zero-carbon buildings by this point.

The model assumes that the new, leased buildings would rely on decarbonised grid electricity for energy. However, on-site renewables are desirable on new buildings to support the zero-carbon goal. Installed capacity would be matched against expected demand profiles to maximise the cost effectiveness of the system.

Waste

Minimising embedded carbon emissions and the generation of waste would be incorporated into procurement processes by 2040.

On-site segregation is a critical step in maximising effective recycling so the model assumes new building leases and waste management contracts would include a requirement for this. Waste management contracts would zero waste to landfill by 2040 and include monitoring processes and penalty clauses. Building lease requirements would also consider the space required for waste bins and collection areas.

Employees would be supported to monitor and minimise waste through staff engagement activities and the resourcing of Green Teams.

Water

The model assumes that water use is reduced as a result of increased homeworking. New buildings should implement best practice water minimisation solutions such as low flow taps, toilets and showers. This may involve rainwater harvesting for non-potable uses as well as the diversion of rainwater to sustainable drainage systems.

Transport

Under the restricted pathway model, trials with electric vehicles would run between 2025 and 2030 which prioritise short urban travel with all hire car use being fully electric by 2030.

Public transport use and car-sharing would continue to be encouraged through employee engagement and Green Team campaigns.

It is intended that the mobile training unit will be replaced with a zero-emission vehicle in 7-8 years' time which is in line with the expected lifetime of the current vehicle.

4.3.2.3 Pathway mitigation potential

The following charts illustrate the mitigation potential for the restricted pathway.

Figure 16 - Impact of the restricted pathway split by emissions scope

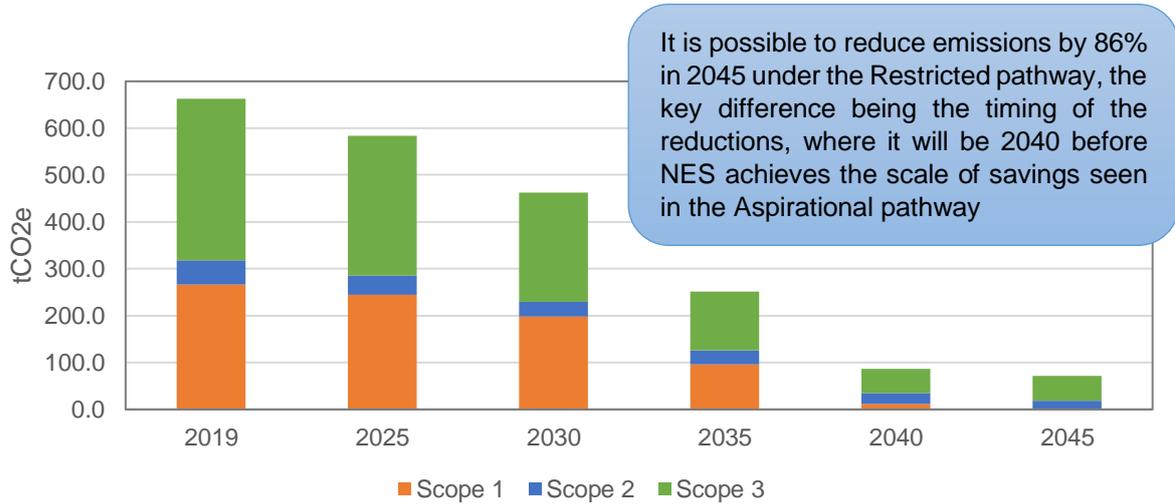


Figure 16 shows the impact of the restricted pathway on total emissions, as well as each individual emissions scope. As with the aspirational pathway, the reduction in baseline emissions seen between 2019 and 2045 is 89.2%. However, the majority of the intervention measures impact much later, due to the restrictions in available budget. The residual emissions at 2045 are 73.6% attributed to scope 3, with the remaining 26.4% in scope 2.

Figure 17 - Impact of the restricted pathway split by emissions source

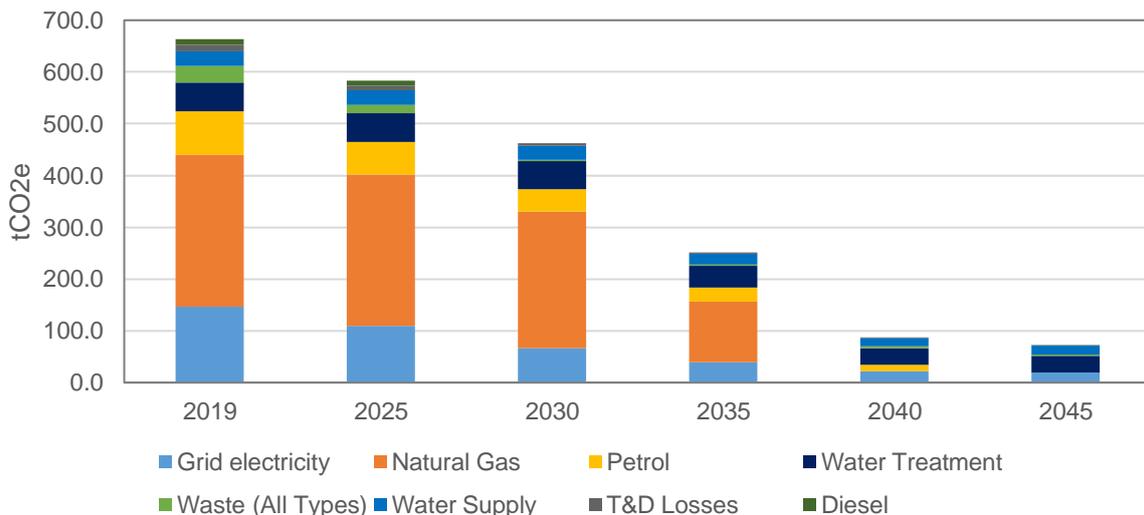
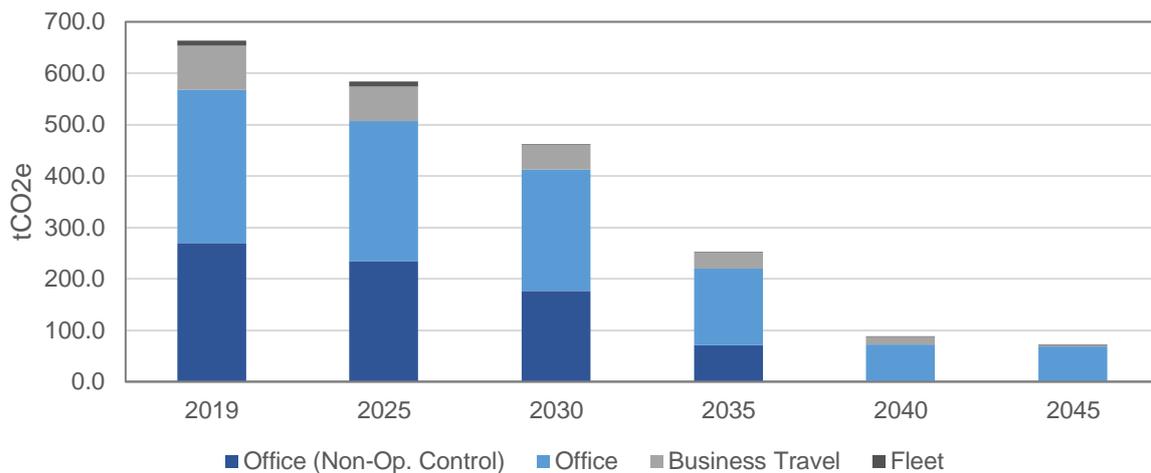


Figure 17 shows how the restricted pathway impacts each of the emissions sources that contribute to the total footprint. The impact of delayed investment can be seen, with emissions associated with natural gas reaching net-zero ten years later than under the aspirational pathway. In 2045 the residual emissions are attributed primarily to water treatment, intermediate contributions from water supply and grid electricity, and small contributions from waste arisings and transmission and distribution losses.

Figure 18 - Impact of the restricted pathway split by activity area



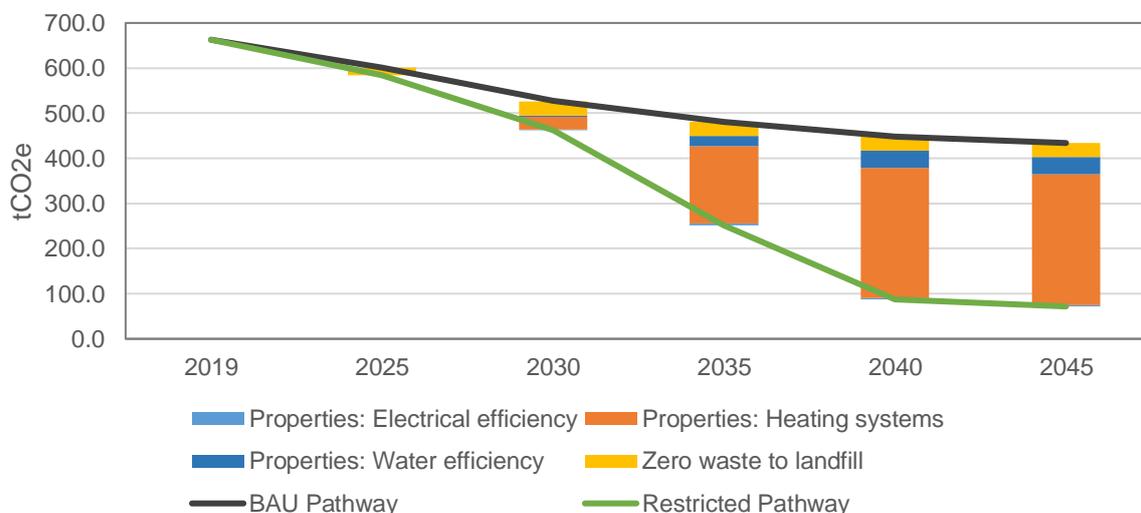
tCO ₂ e	2019	2025	2030	2035	2040	2045
Office (Non-Op. Control)	270.3	234.1	177.2	71.4	0.0	0.0
Office	297.5	272.8	235.4	148.4	71.9	68.8
Business Travel	85.4	67.4	48.7	31.5	14.8	2.7
Fleet	9.7	9.4	1.2	0.7	0.4	0.3
Total	662.8	583.7	462.6	252.0	87.2	71.8

Figure 18 shows how the restricted pathway impacts each of NES' areas of activity. Moving away from leasing spaces *over which NES has no operational control* is the most influential measure indicated. Under the restricted pathway the impact of this occurs much later than for the aspirational pathway due to the delay in investment.

Reductions in emissions associated with business travel and fleet are primarily associated with the projected electrification of the transport sector. The trajectory for these changes is expected to be the same for all scenarios.

In 2045 most residual emissions (96%) are associated with office use.

Figure 19 - Comparing the restricted pathway to business as usual



Under the restricted pathway baseline emissions are reduced by 89.2% compared to 34.5% under a business as usual scenario. Although this is the same ultimate outcome as the aspirational scenario, the benefits realised along the way will be less, due to the relative delay in investment. Figure 19 shows the contribution of groups of measures to the emissions profile of the restricted pathway. Again, this highlights the substantial opportunity available through leasing low or zero emissions properties, where the benefits from a low emission heating system are most prevalent.

4.3.3 Balanced pathway

4.3.3.1 Overview

Balanced Pathway – attempts to find a middle ground between the two previous scenarios. The scenario assumes some restrictions on resources but also seeks to implement changes at a point where costs and risks are minimised while also reducing carbon emissions as quickly as possible given the identified constraints.

The balanced pathway model aims to find a compromise between the two previous models and recognises that there are likely to be budgetary restrictions and potentially also technological and capacity benefits from a more balanced, planned rate of implementation of some solutions. Equally, NES will want to avoid late adoption of measures primarily because of the carbon emissions and the resulting environmental implications, but also because demand could impact on the cost of supply as the 2045 deadline approaches and public and private sectors are potentially legislated to take action.

A balanced approach to the implementation of measures is more likely to benefit from reducing costs of measures as the scaling up of manufacturing drives down costs and could also allow planned solutions to align with national infrastructure investment. For example, national infrastructure decisions over the next 10 to 15 years could see the transition of existing gas networks to a mix of biogas and hydrogen. Vehicles could continue to transition to using batteries or hydrogen could become more dominant if electricity distribution networks are unable to cope with the electrification of both heat and transport. Building requirements could also change if home working, supported by technology advances, becomes more commonplace or if climate change results in higher cooling demands on buildings.

4.3.3.2 Pathway intervention measures

A balanced pathway approach would have the following main aspects.

Buildings

The balanced pathway proposes that NES would occupy low or zero-carbon buildings by 2030 which could involve new builds or significant retrofitting of current properties. This would occur between the current lease date and 2030. This recognises that a transition to low and zero-carbon buildings is constrained by the current leasing arrangements and that a planned approach with the involvement of landlords could allow a smooth and cost-effective transition to sustainable buildings.

The balanced model assumes a 20% increase in the proportion of staff working from home. As with the other plans, this reduction would be in response to employee choice and improved remote working practices. Again, the plan would not assume any office building consolidation partly because of the challenges in implementing this change while maintaining the support of employees. As the impact of home working is relatively small it is proposed that only the four largest offices would see an actual reduction in required floor space of 20% which would impact future leasing agreements implemented over the period between the current lease end and 2030.

Energy

Where NES controls its energy purchasing then the model assumes those sites would switch to a green electricity tariff by 2030. Other sites would switch to green electricity between the current lease end date and 2030 as the leases are renegotiated or NES moves to low and zero-carbon buildings.

The model assumes that there would be no fossil fuel use by 2030 as it is assumed that NES would occupy low and zero-carbon buildings by this point.

The model assumes that the new, leased buildings would rely on decarbonised grid electricity for energy rather than utilising on-site renewables to achieve low carbon energy supplies. That said, a proportion of on-site renewables is desirable and could be appropriate for new buildings if installed capacity is matched against expected demand profiles and the cost of on-site renewables continues to drop.

Waste

Minimising embedded carbon emissions and the generation of waste would be incorporated into procurement processes by 2030.

On-site segregation is a critical step in maximising effective recycling so the model assumes new building leases and waste management contracts would include a requirement for this. Waste management contracts would zero waste to landfill by 2030 and include monitoring processes and penalty clauses. Building lease requirements would also consider the space required for waste bins and collection areas.

Senior management would ensure that NES leads the way on waste minimisation by appropriate allocation of resources, policy implementation, monitoring and targeting linked to management performance. Employees would be supported to minimise waste through staff engagement activities including regular campaigns, group reporting including the comparison of sites against each other and the resourcing and senior management support of Green Teams.

Water

The model assumes that water use is reduced as a result of increased homeworking. New buildings should implement best practice water minimisation solutions such as low flow taps, toilets and showers. This may involve rainwater harvesting for non-potable uses as well as the diversion of rainwater to sustainable drainage systems.

Transport

Under the balanced pathway model, hire cars would be electric by 2028 with trials run between 2025 and 2028 to support this transition.

Public transport use and car-sharing would continue to be encouraged through employee engagement and Green Team campaigns.

It is intended that the mobile training unit will be replaced with a zero-emission vehicle in 7-8 years' time which is in line with the expected lifetime of the current vehicle.

4.3.3.3 Pathway mitigation potential

The following charts illustrate the mitigation potential for the balanced pathway.

