

AGENDA FOR THE ONE HUNDRED AND NINETIETH BOARD MEETING

Date: Thursday 05 February 2026

Time: 10:00 – 12:15

Venue: Hybrid meeting: Microsoft Teams / Room 2 Bothwell Street, Glasgow

1. **10:00** Chair's introductory remarks
2. **10:03** Apologies for absence
3. **10:05** Declarations of interest
4. **10:06** Draft Minutes of the One Hundred and Eighty-Ninth Board Meeting 20 November 2025
For Approval NES/26/02
5. **10:08** Matters arising from the Minutes and notification of Any Other Business
6. **10:10** Actions from previous Board Meetings
For Review and Approval NES/26/03
7. **Chair and Chief Executive reports**
- 7a. **10:15** Chair's Report
For Information and Assurance NES/26/04
- 7b. **10:20** Chief Executive's Report
For Review and Assurance NES/26/05
8. **10:50** Performance Items
- 8a. **Quarter 3 Finance Report 2025/26**
For Review and Approval (J Boyle/ L Howard / A Young) NES/26/06
- 8b. **Quarter 3 Performance Delivery 2025/26**
For Review and Approval (C Bichan/ A Shiell) NES/26/07
- 8c. **Quarter 3 Strategic Risk Report 2025/26**
For Review and Approval (J Boyle/ D Lewsley) NES/26/08

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| 8d. | Quarter 3 Strategic Key Performance Indicators 2025/26 For Review and Approval (C Bichan/ D Lewsley) | NES/26/09 |
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9. 11:30 Strategic Items

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| 9a. | Strategic Risks Annual Review and Board Risk Appetite For Review and Approval (J Boyle/ D Lewsley) | NES/26/10 |
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10. 11:40 Governance Items

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| 10a | Corporate Governance Package - Board Standing Orders, Standing Financial Instructions, Board Scheme of Delegation, Code of Conduct & Committee Terms of Reference For Review and Approval (J Boyle / D McGowan / L Howard) | NES/26/12 |
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| 10b | Committee Membership Changes For Noting (D McGowan) | NES/26/13 |
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Significant issues to report from Standing Committees:

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| 10c | Audit & Risk Committee 15 January 2026 (Jean Ford, verbal update) |
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| 10d | Planning & Performance Committee 28 January 2026 (Ally Boyle, verbal update) |
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11. 12:00 Items for Homologation

NES Standing Committee Minutes:

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| 11a. | Audit & Risk Committee 2 October 2025 | NES/26/14 |
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| 11b. | Planning & Performance Committee 10 November 2025 | NES/26/15 |
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| 11c. | Education & Quality Committee 11 September 2025 | NES/26/16 |
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12. 12:15 Date and Time of Next Meetings:

Public Board – 19 March 2026

Private Board – 5 February 2026; 19 March 2026

L. Scott, Associate Manager, Chair and CEO Office
NHS Education for Scotland (NES)
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NHS Education for Scotland

Approved Minutes of the one hundred and eighty-ninth Public Board Meeting held on 20 November 2025 at 10:00 – 12:30

This public Board meeting was held in a hybrid format via Microsoft Teams and in person at the NES office, Room 2, Bothwell Street, Glasgow.

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| Non-Executive Members: | David Garbutt – Chair Ally Boyle – Non-Executive Director Olga Clayton – Non-Executive Director Jean Ford – Non-Executive Director Annie Gunner Logan – Vice Chair Lynnette Grieve – Employee Director Louise Harker – Boardroom Apprentice Nigel Henderson – Non-Executive Director Shona Cowan – Non-Executive Director George Valiotis – Non-Executive Director |
| Executive Members: | Jim Boyle – Executive Director of Finance Karen Reid – Chief Executive & Accountable Officer Emma Watson – Executive Medical Director Karen Wilson – Executive Director of Nursing, Midwifery & AHPs & Deputy Chief Executive |
| Regular Board Attendees | Christina Bichan – Director of Planning, Performance & Transformation Colin Brown – Head of Strategic Development Sybil Canavan – Director of People and Culture Lindsay Donaldson – Deputy Medical Director Kevin Kelman – Director of NHS Scotland Academy, Learning & Innovation Claire Neary – Policy & Briefings Manager Gordon Paterson – Director of Social Care & Communities Lee Savarrio – Postgraduate Dental Dean & Director of Dentistry Lorraine Scott – Associate Manager, Chair & CEO Office (Minutes) Andrew Sturrock – Postgraduate Pharmacy Dean & Director of Pharmacy Judy Thomson – Director of Training for Psychology Services Christopher Wroath – Director of NES Technology Service |
| Observers | Elsbeth Boxhall – Scottish Clinical Leadership Fellowship – Pharmacy Lisa Dunn – Scottish Clinical Leadership Fellowship – Pharmacy Esme Grange – Scottish Clinical Leadership Fellowship – Dental John Linden – Scottish Clinical Leadership Fellowship – Dental Dr Jill Macfarlane – Scottish Clinical Leadership Fellowship Rocio Toribio – Scottish Clinical Leadership Fellowship – Pharmacy |

1. Chair's Welcome

- 1.1. The Chair welcomed everyone to 189th Public Board meeting. He particularly welcomed observers from the Scottish Clinical Leadership Fellowship who were joining as part of their development.

2. Apologies for absence

- 2.1. Apologies were received from Board member, Gillian Mawdsley, Whistleblowing Champion
- 2.2. Apologies were also received from regular Board attendees: John MacEachen – Head of Communications and Engagement, Nick Hay, Principal Manager, Communications and Engagement.

3. Declarations of Interest

- 3.1. No declarations of interest were made regarding the business of the meeting.
- 3.2. Ally Boyle declared a connection to the section of Population Health within the Chief Executive's report due to his role with Public Health Scotland (PHS); however, after applying an objective test, he stated there is no conflict of interest since all Boards share the same responsibilities in this area and there is no competing interest.

4. Draft Minutes of the 188th Meeting – 25 September 2025 (NES/25/75)

The Board approved the draft minutes of the 25 September 2025 meeting.

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.
- 5.2. No items of any other business were raised.

6. Actions from previous Board Meetings (NES/25/76)

- 6.1. The Board received the rolling Board action list for review and approval.
- 6.2. The Chair noted that the 1 action raised during the 25 September 2025 Public Board meeting is now complete.

- 6.3. It was noted that 2 actions raised during the 21 August Public Board remain in-progress. Karen Wilson reported that action 7.42 is closed after sharing the link within the action log, which is for a new myth-busting resource which promotes vaccination among staff and public, she also noted this has been shared on LinkedIn and other social media sites to boost awareness
- 6.4. The Board agreed and approved the action list and noted that 1 action remains in-progress.

7. Chair and Chief Executive reports

7a) Chair's Report (NES/25/77)

- 7.1. The Chair submitted his report to the Board for information and assurance, detailing recent engagements and activities since the Board meeting on 25 September 2025, both in his capacity as Chair of the NES Board and as a member of the NHS Scotland (NHSS) Board Chairs Group (BCG).
- 7.2. The Chair asked the members of the Board if they had any questions. In response to a query, he provided an update on the planned internal audit on Board governance that is currently underway.
- 7.3. There were no further questions and the Board agreed that this report provided assurance

7b) Chief Executive's Report (NES/25/78)

- 7.4. The Chair invited Karen Reid to introduce the report submitted to the Board for review and assurance.
- 7.5. Karen Reid introduced the report by drawing attention to several significant areas for discussion, such as Climate, Equality, Diversity and Inclusion, Finance and Performance. She provided updates on ongoing NHS Delivery work, including both public and staff consultations, and expressed gratitude to Sybil Canavan, Laura Liddell, and Lynnette Grieve for their support.
- 7.6. Karen also reflected on a recent well-attended staff webinar, noting considerable staff interest in the detailed NHS Delivery plans, advising that the finer details have yet to be agreed. She clarified that a Gateway 0 review had awarded the project an amber status with six recommendations.
- 7.7. Karen further acknowledged the positive feedback received from the NES Annual Review and a five-year retrospective presentation, which attracted over 425 staff members online, and thanked all contributors for their efforts. She highlighted notable achievements, including Living wage accreditation, a commendation for Learning at Work Week, enhanced collaboration in Public Health, and excellence within the Optometry programme.

- 7.8. Additionally, Karen reported on advancements in digital initiatives, the active promotion of whistleblowing, and NES's leading employee engagement scores as reflected in the iMatters report.
- 7.9. The Chair thanked Karen and asked Directors to raise any additional points about their directorate from the report.
- 7.10. Karen Wilson advised that progress continues with the electronic practice assessment (ePad) tool, noting its successful implementation in nursing and midwifery universities programmes and forthcoming expansion to paramedic programmes. She noted that some users have advanced to the next portfolio stage, demonstrating the intended progression in their learning journey. Additionally, Karen advised that the newly launched suite of Quality Improvement Learning resources has attracted 600 users since April, indicating strong demand, particularly from university sectors.
- 7.11. Kevin Kelman highlighted ongoing efforts to develop strategic partnerships, particularly with colleagues across the four nations. He also noted the success of a recent conference on responsible artificial intelligence (AI) in healthcare education, which attracted participation from over 1,400 unique attendees, and announced forthcoming plans for a spring conference focused on AI and assessment.
- 7.12. Lee Savarrio noted his interest in joining the population health group and noted Scotland's leadership in child and adult dental health programs, such as Childsmile and Caring for Smiles which surpass other UK initiatives. He recommended sharing Scotland's practices, such as employing dental health support workers and adopting a whole-family approach. Additionally, he highlighted the orthodontic therapy program's remote supervision, which allows training in NHS Shetland with NHS Tayside's support, enhancing orthodontic service delivery.
- 7.13. Andrew Sturrock reported robust recruitment into Scotland's post-registration foundation programme for pharmacists, with a dedicated team providing support to almost 600 early career pharmacists during their initial post-registration years. He also noted a rise in enrolment on the advanced practice pathway, which enables pharmacists to achieve advanced-level credentialing through the Royal Pharmaceutical Society. Andrew emphasised that credentialing would play a significant role in an upcoming transforming roles paper for pharmacy, with growing engagement from pharmacists in this approach to assuring professional practice
- 7.14. Judy Thomson highlighted continued efforts to train school staff and those in school communities to better support children experiencing anxiety, particularly those diagnosed with autism, Attention Deficit Hyperactivity Disorder, (ADHD), or other neurodivergent conditions. She noted positive outcomes from these interventions, with data indicating their effectiveness for children and young people.

- 7.15. Additionally, Judy referenced new educational initiatives being trialled to further assist education staff, which are yielding encouraging early results. She also pointed out the current political momentum, including attention from a parliamentary committee and an upcoming cross-party summit focusing on ADHD and Autism Spectrum Disorder (ASD).
- 7.16. Sybil Canavan reported that the HR transformation workstream has successfully moved into routine operations, expressing appreciation to colleagues for their support throughout the process.
- 7.17. The Chair thanked Karen and colleagues for the updates and opened up to the Board for questions.
- 7.18. The Board expressed strong endorsement for NES's commitment to advancing the population health framework and its positioning as a leading population health organisation. They recommended involving territorial partners in the self-assessment process to maintain relevance and demonstrate progress and further suggested investigating methods to highlight and promote NES's training resources, including the potential establishment of a population health academy model.
- 7.19. Karen Reid acknowledged this point and shared that Christopher Wroath is working to incorporate public health data from PHS into NES's digital programmes, while she, Gordon Paterson, and others are collaborating to position NES as the leading centre for workforce education and development in population health.
- 7.20. The Board asked about the realistic medicine and values-based care work, specifically how the patient voice is incorporated into the champions network and how success is measured from the patient perspective
- 7.21. Karen Wilson explained that the realistic medicine initiative is integrated within the Quality Improvement team, which focuses on person-centred approaches and maintains strong connections to ensure the patient voice is represented. She recommended a further follow-up with the team for additional information. **ACTION: KW**
- 7.22. The Board enquired about the initiatives in place to support unpaid carers, with particular interest in the expansion of these efforts into mental health and hospital discharge. They requested further insight into how these support programmes are being promoted, emphasising the importance of increasing awareness so that more individuals can access the resources and assistance available.
- 7.23. Gordon Paterson explained that NES supports unpaid carers by providing education, training, and the "Equal Partners in Care" (EPiC) resource to help the workforce recognise and assist unpaid carers. He highlighted collaboration with the Scottish Government's Unpaid Carers Policy Team, and the ambitions to make learning resources accessible to carers themselves, with efforts to encourage public sector organisations to be

carer-friendly. He also noted a particular emphasis on supporting young carers, acknowledging their unique challenges and the importance of helping them maintain opportunities for growth and relationships.

- 7.24. The Board praised the work being done, especially the positive results from the iMatters staff engagement initiative, acknowledging that more detailed discussion on this would occur later in the agenda.
- 7.25. The Board asked if nurses have appropriate representation across all NHS Delivery workstreams and expressed concern about areas where nursing input was not requested.
- 7.26. Karen Reid clarified that NES is not involved in nursing representation within NHS Delivery work streams, as these are Scottish Government-led and not appropriate for NES participation. NES will provide commentary but not direct involvement in those specific streams
- 7.27. The Board commented positively on whistleblowing and "speak up" initiatives and asked if there are also "listen up" initiatives for managers, referencing a presentation at the NHS Board vice chairs group.
- 7.28. Karen Reid acknowledged the "listen up" initiatives, advising the importance of not just encouraging staff to speak up but also ensuring organisations actively listen. She noted that this feedback would be taken forward, with a commitment to explore creating listening forums for staff, especially to avoid assumptions and focus on genuine listening. **ACTION: KR**
- 7.29. The Board raised concerns regarding potential risks stemming from restricted staff access to global evidence and international databases, particularly in the context of equality, diversity, and historic inequalities work. They questioned whether recent global political developments might be limiting access to crucial health research databases and suggested that this issue warrants consideration as a possible governance matter.
- 7.30. Karen Reid noted that NES is enhancing collaboration with PHS to maintain robust access to data and evidence, with no current access issues reported, advising that all learning products are subject to equality impact assessments to promote inclusivity. However, it was noted that some international databases are becoming less accessible, prompting a commitment to liaise with university partners and monitor potential emerging challenges, particularly as universities in England have reportedly faced such issues. Karen Reid acknowledged this and agreed to share the concerns with policymakers. **ACTION: KR**
- 7.31. The Board noted with appreciation that whistleblowing learning needs had exceeded 90% for the first time, and extended thanks to Christina Bichan and the team for their contributions. They welcomed the establishment of a new confidential contact from an equality's standpoint, recognising this as a constructive development. Additionally, the Board sought further clarification

regarding NES's role and the national context in relation to the NHS Lothian, obstetrics and gynaecology matter, as the commentary provided was deemed insufficiently clear.

- 7.32. Emma Watson outlined that NES is closely collaborating with NHS Lothian teams, with robust engagement and a sense of responsibility evident at all organisational levels, despite recent difficulties and public scrutiny. She stressed that the improvement efforts remain centred on the educational needs and environments for resident doctors and other learners. While NES continues to play an active and supportive role in driving progress, Emma highlighted that there are restrictions on how much detail can be disclosed publicly about ongoing initiatives in Lothian.
- 7.33. The Chair thanked Karen and colleagues for the report, and the Board confirmed that it provided assurance.

8. Performance Items

- 8a) Quarter 2 Finance Update Report 2025/26** (NES/25/79)
- 8.1. The Chair invited Jim Boyle to introduce the report which is presented to the Board for review and approval.
- 8.2. Jim Boyle delivered the Quarter 2 Finance Report, highlighting a forecasted year-end underspend of £3 million, largely attributed to factors outlined in the operational performance section. He identified areas requiring further attention, such as lower fill rates for dental and psychology trainees and delays in the digital learning infrastructure programme, advising these are not expected to alter the total programme value. He also noted an overshoot in savings from vacancy lag due to recruitment delays, advising that this is under review. He advised that the level of outstanding Scottish Government funding has reduced, with all in-year allocations expected, and there is ongoing consideration of bringing forward the Westport dilapidations cost to the current financial year.
- 8.3. The Chair thanked Jim and noted this report had already been reviewed recently by the Planning & Performance Committee. He stressed that the NES Board faces an annual £21 million funding gap from unfunded medical training posts, influencing financial planning and savings. He highlighted the Board's record of not overspending and thanked the finance teams for their management. He added that future meetings should address the Westport move and related upcoming challenges which will affect the new Board and its funding. **ACTION: JB**
- 8.4. The Chair opened up to the Board for questions, as there were none the Board approved the report.
- 8.5. Debbie Lewsley joined the meeting.

8b) Quarter 2 Strategic Risk Update Report 2025/26 (NES/25/80)

- 8.6. The Chair welcomed Debbie Lewsley to the meeting and asked her to introduce the report which is presented to the Board for review and approval.
- 8.7. Debbie provided an overview of the Quarter 2 Strategic Risk Register update, highlighting the addition of three new risks, changes to the titles of risks 12 and 13, and adjustments in four risk ratings, including a decrease in risk 9 following funding reconciliation. Also noted an increase in risk 11 due to uncertainty over external training venues related to the Westport move. She recommended that risk 16, which has decreased as the HR transformation programme is now business as usual, be de-escalated to the directorate level, and this has been supported by relevant committees. She informed the Board that 36.8% of risks remain outside its appetite, mainly in financial and governance categories, with ongoing reviews and mitigation actions in place.
- 8.8. The Chair thanked Debbie for the update and opened up for questions.
- 8.9. The Board queried why the cybersecurity risk score (risk 7) remained unchanged despite reported progress. They questioned whether it is realistic to anticipate this risk returning to within the Board's appetite. They noted the importance of managing Board expectations around cybersecurity risk, questioning if the current high level is an ongoing reality the Board must accept or if tangible improvements can be expected when new measures are introduced.
- 8.10. Christopher Wroath explained that the Scottish Government is currently reviewing the NES audit process for cybersecurity, with a new methodology being developed to assess how measures are implemented in practice rather than simply documented in policy. He emphasised that cyber risk remains high due to the constantly changing nature of threats, regardless of the mitigation strategies in place. Christopher advised that the Network and Information Systems (NIS) audit is currently the process used by the government for Boards to demonstrate mitigation against cyber risk, but there is recognition that this may not be working as effectively as intended. He expressed support for the shift in approach, believing that the changes being made will improve the system and the way NES evidences its cyber risk mitigation. Christopher advised he will keep the Board updated as audit changes are introduced and highlighted that the revised approach will place greater emphasis on real-world actions and improvements. **ACTION: CW**
- 8.11. Karen Reid added that NES cannot be complacent, referencing a recent incident in Dumfries and Galloway where a high audit score did not prevent a cyberattack.
- 8.12. The Chair added that even with a high audit rating, NES does not currently benefit from a reduced risk assessment and suggested reviewing whether strong audit results should lead to some mitigation in the overall risk evaluation.

- 8.13. The Board commented on the wording of risk 11, poor learning outcomes/experiences, and suggested it should be rephrased to clarify that the risk is due to delivery uncertainties (such as venue and method), not the quality of NES's learning products.
- 8.14. Karen Reid agreed to review and reword risk 11 to better reflect that the risk is about delivery uncertainties, not the quality of NES's learning products. Debbie acknowledged this, advising to update for the next report.

ACTION: DL

- 8.15. Karen Reid suggested conducting a comprehensive review of NES risks in Quarter 4, as current risks may not accurately reflect the real situation, especially with evidence showing strong performance and engagement. She recommended updating the risk register to better capture actual risks as NES transitions to NHS delivery.

ACTION: DL

- 8.16. The Board approved the report and agreed to proceed with the review.

- 8.17. The Chair thanked Debbie for the report.

8c) **Quarter 2 Strategic Key Performance Indicators 2025/26** (NES/25/81)

- 8.18. The Chair invited Debbie to introduce the report which is presented to the Board for review and approval.
- 8.19. Debbie presented the Quarter 2 Strategic Key Performance Indicators (SKPI) update, reporting that data is available for 80% of measures, with further development ongoing. She advised that 60% of SKPIs achieved green status, reflecting a minor decline from the last period, advising that most reportable measures now have established Red, Amber, Green (RAG) parameters.
- 8.20. Debbie advised that the annual SKPI review was completed and shared with the Board during the October Board Development Session. She also advised that executive responsibility for several measures has been reassigned, notably to the Director of People and Culture from Quarter 3. Debbie noted that positive highlights included 100% utilisation of NES workforce data and progress on savings plans, while an increase in sickness absence was noted NES remains favourable compared to other Boards.
- 8.21. Debbie noted that thresholds are changed to whole numbers instead of percentages to ensure consistency and clarity in reporting and align with national benchmarking. Debbie also noted the introduction of a new dashboard format with accompanying user guidance.
- 8.22. The Chair thanked Debbie for the update and opened up for questions.
- 8.23. The Board noted that this report was already reviewed by the Planning & Performance Committee and suggested that future reports provide a summary of the discussion for non-committee members to prevent repetition.

- 8.24. The Chair agreed with this suggestion noting that the Board was being asked to approve suggestions already endorsed by previous committees.

ACTION: DL

- 8.25. There were no further questions, and the Board approved the report.

- 8.26. The Chair thanked Debbie for the report, and she left the meeting.

- 8.27. Alison Shiell joined the meeting.

8d) Quarter 2 Performance Delivery 2025/26

(NES/25/82)

- 8.28. The Chair welcomed Alison Shiell to the meeting and invited her to introduce the report which is presented to the Board for review and approval.

- 8.29. Alison presented the Quarter 2 delivery report for 2025/26, noting NES's strong performance against Annual Delivery Plan milestones, reporting that 87.5% of deliverables are either completed or on track. She advised that 20 deliverables are experiencing minor delays, and one is significantly behind schedule explaining why this is the case; however, overall performance exceeds previous years despite added pressures from NHS Delivery establishment. The report offers clearer detail on delays and associated mitigating actions, responding to Board feedback, and outlines amendments to the Annual Delivery Plan. She advised that the number of deliverables dependent on Scottish Government funding has dropped from 13 to just 2. Alison also highlighted the reclassification of a Continuous Professional Development (CPD) deliverable for GP practice managers from red to green, as the delay was beyond NES's control.

- 8.30. The Chair thanked Alison for the update and praised the high quality of the performance report and the team's success; he clarified that the change of deliverable from red to green was agreed by the Planning & Performance Committee.

- 8.31. The Chair opened up for questions, as there were none the report was approved.

- 8.32. Alison left the meeting.

- 8.33. Katy Hetherington joined the meeting.

9. Annual Items

9a) NES Equality, Diversity & Inclusion Mid-Year Report 2025 NES/25/83

- 9.1. The Chair welcomed Katy Hetherington to the meeting and invited her to introduce the report which is presented to the Board for review and approval.

- 9.2. Katy introduced the first mid-year update on the Equality, Diversity, and Inclusion Strategy, outlining significant progress over the past six months. She advised that the report highlights achievements in areas such as equality outcomes, equally safe at work, prevention of sexual harassment and misconduct, anti-racism efforts, and a newly launched Scottish Government human rights initiative.
- 9.3. Katy advised that this report has also been presented to the relevant committees and the Partnership Forum. Katy proposed a change to the first equality outcome to specify NES's ambition to be more representative of the health and social care workforce.
- 9.4. The Chair thanked Katy for the report and opened up for questions.
- 9.5. The Board commended the excellence and comprehensive scope of the report, emphasising the value of sharing successful approaches and best practice with other Boards throughout Scotland. The Board expressed satisfaction at the collaborative efforts already underway and urged the continuation of initiatives aimed at raising awareness, promoting good practice, and supporting other Boards in their equality, diversity, and inclusion work.
- 9.6. The Chair requested additional data regarding the effectiveness of specific initiatives highlighted in the equality report, particularly the cultural humility programme and the Beyond Bystander training implemented in NHS Lothian. He recommended that future reports should detail how these initiatives have been received, their scope, and forthcoming plans to better demonstrate their impact. He also expressed gratitude to Katy for the thoroughness of the report and recognised the suggested update to the equality outcome wording.
- 9.7. Katy outlined her team's renewed emphasis on enhancing the marketing and evaluation of their training programmes, such as cultural humility and bystander interventions. She reported that the 4-hour bystander workshop had demonstrated notable effectiveness, in contrast to shorter sessions, and emphasised the value of these insights for shaping future training delivery. Additionally, Katy indicated that forthcoming modules would incorporate more robust data collection and evaluation processes, including scored assessments for anti-racism training. She concurred with the suggestion to increase the visibility of their offerings and provide more comprehensive information.
- ACTION: KH**
- 9.8. The Board asked whether Katy's team or the Youth Academy is working on tracking representation from minority ethnic backgrounds among doctors and dentists in training, since NES has limited influence over their entry.
- 9.9. Katy explained that NES tracks KPIs for core staff only, not for doctors or dentists in training, but will investigate possible tracking options.
- ACTION: KH**

9b) NES iMatter Survey Report – Results for 2025

NES/25/84

- 9.10. The Chair invited Sybil Canavan to introduce the report.
- 9.11. Sybil introduced the NES iMatter report, highlighting high engagement levels across the workforce despite recent changes and the announcement of NHS Delivery. She noted an increased response rate (up to 90%) and retention of a high employee engagement index score (84), with NES remaining the highest in NHS Scotland for these metrics. She also mentioned an increase in action plan completion rates.
- 9.12. Karen Reid requested that the national iMatter report be circulated to all Board members for reference, as it includes comparative results and good practice examples from other Boards **ACTION: LS**
- 9.13. The Chair praised the outstanding results, especially given the recent turbulence, and noted the high visibility of non-executive directors and Board members. He also commented on the positive trend in the graphs. , clarifying that a recent drop was only 1 for two indicators. He thanked the executive team and leaders for their performance.
- 9.14. The Chair opened up for questions.
- 9.15. The Board expressed that the iMatter results are terrific, considering the timing, and noted improvement in Board visibility. An ongoing action plan was suggested to further improve this area and commented on the lower score regarding involvement in organisational decisions albeit this was still well above average, stating it is understandable and not a major concern, but still worth addressing. **ACTION: SC**
- 9.16. There were no further questions and the Board agreed that the report provided the necessary assurance.

**9c) Annual Climate Emergency and Sustainability Report 2024/25
and Public Bodies Climate Change Duties Report 2024/25**

NES/25/85

- 9.17. The Chair invited Jim Boyle to introduce the report which comes for Board approval on submission to the Scottish Government.
- 9.18. Jim presented the report, advising that it includes two required submissions to the Scottish Government: The Public Bodies Climate Duties Report and the NHS-specific annual report, advising that both are due to be submitted by the end of November. He reported a 5.5% decrease in NES emissions compared to last year, however noted that this figure does not yet reflect expected further cuts from the new Bothwell Street, Glasgow building. He advised that emissions figures are calculated using government-provided conversion factors, and the format for reporting is set at a national level.

- 9.19. Jim also pointed out ongoing initiatives to integrate climate awareness into educational and training materials, back national campaigns, and work with NSS and other partners to create resources for the NHS and social care sectors. He acknowledged that developments in Westport, Edinburgh, could have a negative impact on future emissions reporting; this topic will be explored further in the following Private session. In summary, he described the report as encouraging and reflective of NES's strong commitment to climate strategy.
- 9.20. The Chair thanked Jim for the report and opened up for questions.
- 9.21. The Board asked why wastewater and sewage are not included in the emissions report.
- 9.22. Jim explained that wastewater emissions are negligible for NES due to leased properties and are more relevant for territorial boards. He advised that Information and Communication Technology (ICT) emissions, especially from AI and data centres, are recognised as an emerging issue, and NES is working to better estimate and report these in the future.
- 9.23. The Board questioned why the travel section does not address flights, especially short-haul flights, despite their mention in the introduction.
- 9.24. Jim and Karen clarified that NES underwrites programs like the Scottish Quality and Safety Fellows, which require significant air travel, often funded externally. They emphasised NES's rigorous travel policy and efforts to encourage alternatives but acknowledged that some travel is necessary due to Scotland's geography and the need for national and international engagement.
- 9.25. The Board raised a linguistic point, asking if NES should commit to building climate emergency and sustainability into education and training, rather than just striving to do so, and whether these considerations should be requirements rather than optional.
- 9.26. Jim agreed to amend the report's language to reflect that building climate considerations into education and training is an ongoing, evolving commitment, not a completed task. **ACTION: JB**
- 9.27. The Board commented that balancing climate goals with efficiency and cost is challenging, especially for a national organisation where train travel can be more expensive and time-consuming than flights. It was noted that the reporting template may not fully capture these contextual factors.

10. Governance Items

10a) Final Review of the Board Assurance Framework 2025-26

NES/25/86

- 10.1. The Chair invited Drew McGowan to introduce the report which comes to the Board for approval.
- 10.2. Drew presented the scheduled annual and final review of the Board Assurance Framework. He advised that minor revisions were implemented for clarity and good governance, such as specifying that the Whistleblower Champion provides assurance, whilst the Equality, Diversity and Environment Sustainability Champions support the assurance process.
- 10.3. The Chair thanked Drew for the report and opened up for questions, as there were none, the Board approved the report.

10b) Blueprint Improvement Plan: Final Progress Report

NES/25/86

- 10.4. The Chair invited Drew McGowan to introduce the report which comes to the Board for review and approval.
- 10.5. Drew reported significant progress on the Board's Blueprint Improvement Plan. With all 10 actions completed, he asked for Board approval before submission to the Scottish Government.
- 10.6. The Chair opened up for questions, as there were none, the Board approved the report.

10c) Scottish Government Directive Letter (DL(2025)25) Implementation of Sub-National Planning

NES/25/87

- 10.7. The Chair invited Drew McGowan to introduce the report which comes to the Board for noting.
- 10.8. Drew introduced the Scottish Government Director's Letter (DL), noting a significant shift from regional planning to sub-national planning.
- 10.9. Karen Reid highlighted that the DL report, though not mentioning NES directly, will apply from next April and covers the Common Services Agency, including NHS Delivery. She advised that she is coordinating with colleagues to ensure NES responsibilities are included in the sub-national planning and delivery approach.
- 10.10. The Chair opened up for questions, as there were none, the Board noted the report.

Significant issues to report from Standing Committees:

10d) Audit and Risk Committee 2 October 2025

- 10.11. The Chair invited Jean Ford, Chair of the Audit & Risk Committee to provide an update on the recent meeting.
- 10.12. Jean Ford reported that all key topics from the Audit and Risk Committee, namely the final review of the Board Assurance Framework, the Blueprint Improvement Plan progress report, and strategic risks and KPIs, had been addressed within the Board meeting's agenda today. She confirmed there were no significant issues or exceptions arising from the Committee's meeting on 2 October 2025 that required further Board consideration, and that regular reporting and assurance procedures remained routine, with nothing additional to highlight.

10e) Planning & Performance Committee 10 November 2025

- 10.13. The Chair provided an update on the recent Planning & Performance Committee as he stood in as Chair at this meeting.
- 10.14. The Chair advised that the main topics discussed included challenges in replacing the national business system, possible changes to the NES arrangements, and reviewing the steering group for the lead employer model. He advised on the growing importance of establishing a population health group within NES, which aligns with the formation of a national group by the Chairs. He noted that Kevin Kelman provided a positive report on digital learning infrastructure.

11. Items for Homologation

11a) Planning & Performance Committee 11 August 2025

11b) Staff Governance Committee 14 August 2025

- 11.1. The Board homologated the minutes of the above previous meetings presented.

12. Date and Time of Next Meetings

- 12.1. The Chair noted the forthcoming meetings of the Board, advising that the Private Board will follow today's public meeting, and that the Board Development Session scheduled for 8 December is cancelled. He noted that the next Public and Private Board meetings are scheduled for 5 February 2026.

12.2. The Chair thanked everyone for their attendance and all papers presented.

12.3. The meeting closed at 12:30

NES Dec 2025
LS/DM/KR/DG

Agenda Item 6

05 February 2026

Rolling Action List arising from Board meetings

| Minute | Report Title | Action | Responsibility | Date required | Status and date of completion |
|---|-----------------------------------|--|----------------|---------------|--|
| Action raised at Board meeting on 20 November 2025 | | | | | |
| 7.21 | CEO Report | Provide an update on Realistic Medicine from the Quality Improvement Team | KW | | Complete: Response emailed 18 Dec 2025 |
| 7.28 | CEO Report | Explore Listening Forums for staff | KR/CBi/SC | 5 Feb 2026 | Complete: Discussed at Whistleblowing Steering Group 13 Jan 2026 |
| 7.30 | CEO Report | Share concerns with policymakers on international databases becoming less accessible | KR | 5 Feb 2026 | Complete: KR confirmed that this information has been shared with Scottish Governemnt |
| 8.3 | Q2 Finance Report | To update future meetings on Westport and related challenges which will affect the new Board and its funding | JB | 5 Feb 2026 | Complete: Agenda item at 5 Feb Private Board meeting |
| 8.10 | Q2 Strategic Risk Register Update | Keep the Board updated on NIS audit updates in relation to cybersecurity | CW | 5 Feb 2026 | Complete: Paper being presented to Private Board 5 Feb 2026 |
| 8.14 | Q2 Strategic Risk Register Update | Review and reword Risk 11 – to reflect delivery uncertainties | DL | 5 Feb 2026 | Complete: Update included in paper being presented at Agenda item 9a |
| 8.15 | Q2 Strategic Risk Register Update | Review all NES risks for Q4 and transition into NHS Delivery | DL | 5 Feb 2026 | Complete: Update included in paper being presented at Agenda item 8c |

| Minute | Report Title | Action | Responsibility | Date required | Status and date of completion |
|--------|--|--|----------------|---------------|---|
| 8.22 | Q2 Strategic Risk Register Update | Addition of a summary paragraph on discussions/decisions made at previous Committees | DL | 5 Feb 2026 | Complete: Update included in paper being presented at Agenda item 8c |
| 9.7 | NES Equality, Diversity & Inclusion Mid-Year Report 2025 | Additional data to be added in relation to the visibility and collaboration of initiatives | KH | 5 Feb 2026 | Complete: The Equality, Diversity and Human Rights Team will be adopting the standardised evaluation approach for learning that is being developed as part of the NES Learning, Education and Quality System. The current anti-racism capability programme has evaluation built in to it and the team are using the NHS Lothian evaluation approach for the Beyond Bystander training that they are planning to roll-out in NES and for other organisations. |
| 9.9 | NES Equality, Diversity & Inclusion Mid-Year Report 2025 | Explore possible tracking options doctor and dentists in training | KH | 5 Feb 2026 | Complete: NES has employment data for its core staff and for resident doctors and dentists that NES is the lead employer for. This is reported as part of the suite of KPI people data. Data for all resident doctors and dentists in training is transferred to Turas from the national recruitment system and the NES Scotland Deanery regularly encourages residents to update their equality and diversity information via this route. |
| 9.11 | NES iMatter Survey Report – Results for 2025 | Circulation of National iMatter report | LS | | Complete: emailed details of National Report 22 Dec 2025 |
| 9.12 | NES iMatter Survey Report – Results for 2025 | Include Board visibility within the Action Plan | SC | | Complete: ODLL progressing with ET, SGC, PF and the Board |

| Minute | Report Title | Action | Responsibility | Date required | Status and date of completion |
|---|---|--|----------------|---------------|---|
| 9.26 | Annual Climate Emergency and Sustainability Report 2024/25 and Public Bodies Climate Change Duties Report 2024/25 | Review language within the report to reflect that climate considerations are an ongoing and evolving commitment. | JB | | Complete: Report updated before submission to Scottish Government |
| Action raised at Board meeting on 21 August 2025 | | | | | |
| 7.42 | CEO Report | Incorporate vaccination messages to the workforce into broader population health literacy | KW | 20 Nov 2025 | Complete: KW updated the Board on 20 Nov 2025 Vaccination conversations Turas Learn |
| 9.36 | Q1 SKPI Report | Improve readability of Dashboard; too many items on one page | DL/CBi | 20 Nov 2025 | Complete: review; an update was provided at the November meeting |

NES / LS
Jan 2026

NES/26/04
Agenda Item: 7a
5 February 2026



CHAIR'S REPORT

David Garbutt, Chair of NES Board

5 February 2026

1. Introduction

- 1.1. Since the last Board meeting on the 20 November 2025, I have attended the following meetings and events, as well as internal NES meetings, Board and Standing Committees.
- 1.2. At the 20 November 2025 Board meeting, I advised members that an internal audit of Board governance was underway. I am delighted to report that this internal audit has now been completed, concluding that 'significant assurance' is in place – the highest possible rating. I wish to place on record my profound thanks to Board members and staff, past and present, for their efforts that have culminated in this standard of excellence.
- 1.3. I attended several NHS Delivery meetings and NHS Delivery Executive Meetings in collaboration with Scottish Government, National Services Scotland and NHS Education for Scotland colleagues.
- 1.4. Since the last Board meeting in November 2025, I have attended mentoring meetings with Board apprentice Louise Harker and begun non-executive appraisal meetings with No Executive Board members.
- 1.5. The Scottish Government's pre-election guidance for NHS boards ahead of the Scottish Parliament election on 7 May 2026 has now been received. This was circulated to Board members by Drew McGowan, Board Secretary and Principal Lead for Corporate Governance, along with a summary of the key points. The guidance has also been shared with all NES staff. Although the NES Board will be dissolved on 31 March, subject to parliamentary approval, the guidance will continue to apply in full to the PSD Scotland Board during the pre-election period.