Figure 20 - Impact of the balanced pathway split by emissions scope

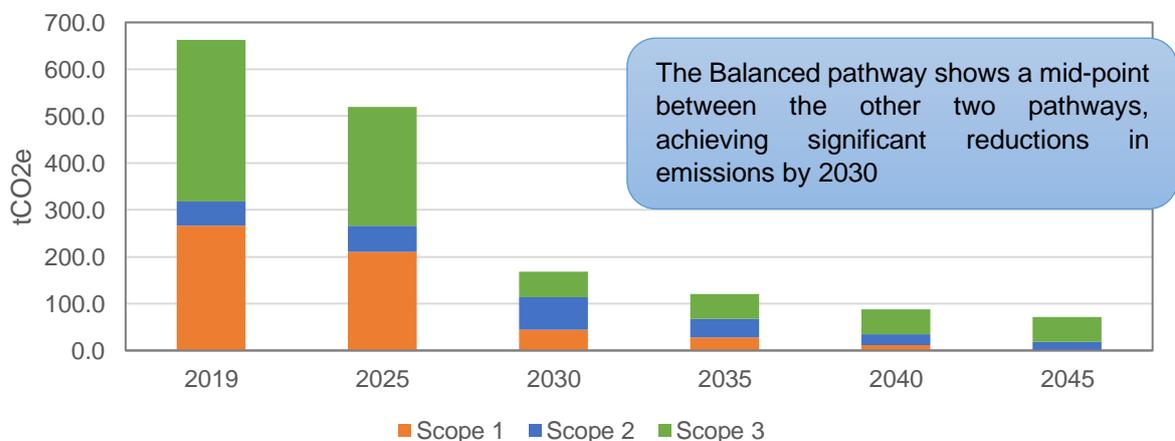


Figure 20 shows the impact of the balanced pathway on total emissions, as well as each individual emissions scope. As with the other pathways, the overall reduction in emissions seen between 2019 and 2045 is 89.2%. As would be expected, the rate of reduction falls between the restricted and aspirational pathways. The residual emissions at 2045 are 73.6% attributed to scope 3, with the remaining 26.4% in scope 2.

Figure 21 - Impact of the balanced pathway split by emissions source

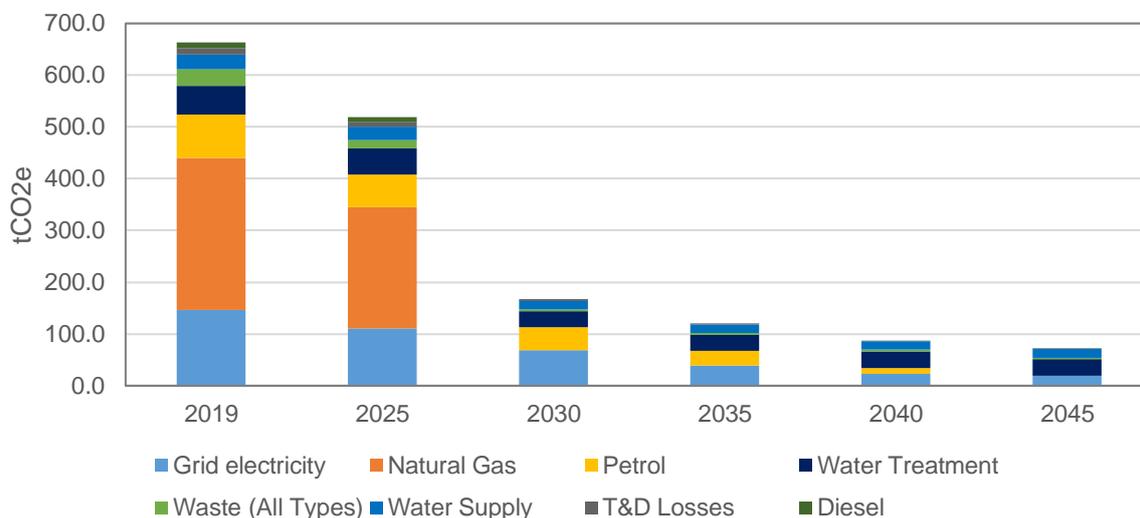


Figure 21 shows how the balanced pathway impacts each of the emissions sources that contribute to the total footprint. As with the other scenarios, in 2045 the residual emissions are attributed primarily to water treatment, intermediate contributions from water supply and grid electricity, and small contributions from waste arisings and transmission and distribution losses.

Figure 22 - Impact of the balanced pathway split by activity area

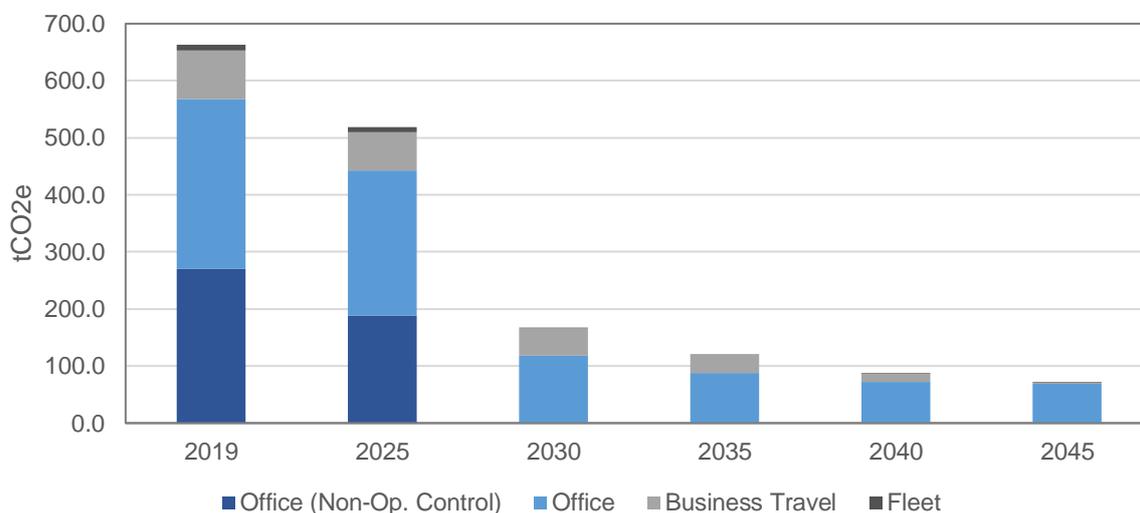
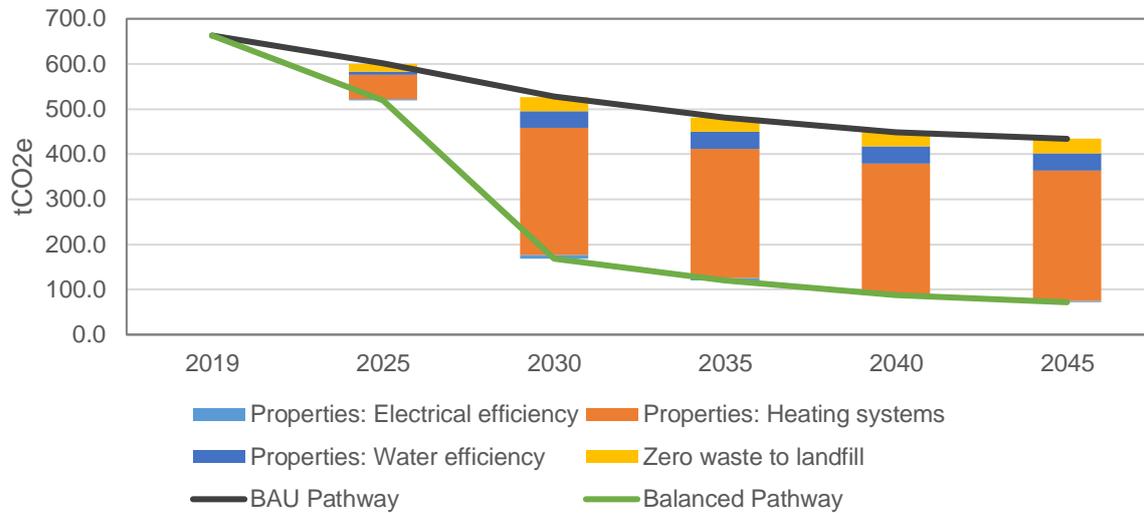


Figure 22 shows how the balanced pathway impacts each of NES' areas of activity. Moving away from leasing spaces *over which NES has no operational control* remains the most influential measure indicated.

Reductions in emissions associated with business travel and fleet are primarily associated with the projected electrification of the transport sector. The trajectory for these changes is expected to be the same for all scenarios.

In 2045 most residual emissions (96%) are associated with office use.

Figure 23 - Comparing the balanced pathway to business as usual

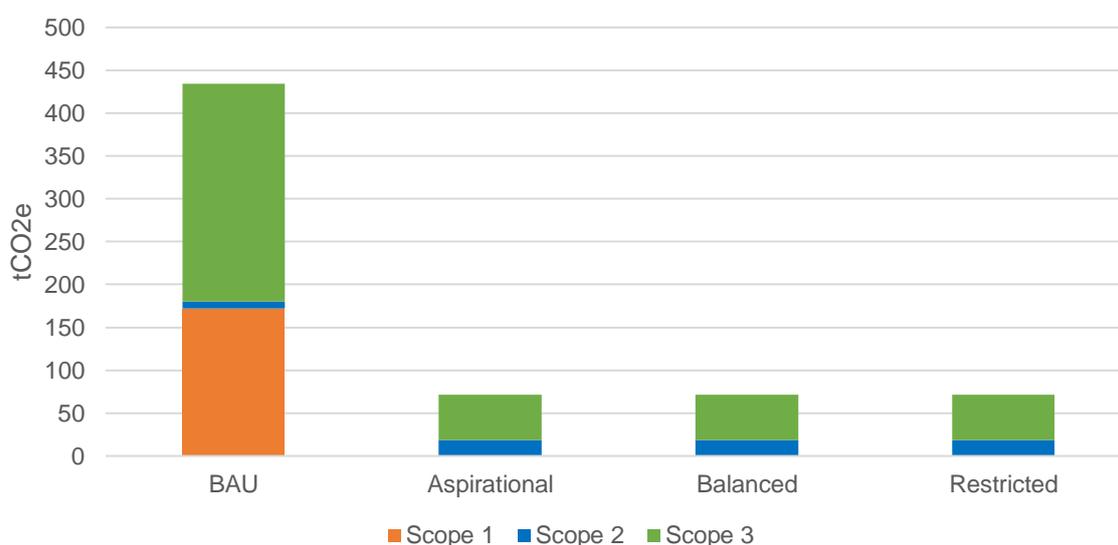


Under the balanced pathway baseline emissions are reduced by 89.2% compared to 34.5% under a business as usual scenario. Figure 23 shows the contribution of groups of measures to the emissions profile of the restricted pathway. Again, this highlights the substantial opportunity available through leasing low or zero emissions properties and low emission heating systems.

4.3.4 Residual emissions

Regardless of the scenario that NHS Shetland chooses to adopt, there will be residual emissions remaining in 2045, a breakdown of scope and the categories of emission is provided below in Figure 24 and the supporting table. This has been calculated as 8% of the 2019/20 baseline for each pathway and is primarily formed of the water supply and water treatment emissions from offices. Consistently across all pathways, the end result by 2045 is the same, as the measures themselves have a similar cumulative impact.

Figure 24 - Residual emissions in 2045, all pathways



Emissions area	BAU (tCO ₂ e)	Aspirational (tCO ₂ e)	Balanced (tCO ₂ e)	Restricted (tCO ₂ e)
Grid electricity	17.9	18.9	18.9	18.9
Natural Gas	293.2	0.0	0.0	0.0
Water Treatment	57.6	32.3	32.3	32.3
Waste (All Types)	34.5	3.0	3.0	3.0
Water Supply	29.5	16.5	16.5	16.5
T&D Losses	1.3	1.1	1.1	1.1
Total	434.0	71.8	71.8	71.8

It is likely that Scottish Water will decarbonise the water supply and treatment process by 2040, however this has not been modelled as there are no published implementation plans or strategies for Scottish Water to achieve decarbonisation at the time of writing this report. If the water supply and treatment process were to decarbonise fully by 2040, then the residual emissions for NES are only 6.9tCO₂e (or 1% of the 2019/20 baseline) with small contributions from waste arisings and the use of grid electricity.

Offsetting

While outside of the project scope, it is useful to understand the scale and potential cost of offsetting residual emissions to achieve net-zero emissions in 2044/45. We have estimated the cost of offsetting residual emissions in mid-century at £160/tCO₂ based on a recent assessment by the Grantham Institute¹². This sets the carbon price at a level equivalent to the projected marginal abatement cost, the price signal considered necessary to deliver net-zero in UK industry. Based on the modelled pathways

¹² http://www.lse.ac.uk/GranthamInstitute/wp-content/uploads/2019/05/GRI_POLICY-REPORT_How-to-price-carbon-to-reach-net-zero-emissions-in-the-UK.pdf

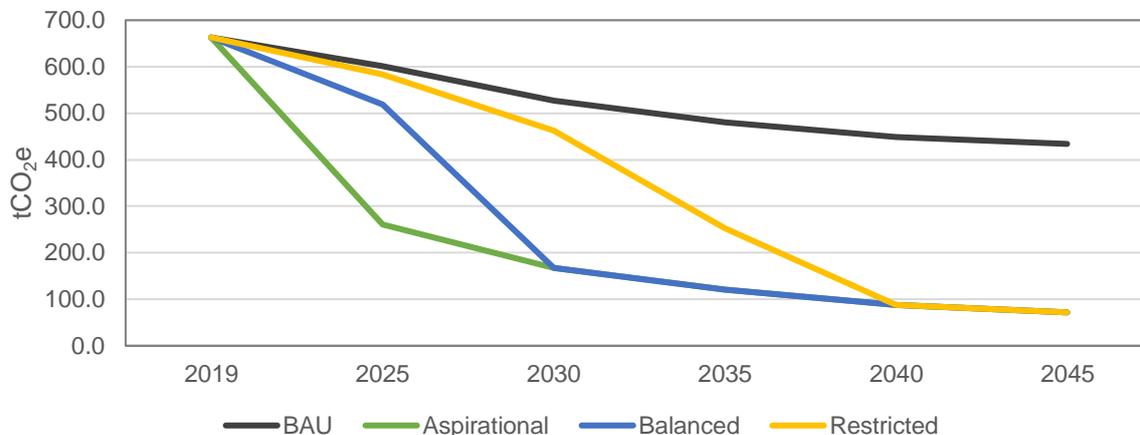
all resulting in the same level of residual emissions, NES would need to off-set 55.6tCO₂e at an approximate cost of **£8,896** in Financial Year 2044/45.

We understand HFS plans to develop a future national offsetting strategy but would make the point that there are more options than offsetting to tackle residual emissions such as insetting emissions reduction projects within the supply chain and downstream activities. This enables climate-related expenditure to remain within NHSScotland's value creation cycle and reduces heavy spend on transactional costs for offsets.

5 Summary of outcomes

The figure below shows the emissions trajectory for all pathways. For NES, all three pathways achieve the same end-point as the measures themselves have a similar cumulative impact.

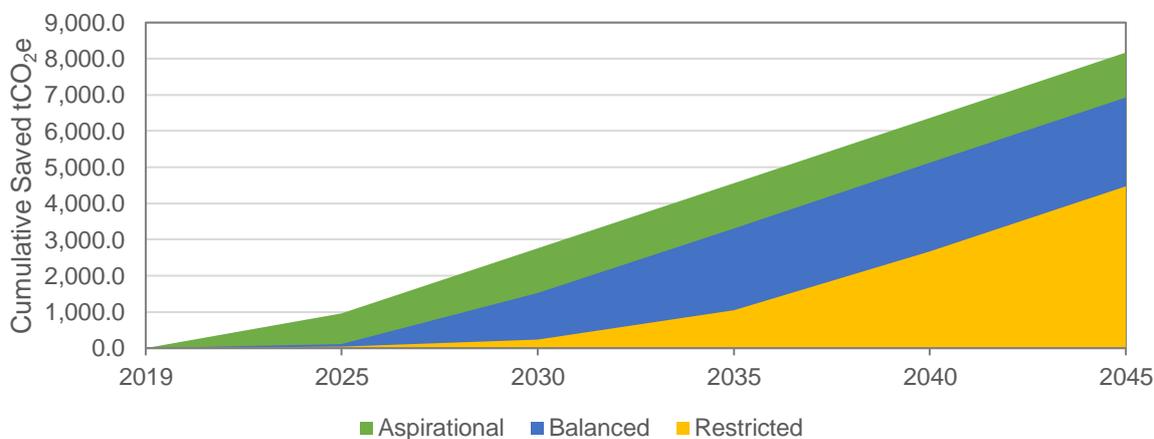
Figure 25 - Pathway comparison



tCO ₂ e	2019	2025	2030	2035	2040	2045
BAU	662.8	600.8	527.1	480.4	448.6	434.0
Aspirational	662.8	260.7	167.7	120.3	87.2	71.8
Balanced	662.8	519.2	167.7	120.3	87.2	71.8
Restricted	662.8	583.7	462.6	252.0	87.2	71.8

Figure 25 shows that all reduction scenario pathways ultimately lead to an 89.2% reduction in baseline emissions in 2045, compared to 34.5% under business as usual. The key differences are the rate at which emissions are reduced, which is greatest for the aspirational pathway and lowest for the restricted pathway. If the priority for NES is achieving the target of net-zero by 2045, then there is no driver to implement measures earlier than this date. Figure 26, below, demonstrates an important implication of these differences where there is a **clear carbon saving benefit from taking earlier action**. Cumulative emissions savings should be considered alongside the timing of implementing measures as there are wider societal and environmental benefits of saving carbon earlier than the 2045 target.

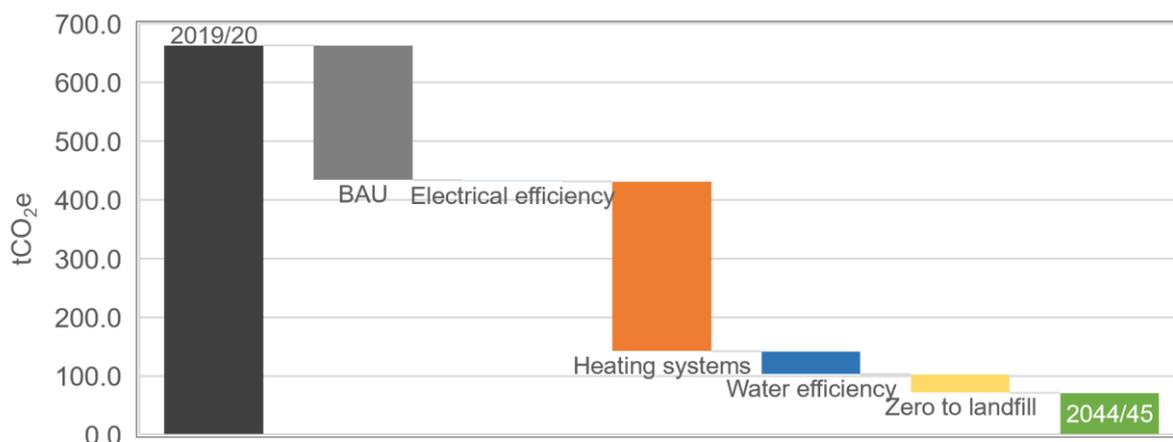
Figure 26 - Cumulative emission savings per pathway



Although all pathways lead to the same final percentage reduction in baseline emissions, it is important to note the advantages of taking early action. Figure 26 shows the cumulative emissions savings for each pathway to 2045, and Figure 27 shows the impact per measure compared to the baseline year.

Delaying action under the restricted pathway would mean accumulating only 55% of the total emissions saved by 2045 compared to the aspirational pathway. This can also be compared to the balanced pathway, which would save 85% of the aspirational pathway total emissions by 2045.

Figure 27 - Carbon savings by measure, baseline to 2044/45



In summary, it is entirely feasible for NES to achieve net-zero by 2045 and indeed achieve a significant reduction in emissions by 2030 if key policy measures are put in place during the next 2-3 years, the most critical of which are:

1. Update the decision-making criteria for office leasing arrangements to give carbon performance an equal or higher priority than the current criteria.
2. Undertake further staff engagement regarding working from home preferences and seek to maximise the benefits of staff-led working from home in reducing the footprint of office spaces.

5.1 Supporting targets and commitments

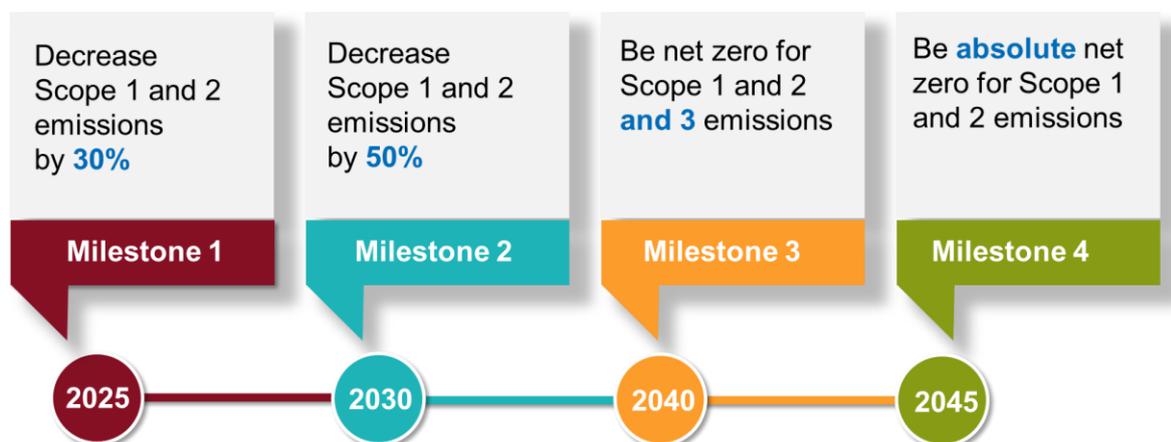
Over and above the NHSScotland commitment to achieving net-zero emissions by 2045, it would be beneficial for each Board to set their own supporting targets that align with the direction of travel across the pathways modelled in this report. Benefits include:

- Sets Board-specific targets that act as drivers for change
- Encourages ownership and accountability within the Board
- Breaks down the target into manageable components
- Readily communicable to external and internal stakeholders
- Assists and implementation planning
- Breaks a long-term commitment down into manageable timeframes

Our suggested supporting targets and commitments for NES, taking into account the modelled pathways to next zero and what is feasible to achieve, are detailed in

Figure 28 below. Where net-zero has been recommended, this covers a potential degree of off-setting. Where absolute zero has been recommended, this would only be for emissions where NES has direct control and targets achieving zero emissions (other than unavoidable emissions).

Figure 28 - Suggested supporting targets and commitments for NES



These suggested targets are aligned to NHSScotland commitments¹³ including:

1. **NHSScotland will be a 'net-zero' GHG organisation by 2045 at the latest.** Importantly for this routemap, scope 1 and scope 2 being absolute zero by 2045 (other than unavoidable emissions), and net-zero when including scope 3 emissions.
2. **All NHSScotland new buildings and major refurbishments to be designed to have net-zero GHG emissions from April 2020.**
3. **NHSScotland transport GHG emissions from its owned fleet (small/ medium vehicles) will be net-zero by 2025.**

¹³ http://www.healthscotland.scot/media/2832/1_governance-and-policy_towards-a-net-zero-nhs_kate-dapre.pdf

6 Conclusions and next steps

NES has a strong opportunity to achieve net-zero emissions by 2045, with significant options to implement key policy measures primarily related to office leases to reduce the need for expensive off-setting requirements in the year 2044/45.. This is despite accounting for a significantly wider scope of emissions than previously reported for the Board in previous years¹.

This report provides the context and evidence for this assertion and should be viewed as a positive contribution to achieving longer-term sustainability and health goals across the NHSScotland estate.

To achieve net zero through divestment from all fossil fuels, NES needs to implement the following measures at a minimum:

Offices

- As each office lease comes up for renewal, either move to a low-carbon leased office or;
- Negotiate substantial renovation improvements to the existing offices to reduce all fuel use.
- Building lease requirements should also consider the space required for waste bins and collection areas, and contracts for segregated waste collection.
- Review staff preferences for longer-term flexible home working and factor responses into future office footprint sizes.

Transport

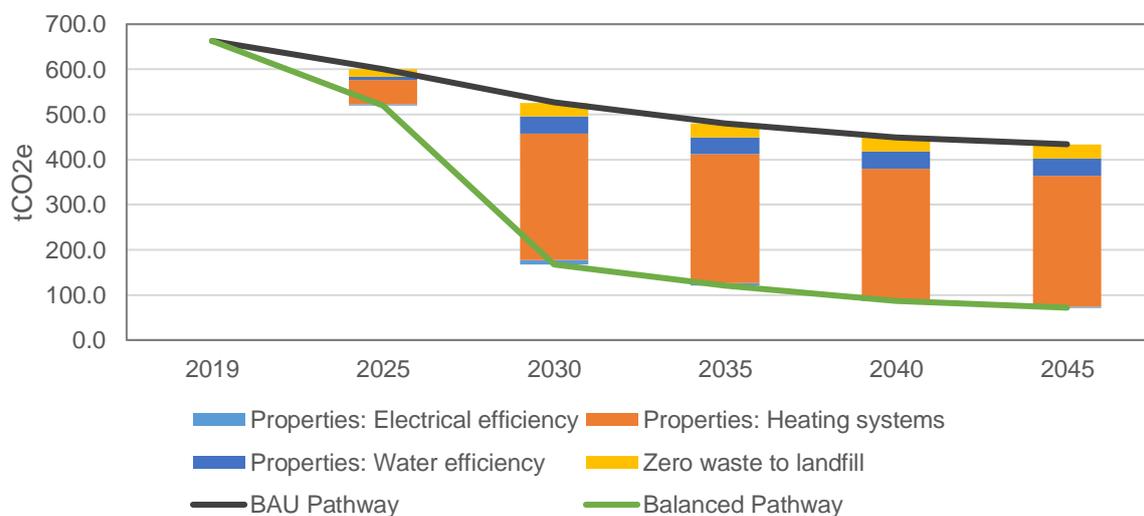
- Embedding a travel policy that all hire cars should be electric by 2030 at a minimum

Other identified measures across all three potential pathways are aimed at reducing absolute emissions through efficiency improvements and better operating practices through implementation of policies.

The recommended pathway for NES to follow is the Balanced Pathway, which addresses the main emissions sources from most offices by 2030, while implementing measures to reduce all other emission sources over a longer timescale to 2045 and achieving an 89% reduction in emissions from the 2019/20 baseline, as shown in

Figure 29 below. This recognises that a transition to low and zero-carbon buildings is constrained

Figure 29 - Comparing the balanced pathway to business as usual



It is clear from the NES Strategic Framework¹⁴ that NES recognises that there are moral, legal and economic reasons for not polluting the environment.

Aligned with this strategic direction, a proactive approach as modelled by both the Aspirational and Balanced pathways (and continued in the suggested supporting targets above) could avoid a situation where NES finds itself approaching the 2045 deadline and is having to pay a premium for low-carbon solutions because demand exceeds availability. This could be exacerbated by a late rush to adapt by the private sector, facing punitive legislation, which ultimately could lead to NES missing the 2045 deadline.

Equally, pushing for the earliest possible prioritisation of low and zero-carbon infrastructure, procurement and operations is also likely to have negative cost implications before market forces and technology development drive down costs particularly in the building-retrofit sector, which is why the Balanced pathway is recommended for NES.

In spite of the risks outlined, it can be argued that the public sector has a duty to lead the way on investing in low and zero-carbon, provided that it is given the appropriate funding. Strong policy direction and clear requirements for future low carbon buildings will give the market confidence to develop solutions and generate efficiencies of scale, paving the way for the rest of society to follow.

Given Scotland's aging population, early investment to cut carbon emissions would also mean that as the pressure on budgets increases over time, NES will already have made the investments necessary to transition to a low carbon solution and will be benefitting from the efficiencies it generates.

Most importantly, early adoption of low and zero-carbon solutions will lead to early cuts in carbon emissions which will have long term global health benefits. These benefits will be a direct result of NES cutting its emissions and, just as significantly, through supporting market transformation.

Next steps

The suggested next steps for NES are:

1. Review NES policies for office leasing decisions, consulting with staff and other stakeholder groups, such as unions, where appropriate
2. Seek quotes and investigate further the costs of low carbon office leases in order of priority for upcoming lease expiries across the Board.
3. Adopt supporting targets and commitments to underpin NES' journey to net-zero by 2045
4. Maintain the routemap as a live document, with regular reviews of the measures recommended within the report, in particular whenever there is a major office lease renewal due and/or ahead of major milestones being reached, such as emissions calculations for 2024/25.

¹⁴ <https://www.nes.scot.nhs.uk/media/4269697/NESD0968%20Strategic%20Framework%202019-2024.pdf>

Appendices

A1 Scenario parameter framework

Scenario parameters relevant to NES emissions sources

Parameters	Aspirational Pathway	Restricted Pathway	Balanced Pathway
Budget constraints	No constraints – carbon is leading factor rather than cost	Cost is restricting factor, so all changes are delayed until market matures for each measure	Carbon is leading factor, but cost must be considered
Fossil fuel use	No fossil fuel use for transport by 2030 and for heat by 2040 - the timeline for decarbonisation of heat and transport is accelerated	No fossil fuel use for transport by 2030 and for all other major uses by 2045 - the timeline for decarbonisation of heat and transport is conservative & dependent on payback	No fossil fuel use for transport by 2030 and for heat by 2045 - the timeline for decarbonisation of heat and transport is balanced
Energy source	Fuels are switched to low or zero carbon alternatives as quickly as possible Off-grid energy production is prioritised alongside accelerated decarbonisation as part of reviewing local grid capacity along with off-balance sheet renewables	Fuels are switched to low or zero carbon alternatives over a gradual timescale Green procurement of electricity through Scottish Gov contract is prioritised with only off-balance sheet renewables considered	Fuels are switched to low or zero carbon alternatives as soon as possible Green procurement of electricity through Scottish Gov contract combined with mix of on and off-balance sheet renewables
Efficiency measures	Measures for Energy, Building Fabric, IT, Waste and Water are prioritised & maximised without constraint	Measures for Energy, Building Fabric, IT, Waste and Water are prioritised based on short pay-backs and conservative timeline for implementation	Measures for Energy, Building Fabric, IT, Waste and Water are prioritised based on medium pay-backs and balanced timeline for implementation
Waste arisings	30% reduction in domestic waste arisings and <2% waste to landfill by 2030	10% reduction in domestic waste arisings and <2% waste to landfill by 2030	20% reduction in domestic waste arisings and <2% waste to landfill by 2030

A2 Minutes of NES Options workshop (27 January 2021)

Emission area	Measure	Notes/comments	RAG Rating
Multiple	Moving to owned building stock	<p>For high investment scenario</p> <p>Not practical- £30 or £40 million to purchase offices in Glasgow and Edinburgh makes it impractical to own them.</p> <p>Another constraint</p> <ul style="list-style-type: none"> - NES are part of a national board collaborative - Non patient facing boards working together - Their strategy is to lease properties but they are more likely to go into shared properties with other boards (see notes on leasing and consolidating properties) 	Red
Multiple	Leasing low carbon properties	<p>For balanced investment scenario</p> <p>Consolidation in combination with leasing low carbon buildings is more practical than owning buildings.</p> <p>When they submit an application for a lease their currently strategy requires them to consider sustainability aspects e.g. proximity to public transport. In this decision-making process, energy and sustainability aspects are therefore considered alongside price.</p> <p>The current leases are old and change has occurred in decision making/priorities since these were signed in terms of the process above. Meaning there is potential to consider low carbon buildings in future leases.</p> <p>Property rationalisation for the national board collaborative</p> <ul style="list-style-type: none"> - The first opportunity to look at how to consolidate these buildings across boards will be from late 2022 and into 2023 - For example, NHS24 have a lease break that coincides with the 2CQ lease break-making this an option to consolidate buildings - Work would need to start at the end of 2021 in the decision-making process to ensure it is in place for the end of these 	Green?