2. Summary of Engagement November 2025

- 2.1. On Monday, 24 November 2025 the Executive Team, Karen Reid and I attended the in-person ET on the Road – Staff Engagement Session in Westport, Edinburgh. These sessions are a perfect opportunity for colleagues to meet the Executive Team. Colleagues are encouraged to submit questions and queries, as well as providing a space for open dialogue.
- 2.2. On the 25 November 2025 I attended the Promise Scotland Director Board Meeting and Annual General meeting.
- 2.3. The Remuneration Sub-Committee meeting took place in Westport, Edinburgh on the 26 November 2025. This was attended by members of the sub-committee who are also members of the NES Board. Senior NHS Education for Scotland colleagues joined to provide specialist advice and updates.

- 2.4. On 27 November 2025 I attended the Improving Wellbeing and Working Culture Strategic Board Meeting at St Andrews House, Edinburgh. When we discussed the reframing of the project and the likely development of a talent management and succession planning system.
- 2.5. On the morning of the 28 November 2025, I gave several presentations to the Aspiring Chairs session at our NES offices, Westport, Edinburgh. Discussion topics included Active Governance, Reform and Transformational Change, Appointments and Working with your Non-Executive Board Members. These sessions were well received and were followed by a number of insightful questions from the participants.

3. Summary of Engagement December 2025

- 3.1. On 3 December 2025, I attended the NHS Chairs meeting with Mr Gray, Cabinet Secretary for Health and Social Care and NHS Scotland Board Chairs. There was a strong emphasis on Winter Planning activity and a reminder of the importance of the sub-national planning groups and NHS Delivery.
- 3.2. I attended the quarterly Education and Quality Committee meeting which took place on the 4 December 2025 at Westport, Edinburgh. This meeting is attended by members of the Board and Executive Team and colleagues from across the organisation.
- 3.3. The NHS Scotland Global Citizenship Advisory Board Meeting took place on the 9 December 2025. Items for discussion included refreshing the membership of the group. I gave a short update on the current changes around sub-national planning and Public Services Delivery (PSD) Scotland, as examples where internal pressures might take precedence over global citizenship planning.
- 3.4. I attended the third meeting of the National Performance Management Committee with NHS Scotland Chairs and colleagues from Scottish Government on the 15 December 2025.
- 3.5. On the 18 December 2025 the NHS Education for Scotland Christmas All Staff Webinar took place. This annual event was an opportunity for sharing the successes across 2025. A phenomenal amount of work has been undertaken by NES Colleagues, and I thanked them for their focus and dedication.

4. Summary of Engagement January 2026

- 4.1. I attended the first Sub-National Scotland West – Strategic Planning and Delivery Committee of the year. These meetings include NHS Scotland Chairs, Chief Executives and SG colleagues.

- 4.2. I attended the Audit and Risk Committee Meeting on the 15 January 2026.
- 4.3. Together with the Chief People Officer, Fiona Hogg I delivered a Remuneration Committee Masterclass for Non-Executive Directors on the 20 January 2026. Over 40 non-executive members of boards were present, and we followed this up with a lively question and answer session. A new template set for Terms of Reference was prepared by NES for Scottish Government consideration and an agreement was reached for us to upgrade the Audit Scotland User Guide which has been in use for many years. Agreement was also reached for NES to review again the induction materials for new REMCO Remuneration Committee members.

David Garbutt
Chair

NES/26/05
Agenda Item: 07b
5 February 2026

Chief Executive's Report

Professor Karen Reid, Chief Executive



Date: 5 February 2026

1. Introduction

The agenda for our upcoming meeting on February 5, 2025, will include the review and approval of two key annual governance items: the Corporate Governance Package and the Counter Fraud Strategy. The Counter Fraud Strategy outlines ongoing work within NES that aligns with the broader Strategy to Combat Financial Crime in NHS Scotland, and details the actions required to ensure compliance with the Counter Fraud Standard.

In addition to these governance items, the Board will be asked to review and approve a strategic item: the Strategic Risks Annual Review and the Board's Risk Appetite. This report ensures our approach to risk management remains robust and responsive to emerging challenges.

The Corporate Governance Package for review includes the Standing Orders, Standing Financial Instructions (SFIs), Scheme of Delegation, Code of Conduct, and the Terms of Reference for Committees.

Finally, the agenda has a comprehensive set of 2025–26 Quarter 3 Performance reports. These cover the Finance Report, Performance Delivery, the Strategic Risk Report for 2025/26, and updates on our Strategic Key Performance Indicators (KPIs), providing the Board with an overview of our current performance and progress against key priorities.

2. Updates and Announcements

2.1. NHS Delivery

a) **Public Services Delivery Scotland (PSD Scotland).**

On Thursday, 22 January 2026, the announcement was made that, following Ministerial consideration, the new body that will bring together NHS Education for Scotland (NES) and NHS National Services Scotland (NSS) from April 2026 will be called **Public Services Delivery Scotland (PSD Scotland)**. This replaces the working name NHS Delivery.

- b) Following consideration by the Cabinet Secretary for Health and Social Care, it was announced that Keith Redpath will continue as Chair of the Common Services Agency (CSA) for a transitional period to support the establishment of the new organisation (PSD). As David Garbutt (CBE) term as Chair of NES concludes on 31 March 2026, both individuals continue to contribute to the development of governance arrangements required for Day1 readiness.

2.2. NHS Education for Scotland – Westport Premises

- a) Planning continues at pace to support an orderly and affordable exit from Westport by July 2026, in line with the Scottish Government requirement to secure accommodation within the public-sector estate. Work is also underway to explore suitable future staff premises and to assess the space requirements needed to support education and learning activity post-Westport, ensuring continuity of service delivery, digital readiness, and high-quality learning environments.

2.3. Eljamel Public Inquiry

NES continues to engage constructively with the Eljamel Public Inquiry as it moves into its next phases. We are working closely with the Central Legal Office to ensure that NES fulfils all requirements of the Inquiry, including the preparation of our formal corporate response. The Inquiry's initial hearings on organisational matters are scheduled to begin in February, and NES will participate as required. We remain committed to transparency, cooperation and supporting the Inquiry's work on behalf of patients and the wider system.

2.4. Remote and Rural – National Centre Phase 2 Options Appraisal Commission

- a) On 27 October, the Director of Primary Care (Scottish Government) requested that NES undertake an options appraisal for delivering targeted education, training, research, evaluation, and leadership tools for rural and island health and care. NES submitted a response on 5th December 2025 detailing the strategic context, key priorities, and evidence of need, together with a detailed process for appraising the best mechanism to meet this need.
- b) The process outlined included undertaking a robust options appraisal to ensure a full assessment of the best approach, taking cognisance of the emergent strategic context and best value. On 17 December, NES received a response in support of the approach, and work is progressing well to ensure the business case is submitted to the Scottish Government by the requested deadline of 16 February 2026.

2.5 National Care Service

- a) Scottish Ministers have set in motion a process to change the law to extend voting rights on Integration Joint Boards to include service user, unpaid carer and third sector representatives. New draft regulation fulfils a recent commitment made by the Cabinet Secretary for Health and Social Care and delivers a key recommendation of the Independent Review of Adult Social Care in Scotland. Director of Social Care and Communities, Gordon Paterson, will participate in a Short Life Working Group that will look at how to advance this development.

2.6 Announcements

- a) **David Garbutt, Chair, NES, Commander of the Order of the British Empire (CBE)**
We were delighted to announce on 30 December that our Chair, David Garbutt, has been awarded a CBE in the New Year's Honours List. This recognises his exceptional leadership and remarkable contribution over more than six decades of public service. His tenure in Health and Social Care in Scotland and as Chair of NHS Education for Scotland has been defined by strong governance, an empowering culture, and a deep commitment to supporting our workforce and the wider Health and Social Care system. This honour is a fitting acknowledgement of David as he approaches the conclusion of his term later this year.
- b) **Professor Alan Denison appointed GMC Deputy Medical Director**
I am pleased to share that Professor Alan Denison, Dean of Postgraduate Education at NES, has been appointed Deputy Medical Director at the General Medical Council.

This is a significant recognition of his leadership in medical education, and NHS Education for Scotland looks forward to continuing to work closely with him as he takes up this important UK-wide role.

c) Pre-Election Guidance

We have now received the Scottish Government's formal guidance for the 2026 Scottish Parliament Election, which sets out the requirements for public bodies during the pre-election period beginning on 26 March 2026. The guidance emphasises the need to maintain civil service impartiality, ensure the appropriate use of official resources, and apply the special arrangements governing Government business throughout the election period. We will ensure all activity across the organisation aligns with these obligations and will issue internal reminders as the election period approaches.

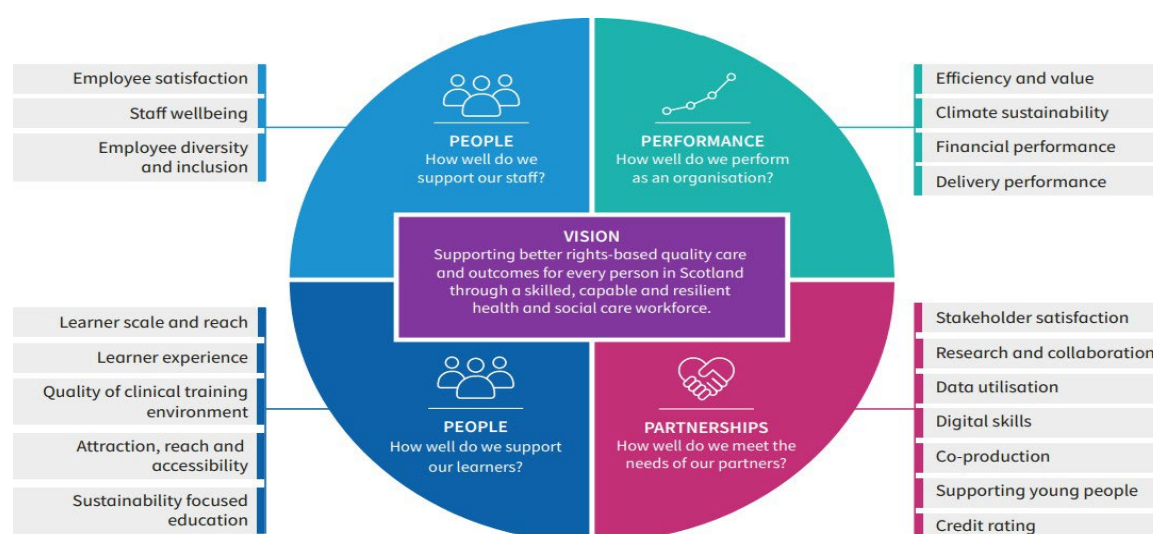
d) National Workforce and Education Conference 2026: Collaborate. Innovate. Transform on 23–24 April 2026.

NES is pleased to be holding its annual education conference, which brings together leaders, educators, and partners from across health, social care, and wider public services to explore how collaborative innovation can drive meaningful improvements in workforce development and service delivery. The conference will showcase national programmes, share best practice, and highlight opportunities for system-wide transformation as Scotland works towards a more skilled, sustainable, and future-ready workforce.

Further information can be found here: [National Workforce & Education Conference 2026](#)

2 Our Strategic Themes

This section of the report provides key developments and updates from NHS Education for Scotland Directorates in the context of the key strategic themes from our NHS Education for Scotland Strategy 2023- 26: People, Partnerships and Performance.



3 Performance - how we are performing as an organisation

a) Strategic Key Performance Indicators

Reporting on NHS Education for Scotland's Strategic Key Performance Indicators is ongoing. The Planning and Performance Committee reviews all Strategic Key Performance Indicators before they are presented to the Board, addressing an improvement action identified during an audit of our performance management approach undertaken in 2024. Individual governance committees continue to receive quarterly reports on all Strategic Key Performance Indicators assigned to their specific responsibilities.

At the end of Quarter 3 2025/26, data is reported for 80% of our Strategic Key Performance Indicators (82% of metrics), with 66% recording a green RAG status. This is an increase of 6% in comparison to the last reporting period. Work continues to develop the measures which have not yet been reported. Progress is noted on interim solutions to report against several of the education measures, with the piloting of a number of data gathering processes and questionnaires progressing in Q3, with the expectation of reporting data in Q4 2025/26 and Q1 2026/27. Highlighting that this is a key area where the delivery of our corporate improvement programme is crucial to achieving our strategic ambitions.

During this period, further development of the new dashboard for presenting the quarterly Strategic Key Performance Indicator data was undertaken. Statistical Process Control charts have been implemented in the Dashboard for all measurements with 15 or more data points. It is intended that this will better support active governance and continuous improvement.

Data updates were reported for 21 measures in this quarter. Detailed information on these updates is available in the Quarter 3 Strategic Key Performance Indicator Report, which is a substantive agenda item. The Planning and Performance Committee met on 28 January 2026 and, as part of its remit, scrutinised the full quarterly Strategic Key Performance Indicator Report before it was presented to the Board.

b) Freedom of Information

During the quarter, NES continued to perform well, meeting its statutory obligation to respond to Freedom of Information (FOI) requests as soon as reasonably possible and, in all cases, no later than 20 working days. This was achieved despite a record volume of requests. There were no internal reviews or appeals reported to the Scottish Information Commissioner during the quarter.

The Planning, Performance & Transformation Directorate received the highest number of requests in quarter three, closely followed by the Medical Directorate and NTS. The FOI team meets regularly with Scottish Government and NTS colleagues to monitor activity related to MyCare.scot and the Digital Front Door (DFD).

In 2025, NES received 158 FOI requests – a 30% increase on the 122 received in 2024. Since 2021, the FOI volume has increased by 108%. An internal audit has commenced in quarter four, and further information on the findings of this will be reported in due course.

c) **NES Corporate Improvement Programme**

The Corporate Improvement Programme continues to provide a stable and disciplined framework for delivering NHS Education for Scotland's priority improvements while preparing the organisation for transition into the new organisation. Over the past quarter, activity across the portfolio has increasingly shifted from design and discovery into delivery and decision-making, with a strong focus on ensuring that improvements are transferable, scalable, and aligned to the emerging future operating context.

The Learning and Education Quality System programme has progressed from specification into mobilisation. Following Executive Team approval of funding in November, work has focused on finalising the procurement route and establishing developer capacity to support delivery of the interim digital solution. In parallel, directorates continue to embed the agreed commissioning, evaluation, and quality processes, with Quality & Safety Groups now in place and learning design standards being refined. This dual focus ensures that operational improvements continue while the digital solution is brought into delivery.

The Digital Learning Infrastructure programme remains a key strategic investment and is progressing through a critical decision phase. The technical review commissioned in response to the Critical Friend Gateway Review has now completed, providing a robust reassessment of delivery options, including a hybrid build–buy model. This work is informing the updated Full Business Case, with the Economic Case scheduled for Programme Board consideration in January and final approval stages planned for February 2026. Engagement with health boards and national partners continues, with particular focus on readiness for migration, endorsement of the Once-for-Scotland statutory–mandatory training approach, and alignment on future benefits and return on investment.

Business Transformation activity has continued to focus on embedding consistent organisational ways of working. Organisation-wide risk management processes are now live, supporting clearer escalation and assurance. Work to streamline finance monthly reporting has progressed following feedback from initial engagement, with launch communications planned for January to support effective adoption. Meetings management principles and resources are now embedded and widely communicated, supporting more efficient use of time and clearer governance across the organisation. This programme is now handed over to business as usual.

The Digital Capability and Confidence programme has moved firmly into delivery. The rollout of Windows 11 has completed, Copilot licences continue to be deployed in cohorts with supporting training and guidance, and the Digital Resource Hub is preparing for launch as a single point of access to digital support, learning, and self-assessment. The introduction of the Digital Modern Apprenticeship further strengthens NES's longer-term digital capability pipeline and supports workforce readiness for the future organisation.

Overall, the Corporate Improvement Programme is delivering tangible improvements in standardisation, quality, and digital readiness, while maintaining the flexibility required to respond to the evolving **Public Services Delivery Scotland (PSD Scotland)** context. The portfolio is increasingly focused on ensuring that NHS Education for Scotland's hands over a coherent, mature set of improvements that provide a strong

operating foundation for the new organisation.

d) Public Bodies Climate Change Duties

The Audit & Risk Committee received a report on 17 January 2026 setting out a range of activities that have been taking place recently in respect of Climate Emergency. That report included an update on the Action Plan that showed that of the 31 actions, 17 are rated as Blue (complete), 11 are rated as Green (in progress), and 3 as Amber (at risk/behind schedule). Any actions that are not complete at this stage will pass to Public Services Delivery Scotland to take forward.

The report also gave further details on other recent and planned activity across directorates, including:

- The Net Zero NHS Scotland Conference that was held on 30 September
- The forthcoming Education for Sustainable Healthcare in Scotland event at the Scottish Parliament
- The Sustainability and Value Prescribing Workshop that NES attended
- The Containing and Controlling Antimicrobial Resistance work that NES is involved in

4.1 Dental including Optometry

a) Optometry Mandatory Training

We successfully delivered the 2025 General Ophthalmic Services (GOS) mandatory training module, *“Population Health: Community Optometry Making an Impact in Scotland,”* to 1,766 optometrists across Scotland. Evaluation demonstrates a significant uplift in professional capability and confidence: the proportion of practitioners reporting good or detailed knowledge of public health challenges rose from **19.1% to 83.4%** following completion of the module. The vast majority (**79%**) found the content ‘highly’ or ‘mostly’ relevant to their role, underlining the alignment between the training and the evolving expectations of primary care eyecare services.

The evaluation also offers insight into system-wide barriers, identified challenges in promoting public health messages to patients, most commonly lack of time within appointments. Some practitioners highlighted low patient awareness of the breadth of optometrists’ clinical expertise.

Also launched In January 2026 the mandatory training module, *“A Realistic Approach to Community Eyecare,”* which is now live on Turas. This resource is designed to deepen practitioners’ understanding of Realistic Medicine and Value-Based Health and Care, strengthening the capability of community eyecare professionals to apply these principles within frontline practice and contribute to Scotland’s wider health system transformation.

b) Translation Research in a Dental Setting /Scottish Dental Practice Based Research Network

The NHS Education for Scotland Dental Directorate is leading key initiatives to enhance clinical effectiveness in primary care dentistry across NHS Scotland. The Training in Practice Targeting Antibiotic Prescribing trial demonstrated that integrating team-based, in-practice training into existing infection control programmes reduced

dental antibiotic prescribing by 4%, and by 17% among high prescribers, supporting the UK Antimicrobial Resistance National Action Plan (2024–2029).

Learning from this trial is contributing to the Scottish Antimicrobial Prescribing Group (Dental) stewardship programme and national dental quality improvement planning.

4.2 Medical, including Healthcare Science

a) Transition into the GP Workforce – Data Dashboard

On 9 December 2025, NHS Education for Scotland published a new national dashboard examining the transition from General Practice (GP) specialty training into the GP workforce. It provides improved visibility of post-Certificate of Completion of Training destinations, employment patterns, and early retention trends. The dashboard strengthens NHS Education for Scotland's ability to support evidence-informed workforce planning and to target interventions to improve recruitment and retention. [GP Data Dashboard](#)

b) NHS Scotland GP Careers Website

The NHS Scotland GP Careers website will launch shortly as part of the national GP Recruitment and Retention Action Plan. The site presents General Practice as an attractive, modern, and values-led career, with clear information on training pathways, portfolio careers, and working across Scotland. It will support both domestic and international recruitment and align with wider workforce messaging.

c) 2025/26 Medical Appraiser Training Programme

As part of the Scottish Government's once-for-Scotland approach to medical appraisal and revalidation, it was agreed via the national steering group that all those new to the medical appraiser role are to be trained by NHS Education for Scotland. Participants are required to complete a set of pre-course modules prior to attending the training courses, which involves an assessment of their readiness to take on the role and a recommendation is then made to the Boards. The modules and courses are intended to give participants an understanding of the principles of appraisal, the role of the appraiser and the logistics of how appraisals are organised.

4.3 Nursing, Midwifery and Allied Health Professionals (NMAHP)

a) The paramedic e-PAD

Work focuses on developing a unified, digital Once for Scotland practice assessment system for paramedic students, moving away from varied local or paper-based processes toward a consistent national approach. With a Nursing e-pad already established, NHS Education for Scotland's is actively progressing a similar solution for Paramedics with a focus on stakeholder engagement, design, and developing plans for testing and implementation. This work is linked to broader practice education improvement requirements to support implementation, with stakeholder groups emphasising the need for consistent practice educator preparation, cross sector readiness, and alignment with the Royal College of Paramedics curriculum. Some universities are using interim electronic methods while the national system is finalised, and operational updates confirm that paramedic e-PAD remains a key NHS Education for Scotland's digital and practice education priority for 2026/27.

4.4 Pharmacy

a) General Pharmaceutical Council Common Registration Assessment

At the November 2025 General Pharmaceutical Council Common Registration Assessment, 67% of trainee pharmacists from Scotland successfully passed, compared to the national pass rate of 62%.

4.5 Psychology

a) Innovations in Workforce Data

Mental Health remains a Scottish Government priority, but to date it has not been possible to measure or track the mental health workforce nationally. NHS Education for Scotland's Psychology Directorate, in collaboration with NES Technology Services, is developing a new method to identify and count the NHS Scotland mental health workforce, with the intention of publishing a pilot report on this workforce as Official Statistics in Development in 2026.

We have established a working method that identifies mental health employment in existing Employee Self Service System (eESS) data, avoiding the need for Boards to undertake large manual exercises. This reduces the burden on Boards and increases the accuracy and consistency of the data. Our next steps are to fully test and assure this method in partnership with NHS Boards.

We thank all NHS Board colleagues who have provided detailed information on the current scope, size, and details of their local mental health services, enabling us to better understand and improve the quality of the data we hold about the staff in these services.

4.6 Social Care & Communities

a) Social Care

Since their launch, the National Induction Framework for social care learners has been used by over 2,010 learners, and the Social Care Career Options tool has been used by over 6,840 users. To improve access to the NHS Education for Scotland's resources that have been repurposed for social care learners, work is underway to provide a Social Care homepage on Turas Learn.

b) Unpaid Carers Programme

We have seen a positive increase in the number of learners accessing our Equal Partners in Care resources, with a total of 2585 completed modules. The team launched their new podcast, "How Carer Aware Are You," on Carers Rights Day and hosted an event for people working in leadership roles across mental health and wellbeing services.

c) Centre for Workforce Supply (Health)

The Centre for Workforce Supply (Health) launched the [International Medical Graduate Hub | Turas | Learn](#). Designed to support International Medical Graduates (IMG) doctors, along with their Mentors, Managers, Supervisors, Health Boards, and GP Practices. It brings together resources from a wide range of organisations into one

central location, fostering the sharing of good practice, enabling a culture of continuous improvement, and promoting consistent, high-quality support across Scotland for IMGs.

The Centre for Workforce Supply (Health) have been commissioned to take forward Recommendation 40 of the [Nursing and Midwifery Taskforce Report](#) (NMT); 'to carry out market analysis that identifies current dynamics and trends in levels of interest in nursing and midwifery careers. The research survey has now been undertaken and colleagues recently presented on this work to the Cabinet Secretary for Health and Social Care at the NMT Ministerial Oversight Group, which was positively received.

NHS Education for Scotland's Internal Workforce Planning Group held its first meeting in December, and NHS Education for Scotland continues to make a significant contribution to the Scottish Government Workforce Planning Delivery plan.

Communication and Marketing support for NHS Careers continues to be delivered through the Centre for Workforce Supply (Health), and insights confirm increasing engagement through social media and the Centre for Workforce Supply Turas hub.

d) Centre for Workforce Supply (Social Care)

The Centre for Workforce Supply (Social Care) worked with partners to facilitate the first New Scots Job Fair, which was held in Newcastle in November. This was a recruitment fair for displaced workers in England to obtain jobs with providers in adult social care across Scotland. It was held in collaboration with Scottish Government, Scottish Care, the Northeast England Regional Partnership and Scottish adult social care providers. 10 employers and 44 workers attended the event, resulting in 33 conditional job offers.

The team have also developed guidance to support Scottish local authority contracts and commissioning staff who are faced with a care provider having their visa sponsor licence revoked. This guidance will go on the Centre for Workforce Supply Social Care Turas hub.

The national infrastructure of support provided to the social care sector by the centre continues to see continued and growing usage, with 445 support requests received. A new resource, "Recruiting Displaced Workers in Scottish Adult Social Care," has been published and, to date, viewed 385 times. The Turas site has received nearly 4000 views in one month.

e) Short Life Working Group 'Data, Analytics and AI'

The Director for Social Care and Communities is leading a Short Life Working Group to develop NHS Education for Scotland and Public Services Delivery Scotland's approach to using 'Data, Analytics and AI.' The focus is on developing stronger evidence-based approaches to inform our education and training, support workforce planning, improve the efficiency of our business processes, support our ambitions around population health, and identify the potential of clinical AI.

f) Children's Rights

Supported by a group of committed colleagues across NHS Education for Scotland, the Director continues to lead our work on Children's Rights, the United Nations Convention on the Rights of the Child (UNCRC), The Promise, and Corporate

Parenting. Action plans have been developed to advance this work and to sustain our commitment and activity in these areas into 2026/27 and beyond, within the new organisation.

4.7 NHS Scotland Academy, Learning, and Innovation

a) NHS Scotland Academy - National Ear Care (microsuction) Train the Trainer Programme

This programme will support Registered Nurses in NHS Scotland (i.e. Community Treatment and Care Centres), Community Nursing, and Acute Ear, Nose and Throat Services to deliver and train others in microsuction within their own service areas. The programme will increase routine ear care service capacity nationally and reduce wait times and inappropriate referrals to specialist Ear, Nose, and Throat Services. NHS Scotland Academy will work in partnership with the learner's own service area to support an accelerated, quality-assured learning experience. This programme will formally launch in February 2026.

b) NHS Scotland Academy - Decontamination Training Programme

Following changes to the recruitment criteria for the Decontamination Training Programme, 25 learners have been successfully recruited onto the upcoming programme, making this a full cohort (Cohort 3). Boards had requested that staff with significant experience in these roles would benefit from the programme, as would new recruits, so we adapted the programme to make it suitable for a wider and more diverse cohort of learners to apply.

c) Knowledge Management and Discovery

The nine selected Once for Scotland Statutory and Mandatory modules – which will be implemented for all staff across all Health Boards – are in the final stages of testing by the NHS Education for Scotland eLearning team. The modules incorporate the new NHS Education for Scotland evaluation questions to ensure consistency in feedback data. The Turas Learn Content Team will catalogue these modules and is currently meeting with all Health Boards that use Turas Learn as their learning management system to map their current mandatory training pathways to the new modules and ensure continuity of access for staff.

d) Learning and Education Quality

Approval has been secured for a tactical digital system solution for Quality Management, Assurance and Enhancement, to be developed in partnership with an external Microsoft provider. This decision follows a thorough review of options and recommendations from the business analyst. Subject to procurement processes, development will begin in Quarter 4 and is expected to enable organisation-level reporting for Core Evaluation and to support Learning and Education Quality System processes overall.

4.8 NHS Education for Scotland Technology Service

a) Digital Front Door Programme

The Initial Release of MyCare.scot was successfully launched on 3 December 2025, with invites sent to eligible users in NHS Lanarkshire. All National Digital Platform Data Protection Impact Assessments have been reviewed by the NHS Education for

Scotland Data Protection Officer and approved by the Senior Information Risk Owner, the business, and the Caldicott Guardian, as required. No major issues have been reported, although user numbers are low, with only 9 people (2%) of those invited onboarded and signed in. 70 have onboarded but are not NHS Lanarkshire Dermatology patients, so they are unable to access. Scoping and discussions continue how to deliver downloadable native applications for Apple and Android phones, in addition to the dynamic web application.

Detailed planning of the work required for Whole Population Availability continues, with a working target date of April 2026 (TBC) for go-live. Work continues regarding the approach and processes to produce a first draft Digital Front Door Roadmap by the end of March 2026.

MyCare.scot featured prominently at the Digital Health and Care Fest 2025 (Digifest) in December, attracting significant engagement. Delegates raised numerous questions during sessions, at networking events, and through direct discussions at the exhibition stand, reflecting strong sector-wide interest in the platform and its future development.

4.9 Planning, Performance and Transformation

a) 2025/26 Annual Delivery Plan (ADP)

An updated version of the 2025/26 NHS Education for Scotland Annual Delivery Plan was uploaded to the Corporate Publications page of the NHS Education for Scotland website after the 20 November 2025 Board meeting. This update highlights changes to the Annual Delivery Plan approved at the end of Quarter 2. Updated versions of the Annual Delivery Plan will continue to be published quarterly, following approval of any further changes.

During Quarter 3, there has been a further reduction in the number of Annual Delivery Plan deliverables still dependent on Scottish Government funding (from two to one).

b) Introduction of Sub-National Planning for East and West Region Territorial Health Boards

On 13 November 2025, the Scottish Government published the Directors' Letter (2025) 25, which sets out the requirement to implement collaborative, sub-national (East / West) planning arrangements for the 14 territorial Health Boards. East / West region strategic planning group meetings have now commenced with attendance by the NHS Education for Scotland Chief Executive.

c) 2026/27 Operational & Financial Planning

Written clarity from Scottish Government on arrangements for 2026/27 delivery planning (particularly in relation to national NHS Scotland Boards) is yet to be provided. However, we have very recently received a verbal update via the NHS Scotland Directors of Planning group, which stated that national Boards will shortly receive a formal commissioning letter setting out 2026/27 requirements. This letter is yet to be received at the time of writing; however, a further verbal update may be able to be given at the 5 February Board meeting. As noted within the Chief Executive's Report to the November Board, given the importance of ensuring there are appropriately aligned Delivery and Financial in plans in place to support the successful operation of the new organisation and provide clarity on priorities through the transition to the new

organisation a new, draft NHS Education for Scotland Annual Delivery Plan for 2026/27 has been developed and presented to the Planning & Performance Committee for consideration before its submission to the NHS Education for Scotland Board during 2025/26 Quarter 4.

2026/27 Operational & Financial Planning has progressed with all directorate review meetings held during November / December 2025. The 2026/27 Operational & Financial Planning submissions prepared by directorates were of a high quality and the presentations delivered at the directorate review meetings supported strategic discussions focused on the current and future operating environment. An overview of the 26/27 Operational & Financial Planning process and initial findings was presented to the NHS Education for Scotland Executive Team in early January 2026 and this included information relating to 2026/27 workforce planning and digital support requirements which the Executive Team is due to review in more detail at the end of January 2026.

As well as identifying proposed deliverables for 2026/27 delivery, directorates set out their high-level three-year intentions, in the context of NHS Delivery and the significant opportunities the new organisation will bring.

d) NHS Education for Scotland as an Anchors Institution

Further to the update provided within the Chief Executive's Report to the November Board, internal and external communications regarding our Living Wage Employer accreditation were issued in November 2025 as part of the national Living Wage Week and these highlighted our commitment as an Anchor institution¹. As an organisation with significant national reach across the Scottish health and social care sector, NHS Education for Scotland continues to work with suppliers, partners, and colleagues to promote fair pay and to make a positive difference for our communities.

In relation to the Q3 milestone and the formalisation of arrangements for the provision of redundant IT equipment to community groups, as well as the update provided within the Chief Executive Report to the November Board regarding NHS Education for Scotland's use of the 'Warp-IT' resource redistribution network, NHS Education for Scotland also has a commercial agreement in place with a company that specialises in IT asset disposal and Waste Electrical and Electronic Equipment recycling. Where equipment is still in good working order and written permission has been given by NHS Education for Scotland, the company will process the equipment for resale. If resale / redistribution of equipment is not possible, then it will be manually dismantled using specialist equipment for safe recycling in order to recover precious metals / base materials to ensure achievement of the highest recycling rates and that nothing is sent to landfill.

e) Whistleblowing Performance

Hosted by the Independent National Whistleblowing Officer, the 2025 Speak Up Week took place between 20 September and 03 October. It is an annual campaign designed to promote a culture in which staff feel safe, supported, and empowered to raise concerns within the NHS in Scotland. The theme was "Listen, Act, Build Trust". Christina Bichan, Director of Planning, Performance and Transformation, was joined by an expert panel to discuss with staff the steps we can take to ensure concerns are raised and promote a positive speak-up culture within NES.

Christina Bichan, Director of Planning Performance and Transformation was joined by Graham Paxton (Principal Lead), Kerrie Walters (Principal Lead), Lynnette Grieve (Employee Director/Staff Side Chair), Nancy El-Faragy (Specialist Research Lead), and Sybil Canavan (Director of People and Culture), in a webinar chaired by Gillian Mawdsley (Non-Executive Director and Whistleblowing Champion).

Karen Reid, Chief Executive, outlined in a recorded contribution how Speak Up Week offers us all a moment to reflect on and reinforce our commitment to creating an open and supportive culture, where every voice in NHS Education for Scotland is valued and where people can thrive. Creating that culture, one where people feel safe, is something that the panel and senior management team are committed to achieving. Karen highlighted that all staff have a vital role to play in shaping a workforce where everyone feels safe to share ideas, concerns, and suggestions. Following the webinar, staff were encouraged to share any reflections and experiences. Staff were also encouraged to complete the TURAS Learn National Whistleblowing Standards training and to familiarise themselves with the NHS Education for Scotland raising whistleblowing concerns guide. The INWO sessions were also noted.

In November 2025, Keaton Fletcher was appointed as an additional Confidential Contact, bringing the total of Confidential Contacts in NES to six.

- Karen Wilson, Director of NMAHP and Deputy Chief Executive.
- Graham Paxton, Principal Lead, People and Culture Directorate.
- Lindsay Donaldson, Deputy Medical Director, Medical Directorate.
- Pamela Renwick, General Manager, People and Culture Directorate.
- Kerrie Walters, Principal Lead, Social Care and Communities Directorate.
- Keaton Fletcher, Analyst Business Partner, Planning, Performance and Transformation Directorate.

The appointment stemmed from a call for expressions of interest from the NHS Education for Scotland Under-represented Ethnic Minorities Forum. The expanded pool offers staff a broader choice of contacts, each bringing their skills, experience, and perspectives from across the organisation, and strengthens our commitment to fostering a culture in which staff feel confident and supported to speak up.

Within NHS Education for Scotland, line managers must complete the line manager-level training on TURAS Learn (this is part of our suite of 'essential learning'). As of 19 December 2025, our compliance rate was 92% (344/373), with 29 still to complete the training.

Work is ongoing on the 'Equally Safe at Work' accreditation programme by 'Close the Gap'. The Confidential Contacts are being upskilled to expand their role to support this work. A flexible working statement has been drafted, which also signposts colleagues to the Confidential Contacts.

f) Complaints

The updated Scottish Public Services Ombudsman statement of Complaints Handling Principles (the principles) – which underpins the foundation for model complaints handling procedures across most public services in Scotland – has been incorporated

into the NHS Education for Scotland Complaints Handling Procedure.

The seven Principles below relate to complaints handling:

- Person-centred
- Accessible
- Simple and timely
- Thorough, proportionate, consistent, and effective
- Objective, impartial and fair
- Resolution
- Learn and improve

In quarter two, NHS Education for Scotland received five complaints: four were concluded at stage one, and the remaining one was closed as an escalated stage two complaint. At stage one, two were upheld, one was not upheld, and one was partially upheld. The escalated stage two complaint was partially upheld. The learning from these complaints focused on the need for timely communication.

For quarter three, six complaints were received: one at stage two and five at stage one. One of the stage one complaints was escalated to stage two. Two complaints were upheld at stage one, one was partially upheld at stage two, and the escalated stage two complaint was upheld. The learning around these complaints mostly focused on communication standards and the processes involved.

The complaints procedure allows us to reflect on how services are delivered with a focus on ongoing learning and improvement.

4.10 NHS Education for Scotland - Corporate Improvement Programmes

a) QI National Programmes

Four open-access learner pathways are available on TURAS to help health and social care staff develop the knowledge and skills needed to drive change and improvement in their organisation. Following the launch of the Kickstart Quality Improvement and Quality Improvement Essentials learner pathways in April 2025, over 2,000 people completed Kickstart Quality Improvement, and more than 1,000 individuals completed Quality Improvement Essentials. This resulted in over 8,000 module completions across these two pathways. Practical Quality Improvement and Managing Quality Improvement were introduced in late August 2025. So far, there have been over 200 module completions as part of Practical QI and 70 as part of Managing QI. Learners are also starting to sign up for the facilitated sessions for these pathways.

Engagement with health and care organisations, as well as higher education institutes, continues to support the incorporation of these standardised QI learning resources into student and staff development.

The 17th cohort of the Scottish Quality and Safety Fellowship commenced in October 2025, and the 53rd cohort of the Scottish Improvement Leader programme commenced in November 2025.

b) Realistic Medicine and Value Based Health & Care

NHS Education for Scotland continues to work closely with the Scottish Government Realistic Medicine Policy Team to support the delivery of the Value Based Health and Care Action Plan. The Senior Leaders Turas page has been launched as a resource for senior systems leaders to champion Realistic Medicine, embed Value Based Health & Care principles and align leadership practices with Scotland's strategic health and care priorities.