		<p>leases. An 18 month lead in time will be expected for this to consult with staff on what they are willing to accept and what the next steps would need to be</p> <p>The last consultation</p> <ul style="list-style-type: none"> - 90 days worth of active consultation, surveys, communication and department workshops etc <p>The first requirement is to work through post covid processes before property- working post covid etc (home working- balance of home and office with flexibility).</p> <p>They will retain locations in inverness, Aberdeen, Dundee, Glasgow</p> <p>To raise:</p> <ul style="list-style-type: none"> - Raise with NSS in the summary findings and recommendations: that consolidation would need to be pushed into policy as a close action e.g. office lease decisions 	
Multiple	Consolidation of buildings	<p>Balanced and restricted investment scenario</p> <p>See above</p>	Green?
Multiple	Permanent switch to home meetings and virtual training	<p>Restricted investment scenario</p> <p>They can see that staff can still be agile in working from home and this will help moving forward with more home working.</p> <p>A combined split with consolidation and home working was suggested.</p> <p>A staff survey been done</p> <ul style="list-style-type: none"> - 3-4% in favour of working in office full time - 65-70% in favour of a balance of office working and home working - The rest (20%) favoured working from home full time <p>10-15 years will enable them to change the nature of home/office working split</p> <ul style="list-style-type: none"> - Clinical training could not be virtual 	Amber?

		<ul style="list-style-type: none"> - Clinical training may need more space and office less - More collaborative spaces <p>If modelling on home working can be done to take into account home working emissions, this would be really useful to understand what opportunities NES have and how these decisions will impact emissions.</p>	
Transport	Promoting the use of electric vehicles	<p>All investment scenarios</p> <p>Charging points</p> <ul style="list-style-type: none"> - Not sure about Glasgow - Edinburgh low emission city (low emission zone- electric)- they may not be able to use their car parks- need to find out date of this low emission zone <p>https://www.lowemissionzones.scot/</p> <ul style="list-style-type: none"> - This may be something to consider when searching for future property e.g. are there charging points? - It can also be discussed with landlords about installing them - NSS do car leasing scheme- there is scope to influence their policy as this is out of NES control <p>Landlord would install them but is there demand for them to be used? Staff need to be encouraged to use them/purchase EVs. See it as more consumer led. Only 1 request so far in 2CQ.</p> <p>However, the scenarios extend to 2045, demand for EVs will increase naturally.</p> <p>EV bike charging points in Edinburgh? They can request this from the landlord. Bike scheme to incorporate EVs?</p> <p>This may come for the next lease after 2023, demand may not be there before they leave the current building.</p> <p>Feedback suggests this area is worth exploring.</p>	Green/amber
Transport	Future replacement of mobile training unit	<p>A new mobile unit has recently been purchased and although low emission/EV options were investigated, the technology isn't available at this stage.</p>	Amber

		<p>Nevertheless, the option to explore more sustainable options in the future was considered as an option.</p> <p>This is likely to need replacing in 7-8 years time, when technology may be available.</p>	
Energy management	Energy management	<p>There is some scope on energy management options NES are able to have influence over</p> <ul style="list-style-type: none"> - Lighting, motion sensors etc they can change <p>Landlords may be struggling with leasing etc (particularly post covid) so there is some room for negotiating here to improve energy management in leased buildings.</p>	Amber?
Energy	Purchase of green tariffs	<p>This is something that has been looked into for some time, due to legal issues in Scottish Government Frameworks it hasn't previously been possible.</p> <p>However, this now seems possible for buildings with the highest energy consumption, in the next 2-3 months.</p> <p>The limited power of NES and NHS Scotland in terms of Scottish Government Framework was discussed e.g. the chances of NES getting their own green tariff deal appear unlikely.</p>	Amber?

A3 Supporting information for pathways

Pathway	Measures												
Aspirational	<p>Carbon is leading factor rather than cost.</p> <p>Elec/fuels: Move to low/zero carbon properties as soon as current leases come due. Ensure that either have control over their energy supplies (so can go for green tariffs) or ensure landlord commits to purchasing green electricity.</p> <p>No fossil fuels in new properties.</p> <p><i>On-site renewables are a desirable factor in any new lease.</i> Modelling point of view assume no on-site.</p> <p>Modelling assumptions:</p> <ul style="list-style-type: none"> • Modelled as step changes in emissions in year of lease date (see table of lease dates at end of document). • For those properties that currently do not have operational control (Scope 3) are assumed to have operational control when new lease taken out (Scope 1&2) • All electricity changed to green electricity (green tariff). Zero carbon under market-based reporting. • New low carbon offices are expected to meet the requirements as set out in the “Net-zero and Sustainability Design Guide” document found here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/925231/Net_Zero_and_Sustainability_Anne_x_August_2020 .pdf • kWh/m2 figures used for new offices can be found on Page 20. 70kWh/m2 total energy use, of which 15kWh/m2 for heating systems. <table border="1"> <thead> <tr> <th></th> <th>Target</th> </tr> </thead> <tbody> <tr> <td>Operational Energy Use (EUI)</td> <td>70 kWh/m²/yr (NLA), 55 kWh/m²/yr (GIA)</td> </tr> <tr> <td>Space Heating Demand</td> <td>15 kWh/m²/yr</td> </tr> <tr> <td>DEC Rating</td> <td>In the top quartile of performance</td> </tr> <tr> <td>EPC Rating</td> <td>A</td> </tr> <tr> <td>Renewable Energy (RE) Supply</td> <td>Local Plan requirement for minimum % on-site RE achieved</td> </tr> </tbody> </table> <p>WFH/Downsizing Offices: 20% staff WFH (model emissions), and equal floor area reduction for all offices. Not considering consolidation, and not forcing staff to work from home, only downsizing because of staff asking to WFH. Model over same timeframe as new office moves. <i>Link to office lease considerations.</i></p> <p>Modelling assumptions:</p> <ul style="list-style-type: none"> • Modelled as 20% reduction in energy usage (all elec, including new elec heating energy use), water and waste. • Change occurs when new lease it taken out as step change. <p>Water: ensure that properties can either be retrofitted with low flow taps/toilets etc. or existing building has these installed. Rainwater harvesting & grey water recovery ideal. Note: lower priority then elec./fuels.</p> <p>Modelling assumptions:</p>		Target	Operational Energy Use (EUI)	70 kWh/m ² /yr (NLA), 55 kWh/m ² /yr (GIA)	Space Heating Demand	15 kWh/m ² /yr	DEC Rating	In the top quartile of performance	EPC Rating	A	Renewable Energy (RE) Supply	Local Plan requirement for minimum % on-site RE achieved
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DEC Rating	In the top quartile of performance												
EPC Rating	A												
Renewable Energy (RE) Supply	Local Plan requirement for minimum % on-site RE achieved												

	<ul style="list-style-type: none"> • Modelled as reduction in water use of 20% due to staff WFH (Change occurs when new lease it taken out as step change) • Further 30% reduction due to offices having low flow taps/toilets/showers. <p>Transport: Replacing mobile training unit with zero emission vehicle in 7-8 years' time (when it needs replacing). <i>May already be a BAU measure.</i></p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Replaced BAU measure and accelerated timeframe - change to EV in 2027 rather than 2030. <p>Change hire car policy- all hire cars are zero emissions by 2025. Should be running trials in the interim, so model as phased from 2023-2025.</p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as all cars are EVs with charging at normal grid electricity (i.e. standard emissions factor). Minor acceleration of timeframe compared to BAU. <p>Waste: Capture more granular waste data via green teams and engagement with staff. On-site segregation of waste and engage with waste management companies to ensure zero waste to landfill by 2030. <i>Should be considered within new leases.</i></p> <p>Invest in staff training, setting up green teams, developing policies and management for monitoring and targeting energy/utility/waste. Benchmarking offices against one another, targets. Lead the curve!</p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as phased change (2021-2030) towards not sending general waste to landfill - waste is either combusted or recycled instead of landfill.
Balanced	<p>Carbon is leading factor, but cost must be considered.</p> <p>Elec/fuels: Move to low/zero carbon properties by 2030 - allows for negotiation with current landlords around retrofitting properties. Phased from lease date end to 2030.</p> <p>Ensure that either have control over their energy supplies (so can go for green tariffs) or ensure landlord commits to purchasing green electricity.</p> <p>No fossil fuels after moves by 2030.</p> <p><i>On-site renewables are a desirable factor in any new lease.</i> Modelling point of view assume no on-site.</p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as phased change in emissions from current lease date end (see table of lease dates at end of document) to 2030. Reflects that they might not move from their current property immediately at end of current lease. • For those properties that currently do not have operational control (Scope 3) are assumed to have operational control when new lease taken out (Scope 1&2) • All electricity changed to green electricity (grid green tariff) when move office. Zero carbon under market-based reporting. • New low carbon offices are expected to meet the requirements as set out in the “Net-zero and Sustainability Design Guide” document found

here:

[https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/925231/Net Zero and Sustainability Annex August 2020 .pdf](https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/925231/Net_Zero_and_Sustainability_Anne_x_August_2020_.pdf)

- kWh/m² figures used for new offices can be found on Page 20. 70kWh/m² total energy use, of which 15kWh/m² for heating systems.

WFH/Downsizing Offices: 20% staff WFH (model emissions), and equal floor area reduction **only for four large offices**. Not considering consolidation, and not forcing staff to work from home, only downsizing because of staff asking to WFH. Model over same timeframe as new office moves. *Link to office lease considerations.*

Modelling assumptions:

- Modelled as 20% reduction in electricity usage (all elec, including new elec heating energy use).
- Change occurs when new lease is taken out as phased change over same period as Elec/fuels section above.

Water: ensure that properties can either be retrofitted with low flow taps/toilets etc. or existing building has these installed. Note: lower priority than elec./fuels.

Modelling assumptions:

- Modelled as reduction in water use of 20% due to staff WFH
- Further 30% reduction due to offices having low flow taps/toilets/showers.
- Change occurs when new lease is taken out as phased change over same period as Elec/fuels section above.

Transport: Replacing mobile training unit with **zero** emission vehicle in 7-8 years' time (when it needs replacing).

Modelling assumptions:

- Replaced BAU measure and accelerated timeframe - change to EV in 2027 rather than 2030.

Change hire car policy- all hire cars are zero emissions by 2028. Should be running trials in the interim, so model as phased from 2025-2028, based on rural/urban/travel distance - shorter journeys prioritised for EVs.

Modelling assumptions:

- Modelled as all cars are EVs with charging at normal grid electricity (i.e. standard emissions factor). Minor acceleration of timeframe compared to BAU.

Waste: Capture more granular waste data via green teams and engagement with staff. On-site segregation of waste and engage with waste management companies to ensure zero waste to landfill by 2030. *Should be considered within new leases.*

Modelling assumptions:

- Modelled as phased change (2021-2030) towards not sending general waste to landfill - waste is either combusted or recycled instead of landfill.
- Change occurs when new lease is taken out as phased change over same period as Elec/fuels section above.

Restricted	<p>Cost is restricting factor, so all changes are delayed until market matures for low/zero carbon properties.</p> <p>Elec/fuels: Move to low/zero carbon properties by 2040 - allows for negotiation with current landlords around retrofitting properties. Phased from 2030-2040.</p> <p>Ensure that either have control over their energy supplies (so can go for green tariffs) or ensure landlord commits to purchasing green electricity.</p> <p>Switch to green electricity by 2030 for properties where they currently have control.</p> <p>No fossil fuels by 2040.</p> <p><i>On-site renewables are a desirable factor in any new lease. Modelling point of view assume no on-site.</i></p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as step change in emissions phased from 2030-2040. Reflects that they might not move from their current property immediately at end of current lease, or move to another non-low carbon office for another lease period. • For those properties that currently do not have operational control (Scope 3) are assumed to have operational control when new lease taken out (Scope 1&2) • All electricity changed to green electricity (green tariff) when move to new offices. Zero carbon under market-based reporting. • New low carbon offices are expected to meet the requirements as set out in the “Net-zero and Sustainability Design Guide” document found here: https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/925231/Net Zero and Sustainability Anne x August 2020 .pdf • kWh/m2 figures used for new offices can be found on Page 20. 70kWh/m2 total energy use, of which 15kWh/m2 for heating systems. <p>WFH/Downsizing Offices: 20% staff WFH (model emissions), and equal floor area reduction only for four large offices. Not considering consolidation, and not forcing staff to work from home, only downsizing because of staff asking to WFH. Model over same timeframe as new office moves. <i>Link to office lease considerations.</i></p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as 20% reduction in electricity usage (all elec, including new elec heating energy use). • Change occurs when new lease it taken out as phased change over same period as Elec/fuels section above. <p>Water: ensure that properties can either be retrofitted with low flow taps/toilets etc. or existing building has these installed. Note: lower priority then elec./fuels.</p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as reduction in water use of 20% due to staff WFH • Further 30% reduction due to offices having low flow taps/toilets/showers. • Change occurs when new lease it taken out as phased change over same period as Elec/fuels section above. <p>Transport: Replacing mobile training unit with zero emission vehicle in 10 years' time (when it needs replacing). <i>May already be a BAU measure.</i></p>
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	<p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • No change to BAU measure <p>Change hire car policy- all hire cars are zero emissions by 2030. Should be running trials in the interim, so model as phased from 2025-2030, based on rural/urban/travel distance - shorter journeys prioritised for EVs.</p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as all cars are EVs with charging at normal grid electricity (i.e. standard emissions factor). Minor acceleration of timeframe compared to BAU. <p>Waste: Capture more granular waste data via green teams and engagement with staff. On-site segregation of waste and engage with waste management companies to ensure zero waste to landfill by 2030. <i>Should be considered within new leases.</i></p> <p><u>Modelling assumptions:</u></p> <ul style="list-style-type: none"> • Modelled as phased change (2021-2030) towards not sending general waste to landfill - waste is either combusted or recycled instead of landfill. • Change occurs when new lease is taken out as phased change over same period as Elec/fuels section above.
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Lease end dates

Property	Lease end date
Aberdeen FGH	2027
Edinburgh	2025
Glasgow 2CQ	2023
GDEC	Unknown - modelled as 2025
ADEC	Unknown - modelled as 2025
EDEC	Unknown - modelled as 2025
DDEC	Unknown - modelled as 2025
ICHS (Invernes)	2021/2023 - modelled as 2023
Postgrad Office	Unknown - modelled as 2025

A4 Glossary

Abbreviation	Full description
ASHP	Air-Source Heat Pump
BAU	Business As Usual
GSHP	Ground-Source Heat Pump
HFS	Health Facilities Scotland
T&D	Transmission and Distribution

Board Paper

1. Title of Paper

Digital and Information Committee Terms of Reference (ToRs)

2. Author(s) of Paper

Della Thomas, Board Secretary & Principal Lead Corporate Governance

3. Situation/Purpose of paper

This paper invites the Board to approve the Digital and Information Committee (DIC) ToRs.

The paper highlights the distinction between the roles of the DIC and the Audit and Risk Committee (ARC) in terms of “information governance” as agreed by the DIC at the 28 June 2021 meeting and the ARC at their meeting 3 August 2021.