The Inequalities Learning resource is in development. Several case studies from Higher Education Institutions illustrate how NHS Education for Scotland is collaborating with these institutions to incorporate Realistic Medicine and Value Based Health and Care into their curricula and best practices. The Realistic Medicine Champions network continues to collaborate to embed Realistic Medicine content into learning resources and programmes where appropriate. Quarterly TURAS data is shared with Boards of completion rates for RM learning resources, and NHS Education for Scotland supports increasing the uptake of resources through a targeted communications plan.

c) Person Centred Care

Cohort 6 of the Care Experience Improvement Model Leader programme has completed their learning. Work continues to refresh the once for Scotland complaint-handling e-learning modules 1-3. Content is being co-created with our expert advisory group, in collaboration with Ulster and Stirling University National Institute for Health and Care Research Real Complaints Research. The Duty of Candour e-learning modules continue to be accessed widely across health and social care.

People – How are we supporting our staff, learners, and trainees

4.11 Chief Executive Update

a) Staff Engagement

Since the last Board meeting in November 2025, I have continued to communicate with and engage staff and stakeholders on the development of Public Services Delivery Scotland (PSD Scotland), including regular CEO and Executive Team All Staff Drop-in Sessions, which remain well attended and well received. Our communications, including updates on the new organisation and Frequently Asked Questions, have been coordinated with NSS to ensure that all messaging remains consistent, timely, and aligned. For example, on 15 December 2025, we coordinated the announcement confirming the continuation of the CSA Chair (Keith Redpath) for the transitional period. Additionally, we share important updates through monthly Townhall Slides, which form the basis of the Directorate.

I held two all-staff webinars on 21 and 22 January. The first session focused on engagement, providing colleagues with an update on current organisational activity and an opportunity to share questions and reflections. Following the announcement of the organisation's new name the next morning, a second webinar was convened to give staff dedicated time for Q&A, ensuring colleagues were fully supported and had space to seek clarification on the changes.

- b)** The Executive Team held its latest "On the road" informal engagement sessions with staff on 24 November in Westport. The Chair and I, along with the Executive Team,

answered staff questions in informal Q&A sessions. These sessions have been valuable, and I have enjoyed engaging with staff in person. The final visit took place on Monday, 2 February, in Aberdeen.

c) Population Health Planning

In response to Scotland's Population Health Framework, the NES Population Health Group (NESPHG) has been established by bringing together the NES Health and Social Inequalities group and the NES Public Health group. The remit of the group aligns with NES strategic ambitions and priorities and seeks to advance the strategic commitment NES has made in its Learning and Education Strategy 2023-2026, and elsewhere in relation to improving population health, reducing health inequalities and working nationally and locally with partners to make a positive and lasting impact on the wellbeing of the people of Scotland.

Recognising the extensive contribution NES makes to Population Health through current activities, the NESPHG is mapping these against the Population Health Framework is (PHF) five drivers: Prevention-focused system, Social and Economic factors, Places and Communities, Enabling Healthy Living, and Equitable Health and Care. The group has begun identifying activities that NES is currently progressing and that contribute to the Population Health Framework and is considering what more we can do within existing resources and what we could do with additional resources. The mapping will inform a gap analysis and action planning for 2026/27 and will also help identify key performance indicators to enable us to measure and report progress to the appropriate Committee of Public Services Delivery Scotland (PSD Scotland).

To strengthen collaboration with external partners, a colleague from Public Health Scotland provided the group with an update on national preparations underway to support the Population Health Framework. An invitation has also been extended to the Scottish Government Cardiovascular Disease team to speak at the next NESPHG.

NES has led the development of a workforce data census for Directors of Public Health and their specialist staff in territorial boards. This is the first time this has been carried out, and the resultant data is now being analysed by those Directors and their staff. Because this is a first version, the information will remain as management information, meaning it will not be shared beyond specified groups. The aim is to improve the quality of future censuses and ensure the data is used to inform effective workforce planning within public health teams

4.12 Dental, including Optometry

a) Dental Specialty Training

A two-day training event is planned in Glasgow for Dental Specialty Trainees working throughout Scotland in February 2026. This will provide educational content on the core leadership elements of the curriculum.

b) Optometry promote Rural and Islands Experience

The Foundation Training Year workstream has filmed a series of engaging remote and rural video resources in collaboration with practitioners across Scotland's rural and island communities. Once launched, these videos will showcase the important work of

these practitioners, encourage students to consider future placements in these areas by highlighting the opportunities and value of rural and island practice, and support the uptake of our geographically dispersed supervisors.

c) The Scottish Dental Clinical Effectiveness Programme

The Scottish Dental Clinical Effectiveness Programme, part of the NHS Education for Scotland Dental Directorate's Clinical Effectiveness workstream, is currently updating its guidance on *Drug Prescribing for Dentistry* and *Management of Acute Dental Problems*. In addition, the Scottish Dental Clinical Effectiveness Programme is reviewing its implementation advice to help dental teams implement the National Institute of Health and Care Excellence Clinical Guideline 64, *Antibiotic prophylaxis against infective endocarditis*. Publication of these updated resources will reinforce NHS Education for Scotland's commitment to supporting dental teams in Scotland (and the wider UK) to deliver safe, effective, person-centred care.

4.13 Medical including Healthcare Science

a) Baseline funding for all training posts

Collaborative work has been undertaken between NHS Education for Scotland and Scottish Government over the last 18 months to review the training establishment numbers and work towards all establishment posts being funded. Scottish Government have confirmed that all specialty training posts will now be baseline funded supporting a move towards whole time equivalent recruitment and increased financial stability for territorial Health Boards.

b) Medical Education Reform

Work continues with the purpose of reforming medical education in Scotland by enhancing the recruitment, training, retention, and wellbeing of Resident Doctors in Training and ensuring a diverse, skilled, and sustainable workforce that meets the healthcare needs of the population.

Main areas of work focus on improving both Resident Doctors in Training experience of medical training, whilst meeting the needs of the population through developing a methodology for redistribution of Resident Doctors in Training based on population need. Work to understand the efficacy of proleptic appointments and how they can meet the needs of a Board, service, and population, whilst ensuring suitable candidates can begin to build a life and community and feel better prepared for the transition to consultant. Case studies are also being gathered to demonstrate what Medical Education Reform looks like in practice and to capture its benefits, alongside engagement with stakeholder groups to better understand their needs from Medical Education Reform.

c) Change to continued Recognition of Trainer

The General Medical Council has changed the requirement for trainers to renew their recognised trainer status, effective June 2025. Plans are being worked on to update SOAR to remove the need for continued recognition of trainers and streamline processes for Directors of Medical Education. This will be deployed by end of January 2026.

d) Scottish Medical Appraisers Conference 2025

The annual appraisers' conference in September 2025 was well attended, with 138 delegates. The session's themes and speakers were organised based on user feedback. The programme included speakers from the General Medical Council, invited Medical Directors, and other NHS Education for Scotland representatives.

4.14 NHS Scotland Academy, Learning, and Innovation

a) National Endoscopy Training Programme

As of December 2025, NHS Scotland Academy said farewell to Graham Haddock in his role as Chair of the National Endoscopy Training Programme. Graham has played a pivotal role in the establishment of National Endoscopy Training Programme; he has embedded a strong governance structure and been instrumental in leading the team to where it is today.

b) Knowledge Management and Discovery

Staff from across Knowledge Management and Discovery are continuing to support the Digital Learning Infrastructure programme (DLI). This has included a presentation to the Digital Learning Infrastructure programme board by the Learn Content Team on Turas Learn's current capabilities, as well as meetings with Health Boards that have yet to move to Turas Learn.

c) Learning and Education Quality

A methodology for defining learner pathways is being explored and defined to clarify entry, progression, and advancement opportunities across health and social care roles. The intention is to enable learning provision to be mapped to workforce needs using data and shared standards. The approach will include support for Earn as You Learn models, enabling individuals to combine employment with education, informed by collaboration with Scottish Government and NHS Education for Scotland workforce planning and analytics groups.

Implementation of core evaluation questions for all new learning and education products (archetypes 1–3) is progressing, supported by clear organisational guidance and templates. A system using Microsoft Forms has been developed and tested to mitigate potential delays and is available for use, whilst a more comprehensive system that will facilitate reporting is being procured.

e) New Copyright Guidance Hub for NHS Scotland Staff

NHS Education for Scotland Knowledge Services has launched an updated Copyright Information Hub on Turas Learn, offering clear, practical guidance to help staff use copyrighted materials safely and confidently. The hub includes important advice on image reuse, quoting from publications, and the appropriate use of AI tools—reminding staff not to upload copyrighted content into AI systems. This improved resource strengthens compliance, reduces risk, and supports safer digital practice across the workforce.

f) Library & Knowledge Services

Library & Knowledge Services published new impact evidence showing how >1,300 literature searches/summaries supported patient care, research, staff development, policy, and service improvement across NHS Scotland in 2024/25. We also introduced

the updated copyright guidance hub on Turas Learn—reducing compliance risk in everyday digital work, including safe use of AI tools. [\[nes.scot.nhs.uk\]](https://nes.scot.nhs.uk).

4.15 Nursing, Midwifery, or Allied Health Professions

a) Disability Support Service – Transformational Impact Across NHS Education for Scotland and the Wider Health System

Since its establishment in April 2022, the NES Disability Support Service has rapidly evolved into a high impact, high demand specialist provision for resident doctors, dentists in training and NHS Education for Scotland staff. To date, the service has supported around 350 individuals, enabling trainees and staff to remain in work, progress in their programmes, and perform well. The Senior Specialist Lead for Disability has built an exemplary national model that delivers tailored reasonable adjustment plans, early interventions, and support with Access to Work applications — improving progression, reducing sickness absence, lowering training extension costs, and strengthening workforce sustainability. The formation of The Neuro Bureau in 2024 has further enhanced its impact through peer support for neurodivergent trainees. The service is now widely recognised across NHS Scotland for its leadership in disability inclusion, with other Boards seeking guidance, and feedback from trainees consistently highlights the lifechanging difference this support has made. For a copy of the full report, please contact Jane Duffy, Senior Specialist Adviser, jane.duffy@nhs.scot

b) Raising and Escalating Concerns

We are committed to keeping guidance and processes up to date to ensure that students feel supported when speaking up or raising concerns. This helps ensure safety and a culture of openness and accountability for everyone. Any pre-registration students in Nursing, Midwifery, or Allied Health Professions in Scotland who have a concern during their practice learning placement have guidance to help them speak up:

- Allied Health Profession (AHP) students: Guidance is available on TURAS, the national online learning platform [Raising concerns and whistleblowing | Turas | Learn](#)
- Nursing and Midwifery students: Guidance for NHS and non-NHS placements is also available on TURAS [Speaking up or raising concerns | Turas | Learn](#)

We are currently working with partners across health, social care, and education to review and update all Nursing, Midwifery, or Allied Health Professions guidance. This work will be completed in 2026.

c) Evidence Based Coaching Resources

NHS Education for Scotland are advancing the development of evidence-based coaching resources to strengthen practice-based learning across Nursing, Midwifery, and Allied Health Professions, using the Grow Model | Turas | Learn (Goal, Reality, Options, Will). Findings suggest this approach enhances engagement and empowers users to take ownership of their development. By embedding coaching principles, we aim to improve placement experiences and build workforce capability. New resources are in development and will be accessible via Turas Learn, ensuring ease of access for stakeholders across health and social care in Scotland.

d) Allied Health Professions Public Health Turas

The Allied Health Professions Public Health [Turas site](#) launched in January 2026 as a central resource for Allied Health Professionals across Scotland. The Turas hub aims to assist practice educators, students, and practitioners of all levels by offering:

- Foundational education on public health principles and their relevance to Allied Health Professional roles.
- Convenient links to external educational resources from various organisations, expanding opportunities for learning.
- Inspiring stories highlighting how Allied Health Professionals are meeting public health goals in real-world settings.
- Direct access to essential policy documents, frameworks, and up-to-date standards that shape public health within Allied Health Professional services.
- Interactive learning modules designed to boost understanding and confidence in public health topics.

This initiative supports Scotland's Population Health [Framework](#) 2025–2035, which aims to improve national health and reduce inequalities. It also aligns with the Scottish Allied Health Profession Public Health Strategic Framework [Implementation Plan](#) (2022–2027). Allied Health Professionals are recognised as key contributors to public health, empowering individuals to manage their own wellbeing. Together, the Turas learning platform and the Allied Health Professional Community of Practice create a collaborative space for Allied Health Professionals to share ideas and develop innovative solutions to practical public health issues. More information can be found at: <https://vimeo.com/1152182257?share=copy&fl=sv&fe=ci#t=0> and <https://learn.nes.nhs.scot/80287>

- e) NHS Education for Scotland Women, Children, Young People and Families Programme launched a new [Universal Health Visiting Pathway Learning Site](#), developed for Health Visitors, Family Nurses, and their teams. The learning site provides a streamlined, evidence-informed platform that supports consistent, high-quality delivery of the Universal Health Visiting Pathway in Scotland and meets an objective within Scottish Government's [Health Visiting Action Plan 2025 to 2035](#). This new resource is aligned to the NHS Education for Scotland corporate strategy in developing a skilled and confident workforce and supports Scotland's commitment to embedding children's rights through the UNCRC (Incorporation) (Scotland) Act 2024 by promoting rights-based practice in upholding every child's right to health, safety, early support and optimal development. The resource will also be of interest to those working in maternity and wider early years and children's services.

4.16 Pharmacy

a) Independent Prescribing

In 2025, 377 pharmacists successfully passed an NHS Education for Scotland-funded pharmacist independent prescribing qualification. This supports the Scottish Government's commitment outlined in the service renewal framework to increase pharmacy's capacity and strengthen its role within the system.

b) General Pharmaceutical Council Accredited Foundation Training Year

All trainee pharmacists undertaking the NHS Education for Scotland General

Pharmaceutical Council Accredited Foundation Year Training programme in the 2025-26 training year have commenced training by November 2025. 203 trainees started training in the July 2025 cohort window, making them eligible for the General Pharmaceutical Council common registration assessment in Summer 2026, and a further 10 trainees commenced in the November cohort window, making them eligible for the Autumn sitting.

To support quality management of the assessment of trainee pharmacists on the NHS Education for Scotland General Pharmaceutical Council-accredited FTY programme, the NHS Education for Scotland Foundation Training Year 13-week appraisal ratification process was delivered for the first time from October 2025. This process involves reviewing appraisal reports on trainee pharmacists' adherence to the mandatory portfolio requirements and interpreting feedback from supervisors.

By 19 December 2025, 198/203, trainee pharmacist appraisals had been successfully ratified; those outstanding were due to those on an individualised timeline or those requiring additional intervention and support.

4.17 Psychology

a) Scottish Government Mental Health (SGMH) Case study Enhanced Psychological Practice Programme

The Enhanced Psychological Practice Programme continues to make a strong contribution to Scotland's mental health workforce by rapidly developing staff to deliver brief, evidence-based psychological interventions for adults and children and young people. Through a blend of academic learning, clinical skills development and supervised practice, trainees quickly contribute meaningfully to service delivery, with their impact increasing as they consolidate their learning.

b) Strengthening service capacity and flow

Psychological Intervention Assistants are helping to reduce waiting times and increase access to timely support. Their involvement in stepped-matched care models enables specialist clinicians to focus on more complex cases, supporting more efficient use of multidisciplinary skills. In NHS Lothian, for example, three Psychological Intervention Assistants supported more than one hundred children and young people over 15 months, with 90% discharged from CAMHS following intervention.

c) Improved outcomes for service users

Interventions delivered through the programme consistently demonstrate positive outcomes, including symptom reduction and progression towards personalised goals. Feedback from children, young people, families, and referrers remains strongly positive, reinforcing the programme's value in supporting early, effective intervention.

d) Developing a confident and capable workforce

Professional leads continue to express high confidence in the competence and professionalism of Psychological Intervention Assistants. In NHS Greater Glasgow and Clyde, two trainees have recently received awards recognising their contribution to children's services.

e) Introduction to working with children and young people who have experienced trauma.

Child and Adolescent Mental Health Services: Introduction to working with children and young people who have experienced trauma, is a key training delivered by NHS Education for Scotland to the Child and Adolescent Mental Health Services workforce, both through the one year delivery plan for new staff to Child and Adolescent Mental Health Services, and through a network of health board trainers. To date in this financial year, **331** Child and Adolescent Mental Health Services clinicians have attended this training in their health board.

Recently, we have worked with colleagues in NHS Greater Glasgow and Clyde to adapt the training to specifically meet the needs of staff working in adolescent inpatient services. These adaptations include tailoring the content by changing case studies and discussion points to focus on the unique challenges of the inpatient setting. In addition, the pragmatics of delivery to an Inpatient team were considered, and the training is now a single day workshop.

This development has allowed NHS Greater Glasgow and Clyde to deliver the training to the whole inpatient team, supported by management that has categorised this training as essential. It is now part of new staff induction training. Evaluations demonstrate that staff valued the training, reporting that it was very relevant to their roles in inpatient services and that their knowledge and understanding of trauma improved.

f) Partners advance Safety Planning for Suicide Prevention XR – immersive suicide-prevention training

NHS Education for Scotland and its partners have made significant progress with Safety Planning for Suicide Prevention, a new virtual reality training tool. This tool helps staff learn how to support people who are having suicidal thoughts, while also looking after their own wellbeing. The training uses real-life scenarios in virtual reality, so staff can practise handling difficult situations confidently and with empathy. The content was developed with input from people who have personal experience, mental health professionals, and frontline workers. Testing has started at the University of Glasgow. Overall, this project is a major step towards better suicide prevention and supporting staff in challenging roles.

4.18 Planning, Performance and Transformation

a) Communications update

In addition to the extensive staff engagement activity supporting the creation of Public Services Delivery Scotland, we continue to work closely with National Services Scotland colleagues to plan and coordinate the full communications programme required in the run up to 1 April. Our communications teams are jointly developing the new organisation's core tools, products, and processes—covering branding, intranet, corporate website, and associated materials—and are mapping upcoming activities to ensure workloads are appropriately scheduled and delivered both centrally and within Directorates. Work is also underway to align and consolidate stakeholder lists so that external communications can be coordinated effectively and promote the new organisation consistently. Our Design service is prioritising Directorate requirements linked to Annual Delivery Plans and Public Services Delivery Scotland commitments,

engaging directly with teams to reschedule work that falls outside agreed priority criteria.

b) Equally Safe at Work

NHS Education for Scotland is on track to achieve the Equally Safe at Work accreditation by March 2026, and plans are underway to introduce an anonymous incident reporting mechanism for discrimination and harassment, as set out in our Equality, Diversity and Inclusion Strategy 2025-2028 and Anti-Racism Plan 2025-2026. Engagement sessions with resident doctors on our anti-racism plan took place on 19th November, with a further session planned in March 2026. A similar session took place with the staff network. The staff inclusion survey was issued to staff in December 2025 and, due to a lower response rate, was extended into January 2026. The overall score is reported as a Key Performance Indicator.

Our Equally Safe at Work application continues to progress with the aim of securing accreditation during the 2025/26 Quarter 4. Colleagues are working with Close the Gap (the organisation that oversees the Equally Safe at Work programme) to respond to feedback from our first submission and ensure our evidence base and supporting documentation is complete.

4.19 People and Culture

a) Wellbeing Matters

Since April 2025, over 1,600 colleagues have accessed the Wellbeing Matters Hub, with sustained newsletter readership exceeding 60%, indicating meaningful reach and relevance. The establishment of a cross-directorate Wellbeing Matters Champion Network—now comprising 22 champions—marks a key milestone in embedding wellbeing locally and supporting colleagues consistently across the organisation. Ongoing development of digital resources, including guided wellbeing content on Turas Learn, strengthens our preventative and self-directed wellbeing offer.

b) Development and Support for Line Managers and Leaders

Engagement remains strong, with over 190 managers participating in focused sessions on secondments, managerial identity, and practical leadership support through drop-in clinics. Key leadership resources have been embedded into Turas Learn to extend reach and sustainability, while updates to the Line Managers Handbook—particularly on bias in recruitment—reinforce our commitment to fair, inclusive management practices.

c) Public Services Delivery Scotland

Over recent months, supporting our workforce through the transition to the new organisation has been a key priority. A dedicated Organisational Development plan has guided awareness raising, development opportunities, and resources to help colleagues understand and prepare for the changes ahead.

Line Manager drop-in sessions have been particularly valuable, providing managers with space to reflect, share practice, and strengthen their confidence in supporting their teams through change. These sessions have also helped reinforce the culture and behaviours we aim to model across the organisation.

d) Workforce Digital Confidence and Capability Programme.

Core digital resources and learning offers continue to expand, with a central Digital Confidence and Capability Resource Hub launching in January 2026, growing uptake of Microsoft 365 and Copilot capability, and strong demand for accredited digital learning, evidenced by a waitlist for the Digital Diploma. Alignment of digital skills frameworks and the establishment of a cross-directorate Digital Collaborative will provide clearer expectations, reduce duplication, and support a consistent, once-for-NHS Education for Scotland's approach to digital capability. Integration of digital wellbeing and champion networks further embeds digital confidence as part of everyday practice.

e) Leading to Change

The new Operational [Leadership Success Profile](#) and associated tools are now live, having been tested, widely adopted, and supported by growing facilitator capacity, with over 2,000 leaders engaging in assessment and reflection to date. Senior leadership development remains a priority, with expanded adaptive learning, targeted programmes for remote and rural leaders, and strengthened succession planning, alongside an active alumni community shaping future leadership capability. Equality, diversity, and inclusion are being embedded across all offers through allyship, inclusive leadership hubs, and new partnerships, while sustained engagement with social care and social work supports cross-sector leadership alignment. Strong digital and event engagement reflects continued demand, with Leading 2 Change well positioned to evidence impact through its forthcoming programme report in January 2026.

4.20 Social Care & Communities

a) Health Inequalities

Good progress is being made against the objectives of the Health Inequalities project. These are developing workshops and infographics to raise awareness across NHS Education for Scotland of the impact of health inequalities, and to establish a Short Life Working Group to develop educator guidance that ensures education materials adopt a health equity approach. This guidance is a key feature of the sustainability plan, and a final draft is now under review.

b) Knowledge and Skills Framework for Community Link Workers

Supported by a commission from the Scottish Government, the Primary Care Directorate, NHS Education for Scotland, is developing a Knowledge and Skills Framework for Community Link Workers. This Knowledge and Skills Framework will support the commitment in the Population Health Framework; create opportunities for learning and development; support increased competence and confidence; offer greater consistency to the role; enhance professional identity; demonstrate Continuous Professional Learning and support reflective practice, supervision, and career conversations.

c) Getting It Right for Everyone (GIRFE)

Supported by colleagues from the Nursing, Midwifery and Allied Health Professionals Directorate, the activity has progressed in developing learning resources to support the implementation of Getting It Right for Everyone in Scotland. These resources will be hosted on Turas Learn and will include an introduction to Getting It Right for Everyone, its principles, and the Team around the Person Toolkit. The Social Care and

Communities Directorate is leading a group across NHS Education for Scotland that is considering how our current resources and programmes of work support the preventative, holistic and multi-disciplinary approach that Getting It Right for Everyone seeks to embed. The group will then consider what further support we can provide to advance this important and innovative practice model.

d) Employee Wellbeing

As the Executive Team lead for Employee Wellbeing, the Director of Social Care and Communities continue to support colleagues in Organisational Development and Leadership Learning to promote the actions, campaigns and services delivered through NHS Education for Scotland's 'Wellbeing Matters' approach. This sustained focus on wellbeing has been particularly important during the transition to the new organisation and the upcoming office move from Westport, providing staff with meaningful opportunities to stay connected, share experiences, and access support that helps maintain resilience through change.

e) Reduced Working Week

The Reduced Working Week remains on track for implementation from 1 April. A Short Life Working Group, with representation from across all directorates, has been established and the initiative has also been included in the 2026/27 Operational Planning discussions.

Staff with agreed working patterns (such as compressed or part-time hours) have been asked, with support from line managers, to submit revised working patterns to their directorate champions to enable updates to the rostering system.

A full set of FAQs is available for staff on the intranet.

5 Partnerships - how we are supporting our partners

5.1 Strategic Partnerships

- a) Relationships continue to deepen and evolve across the national learning, education, and workforce ecosystem, with NHS Education for Scotland strengthening its position as a key convenor and collaborator. Partnership works this period reflects clear alignment with the NHS Education for Scotland Learning and Education Strategy and the Learning, Education Research, and Innovation Plan, ensuring that shared priorities continue to guide joint delivery across sectors. Our ongoing day-to-day collaboration with partners across health, social care and wider public services remains central to delivering cohesive, high-quality education and workforce development.
- b) Over the last period, the breadth and maturity of our strategic partnerships have continued to grow:

Delivery of Learning and Education for Health and Social Care

- Partnership working arrangements remain in place with nine national partners supporting a coherent, systemwide approach to learning for the health and social care workforce. This includes the Scottish Funding Council, SSSC, Skills

Development Scotland, SQA, College Development Network, Colleges Scotland, Universities Scotland, Education Scotland, and the Council of Deans of Health Scotland.

- We continue to work in close collaboration with the Scottish Qualifications Framework Partnership, the Scottish Apprenticeship Advisory Board Standards & Frameworks Group, and the SQA Employer and Training Provider Forum, ensuring national alignment on qualifications, standards, and progression routes. NES colleagues now participate formally in committees and groups across SQA, SCQFP, SAAB and SFC, strengthening national coordination and influence.

Strategic Collaborative Workstreams

- There are currently 14 multiagency strategic workstreams bringing together partners around shared areas of interest to deliver cohesive learning and education provision for health and social care. These workstreams enable consistent approaches, shared resources, and cross system solutions.

Partnerships Across NHS Scotland and Public Bodies

- Learning collaborations continue with NHS Golden Jubilee, the Scottish Ambulance Service and NHS 24, creating integrated approaches to workforce development.
- Strategic discussions remain ongoing with Public Health Scotland, ensuring shared ambitions around prevention, population health and public service reform continue to align.

Higher Education Partnerships

- NES now holds formal strategic partnerships with eight Higher Education Institutions—including the Universities of St Andrews, Dundee, Strathclyde, the West of Scotland, Glasgow Caledonian University, Glasgow School of Art, the Open University in Scotland, and the University of Glasgow.
- Work is progressing towards establishing new strategic partnerships with the University of Aberdeen and Fife College, demonstrating continued expansion of our academic collaboration footprint.

Four Nations Collaboration

- Four Nations collaboration with NHS England, Health Education and Improvement Wales, and the Northern Ireland Medical & Dental Training Agency remains strong. Joint work continues across Medical Associate Professions, medical training reform, and AI/digital education.
- Following the successful *Responsible AI in Healthcare Education* conference in November 2025 (1,400+ participants), we are now jointly preparing a Four Nations AI & Assessment Conference for April 2026, continuing to build UKwide shared understanding and capability in the ethical and effective use of AI in education.

5.2 Chief Executive Update

- a) NHS Education for Scotland works with partners, stakeholders, and our own staff to build careers, lives and the future sustainability of the health and social care

workforce. Partnership working is integral to ensuring that NHS Education for Scotland education, training and workforce development is co-designed and shaped by the voice and needs of people with lived experience as well as the needs of health and social care staff.

- b) The NHS Education for Scotland Executive Team and Strategic Implementation Group continue to meet formally. Collectively, they focus on strategic matters, strategic scrutiny, cross-organisational leadership, and ensuring the direction of strategy with a focus on our people, partnerships, and performance.
- c) The Internal NHS Education for Scotland NHS Delivery Programme Board continues to meet monthly; we will be renaming this group to align it with the organisation name, Public Services Delivery Scotland (PSD Scotland). The meeting will focus on establishing a clear mechanism to enable NHS Education for Scotland representatives across the Public Services Delivery Scotland project workstreams to seek guidance and escalate key risks, issues, and challenges for timely resolution. This approach ensures that all significant risks and dependencies related to NHS Education for Scotland are closely managed by the Executive Team, while also keeping the NHS Education for Scotland Board informed of progress and ensuring that relevant matters are escalated as appropriate. Additionally, there is oversight of NHS Education for Scotland's delivery timeline and commitments, supporting effective governance and accountability throughout the project and ensuring that NHS Education for Scotland can play its required role in the overall Scottish Government led project.
- d) My engagement with a wide range of key stakeholders across health and social care continues. This includes a wide range of colleagues across NHS Scotland, including Board Chief Executives and other senior colleagues, and as part of the Scottish Government, NHS Board Chief Executives' Private, Strategy and Business meetings.
- e) I regularly meet with Christine McLaughlin, Chief Operating Officer & Deputy Chief Executive, NHS Scotland, Director General for Health and Social Care, to drive forward our shared ambitions in the digital space. These discussions focus on the Digital Front Door Programme, ensuring alignment on governance, delivery priorities, and the integration of national digital services.
- f) As well as my regular meetings with Christine McLaughlin, Chief Operating Officer & Deputy Chief Executive, NHS Scotland, I am a member of the Strategic Leadership Board for Digital and Data Transformation.
- g) I continue to play a leading role in the national workforce and strategic reform. I co-chair the Joint Negotiating Committee and act as Co-Chair on contract reform for resident doctors and dentists in training. I also serve as the NHS Board Chief Executives' lead on pay negotiations for consultants, specialty doctors, and resident doctors and dentists in training
- h) I represented the NHS Scotland Chief Executives during the recent national pay negotiations with Resident Doctors, which resulted in a successful outcome that averted potential strike action. I will also be involved in the next phase of contract

reform for Resident Doctors to ensure we develop revised arrangements that support patients, clinicians, and the wider system.

- i) On behalf of NHS Board Chief Executives, I continue to support work on the future of the National Care Service, through Gordon Paterson one of our NHS reps, ensuring alignment with wider health and social care reform. Since 1 April 2025, I have held the role of Vice Chair of the NHS Board Chief Executives Group and continue to contribute to national leadership and strategic direction in this capacity.
- j) Engagement with the Scottish Government continues through my regular one-to-one meetings with a number of SG colleagues, as well as my attendance at wider Scottish Government meetings, which now includes the NHS Delivery Programme Board. We continue to maintain strong links with Scottish Government through the Strategic Sponsorship arrangement, involving myself, the NHS Education for Scotland Board Chair, and Scottish Government's Director of Health Workforce.
- k) I actively participate in the 4 Nations NHS CEO Peer Group, which brings together Chief Executives from NHS England, Health Education and Improvement Wales, Northern Ireland Medical and Dental Training Agency, and NHS Education for Scotland. These quarterly meetings provide a valuable forum for collaboration across the UK, enabling us to share strategic priorities, explore common challenges, and align on key workforce and education developments.
- l) I participated as the Board Chief Executive (BCE) representative on the Walk-in Service Recommendation Panel.
- m) In November 2025, the NES Board received an update on the implementation of DL(2025)25– Implementation of Sub-National Planning: Co-operation and Planning Directions 2025 and Guidance. This paper outlined the governance arrangements and emerging structures that will support the new national and sub-national planning model, and NES continues to play an active role in shaping and contributing to these arrangements.

NES colleagues are engaged across all Sub-National Scotland West structures, ensuring appropriate leadership input and alignment with national planning expectations:

- Sub-National Scotland West – Strategic Planning and Delivery Executive Group (SPDEG) is attended by myself with Colin Brown attending when I am unavailable.
 - Sub-National Scotland West – Strategic Planning and Delivery Committee (SPDC): attended by Karen Wilson.
 - Scotland West – Finance, Planning, Performance and Workforce Delivery Group: attended by Karen Wilson.
 - Sub-National West – Improving Flow Delivery Group: attended by Christopher Wroath.
- n) In the East Region, structures are still being established following the return of the Regional Planning Lead, and equivalent committees are expected to form in the

coming weeks. NES will continue to ensure appropriate senior representation, including at the SPDC: Scotland East when convened.

5.3 Dental including Optometry

a) Dental Core and Specialty Training

A national event took place in the NHS Education for Scotland Office at Bothwell Street, Glasgow, on 7 November 2025 for Educational Supervisors, Training Programme Directors and Clinical Trainers working within Health Boards who provide clinical training, support and mentoring for Dental Core and Specialty trainees. The varied programme provided updates and raised awareness on ways to support trainees, with 70 delegates attending.

A second Values Based Reflective Practice Day was delivered with 17 trainers and supervisors working within a range of Health Boards attending.

Further training for Educational Supervisors will take place on 30th January 2026 covering topics on supportive and inclusive learning environments in clinical training settings and supporting trainee progression and trainee wellbeing.

b) Optometry Foundation Training Year Stakeholder Consultations

Two focused consultation meetings were held with universities (University of the Highlands and Islands and Glasgow Caledonia University), employers, professional bodies, and placement providers. One meeting explored the proposed design of the Independent Prescribing placement model for the Foundation Training Year, while the second reviewed the placement approval process. The outcomes from these discussions have helped shape the emerging plans to support fair placement distribution and high-quality learning experiences for students across Scotland.

c) TRiaDS/SDPBRN

A stakeholder needs assessment identified oral medicine and oral surgery as priority areas for new education and training initiatives due to practitioner needs, high referral rates, and long waiting times. Pilot oral medicine programmes carried out in NHS Tayside and NHS Greater Glasgow and Clyde using the Project Extension for Community Healthcare Outcome model successfully enhanced dentists' confidence, understanding and knowledge, with anticipated improvements in patient management and reductions in secondary care referrals. Building on this success, oral surgery training combining virtual learning and hands-on sessions was piloted in NHS Forth Valley. For both programmes plans for national implementation in collaboration with territorial health boards are being taken forward.

5.4 Medical Including Healthcare Science

a) Scottish Clinical Research Excellence Development Scheme

The academic training workstream has led, in partnership with Deans of all Scotland's Medical Schools and the Scottish Medical Schools Board, the Scotland Directors of Medical Education group and Chief Scientist Office, a review of the aims, ambition and operational aspects of the Scottish Clinical Research Excellence Development Scheme

pathway, which supports the training and academic development of Scotland's future clinical academic workforce.

A modernised framework is intended to be launched for the start of the 2026/2027 academic year. Key improvements include parity of esteem and equity of opportunity between education/scholarship and clinical science research career tracks; improved flexibility in time available for academic training; and an increased emphasis on academic general practice.

The group also agreed the formation of a national advisory group that will support and share best practice in early academic career development and align Scottish Clinical Research Excellence Development Scheme posts distribution and composition more closely to population health needs.

b) Quality Management

The Deanery currently has two enhanced monitoring cases, both of which are receiving support from the Quality Team and Training Management colleagues.

c) General Surgery at Borders General Hospital

A positive Action Plan Review meeting was held on 28th October 2025 with a further Action Plan Review meeting scheduled for 23rd April 2026.

d) General Internal Medicine at Queen Elizabeth University Hospital

An Enhanced Monitoring re-visit took place with the GMC on 28 and 30 May 2025. The panel noted improvement since the previous visit, with positive engagement from the leadership team and good access to clinical supervision. Some concerns remained regarding handover and staffing for workload, and two requirements were carried over in these areas. A positive Action Plan Review meeting was held on 20 November 2025, with a further Enhanced Monitoring re-visit scheduled for 20 May 2026.

e) Triggered Visit to Trauma & Orthopaedics at Aberdeen Royal Infirmary

A triggered visit to trauma and orthopaedics at Aberdeen Royal Infirmary took place in November 2025. This followed a series of quality engagement meetings which identified patient and trainee safety risks. The visit panel found ongoing risks, and we are waiting for a response from the General Medical Council as to whether the concerns identified meet the threshold for enhanced monitoring.

f) Medical Education Capacity Working Group Report

Joint work between NES and the Scottish Government through the Medical Education Capacity Working Group has now concluded, with a report setting out shared challenges and opportunities across the medical education system. The work focuses on ensuring education and training capacity within general practice remains sustainable and aligned to future workforce needs. The report will help inform strategic decisions on workforce planning, investment, and prioritisation across Scotland. [Report Link](#)

5.5 Nursing, Midwifery, or Allied Health Professions (NMAHP)

a) Strengthening Partnership Working to Improve Mental Health Outcomes

Collaborative approaches are essential to delivering effective suicide prevention strategies across health, social care, and wider public sectors. A key area of focus for

Scotland's Suicide Prevention Strategy – Creating Hope Together 2022-2032 is to support a whole of government and society approach to suicide prevention.

The NHS Education for Scotland Mental Health Improvement, Prevention of Self-harm and Suicide programme in partnership with Public Health Scotland have created a suite of education resources for the health, social care, and wider public sector in Scotland. In 2025 this has seen a strengthening and development of new collaborations to embed the Ask, Tell Respond resources within Police Scotland and The Higher Education Sector in response to national review and the student mental health action plan.

b) Police Scotland

Building on a long-standing partnership with Police Scotland, who for several years have directed staff to the NHS Education for Scotland *Ask, Tell, Respond* Informed-level animations, further collaborations and a request to adapt the *Ask, Tell, Respond* skilled-level learning bytes for policing roles.

While the original TURAS resources were highly regarded, some content was not directly relevant to operational policing. Police Scotland requested amendments to make these resources more applicable for police officers, and NHS Education for Scotland responded by tailoring the skilled-level materials—retaining essential content while aligning with operational policing needs.

In response to this feedback from Police Scotland and following an analysis of training need:

“Efforts were focused on the creation of learning bites to fill identified gaps in available resources, the learning byte topics cover:

- *Understanding roles of partners in mental health related incidents.*
- *What is mental health and associated mental health conditions.*
- *Use of language and stigma.*
- *Active listening skills.*
- *Self-harm and suicide.*

“Along with police officers and staff, there are mental health nurse practitioners working on the creation of the learning bytes, who were aware of NES learning resources which paralleled those being created by police. As the NES resources are tailored to NHS staff, we reached out to The Mental health and Well Being Team at NES to ask if they could be amended to better suit police needs. The NES team were able to make all the requested amendments”

PC, Police Scotland, Mental Health and Suicide Prevention, Policing Together

This collaboration has resulted in the newly formatted learning bytes now available on Police Scotland's intranet, significantly increasing the reach of these resources on a national scale and supporting hundreds of Police Scotland personnel.

c) The University of Strathclyde

Further collaboration and ongoing developments with colleagues at The University of Strathclyde has seen continued and extended use of the *Ask, Tell Respond* resources within the staff and student population.

This has included:

- Between September 2024-2025 a total of 1041 (staff 808 and students 233) has registered and accessed the Ask, Tell, Respond learning resource.
- Feedback received to date includes respondents reporting following completion of the learning feeling more informed about their own mental health and wellbeing, more informed and knowledgeable around stigma, mental health, and suicide prevention.
- Since the launch of the Universities Suicide Prevention Strategy in June 2025 there has been ongoing commitment to continue the use of the Ask, Tell, Respond resources and currently the University is piloting and testing the use of the Mental Health Improvement, Prevention of Self-harm and Suicide Facilitator resources within the workforce.

Next steps involve ongoing collaboration with Police Scotland and the University of Strathclyde to assess ATR resources and expanding these resources across higher education—currently being implemented at the University of Edinburgh for staff development.

d) Prison Nursing Transforming Roles Knowledge and Skills Framework

We are pleased to announce that the Prison Nursing Transforming Roles Knowledge and Skills Framework has been published and is [now live on TURAS](#). This is a key initiative designed to strengthen nursing leadership and enhance care delivery within Scotland's prison healthcare system. The Framework aims to assist in identifying, planning, and meeting learning needs, mapping career pathways and enhancing workforce planning. It focuses on the prison nursing workforce, including healthcare support workers at levels 2 – 4, and nurses at levels 5 - 8 of the Career Framework for Health.

e) Allied Health Professional Indexing

Allied Health Professional Indexing is progressing as a national initiative to help address the existing deficit in Allied Health Professional student data by testing whether a consistent, scalable indexing model—similar to existing nursing, midwifery, and paramedic indexing—can be extended across all Allied Health Professional programmes. The Scottish Government have provided funding to NHS Education for Scotland and Higher Education Institutes to co-lead a structured pilot to gather demographic, progression, and destination data, supported by standardised spreadsheets and updated data sharing agreements. Initial work includes defining essential data fields and assessing the administrative and technical demands of implementation. The programme is iterative, with a stakeholder group now established to support refinement, resolve operational issues, and ensure the system can scale to deliver a consistent national picture of Allied Health Professional learners and their transition into the workforce.

5.6 Psychology

a) Thriving Futures - Trauma Responsive Caregiving

Kinship carers, foster carers, and adoptive parents play a vital role in the lives of children and young people. We recognise that many children in these settings have experiences that can result in psychological trauma. Commissioned by Scottish Government's Adverse Childhood Experiences and the Trauma and Resilience Policy Team as part of the National Trauma Transformation Programme, this training aims to extend beyond the public sector workforce to support the trauma education and training needs of adoptive parents, foster carers, and kinship carers. "Thriving Futures" is a Skilled plus level of trauma-informed education and skills-based training.

This training programme is a targeted resource for those caring for children and young people in a family environment, whose earlier experiences involved adversity, trauma, and loss. It is directly aligned with #Keepingthepromise, the United Nations Convention on the Rights of the Child Getting It Right for Every Child, and Each & Every Child's Framing Recommendations to meet our national commitment that every child in Scotland is supported to thrive.

The programme runs over two short days to reflect the caring commitment of the participants and includes seven modules:

1. Introduction to Trauma Understanding trauma and its impact on children and young people,
2. Child Development Overview: Developmental milestones, brain development, and the effects of stress and trauma,
3. Building & Repairing Relationships: Exploring attachment, resilience, and behaviour as communication,
4. Children and reactions to traumatic experiences: Trauma reactions, Window of Tolerance and developing helpful coping strategies,
5. Looking After Ourselves & Others Practical self-care strategies for carers,
6. Hearing About Trauma & Disclosures: Child protection procedures, reporting mechanisms, and trauma-informed conversations,
7. Parenting Approaches Key strategies for safety, emotional regulation, and co-regulation.

The training materials for Thriving Futures is in the final stages of development. Feedback from participants and facilitators of the initial pilot with foster carers have been integrated and adaptations to the materials have been made. Further testing of the amended content will now be tested with all three intended cohorts. Delivery of this training will take place in February and March of this year. A critical part of the next steps is to listen to the voices and feedback of foster carers, kinship carers and adoptive parents and ensure this is embedded and reflected in the final materials. The phase after this will be to develop a train the trainer's package and work with key stakeholders to plan and agree infrastructural support and upscaling of the training.

5.7 Social Care and Communities

a) Conferences and Workshops

The Social Care and Communities Directorate participated in several conferences, including the Scottish Care Home conference, attended by over 400 delegates, where the National Induction Framework, the Social Care Career Options tool and the range of learning opportunities provided by NHS Education for Scotland were promoted. Also, the Centre for Workforce Supply (Social Care) delivered a workshop on support to displaced workers.

The Directorate hosted an NHS Education for Scotland stand at the annual COSLA conference, running over two days with the theme of 'The Future of Localism, ' focusing on the role of councils providing vital local services with communities at their heart.'

Another event where the Directorate provided representation from NHS Education for Scotland was The Power of Us. Led by the International Foundation for Integrated Care to celebrate 10 years of Health and social care integration in Scotland.

<https://integratedcarefoundation.org/ific-scotland-3>

b) Education is Health

The Associate Director joined colleagues working in health, social care, and education across Fife for the "Education is Health" event. Hosted by Fife College and NHS Fife; the event focused on the strategic partnership and collaborative working plans in service of the people in the local area.

c) Public Sector Leadership Group

The Director continues to actively participate in the work of the Public Sector Leadership Group, which supports the Interim National Care Service Advisory Board. In doing so, he attends a number of short-life working groups that are giving consideration to, for example, improving the commissioning and provision of social care support in prisons; extending voting rights to public partners on Integrated Joint Boards; and developing a Support and Improvement Framework for Health and Social Care Partnerships.

d) The National Social Care and Health Standards

The Director is a member of the Steering Group that is reviewing the National Social Care and Health Standards, which was recommendation 33 of 'The Independent Review of Inspection, Scrutiny and Regulation'. The review is being progressed in collaboration with stakeholders, regulators and people who use social care support to ensure the standards remain fit for purpose, are human rights-based, outcome focussed and support ethical commissioning. It is likely that the review will lead to the Standards being updated to reflect changes in policy, for example, in respect of independent living, trauma-informed language, Self Directed Support, digital advances and workforce training.

5.8 NHS Scotland Academy, Learning, and Innovation

a) Accelerated National Innovation Adoption

Pharmacogenetics programmes are now live. NHS Education for Scotland has

collaborated with a broad range of Accelerated National Innovation Adoption partners and stakeholders to ensure a strategic and planned approach to workforce training and education considerations throughout the implementation process. Type 2 Diabetes Remission activity continues at pace with the remission programme supplier and NHSS clinical colleagues to shape and refine workforce and education resources for service implementation in January 2026.

Two further programmes have progressed to implementation; an ECG Patches and Type 2 Diabetes Prevention, with early-stage partner engagement scheduled for early 2026.

b) 4 Nations AI Literacy event: Responsible AI in Healthcare Education,

The Innovation and Workforce Diversification workstream planned this successful, broad ranging programme of contributions with four nations colleagues. It attracted over 1400 delegates across the UK. Planning for a Spring 2026 event is ongoing; the focus will be AI in educational assessment. This event will be hosted within the April 2026 education conference.

c) Centre of Excellence for Regulatory Science and Innovation in AI

A representative from NHS Education for Scotland attended the Scottish Government led Centre of Excellence for Regulatory Science and Innovation AI workshop on 10 December 25, which progressed the framework for safe, efficient, and ethical application of AI across health and social care and the Centre of Excellence for Regulatory Science and Innovation readiness checklist.

d) Digifest 2025

Kevin Kelman presented alongside sector leads, a panel focusing on digital skills within the health and social care workforce. This session raised awareness of future state needs and forward planning. The event also hosted the awards for the DigilInventors' latest challenge, which NHS Education for Scotland supports.

e) Youth Academy

The Youth Academy team is now working with Daydream Believers to create new online learning resources to help young people develop transferable meta-skills through an interactive project looking at entrepreneurial skills in healthcare.

In early December, the team hosted a webinar for Board staff with Skills Development Scotland, presenting findings from recent research into young people's attitudes to careers in the health and social care sector. This event, which enjoyed good engagement numbers, was the first in an ongoing series covering different themes relevant to career learning and attraction.

The Enhancing Medical Attraction project team is starting a new project with Causeway Education, which is running from January to July 2026. The project will trial and evaluate the impact of an online approach to mentoring and applicant support for aspiring medical students across approximately 32 rural and island Secondary schools.

f) Knowledge Management and Discovery

The eBooks tender was completed in early November. Six suppliers were successful. NHS Education for Scotland will continue to buy eBooks through a preferred supplier

approach, as we have done in recent years. The Knowledge Services Team is now working with library staff across NHS Scotland to identify and order titles.

g) Learning and Education Quality

Partnership working continues to adapt responsively, with a focus on building consensus and strengthening relationships. Engagement with groups such as the NHS Education for Scotland Internal Workforce Data & Planning Group and the Data Analytics and AI Group is enhancing coordination, sharing of best practice, and identification of opportunities to accelerate progress.

A product estate review is advancing under the guidance of Directorate Education Leads, and Directorate Education Quality and Safety Groups established across the organisation to further embed LEQS governance. Circa 5k individual products have now been subject to high-level review. The Learning and Education Hub are on track for release in Quarter 4.

5.9 NHS Education for Scotland Technology Services

a) Digital Front Door / MyCare.scot Progress

Progress on Scotland's Digital Front Door, and the upcoming rollout of MyCare.scot, continues to move forward quickly. Key recent achievements include:

- We have set up secure and reliable links between Board clinical systems and MyCare.scot, making it easier for the public to receive appointment details and messages smoothly.
- A national identity check, developed with ScotAccount, is now in place to make sure people can safely access online NHS services.
- We have launched a new dashboard that gives real-time updates on who is eligible, who has signed up, and overall engagement—helping us track progress and improve services.
- Improved patient-matching technology is now being used, so people get the right, personalised information every time.

These steps show strong progress in delivering a safe, user-friendly national digital health service for everyone in Scotland as part of the Digital Front Door programme.

b) Accelerated National Innovation Adoption

NTS, as Accelerated National Innovation Adoption digital partner, supported the procurement and selection of the Digital Diabetes Remission provider; the team is now assisting with programme rollout across territorial Health Boards. Collaboration is continuing with colleagues from the National Digital Platform & Consultant Connect to enhance user authentication for the Digital Dermatology programme. In partnership with Greater Glasgow and Clyde Architects, technical architecture options have been designed that could enable a national deployment of the ECG Patch Reporting integration for territorial Health Boards.

c) Digital Prescribing and Dispensing Pathways Programme

In early November 2025, the Programme were advised by Scottish Government sponsors that long term funding for the future of the Programme has been secured via

the recent Scottish General Practitioners Committee negotiations with the Scottish Government. The Programme awaits the official announcement from Scottish Government regarding this but is progressing with key activities based on the details provided so far. The tender process for the procurement of the technical build partner has been completed, and the assessment of the suppliers has concluded. It is planned for the selected technical delivery partner to be announced upon completion of the contract negotiations towards end of January.

5.10 People and Culture

a) The Armed Forces Talent Programme

Targeted communications and digital tools are improving reach and insight, while senior engagement—including an employer visit to RAF Lossiemouth—has reinforced the mutual value of reservist employment for both defence and civilian organisations. Governance and leadership engagement remain strong through Board-level working groups and manager awareness sessions, translating into practical resources and increased registrations. Delivery momentum is supported through active placements and data capabilities, with forward planning underway for a national Armed Forces community recognition event in March 2026.

b) Digitally Enabled

Strong uptake across leadership programmes, digital pathways, and national learning networks demonstrates growing maturity and demand, with over 700 digital leaders, 5,700 data and knowledge professionals, and large cohorts progressing through flagship programmes in 2026. Core frameworks, skills hubs, and self-assessment tools are now being actively adopted by organisations, enabling clearer capability expectations, actionable insight through dashboards, and more consistent digital practice. National engagement through webinars, learning networks, and champions is accelerating culture change and supporting a future-ready, digitally enabled workforce.

c) Directorate Operational Planning

HR and Organisational Development and Leadership Learning Business Partners are actively supporting all Directorate Operational Planning activity, providing workforce insight, and identifying key capacity and capability themes aligned to organisational priorities. This intelligence is informing the Annual Capability Plan and will underpin the development of a comprehensive Capacity Plan for 2026/27, working closely with colleagues from Workforce Planning, Attraction, and Organisational Development and Leadership Learning. The Capacity Plan will provide a clear baseline for collaborative workforce planning with National Services Scotland from April 2026 onwards.

d) Transition to Public Services Delivery Scotland (PSD Scotland). Workforce Readiness

As part of preparations for the transition to the new organisation, work has commenced on key operational areas including PVG, visa sponsorship, and payroll and contractual arrangements for Resident Doctors and Dentists. This activity is being progressed in close coordination with National Services Scotland, Disclosure Scotland, and the Home Office to ensure smooth implementation and full compliance with statutory requirements.

HR colleagues are also contributing to the Short Life Working Group on eESS and Payroll, helping to shape system changes and operational planning to ensure that all staff can be accurately set up and paid from April 2026. This collaborative, cross organisational approach strengthens readiness for day one operations in the new organisation and supports the continuity and stability of workforce processes during transition.

5.11 Planning, Performance and Transformation

- a) The Anti-Racism capacity building project is supporting all Health Boards and social care organisations with access to resources to enhance knowledge and skills on anti-racism. This includes a model to equip trainers to roll-out training to meet their specific needs, a webinar aimed at leaders on 26 February 2026 and a podcast in March 2026. NES has been asked to submit a proposal to Scottish Government for a 12-month extension for the human rights capability project. The Equality, Diversity and Human Rights Team continue to facilitate a trainer's network to share practice and identify training needs and will be offering a range of training to the health and social care workforce during 2026-2027.

NHS Education for Scotland

NES/26/06

Agenda Item: 08a

Date of meeting: 05 February 2026

NES Public Board

1 Title of Paper

1.1 Financial Update Report - Q3 2025/26

2 Author(s) of Paper

2.1 Jim Boyle, Director of Finance
Laura Howard, Deputy Director of Finance
Alan Young, Head of Finance Business Partnering

3 Lead Director

3.1 Jim Boyle, Director of Finance

4 Situation/Purpose of paper

The purpose of this paper is:

- 4.1 To inform the Board of the forecast financial outturn position at the end of Quarter 3 (Q3) of financial year 2025/26, based on year-to-date activity and known spending commitments and anticipated funding for the remainder of the year. The forecast year-end position, as set out in this report is currently an underspend of £3.6m. The report will describe any significant movements in financial performance and projections since the Q2 report to the Board on 20 November 2025.
- 4.2 To report the Scottish Government in-year funding position and highlight the ongoing work with SG Health Finance and policy teams on outstanding funding allocations.
- 4.3 This report was considered in detail by the Planning and Performance Committee at its meeting on 28 January 2026.

5 Background and Governance

5.1 The Financial Plan which supports the Annual Delivery Plan was approved by the NES Board on 27 March 2025. This consisted of a baseline budget of £648.9m for NES to conduct its core activities with recurring and non-recurring funding of around £211m indicated at that time for additional commissioned work by the SG policy teams. Due to timing of the initial announcement to end the lease at Westport the approved Financial Plan indicated a deficit position of £1.0m in all three years of the planning period. All Boards opening baseline budgets for financial year 2025/26 were uplifted by 3% and following extensive discussions with SG Sponsorship and Finance teams a further £12m was returned to NES to restore the previous baseline reduction as part of the 2024/25 Financial Plan. The Digital Learning and Infrastructure programme (previously known as TURAS Refresh) would then be funded from the restored NES baseline.

5.2 The Financial Plan for 2025/26 included the following assumptions set out by Scottish Government:

- 60% of the Employers National Insurance increase would be funded by an additional recurring allocation.
- NES would receive recurring Sustainability Funding of £4.7m to offset in-year cost pressures
- Pay awards above 3% will be fully funded by SG (first 3% would be met by the baseline uplift in 25/26).

5.3 A savings plan of £9.2m, split £6.6m recurrent and £2.6m non-recurrent, was approved as part of the Financial Plan at the Board meeting in March. This reflects the ask from Scottish Government to not impact on any areas of our budget which we provide funding to other NHS Scotland Boards for deliverables such as training grade salaries or undergraduate teaching.

5.4 Throughout the year Scottish Government policy teams ask NES to undertake additional commissions that reflect policy and service need, aligned to the NES strategy, and are supported by further funding. Work with Scottish Government policy teams is ongoing to ensure funding requirements are based on the most up to date information available and can be fully utilised in the financial year.

6 Assessment/Key Issues

Table 1 – Summary projections 2025/26

| Performance Indicator | Q3 Position (Year to Date) | Forecast Year-End Outturn |
|--|----------------------------|---------------------------|
| Revenue Outturn | £3.6m (underspend) | £3.6m (underspend) |
| Cash Releasing Efficiency Savings (CRES) | £8.5m | £11.8m |

- 6.1 NES is reporting a full year underspend position of £3.6m which is 0.41% of the total NES budget for 2025/26. Of this 46% relates to those budgets where NES manages funding and activity is delivered by other Boards, e.g. Additional Costs of Teaching (ACT) and where funding is provided to Boards for training places, with the remaining 54% being internal to NES mainly the delay to Digital Learning Infrastructure Programme and higher number of vacant posts with NES baseline funding.
- 6.2 One of the drivers of the underspend position is lower number of trainees recruited in Dental (£0.7m) and Psychology (£0.8m) than had been forecast within operational plans. For 2025/26 Psychology have utilised their underspend to deliver additional neurodiversity training. There is also an increasing number of Resident Doctors who are opting to work less than full time, but the funding that is not then deployed to Boards is recycled by NES to cover the funding gap for the medical expansion programmes.
- 6.3 The Executive Team have commissioned a closer examination of the reasons for lower fill rates for some clinical programmes, as well as any actions that can be taken to address this. Once the Executive Team has considered this, it will be brought to the Board for consideration.
- 6.4 A high number of vacant NES-funded posts continue to drive lower pay costs, with the vacancy lag figure now forecast to be £5.3m against the op plan target of £2.75m. Further detail can be found within Financial Summary Report.
- 6.5 A further £0.9m underspend sits within NHS Academy, Learning & Innovation, in relation to Digital Learning Infrastructure (DLI) programme, where work on the project has not proceeded as quickly as anticipated due to delays in getting Full Business Case to approval stage.
- 6.6 Scottish Government have allocated funding for the increase to employer's national insurance contributions. This funding is less than the 60% expected as part of the agreed planning assumptions in the approved financial plan. This has resulted in a recurring cost pressure for NES of £1.2m.
- 6.7 NES has met this pressure in 2025/26 through non-recurring savings but will need to identify opportunities for covering in future years as part of Operational & Financial Planning.
- 6.8 The Resident Doctors pay award for 2025/26 was implemented by Scottish Government in December 2025 at an uplift of 4.25% for 2025/26 and full funding was received in that month's allocation letter. A new pay offer was made in early January that involved the increase in pay of 4.25% and 3.75% for 2026/27 but also included a separate package of contractual reform. The percentage increase plus the added contractual investment package, that will move all resident doctors in Scotland up the pay scale, means the combined offer is equivalent to an average end-of-year pay uplift for 2025/26 of 9.9% and for 2026/27 of 9.4%. The actual uplift will vary for individual resident doctors, depending on where they are on the pay scale. NES

continues to plan for the full package being fully-funded in line with Scottish Government guidance. AT Q3 we have received the full funding for the 4.25% uplift but await details on new pay scales to calculate that impact.

- 6.9 At Quarter 3 NES is on track to exceed the savings target of £9.2m set out in the Financial Plan. We anticipate delivering £11.8m, with excess driven by increased vacancy lag, due to increased pay awards and new baseline funding for posts which would previously not been part of the vacancy lag process.
- 6.10 In Quarter 3 we received a further £27.5m of in year funding from Scottish Government, with £7.8m on a recurring basis for the Resident Doctors pay award, with further funding expected as set out in paragraph 6.8 above. The forecast position includes a further c.£4m of allocations expected during the year. Appendix 2 to the attached detailed financial report provides a detailed breakdown of allocations in excess of £0.5m, and it should be noted that all allocations are expected to be received in full.

Key Risks to Financial Performance

- 6.11 Table 2 sets out the main risks to the financial performance detailed in this report, as well as mitigations that will assist in managing those risks. Included is a risk around the establishment of Public Services Delivery Scotland (PSD Scotland). Scottish Government has stated that funding in the current financial year will be unaffected by the setting up of PSD Scotland, with any additional staff and non-staff contractual commitments arising to be met by both Boards existing budgets. At this stage we do not anticipate incurring any material costs, other than staff being re-allocated to work on the planning and set up of the new organisation. There is also a risk that some budgets will not be spent because staff activity is diverted to work associated with PSD Scotland.

Table 2 - Key Risks to Financial Performance

| Risk | Status | Mitigations |
|--|--------------|---|
| Public Services Delivery Scotland – financial risk associated with the establishment of new entity from 1 April 2026 | GREEN | <ul style="list-style-type: none"> • NES Senior Leadership representation on Programme Board and Project Delivery Team. • NES representation on all workstreams of project team • Regular and consistent communications for all staff • Weekly drop-in sessions for staff with Chief Executive, Chair and Employee Director. • Regular reporting to ET, Board and Committees on performance against in year ADP. • Establishment of financial reporting of project costs. • Additional Financial Resource requirements will be shared with Scottish Government as the need arises. • Scottish Government consideration of the creation of a programme budget. |
| Remaining allocations not being confirmed in future allocation letters | GREEN | <ul style="list-style-type: none"> • We have already received 97% (£118.4m) of allocations. Of the remaining 3% (£4m) outstanding, 83% have written confirmation with the other 17% agreed in principle (see Table 4 of Financial Summary Report). |
| Digital Front Door – financial risk as a result of tight delivery deadlines and accelerated rollout request. | AMBER | <ul style="list-style-type: none"> • Delivery partner in place. • Funding envelope agreed with SG to progress with spend plans for initial rollout and. • Project brief on accelerated rollout being developed for review by DFD Delivery Board. • Discussions with SG around additional funding to support requirements of accelerated rollout. |
| Requirement by SG for Boards to further reduce spending in-year (baseline or non-recurrent) | GREEN | <ul style="list-style-type: none"> • Completion of monthly FPR returns to keep SG Health Finance apprised of outturn projections • Utilising flexibility within the overall NES baseline budget to cover shortfalls across NES directorates • Potential to implement further discretionary spending controls |

| Risk | Status | Mitigations |
|---|---------------|--|
| 2025/26 pay awards not fully covered by additional funding | GREEN | <ul style="list-style-type: none"> • SG have confirmed that Boards should continue to work on assumption awards will be fully funded until notified otherwise. • Funding for AfC and Consultant pay awards received in full in Q2. Resident Doctors received in Q3 for 4.25% element. Exec/Senior Management award anticipated in January letter. |
| Medical Training Grades potential funding deficit not underwritten by SG | GREEN | <ul style="list-style-type: none"> • Expenditure and allocation of trainees is well-controlled within NES • Regular engagement with SG Health Finance and Workforce Policy Teams to make sure the likely funding position is well understood • SG have previously honoured this underwriting. |
| ACT investment funding not fully drawn down by Territorial Boards due to SG capital constraints | AMBER | <ul style="list-style-type: none"> • Some investment projects may not be able to be progressed in 2025/26, due to the non-availability of SG matching capital to fund project completions in that year. This will be assessed through the normal ACT bids appraisal process and decisions will be taken on the basis of value for money and project deliverability. |

7 Recommendations

7.1 To note and review the financial results set out in this report.

Author to complete **checklist**.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have Implications for PSD Scotland been considered?
☒ Yes
☐ No
- b) Have Educational implications been considered?
☐ Yes
☒ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☐ 1. People Objectives and Outcomes
☐ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☒ Yes
☐ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☐ Yes
☒ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☐ Yes
☒ No
- i) Have you considered a staff and external stakeholder engagement plan?
☐ Yes
☒ No

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Date: 28/01/2026

FINANCIAL SUMMARY REPORT

AS AT Q3 (December) 2025/26

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1. Executive Summary

At the end of 2025/26 financial year, NES is on track to meet all its statutory financial targets, provided that remaining outstanding Scottish Government funding is received in line with expectations. The year end outturn forecast is £3.5m underspend as detailed in section A.

| Table 1 – Summary Position | Year-End Forecast Outturn | Year to Date at Q3 | Year to Date at Q2 | Year to Date at Q1 |
|--|---------------------------|--------------------|--------------------|--------------------|
| Revenue Budget | £3.6m underspend | £3.6m underspend | £4.1m underspend | £3.1m underspend |
| Cash Releasing Efficiency Savings (CRES) | £11.8m | £8.5 | £5.8m | £2.4m |

A. Revenue Budget

- At Q3 the NES forecast year-end position for financial year 2025/26 is an underspend of £3.6m against a budget of £881.6m. The year-to-date position shows an underspend of £5.8m which is due to a number of budgets delivery timelines changing as in year Scottish Government funding was received and spend plans finalised. We continue to work with budget holders to ensure spend plans are robust and achievable.
- The underspend is driven by lower number of trainees recruited in Dental, delay to Digital Learning and Innovation Full Business Case being submitted to the SG for approval to commence next phase of programme, and lower staff pay costs from higher number of vacant baseline posts.

- The shortfall in funding from Scottish Government for changes to employer national insurance contributions, shown within Corporate Provisions, can be covered via non-recurring savings in 2025/26. As the NI costs are a recurring pressure, we will need to review how they can be covered for future years as part of Operational planning for 2026/27 and beyond.
- Review of received in year funding from SG taking place to ensure it can be utilised by year end. If any underspends emerge, we will engage with SG Finance to return as per previous years process. Early indications are c£1m may be returned from multiple smaller underspends across programmes, but these have still to be finalised at this stage.
- There are various overspends and underspends reported across directorates, and these are discussed further in the Operational Performance section on Page 5.

B. Capital

- Each financial year a revenue to capital allocation is agreed with Scottish Government as part of the Financial Plan. A full and final review of planned capital spend will take place in Q4 for communication to Scottish Government, and an asset then created on the asset register once purchase is complete. For 2025/26 we currently anticipate c£9.5m will be required to support capital programmes, with the main spend (£7.5) being on the staff time spent on development phase of Digital Front Door (DFD) MyCare. Other spend includes staff time on Digital Prescribing and Dispensing Programme (DPDP), fit-out works at our new Bothwell Street property in Glasgow and new audio-visual equipment at our dental education centres. Scottish Government have also agreed a straight capital allocation for Optometry to purchase a Eye-Si simulator for use in new Foundation Training Year programme.
- As part of Medical ACT bids process, where projects contain proposals to provide or renew infrastructure that facilitates education and training, this passes through robust scrutiny within NES, including securing assurances that assets will continue to be used for education and training purposes for a period of time. When such approvals are made, we facilitate the in-year transfer of revenue to capital funding for territorial boards. Once a bid has been approved which requires capital funding, NES engage with SG Finance to remove revenue funding from our budget on a one-off non-recurring basis and allocate it as capital funding to the Boards to carry out the approved work. The Boards own the asset which will sit on their asset register, and they are responsible

for all future depreciation and maintenance. Due to the significant constraints on capital availability for Scottish Government, NES have been informed that this arrangement will not be available in 2026/27. Consequently, there may be a knock-on impact in 2025/26, should SG/NES determine that any capital bids should not proceed due the inability to complete them beyond 31 March 2026. This will increase the likelihood of further underspends occurring during the remainder of 2025/26.

C. Savings

- At the end of the Q3 NES has delivered 92% of its Cash-Releasing Efficiency Savings (CRES) savings plans, and the Board is on track to exceed the £9.2m target, by £2.6m, at the end of the financial year. The increased savings are on workforce from higher vacancy lag. This continues to be monitored as longer lead times to recruit to vacant posts may deliver further non-recurring in year savings. The establishment of PSD Scotland may well drive this vacancy lag up further than it may otherwise have been, due to uncertainties created for potential new recruits.

D. Key Risks and Issues

- **Funding** – At the end of Q3 NES has £4.2m of funding outstanding. Some of these allocations are not expected until Quarter 4, however others should have been received by this stage, and we are working with policy teams to progress allocation. An allocation for Resident Doctors pay uplift will be added once the final award is confirmed. The working assumption for all NHS Boards is that all pay awards will be fully funded by SG, but with the increasing pressures on the wider system, this remains a risk until funding is confirmed. The deadline for final Medical ACT funding support requests from Boards is 31/01/26. At end of December £3m remained available. Some Boards have advised plans may not be progressing as quickly as anticipated so slippage could occur. Any underutilisation would be an underspend against NES final position. Medical are also reviewing study leave claims by trainees with a risk that there could be an underspend on budget of c.£0.4m by year end.
- **Major Programmes** – The fit out of our new Bothwell Street property in Glasgow has now completed with staff locating in mid-July. The full in years costs of the relocation are c.£1.4m and is within the budget allocated in the approved 2025/26 Financial Plan. The Digital Learning Infrastructure (DLI) Full Business Case (FBC) is now due to be submitted to the DLI Programme Board

for sign off in February. If the Programme Board and Scottish Government approve its expected work on the next phase will begin in early 2026/27, however the delay in producing and approving the Full Business Case will mean some level of spending rephasing in that year. A budget of £2.2m was included within the Financial Plan for 2025/26. This was based on FBC being approved and working starting in October, with new plan resulting in an underspend of £0.9m in the current financial year. Once the FBC is submitted the profile of costs for the project will be adjusted and considered as part of the operational and financial planning process. Any change to the preferred option, especially any move to a Buy option or a hybrid Build/Buy would have the potential for significant deviation from the original financial profile and overall project costs, but this cannot be established at this stage.

- **Digital Front Door (DFD)** - following confirmation of funding to support the rollout of DFD we have moved to recruit the required posts and completed the tendering process to secure a delivery partner. During Q3 we meet the first implementation date in December 2025. £12m of funding has been allocated by SG for 2025/26. An accelerated delivery to the whole population has been requested and is in the process of being planned and costed.
- **Digital Prescribing and Dispensing Programme (DPDP)** - funding of £2.5m has been allocated for 2025/26. The ability to source staff from our existing delivery partner will help push this programme forward. One risk that is not directly related to NES but will form part of overall programme is the need for further work on the future implementation and business as usual costs for territorial boards to ensure sign up for the new platform being built. At this point, the Scottish Government's position is that Boards will meet these costs from existing funding, but there has been significant push back from Boards in the current constrained financial environment.

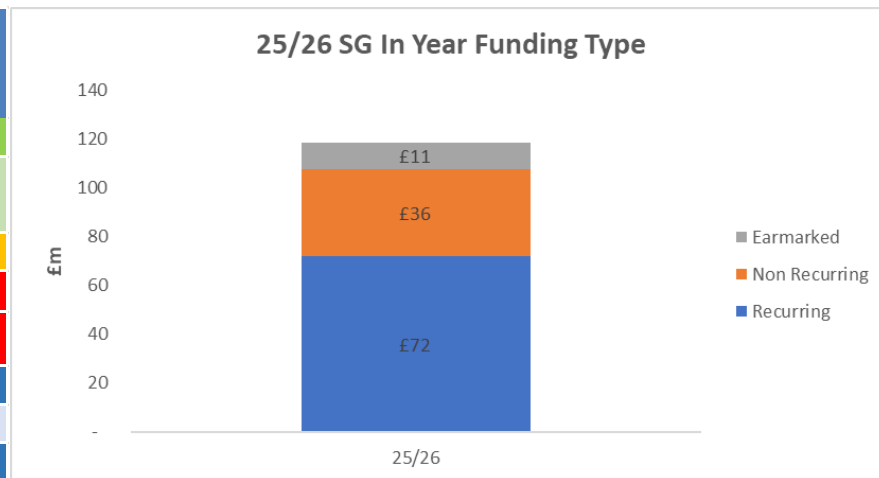
2. Operational Performance

- Monthly financial monitoring continues to be undertaken with directorates and a summary of the Q3 position is included by Directorate in Table 2 below. A more detailed breakdown by Directorate can be found at Appendix 1. Work with directorates will continue across future months to ensure all approved budgets have robust spend plans in place.
- **Medical including Medical Training Grade Salaries, Pharmacy & Healthcare Science:** Overall £0.5m overspend mainly from new consultant sessional appointments below budget rates, lower trainees in HCS from early leavers and reduced costs for UK Recruitment provider. £3m of funding remains for Medical ACT which Boards have not yet proposed plans.
- **Dental:** £0.7m underspend within Dental, which is predominantly driven by lower recruitment fill rates, for September 25 intake, in dental training grades on both core and vocational training (8 wte core, 3 wte VT, 3 wte Therapies). £0.2m of the underspend relates to the reduction of funding for the BSc Oral Health training with NHS Lothian which is in a 4-year wind down process.
- **Psychology:** Underspend of £0.9m reported at Q2, from lower number of trainees (average 17) on Enhanced Psychological Practice programme. This has now been reallocated to deliver additional Neurodiversity training before year end. Expectation is recruitment to EPP will increase for 2026/27.
- **NHS Scotland Academy, Learning & innovation:** Longer time to get DLI full business case approved has meant later start date to next phase of programme, resulting in an underspend of £0.9m against the £2.2m budget allocated at operational plan.
- **Provisions:** A £1.4m underspend is shown within provisions which is driven by a number of factors. Additional £2.6m vacancy lag savings and £0.7m underspend on Dental trainee recruitment relating to 24/25 intake which was identified after operational plan. Offset by pressures from £1.2m funding shortfall received from SG for the changes to Employer National Insurance contributions, £0.4m support to directorates for in year deliverables and £0.3m procurement savings target set at operational plan.
- No financial commitment has been anticipated at this stage for the dilapidations due for vacating Westport, as that may be a cost in 2026/27, but consideration being given to whether it can be paid early in 2025/26.

3. Scottish Government Additional In-Year Allocations

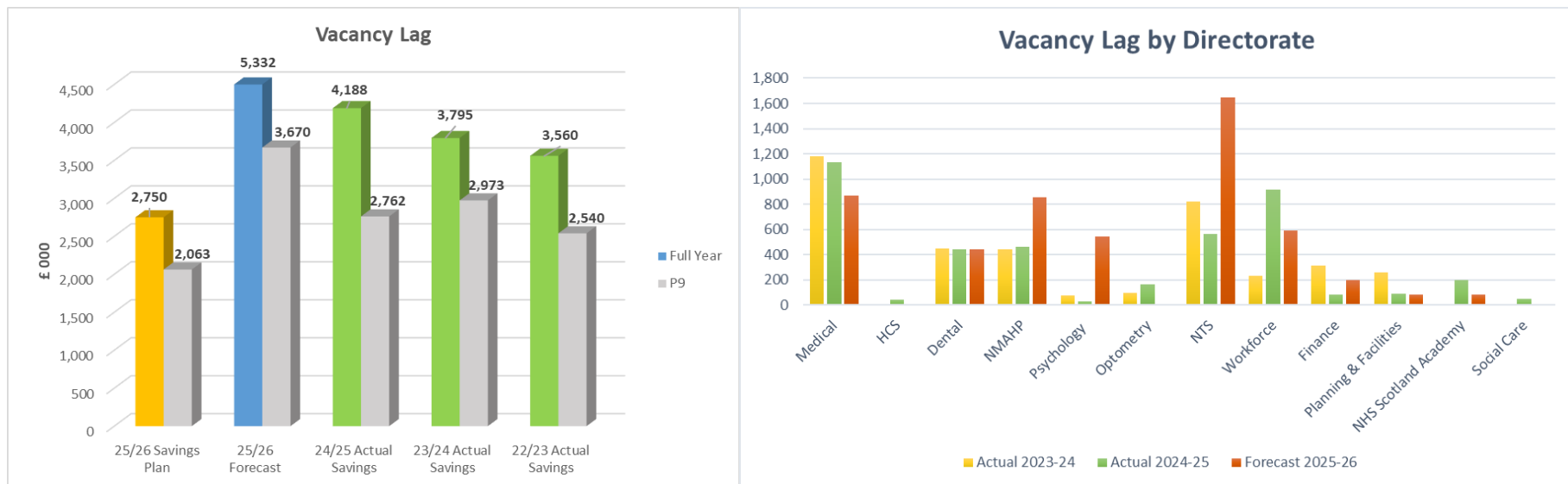
- NES has received a total of £118.4m in additional in-year allocations as at end of Q3. This equates to 97% of the total non-baseline funding that NES is anticipating receiving to support work on commissions.
- £71.7m has been received recurrently which will be transferred to the NES baseline from 2026/27, including £24m for Mental Health, £15.3m for Medical Training Grade expansion trainee salaries, £7.4m for Medical ACT, £10m for changes to Employer National Insurance contributions and £13.8m for 25/26 pay awards. This large element of funding confirmation provides NES with greater clarity and increased certainty as it sets its operational planning deliverables for future financial years and has enabled more work to be spread across the financial year.
- At Q3 no outstanding allocations are red risk rated. £3.5m has been confirmed in writing while the remaining £0.7m is agreed in principle and awaits final confirmation of funding requirement before allocation is made.
- Reviews are being undertaken across directorates to identify any underspend on in-year funding allocations that may need to be returned to Scottish Government. At the end of Q3 there is less than £1m identified from small values across multiple programmes, however this may change as some of the larger programmes finalise spend plans for Q4.

| Allocations Status by Risk | Outstanding £'000 |
|---|----------------------|
| 1 - Allocation date confirmed | - |
| 2 - Formal confirmation in writing received | 3,463 |
| 3 - Funding approved in principle | 731 |
| 4 - Funding under discussion with SG | - |
| 5 - No communication with SG | - |
| Total Anticipated Funding into NES | 4,194 |
| 6 - Funding Return to SG | - |
| Total Anticipated Funding incl Return | 4,194 |



4. Recruitment Vacancy Lag

- An anticipated Vacancy Lag savings of £2.75m was included in 2025/26 Operational & Financial Plans, to reflect the reduced pay costs from vacancies arising across the organisation naturally and time taken to fill them.
- Year-end forecast now £5.3m. This is based on actuals for this period (£3.7m), current known vacancies (£1m) and an estimate of future vacancies (£0.6m) which are likely to occur in directorates.
- Higher vacancies within NTS and Psychology, in part due to new recurring funding being received for posts which would previously not have been part of vacancy lag process. This is partly offset by lower vacancies in Medical and Workforce.
- A review is ongoing to provide further analysis on the higher outturn, but it is anticipated to be due to several reasons including increased staffing, longer recruitment lead times, higher pay awards, more baseline funding brings more posts into scope for clawback, additional consistency checks for new posts. The outcome of the analysis will be included in the year-end report.