4. Background

- 4.1 During 2020/21 the Digital Committee was suspended. As part of the review of NES Board governance, post phase 1 of the COVID-19 pandemic, the Digital Committee took on a wider remit and was re-named the Digital and Information Committee (DIC). At this time other changes were made to the Board governance processes and structures. Generic headings and some generic content for all Committee ToRs were approved by the Board in November 2020 and published [here](#). All other Board Committees (with the exception of the DIC) prepared their specific ToRs and these were approved by the Board at the February 2021 meeting and are published [here](#).
- 4.2 The first meeting of the DIC, for the new 2021/22 business year, took place on 28 June 2021. The draft ToRs were circulated by correspondence for initial consideration and comment.
- 4.3 The ToRs were discussed and approved by DIC members at the 28 June meeting, with one amendment to paragraph 1.2 to include not just the public cloud, but also the private cloud.
- 4.4 The ToRs were discussed at the ARC at their meeting 3 August 2021 and approved to progress onwards to the Board with two further amendments.
- 4.5 The first a change to 1.3 from the “NES legal obligations of GDPR” to read in a broader context of “NES legal obligations”.
- 4.6 The second was a change to paragraph 9.7, as it was agreed that the focus of this paragraph should reflect more strongly the importance of the interface with external governance structures. This paragraph has been changed from “collaborate effectively with other Board standing committees in NES and also interact constructively with the governance structures of other organisations as appropriate” to “collaborate effectively and interact constructively with the governance structures of

other external organisations as appropriate, as well as the across the internal Committee structures of NES”.

- 4.7 The full corporate governance package (as per the Board Standing Orders) will be brought through the ARC and then Board for final approval as one product/paper on an annual basis, and this is scheduled for the February 2022 Board meeting. The overall package will include the Board Model Code of Conduct; Board Standing Orders; Standing Financial Instructions; Board Scheme of Delegation and all Committee ToRs.

5. Assessment/Key Issues

- 5.1 In relation to how NES will respond to ‘Information Governance’, the DIC discussed and agreed the splitting of Information Governance between the DIC and the ARC as below, with the caveat that communication between the two Committee’s should remain robust. The DIC requested a paper to the both the 13 September 2021 DIC meeting and the 7 October 2021 ARC to further define these reporting structures.

- Governance and scrutiny within the context of “*Information*” in relation to the technical aspect of information security. This is the information governance of the security of the systems, the cyber security and is proposed as the role of the DIC.
- Governance and scrutiny within the context of the NES legal obligations. This is the security of people’s information once we have obtained it and covers GDPR; FoI and the Public Records Scotland Act and is currently the role of the ARC.

6. Recommendations

- 6.1 The Board are asked to approve the DIC ToRs (Appendix I).

Author to complete

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with [NES Strategy 2019-2024](#)

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

Yes

No

f) Have you considered a staff and external stakeholder engagement plan?

Yes

No

Della Thomas, Board Secretary
NES
August 2021

Appendix I

NHS Education for Scotland

Digital and Information Committee

Terms of Reference

1. Constitution/context

1.1 The NHS Education for Scotland (NES) Board has established a Committee to be known as the *Digital and Information Committee*; hereafter referred to as the Committee, which will operate within the terms of the Board's Standing Orders; Standing Financial Instructions and the Board Code of Conduct.

1.2 The Committee will provide governance and scrutiny within the context of "*Digital*" as defined as the application of technology to deliver business services through the public and private cloud.

1.3 The Committee will provide governance and scrutiny within the context of "*Information*" in relation to the technical aspect of information security. The Audit and Risk Committee will provide governance and scrutiny within the context of the NES legal obligations.

2. Role

2.1 The role of this Committee is to provide oversight, scrutiny and assurance of area four of the NES Strategy 2019-24 (A National Digital Platform, Analysis, Intelligence and Modelling), and the areas of the Scottish Government's Digital Health and Care Strategy (April 2018) on which NES leads.

3. Membership

3.1 Full membership of the Committee shall include the following:

- four non-executive directors of the NES Board;
- one co-opted member with non-voting rights.

4. Quorum

4.1 – 4.7 [Quorum](#)

5. Attendees

5.1 – 5.2 [Attendees](#)

5.3 The Executive Lead, (Director of NES Digital and the NES Digital Service) will attend all meetings.

5.4 The NES Chief Executive may attend any meetings.

5.5 The Committee may require relevant officers to attend at meetings, where specific advice and/or guidance is required on relevant topics.

5.6 The Committee may co-opt additional advisors as required.

6. Private Member Meetings

6.1 [Private Member Meetings](#)

7. Frequency of Meetings

7.1 The Committee shall normally meet four times per year.

7.2 The Chair of the Committee, may within reason, convene additional meetings if they deem this necessary, in consultation with the relevant executive lead.

8. Authority

8.1 [Authority](#)

9. Responsibilities and Duties

The Committee shall act for the Board to:

9.1 provide assurance to the Board as to the effective strategic management and delivery of NES's digital work in relation to strategic key performance indicators, resource allocation, strategic risk identification and mitigation and service delivery;

9.2 provide scrutiny and oversight of the corporate governance processes for incorporating in-year commissions into the overall strategic work programme;

9.3 ensure that effective and coherent strategic engagement and communications is progressed with the relevant stakeholders particularly Scottish Government, NHS Boards, Integrated Joint Boards, COSLA and suppliers;

9.4 ensure compliance with statutory and regulatory requirements including, clinical and technical assurance; safety and user acceptability and as per policies and guidance from the Scottish Government and other organisations as appropriate;

9.5 horizon scan so that the Board is kept informed of emerging policies, research, data, technical, clinical or other innovative developments as might have a bearing on the organisation's approach to development and delivery of its strategies and work programme for digital;

9.6 establish such sub-committees it considers appropriate to ensure its work is suitably informed and supported;

9.7 collaborate effectively and interact constructively with the governance structures of other external organisations as appropriate, as well as the across the internal Committee structures of NES;

9.8 deal with any such matters as may be assigned to the Committee by the Board and make recommendations as might be necessary.

10. Reporting Arrangements

10.1 - 10.5 [Reporting Arrangements](#)

11. Review

11.1 [Review](#)

11.2 The Committee will undertake an annual assessment of their performance, highlighting any steps for further improvement to the way they conduct business.

12. Conduct of Business

[Conduct of Business](#)

Della Thomas, Board Secretary
NES, August 2021

Board Paper

1. Title of Paper

Amended SFIs and Remuneration Sub-Committee Terms of Reference

2. Author(s) of Paper

Janice Sinclair, Interim Director of Finance
Della Thomas, Board Secretary

3. Situation/Purpose of paper

The purpose of this paper is to seek Board approval for the amendments to the Standing Financial Instructions (SFIs) and the amendments to the Remuneration Committee Terms of Reference (ToRs).

4. Background

- 4.1 The February 2021 Board received a report from the Audit and Risk Committee (ARC) Chair outlining that they had reviewed the SFIs at their 28 January 2021 meeting and considered the merit in reviewing section 9.49 of the SFIs and ensuring alignment with the Remuneration Sub-Committee ToRs, given the updated Scottish Government (SG) process for settlement agreements and early retirements. The Board Chair noted that both the Remuneration Sub-Committee ToRs and SFIs had come to that Board meeting for approval and asked the Chair of the ARC and the Director of Finance to propose any amendments required to these documents.
- 4.2 The Board was updated on progress at the 27 May 2021 Board meeting and noted that a paper would be brought to the 7 July 2021 Remuneration Committee meeting and that any changes required to the ToRs would be made; the revised ToRs and any revisions required to the SFIs would be brought through the 3 August ARC; and then be brought to 12 August 2021 Board meeting for final approval.
- 4.3 Following the meeting on the 7 July 2021, the Remuneration Committee approved revised Terms of Reference by correspondence.
- 4.4 As the Remuneration Committee is a sub Committee of the Staff Governance Committee (SGC), the ToRs were circulated by correspondence to the SGC for their endorsement and made a recommendation for a change.

5 Assessment / Key Issues (Including strategic risk)

- 5.1 The 3 August ARC considered changes to the Remuneration Committee ToRs (Appendix I) and approved these as follows:
 - Additions to sections 9.7 to 9.10 to describe the responsibilities of the Remuneration Committee in respect of redundancy payments; Voluntary Severance payments; and early retirements.

- Changes recommended by a SGC member to section 3.2 to make it clear that the membership **will** include those non-executive directors listed and to clarify which of these non-executives directors the Chair of the Remuneration Sub-Committee will be appointed from.

5.2 The 3 August ARC considered amendments to the SFIs and agreed these as follows.

5.3 Section 9.49 which currently states:

“Subject to the limits laid down in the Scheme of Delegation, **all early retirements** which result in additional costs being borne by the employer will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board. The Chair shall personally authorise payments in respect of Chief Executive and the Chief Executive shall personally authorise payments in respect of all other employees, following approval by the NES Board”.

By ensuring that there is consistency between the Remuneration committee ToRs and the SFIs, we mitigate against the risk that cases are approved without due process being followed.

The ARC agreed to replace section 9.49 with the following:

9.49 Subject to the limits laid down in the Scheme of Delegation, the Remuneration Committee shall review and approve submissions from the Director of Workforce for any redundancy situation leading to contractual entitlement to a payment in excess of £95,000.

9.50 An annual report on voluntary severance agreements and any other voluntary resignations with a financial consideration that have been approved through the extant Scottish Government business case process and authorised by the NES CEO as Accountable Officer shall be presented to the Remuneration Committee in advance of the inclusion of the associated data in the Annual Accounts.

9.51 Subject to the limits laid down in the Scheme of Delegation, all early retirements, that meet the requirement for a two-year maximum pay-back period and result in additional costs being borne by the employer, will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board.

9.52 Early retirements due to ill health are approved by SPPA and are usually out with the remit of the Remuneration Committee, in any rare and exceptional case where additional costs may be borne by NES, this will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board

5.4 The Scheme of Delegation is explained within Section 19 of the SFIs, specifically

RESERVATION OF POWERS AND SCHEME OF DELEGATION

19.1 *Matters on which decisions on, and/or approval of, are retained by the Board:*

- *Policy;*
- *Strategy, business plans and budgets;*

- *Standing Orders;*
- *Standing Financial Instructions;*
- *The establishment, terms and reference and reporting arrangements for all Committees and Sub Committees (including Standing Committees);*
- *Significant items of Capital Expenditure or disposal of assets*
- *Recommendations from all Committees and Sub-Committees (Where powers are Delegated)*
- *Annual Report and Annual Accounts;*
- *Financial and performance reporting arrangements;*
- *Investment Policy for exchequer and endowment funds;*
- *Constitution and Terms of Reference for statutory Committees.*

19.2 *Powers delegated by the Board to the committees are detailed in the Scheme of Delegation which is available [here](#)*

19.3 *All other decisions other than those referred to in paragraphs mentioned above, are delegated by the Board to officers of the Board through the Chief Executive as detailed in Appendix 1.*

5.5 The Amendments to the ToRs will ensure that the role of the Remuneration Committee in approving redundancy payments above £95,000 is included within the Scheme of Delegation.

5.6 The role of the Officers of the board needs to be reflected in Appendix 1 of the SFIs where issues of HR management and procedures for the employment of staff to the Director of Workforce is already noted. There is no specific mention of Redundancy payments; voluntary severance arrangements or early retireals. The following insertions are proposed and agreed by the ARC:

Delegated Issue and Scope of Delegation	Responsible Officer	Deputy
Approval for contractual redundancy payments under £95,000	Director of Workforce and Director of Finance	Depute Director of HR and Head of Finance
Recommendations for Early Retiral payments under £95,000 to be considered by the Remuneration Committee for final approval by the Board. Payments above this limit will be required to be approved by the relevant Scottish Government Minister prior to approval by the NES Accountable officer	Director of Workforce and Director of Finance	Depute Director of HR and Head of Finance
Payments under Settlement agreements and Voluntary Resignation schemes	Chief Executive	Deputy Chief Executive

5.7 The SFIs section 19.2 currently holds a reference to the Corporate governance Handbook. This reference will be changed to link to the Scheme of delegation as highlighted above.

6 Recommendations:

The Board is asked to approve the amendments to the Remuneration Committee ToRs (Appendix I) and the above changes to the Standing Financial Instructions.

Author to complete

a) Have Educational implications been considered?

- Yes
 No

b) Is there a budget allocated for this work?

- Yes
 No

c) Alignment with NES Strategy 2019-2024

1. A high-quality learning and employment environment
 2. National infrastructure to improve attraction, recruitment, training and retention
 3. Education and training for a skilled, adaptable and compassionate workforce
 4. A national digital platform, analysis, intelligence and modelling
 5. A high performing organisation (NES)

d) Have key risks and mitigation measures been identified?

- Yes
 No

e) Have Equality and Diversity and health inequality issues been considered?

- Yes
 No

f) Have you considered a staff and external stakeholder engagement plan?

- Yes
 No

JS/DT
August 2021
NES

NHS Education for Scotland

Remuneration Committee

Terms of Reference

1. Constitution/context

1.1 The NHS Education for Scotland (NES) Board has established a Committee to be known as the Remuneration Committee; hereafter referred to as the Committee, which will operate within the terms of the Board's Standing Orders; Standing Financial Instructions and the Board Code of Conduct.

1.2 The Committee will fulfil its duties in line with relevant statutory and regulatory requirements.

1.3 The Committee will be a Sub-Committee of the Staff Governance Committee.

2. Role

2.1 To provide assurance to the Board, through the Staff Governance Committee, that appropriate arrangements are in place to ensure that the Board meets the statutory requirements laid out in the Staff Governance Standard in respect of the remuneration of the Executive Directors and Directors (and any other staff employed under Executive Managers' or Consultants' pay arrangements.

2.2 The Committee will also review submissions from the Chief Executive for any settlement agreements.

3. Membership

3.1 Membership of the Remuneration Committee will include, as a minimum, three non-executive Directors of the NHS Board, one of whom should, in normal circumstances, be the Employee Director.

3.2 Membership will include:

The Non-Executive Chair, appointed from the below membership (i.-v.)

- i. Non-Executive Board Vice-Chair
- ii. Non-Executive Chair of the Audit & Risk Committee
- iii. Non-Executive Chair of the Education and Quality Committee
- iv. Non-Executive Chair of the Staff Governance Committee
- v. Non-Executive Chair of the Digital and Information Committee
- vi. Non-Executive Board Chair
- vii. Non-Executive Employee Director

4. Quorum

4.1 – 4.7 [Quorum \(generic ToRs\)](#)

5. Attendees

5.1 – 5.2 [Attendees](#) (generic ToRs)

- 5.3. The Chief Executive and Director of Workforce will be in attendance throughout to provide advice and support (apart from during their review).
- 5.4. The Chief Executive and Director of Workforce will leave the meeting when their own remuneration and terms and conditions are to be discussed, and at other times, at the discretion of the Chair.

6. Private Member Meetings

6.1 [Private Member Meetings \(generic ToRs\)](#)

7. Frequency of Meetings

7.1 The Committee will meet at least three times per annum.

7.2 Remuneration issues may arise between meetings and will be brought to the attention of the Remuneration Committee Chair by the Chief Executive or the Director of Workforce. The Chair may call a special meeting of the Remuneration Committee to address the issue.

8. Authority

8.1 [Authority \(generic ToRs\)](#)

8.2 No director or senior manager shall be involved in any decisions as to their own remuneration outcome

9. Responsibilities and Duties

9.1 In relation to Executive Directors and Directors, to:

9.1.1 review and approve all Terms and Conditions of Employment, including job descriptions, terms and conditions of employment, basic pay, performance pay (if applicable) and all benefits associated with each post;

9.1.2 seek assurance that remuneration, benefits and employment related terms and conditions are in line with and fair in terms of the national system and arrangements for determining those matters and to seek redress if this is determined to not be the case.

9.1.3 confirm that individual annual SMART performance objectives are in place aligned to the organisations corporate vision, goals, purpose and values.

9.1.4 review and approve individual annual SMART performance objectives, including overseeing the review of performance against these objectives at the mid-year point and agreeing any revisions to the objectives during the course of the year;

9.1.5 consider and approve proposals on the assessment of performance at the year-end (taking into account any factors which the Committee consider to be relevant and which may not have been known by the relevant parties at the time when objectives, including their weighting were agreed) and any changes to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period.