5. Cash Releasing Efficiency Savings (CRES)

- The 2025/26 approved Financial Plan identified a savings plan of £9.2m, 1.4% of the total NES baseline.
- We have achieved 92% of the CRES savings target at the end of Q3 and are on track to exceed the full year target by £2.6m due to increased vacancy lag savings on our workforce pay. The additional savings are all on a non-recurring basis.
- The majority of the Workforce savings are the result of the time required to recruit to vacant posts. The property savings have been delivered by entering into shared space arrangements at our Glasgow, Edinburgh, and Aberdeen offices.
- The 2025/26 Savings Plan consisted of £6.6m on a recurrent basis and £2.6m on a non-recurrent basis.



Appendix 1 – Year End Position by Directorate

| | Full Year | | | | |
|---|----------------|----------------|-----------------------|--------------|------------|
| Directorate | Budget | Outturn | Variance Under/(Over) | Q3 Variance | Q3 v Q2 |
| | £000s | £000s | £000s | £000s | £000s |
| Quality Management | 2,048 | 2,012 | 36 | 23 | 13 |
| Medical ACT and Academic | 151,682 | 151,681 | 1 | 1 | 0 |
| Medical Directorate Support | 9,472 | 9,390 | 82 | 24 | 58 |
| Training Programme Management (excl. MTGS)* | 27,724 | 27,619 | 105 | 118 | (13) |
| Professional Development | 8,100 | 8,015 | 85 | 76 | 9 |
| Pharmacy | 17,641 | 17,641 | 0 | (114) | 114 |
| Healthcare Sciences | 4,166 | 4,022 | 144 | 82 | 62 |
| Medical Total | 220,833 | 220,380 | 453 | 210 | 243 |
| Dental | 58,966 | 58,230 | 736 | 739 | (3) |
| NMAHP | 18,690 | 18,526 | 164 | 17 | 147 |
| Psychology | 50,064 | 50,064 | 0 | 772 | (772) |
| Optometry | 2,244 | 2,236 | 8 | 77 | (69) |
| NHS Scotland Academy, Learning & Innovation | 11,789 | 10,893 | 896 | 883 | 13 |
| Social Care | 2,058 | 2,065 | (7) | (1) | (6) |
| NES Technology Services | 31,823 | 31,693 | 130 | (4) | 134 |
| Workforce | 8,683 | 8,705 | (22) | 40 | (62) |
| Finance | 3,886 | 3,949 | (63) | (84) | 21 |
| Properties & FM | 5,941 | 5,969 | (28) | 83 | (111) |
| Planning | 3,724 | 3,750 | (26) | (11) | (14) |
| Corporate Provisions | 1,913 | 548 | 1,365 | 254 | 1,111 |
| NES Total (excl. MTGS) | 420,614 | 417,008 | 3,606 | 2,975 | 632 |
| Medical Training Grade Salaries | 461,007 | 461,007 | 0 | 0 | 0 |
| NES Total (incl. MTGS) | 881,621 | 878,015 | 3,606 | 2,975 | 632 |

* Note: MTGS = Medical Training Grade Salaries

Appendix 2 – SG In Year Funding Received and Outstanding 2025/26

| Funding | Recurrent £000s | Earmarked £000s | Non Recurrent £000s | Total £000s | Total split by: | | Risk Rating |
|--|--------------------|--------------------|------------------------|----------------|-------------------|----------------------|----------------|
| | | | | | Received £000s | Outstanding £000s | |
| Baseline budget | 648,875 | | | 648,875 | 648,875 | 0 | |
| 24/25 Recurring Allocations Adj to Baseline | 111,305 | | | 111,305 | 111,305 | 0 | |
| Original budget | 760,180 | 0 | 0 | 760,180 | 760,180 | 0 | |
| Anticipated pay award AfC | 3,789 | 0 | 0 | 3,789 | 3,789 | 0 | 0 |
| Anticipated pay award M&D Consultants | 2,149 | 0 | 0 | 2,149 | 2,149 | 0 | 0 |
| Anticipated pay award Resident Doctors | 7,830 | 0 | 0 | 7,830 | 7,830 | 0 | 0 |
| Anticipated pay award Exec | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| NI increase 60% | 5,163 | 0 | 0 | 5,163 | 5,163 | 0 | 0 |
| Sustainability Fund | 4,818 | 0 | 0 | 4,818 | 4,818 | 0 | 0 |
| Nursing & Midwifery Education | 0 | 0 | 558 | 558 | 558 | 0 | 0 |
| Dental ACT Levy | 0 | 0 | (413) | (413) | 0 | (413) | 3 |
| Vocational Training Grant Rate | 603 | 0 | 0 | 603 | 603 | 0 | 0 |
| Digital Enabled Workforce | 0 | 0 | 831 | 831 | 831 | 0 | 0 |
| Digital PDP | 0 | 0 | 2,500 | 2,500 | 2,500 | 0 | 0 |
| Patient Record Opthtamology | 0 | 0 | 539 | 539 | 0 | 539 | 3 |
| Pharmacy Trainees | 0 | 7,533 | 120 | 7,653 | 7,653 | 0 | 0 |
| Pharmacy Non Global Sum | 0 | 571 | 0 | 571 | 571 | 0 | 0 |
| Pharmacy clinical supervision and IP/CS places | 0 | 932 | 0 | 932 | 932 | 0 | 0 |
| Medical ACT | 7,393 | 0 | 978 | 8,371 | 7,393 | 978 | 2 |
| MEP Gap including Widening Access & ScotGEM | 0 | 2,113 | 0 | 2,113 | 0 | 2,113 | 2 |
| Medical Training Grades & Expansions | 15,598 | 0 | 1,662 | 17,261 | 17,261 | 0 | 0 |
| IFRS16 Non Core | 0 | 0 | 453 | 453 | 0 | 453 | 3 |
| Primary Care | 0 | 0 | 1,707 | 1,707 | 1,707 | 0 | 0 |
| Remote & Rural Centre for Helath & Social Care | 0 | 0 | 1,169 | 1,169 | 1,169 | 0 | 0 |
| Mental Health | 23,896 | 0 | 7,765 | 31,661 | 31,661 | 0 | 0 |
| Vocational Training Additionality | 0 | 0 | 710 | 710 | 710 | 0 | 0 |
| Digital Front Door | 0 | 0 | 12,000 | 12,000 | 12,000 | 0 | 0 |
| Vaccinations | 0 | 0 | 1,937 | 1,937 | 1,937 | 0 | 0 |
| Other allocations (under £500k) | 492 | 1,558 | 5,599 | 7,648 | 7,124 | 524 | |
| Total in-Year allocations | 71,732 | 12,706 | 38,114 | 122,553 | 118,359 | 4,194 | |
| Total Revenue Allocation | 831,912 | 12,706 | 38,114 | 882,733 | 878,540 | 4,194 | |

Risk Status

1 - Allocation date confirmed

2 - Formal confirmation in writing received

3 - Funding approved in principle

4 - Funding under discussion with SG

5 - No communication with SG

NHS Education for Scotland

NES/26/07

Agenda Item: 08b

Meeting Date: 5 February 2026

Board Paper

1 Title of Paper

1.1 Quarter 3 Performance Delivery 2025/26

2 Author(s) of Paper

2.1 Alison Shiell, Planning & Corporate Governance Manager

3 Lead Director(s)

3.1 Christina Bichan, Director of Planning, Performance & Transformation

4 Situation / Purpose of paper

4.1 This report provides the Board with a Quarter 3 (Q3) update on NES's delivery performance against the deliverables and milestones set out in the 2025/26 NES Annual Delivery Plan (ADP). The report uses BRAG exception reporting to evidence progress and completion status.

4.2 In addition to the cover paper, the report comprises a 2025/26 Q3 summary progress report (Appendix 1) and a full 2025/26 Q3 update (Appendix 2).

4.3 The Board is asked to review and approve this report.

5 Background and Governance Route to Meeting

5.1 This report has been prepared for the Board's review and approval and has been reviewed by the NES Planning & Performance Committee (PPC) and Executive Team in advance of its submission to the Board.

5.2 As per the PPC Terms of Reference, the Board has delegated oversight and scrutiny of organisational performance to the PPC. The PPC receive quarterly ADP delivery reports in advance of the NES Board and provide feedback, guidance and advice as required.

- 5.3 The 2025/26 NES ADP was approved for publication by the NES Board on 22 May 2025, whilst recognising that the ADP is a dynamic document that continues to evolve during the course of the year. Scottish Government (SG) approval for the 2025/26 ADP was received via a formal feedback letter on 6 June 2025 with the letter presented to the NES Board for noting on 21 August 2025.
- 5.4 An updated version of 2025/26 NES ADP was uploaded to the [Corporate Publications](#) page of the NES website after the 20 November 2025 Board meeting. This updated version highlights changes to the ADP that were approved at the end of Quarter 2 (Q2). Updated versions of the ADP will continue to be published on a quarterly basis following approval of any future changes.
- 5.5 Following the announcement by the Cabinet Secretary for Health and Social Care on 17 June 2025 setting out the requirement to form the new Public Services Delivery Scotland organisation (which NES will become part of along with our partner, NHS National Shared Services / NSS), NES continues to deliver on its priorities set out within the 2025/26 ADP whilst also preparing for the establishment of the new organisation. During Q3, NES has continued to work closely with SG and NSS colleagues and is currently on track to ensure that the new organisation will continue to deliver all core services with no disruption from 1 April 2026.

6 Assessment / Key Issues

2025/26 Quarter 3 – Summary of Delivery Position

- 6.1 Following changes and updates approved at Q2, the NES 2025/26 ADP now comprises 191 deliverables. There is now only one deliverable (NHSSALI 1 – Digital Learning Infrastructure) that is awaiting confirmation of funding. A Pharmacy deliverable (PHARM 2 – Pharmacy Foundation Year Training) received its remaining SG funding as part of the November 2025 allocation. Further detail regarding any ADP changes is provided within Table 5 (2025/26 ADP Amendments / page 13).
- 6.2 The Board will wish to note that the Q3 BRAG status and updates provided for the 13 NHS Scotland Academy (NHSSA) ADP deliverables remain in draft at the time of the report's preparation and submission. This is due to joint NHSSA governance arrangements between NES and NHS Golden Jubilee. The final 2025/26 Q3 delivery position will be reported via verbal introductory comments at the 5 February 2026 NES Board meeting.
- 6.3 At the end of 2025/26 Q3, 169 (**88.5%**) 2025/26 deliverables have been categorised as either complete or on track to be completed in line with ADP milestones. 19 (**10%**) deliverables are progressing with minor delays, and two (**1%**) deliverables are experiencing significant delay. One deliverable has been closed as a result of an update provided at Q2 so does not have a BRAG status attached to it. The summary progress report (Appendix 2) highlights that,

as per Q2, NES's 2025/26 Q3 delivery status is an improved position in comparison to the same point in previous years. This is of particular note given the significant amount of additional work that is being undertaken across the organisation to support the establishment of Public Services Delivery Scotland.

- 6.4 The number of deliverables reporting delays has reduced from 30 at Q1, to 22 at Q2 and down very slightly again to 21 at Q3. However the Board should note that whilst the number of delayed deliverables is down overall, there has been an increase in NES Technology Service (NTS) deliverables reporting delays at Q3. This is as a result of teams being diverted to support the Digital Front Door programme.
- 6.5 Of the 21 deliverables reporting delays, two of these (10%) are due to funding issues outwith NES's control. This equates to 1% of the overall 2025/26 ADP deliverable total (191). An overview of 2025/26 Q3 BRAG status is provided in Table 1a (Section A). Tables 2 and 3 (Section B) summarise the Red and Amber deliverables including any actions being taken to mitigate delays with the aim of bringing these deliverables back on track where possible.
- 6.6 As per previous delivery reports to the PPC, this report aims to provide the Board with assurance regarding NES's overall delivery position. The report provides additional context regarding any remaining deliverables that are still subject to funding and / or affected by funding-related issues and also highlights whether the impact of these issues are within or outwith NES's control. This information is set out within Section C (Table 4 / page 12).

2024/25 ADP - Remaining Deliverables

- 6.7 Following on from the 2025/26 Q2 Delivery Report there are now only two deliverables from the 2024/25 ADP that have continued to report progress during 2025/26 Q3. These are included within Appendix 2 as an individual tab within the excel document. An overview of the outstanding 2024/25 deliverable position is provided within Table 6 (page 13).

Section A - 2025/26 Quarter 3 – Delivery Performance Overview

6.8 Delivery performance at 2025/26 Q3 is summarised in Table 1a.

Table 1a: Summary of deliverable status – 2025/26 Quarter 3

| Deliverable Status | Number | Percentage |
|--------------------------|------------|------------|
| Blue – complete | 2 | 1% |
| Red – significant delay | 2 | 1% |
| Amber – minor delay | 19 | 10% |
| Green – on track | 167 | 87.5% |
| N/A (closed / no status) | 1 | 0.5% |
| Total | 191 | |

6.9 Appendix 1 provides a summary of 2025/26 ADP delivery and an overview of the Q3 delivery position. This is supported by additional context and detail provided in the later sections of the cover paper. An overview of NES directorate BRAG status at Q3 is shown in Table 1b (below).

Table 1b: Summary of NES directorate RAG status – 2025/26 Quarter 3

| NES Directorate / Business Area | Total 2025-26 ADP Deliverables | Blue | Red | Amber | Green | N/A |
|--|--------------------------------------|----------|----------|-----------|------------|----------|
| Corporate & Quality Improvement | 3 | - | - | - | 3 | - |
| Dental | 21 | - | 1 | - | 20 | - |
| Finance | 4 | - | - | - | 4 | - |
| Healthcare Science | 8 | 1 | - | 1 | 6 | - |
| Medical | 29 | - | - | 1 | 28 | - |
| NHSS Academy, Learning & Innovation | 23 | - | - | 4 | 18 | 1 |
| NMAHP | 40 | 1 | - | 3 | 36 | - |
| NES Technology Service | 10 | - | 1 | 6 | 3 | - |
| Optometry | 8 | - | - | 1 | 7 | - |
| People & Culture | 10 | - | - | - | 10 | - |
| Planning, Performance & Transformation | 9 | - | - | - | 9 | - |
| Pharmacy | 10 | - | - | 1 | 9 | - |
| Psychology | 5 | - | - | - | 5 | - |
| Social Care & Communities | 9 | - | - | 1 | 8 | - |
| Corporate | 2 | - | - | 1 | 1 | - |
| Totals | 191 | 2 | 2 | 19 | 167 | 1 |

Section B - 2025/26 Quarter 3 – Red & Amber Deliverables

Table 2: 2025/26 Quarter 2 position – Red deliverables

| 2025/26 Quarter 3 – Red Deliverables | |
|--------------------------------------|---|
| ADP ref | Summary of 2025/26 Q3 position and next steps |
| Dental | |
| DEN 2025/26 2 | <p>The deliverable supporting the needs of the dental technician workforce in Scotland has reported Red at Q3 as a result of a decision taken by the University of Aberdeen (UoA) in July 2025 to postpone dental technician student intake for 2025 and 2026. As the sole provider of dental technician education and training in Scotland, this decision has a significant potential impact on the dental workforce in terms of both workforce supply and NHS service delivery. NES Dental had already been exploring alternative education providers for dental technician training as they had already recognised the risk of UoA being the sole provider.*</p> <p>Mitigating Actions – The UoA decision to suspend student intakes is outwith NES's control however before the UoA decision was taken the Scottish Government (SG) Chief Dental Officer had already asked NES to explore alternative providers in order to secure increased availability of dental technician training in Scotland. SG agreed to fund a 0.2 WTE Band 7 Specialist Lead post to support work to develop a new learner pathway with a pre-registration training qualification that will lead to General Dental Council registration. The NES Dental Directorate have been exploring potential options and during Q3 early progress has been made with a Further Education provider and Awarding Body resulting in the agreement to adapt an existing SCQF Level 6 qualification to commence in 2026/27 creating a new entry level pathway into Dental Technology to improve career attraction and widen access into pre-registration dental technology training. Recruitment to this role as a 12-month fixed term post has been successful with the postholder due to start in early February 2026. This role will provide subject matter expertise and additional capacity to accelerate delivery of this critical strategic priority.</p> <p>Revised milestone wording for the Quarter 4 (Q4) milestone has been proposed to reflect the updated delivery position.</p> <p>* Due to an administrative oversight, this information was not made available within the Q2 Delivery Report however Appendix 2 of this report has been updated retrospectively with the correct Q2 narrative update and projected Q3 BRAG status (Red).</p> |
| NES Technology Service | |
| NTS 2025/26 31 | <p>The deliverable supporting the Scan For Safety programme in the implementation of the end-to-end Medical Devices Data Hub (MDDH) solution has unexpectedly reported Red at Q3. Following 'go-live' of the MDDH solution in Q2, commencement of development on the next phase of the project has been delayed by data issues caused by</p> |

| 2025/26 Quarter 3 – Red Deliverables | |
|---|--|
| ADP ref | Summary of 2025/26 Q3 position and next steps |
| | <p>inconsistencies in upstream systems. This delay is outwith NES's control as the data processed by the MDDH comes from individual health board systems. An oversight in the design of the MDDH solution has been identified and NTS colleagues now need to repopulate an associated database. As this work involves patient data, NTS have spent Q3 working to mitigate current issues rather than build new functionality.</p> <p>Mitigating Actions – NTS have been working to address the current data issues during Q3 however this deliverable is now delayed and is currently projected to report Red at year-end. A new Q4 milestone has been proposed to reflect the updated delivery position.</p> |

Table 3: 2025/26 Quarter 3 position – **Amber deliverables**

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|--|
| Healthcare Science | |
| HCS 2025/26 12 | <p>The development of a Levels 5-9 education, skills and competencies framework for all Healthcare Science (HCS) specialties continues to report Amber at Q3. Delays in the receipt of SG funding has in turn delayed planned recruitment however an additional post has now been recruited and the successful postholder is due to commence in post in early January 2026.</p> <p>Mitigating Actions – As a result of the earlier delays to this deliverable, the completion deadline for the Level 5-9 Healthcare Science framework has now been delayed into 2026/27. In discussion and agreement with the Scottish Government Healthcare Science policy team, the deadline for completion of the framework has been revised. Four out of the five pathways will be completed by the end of March 2026 with the Health Informatics pathway to be completed by June 2026. The Quarter 4 milestone will be revised as a result of this amended deadline and as a result, the deliverable is now projected to report Green at year-end.</p> |
| Medical | |
| MED 2025/26 6 | <p>The deliverable focused on the recruitment of doctors in training to meet current and projected workforce requirements reported Green at Qs 1 and 2 however as projected it has reported Amber at Q3. This is due to ongoing discussions with SG regarding recruitment to the WTE (Whole Time Equivalent) establishment and securing funding for all established posts. Additional posts for August 2026 recruitment cannot be added to the UK-wide recruitment system (Oriel) until SG confirmation of baseline funding for all training posts has been received.</p> <p>Mitigating Actions – Discussions with SG regarding additional WTE posts have been ongoing. Since the Q3 BRAG status and narrative</p> |

| 2025/26 Quarter 3 – Amber Deliverables | |
|--|--|
| | update was provided, the Medical directorate received confirmation from SG in early January 2026 regarding the funding for this deliverable. As a result the deliverable is now projected to report Green at year-end. |
| NHSS Academy, Learning & Innovation (NHSSA, L & I) | |
| NHSSALI 2025/26 1 | <p>The delivery of NES's Digital Learning Infrastructure (DLI) programme continues to report Amber at Q3. This is due to both the ongoing development of the Full Business Case (FBC) ahead of submission to SG and the overall funding position as confirmed funding for this programme is still awaited. Due to significant changes in the technology landscape (including Generative AI) an external consultancy was procured to investigate options. The FBC now requires further updating to reflect the consultancy's recommendations.</p> <p>Mitigating Actions – Risks to the DLI programme are monitored at programme level and reported through governance groups as appropriate. The updated FBC is due to be presented to the DLI Programme Board in February 2026; the deliverable will move to a Green reporting position for 2025/26 year-end if the FBC is approved.</p> |
| NHSSALI 2025/26 5 | <p>The deliverable focused on Knowledge Management and Digital Library services continues to report Amber at Q3 due to planned milestones not being met. The milestone to support NES educators and staff to embed links to digital library resources within educational products has not yet been achieved due to delays caused by the Knowledge Services (KS) team's involvement in supporting the NES Research and Innovation Plan and the organisational TURAS Learn Product Estate Review.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track. During Q4, the KS team plan to scope options to develop a research support menu for NES staff. As part of this discovery work, the team will explore opportunities to work with educators and researchers to link digital library resources into their work. As a result of this work planned for Q4, this deliverable is projected to report Green at 2025/26 year-end.</p> |
| NHSSALI 2025/26 9 | <p>The deliverable supporting the implementation of Priority Theme 2 within the NES Learning & Education Strategy, which focuses on developing new, future-focused learning pathways has been escalated to Amber at Q3. During Q3, the Pathways and Partnership (P&P) team undertook a stocktake of progress towards developing a scalable methodology for learner pathway creation. This review highlighted that, while initial groundwork has been completed, there is a need to broaden collaborative working practices and strengthen engagement with both internal and external partners. The team also identified the importance of aligning future work more closely with key policy documents and the organisation's evolving priorities.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track. Activity regarding testing at scale is being redirected to</p> |

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|---|
| | support a more relational and strategic approach to build consensus. The P&P team have recently joined the NES Internal Workforce Data & Planning Group and Data Analytics and AI Group which will help to better coordinate workforce planning projects, share best practice and identify and address gaps. These actions are expected to accelerate progress and the deliverable is projected to report Green at 2025/26 year-end. |
| NHSSALI 2025/26 32 | <p>As part of the NHSS Academy, a new deliverable was added at the end of Q2 with the aim of increasing the amount of immersive training opportunities for doctors working towards achieving an Entrustable Professional Activity (EPA) in managing a cataract operating list which in turn allows them to perform independent surgical lists as per the RCOphth (Royal College of Ophthalmologists) curriculum.</p> <p>This deliverable was projected to move from Amber to Green at Q3 however it has continued to report Amber due to delays in sourcing faculty members for NHS Golden Jubilee and the NHSSA not being able to confirm the funding NHS Highland require to proceed with appointing faculty in Inverness.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible, including exploration related to the development of joint contracts for faculty roles. The Programme Manager for this project has now been recruited and is due to commence in post in April 2026. As a result of the current position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| NMAHP | |
| NMAHP 2025/26 21 | <p>As projected, the deliverable focused on supporting the SG Dementia Strategy Delivery Plan via the provision of learning and development opportunities for the health, care and wider workforce who support people with dementia and their families / carers continues to report Amber at Q3. As per the update provided at Q2 there has been a delay in the development of facilitator resources for the 'Fundamentals of Skills Dementia Practice' programme due to NES Design team capacity however this work has now commenced during Q3.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible. As a result of work planned for Q4, this deliverable is projected to report Green at 2025/26 year-end.</p> |
| NMAHP 2025/26 31 | <p>The deliverable supporting the building of capacity and capability to enable AHPs to undertake robust workforce planning continues to report Amber at Q3 due to some aspects of planned milestones not being met. In relation to the user testing of Skills Maximisation educational resources with a pilot group, capacity issues within the NES Technology Service mean that this work will not commence until 2026/27 Q1.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible however as a result of the current</p> |

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|--|
| | position this deliverable is projected to report Amber at 2025/26 year-end. Discussion to take place with NMAHP colleagues regarding the implications of any deliverable aspects that will not be met by year-end. Further information to be provided within the Q4 Delivery Report. |
| NMAHP 2025/26 39 | <p>The deliverable supporting the delivery of dysphagia education across Scotland has been escalated to Amber at Q3 due to aspects of the planned Q3 milestones not being met. Delivery of planned dysphagia education workshops has not been met due to territorial health board pressures and the ability of staff being able to attend training.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible. This includes the exploration of flexible modes of education delivery to increase staff attendance however as a result of the current delivery position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| NES Technology Service (NTS) | |
| NTS 2025/26 2 | <p>As projected at Q2, the deliverable supporting SG Future Care Planning (FCP) via the development of a viable Hospital Care Plan product continues to report Amber at Q3. This is due to ongoing discussions with the associated SG policy team regarding the future direction of FCP. The NTS Deputy Director continues to engage with SG regarding the alignment of this work to the Digital Front Door (DFD) programme and Integrated Record portfolio as part of the strategic direction of travel in relation to data sharing however an FCP roadmap is still to be agreed.</p> <p>Mitigating Actions – This deliverable is unable to progress until discussions with SG have concluded and a formal position / roadmap regarding the FCP is agreed. Further information will be provided within the Q4 Delivery Report. As a result of the current position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| NTS 2025/26 4 | <p>As projected at Q2, delivery of the Digital Front Door (DFD) programme has continued to report Amber at Q3 however a major milestone was achieved during Q3 with the initial 'go-live' of MyCare.Scot to a cohort of dermatology patients in NHS Lanarkshire.</p> <p>The deliverable remains Amber at Q3 as a result of both the high-profile nature of the DFD programme and new, additional Ministerial asks which in turn has resulted in a high-risk delivery schedule. This includes the addition of a mobile app to the original DFD scope alongside making MyCare.Scot available to the whole Scottish population (citizens aged over 18 years) by mid-April 2026.</p> <p>Mitigating Actions – Risks associated with DFD delivery are managed via a specific risk log with regular progress updates provided to SG and associated DFD governance groups. Given the additional delivery asks and the fixed nature of the DFD implementation dates, increased funding is being sought with the aim of increasing internal staff</p> |

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|--|
| | resource. A further update will be provided within the Q4 Delivery Report however as a result of the current delivery position this deliverable is projected to report Amber at 2025/26 year-end. |
| NTS 2025/26 5 | <p>As projected at Q2, the deliverable focused on supporting and maturing the National Digital Platform (NDP) cloud infrastructure has been escalated to Amber at Q3. This is due to the NDP delivering multiple new services to ensure the initial 'go-live' of DFD in NHS Lanarkshire was achieved on time. As per the update for deliverable NTS 2025/26 4 above, this deliverable has been escalated to Amber at Q3 given the additional delivery asks to the DFD programme. The focus on DFD has also meant that the development of generic, reusable NDP services have been deprioritised during this quarter with this likely to continue into 2025/26 year-end.</p> <p>Mitigating Actions – Given the additional delivery asks and the fixed nature of the DFD implementation dates, increased funding is being sought with the aim of increasing internal staff resource. A further update will be provided within the Q4 Delivery Report however as a result of the current delivery position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| NTS 2025/26 6 | <p>NES's provision of technology support for the national Digital Prescribing and Dispensing Pathways (DPDP) programme previously reported Red at both Q1 and Q2 however the Q2 delivery report highlighted the receipt of further funding assurances and the revision of 2025/26 delivery milestones in agreement with SG which has resulted in a de-escalation to Amber in Q3.</p> <p>Positive progress during Q3 has been made, including the onboarding of a Data Architect for the DPDP programme and in relation to the procurement of a delivery partner. A preferred bidder has been selected and the procurement standstill period completed. The deliverable has reported Amber at Q3 as not all planned work has been able to be completed due to key engineering resources being involved in work to support the DFD programme.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible. The successful onboarding of the delivery partner during Q4 will facilitate the acceleration of the outstanding planned build activity and place the DPDP programme into a Green BRAG status. Further information to be provided within the Q4 Delivery Report.</p> |
| NTS 2025/26 8 | As projected at Q2, delivery of the OpenEyes electronic patient record solution (on a regional basis in 2025/26) continues to report Amber at Q3. NES is on target to deliver the rollout of the Community Glaucoma Scheme to all territorial Health Boards by the end of March 2026 however individual Board use and sustainability remains a local service issue / risk. |

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|---|
| | <p>As previously highlighted within the Q2 Delivery Report the deliverable has reported Amber at Q3 as NTS are currently unable to support the strategic objective of implementing the OpenEyes (cataract pathway) solution to the NHS Golden Jubilee National Hospital without additional resource within the NTS team. This issue is in the process of being escalated to the Executive Team for consideration and action.</p> <p>Mitigating Actions – For reasons related to capacity, stability and sustainability of the NTS eyecare team, this deliverable is managing a high risk profile. NTS are currently putting together a business case that seeks recurring funding for a sustainable team to deliver and support the national rollout of Eyecare projects. The deliverable is currently projecting to report Amber at 2025/26 year end assuming effectiveness of the risk mitigations - alignment and monitoring of capacity – however this will require ongoing monitoring to ensure the Amber status is maintained. Further information will be provided in the Q4 Delivery Report.</p> |
| NTS 2025/26 11 | <p>As projected at Q2, the deliverable focused on improvements to the timeliness and quality of workforce data continues to report Amber at Q3 due to planned milestones being behind schedule. Limited progress has been made during both Q2 and Q3 as a result of other NTS priorities such as Digital Front Door. There is a continued need for dedicated resource to support this work, particularly in relation to the development of the Workforce Data Observatory.</p> <p>Mitigating Actions – Discussions regarding this work are continuing both within NES and with SG however as a result of the current position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| Optometry | |
| OPT 2025/26 7 | <p>The deliverable supporting CPD for care delivered under General Ophthalmic Services continues to report Amber at Q3. This work had been paused due to staff sickness absence and the need to prioritise work in other areas (Optometry simulation and teach and treat). The staff member previously on sickness leave has now returned however Simulation Teach and Treat clinics still continue to be prioritised until the team is fully back to capacity.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible. This includes plans in place to deliver Continuing Professional Development (CPD) evenings in various locations, with a focus on anterior eye pathology with the use of 3D projection. As a result of the current position this deliverable is projected to report Amber at 2025/26 year-end.</p> |
| Pharmacy | |
| PHARM 2025/26 7 | <p>The deliverable supporting the delivery of education and training to the Primary Care Pharmacy workforce across Scotland has been escalated to Amber at Q3. This is due to Cohort 7 of the General Practice Learning Pathway having to be paused as a result of current</p> |

| 2025/26 Quarter 3 – Amber Deliverables | |
|---|---|
| | <p>staff resource capacity within the Pharmacy Technician workstream. Recruitment to the pathway is in progress and it is hoped that delivery to 62 registered Pharmacy Technicians will commence during Q4.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible however as a result of the current delivery position the deliverable is projected to report Amber at 2025/26 year-end.</p> |
| Social Care & Communities | |
| SC 2025/26 2 | <p>Ongoing interdependencies between the Involving People and Communities workstream and other Learning & Education Quality System (LEQS) workstreams mean that the IPC deliverable continues to report Amber at Q3 as the planned deliverable to launch the IPC framework has not been met. However, as part of the wider LEQS approach the framework has been tested and refined and the framework continues to be tested by NES Directorates. Standard Operating Procedures (SOPs) in support of the Renumeration Policy - which has now been approved by the NES Executive Team – continue to be developed.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible however as a result of the current delivery position the deliverable is currently projected to report Amber at 2025/26 year-end..</p> |
| Corporate | |
| COR 2025/26 2 | <p>The deliverable focused on NES's work as an Anchor Institution has reported Amber at Q3 due to delays in the refresh of our Volunteering Policy to better support community engagement and involvement. This was originally planned to be delivered by the end of Q2 2025 however further work and discussion is still required to reach a 'next steps' position.</p> <p>Mitigating Actions – Focused work during Q4 to bring deliverable back on track where possible. If this work is not completed by the end of Q4, it will be carried forward into 2026/27 for action as part of Policy alignment within the new organisation.</p> |

Section C – Deliverables affected by funding delays at 2025/26 Q3

6.10 Table 4 provides an overview of deliverables affected by funding delays at 2025/26 Q3. As stated in paragraph 6.1, the number of deliverables still dependent on SG funding has reduced from two to one during Q2. Appendix 3 has been updated accordingly to highlight any deliverables that were previously categorised as 'Subject to Funding' and funding has now been received.

Table 4: Deliverables affected by funding delays / issues at Quarter 3

| 2025/26 Quarter 3 | |
|--------------------------|---|
| ADP ref | Summary of funding situation and next steps (if known) |
| NHSSA, L & I | |
| NHSSALI 2025/26 1 | Formal confirmation of SG funding to support NES's Digital Learning Infrastructure programme is still awaited however the development of the Full Business Case (FBC) is ongoing and it is expected that the FBC will come forward for approval at the DLI Programme Board meeting in February 2026. |
| NTS | |
| NTS 2025/26 4 | Additional funding is being sought with the aim of increasing staff resource to support the delivery of the Digital Front Door programme. Further information will be provided at 2025/26 year-end. |
| NTS 2025/26 11 | Progress in support of improvements to the timeliness and quality of workforce data continues to be impacted by other NTS priorities such as Digital Front Door and the need for dedicated resource (particularly in relation to the development of the Workforce Data Observatory). Discussions both within NES and with SG are continuing; a further update will be provided at 2025/26 year-end. |

Section D – 2025/26 ADP Amendments during Quarter 3

6.11 Table 5 sets out changes and refinements to the 2025/26 ADP identified during Q3 as a result of ongoing changes within our operating environment and the fluid nature of certain aspects of our work. The following amendments have been made to the 2025/26 ADP during Q3 and have been reviewed and approved by the NES Executive Team.

Table 5: Amendments to the 2025/26 NES ADP – Quarter 3

| 2025/26 ADP Deliverable | Amendment Detail |
|-------------------------------------|---|
| Dental | |
| DEN 2025/26 2 | Further to the update provided in Table 2, revised Quarter 4 milestone wording has been provided for the deliverable supporting the dental technician workforce in Scotland to reflect the updated delivery position. |
| NES Technology Service (NTS) | |
| NTS 2025/26 31 | Further to the update provided in Table 2, revised Quarter 4 milestone wording has been provided for the deliverable supporting the Scan for Safety programme to reflect the updated delivery position. |

Section E – Outstanding 2024/25 ADP deliverables

Table 6: Overall position for remaining 2024/25 ADP deliverables

6.12 Table 6 sets provides an overview of the two remaining 2024/25 ADP deliverables that continue to report progress during 2025/26. Further detail is provided within the '2024/25' tab of Appendix 2.

| NES Directorate / Business Area | Total 2024/25 ADP Deliverables | Blue | Red | Amber | Green |
|---------------------------------|--------------------------------|----------|----------|----------|----------|
| Dental | 1 | - | - | 1 | - |
| NMAHP | 1 | - | - | 1 | - |
| Totals | 2 | - | - | 2 | - |

Section F – Key Achievements during 2025/26 Quarter 3

6.13 There have been a number of achievements during Q3 that support the delivery of the [NES 2023-26 Strategy](#) and align directly with our strategic themes ([People, Partnerships and Performance](#)). Further detail is provided within the paragraphs below.

6.14 To support the delivery of our **People** strategic theme objectives, the following has been achieved during Q3:

- a. NES is now an accredited Living Wage Employer. We received confirmation from the Living Wage Foundation in October 2025 that our Real Living Wage application had been successful. Internal and external communications were issued in November 2025 as part of the national Living Wage Week and these highlighted our ongoing commitment as an Anchor institution to promote fair pay and make a positive difference for our communities¹.
- b. The United Nations Convention on the Rights of the Child (UNCRC) [Virtual Health Conference](#) held in December 2025 and delivered through the NMAHP-led UNCRC project, highlighted NES' role as a champion for children's rights in Scotland. The virtual event showcased practical examples of rights-based approaches in action from clinical practice to strategic planning, highlighting how services are embedding the principles of dignity, participation, equity, and accountability into everyday decision-making. Grounded in the UNCRC and Getting it Right for Every Child (GIRFEC), the conference supported participants to deepen their understanding of what a rights-based approach means in health and care, and how it can be applied meaningfully across roles and disciplines.
- c. Pharmacy Foundation Training Year recruitment for the 2026 intake has concluded with a 100% fill rate to the 220 Scottish Government funded posts.

¹ NHS Education for Scotland website: [NES awarded Living Wage accreditation](#) (12 November 2025)

6.15 To support the delivery of our **Partnerships** strategic theme objectives, the following has been achieved during Q3:

- a. The first phase of the Digital Front Door programme ([MyCare.Scot](#)) went live in early December 2025 to a cohort of dermatology outpatients in NHS Lanarkshire as planned. This marks a significant milestone in the delivery of this project which is being led by the NES Technology Service in partnership with Scottish Government.
- b. In collaboration with partners, NES's national work to address key priorities to improve health and social care workforce digital capability saw the launch of organisational dashboards launched for the [Digital and Data Capability Framework Self-Assessment Tool](#). These dashboards provide organisations with insights to review current levels of digital capabilities within their organisation for different professional groups and roles.
- c. The Centre for Workforce Supply (CWS) continues to be a key contributor to the SG workforce planning delivery plan via their task and finish group, which aims to develop a framework to support better more integrated workforce planning across NHS Scotland (including improving data quality where required). During Q3, CWS has contributed to the development of a proposal for a workforce observatory within Public Services Delivery Scotland and implemented an internal NES workforce planning group to coordinate internal workforce planning projects, improving the impact and efficiency of activity in this area.

6.16 To support the delivery of our **Performance** strategic theme objectives, the following has been achieved during Q3:

- a. 97% (£118m) of anticipated in-year SG funding has been received by the end of Quarter 3. This is an improved position in comparison to previous financial years and demonstrates ongoing positive engagement between NES and SG to ensure funding is received to support planned delivery.
- b. In relation to the work of the NES Medical Directorate, our Annual Engagement Meeting with the General Medical Council (GMC) was held in October 2025. NES received positive feedback on its work and plans for 2026/27 were agreed, including an Equality, Diversity and Inclusion plan in support of a GMC differential attainment goal.
- c. Directorate Education Leads have been identified and new Directorate Educational Quality and Safety Groups established within all directorates that deliver education and training. These groups will drive the implementation and adherence to the Learning and Education Quality (LEQ) Policy as part of the wider LEQ System corporate improvement workstream.

Section G – Risk Management

- 6.17 The two red deliverables reported at 2025/26 Q2 have been reviewed against the NES Corporate Risk Register however the delays are due to factors outwith NES's control and are therefore not aligned to any individual NES strategic risk. Mitigating actions are in place and further information in relation to these risk areas is provided within the quarterly risk report.
- 6.18 As per reporting requirements introduced for 2025/26 Q2, directorates continue to provide detail in relation to any risks to delivery and escalate to the appropriate level (Directorate / Corporate level risk registers). Risk themes identified at Q3 include uncertainty of delivery in the context of Public Services Delivery Scotland (e.g. corporate deliverables within NES and how these will transition into the new organisation), competing priorities, future funding uncertainty and the potential impact on service delivery, return on investment for major programmes, capacity and staffing constraints and infrastructure, systems and operational risks.
- 6.19 Individual programmes have highlighted a range of risks including resource pressures, impact of high workload and the ability to support simultaneous programmes and maintain stability. The NES Mobile Skills Unit vehicle has experienced breakdowns during 2025/26 with maintenance required to ensure continuity and the NES office infrastructure needs to be checked to ensure it can support national medical recruitment timelines. NES's refreshed risk management framework enables directorates to escalate risks via the NES Risk Management Group and ensure they are considered via appropriate governance groups.

Section H – Projected 2025/26 Q4 position

- 6.20 Following helpful feedback from the PPC meeting on 28 January 2026, the following table sets out the **projected 2025/26 Q4 year-end position** which indicates that 92% of ADP deliverables aim to report an on track / completed status. Future quarterly reports will include the projected quarter position alongside the quarter presented for review.

Table 7: Projected 2025/26 Quarter 4 (year-end) position

| Q4 Projected Status | Projection (No.) | Projection (%) |
|--------------------------|------------------|----------------|
| Blue – complete | 3 | 2% |
| Red – significant delay | 2 | 1% |
| Amber – minor delay | 14 | 7% |
| Green – on track | 171 | 90% |
| N/A (closed / no status) | - | - |
| Total | 190 | |

Section I – Equality Impact Assessments (EQIA)

6.21 An EQIA was undertaken collectively for the 2025/26 ADP and Financial Plan.

7 Recommendations

7.1 The Board is asked to approve the Quarter 3 Delivery Report.

a) Have Implications for PSD Scotland been considered?

- ☒ Yes
☐ No

b) Have Educational implications been considered?

- ☒ Yes
☐ No

c) Is there a budget allocated for this work?

- ☒ Yes
☐ No

d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)

- ☒ 1. People Objectives and Outcomes
☒ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes

e) Have key strategic risks and mitigation measures been identified?

- ☒ Yes
☐ No

f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?

- ☒ Yes
☐ No

g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?

- ☒ Yes
☐ No

h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?

- ☒ Yes
☐ No

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

- ☒ Yes
☐ No

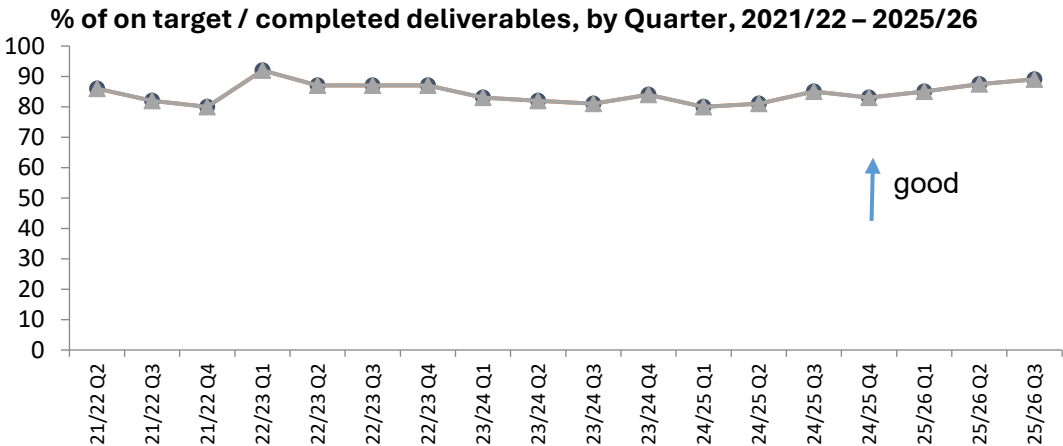
AS / JM / CBi
January 2026
NES

Aim: To provide an overview of progress and highlight key achievements, delays and risks in relation to delivery of the 2025/26 NES ADP.

Delivery Status at 31 December 2025 (Quarter 3)

- 88.5% of deliverables** are completed or on target to be completed in line with ADP milestones at the end of Quarter 3 (Q3) and a further **10%** progressing with minor delays.
- 1% of deliverables** are experiencing significant delay. Mitigating actions have been agreed where possible to bring deliverables back on track.
- The position at 2025/26 Q3 indicates a lower proportion of delayed deliverables in comparison to previous years which is particularly notable given the additional work being delivered across the organisation to support the establishment of Public Services Delivery Scotland (PSD Scotland).

| | Q1 25/26 | Q2 25/26 | Q3 25/26 | Q4 25/26 - Projected |
|--------------------|----------|----------|----------|----------------------|
| Status | | | | |
| Complete | 5 | 3 | 2 | 3 |
| On Track | 159 | 166 | 167 | 171 |
| Minor Delay | 28 | 20 | 19 | 14 |
| Significant Delay | 2 | 1 | 2 | 2 |
| Closed / No Status | - | 3 | 1 | - |
| Total Deliverables | 194 | 193 | 191 | 190 |



Key Achievements (Individual ADP milestone references shown in brackets)

- First phase of Digital Front Door programme (MyCare.Scot) released in NHS Lanarkshire as planned (**NTS 25/26 3**)
- As part of ongoing work to further our role as an Anchor Institution, NES is now an accredited Living Wage Employer (**COR 25/26 2**)
- Dental Vocational Training application numbers are on target to match Scottish Dental School output (September 2026 start) (**DEN 25/26 27**)
- 97% (£118m) of anticipated in-year Scottish Government funding has been received by the end of Q3 (**FIN 25/26 3**).
- NES Medical Directorate Annual Engagement Meeting with General Medical Council held in October 2025 with positive feedback received (**MED 25/26 4**)
- As part of supporting a digitally enabled workforce, organisational dashboards launched for the Digital and Data Capability Framework Self-Assessment Tool (**WF 25/26 26**)
- Pharmacy Foundation Training Year recruitment (2026 intake) concluded with 100% fill rate to the 220 SG funded posts (**PHARM 25/26 2**)
- The Centre for Workforce Supply Social Care team has successfully supported displaced workers into vacancies across Adult Social Care in Scotland during Q3 (**SC 25/26 5**)
- UNCRC Virtual Health Conference held in December 2025 highlighted NES' role as a champion for children's rights in Scotland (**COR 25/26 1**)

Delays and associated impact

Of the two red and 19 amber deliverables identified at 2025/26 Q3, the majority have mitigating actions in place where they are within the scope of NES to take action. Further detail is provided within the report regarding any mitigation that is beyond the scope of NES. Given proximity to 2025/26 year-end, delivery status will be closely monitored and NES Planning will engage with directorates during Q4 as required to support deliverable completion. The impact of the transition to the new PSD Scotland organisation will continue to be monitored alongside 2025/26 delivery.

Corporate Risks Affecting Delivery

The **two** red deliverables reported at Q3 have been reviewed against the NES Corporate Risk Register however the delays are due to factors outwith NES's control and are therefore not aligned to any individual strategic risk.

2 Red Deliverables

Summary of Q3 position and next steps

Deliverable supporting needs of dental technician workforce in Scotland has reported Red at Q3 however this is due to a decision taken by a higher education institution that is outwith NES's control. NES are working to address this issue by engaging with an alternative education provider and awarding body to ensure a new entry level pathway into Dental Technology is created to improve career attraction and widen access into pre-registration dental technology training.

Deliverable supporting Scan for Safety programme has reported Red at Q3 as a result of data issues caused by inconsistencies in upstream systems. This delay is outwith NES's control as the data comes from individual health board systems. An oversight in the design of the Medical Devices Data Hub solution has been identified and NTS colleagues now need to repopulate an associated database. As this work involves patient data NTS have spent Q3 working to mitigate current issues rather than build new functionality.

19 Amber Deliverables - overview

Issues / Decisions outwith NES's control

| | |
|------------------|--|
| Funding | Delay in confirmation of SG funding which impacts NES's ability to deliver planned milestones |
| External factors | <p>Other external circumstances / factors e.g.</p> <ul style="list-style-type: none"> • Additional delivery asks for Digital Front Door • high profile nature of certain projects (Digital Front Door / Digital Learning Infrastructure) |

Issues / Decisions within NES

| | |
|-----------------------|--|
| Capacity | <p>Requirement for NES Technology Service teams to support Digital Front Door programme work during Q3.</p> <p>Other capacity constraints (including resource availability and staff absence) / work contingent on other NES processes</p> |
| Technical issues | Technical complexities associated with individual deliverables |
| Planning and delivery | Individual aspects of milestones taking longer than originally expected / progress reviews identifying additional work required to support delivery |

19 **Amber** Deliverables - overview

Mitigating Actions

Ongoing communication / discussions with SG colleagues to gain clarity in relation to funding delays or changes to commissions / delivery plans - NES Planning working with directorates as required to track delays with any issues to be reported to the Planning & Performance Committee and Board as needed

Amendments to deliverable / milestone wording as a result of changes within our operating environment, including decisions outwith NES's control

Focused work in Q4 to bring deliverables back on track by 2025/26 year-end (within NES and / or with partners and stakeholders as appropriate)

Within NES, alignment to other workstreams / teams to ensure coherence with wider strategic priorities (across both NES and NHS Scotland)

NHS Education for Scotland

NES/26/08

Agenda Item: 08c

Date of meeting: 5 February 2026

NES Public Board Meeting

1 Title of Paper

1.1 Q3 Strategic Risk Update

2 Author(s) of Paper

2.1 Rob Coward, Principal Educator, Planning, Performance & Transformation
Debbie Lewsley, Risk Manager, Planning, Performance & Transformation

3 Lead Director(s)

3.1 Jim Boyle, Director of Finance

4 Situation/Purpose of paper

4.1 The purpose of this report is to present to the Board the quarter three strategic risk update for 2025/26 for review and approval.

5 Background and Governance Route to Meeting

5.1 NES has well established risk management processes which are subject to frequent review by the Executive Team, the audit and Risk Committee, NES Board and the Risk Management Group. Our risk management infrastructure is predominantly in place, with established directorate risk leads, common risk log formant and Risk Management Strategy.

5.2 The new NES Operational Risk Management and Escalation Process was launched in late 2025, which provides a clear, consistent and practical framework for how risks are identified, assessed, managed and escalated across the whole organisation.

- 5.3 Strategic Risks that relate to individual Board Governance Committees' remitted responsibilities are presented quarterly. This allows for consideration of the degree of assurance that the individual risks are being effectively managed by the mitigating controls and planned actions identified.

6 Assessment/Key Issues

6.1 NES Strategic Risk Register

- 6.1.1 The Strategic Risk Register (summary Appendix 1, detail Appendix 2) has been subject to a recent review by the Executive Team and individual risk owners. Within the last reporting period there has been no new risks added to the Strategic Risk Log, however, there has been one risk deescalated, movement to the scoring of several risks and a change of wording to one risk.
- 6.1.2 Strategic Risk 2 – (relating to continued reliance on high levels of non-recurrent funding to support the work of NES). The net likelihood rating has been decreased due to less than 10% of the total budget now being non recurrent funding. This assessment has resulted in the overall net risk rating being decreased from 8 to 4, with the risk now sitting within the agreed Board appetite. The overall control rating has also been reassessed and changed from acceptable to effective.
- 6.1.3 Strategic Risk 5 – (relating to NES not establishing and maintaining adequate corporate infrastructure to support the Transformation Route Map). The net likelihood rating has been decreased due to reevaluated plans that have built on resourcing to be able to deliver against the 3 and 6 month plans ahead of transition into the new organisation and longer term resource secured for the longer term priorities including DLI and LEQS programmes. This assessment has resulted in the overall net risk rating being decreased from 12 to 9, with the risk continuing to sit within the Board risk appetite.
- 6.1.4 Strategic Risk 9 – (relating to NES not putting sufficient measures in place to address ongoing cost and funding pressures). There has been no movement to the risk rating during this reporting period, but this will be monitored closely and reviewed following the Scottish Government Budget and updated in Q4 if appropriate.

- 6.1.5 Strategic Risk 11 – ‘ Poor learning outcomes and learning experience for our stakeholders’. Following an ask by the NES Board the wording of the risk has been reviewed to reflect the current risk profile and changed to ‘Learning outcomes and learning experience for our stakeholders is compromised.’ There has been no movement to the risk rating which is still scored as very high with updates on actions recorded.
- 6.1.6 Strategic Risk 13 – (relating to failure to recruit and retain sufficient number of appropriately skilled and experienced staff within NES). There has been no movement to the risk rating during this reporting period and although NES continues to recruit into existing roles across the organisation the risk continues to be assessed as high as the transition into Public Services Delivery Scotland may still have an impact. The risk will continue to be reviewed on a regular basis.
- 6.1.7 Following approval by the NES Board and Governance Committees Strategic Risk 16 - (relating to the inability to meet core responsibilities and objectives due to HR Performance) has been deescalated to the People and Culture Directorate Risk Log, where it will continue to be managed until fully mitigated.
- 6.1.8 Strategic Risk 17 – (relating to the inability of NES to deliver its Annual Delivery Plan for 2025/26 and to sufficiently plan for the future delivery of its statutory functions due to the uncertainty and resource demands caused by the formation of Public Services Delivery Scotland). Due to 87.5% of the 2025/26 ADP on track for delivery at the end of Q2 and Operational Planning for 2026/27 progressing well, the net likelihood has been decreased. This has resulted in the overall net score decreasing from 16 to 8 with the risk continuing to sit within Board Appetite, the overall control rating has been reassessed as effective.
- 6.1.9 Strategic Risk 18 – (relating to NES being unable to resource the work needed to adopt the national Business Systems Replacement Programme). The net likelihood has been increased due to the programme being behind schedule, this has resulted in the overall net rating increasing from 12 to 16. The risk continues to sit within Board Appetite; however the overall control rating has been reassessed from effective to acceptable.
- 6.1.10 All other Strategic Risks have been reviewed, and additional controls and actions have been strengthened where appropriate to support with the mitigation of individual risk, with updates on actions recorded.

6.1.11 A review of all Strategic Risk owners was also undertaken prior to Q3 reporting with ownership of Strategic Risks 3, 4, 13 and 19 transferred to the Director of People & Culture and Strategic Risk 5 transferred to the Director of Planning, Performance and Transformation.

6.1.12 Table 1 in Appendix 3 provides a summary of the current Net risk exposure across each of the categories within the Strategic Risk Register, with Table 2 providing the last reported position for reference. As can be seen there has been a slight increase to Net risk exposure of Strategic Risks sitting within the Very High rating with a decrease within the High rating and an increase within the Medium and Low ratings during this reporting period. This reflects the decrease of the net risk ratings to Strategic Risks 2, 5 and 17. The NES risk profile's highest percentage of risk continues to sit within the Governance category.

6.2 NES Board Risk Appetite

6.2.1 Presently 33% of Strategic Risks are sitting outwith the Board's risk appetite, this is mainly attributed to the risks within the Financial and governance categories and reflects the Board's highly risk averse appetite in these areas.

6.2.2 Within this reporting period there has been a slight decrease in the percentage of risks sitting outwith appetite, this is a result of the decrease of the net scoring of Strategic Risk 2 which now sits within appetite. Consideration has been given by the risk owner to the gap in Board Appetite for Strategic Risk 7 but, due to the impact this risk would have on NES if it materialised, it was determined that currently it was not appropriate to reduce the risk rating. This remains a high priority and additional controls and actions have been strengthened, and it will continue to be monitored and reviewed on a regular basis.

6.3 Strategic Risks Overall Control Rating

6.3.1 The current overall risk control ratings for each Strategic Risk is shown in Appendix 1. The risks scored as 'Effective' are all within Board Appetite and are scored at a risk rating of 12 or below. The risks scored as 'Acceptable' are either outwith the Board Appetite or scored at a high risk rating of 15 and above and have key mitigating actions to improve the control environment either underway or planned.

7 Recommendations

The NES Board is invited to:

- 7.1 To review and approve the NES Strategic Risk Q3 update and provide any feedback as appropriate.

Author to complete checklist.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have implications for Public Services Delivery Scotland been considered?
☒ Yes
☐ No
- b) Have educational implications been considered?
☒ Yes
☐ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☐ 1. People Objectives and Outcomes
☐ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☒ Yes
☐ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☐ Yes
☒ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☒ Yes
☐ No
- i) Have you considered a staff and external stakeholder engagement plan?
☒ Yes
☐ No

Author name: Rob Coward, Debbie Lewsley, Jim Boyle

Date: January 2026

NES

Summary of Risk Log

| Risk No. | Risk Title | Risk Date | Date due for next review | Gross Total | Net Total | Risk Category | Risk appetite vs net score | Overall Control Assurance |
|----------|--|------------|---------------------------|-------------|-----------|------------------|----------------------------|---------------------------|
| SR1 | NES Strategic Plan does not align with the evolving needs and expectations of stakeholders | 19/04/2023 | 08/03/2026 | 15 | 12 | Strategic | | Effective |
| SR2 | Continued reliance on high levels of non-recurrent funding to support the work of NES. | 19/04/2023 | 04/03/2026 | 20 | 4 | Finance | | Effective |
| SR3 | Failure to recruit and retain sufficiently experienced and knowledgeable people to the Board, Executive Team and senior management establishment | 19/04/2023 | 04/03/2026 | 16 | 16 | People/Workforce | | Acceptable |
| SR4 | NES staff become disengaged | 19/04/2023 | 04/03/2026 | 16 | 12 | People/Workforce | | Effective |
| SR5 | NES does not establish and maintain adequate corporate infrastructure to support the Transformation Route Map. | 19/04/2023 | 08/03/2026 | 16 | 9 | People/Workforce | | Effective |
| SR6 | Failure to develop and maintain adequate Business Continuity arrangements to deal with the risk of adverse events and threats | 19/04/2023 | 11/03/2026 | 16 | 9 | Governance | Gap 4 | Acceptable |
| SR7 | Failure to put in place measures to adequately protect against breaches of cyber security | 19/04/2023 | 11/03/2026 | 20 | 15 | Governance | Gap 10 | Acceptable |
| SR8 | Failure to put sufficient employee training and other operational controls in place to minimise the risk of breaches of Information Governance | 19/04/2023 | 11/03/2026 | 20 | 8 | Operational | | Effective |
| SR9 | NES does not put sufficient measures in place to address ongoing cost and funding pressures leading to misalignment with Scottish Government priorities and expectations. | 19/04/2023 | 04/03/2026 | 25 | 8 | Finance | Gap 3 | Acceptable |
| SR10 | Failure to adequately anticipate and mitigate the impacts of policy, legislative, economic, technological and societal change | 19/04/2023 | 08/03/2026 | 16 | 16 | Strategic | | Acceptable |
| SR11 | Learning outcomes and learning experience for our stakeholders is compromised. | 19/04/2023 | 09/02/2026 | 20 | 20 | Operational | Gap 4 | Acceptable |
| SR12 | Insufficient investment in Digital Learning Infrastructure Programme and other NES learning platforms. | 19/04/2023 | 11/03/2026 | 20 | 15 | Operational | | Acceptable |
| SR13 | Failure to recruit and retain sufficient number of appropriately skilled and experienced staff within NES. | 19/04/2023 | 04/03/2026 | 16 | 16 | People/Workforce | | Acceptable |
| SR14 | Inadequate Board governance, systems, processes and scrutiny of them. | 19/04/2023 | 08/03/2026 | 15 | 4 | Governance | | Effective |
| SR15 | NES is not an evidence based data driven organisation, lacking intelligence and insights from its Information Assets. | 14/12/2023 | 11/03/2026 | 12 | 6 | Governance | Gap 1 | Acceptable |
| SR16 | Inability to meet core responsibilities and objectives due to HR Performance. Nov 2025 - Risk Deescalated to People & Culture Directorate Risk Log. | 03/12/2024 | Risk Deescalated Nov 2025 | 20 | 9 | People/Workforce | | Effective |
| SR17 | Inability of NES to deliver its Annual Delivery Plan for 2025/26 and to sufficiently plan for the future delivery of its statutory functions due to the uncertainty and resource demands caused by the formation of Public Services Delivery Scotland. | 17/07/2025 | 08/03/2026 | 20 | 8 | Strategic | | Effective |
| SR18 | NES will be unable to resource the work needed to adopt the national Business Systems Replacement Programme | 17/07/2025 | 04/03/2026 | 20 | 16 | Operational | | Acceptable |
| SR19 | NES unable to govern and discharge its responsibilities as Lead Employer. | 17/07/2025 | 04/03/2026 | 20 | 16 | Governance | Gap 11 | Acceptable |

STRATEGIC RISK 1

| | | | | | | |
|--|--|---|----------------------------------|----------------|-------|-----------------------|
| Risk no: | SR1 | | | | | |
| Risk Short Title: | NES Strategic Plan does not align with the evolving needs and expectations of stakeholders | | | | | |
| Risk Owner: | Karen Reid | Date Added to Register: | 19/04/2023 | | | |
| | | Review Date: | 08/03/2026 | | | |
| | | Frequency of Review: | Quarterly | | | |
| | | Committee/Group overseeing | Planning & Performance Committee | | | |
| Risk Category(s) | Strategic | Reputational | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 9 | Medium | | Open | 12-16 | |
| 03/07/2025 | 12 | High | ↑ | | | |
| 29/09/2025 | 12 | High | ↔ | | | |
| 08/12/2025 | 12 | High | ↔ | | | |
| | - | | | | | |

| | | | | | |
|--------------------|------------------------|------------------|----------------------|---------------------------------|-------|
| Gross Impact (1-5) | Gross Likelihood (1-5) | Net Impact (1-5) | Net Likelihood (1-5) | Board Risk Appetite v Net Total | |
| 5 | 3 | 3 | 4 | Open | 12-16 |
| Gross Total: | 15 | Net Total: | 12 | High | 12 |

| | |
|--------------------------|-----------|
| Existing control rating: | Effective |
|--------------------------|-----------|

| | | | |
|--|--|--|------------------------------|
| Cause: | | Effect: | |
| NES Strategic Plan does not align with the needs and expectations of stakeholders | | This could lead to a failure of the NHS and social care workforce's ability to respond to the existing and changing health and social care needs of Scotland's population In light of the Scottish Government announcement to bring together NES and NSS and potentially other national functions into a new organisation NES will develop its 2026/27 Annual Delivery Plan aligning with the current NES Strategy (development to be stopped) to ensure that the new organisation can take forward development of its own strategy while ensuring NES statutory functions are delivered to meet stakeholder needs and requirements. | |
| | | Result: This could result in high levels of dissatisfaction with the role of NES and loss of credibility as the statutory education, training, workforce development, data and technology provider in health and social care in Scotland. It could also mean that the health and social care workforce do not have the necessary skills and knowledge to meet the needs of the population. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Revised NES Strategic Plan clearly articulates the importance of education and training to a sustainable workforce and has been widely consulted upon | Effective - Consultation report and approval recorded in minutes. Associated Strategic | 1. Executive engagement sessions with Territorial Health Boards, Health & Social Care Partnerships, Scottish Government, Social Care Sector and Academia to develop relationships and understanding of needs. | Ongoing |
| 2. Annual Operating Plan, incorporating desired outcomes, forms the baseline for organisational activities | Effective - Approved by Exec Team and shared with NES Board and recorded in minutes.KPIs | 3. Ongoing SG engagement and commissions to NES for social care workforce education and training | Ongoing Yearly Submission |
| 3. Development of focused communications to support management of stakeholder expectation in relation to NES capacity to deliver and support new systems development. | Effective - Communication Strategies and associated Action Plans. | 4. Stakeholder Survey - stakeholders needs and expectations will be considered and analysed and will be reported to the November Board and will inform a refreshed Communications Plan. Update Dec 2024 - Analysis of the Stakeholder Survey 2024 has identified a number of areas for NES to focus on in order to align with the evolving needs and expectations of stakeholders. Feedback has suggested that whilst awareness of NES is relatively high, actions should go towards improving customer satisfaction. A report was presented to the November NES Board which highlighted the analysis and consequent action plan, including the need to: improve communications, create a consistency and cohesion of branding, develop a once for NES approach to communications and marketing and monitor and evaluate progress. Update March 2025 - NPS survey to go to stakeholders in Quarter 1. Update July 2025 - NES Comms activities will be coordinated with the establishment of the new organisation that integrates NES and NSS into a new National Board, Public Services Delivery Scotland. It has been agreed that the planned NPS Survey in Q2 will not go ahead due to the aforementioned announcement. Update Sept 2025 - Position continues with respect to joint work between NES, NSS and Scottish Government in relation to Public Services Delivery Scotland. Agreed with NES Board to undertake no further survey activity. | On Hold |
| 4. 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. | Effective - Actively monitor trainees progression through their ARCP process. | 5. Regular Temperature Checks undertaken to ensure we are meeting the needs of all of our stakeholders. Update July 2025 - NES Comms activities will be coordinated with the establishment of the new organisation that integrates NES and NSS into a new National Board, Public Services Delivery Scotland. It has been agreed that the planned NPS Survey in Q2 will not go ahead due to the aforementioned announcement. Update Sept 2025 - Action closed to be reviewed next financial year. | On Hold |
| 5. The implications for NES from the establishment of the National Care Service are discussed with our Sponsor Directorate and Health & Social Care Directorate to allow for forward Planning | Effective - Ongoing discussions with sponsorship team and tripartite group meetings minuted. | 6. Agreed approach to meeting the Consumer Duty is being implemented. Update July 2025 - HIS recommended approach for Boards presented to NES Board during development session in April 2025. Agreed to progress in line with NHS service change guidance. Update Sept 2025 - Action closed approach agreed by NES Board. | Closed |
| 6. Involving People and Communities Policy Implemented. | Not Tested | 7. Communication and Engagement Plan being developed for new NES Strategy 2026 - 31, which will include internal and external stakeholders. Update July 2025 - Following announcement of the establishment of Public Services Delivery Scotland the NES Strategy Comms and Engagement suspended, however Communication and Engagement Plan developed to support the transition to the new organisation. Update Sept 2025 - Communication and Engagement Strategy developed with NSS colleagues for Public Services Delivery Scotland project. Internal and external NES related comms continue to be planned and delivered in line with business needs. Update Dec 2025 - Communication and Engagement Plan for Public Services Delivery Scotland Project developed and Communication & Engagement workstream has active involvement from NES alongside NSS and Scottish Government colleagues. | 31/03/2026 |

STRATEGIC RISK 2

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|--|--|---|------------------------|----------------|-----|-----------------------|--|
| Risk no: | SR2 | | | | | | |
| Risk Short Title: | Continued reliance on high levels of non-recurrent funding to support the work of NES. | | | | | | |
| Risk Owner: | Jim Boyle | Date Added to Register: | | 19/04/2023 | | | |
| | | Review Date: | | 04/03/2026 | | | |
| | | Frequency of Review: | | Quarterly | | | |
| | | Committee/Group overseeing | | NES Board | | | |
| Risk Category(s) | Finance | | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite | |
| 04/03/2025 | 8 | Medium | | Averse | 1-5 | | |
| 06/06/2025 | 8 | Medium | ↔ | | | | |
| 12/09/2025 | 8 | Medium | ↔ | | | | |
| 04/12/2025 | 4 | Low | ↓ | | | | |
| | - | | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 4 | 5 |
| Gross Total: | 20 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 4 | 1 |
| Net Total: | 4 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-----|
| Averse | 1-5 |
| Low | 4 |

| | |
|---------------------------------|------------------|
| Existing control rating: | Effective |
|---------------------------------|------------------|

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|---|--|---|------------------|
| Cause: | | Effect: | |
| NES continues to experience a disproportionate amount of non-recurrent funding, without conversion to recurrent funding | | We will have to rely on a high number of short-term and fixed-term contracts of employment in NES | |
| | | Result: | |
| | | This will result in continued workforce instability and could also result in failure to adequately deliver the NES Strategic Plan and respond to the commission requirements of Scottish Government. This situation seriously compromises our ability to maintain a workforce that has the right capacity and capability | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. NES Exec Team maintain strong engagement with relevant leads at Scottish Government, as well as with the Sponsorship Team | Effective - Meetings take place fortnightly and quarterly and minuted. | 1. Baselining and bundling impact will be assessed when proposals are made available by the Scottish Government, and will be reported to the Board at the earliest opportunity Update Nov 2023 - This is more likely to impact on 2024/25. Update June 2024 - This will be determined following SG deliverable workshops. Update Sept 2024 - Allocation letter received in July 2024 confirmed that £103m of funding will be moved from non-recurrent to baseline during 2024/25. That letter also confirmed 81% of expected allocations for 2024/25. Update Dec 2024 - Allocation letter received in Oct 2024 confirmed £108m will be moved from non-recurrent to baseline in this financial year. Update March 2025 - Scottish Government Deliverable Agreement Workshops scheduled for March/April 2025, these will help to advance discussions on funding. Update June 2025 - Awaiting confirmation from Scottish Government on dates for rescheduling workshops. Update Sept 2025 - Scottish Government confirmed workshops will no longer be going ahead, due to the ongoing work in establishing Public Services Delivery Scotland - Action Closed. | Closed |
| 2. Quarterly meetings with Scottish Government Health Finance Team and informal ad hoc meetings weekly. | Effective - Quarterly letter received following meetings. | 2. Any requests by Scottish Government to decommission any work streams will be fully considered by the Executive Team, considering education and training impacts, as well as staffing and financial implications | Ongoing |
| 3. 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, DofS and HRDs. | Effective - Minutes of meetings. | 3. NES will be involved in discussions with SG policy teams, the Sponsorship Team and NHS Health. Finance to determine what existing non-recurrent funding can be moved to the NES baseline and how outcomes can be shaped to fit with any revised baseline. Update June 2024 - SG have set up deliverable workshops in May and June with policy and finance teams with NES to discuss the move of non-recurring funding to baseline. Transfers to baseline will be confirmed in our allocation letter during the year. Update August 2024 - Allocation letter received in July 2024 confirmed that £103m of funding will be moved from non-recurrent to baseline during 2024/25. That letter also confirmed 81% of expected allocations for 2024/25. Update Sept 2024 - Letter from Cabinet Secretary to Parliament Finance Committee reviewed to determine any potential implications for NES and these have been assessed as minimal at present. Update Dec 2024 - Further mitigation provided following Deliverable Workshops with SG policy teams, which indicated further conversions to recurrent funding in future years. Update June 2025 - Significant amount £113M already moved to baseline with discussions ongoing for further transfers. Update Sept 2025 - Further discussions to take place later in the year. Update Dec 2025 - Regular ongoing discussions. | Ongoing |
| 4. Chief Executive and NES Directors maintain links with other UK organisations | Effective - Outcomes of meetings recorded. | | |
| 5. Executive Team actively and regularly consider risk in extending posts and in converting posts to permanent. Funding is carefully considered as part of these decisions | Effective - recorded in minutes. | | |

STRATEGIC RISK 3

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|--|--|--|------------------------|----------------------------|-------|-----------------------|
| Risk no: | SR3 | | | | | |
| Risk Short Title: | Failure to recruit and retain sufficiently experienced and knowledgeable people to the Board, Executive Team and senior management establishment | | | | | |
| Risk Owner: | Sybil Canavan | Date Added to Register: | | 19/04/2023 | | |
| | | Review Date: | | 04/03/2026 | | |
| | | Frequency of Review: | | Quarterly | | |
| | | Committee/Group overseeing | | Staff Governance Committee | | |
| Risk Category(s) | People/Workforce | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 8 | Medium | | Open | 12-16 | |
| 03/07/2025 | 16 | High | ↑ | | | |
| 29/09/2025 | 16 | High | ↔ | | | |
| 04/12/2025 | 16 | High | ↔ | | | |
| | - | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 4 | 4 |
| Gross Total: | 16 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 4 | 4 |
| Net Total: | 16 |

| | |
|--|-------|
| Board Risk Appetite v Net Total | |
| Open | 12-16 |
| High | 16 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