9.1.6 delegate responsibility to a sub-group of the Committee to act as a final appeals body for the Chief Executive and Executive Directors who have raised a grievance regarding their remuneration, benefits, performance grading or terms and conditions of employment.

9.1.7 seek assurance on application of the performance review and development process.

9.2 In relation to any other staff employed under Executive Managers' or Consultants' pay arrangements to: maintain an overview of remuneration arrangements for staff falling within these categories.

9.3 Comply with any Scottish Government Health Directorates directions and take into consideration any relevant guidance on remuneration, benefits or terms and conditions of employment, including the guidance contained in the 'Remuneration Committee Self-Assessment Pack published by the Scottish Government and Audit Scotland in 2007. (currently under review).

9.4 Review NES policy as appropriate regarding the remuneration, benefits, terms and conditions in the light of any guidance issued by Scottish Government or NHS Scotland.

9.5 Provide assurance to the Board, through the Staff Governance Committee, that systems and procedures are in place to manage the issues set out in Scottish Government guidance so that overarching staff governance responsibilities can be discharged. The Staff Governance Committee will not be given the detail of confidential employment issues that are considered by the Remuneration Committee.

9.6 Review submissions from the Chief Executive for the terms of any Settlement Agreement. Such agreements may also require the approval of the Scottish Government, in accordance with procedures applicable across the public sector.

9.7 Review and approve submissions from the Director of Workforce for any redundancy situation leading to contractual entitlement to a payment in excess of £95,000.

9.8 Receive for noting an anonymised annual report on voluntary severance agreements and any other voluntary resignations with a financial consideration that have been approved through the extant Scottish Government business case process and authorised by the NES CEO as Accountable Officer. The Committee shall receive this report in advance of the inclusion of the associated data in the Annual Accounts.

9.9 Subject to the limits laid down in the Scheme of Delegation, all early retirements, that meet the requirement for a two year maximum pay back period and result in additional costs being borne by the employer will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board. Whilst ill health retirements are approved by SPPA and are usually out with the remit of the Remuneration Committee, in any rare and exceptional case where additional costs may be borne by NES, this will be submitted to the Remuneration Committee for consideration and recommendation to the NES Board.

9.10 The Remuneration Committee will act in accordance with the applicable pension scheme rules and regulations, and NHSS pay policy applicable to NES employees.

10. Reporting arrangements

10.1 - 10.5 [Reporting Arrangements \(generic ToRs\)](#)

11. Review

11.1 [Review \(generic ToRs\)](#)

11.2 The Committee will undertake an annual assessment of their performance, highlighting any steps for further improvement to the way they conduct business.

12. Conduct of Business

12.1 [Conduct of Business \(generic ToRs\)](#)

12.2 All business of the Committee will be conducted in strict confidence

MM/TAD/DT
NES, August 2021

APPROVED

These minutes have been prepared using a "Governance Light" approach

NHS Education for Scotland

EDUCATION & QUALITY COMMITTEE

Draft minutes of the second meeting of the Educational & Quality Committee (which is the forty-first meeting of the Educational and Research Governance Committee) held on Thursday 04 March 2021 via Microsoft Teams

Present: Douglas Hutchens, Chair, Non-Executive Director
Sandra Walker, Non-Executive Director
Doreen Steele, Non-Executive Director
Gillian Mawdsley, Non-Executive Director
Vicki Nairn, Non-Executive Director

In attendance: David Garbutt, Chair of NES Board
Karen Reid, Chief Executive
Karen Wilson, Director of Nursing Midwifery & AHPs/Executive Lead
Tracey Ashworth-Davies, Director of Workforce (From the start to Item 8)
Della Thomas, Board Secretary/Principal Lead Corporate Governance
Rob Coward, Principal Educator/Executive Secretary
Adam Hill, Postgraduate Dean, Medical (From the start to Item 8)
Leon Zlotos, Principal Lead Pharmacy (From the start to Item 8)
Pam Nicoll, Head of Programme - PCC (From the start to Item 8)
Rowan Parks, Deputy Medical Director (For items 10 and 11)
David Felix, Postgraduate Dean of Dental (For item 10)
Chris Duffy, Senior Admin Officer/Committee Secretary

1. Welcome and introductions

- 1.1 Douglas Hutchens welcomed all to the meeting, in particular Karen Reid who was attending her first Education and Quality Committee.
- 1.2 Douglas Hutchens reminded the Committee that it is currently operating in "Governance Light" and that all papers will be taken as read.
- 1.3 Douglas Hutchens expressed thanks to Rowan Parks on behalf of the Committee, Rowan has contributed a lot to the Committee during his role as Acting Medical Director.

2. Apologies for absence

- 2.1 There were no apologies to record.

3. Notification of any other business

- 3.1 There were no notifications of any other business.

4. Declarations of interest

- 4.1 There were no declarations of interest in relation to the business on the agenda.

APPROVED

These minutes have been prepared using a “Governance Light” approach

5. Minutes of the meeting held on 10th December 2020

- 5.1 Douglas Hutchens took the opportunity to thank Sandra Walker for chairing the last meeting in his absence.
- 5.2 Sandra Walker suggested one amendment, for the title to make reference to the ‘40th Meeting of the Educational and Research Governance Committee’. With this change accepted, the minutes were then approved as an accurate record of the meeting.

6. Action Status Report

- 6.1 Doreen Steele recommended adding, that the Education and Quality Committee Terms of Reference (ToR) also went through the Audit and Risk Committee, to the completion text of the Draft ToR action.
- 6.2 Vicki Nairn requested more information on the progress update of the catering and rest facilities action. Karen Wilson responded to explain that this action is currently in the information gathering stage. It was agreed that a call would be setup for Karen Wilson, Vicki Nairn and Rowan Parks to further to discuss the progress against this action.

Action: Karen Wilson

7. Education & Quality Executive Lead Report

- 7.1 This report was taken as read and the Chair opened the meeting to questions.
- 7.2 The Committee discussed the Coaching for Wellbeing service and Karen Wilson was asked to provide the numbers for how many people have accessed this service.
- 7.3 The success of the Modern Apprenticeship in Dental Nursing was commended as a good example of the impact NES has on the health service.
- 7.4 The Committee discussed the issue of external funding and recommended that the Committee receive an update on who NES funds; what they do and how these externally funded services are meeting their funding agreements. The connection with the performance of other organisations and commercial sensitives as well as the procurement reports received by the Audit and Risk Committee were highlighted. It was agreed that Karen Reid will give some thought to how best to report this through the governance processes.

Action: Karen Reid

- 7.5 The Enhanced Monitoring report in Appendix 1 of the Executive Lead Report was discussed. The Committee requested more information relating to the amber and red aspects of this report, over what time period would we expect to see changes. How big of a risk is this and how is it being mitigated. It was agreed that Karen Wilson will explore what additional information is available and how to report this in more detail at the next Committee.

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Action: Karen Wilson

8. Technology Enhanced Learning (TEL)

8.1 Adam Hill delivered a previously circulated PowerPoint presentation assisted by Leon Zlotos and Pam Nicoll.

8.2 The Committee asked how NES are tapping into Innovation. and highlighted groups that may be useful those involved with TEL, the Chair and Chief Executives Innovation Group, the SHIP (Scottish Informatics Programme) group and a new innovations group setup by Tom Steel, the Chair of the Scottish Ambulance Service.

Action Adam Hill

8.3 The plans for the evaluation of TURAS as it had been suggested that some users find TURAS quite “clunky” and asked if the surveys demonstrated in Pam Nicolls part of the presentation were live and available to users. Pam Nicoll responded by confirming the surveys have been tested and made available across NES but work is ongoing with NES Digital to make the surveys more readily useable as on online tool or as part of an App. In response to the comment around TURAS being clunky, Leon Zlotos added that the TEL governance group are actively looking to link with the Senior Operational Leadership Group (SOLG) Business Owners to put forward what they require from TURAS in terms of digital development.

8.4 The committee asked if the bid for funding took into account the training to enhance the digital capability of the NHS workforce. Tracey Ashworth-Davies agreed to discuss this further and report back .

Action: Tracey Ashworth-Davies

8.5 The Committee highlighted that TEL will be a fundamental shift in the design/delivery of Education and could change the nature of how the organisation delivers education and training. The committee asked what high-level information should the Committee now receive? In some ways NES are catching up when compared to Universities/Colleges. The committee asked what the next steps would, therefore, be. and how/when do NES communicate to the Workforce? It was important to understand NES business/resourcing plans?

8.6 Douglas Hutchens thanked members for their comments and Tracey Ashworth-Davies, Adam Hill, Leon Zlotos and Pam Nicoll for their very helpful presentation and the discussion on this key area of work, which will allow the committee to provide assurance to the Board. He concluded that, it was clear from discussion that the Committee would like to see a paper to address the points and questions raised. The paper should also have a focus on evaluation and outcomes.

Action: Tracey Ashworth Davies/Adam Hill

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8.7 Tracey Ashworth-Davies, Adam Hill, Leon Zlotos and Pam Nicoll left the meeting.

9. Draft Committee Schedule of Business 21/22

9.1 Douglas Hutchens reminded the Committee this paper would be taken and read and opened up to members questions and comments. The Committee highlighted some areas that require further work to bring the Schedule of Business in line with the Committees newly developed ToRs. Some of the areas for inclusion were detailed as follows:

- Consultations – the Committee require to see this on a more frequent basis than bi-annually, this should cover what’s coming up as well as what has been
- A wider and more frequent reporting of leadership development training activities (beyond an annual report) is required, including Project Lift and incorporating outcomes and impact.
- Educational offering including internally regulated courses
- Educational policies
- Parliamentary debates and Parliamentary Questions

9.2 The Chair thanked Della Thomas for her work to date on the schedule and asked that Committee members share any further amendments after the meeting. Points would be included in a next draft and a meeting will be arranged between Douglas Hutchens, Karen Wilson and Della Thomas to develop the schedule of business further. It will then be circulated by correspondence to the Committee for approval.

Action: Della Thomas

10. Medical & Dental progress outturn

10.1 The NES Board have remitted this paper from the Board to the Education and Quality Committee. Rowan Parks provided a summary of the data contained in the paper. Overall, the figures are consistent with previous years. The Committee were assured that trainee progression is at the forefront of regular discussions with Medical Directors and Directors of Medical Education, with every effort being taken to mitigate the impact of COVID-19 on trainees and the wider service within Scotland.

10.2 David Felix reported largely similar comments to the Medical outturn paper. However, COVID-19 has had a clear impact on Dental Activity and next years report will look radically different.

10.3 The Committee asked at what point will we understand and know the effects of the pandemic on progression. It was clarified that an enormous amount of learning has taken place since the start of the pandemic and education bodies and colleges have created innovative ways and tools to capture education and training when relocated. The service and Government are aligned with trying to keep education and training pathways open as much as possible. Because of the Summer Annual Review of Competence Progression (ARCP) period and then the analysis of the ARCP data the Committee will receive a full report on the outturn at the December Committee.

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10.4 The Chair thanked David Felix for his attendance and David Felix left the meeting.

11. Medical revalidation report

11.1 The Board have remitted this paper from the Board to the Education and Quality Committee. Rowan Parks provided a summary of the paper that explained that the Annual Report on revalidation was not completed this year as revalidation was paused/suspended due to COVID-19.

11.2 There were no questions from the Committee, the Chair thanked Rowan Parks for his attendance and Rowan Parks left the meeting

11.3 As previously agreed and notified, Vicki Nairn left the meeting.

12. Risk Report and identification of any new risks emerging from this meeting

12.1 The Committee took this paper as read and the Chair opened the meeting to questions.

12.2 The Committee recommended that the mitigation measure for the 1st risk should be stronger, and it is not clear if actions have reduced the risk. It would be helpful if there was evidence of the impact actions are having on risks and target completion dates linked to risks.

12.2 The Committee agreed that the wording and mitigations of the risk paper, with a focus on TEL and Enhanced Monitoring should be reviewed and amended.

Action: Rob Coward

13. Equality Outcomes and Mainstreaming Progress Report

13.1 This item was approved by correspondence in February 2021 and the Committee noted the report.

Review of Effectiveness of Meeting

The Chair invited any reflections from members on the effectiveness of the meeting. It was confirmed that the meeting had received assurance in a number of areas and clarified where action was required.

14. Any other business

14.1 There were no other items of business.

15. Date and time of next meeting

15.1 The next meeting of the Education and Quality Committee will be held on Thursday 13th May 2021, 10:15 a.m.

APPROVED

These minutes have been prepared using a “Governance Light” approach

CD/DT/DH

10th March 2021

V.03

Approved by the Audit and Risk Committee on Thursday 10th June

NHS Education for Scotland

NES/AR/21/27

AUDIT AND RISK COMMITTEE

**Minutes of the third Audit and Risk Committee held on Thursday 29 April 2021
via Microsoft Teams**

Present: Doreen Steele (Chair)
Anne Currie
Linda Dunion
Sandra Walker

In attendance: Jenn Allison, Senior Officer (minute taker)
Joanne Brown, External Audit, Grant Thornton
David Garbutt, NES Chair
Monica Halcro, Senior Manager, Finance
James Lucas, KPMG
Audrey McColl, Director of Finance
Leanne Neill, Executive Assistant
Janice Sinclair, Head of Finance
Karen Reid, Chief Executive
Della Thomas, Board Secretary
Neill Thomas, KPMG (from 11:15)
Lizzie Turner, Principal Lead, Finance
Christopher Wroath, Director of Digital (for item 11)

1. Welcome and introductions

1.1 The Chair welcomed everyone to the meeting.

2. Apologies for absence

2.1 Apologies were received from Jean Ford and Neil Thomas, Internal Audit, joined the meeting at 11:15.

3. Declarations of interest

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

4. Any other business

4.1 There was no other business raised for discussion.

5. Minutes of the Audit and Risk Committee, 28 November 2021

(NES/AR/21/11)

5.1 The minutes were approved as a correct record.

6. Action list of the Audit Committee

(NES/AR/20/12)

- 6.1 Members noted that the actions were complete or in hand.
- 6.2 Janice Sinclair updated the Committee that the NES Standing Financial Instructions (SFIs) will be amended to further clarify details in relation to the reporting of early retirements to the Remuneration Committee. The Remuneration Committee require to amend their Terms of Reference (ToR) to align with this and will review and approve changes at their meeting in June. Updated SFI's and Remuneration Committee ToRs will be submitted to the July Audit and Risk Committee for approval.
- 6.3 Members requested that an estimated due date is provided in relation to action 1 of the Board Blueprint for Good Governance Action Plan in relation the NES communication strategy and of the planned stakeholders survey. This has been paused due to COVID-19 Governance.

7. Matters arising

- 7.1 There were no matters arising from the minutes.

8. 2020/21 Reporting Period 4 Financial Report

(NES/AR/21/14)

- 8.1 Audrey McColl introduced the Finance Report which presented the draft financial results for the financial year 2020/21, which currently reflect a £403k underspend, which is a 0.1% underspend against the budget.
- 8.2 The Committee noted that the year-end accounting processes, which are still underway, and the external Audit of the annual accounts, due to start 10th May, may influence the final reported position.
- 8.3 A query was raised regarding £95k Psychology funding that was returned to Scottish Government. Audrey McColl explained that this related to an allocation to Boards to support additional posts for staff Mental Health and Wellbeing which could not be used due to vacancies. Audrey also explained that this was unrelated to the allocation for Mental Health work agreed for 2021/22 which would be received in full.
- 8.4 The Committee noted the Board underspends in relation to Medical and Dental Additional Cost of Teaching (ACT) and asked how underspend is monitored. Audrey McColl explained Boards have experienced difficulties this financial year due to the COVID-19 impact on undergraduate teaching and assured the Committee that robust processes are in place to monitor spend and identify areas where underspend can be reallocated to support undergraduate training. Some Dental ACT underspend was used to purchase new dental chairs and additional simulation equipment.

8.5 The Committee noted the current forecast outturn as at 31st March 2021 and confirmed that they were content for this report to go forward to the Board.

Action: AMc

9. Corporate/COVID-19 Risk Register (NES/AR/21/15)

9.1 Audrey McColl introduced the Corporate and COVID-19 Risk Registers as at 22 April 2021, which incorporate changes discussed by the NES Board at the 25 March Board meeting.

9.2 The Committee asked for a progress update regarding the Risk Management Group (RMG) and Janice Sinclair updated the Committee that Terms of Reference and person specification for membership of the RMG are currently being drafted. It is anticipated that full membership will be confirmed by end June with training sessions to take place in July and August. The first task of the RMG will be to conduct a 'deep dive' review of the Corporate Risk Register. The Committee noted the magnitude and complexity of this work and asked that it is also aligned to the assurance framework. The Committee noted that some preparation work was already underway and would be further progressed after the Annual Accounts process is complete.

9.3 The Audit and Risk Committee noted and were satisfied with changes made to the NES Corporate and COVID-19 Risk Registers and noted that an update regarding the RMG will be provided to the Audit and Risk Committee meeting in July.

Action: AMcC/JS

10. 2021/22 COVID-19 Contingency Plan (NES/AR/21/16)

10.1 The Committee noted the COVID-19 Contingency Plan (CCP) which provides a high-level framework for NES COVID-19 resilience in terms of decision making, incident management and communication.

10.2 Members noted the table highlighting Governance reporting structures and enquired about the arrangements in place to support the Audit and Risk Committee until the Risk Management Group (RMG) has been formally established. Audrey explained that support for the Audit Committee is currently provided by a small group, effectively an Audit Executive group. Risk continues to be managed at Executive level and it was noted that the RMG will support the Executive Team, the Education and Quality Executive group and the Digital Executive Group as well as reporting directly to the Audit and Risk Committee. The table will be amended to clarify the reporting structure and a footnote added to clarify current risk management arrangements.

10.3 Members queried if enough had been done to raise staff awareness of the Bronze, Silver and Gold Command structures during the pandemic. Karen Reid noted that the Scottish Resilience Partnership had training resources on this topic and would ask if these could be utilised by NES.

Action: KR

10.4 Members raised the recent action taken at the 25 March Board meeting to revise and update the NES Business Continuity Plan and requested an update on progress. The Committee noted that the updated CPP has been used to enact the NES BCP in response to COVID-19. The NES BCP will be reviewed and updated when NHSS is no longer operating under Emergency Powers which is expected to be reviewed in June.

10.5 The Committee noted the COVID-19 Contingency Plan and were assured that an effective framework for COVID-19 resilience and business continuity is currently in place in NES and confirmed that they were content for this report to go forward to the Board, following agreed amendments. **Action: CE Office**

11. Annual Information Governance Report (NES/AR/21/17)

11.1 Christopher Wroath introduced the report which detailed progress on Information Governance and Information Security during 2020/21, including: information requests received; data protection breaches; information security incidents; progress regarding policies and procedures; training and awareness and results of the interim Network and Information Systems (NIS) audit.

11.2 The members noted that an interim NIS audit took place on 07th December 2020, as a full audit could not be completed due to COVID-19 restrictions. Several areas of good practice were identified alongside recommendations for improvements and a full on-site audit is scheduled for the 30th November 2021. Members noted the complexity of the Audit and that some recommendations relate to NHS Scotland wide issues.

11.3 Members agreed the importance of staff awareness in relation to information governance and security and Christopher Wroath advised that Workforce colleagues are working to further improve mandatory training completion rates, which are regularly reported to the Staff Governance Committee.

11.4 The Committee were assured that robust Information Governance and Security processes are in place and asked the Board Secretary to determine the governance route for how and if, this report might be brought to the attention of the full Board. **Action: DT**

12. Counter Fraud Update (NES/AR/21/18)

12.1 The Committee noted the quarterly report regarding activities underway in NES which are aimed at supporting the Strategy to Combat Financial Crime in NHS Scotland.

13. Annual Accounts Update

a) Review of Accounting Policies (NES/AR/21/19)

13.1 Janice Sinclair presented the paper to inform the Committee of the processes applied to identify the policies chosen for the 2020/21 annual accounts. The Committee approved the accounting policies for 2020/21, subject to a final review at the June Audit and Risk Committee.

b) Annual Losses Report (NES/AR/21/20)

13.2 Janice Sinclair presented the paper which provided the Committee with information on the losses and special payments incurred for the financial year 2020/21.

13.3 The total value of the losses reported on the return is £787k, of which £330k has been already been recovered, with a further £423k expected to be recovered in financial year 2021/22.

13.4 Discussion took place regarding two clinical negligence cases in relation to Trainees under the employment of NES. The Committee noted that Clinical Governance of Trainee, under the Lead Employer model, sits with placement Boards however queried if reporting responsibilities regarding matters relating to clinical negligence should also be reported to a NES Committee for information. It was agreed that discussions will be held with the Director of Medicine and Director of Workforce and a brief update paper regarding arrangements would be submitted to the July Audit and Risk Committee meeting.

Action: AMc

13.5 The Committee noted the losses and special payments for 2020/21.

c) Draft Governance Statement (NES/AR/21/21)

13.6 Audrey McColl presented the draft Governance Statement to provide the Committee with an opportunity to review for appropriateness. It was highlighted that information on the national service audits was not yet available. The Committee agreed that the draft Governance Statement was appropriate and noted that the final version will be submitted to the June Audit and Risk Committee as part of the Annual Report of the Audit Committee to the Board.

14. Board Standing Orders

(NES/AR/21/22)

- 14.1 Della Thomas presented the Board Standing Orders to seek approval on the minor changes which have been made to increase the quorate of the Standing Committees from two to three to align with the previously approved generic Standing Committee Terms of Reference.
- 14.2 The Committee noted that the Board Standing Orders, Standing Financial Instructions, Board Scheme of Delegation, Board member Code of Conduct and Committee Terms of Reference, as a complete corporate governance package, will be submitted annually to the Audit and Risk Committee in January and onwards for final approval to February Board meetings.
- 14.3 The Committee approved the minor amendments to the Board Standing Orders and confirmed that they were content for this report to go forward to the Board.

Action: CE Office

15. Audit and Risk Committee Schedule of Business (NES/AR/21/23)

- 15.1 Audrey McColl presented the draft 2021/22 Schedule of Business for the Audit and Risk Committee and noted that a minor amendment would be made to include the Annual Procurement Report.
- 15.2 The Committee noted that the Schedule of Business of the Audit and Risk Committee is in a new format to bring it in line with the other NES Committees and the NES Board.
- 15.3 The Committee approved the 2021/22 Schedule of Business for the Audit and Risk Committee, including the discussed minor amendments and requested that an excel copy of the schedule is circulated to members. **Action: CE Office**

16. Annual Review of Audit & Risk Committee Effectiveness (NES/AR/21/24)

- 16.1 Audrey McColl presented the Annual review of Audit and Risk Committee Effectiveness for 2020/21 which Committee members have contributed towards via correspondence. The Committee noted the agreed updates and approved the self-assessment review.

17. External Audit Reports

- a) External Audit Plan

- 17.1 Joanne Brown introduced the External Audit Plan for financial year ending 31st March 2021 and advised Committee members that External Auditors are on track towards the June 2021 completion date for 2020/21 Annual Accounts.

17.2 The Committee noted that planning materiality has been calculated at £10.8m, and performance materiality remains unchanged at 75% of planning materiality (£8.1m).

17.3 The Committee noted and were satisfied with external audit plan.

b) Follow up on Audit Recommendation – nil

17.4 The Committee noted that there were no open External Audit Recommendations.

18. Internal Audit Reports

a) Property Transaction Monitoring

18.1 James Lucas informed the Committee that final signatures from stakeholders in relation to the 2019/20 lease extension of the Bayes Centre for NES Digital Services (NDS) to October 2020 are expected to be concluded before the June meeting. The delay has been due to stakeholders who were on furlough due to the COVID19 pandemic.

18.2 The Committee noted continued delays to the completion of the audit and that the concluded report will be submitted to the June Committee meeting.

b) Status Update and Follow up Summary

18.3 James Lucas presented the report which informed the Committee that the majority of planned audits are now complete. Due to the COVID-19 pandemic internal audit has taken a flexible approach to the plan during 2020/21, which has resulted in 6 audits being deferred. The remaining planned audits for financial year 2020/21 will be submitted to the June Committee meeting. James confirmed that sufficient audit of key areas has been carried out to enable an internal audit opinion to be provided for the 2020/21 financial year.

18.4 The Committee noted that 6 management actions have been closed since the January meeting, leaving 14 outstanding actions. James noted the outstanding action from a 2016 Scott-Moncrieff audit regarding the Once for Scotland Doctors in Difficulty / Capability Policy and suggested that this action could be closed, as this it is out with NES' control. Discussions will be held with NES Management regarding this and an update provided at the June Committee meeting.

Action: JL/AMc

18.5 The Audit and Risk Committee noted the report and were satisfied that NES continue to make good progress in implementing outstanding recommendations and noted the remaining planned Audits for 20/21.

c) Draft Annual Audit Plan 2021/22

18.6 Neill Thomas introduced the draft internal audit 2021/22 plan and highlighted the refreshed format of the KMPG reports, which include more detail regarding the approach to internal audit, strategic risks and key performance indicators and a forecast assurance rating based on risk assessment.

18.7 KPMG have developed a plan which requires 89 audit days and will focus on the core elements of NES business from high level strategic planning to operational support.

18.8 Audrey McColl commented that it had been agreed further discussion would take place in relation to the draft KPI's. It was highlighted that, for example, rather than measuring how quickly a report was issued to NES consider how many of the recommendations were accepted. It was also highlighted that 100% targets would be reviewed to assess if these were realistic.

Action: KPMG

18.9 The Audit Committee noted and were satisfied with the draft internal audit plan for financial year 2020/21.

19. Date and time of next meeting

19.1 The next meeting of the Audit and Risk Committee will be held on Thursday 10th June 2021.

Items for Noting

20. Procurement update report (NES/AR/21/25)

20.1 The Audit and Risk Committee noted the Procurement update.

21. Assurance Framework (NES/AR/21/26)

21.1 The Audit and Risk Committee noted the Assurance Framework update.

22. Audit Scotland reports.

22.1 The Audit and Risk Committee noted the following Audit Scotland reports.

- a) COVID19: What it means for public audit in Scotland
- b) NHS in Scotland 2020
- c) COVID19: Tracking the implications of COVID-19 on Scotland's public finances.

Approved at the Audit and Risk Committee on 03 August 2021

AUDIT AND RISK COMMITTEE

NES/AR/21/37

Minutes of the Fourth NES Audit and Risk Committee held on Thursday 10 June 2021 via Microsoft Teams.

Present: Doreen Steele (Chair)
Anne Currie
Linda Dunion
Jean Ford
Sandra Walker

In attendance: Jenn Allison, Committee Secretary
Kate Brooks, Grant Thornton
Joanne Brown, Grant Thornton
Monica Halcro, Governance and Operational Manager
James Lucas, KPMG
Audrey McColl, Director of Finance
Janice Sinclair, Head of Finance
Karen Reid, Chief Executive
Della Thomas, Board Services Manager

1. Welcome and introductions

1.1 The Chair welcomed everyone, particularly Monica Halcro and Kate Brooks who were in attendance for the annual accounts.

2. Apologies for absence

2.1 Apologies were received from David Garbutt, Chair of NES.

3. Declarations of interest

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

4. Any other business

4.1 There was no other business raised for discussion.

5. Minutes of the Audit and Risk Committee 29 April 2021 (NES/AR/21/27)

5.1 The minutes were approved as a correct record, following a minor correction.

6. Action list of the Audit Committee, 29 April 2021 (NES/AR/21/28)

6.1 Members noted that the actions were completed or in progress.

7. Matters arising

7.1 There were no matters arising from the previous minutes.

8. Internal Audit Reports

a) Turas Learn

8.1 James Lucas presented the report which informed the Committee of results of the internal audit assessment of how effectively the Guidance for Educators Standards have been embedded in the development of eLearning resources across NES.

8.2 The report found not all staff were aware of the Standards and, of those that were, none of them actively factor the use of the standards into the stages of learning resource development. However, despite this staff are broadly following the guidance laid out in the standards in the production of eLearning resources. Four medium priority recommendations were made to increase awareness and use of the Standards.

8.3 During discussion a member commented that the findings are based on a small sample size and suggested that development of eLearning resources may be overcomplicated due to differing Directorate approaches. Another member suggested that it may be useful to review the whole process, rather than to update the existing guidance and emphasised the importance of building in meaningful feedback evaluation to all resources. Another member suggested that production of a resource check list, which could include review dates, may help to ensure consistency is applied.

8.4 Karen Reid assured the Committee that Karen Wilson is currently progressing work with the support of the Quality Improvement Team to ensure that a stronger quality management approach is implemented. The Committee noted that the Audit report will be submitted to the Education and Quality Committee, alongside a paper detailing this improvement work.

8.5 A query was also raised regarding how the procurement process helps towards identifying efficiencies. James Lucas assured the Committee that robust procurement processes are in place.

8.6 The Audit and Risk Committee noted the report and the assurance provided. The Committee confirmed the report would be forwarded to the Education and Quality Committee for their consideration and information.

b) Property Transaction Monitoring 2019/20

8.7 James Lucas informed the Committee that final signatures from stakeholders in relation to the 2019/20 lease extension of the Bayes Centre for NES Digital Services (NDS) to October 2020 have now been concluded. The delay has been due to stakeholders who were on furlough due to the COVID19 pandemic.

8.8 The Audit and Risk Committee noted the report and the assurance provided.

c) Property Transaction Monitoring 2020/21 - none

8.9 The Committee noted that there were no property transactions in NES during financial year 2020/21.

d) Status Update and Follow up Summary

8.10 James Lucas presented the report which informed the Committee that agreed audits for 2020/21 are complete and that 2 management actions have been closed since the April meeting. The Committee noted that there are 12 previously agreed actions outstanding, 3 of which are high risk.

8.11 The Committee noted the action from a 2016 Scott-Moncrieff audit regarding the Once for Scotland Doctors in Difficulty / Capability Policy has been closed, as this it is out with NES' control.

8.12 The Audit and Risk Committee noted the report and were satisfied that NES continue to make good progress in implementing outstanding recommendations.

e) 2020/21 Annual Report

8.13 James Lucas introduced the 2020/21 internal audit annual report, which summarised: findings in relation to the planned internal audit coverage and output; implementation of recommendations; and the Internal Audit Opinion.

8.14 The internal audit plan included 87 days across 11 reviews (incl. follow up), and an additional 9 days for contract management. The Committee noted that although considerable changes were made to the initial plan, as a result of COVID-19, sufficient audit of key areas was carried out to enable an internal audit opinion to be provided for the 2020/21 financial year.

8.15 At the start of the year there were 20 outstanding recommendations and 13 new ones were raised (5 moderate and 8 low priority). At the end of 2020/21 period there are 12 outstanding management actions.

8.16 The Head of Internal Audit opinion is that, significant (with minor improvement) assurance can be given. There is generally a sound system of internal control, which is designed to meet NES objectives and that controls are consistently applied in the areas reviewed. James Lucas extended his thanks to NES Finance colleagues, in particular to Audrey McColl and Janice Sinclair.

8.17 The Audit and Risk Committee noted the Internal Audit Annual Report and the assurance provided and thanked internal auditors for their work during a challenging year.