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|---|--|---|------------------|
| Cause: | | Effect: | |
| NES fails to recruit and retain sufficiently experienced and knowledgeable people to the Board, Executive Team and senior management establishment due to insufficient recruitment and succession planning | | This would impact the continuity of effective leadership, management and governance of NES | |
| | | Result: | |
| | | This would result in a deterioration of NES performance and credibility at all levels and would increase the risk of serious failures in governance | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. NES has access to a wide pool of nationwide talent in terms of non-executive recruitment and has a robust process and a good track record for attracting high quality candidates when Board vacancies occur. | Effective - Process in place including Aspiring Chair Programme. | 1. Succession planning exercise covering cohort of executive and senior management roles has resulted in risk rating each role based on identifying potential internal candidates within a 2 year period of being ready for the role. Internal candidates are producing development plans which they and their line manager will regularly review supported by ODLL. A second cohort of senior management roles has been identified and a further succession planning exercise will take place. Update March 2025 - Paper been developed that will go to the Executive Team in April that outlines streamlining the process with the requirements of our PRP processes and takes account of the National Succession Planning approach. The Succession Planning cycle will mean that by July 2025 we will understand the picture in relation to risk rating. Update July 2025 - The NES Succession Planning Approach for financial year 2025/2026 was approved by Executive Team on 8 April 2025. The approach will align fully with the NES Personal Review and Planning (PRP) period and appraisal systems and utilise the National Succession Planning tools within the Senior Leadership Gateway. The staged processes will result in readiness ratings for each of the roles, enabling areas of risk to be identified and mitigations to be developed by the following report in August. All information to support succession planning will be shared appropriately to support the new organisation. Update Sept 2025 - Outcome of the 2025/26 succession planning process was presented and approved by ET on 1 Sep 25. Update Dec 2025 - The final NES Succession Plan for 25/26 was agreed by ET in September. Those identified in the Succession Plan have a Personal Development Plan (PDP) in place to support any areas to develop and this is overseen by their line manager. Given the circumstances of the move towards Public Services Delivery Scotland there is less emphasis and focus on succession planning currently however a firm commitment to development continues. A new Public Services Delivery Scotland Succession Plan will be picked up as part of the planning and arrangements for the new organisation post April 2026. | 31/04/2026 |
| 2. NES recruits executives and senior managers from across the public and private sectors to ensure a wide spread of skills and experience in its senior leadership. | Effective - Data available from recruitment system dependent on recruitment route. | | |
| 3. A programme of executive and senior manager development and succession planning is in place to make sure that those in post are given the opportunity to develop in the role, and to acquire new professional skills and experience. This includes mapping of key roles; a process to identify potential successors; work with potential successors on individual development plans. | Effective - PDP and Annual Reviews. | 2. The Non-Executive Board Skills and Experience Matrix is updated on an annual basis. Update Sept 2024 - This is currently being updated. Update Dec 2024 - Annual Update completed October 2024. Update July 2025 - Following the announcement of Public Services Delivery Scotland being established from 1st April 2026, changes are expected in respect of Board membership. Dissolution of the NES Board and the establishment of the new Board structure will be coordinated through the Scottish Government led project team. Update Sept 2025 - Skills matrix continues to be in place however no changes expected in the run up to Public Services Delivery Scotland. Update Dec 2025 - No changes to Board membership anticipated ahead of transition to Public Services Delivery Scotland and skills matrix remains in place and up to date. Succession planning arrangements remain in place for key senior roles. | Ongoing |
| 4. Senior leaders are encouraged to participate in a wide range of national professional networking groups to make sure they have access to best practice across the sector. | Effective - Minutes of meetings/events attended. | 3. Successful appointment of Dental Director and Postgraduate Dean, effective from 1st January 2025. Recruitment process for Director of People and Culture Vacancy in progress. Update Dec 2024 - Recruitment process for Director of People and Culture vacancy to commence 13/01/2025. Update March 2025 - Targeted head hunting for Director of People and Culture ongoing. Update May 2025 - Round 2 of recruitment process for Director of People and Culture progressing. Update June 2025 - Successful appointment of Director of People and Culture with confirmed start date 1st Sept 2025. Update Sept 2025 - Action Closed - Director of People and Culture now in post. | Closed |
| 5. The non-executive director membership of the Board and the Co-opted membership of the Board Committees, reflects the correct skills and experience required to govern the organisation. | Effective - The Non-Executive Board Skills and Experience Matrix | | |
| 6. Members are Co-Opted annually to cover and any skills and experience gaps on the EQC and the TIC | Effective - ToR's, membership, committee annual reports and minutes of meetings. | | |

STRATEGIC RISK 4

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|---|-----------------------------|---|---------------------------------|-----------------------|------------------------------|
| Risk no: | SR4 | | | | |
| Risk Short Title: | NES staff become disengaged | | | | |
| Risk Owner: | Sybil Canavan | Date Added to Register: | 19/04/2023 | | |
| | | Review Date: | 04/03/2026 | | |
| | | Frequency of Review: | Quarterly | | |
| | | Committee/Group overseeing | Staff Governance Committee | | |
| Risk Category(s) | People/Workforce | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑, ↔, ↓) | Board Appetite | Within Board Appetite |
| 03/03/2025 | 6 | Medium | | Open | 12-16 |
| 03/07/2025 | 12 | High | ↑ | | |
| 29/09/2025 | 12 | High | ↔ | | |
| 04/12/2025 | 12 | High | ↔ | | |
| | - | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 4 | 4 |
| Gross Total: | 16 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 3 | 4 |
| Net Total: | 12 |

| | |
|--|-------|
| Board Risk Appetite v Net Total | |
| Open | 12-16 |
| High | 12 |

Existing control rating: **Effective**

| | | | |
|---|--|--|------------------------------|
| Cause: | | Effect: | |
| NES does not adequately engage with its employees, or does not adequately provide for its wellbeing and pastoral care of staff and trainees for whom we have responsibility for. | | There could be a breakdown in understanding of the roles that employees play and the contributions that are expected of them in the delivery of the Strategic Plan and the individual Directorate Operational Plans | |
| Result: | | That could result in a significant deterioration in NES' ability to deliver on those plans | |
| Control: | Effectiveness: | Actions: | Date Due: |
| 1 - Strong partnership working arrangements in place and maintained through regular contact with the Employee Director and via the Change Management Programme Board. | Effective - Minutes of Partnership Forum and Change Management Programme Board. | 1. iMatter action plans by iMatter Teams are completed and submitted annually. Update Sept 2024 - This year our response rate was 87% (88% in 2023) and our Employee Engagement Index (EEI) score was 84 (85 in 2023). There were 213 iMatter teams included this year and 185 also submitted an action plan which is an improvement on last year (172 of 207 teams). Update Dec 2024 - The overall response rate and EEI remained consistently high for NES compared to the 2023 survey results. Our EEI continues to also be the highest across NHS Scotland. Update July 2025 - This year our rate was 90% that is up from 87% last year and our EEI score has stayed the same, Action Plans to be completed by end of August 2025. Update Sept 2025 - Action plan completion rate is 90% Update Dec 2025 - The National 2025 iMatter data has been published online and preparation for the next cycle is underway | Ongoing Yearly Submission |
| 2 - Communication plan to be a key focus on all organisational change projects. | Effective - Plan approval route recorded in minutes. | 2. Continue to monitor attendance at monthly directorate townhalls/webinars. Update Sept 2024 - Attendance figures for last 3 webinars - 468,433,434. Q&A's from all sessions are shared with all NES staff by NES Comms Team. Update Nov 2024 - 83 attended Sept Sustainability Webinar and 126 attended Speak Up Week Oct Webinar. Update March 2025 - 358 attended Christmas Webinar (Dec 2024) and 306 attended AI Webinar (March 2025). Update July 2025 - 531 & 414 attended the Westport Relocation Webinars (April 2025), 461 attended Finance/Future Priorities Webinar (April 2025), 367 attended the Transformation update (May 2025) and 182 attended the Health Inequalities Webinar (June 2025). 872 staff attended the June 2025 CEO Briefing re Public Services Delivery Scotland and 336 attended the CEO Drop in Session in June 2025. Update Sept 2025 - 296 attended the August Strategic Collaboration Webinar and between 379 and 474 attended the CEO Drop in Sessions that were held in July, August and September 2025. Update Dec 2025 - 110 attended October Speak Up Week Webinar, 181 attended the December CIP All Staff Update and 389 attended the NES All Staff Christmas Webinar. Between 320 and 481 attended the CEO Drop in Sessions that were held in October, November and December 2025. | Ongoing |
| 3 - Strong focus on communication and visibility, both at a corporate and directorate level through, for example, monthly directorate townhalls and executive led webinars enabling 2 way participation. | Effective - Townhalls, webinars and talking heads. | 3. Increase all staff communications via intranet. Update July 2025 - Staff communications have increased following the Public Services Delivery Scotland announcement. Weekly CEO drop-in update staff and gather feedback, while ET Roadshows across NES sites will provide insights to inform decisions. Update Sept 2025 - Frequent staff communications continue through webinars, emails, drop in sessions and ET on the road sessions, with good uptake from staff. Update Dec 2025 - We continue to communicate with staff via the CEO drop-in sessions, ET on the road sessions, webinars, emails and the intranet. A new shared intranet site for NES and NSS is in development and will be a further channel to engage with staff. 4. NES Comms are given the results of the NES biannual inclusion survey to provide feedback and enable appropriate action. Update July 2025 - NES Corporate Communications is collaborating with the EDI Lead to determine how to share the previous inclusion survey results. Update Dec 2025 - Comms issued in summer and December survey issued to all staff, analysis by EDI team will be shared in Q4. | Ongoing 31/03/2026 |
| 4 - Strong focus on support to line managers through the line managers network. 5 - Organisational priority to complete team action plans resulting from annual iMatter NHS Scotland employee survey exercise. | Effective - Line Managers Handbook - and Line Managers Network Effective - Action Plans recorded and progress reported to Board and Governance Committees and recorded in minutes. | 5. Maintain focus through Operational Planning on reasonable expectations of staff in a constrained fiscal environment. Update March 2025 - Ongoing Action Update July 2025 - Focus on expectations now maintained on both fiscal and the uncertain environment. Update Sept 2025 - Operational Planning Guidance for 2026/27 provides clear and consistent messages for staff to support their planning process. Update Dec 2025 - Via the 26/27 Op Plan process Directorates were asked to identify the capability implications of their deliverables and prioritise organisational learning needs. This aligns with the NES Organisation Development Plan 2023-26 which includes an annual "Building our Capabilities" plan. 6. ET, SIG and SOLG Development Days scheduled for November 2024 and February 2025. Update Dec 2024 - November session taken place, feedback and outcomes of session to be discussed at ET in January 2025. Update March 2025 - Planning session been undertaken and next development session scheduled April 2025. Update July 2025 - Further session taken place on 27th June 2025, with positive feedback received from attendees. Next session scheduled 29th August 2025. Update Sept 2025 - ET, SIG and SOLG development sessions continue to be delivered regularly with continuing positive feedback from attendees. Update Dec 2025 - Proactive communication activities to support staff engagement continue through regular webinars, townhalls and the use of Viva Engage as well as focussed development sessions for specific staff cohorts. | Ongoing 31/03/2026 |
| 6 - Wellbeing Matters Hub launched on 22 March 2024. This is a one-stop shop for health and wellbeing. The Hub is hosted on TURAS and provides resources offering information, practical tools, and top tips around the four pillars of wellbeing: healthy work, healthy mind, healthy life, and healthy body. 7 - NES biannual inclusion survey to include communication measure. | Effective - Monthly all staff communications informing staff of any changes and future events/resources. Effective - Results of survey shared with ET and Staff Governance Committee and action plans implement including the Anti Racism Plan. | 7. CEO staff drop in session webinars been established for all staff and regular Employee Director surgeries. Update Sept - Regular CEO staff drop in sessions and Employee Director surgeries continue to be facilitated with positive attendance and feedback. Update Dec 2025 - Regular CEO staff drop-in sessions and Employee Director surgeries continue to be facilitated with positive attendance and feedback. 8. Public Services Delivery Scotland Staff Consultation underway and supporting Trade Unions and individual Directorates and members of staff to participate in consultation. | 31/03/2026 28/02/2026 |

STRATEGIC RISK 5

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|--|--|--|------------------------|----------------------------------|-------|-----------------------|
| Risk no: | SR5 | | | | | |
| Risk Short Title: | NES does not establish and maintain adequate corporate infrastructure to support the Transformation Route Map. | | | | | |
| Risk Owner: | Christina Bichan | Date Added to Register: | | 19/04/2023 | | |
| | | Review Date: | | 08/03/2026 | | |
| | | Frequency of Review: | | Quarterly | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | |
| Risk Category(s) | People/Workforce | Reputational | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 9 | Medium | | Open | 12-16 | |
| 03/07/2025 | 12 | High | ↑ | | | |
| 29/09/2025 | 12 | High | ↔ | | | |
| 08/12/2025 | 9 | Medium | ↓ | | | |
| | - | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 4 | 4 |
| Gross Total: | 16 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 3 | 3 |
| Net Total: | 9 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-------|
| Open | 12-16 |
| Medium | 9 |

| | |
|---------------------------------|-----------|
| Existing control rating: | Effective |
|---------------------------------|-----------|

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|--|---|--|------------------|
| Cause: | | Effect: | |
| NES does not have in place a corporate infrastructure to support business processes in relation to the improvement programme including HR, Finance and the PMO. This includes not having the right number of people, suitably skilled, as well as having the right systems and other resources to drive improvements in transformation and best value. | | NES might not adequately deliver the aims of its own Strategic Plan or the external commissions agreed with the Scottish Government | |
| | | Result: | |
| | | This could result in NES having insufficient corporate infrastructure staff to support delivery of the AOP, Transformation Activity and potential efficiency savings. Resulting in reputational damage and impact on stakeholder engagement. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Workforce Planning takes place alongside AOP processes so that resourcing can be aligned on an annual basis. | Effective - Recorded in AOP documentation. | 1. Ongoing Process with Corporate Radar | Ongoing |
| 2. In year changes to resourcing are made in alignment with in year consideration of new projects through the Corporate Radar process. | Effective - Corporate Radar projects considered at ET and recorded in minutes. | | |
| 3. Post prioritisation process considers requirements of Transformation Projects. | Effective - Issues associated with funding posts required to deliver the AOP/Corporate Radar projects discussed at ET and outcomes recorded in minutes. | 2. Digital Prioritisation Process - ensuring capacity is aligned to requirements. Update July 2025 - Capacity review of NTS requested by CEO being undertaken with a view to completion mid July 2025. Update Sept 2025 - Digital Prioritisation Process complete, some areas of delivery risk identified and being actively managed. Regular reporting of delivery progress to Executive Team established. Update Dec 2025 - Action Closed 2025/26 process complete. Digital asks required in 2026/27 captured within Operational Planning. | Closed |
| 4. Recruitment authorisation and other recruitment processes strengthened with the aim of achieving a more efficient, risk-based approach reducing time across NES and, all things being equal, reducing the time to recruit new staff. | Effective - ET sub group in place with timely homogeneous and communication of decisions. | 3. Implement accelerated recruitment process as approved by ET 13/08/2024 (exception ET roles) In October 2024 and in Jan 2025 carry out a 3 months post implementation evaluation for update to the ET. Update March 2025 - An initial evaluation of the Accelerated Recruitment process has been conducted to provide insights into the experiences of Hiring Managers. The average timescale of business case to job advertisement has reduced from 45 to 15 days with positive feedback being received from Directorates. A further in depth analysis is planned for April 2025. Update July 2025 - An in-depth analysis will now take place in October 2025 to allow a full calendar year of data to be analysed. East Region and NES meet frequently to discuss the recruitment data such as Time to Hire. Update Dec 2025 - Paper presented to ET in November 2025, and they noted a marked improvement in performance. | 31/03/2026 |
| 5. Ongoing discussions with Scottish Government regarding commissioned activity and the baselining of non-recurrent allocations where appropriate. Corporate process to ensure centralised view of new commissions and impact on infrastructure in place. | Effective - Corporate Radar in place and deliverable agreements with SG. | 4. NES responds to establishment of Public Services Delivery Scotland stood up with identification of Project Lead and key support roles. Engagement in delivery established through Scottish Government led Project Team. Internal governance approach for NES critical areas being developed with view to establishment from August 2025. Update Sept 2025 - Internal Governance arrangements established with Programme Board meeting monthly in addition weekly updates provided to the Executive Team. Update Dec 2025 - Internal arrangements continue along with significant NES involvement in Scottish Government led project workstreams | 31/03/2026 |
| 6. Temporary expanded resources to support PMO and corporate improvement through Project Based Development Opportunities. | Effective - Register of all applicants held. | 5. CIP Governance arrangements reviewed in light of programme maturity and Transformation Group disestablished. Reporting through ET, SIG and SOLG as appropriate will ensure robust scrutiny and successful implementation. | Closed |

STRATEGIC RISK 6

| | | | | | | | | |
|--|---|--|--|----------------------------------|--|----------------|-----|-----------------------|
| Risk no: | SR6 | | | | | | | |
| Risk Short Title: | Failure to develop and maintain adequate Business Continuity arrangements to deal with the risk of adverse events and threats | | | | | | | |
| Risk Owner: | Christopher Wroath | Date Added to Register: | | 19/04/2023 | | | | |
| | | Review Date: | | 11/03/2026 | | | | |
| | | Frequency of Review: | | Quarterly | | | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | | | |
| Risk Category(s) | Governance | Operational | | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 9 | Medium | | | | Averse | 1-5 | |
| 13/06/2025 | 9 | Medium | | ↔ | | | | |
| 01/10/2025 | 9 | Medium | | ↔ | | | | |
| 11/12/2025 | 9 | Medium | | ↔ | | | | |
| | - | | | | | | | |

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|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 4 | 4 |
| Gross Total: | 16 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 3 | 3 |
| Net Total: | 9 |

| | |
|--|-----|
| Board Risk Appetite v Net Total | |
| Averse | 1-5 |
| Medium | 9 |

| | |
|---------------------------------|------------|
| Existing control rating: | Acceptable |
|---------------------------------|------------|

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|---|---|--|------------------|
| Cause: | | Effect: | |
| NES does not put in place and maintain adequate Business Continuity arrangements to deal with the risk of adverse events and threats, both internal and external threats, e.g. national or global pandemics, power supply outages, and other events | | There may be an inability to deliver normal levels of service, or even an inability to deliver services at all in extreme circumstances. | |
| | | Result: | |
| | | This could result in failure to achieve strategic outcomes. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Disaster Recovery Plan and Business Continuity Plans have been approved by the Executive Team. | Effective - approval recorded in minutes. | 1. Evidence of a cloud data recovery to be presented to the NES Assurance Forum Update Oct 2025 - External consultancy has been engaged to catalogue the NES network architecture and associated hypercloud. Report is expected at end of Oct 2025, work on the associated workplan will be completed by the end of November 2025. Update Dec 2025 - Report will be presented to the NES Assurance Forum in January 2026. | 31/03/2026 |
| 2. The plans were robustly tested in a desktop exercise and recommendations were considered by the ET and incorporated into the current version of the plans. | Effective - Exercise formally documented and recorded in minutes. | | |
| 3. NTS have agreed to an internal audit on BCP on an emphasis on disaster recovery on cloud data, audit to commence September 2024. | Effective - Audit presented to ARC and documented in minutes | | |
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STRATEGIC RISK 7

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|--|---|--|----------------------------------|----------------|-----|-----------------------|
| Risk no: | SR7 | | | | | |
| Risk Short Title: | Failure to put in place measures to adequately protect against breaches of cyber security | | | | | |
| Risk Owner: | Christopher Wroath | Date Added to Register: | 19/04/2023 | | | |
| | | Review Date: | 11/03/2026 | | | |
| | | Frequency of Review: | Quarterly | | | |
| | | Committee/Group overseeing | Planning & Performance Committee | | | |
| Risk Category(s) | Governance | Operational | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 15 | High | | Averse | 1-5 | |
| 13/06/2025 | 15 | High | ↔ | | | |
| 01/10/2025 | 15 | High | ↔ | | | |
| 11/12/2025 | 15 | High | ↔ | | | |
| | - | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 5 | 4 |
| Gross Total: | 20 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 5 | 3 |
| Net Total: | 15 |

| | |
|--|------------|
| Board Risk Appetite v Net Total | |
| Averse | 1-5 |
| High | 15 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

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|--|---|---|------------------|
| Cause: | | Effect: | |
| NES does not put in place measures to adequately protect itself against breaches of cyber security | | This could lead to unauthorised access to NES digital systems and data | |
| | | Result: | |
| | | This could significantly affect our ability to continue normal business operations and would risk reputational damage and the imposition of punitive financial fines by regulatory authorities | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Digital team ensures firewall logs, including changes to the firewall rule base, are added to the (Security Information and Event Management) SIEM tool in use and continue to be monitored frequently | Effective - The standard build for end user Windows devices and servers has been documented in the Windows 10 Endpoint Security Standards and in the VMWare tool for servers. | 1. Continue to use the NIS Audit framework to manage and build on NES' cyber security posture. - Ongoing Update June 2025 - Action Complete and added as a control. | Closed |
| 2. Senior Management and Executive level involvement and oversight of Cyber security related risk through updates in the Technology and Information Committee and Audit & Risk Committee meetings and through the NES Assurance Group. | Effective - Minutes of NES Assurance Group shared with TIC and ARC. | 2. Review our early adopter status for the NHSS Security Operations Centre (Dundee). Update Sept 2024 - In progress Update Dec 2024 - In progress Update June 2025 - In progress Update Oct 2025 - In progress - Engagement with Cyber Centre of Excellence (CCoE) and adoption of services is ongoing in line with CCoE service capacity and strategic roadmap. NES cyber security attend monthly CCoE operational steering group meetings | Ongoing |
| 3. Staff awareness of Cyber security matters is raised through information security webinars provided by the Information Security Manager, which includes phishing emails and security regarding the use of public Wi-fi, reporting security breaches and determining key NES contacts, password guidance, information / data management under GDPR as well as analysing key current trends in Cybercrime. | Effective - Attendance numbers available/ number of security breaches recorded and reported to NES Assurance Group and TIC and minuted. | 3. Comprehensive NES Cyber position completed and NTS Director accepted recommendations and associated action plan being developed with delivery by end of July. Update Oct 2025 - Delivery of plan extended to end of October 2025. Update Dec 2025 - Delivery of plan progressing expected completion date end of February 2026. | 28/02/2026 |
| 4. NIS Audit framework used to manage and build on NES' cyber security posture. | Effective - Compliance minuted. | Director of NES Technology Service / SIRO will present paper on new structure for NIS Audit to the February 2026 NES Board. | 28/02/2026 |
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STRATEGIC RISK 8

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|--|--|---|----------------------------------|----------------|-------|-----------------------|
| Risk no: | SR8 | | | | | |
| Risk Short Title: | Failure to put sufficient employee training and other operational controls in place to minimise the risk of breaches of Information Governance | | | | | |
| Risk Owner: | Christopher Wroath | Date Added to Register: | 19/04/2023 | | | |
| | | Review Date: | 11/03/2026 | | | |
| | | Frequency of Review: | Quarterly | | | |
| | | Committee/Group overseeing | Planning & Performance Committee | | | |
| Risk Category(s) | Operational | Reputational | | Governance | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 8 | Medium | | Open | 12-16 | |
| 13/06/2025 | 8 | Medium | ↔ | | | |
| 01/10/2025 | 8 | Medium | ↔ | | | |
| 11/12/2025 | 8 | Medium | ↔ | | | |
| | - | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 4 | 5 |
| Gross Total: | 20 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 4 | 2 |
| Net Total: | 8 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-------|
| Open | 12-16 |
| Medium | 8 |

| | |
|---------------------------------|------------------|
| Existing control rating: | Effective |
|---------------------------------|------------------|

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|--|--|--|------------------|
| Cause: | | Effect: | |
| NES does not put sufficient employee training and other operational controls in place to minimise the risk of breaches of Information Governance | | There could be instances of significant loss of data | |
| | | Result: | |
| | | This could result in serious reputational damage and the imposition of punitive financial fines by regulatory authorities. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Statutory and relevant data security processes in place, with specific reference to the new General Data Protection Regulations. | Effective - Processes approved and recorded in minutes | | |
| 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. | Effective - Policies and procedures approved and recorded in minutes. | | |
| 3. Whistleblowing arrangements are in place with information and resources available to staff via the Intranet including Whistleblowing standards, policy and process. These resources include reference to whistleblowing in relation to loss or misuse of data and are part of the essential learning programme for all NES employees. | Effective - Whistleblowing Annual Report presented to governance committees and board and recorded in minutes. | | |
| 4. Safe Information Handling features as an element of the NES essential learning programme. | Effective - Executive Team regularly review compliance which is minuted. | | |
| | | | |

STRATEGIC RISK 9

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|---|---|---|-------------------------------|-----------------------|------------------------------|
| Risk no: | SR9 | | | | |
| Risk Short Title: | NES does not put sufficient measures in place to address ongoing cost and funding pressures leading to misalignment with Scottish Government priorities and expectations. | | | | |
| Risk Owner: | Jim Boyle | Date Added to Register: | 19/04/2023 | | |
| | | Review Date: | 04/03/2026 | | |
| | | Frequency of Review: | Quarterly | | |
| | | Committee/Group overseeing | NES Board | | |
| Risk Category(s) | Finance | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | Within Board Appetite |
| 04/03/2025 | 8 | Medium | | Averse | |
| 06/06/2025 | 12 | High | ↑ | | |
| 12/09/2025 | 8 | Medium | ↓ | | |
| 04/12/2025 | 8 | Medium | ↔ | | |
| | - | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 5 | 5 |
| Gross Total: | 25 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 4 | 2 |
| Net Total: | 8 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-----|
| Averse | 1-5 |
| Medium | 8 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

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|--|---|---|------------------|
| Cause: | | Effect: | |
| NES does not put sufficient measures in place to address ongoing cost and funding pressures as well as a high level of non-recurrent funding from SG | | NES will experience financial constraints and will risk the inability to set sustainable financial plans and to take remedial actions necessary to remain in financial balance | |
| | | Result: | |
| | | This could then result in failure to meet the aspirations set out in the Strategic Plan as well as having an increased risk of not being able to control the finances of NES | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. The Annual Operational Planning process within NES gives Directorates indicative budgets to plan their own activities and expenditure and identifies cost pressures and potential savings across NES. | Effective - AOP process in place. Lesson learned logged and actioned. AOP reported to NES Board | 1. The financial implications of any requests to decommission specific activities, or to reduce funding generally will be fully explored, with the financial, staffing and service impacts fully set out | Ongoing |
| 2. 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. | Effective - recorded in minutes. | 2. The Operational Planning process for 2025/26 will have a significantly sharpened focus on the achievement of savings, as required by the SG's Sustainability & Value programme, and with the increasing likelihood of reductions to baseline funding. Update Dec 2024 - Directorate reviews completed in process of consolidating report to present to December 2024 ET and subsequently to January 2025 ARC. Update March 2025 - Report also presented to Private Board 6th February 2025. Annual Delivery Plan and Financial Plan to be presented to 27th March 2025 NES Board for approval. Update June 2025 - Financial Plan including savings plan has been approved by the NES Board. Update Sept 2025 - Action Closed | Closed |
| 3. Prioritisation process in place to deliver a balanced budget to the Board which is based on the impact of the planned activities. | Effective - decisions recorded in ET minutes. | | |
| 4. NES Board considers measures and makes approvals to balance the annual budget, including the measures suggested by the ET to reach a balanced position. | Effective - recorded in Board minutes. | 3. NES are working with SG to identify how baseline and additional commission activity can be modelled to match reduced funding availability. | Ongoing |
| 5. Close working 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. | Effective - recorded in minutes | 4. Implications and risks of reducing activity will be set out for SG to allow decisions to be taken in the full knowledge of their impact to the wider NHS in Scotland. Update June 2024 - Discussions taken place about sharing NES spending reduction plans at an earlier stage with Scottish Government colleagues. Update Dec 2024 - Discussion will take place with SG in January 2025. Update March 2025 - Discussion ongoing with Scottish Government. Update June 2025 - Action closed with restoration of baseline funding. | Closed |
| 6. Letter been sent to all staff from CEO directing suspension of discretionary spending where possible. | Effective - recorded | 5. Close contact with Scottish Government concerning the costs in regard to the short term relocation from Westport. Discussions include the Scottish Government Digital Health and Social Care finance team. Update Sept 2025 - Ongoing discussions with Scottish Government and exploring options with third parties for the delivery of education and training post July 2026. Update Dec 2025 - Action Closed - Discussions finalised and now in the Project Management stage for relocation to alternative venue. | Closed |
| 7. Twelve million of baseline reduction from 2024/25 will now be reinstated. | Effective - recorded | 6. Finance Workstream for Public Services Delivery Scotland will bring together the financial plans for both organisations and part of the planning process for this financial year to ensure a balanced plan over the 3year planning period. Update Dec 2025 - Ongoing work. | Ongoing |

STRATEGIC RISK 10

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|--|---|--|--|----------------------------------|--|----------------|-------|-----------------------|
| Risk no: | SR10 | | | | | | | |
| Risk Short Title: | Failure to adequately anticipate and mitigate the impacts of policy, legislative, economic, technological and societal change | | | | | | | |
| Risk Owner: | Karen Reid | Date Added to Register: | | 19/04/2023 | | | | |
| | | Review Date: | | 08/03/2026 | | | | |
| | | Frequency of Review: | | Quarterly | | | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | | | |
| Risk Category(s) | Strategic | | | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 12 | High | | | | Open | 12-16 | |
| 07/07/2025 | 16 | High | | ↑ | | | | |
| 29/09/2025 | 16 | High | | ↔ | | | | |
| 08/12/2025 | 16 | High | | ↔ | | | | |
| | - | | | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) | Net Impact (1-5) | Net Likelihood (1-5) | Board Risk Appetite v Net Total | |
|---------------------|------------------------|-------------------|----------------------|---------------------------------|-------|
| 4 | 4 | 4 | 4 | Open | 12-16 |
| Gross Total: | 16 | Net Total: | 16 | High | 16 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

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|---|---|---|------------------------------|
| Cause: | | Effect: | |
| NES is not able to adequately anticipate and mitigate the impacts of policy, legislative, economic, technological and societal change | | We may be unable to attract, educate and train sufficient workforce supply, across the health and social care workforce, and in particular trainees and employees in specialist professional disciplines | |
| | | Result: | |
| | | This could result in a compromise in our ability to deliver on our Strategic Plan or significant parts of it, or to deliver Directorate Operational Plans | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. There are many regular engagements with a wide range of stakeholders - governmental, professional, peer Boards - to ensure that NES is aware of changes to policy, demographic trends, technological change, which will feed into the NES Strategic Plan | Effective - NES Strategic Plan approval route minuted, minutes of meetings. | 1. Significant Engagement with Health Boards, Health & Social Care Partnerships, Scottish Government, Social Care Sector and Academia. | Ongoing |
| 2. Scottish Government Priorities are fully discussed with the NES/SG Sponsorship Team and are then incorporated into the Annual Delivery Plans that drive the core activity of the Board | Effective - Annual Delivery Plans approval route minuted and minutes of meeting | 2. Ongoing SG discussions on fiscal impact on NES ADP. | Ongoing |
| 3. Monitoring of Strategic Risk 2 in relation to funding in current fiscal and political environment. | Effective - Review of Strategic Risk Log minuted. | 3. Policy Parliamentary Team within NES meets regularly with Scottish Government. 4. Strengthening financial reporting to be implemented. | Ongoing |
| 4. Parliamentary Horizon Report - issued to all Executive Team and NES Board. | Effective - Issued weekly and outputs provided to Executive Team and recorded | 5. Quarterly UK Four Nations Meetings - actions from meetings progressed by NES Chief Executive, Director of NMAHP and Executive Medical Director. | Ongoing |
| 5. Engagement with four nations to pick up national issues that may impact NES or the Scottish context. | Effective - Attendance at four nations working groups minuted. | 6. Record of funding proposals that are not taken forward by Scottish Government to be developed. Update Dec 2025 - On hold due to volume of Public Services Delivery Scotland set up work. 7. NES response to establishment of Public Services Delivery Scotland stood up with identification of Project Lead and key support roles. Engagement in delivery established through Scottish Government led Project Team. Internal governance approach for NES critical areas being developed with view to establishment from August 2025. Update Sept 2025 - Internal Governance arrangements established with Programme Board meeting monthly in addition weekly updates provided to the Executive Team. Update Dec 2025 - Internal arrangements continue along with significant NES involvement in Scottish Government led project workstreams. | 31/03/2026 31/03/2026 |

STRATEGIC RISK 11

| | | | | | | |
|--|--|--|-------------------------------|----------------|-------|-----------------------|
| Risk no: | SR11 | | | | | |
| Risk Short Title: | Learning outcomes and learning experience for our stakeholders is compromised. | | | | | |
| Risk Owner: | Karen Wilson | Date Added to Register: | 19/04/2023 | | | |
| | | Review Date: | 09/02/2026 | | | |
| | | Frequency of Review: | Quarterly | | | |
| | | Committee/Group overseeing | Education & Quality Committee | | | |
| Risk Category(s) | Operational | Reputational | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 9 | Medium | | Open | 12-16 | |
| 03/06/2025 | 12 | High | ↑ | | | |
| 11/09/2025 | 12 | High | ↔ | | | |
| 11/11/2025 | 20 | Very High | ↑ | | | |
| | - | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 4 | 5 |
| Gross Total: | 20 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 4 | 5 |
| Net Total: | 20 |

| | |
|--|-------|
| Board Risk Appetite v Net Total | |
| Open | 12-16 |
| Very High | 20 |

Existing control rating: Acceptable

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|--|--|---|------------------|
| Cause: | | Effect: | |
| NES delivers compromised learning outcomes or a poor quality learning experience to our stakeholders, or if we are inflexible in evolving the methods of delivery of training and education. Uncertainty of timing of move out of Westport and the impact this would have on access and quality of training facilities. | | This could lead to the Health and Social Care workforce not having the necessary knowledge and skills to deliver good quality care | |
| | | Result: | |
| | | This could result in NES becoming disconnected from the needs of the wider workforce and failing to meet the needs of staff, trainees, learners and stakeholders, leading to serious reputational damage and reassessment of the Board's role in delivering education and training | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Chief Executive and/or NES Directors maintain open and collaborative relationships/arrangements with counterparts in partner organisations | Effective - Minutes and reports available for meetings and presentations minuted and available. | 1. Learning and Education Framework being developed. Update June 2024 - Pilot Framework launched May 2024 - action to remain open until feedback received and final version published. Update Sept 2024 - Feedback received and being considered, expected final version to be published Nov 2024. Update Dec 2024 - Framework finalised awaiting implementation. Update Feb 2025 - Framework to be implemented in April/May 2025. Update June 2025 - Framework now implemented - Action Closed and added as a control. | Closed |
| 2. Ensure Chair is well briefed to manage relationships with other Board/organisational Chairs | Effective - Report presented to every NES Board public meeting. | 2. Implement a corporate improvement programme to support high quality learning and education provision through the Learning & Education Quality System (LEQS). Update March 2024 - All groups progressing within project timelines. Update June 2024 - Continuing to progress within project timelines. Update Sept 2024 - Continuing to progress within project timelines and significant improvement in KPI data for reporting. Update Dec 2024 - Moving into implementation stage using a Blueprint approach. Developing set of core questions to ask learners feedback questions that will be applied to all NES products. Update March 2025 - Testing methodology being developed. Update June 2025 - Elements of LEQS being tested prior to implementation. Update Sept 2025 - Three and six month forward plans have been approved and work is progressing at pace. Update Dec 2025 - Work continues at pace, core feedback questions are partially implemented and will provide improved insights into the learner experience. | 31/03/2026 |
| 3. 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 ET are communicated to staff through regular staff video and Intranet updates | Effective - Briefings available, ET minutes and Q&As from webinars and other staff events. | 3. Implementation of the Learning & Education Quality Policy. Update June 2025 - Summary version of policy in development for awareness raising. Update Sept 2025 - Summary version in development and will form part of Communications Plan for LEQS implementation. Update Dec 2025 - Report received from Business Analyst and will underpin the procurement and development of the technical solution. | 31/03/2026 |
| 4. Education Governance arrangements in place to ensure quality and performance is monitored and improved where necessary. 5. Widespread evaluation of education programmes, including the use of feedback from learners to effect improvement. | Effective - Considered at EQC regularly and minuted. Effective - Reported through Strategic KPIs when fully developed. Feedback received as part of Stakeholder Survey. | 4. Operational Group and Gold Command established to oversee any required moves. Active scoping of alternative training venues being undertaken. Update Sept 2025 - Active scoping continuing and established group overseeing required moves. Update Dec 2025 - Further engagement with external partners including Social Security Scotland, Napier University and site visit to Dundee scheduled 11th December 2025. | 31/03/2026 |
| 6. Clinical Care Sub Group established. 7. Learning and Education Framework implemented. | Effective - Meetings minuted and reports into EQC Not Tested | 5. Establishment of NES Project Management Team to coordinate the programming on venue activity in regard to Westport move. Update Dec 2025 - Project Management Team established and now in the Project Management stage for relocation to alternative venue. | 31/03/2026 |

STRATEGIC RISK 12

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|--|--|--|--------------|----------------------------------|----------------|-------|-----------------------|
| Risk no: | SR12 | | | | | | |
| Risk Short Title: | Insufficient investment in Digital Learning Infrastructure Programme and other NES learning platforms. | | | | | | |
| Risk Owner: | Christopher Wroath | Date Added to Register: | | 19/04/2023 | | | |
| | | Review Date: | | 11/03/2026 | | | |
| | | Frequency of Review: | | Quarterly | | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | | |
| Risk Category(s) | Operational | | Reputational | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 08/04/2025 | 15 | High | | | Open | 12-16 | |
| 13/06/2025 | 15 | High | | ↔ | | | |
| 01/10/2025 | 15 | High | | ↔ | | | |
| 11/12/2025 | 15 | High | | ↔ | | | |
| | - | | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 5 | 4 |
| Gross Total: | 20 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 5 | 3 |
| Net Total: | 15 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-------|
| Open | 12-16 |
| High | 15 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