9. Annual Reports of Governance Committees of the Board

9.1 The Committee noted the annual reports which are intended to provide the Committee with evidence and assurances as to the extent to which each Committee has effectively discharged its remit and responsibilities during the period of 01 April 2020 to 31 March 2021. The reports form part of the evidence which the Audit and Risk Committee considers as part of the whole system of internal control, when reaching a view as to the appropriateness of the Governance Statement contained within the Annual Report and Accounts.

a) Staff Governance and Remuneration Committees (NES/AR/21/30)

9.2 The Audit and Risk Committee noted this report and were assured that the Staff Governance Committee and Remuneration Committee have effectively discharged their remits and responsibilities during the financial year 2020/21.

b) Educational and Research Governance Committee / Education and Quality Committee (NES/AR/21/31)

9.3 The Audit and Risk Committee noted and were satisfied with this report and were assured that the Educational and Research Governance Committee / Education and Quality Committee have effectively discharged their remit and responsibilities during financial year 2020/21.

c) Digital Committee (NES/AR/21/32)

9.4 The Digital Committee was stood down because of the COVID-19 pandemic throughout financial year 2020/21, with urgent papers being routed through the Board.

9.5 The Audit and Risk Committee noted the report and were assured that the Board, on behalf of the Digital Committee, effectively discharged the Digital Committee's remit and responsibilities during financial year 2020/21.

10. Service Audit Reports Summary (NES/AR/21/33)

10.1 Janice Sinclair introduced the reports which provided the Committee with a summary of the 4 Service Audit reports received for the 2020/21 financial year. These reports relate either to business activity which NES outsources or to national systems used by NES. As NES is not responsible for managing these

systems, these audits provide assurance that the design, implementation and maintenance of controls relating to these systems are effective.

10.2 The Audit and Risk Committee noted that the Service Audit report for services provided by NHS Ayrshire and Arran for the National Single Instance Financial Ledger Services contained an unqualified opinion, highlighting that the controls related to the control objectives were suitably designed and operated effectively throughout the period from 01st April 2020 to 31st March 2021.

10.3 The Audit and Risk Committee noted that the Service Audit reports for the services provided by NSS, for the following services, had all contained a qualified opinion for 2019/20:

- Payroll Services for all NES employed staff, including doctors in Training through the Lead employer model;
- Practitioner Services Payments to Primary Care Practitioners in Medicine, Dentistry and Pharmacy; and
- IT Services including ePayroll

10.4 The Audit and Risk Committee noted that NSS had implemented an improvement plan over the year which resulted in 2 of the 2020/21 reports for now being unqualified, but that the Service Audit for NSS Practitioner and Counter Fraud Services (PCFS) which provides the payments to Primary Care Practitioners was again qualified for 2020/21.

10.5 The Audit and Risk Committee noted that the reports highlighted several exceptions in respect of being able to provide assurance of the effective operation of controls. The Committee were assured that conclusions were not an indicator that the underlying transactions were necessarily incorrectly processed and that the findings will not impact on the NES Annual Report and Accounts, thanks in part to the assurances that were derived from NES' internal controls and from the opinion of the External Auditors that there was no risk of material misstatement to the NES annual accounts.

10.6 The Audit and Risk Committee noted the reports and were assured that the services provided operate effectively, and that there is no impact on the financial reporting in the NES accounts from these qualifications.

11. Summary of all Committee Inherent Primary 1 Risks Update

(NES/AR/21/34)

11.1 Audrey McColl introduced the report which provided the Audit and Risk Committee with visibility of all risks included in Directorate Risk Registers where the Inherent risk level was scored as a Primary 1 risk.

- 11.2 With the exception of the Digital Committee, which was stood down throughout financial year 2020/21, risks have been submitted to the relevant Board Committees for review, based on their remit, to provide assurance that appropriate controls and required actions are in place to mitigate the risk to the reported residual risk level.
- 11.3 A member raised a query regarding how Risk Champions are supported to ensure consistency to risk management is applied across NES and Audrey McColl informed the Committee that Lorraine Turner and Rob Coward work closely with Risk Champions to support risk management. Audrey added that the Directors statements, as part of the governance statement, include a section regarding risk management.
- 11.4 The Audit and Risk Committee noted the Inherent Primary 1 Risk report and the controls and actions in place to mitigate each Risk.

12. 2020/21 Annual Accounts

- a) External Audit Report 2018/19 and Letter of representation
(*Grant Thornton*)

- 12.1 Joanne Brown and Kate Brooks introduced the draft External Audit Report for 2020/21 and extended their thanks to NES Finance colleagues, in particular to Audrey McColl, Janice Sinclair and Monica Halcro and highlighted the following:
- 12.2 For the financial year ended 31 March 2021 External Audit intend to issue an unqualified audit opinion. Two adjustments to the draft financial statements were identified, resulting in a £0.522 adjustment to the Boards net expenditure.
- 12.3 Materiality remained at the planning audit materiality of at £10.8m, representing 2% of budgeted gross expenditure.
- 12.4 Audit procedures in relation to the significant risks did not identify any exceptions with respect to expenditure recognition or evidence of management override of control. No new significant risks were identified and no incidents relating to fraud were identified.
- 12.5 Two recommendations were made in relation to reviewing the approach to year-end pre-payments and to enhance strategic performance reporting to the Board. A member queried if the implementation date of financial year 2022/23 should be brought forward in relation to performance reporting. Karen Reid assured the Committee that work to progress KPI reporting to the Board will commence in due course, however added that a considered approach would be required to be taken in order to systematically map and develop the needs of the Board.

12.6 Karen Reid highlighted section 5.5 in relation to fixed term contract accrual and the entitlement for redundancy. The discussion also reflected the treatment in previous years and questioned what had changed. It was clarified that the NES accounting process and approach hadn't changed but the external audit focus had changed.

12.7 The Audit and Risk Committee noted the report and the assurance provided and thanked the External Auditors and the NES Finance team for their work. The Committee noted that the Letter of Representation will be signed at the June Board meeting. **Action: AMcC**

b) Draft 2020/21 Annual Report of the Audit and Risk Committee and Governance Statement (NES/AR/21/35)

12.8 Audrey McColl introduced the report, which summarised how the Committee has discharged its remit and the responsibilities delegated to it by the Board during financial year 2020/21.

12.9 The Committee noted that a sentence will be added to the Governance Statement in relation to the Service Audit Reports following advice from the External Auditors.

12.10 The Audit and Risk Committee approved the submission of the annual report of the Audit and Risk Committee to the Board and recommended the Governance Statement to the Board and the Accountable Officer for inclusion in the Annual Report and Accounts. **Action: AMcC**

c) Annual Report and Accounts for year-end 31 arch 2021 (NES/AR/21/36)

12.11 Janice Sinclair introduced the paper, which presented the draft annual accounts for the financial year 2020/21. Janice gave particular thanks to Monica Halcro for her work on the Annual Accounts.

12.12 Janice thanked members for the feedback they had provided at the annual accounts' workshops. She noted that the outturn has moved by £486k since the workshops to reflect a reduction in the value of the fixed term accrual (FTC) and other minor adjustments identified during the audit. This results in an underspend against the total Revenue Resource limits of £818k, which represents 0.15% of the limit.

12.13 The Committee requested further minor cosmetic changes and noted they were pleased to see information regarding the direct impact of NES' work on patient care.

12.14 The Committee noted the report and congratulated the finance team on the standard of the annual accounts and thanked them for all their hard work in compiling the annual report and accounts.

12.15 The Audit and Risk Committee confirmed that they were satisfied with the 2020/21 Annual Report and Accounts and recommend them to the Board for approval. **Action: AMcC**

d) Notification from Sponsored Body Audit Committees

12.16 Audrey McColl informed the Committee that the annual request from the Health Finance Directorate of Scottish Government for details of any significant issues of fraud which arose during 2020/21, has not yet been received. When the letter is received, the proposed response will be submitted to the Chair of the Audit and Risk Committee. **Action: AMcC**

13. Date and time of next meeting

13.1 The next meeting of the Audit and Risk Committee will be held on Thursday 29 July 2021 via Microsoft Teams.

NES
June 2021
JA/DT/JS/AMc/DS

Approved

NHS Education for Scotland

NES/SGC/21/14

Minutes of the Seventy-second Meeting of the Staff Governance Committee held on Thursday 06th May 2021 via Microsoft Teams

Present: Linda Dunion, Committee Chair, Non-executive Director
Anne Currie, Non-executive Director
Gillian Mawdsley, Non-executive Director & Whistleblowing
Champion
Lynnette Grieve, Non-executive Employee Director
David Cunningham, Ex-Officio member, Staff Side (BMA)
James McCann, Ex-Officio member, Staff Side (Unison)

In attendance: Tracey Ashworth-Davies, Director of Workforce/Executive Lead
Morag McElhinney, Principal Lead HR
Della Thomas, Board Secretary and Principal Lead Governance
Chris Duffy, Senior Admin Officer

1. Chair's welcome and introduction

- 1.1 Linda Dunion welcomed all to the Committee.
- 1.2 Linda Dunion informed the Committee that all papers will be taken as read.

2. Apologies for absence

- 2.1 Apologies were received from Committee member Jean Ford, Non-Executive Director and attendees David Garbutt, Board Chair and Karen Reid, Chief Executive.

3. Notification of any other business

- 3.1 There were no notifications of any other business.

4. Declaration of interests

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

5. Minutes of the Staff Governance Committee meeting held on 5th November 2020 (NES/SGC/21/15)

- 5.1 One correction was highlighted in the minutes. Under the list of attendees Gillian Mawdsley's title should be updated to state, Non-executive Director and Whistleblowing Champion.
- 5.2 The Committee then approved the minutes as an accurate record of the meeting.

6. Action Status Report and other matters arising (NES/SGC/21/16)

- 6.1 Committee members were content with the completed actions. On one action some further assurance was sought. This was the action to consider homeworking as a potential risk, Tracey Ashworth-Davies confirmed that this has been considered, homeworking forms part of a number of existing risks and continues to be actively monitored should it need to become a standalone risk.
- 6.2 There were no matters arising from the minutes.

Lead Executive Report

7. Director of Workforce Update (NES/SGC/21/17)

- 7.1 Linda Dunion thanked Tracey Ashworth-Davies for a comprehensive report. Tracey Ashworth-Davies highlighted a few key points and the report was opened to members for questions.
- 7.2 The Committee enquired if the working styles pilot completed in the Workforce directorate has given an indication on likely figures for the whole of NES. Morag McElhinney responded stating most staff were looking for a blended approach to home/office working and they didn't want the blend to be too regimented, staff are looking for flexibility.
- 7.3 The Committee also asked how many staff were involved in the working styles pilot and how many of these staff have been immunised and if immunisation affects the outcome. It was confirmed that 80 members of staff were included in the pilot and that Trickle is being used to gauge how staff are feeling about returning to the office. The Risk Assessment for returning to the office provided by Scottish Government hasn't changed since the rollout of Vaccines.
- 7.4 The Committee commented on the Lead Employer programme and asked if progress is as expected. It was confirmed that the programme is picking up again and gaining some momentum, there is now good programme management and governance back in place. There was a specific question relating to Once for Scotland policies and Whistleblowing, and it was confirmed that Whistleblowing will form part of the standard operating procedures and anecdotally there is a real willingness to share information/best practice and collaborate in the National HR groups.
- 7.5 It was highlighted that work will begin on the Once for Scotland homeworking policy and it will be important to recognise that territorial boards and national boards can work differently. There will need to be a consistent process for dealing with application and approval of homeworking.
- 7.6 Linda Dunion thanked members for their comments and the Director of Workforce Update was noted.

Governance Items

8. Whistleblowing Update

- 8.1 Gillian Mawdsley provided a verbal update on the progress of whistleblowing. Since the last Committee the National Whistleblowing Standards were launched on 1st April. Gillian Mawdsley and Karen Reid produced a video to promote the launch and continue to meet regularly to discuss Whistleblowing going forward. The launch has been a success so far as it has given Whistleblowing higher visibility. The National Whistleblowing Champions have created an informal group that are discussing themes and feeding information from these discussions into government.
- 8.2 Linda Dunion thanked Gillian Mawdsley for the update and asked Committee members their thoughts on how Whistleblowing should be reported to the Committee going forward. After a brief discussion it was agreed that the Committee should continue to receive quarterly updates and that the Committee will receive an Annual Whistleblowing Report at their first committee meeting of the 2022/23 business period reporting on the previous financial year.

Action: Chris Duffy

9. Annual Staff Governance Report to the Audit Committee (NES/SGC/21/18)

- 9.1 The Committee raised a question regarding one area of the Annual Report, it was noted that as a result of "Governance Light" the Committee had not completed a 2020/21 self-assessment of Committee effectiveness. The Audit and Risk Committee have however completed a 2020/21 a self-assessment of committee effectiveness as per the requirement of the Audit Handbook . It was confirmed that in normal business operating environments all Committees should complete a self-assessment effectiveness review and this will be scheduled into next year's schedule of business. Della Thomas took on an action to further discuss Committee effectiveness reviews with the Board Chair as part of all the Committee's ongoing development and governance improvements, with the suggestion of formulating a standard template for the committees to use.

Action: Della Thomas

- 9.2 Committee members approved the Annual Staff Governance Report which included the previously approved 2021/22 schedule of business.

10. Annual Remuneration Committee Report to the Audit Committee (NES/SGC/21/19)

- 10.1 Committee members approved the Annual Remuneration Committee Report and it was noted that the 2021/22 schedule of business will be circulated for approval after this meeting.

Performance Items

11. People & OD Dashboard (NES/SGC/21/20)

- 11.1 Committee members commented on the very helpful and clear format of the Dashboard. One particular highlight from the report was recruitment of BAME candidates rising from 9% to 15%, this is a tremendous success story and a story that should be shared. It was also noted that time to recruit has decreased by 31 days and the Committee asked if this is as a result of the new approach. Morag McElhinney replied that it is definitely a factor, but it is hard to say with certainty at the moment.
- 11.2 The Committee confirmed they are content with the assurance provided within the report.

12. Risk Register (NES/SGC/21/21)

- 12.1 The Committee raised two key points in relation to the risk register. Firstly, it was discussed if Risk 1.6 'Failure to evidence planned benefits realised from the Lead Employer programme' has now become a historical risk. Tracey Ashworth-Davies and Morag McElhinney welcomed this comment and will take an action away to check if this risk can be removed, if it does remain the risk will be re-articulated and contain more information as to why it has been retained.
- 12.2 Secondly, Gillian Mawdsley enquired if Whistleblowing is accurately reflected under Risk 1.7 'Failure to protect the health and wellbeing of the NES doctor in training workforce'. After a brief discussion it was agreed that this risk will also be checked and if appropriate a further line will be entered regarding whistleblowing
- 12.3 The Committee then confirmed that the risk register provides the necessary assurance.

Items for Noting

13. NES People and OD Strategy (NES/SGC/21/22)

- 13.1 The Committee noted the strategy which was approved via correspondence in April 2021.

14. Interim Workforce Plan 2021-22 (NES/SGC/21/23)

- 14.1 The Committee noted the Interim workforce plan which was circulated via correspondence in April 2021 and noted the requirement to produce our three-year plan for publication in March 2022

15. Employment Tribunals (NES/SGC/21/24)

15.1 The Employment Tribunals update was noted.

16. Scottish Government Directive Letters (DL) with strategic relevance to the Staff Governance Committee (SGC) (NES/SGC/21/25)

16.1 The DL update was noted.

17. Remuneration Committee business dealt with by correspondence (NES/SGC/21/26)

17.1 The Remuneration Committee update was noted.

18. Change Management Programme Board minutes (NES/SGC/21/27)

18.1 The Change Management Programme Board minutes were noted.

19. Managing Health, Safety and Wellbeing Committee minutes (NES/SGC/21/28)

19.1 The Managing Health, Safety and Wellbeing Committee minutes were noted.

20. Any other business

20.1 There was no other business to discuss.

21. Date and time of next meeting

21.1 The next meeting of the Staff Governance Committee will be held on Thursday 5th August 2021, 10:15

NES
May 2021
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