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|---|--|--|------------------|
| Cause: | | Effect: | |
| NES do not sufficiently invest in technology that supports learning outcomes including the Digital Learning Infrastructure learning platform as well as other learning platforms provided by NES. | | This would lead to the NES being unable to meet the learning needs and expectations of all stakeholders | |
| | | Result: | |
| | | This could result in NES becoming disconnected from the needs of the wider workforce and failing to meet the needs of staff, trainees, learners and stakeholders, leading to serious reputational damage and reassessment of the Board's role in delivering education and training | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. A significant amount of time and resource is invested to establish the learning needs of a very wide stakeholder group | Controlled - Fully documented. | 1. Transformational Group need to agree Phase 2 outcomes of the Digital Learning Infrastructure Programme. The Digital Learning and Infrastructure Programme Full Business Case in development. Update Sept 2024 - In development Update March 2025 - Continuing to be developed. Update Sept 2025 - The governance sign off for the Full Business Case will be by end of Feb 2026, to take account of the external review recommendation number 2, to reevaluate the technical approach of only build. External consultants are being procured to report by end of December 2025 and their recommendations will be used to rewrite the economic case before submission to the governance process in February 2026. Update Dec 2025 - Report been drafted and will be submitted to Director of NES Technology Service by end of December 2025. | 31/03/2026 |
| 2. Strategic case for investment has been prepared for discussion with the Scottish Government | Effective - OBC approval route recorded in minutes. | 2. Discussions on going with regards to investment with NES Director of Finance and SG Health Finance Director of Finance who is supportive of the programme. Update March 2025 - Ongoing discussions between NES Director of Finance and SG Health Finance Director of Finance . Update April 2025 - NES Director of Finance has secured agreement with Scottish Government Digital Health and Social Care finance team that 2025/26 NES baseline funding will be restored to the original level and that this return of finance to the NES baseline to be used specifically to fund the Digital Learning Infrastructure Programme. Update Sept 2025 - Ongoing discussions. | Ongoing |
| 3. In light of the standing down of the Transformation Group Programme the Executive Team have requested that the Digital Learning Infrastructure Programme is reported to them directly as part of the Internal Governance of External Programmes. | Effective - Programme reports progress to Executive Team andminuted. | 3. Programme Level Risk Deep Dive being undertaken and findings to be presented to Digital Learning Infrastructure Board. Update Sept 2025 - Action completed and no further action required from the Board. | Closed |
| | | | |
| | | | |

STRATEGIC RISK 13

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|--|--|----------------------------|--|----------------------------|------------------------|--|----------------|-------|-----------------------|
| Risk no: | SR13 | | | | | | | | |
| Risk Short Title: | Failure to recruit and retain sufficient number of appropriately skilled and experienced staff within NES. | | | | | | | | |
| Risk Owner: | Sybil Canavan | Date Added to Register: | | 19/04/2023 | | | | | |
| | | Review Date: | | 04/03/2026 | | | | | |
| | | Frequency of Review: | | Quarterly | | | | | |
| | | Committee/Group overseeing | | Staff Governance Committee | | | | | |
| Risk Category(s) | People/Workforce | | | | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | | |
| Date of Score | Net Score | | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: {↑,↔,↓} | | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 8 | | Medium | | | | Open | 12-16 | |
| 03/07/2025 | 16 | | High | | ↑ | | | | |
| 01/10/2025 | 16 | | High | | ↔ | | | | |
| 04/12/2025 | 16 | | High | | ↔ | | | | |
| | - | | | | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 4 | 4 |
| Gross Total: | 16 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 4 | 4 |
| Net Total: | 16 |

| | |
|--|-------|
| Board Risk Appetite v Net Total | |
| Open | 12-16 |
| High | 16 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

| | | | |
|--|--|---|------------------|
| Cause: | | Effect: | |
| Failure to recruit sufficient number of appropriately skilled and experienced staff within NES. | | NES having insufficient staff to support delivery of the AOP, Transformation Route Map and Strategic Plan | |
| | | Result: | |
| | | This could result in reputational damage and impact on stakeholder engagement. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Monitoring and continuously improving job packs to ensure they attract an appropriate number of high quality candidates. | Effective - Job packs available on intranet, evaluation scheduled April 2025. Data available from ERRS. | 1. Work with Higher/Further Education establishments in Scotland, in addition to targeted Third Sector and related bodies to support greater apprenticeship opportunities and related early career routes. Update July 2025 - Initial efforts are concentrated on current staff, particularly exploring digital modern apprenticeships. We have been working closely with NHS Scotland Academy team, who have shared their expertise and supported various aspects of this initiative. The first apprenticeship opportunity is scheduled to launch in Q2 2025, via an internal selection process. The recruitment phase of the project, which will require close collaboration with HR, is planned to commence in Q3. Update Oct 2025 - Following an application process early October 2025, 20 digital apprentices have now successfully been identified and informed that they will be starting their supported learning in November 2025. We aim to expand this to 30 apprentices, adding a further 10 before December 2025, subject to interest. Update Dec 2025 - Work to support the new 20 apprenticeships leading to the digital diploma are underway. We are planning a 3rd round early in the new year, with additional comms and a drive for a further 10 places. | Ongoing |
| 2. Monitoring and continuously improving recruitment routes eg career sites, social media to ensure they attract an appropriate number of high quality candidates. | Effective - Accelerated Recruitment Programme. Wider use of corporate social media, targeted professional networks, alternative job posting platforms. | 2. The Armed Forces Talent Programme (AFTP) team will continue to engage, influence and deliver in support of the territorial and national board efforts to attract more talent from the Armed Forces Community (AFC). Update Dec 2025 - The AFTP programme objectives are being met and reported to the AFTP programme board. Any risks have been identified in the programme risk register and mitigations in place. A key risk during Q2 and 3 was that all placement opportunities were used. All except 3 placements were filled and this was as a result of other boards not being able to fill the placements. We have since repurposed one of the placements to support NES Dew Team and this is out for recruitment currently. All related risks and mitigations around this are picked up in the programme risk register as previously outlined. | Ongoing |
| 3. Monitoring our workforce data to identify actions to improve the diversity of the workforce. | Effective - Annual workforce E&D report published and presented to Board and Governance Committees and recorded in minutes. | 3. The NES Equality & Human Rights Team continue to promote and offer learning opportunities to staff on ED&I, including 'conscious inclusion' sessions, anti-racism, cultural humility, promoting of learning and guidance from the business disability forum and also guidance for mitigating bias during recruitment. New EDI Strategy and action plan being produced for 2025-2029. Team completing work in relation to gender equality as part of the Equally Safe at Work accreditation programme. Update March 2025 - Progressing work on the equally safe at work accreditation programme which includes an all staff survey and focus groups with more lower paid female staff. This will inform our priorities for NES on gender equalities. NES EDI Strategy and Anti-Racism Action Plan will be presented to March Board for approval. Update July 2025 - Strategy and Plan both approved by NES Board and action plan is being implemented. Update Oct 2025 - Submitted evidence for Equally at Work accreditation, work underway to ensuring hiring managers are appropriately aware of biases in recruitment. Line manager network sessions planned on Equally Safe at Work. Update Dec 2025 - EDI module and view of slide deck on bias in recruitment now mandatory for all recruitment panels. Line manager training sessions planned for February 2026 on Anti-racism. Progressing actions for Equally Safe at Work accreditation following feedback on evidence submitted. Work underway to establish an incident reporting mechanism for discrimination and harassment in the workplace. | 31/03/2026 |
| 4. Monitor and report on the composition of the NES workforce and sex/gender/ethnicity/disability pay gaps to the Board. 5. Risk based decisions regarding termination of temporary staff in the event of uncertainty of funding. | Effective - Annual Workforce Report presented to Board and Governance Committees and recorded in minutes. Effective - Decisions recorded in ET minutes. | 4. Development of Talent Attraction Strategy. - Update March 2025 - Talent management approach embedded in our Succession Planning framework where we align development support through a tailored PDP for the pool of ready soon and ready now candidates. Update July 2025 - We are currently finalising the NES succession plan for ET and direct reporting roles. A plan showing a RAG status showing ready soon and ready now candidates will be concluded early August 2025. All candidates will have had an opportunity to put in place a PDP to support development if required. Update Oct 2025 - The ET approved the Succession Plan for the board on 1st September 2025. This provides an overview of potential ready soon and ready now candidates interested in applying for future key leadership and business critical post vacancies should they arise. All have individual Personal Development Plans in place that are agreed and will be monitored by their line manager. The OD&L team will review and monitor progress for the duration of this succession plan. Dec 2025 update - The final NES Succession Plan for 25/26 was agreed by ET in September. Those identified in the Succession Plan have a Personal Development Plan (PDP) in place to support any areas to develop and this is overseen by their line manager. Given the circumstances of the move towards Public Services Delivery Scotland there is less emphasis and focus on succession planning currently however a firm commitment to development continues. A new Public Services Delivery Scotland Succession Plan will be picked up as part of the planning and arrangements for the new organisation post April 2026. | 31/04/2026 |
| 6. Workforce planning is integrated in Operational Planning 7. Joint NES and NSS Recruitment Process Established. | Effective - Included in AOP documentation. | 5. Workforce planning to be carried out across NES as part of the 25/26 Operational Planning process. Update March 2025 - To be discussed by Executive Team with onward submission to Scottish Government. Update July 2025 - All Directors undertaking a review of temporary staffing arrangement within their areas with a view to providing clarity for affective staff in a timely manner given the recent announcement about the future of NES. Update Oct 2025 - Business cases to stabilise the workforce position re. temporary staffing arrangements are being progressed via the normal governance route. Update Dec 2025 - A significant volume of business cases have been progressed between September - December 2025 to progress the necessary contract extensions or recruitment to stabilise and confirm arrangements for staff within temporary contract arrangements, including secondments. Line manager business cases have been submitted to support line managers with the process of... | 31/03/2026 |

STRATEGIC RISK 14

| | | | | | | | | |
|--|---|---|--|------------------------|--|----------------|-----|-----------------------|
| Risk no: | SR14 | | | | | | | |
| Risk Short Title: | Inadequate Board governance, systems, processes and scrutiny of them. | | | | | | | |
| Risk Owner: | Karen Reid | Date Added to Register: | | 19/04/2023 | | | | |
| | | Review Date: | | 08/03/2026 | | | | |
| | | Frequency of Review: | | Quarterly | | | | |
| | | Committee/Group overseeing | | NES Board | | | | |
| Risk Category(s) | Governance | | | | | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 4 | Low | | | | Averse | 1-5 | |
| 03/07/2025 | 6 | Medium | | ↑ | | | | |
| 29/09/2025 | 4 | Low | | ↓ | | | | |
| 08/12/2025 | 4 | Low | | ↔ | | | | |
| | - | | | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 5 | 3 |
| Gross Total: | 15 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 2 | 2 |
| Net Total: | 4 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-----|
| Averse | 1-5 |
| Low | 4 |

| | |
|---------------------------------|------------------|
| Existing control rating: | Effective |
|---------------------------------|------------------|

| | | | |
|--|---|---|------------------------------|
| Cause: | | Effect: | |
| NES does not put sufficient arrangements in place in relation to Board governance, systems, processes and scrutiny of them | | This could lead to corporate non-compliance and failure to comply with statutory, legislative and climate emergency/sustainability requirements | |
| | | Result: | |
| | | This could result in a loss of credibility towards the Board, from the Scottish Government as well as a range of audit and scrutiny bodies, which could pose a threat to the general credibility and future of NES | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Standing committees responsible for each governance domain supported by Executive Groups. | Effective - Terms of Reference, Schedule of Business, Governance Route Flowchart, Assurance Framework. | 1. Development of Blueprint Action Plan to strengthen governance. Update June 2024 - Action Plan submitted to Scottish Government and ongoing actions reported through ARC Update July 2025 - Improvement Plan delivered with 1 action carried forward into 2025/26. Update Dec 2025 - Action closed - Outstanding action that was carried forward completed and reported to NES Board. | Closed |
| 2. Individual committees review effectiveness at every committee meeting and provides an annual report to Audit Committee detailing how it has discharged its remit. | Effective - Annual reports and minutes of meetings. | 2. ET review outstanding Audit actions - quarterly | Ongoing |
| 3. Comprehensive programme of internal audit. | Effective - Approved and recorded in minutes. | 3. Scottish Government sign off of ADP - completed 2023/24 Update June 2024 - Verbal feedback received from Scottish Government awaiting final sign off. Update Sept 2024 - Written acceptance of ADP received from Scottish Government and presented to August 2024 Board. Update Dec 2024 - Development of 2025/26 ADP underway. Update March 2025 - Submission of final draft ADP 17/03/2025. Update July 2025 - ADP approved by SG and NES Board. Update Dec 2025 - Draft ADP 2026/27 to be presented to Executive Team January 2026 and NES Board February 2026. | Ongoing Yearly Submission |
| 4. Board Governance included as part of Corporate Induction. | Effective - Induction Attendance Records/ Participant Feedback | | |
| 5. An Assurance framework has been developed in line with the 'Blue Print for Governance' and the Assurance and Audit Committee Handbook . | Effective - Approval route recorded and minuted. | 4. Board Governance Training at Board Development Events Update June 2024 - Board Governance Development Event completed 19th January 2024. Update July 2025 - Ongoing programme of Board Development in place. Update Sept 2025 - Next Board Development scheduled for 23rd October 2025. Update Dec 2025 - October Board Development event held, schedule for remainder of year being considered in light of transition. | Ongoing |
| 6. Blueprint Action Plan been submitted to Scottish Government. | Effective - Approval route recorded and minuted. | | |
| 7. Ensure corporate awareness of relevant statutory regulatory oversight, and maintain close working with relevant professional and other regulatory bodies | Effective - Annual report to EQC on compliance with statutory regulations and professional bodies requirements, recorded and minuted. Effective - Terms of Reference, Schedule of Business, Governance Route Flowchart, Assurance Framework. | 5. In light of the announcement regarding the formation of Public Services Delivery Scotland an interim Scheme of Delegation and then new Scheme of Delegation will be required. Development of this will be led through the Scottish Government led project team. Update Sept 2025 - Leadership & Governance Workstream led by Scottish Government will ensure the formation of appropriate Corporate Governance arrangements for the new organisation. NES continues to operate a robust programme of internal controls which have been complemented by the establishment of internal governance mechanisms surrounding the Public Services Delivery Scotland project. | 31/03/2026 |
| 8. New Planning & Performance Committee established from April 2025 that will provide further scrutiny of Board governance, systems and processes. | | | |

STRATEGIC RISK 15

| | | | | | | | | |
|--|---|--|--|----------------------------------|-----------|----------------|-----|-----------------------|
| Risk no: | SR15 | | | | | | | |
| Risk Short Title: | NES is not an evidence based data driven organisation, lacking intelligence and insights from its Information Assets. | | | | | | | |
| Risk Owner: | Christopher Wroath | Date Added to Register: | | 14/12/2023 | | | | |
| | | Review Date: | | 11/03/2026 | | | | |
| | | Frequency of Review: | | Quarterly | | | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | | | |
| Risk Category(s) | Governance | Reputational | | | Strategic | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | | Board Appetite | | Within Board Appetite |
| 03/03/2025 | 6 | Medium | | | | Averse | 1-5 | |
| 13/06/2025 | 6 | Medium | | ↔ | | | | |
| 01/10/2025 | 6 | Medium | | ↔ | | | | |
| 11/12/2025 | 6 | Medium | | ↔ | | | | |
| | - | | | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 3 | 4 |
| Gross Total: | 12 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 2 | 3 |
| Net Total: | 6 |

| | |
|--|-----|
| Board Risk Appetite v Net Total | |
| Averse | 1-5 |
| Medium | 6 |

| | |
|---------------------------------|------------|
| Existing control rating: | Acceptable |
|---------------------------------|------------|

| | | | |
|--|--|---|------------------|
| Cause: | | Effect: | |
| Lack of strategic application of data quality standards. Lack of outcome focussed in our information gathering and structures. | | Inefficiency and waste of resources in all aspects of NESs work in support of our strategic outcomes. | |
| | | Result: This could result in a loss of credibility towards NES, from the Scottish Government and scrutiny bodies, which could pose a threat to the general credibility and future of NES | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Transformation Programme is now operational. There is a specific focus from the Corporate Improvement Programme on efficiency and effectiveness of data collection, storage and management. | Effective - Meetings minuted and regular reports on progress presented and recorded at Transformation Group. | 1. Development of an overt data plan as part of the Corporate Improvement Plan. Update Sept 2024 - In progress Update March 2025 - Continuing to be progressed. Update June - Action closed and superseded by Action 4 | Closed |
| 2. Plans for automation and preparation for artificial intelligence will drive new and improved data collection, storage and management. | Not Tested | 2. Planned rollout of CoPilot to all NES staff on completion of the pilot. Update Dec 2024 - Pilot completed and report developed, planned rollout unable to commence until M365 contract renegotiation is completed - expected completion May 2025 Update June 2025 - As a result of the contract NES have 350 licences and Director of NTS in discussions with ET on how to deploy them. Update Sept 2025 - The process control and rollout of CoPilot now sits with the OL&ED Head of Programme - Created new DPIA for rollout for CoPilot, created allocation criteria and documentation to support managers in identifying staff who will benefit with CoPilot licence. 6th October 240 licenses to be issued and training provided by WM Reply. Ongoing evaluations will be undertaken during implementation. Update Dec 2025 - CoPilot was launched in October 2025, and all licences have been distributed with the assistance of the General Managers. The licences fall into three categories: general use, accessibility, and testing new ways of working. We have requested additional spare licences from WM Reply, which is currently under consideration. We now have a waiting list. | 31/03/2026 |
| 3. Outcome of the pilot of the M365 Copilot Application will drive intelligence and knowledge on required improvements and restructuring of all NES data and information. | Effective - recordings of outcomes minuted. | 3. NTS have agreed to an internal audit on their ability to support a data driven organisation - scheduled for April 2025 Update June 2025 - Audit been agreed and will be undertaken in the next quarter. Update Sept 2025 - Information Assets and Data Management Audit scheduled for October 2025. Update Dec 2025 - Audit taken place and report will be available by end of December 2025. | 31/03/2026 |
| | | 4. Director of NTS to develop a formal data and analytics function for NES with specific responsibility for the development of an NHS Scotland Workforce Data Observatory Update Sept 2025 - The Executive Team as of 22nd Sept 2025 agreed for planning and development of a formal NES data and analytics function to commence. Update Dec 2025 - Action closed as this will be delivered as part of new programme reflected in Action 5. | Closed |
| | | 5. Data Analytics and AI Tier 1 Programme, Programme Initiation Document (PID) is in development with the NES Programme Office. This is expected to be agreed in January 2026. Director of Social Care has been appointed Senior Responsible Officer. | 31/03/2026 |

STRATEGIC RISK 17

| | | | | | | | | |
|--|--|--|--|--|--------------|----------------|-------|-----------------------|
| Risk no: | SR17 | | | | | | | |
| Risk Short Title: | Inability of NES to deliver its Annual Delivery Plan for 2025/26 and to sufficiently plan for the future delivery of its statutory functions due to the uncertainty and resource demands caused by the formation of Public Services Delivery Scotland. | | | | | | | |
| Risk Owner: | Karen Reid | Date Added to Register: | | 17/07/2025 | | | | |
| | | Review Date: | | 08/03/2026 | | | | |
| | | Frequency of Review: | | Quarterly | | | | |
| | | Committee/Group overseeing | | NES Board & Planning & Performance Committee | | | | |
| Risk Category(s) | Strategic | Operational | | | Reputational | | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | | Board Appetite | | Within Board Appetite |
| 21/07/2025 | 16 | High | | | | Hungry | 20-25 | |
| 29/09/2025 | 16 | High | | ↔ | | | | |
| 08/12/2025 | 8 | Medium | | ↓ | | | | |
| | - | | | | | | | |
| | - | | | | | | | |

| | |
|---------------------------|-------------------------------|
| Gross Impact (1-5) | Gross Likelihood (1-5) |
| 5 | 4 |
| Gross Total: | 20 |

| | |
|-------------------------|-----------------------------|
| Net Impact (1-5) | Net Likelihood (1-5) |
| 4 | 2 |
| Net Total: | 8 |

| | |
|--|-------|
| Board Risk Appetite v Net Total | |
| Hungry | 20-25 |
| Medium | 8 |

| | |
|---------------------------------|------------------|
| Existing control rating: | Effective |
|---------------------------------|------------------|

| | | | |
|--|---|--|------------------|
| Cause: | | Effect: | |
| SG announcement of the creation of a new organisation by bringing together the functions of NES and NSS, and possibly other parts of NHSS. | | Existing staff and other resources of NES are diverted to the establishment of the new organisation, with less resource available for intended delivery and future planning impeded by lack of clarity on future operational model and budget. | |
| | | Result: | |
| | | Potential failure to deliver on strategic and operational priorities, leading to dissatisfaction by Scottish Government and other key stakeholders as well as failure to meet the needs of the Health & Social Care Workforce. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Establishment of NHSD Project Delivery Team and Programme Board to co-ordinate the work needed to get the new organisation up and running by 1 April 2026. This will make the management of existing workloads more controlled. | Partially Effective - Due to control impacting positively on Public Services Delivery Scotland however outwith NES control as led by Scottish Government. | 1. NES internal Governance mechanisms to be established. Update Sept 2025 - Action complete - Internal Governance arrangements established with Programme Board meeting monthly in addition weekly updates provided to the Executive Team. | Closed |
| 2. Executive Team and Board overview of existing delivery plans, and prioritisation of workplans, e.g. review of Transformation Programme | Effective - Regular reporting and recorded in minutes. | 2. Proactive engagement in Public Services Delivery Scotland Project and all associated workstreams ensuring robust representation from across NES. Update Sept 2025 - Seven workstreams now established and actively progressing with NES representation across all as well as Project Team and Programme Board. Update Dec 2025 - Workstream progressing with active NES involvement. ADP progressing well alongside OP for 2026/27. | Ongoing |
| 3. Discussion of funding implications of the creation of NHSD, flagging additional resources that will be needed. | Effective - Regular reporting and consideration of resources within project planning. | | |
| 4. Establishment of internal NES Governance Structure to oversee transition and ensure alignment with SG led project requirements as well as enabling escalation to Planning & Performance Committee and the Board as required. | Effective - established and approved. | | |
| 5. Collaboration with NSS colleagues to support and inform future planning mechanisms as part of overall project. | Effective - positive relationships and working arrangements established. | | |

STRATEGIC RISK 18

| | | | | | | | |
|--|---|--|--|----------------------------------|----------------|-------|-----------------------|
| Risk no: | SR18 | | | | | | |
| Risk Short Title: | NES will be unable to resource the work needed to adopt the national Business Systems Replacement Programme | | | | | | |
| Risk Owner: | Jim Boyle | Date Added to Register: | | 17/07/2025 | | | |
| | | Review Date: | | 04/03/2026 | | | |
| | | Frequency of Review: | | Quarterly | | | |
| | | Committee/Group overseeing | | Planning & Performance Committee | | | |
| Risk Category(s) | Operational | People/Workforce | | | Reputational | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 23/07/2025 | 12 | High | | | Hungry | 20-25 | |
| 12/09/2025 | 12 | High | | ↔ | | | |
| 04/12/2025 | 16 | High | | ↑ | | | |
| | - | | | | | | |
| | - | | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 5 | 4 |
| Gross Total: | 20 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 4 | 4 |
| Net Total: | 16 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-------|
| Hungry | 20-25 |
| High | 16 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

| | | | |
|--|--|---|------------------|
| Cause: | | Effect: | |
| NES resources are not sufficient to prepare for the substantial re-engineering of business processes that the new systems will bring | | Any realignment of existing processes and data will not be carried out to a sufficient level to be ready for the implementation of the new systems | |
| | | Result: | |
| | | Critical business systems will not be capable of being smoothly implemented on go live dates, with the risk of service failure | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Attendance at regular briefings by the national project team | Effective - Verbal updates provided to Executive Team and recorded in minutes. | 1. Engage with NSS Programme Team and identify any backfill requirements. Funding available for backfill in the national programme plan. | Ongoing |
| 2. DoF, Technology and HRD representation on national implementation groups | Effective - Verbal updates provided to Executive Team and recorded in minutes. | 2. Deputy Director of Finance co chairing the Chart of Accounts Workstream which will help to identify resource requirements as part of the programme for delivery. Update Dec 2025 - First Chart of Accounts Workstream meeting scheduled 8th December 2025. | 31/03/2026 |
| | | 3. Ongoing engagement with the programme at Director of Finance level. | Ongoing |
| | | | |
| | | | |

STRATEGIC RISK 19

| | | | | | | |
|--|---|--|---|----------------|-----|-----------------------|
| Risk no: | SR19 | | | | | |
| Risk Short Title: | NES unable to govern and discharge its responsibilities as Lead Employer. | | | | | |
| Risk Owner: | Sybil Canavan | Date Added to Register: | 17/07/2025 | | | |
| | | Review Date: | 04/03/2026 | | | |
| | | Frequency of Review: | Quarterly | | | |
| | | Committee/Group overseeing | Staff Governance & Planning & Performance Committee | | | |
| Risk Category(s) | Governance | People/Workforce | | Reputational | | |
| Risk impacts on NES Strategy Key Area of Focus : | | | | | | |
| Date of Score | Net Score | Current Net Risk Rating: (Priority 1, 2, 3 or 4) | Risk Movement: (↑,↔,↓) | Board Appetite | | Within Board Appetite |
| 17/07/2025 | 16 | High | | Averse | 1-5 | |
| 29/09/2025 | 16 | High | ↔ | | | |
| 04/12/2025 | 16 | High | ↔ | | | |
| | - | | | | | |
| | - | | | | | |

| Gross Impact (1-5) | Gross Likelihood (1-5) |
|---------------------|------------------------|
| 4 | 5 |
| Gross Total: | 20 |

| Net Impact (1-5) | Net Likelihood (1-5) |
|-------------------|----------------------|
| 4 | 4 |
| Net Total: | 16 |

| Board Risk Appetite v Net Total | |
|---------------------------------|-----|
| Averse | 1-5 |
| High | 16 |

| | |
|---------------------------------|-------------------|
| Existing control rating: | Acceptable |
|---------------------------------|-------------------|

| | | | |
|---|---|--|---------------------|
| Cause: | | Effect: | |
| The lead employer model for employment of resident doctors and dentists has a governance structure where a steering group ensures that reviews and updates to process are carried out, and that disputes are brought to the steering group for resolution. The steering group is in abeyance and as a result there are a number of issues arising for NES as a lead employer and as the education body. | | Fragmented governance structures, inconsistent HR and payroll practices across Boards, unclear role delineation, and lack of consistent national approaches (e.g. to overseas experience recognition). | |
| | | Increased uncertainty as to the roles of lead employing board and placement boards in relation to 'on | |
| | | Result: | |
| | | Diminished ability to deliver a high-quality training experience for Scotland's future healthcare workforce. | |
| | | This could result in inequitable treatment of trainees, employment and training disruption, financial hardship for trainees and reputational damage for NES. | |
| Control: | Effectiveness: | Actions: | Due Date: |
| 1. Contribute to national discussions and progress NES actions from the Lead Employer Sub Group | Not Tested | 1. Senior Specialist Leads to provide HR policy process updates to Training Programme Directors. Update Dec 2025 - These sessions continue to take place | Ongoing as Required |
| 2. National Lead Employer Standard Operating Procedures established and published on shared platform. | Effective - available on shared platform. | 2. Monthly reconciliation of all Lead Employment data. Update Sept 2025 - Action complete process in place. | Completed |
| 3. NES Lead Employer Group established with representation from all Directorates involved. | Effective - reports to ET and Audit & Risk Committee. | 3. Mapping of Lead Employer Process. Update Sept 2025 - Action complete process in place. | Completed |
| 4. Monthly reconciliation taking place between all Lead Employment systems | Effective - Reported as part of ET report and to individual placement Boards. | 4. Stakeholder Analysis being undertaken. Update Sept 2025 - Analysis underway and expected completion date November 2025. Update Dec 2025 - Due to capacity work is continuing on analysis and new expected completion end of January 2026. | 06/02//2026 |
| 5. Associate Director for HR is Chair of DDIT Systems Group and CoChair of NHMDWG | Effective - | 5. National payroll system update from 01/04/2026, that will assist with issues of overpayments. Update Dec 2025 - National eESS systems developments pending. ATOS to confirm timescale for implementation | 31/03/2026 |
| | | 6. Paper being developed on the current issues and governance gaps on the Lead Employment Model that will include recommendation for the reestablishment of the steering group. Update Dec 2025 - Paper to be presented to Executive Team January 2026. | 06/02/2026 |

Summary of Strategic Risks Exposure

Table 1 - Current Position - January 2026

| Current Risk Exposure (Total Score) | Very High | High | Medium | Low | Total | % of Total |
|-------------------------------------|-----------|-------|--------|-------|-------|------------|
| Strategic | | 2 | 1 | | 3 | 16.7% |
| Operational | 1 | 2 | 1 | | 4 | 22.2% |
| Finance | | | 1 | 1 | 2 | 11.1% |
| Reputational | | | | | 0 | 0.0% |
| Governance | | 2 | 2 | 1 | 5 | 27.8% |
| Technology | | | | | 0 | 0.0% |
| People/Workforce | | 3 | 1 | | 4 | 22.2% |
| Health & Safety | | | | | 0 | 0.0% |
| Enviromental Sustainability | | | | | 0 | 0.0% |
| Transformation/ Innovation | | | | | 0 | 0.0% |
| TOTAL EXPOSURE | 1 | 9 | 6 | 2 | 18 | 100.0% |
| % of Total | 5.6% | 50.0% | 33.3% | 11.1% | | |

Table 2 - Last Reported Position - November 2025

| Current Risk Exposure (Total Score) | Very High | High | Medium | Low | Total | % of Total |
|-------------------------------------|-----------|-------|--------|------|-------|------------|
| Strategic | | 3 | | | 3 | 15.8% |
| Operational | 1 | 2 | 1 | | 4 | 21.1% |
| Finance | | | 2 | | 2 | 10.5% |
| Reputational | | | | | 0 | 0.0% |
| Governance | | 2 | 2 | 1 | 5 | 26.3% |
| Technology | | | | | 0 | 0.0% |
| People/Workforce | | 4 | 1 | | 5 | 26.3% |
| Health & Safety | | | | | 0 | 0.0% |
| Enviromental Sustainability | | | | | 0 | 0.0% |
| Transformation/ Innovation | | | | | 0 | 0.0% |
| TOTAL EXPOSURE | 1 | 11 | 6 | 1 | 19 | 100.0% |
| % of Total | 5.3% | 57.9% | 31.6% | 5.3% | | |

NES Risk Matrix, Scoring and Risk Categories

APPENDIX 4

Risk Matrix and Score –

| Risk Level | |
|------------|---------|
| Very High | 20 - 25 |
| High | 12 - 16 |
| Medium | 6 - 10 |
| Low | 1 - 5 |

| | Impact / Consequences | | | | |
|----------------|-----------------------|-------------|------------|----------------|----------------|
| Likelihood | Negligible | Minor | Moderate | Major | Extreme |
| Almost Certain | Low (5) | Medium (10) | High (15) | Very High (20) | Very High (25) |
| Likely | Low (4) | Medium (8) | High (12) | High (16) | Very High (20) |
| Possible | Low (3) | Medium (6) | Medium (9) | High (12) | High (15) |
| Unlikely | Low (2) | Low (4) | Medium (6) | Medium (8) | Medium (10) |
| Rare | Low (1) | Low (2) | Low (3) | Low (4) | Low (5) |

NES Scoring Definitions – Likelihood -

| Descriptor | Rare | Unlikely | Possible | Likely | Almost Certain |
|-------------------|---|--|---|---|--|
| Likelihood | Cannot believe this event would happen – will only happen in exceptional circumstances. Risk will not materialise more regularly than every 10 years. | Not expected to happen, but definite potential exists – unlikely to occur. Risk will materialise on average once every 5 – 10 years. | May occur occasionally, has happened before on occasions – reasonable chance of occurring. Risk will materialise on average once every 3 – 5 years. | Strong possibility that this could occur – likely to occur. Risk will materialise on average once within each year. | This is expected to occur frequently/in most circumstances – more likely to occur than not. Risk will materialise within 6 months. |

NES Scoring Definitions – Impact/Consequence –

| Types of Risk | Negligible (1) | Minor (2) | Moderate (3) | Major (4) | Extreme (5) |
|--|--|---|---|--|--|
| Strategic (Risk could impact on achievement of strategic objectives) | <ul style="list-style-type: none"> Negligible impact on achievement of strategic objectives. No loss of confidence from key stakeholders. Negligible impact on services. | <ul style="list-style-type: none"> Minor impact on achievement of limited number of strategic objectives. Minor loss of confidence from some key stakeholders. Reduced ability to support some services. | <ul style="list-style-type: none"> Some strategic objectives will not be achieved. Loss of confidence from key stakeholders in specific areas. Inability to support specific services. | <ul style="list-style-type: none"> Significant proportion of strategic objectives will not be achieved. Loss of confidence from key stakeholders in several areas. Inability to support several services. | <ul style="list-style-type: none"> Inability to deliver on strategic objectives. Loss of confidence from key stakeholders including Scottish Government. Inability to support service. |
| Financial (Risk could impact on financial position) | <ul style="list-style-type: none"> Some adverse financial impact but not sufficient to affect the ability of the service/department to operate within its annual budget (up to £100k). | <ul style="list-style-type: none"> Adverse financial impact affecting the ability of one or more services/ departments to operate within their annual budget (£100k – 250k). | <ul style="list-style-type: none"> Significant adverse financial impact affecting the ability of one or more directorates to operate within their annual budget (£250k - £500k). | <ul style="list-style-type: none"> Significant adverse financial impact affecting the ability of the organisation to achieve its annual financial control total (£100k-1m). | <ul style="list-style-type: none"> Significant aggregated financial impact affecting the long-term financial sustainability of the organisation (£>1m). |
| Governance (Risk could impact on the governance of the organisation and services) | <ul style="list-style-type: none"> Small number of potential issues affecting minor quality improvement issues. Minor non-compliance with governance requirements | <ul style="list-style-type: none"> Potential issues which can be addressed by low level of management action. Isolated failures to meet internal standards or follow protocols. | <ul style="list-style-type: none"> Challenging issues that can be addressed with appropriate action plan. Repeated failures to meet internal standards or follow protocols. | <ul style="list-style-type: none"> Mandatory improvement required to address major issues. High level action plan is necessary. Major failure to meet legal requirements or governance standards. | <ul style="list-style-type: none"> Major governance issues leading to the threat of prosecution. Board level action plan required. Systematic failure to meet legal or governance standards. |
| Reputational (Risk could impact on public/stakeholder trust and confidence, and affect organisation's reputation) | <ul style="list-style-type: none"> Adverse comments/feedback, no media coverage. Little effect on staff morale. | <ul style="list-style-type: none"> Adverse local media coverage – short term. Some public embarrassment. Minor impact on staff morale and public/political perception and confidence in the organisation | <ul style="list-style-type: none"> Adverse local or social media coverage – long-term adverse publicity. Significant effect on staff morale and public/political perception of the organisation | <ul style="list-style-type: none"> Adverse national media coverage, less than 3 days. Public/political confidence in the organisation undermined. Use of services affected | <ul style="list-style-type: none"> Adverse coverage in national/International media - more than 3 days. MSP/MP concern (Questions in Parliament). Court Enforcement. Public Enquiry |
| Operational (Risk could impact on the NES operations and delivery of products and services) | <ul style="list-style-type: none"> Interruption in a service which does not impact on the ability to continue to provide service. | <ul style="list-style-type: none"> Short term disruption to service with minor impact on quality-of-service provision. | <ul style="list-style-type: none"> Some disruption in service with unacceptable impact on service provision. Temporary loss of ability to provide service. | <ul style="list-style-type: none"> Sustained loss of service which has serious impact on delivery of services. Major Contingency Plans invoked. | <ul style="list-style-type: none"> Permanent loss of core service or facility. Disruption to facility leading to significant “knock on” effect. |
| Technology (Risk could impact on delivery of services due to technological systems/processes/development and resilience) | <ul style="list-style-type: none"> Negligible impact on delivery of services due to inadequate or deficient system/process development and performance or inadequate resilience. | <ul style="list-style-type: none"> Minor impact on delivery of services due to inadequate or deficient system/process development and performance or inadequate resilience. | <ul style="list-style-type: none"> Late delivery of services due to inadequate or deficient system/process development and performance or inadequate resilience. | <ul style="list-style-type: none"> Failure to deliver services due to inadequate or deficient system/process development and performance or inadequate resilience. | <ul style="list-style-type: none"> Non delivery of services due to inadequate or deficient system/process development and performance or inadequate resilience. |
| Workforce (Risk could impact on staff wellbeing, staffing levels and competency) | <ul style="list-style-type: none"> Short term staffing issues temporarily reduces service provision and quality. Short term staffing issues, where there is no disruption to service quality. | <ul style="list-style-type: none"> Ongoing staffing issues reduce service quality. Minor errors due to ineffective training / implementation of training. | <ul style="list-style-type: none"> Late delivery of a key objective / service due to staffing issues Moderate error due to ineffective training / implementation of training. | <ul style="list-style-type: none"> Failure to meet key objective / service due to staffing issues. Major error due to ineffective training/implementation of training. | <ul style="list-style-type: none"> Non delivery of key objectives/service due to staffing issues Loss of key/high volumes of staff. Critical error due to ineffective training / implementation of training. |
| Health and Safety (Risk could impact on staff/public/volunteer, or a patient out with delivery of care) | <ul style="list-style-type: none"> Adverse event leading to minor injury not requiring first aid. Temporary, local disruption to operations due to health and safety issues No staff absence | <ul style="list-style-type: none"> Minor injury or illness, first aid treatment required. Up to 3 days staff absence Local disruption of operations for up to one week due to health and safety concerns | <ul style="list-style-type: none"> Agency reportable, e.g., Police (violent and aggressive acts) Significant injury requiring medical treatment and/or counselling. RIDDOR over 7- day absence due to injury/dangerous occurrences Local disruption to operations for a period of more than one week due to health and safety concerns. | <ul style="list-style-type: none"> Major injuries/long term incapacity /disability (e.g., loss of limb), requiring, medical treatment and/or counselling. RIDDOR over 7- day absence due to major injury/dangerous occurrences. Widespread disruption to operations for a period of up to one week due to health and safety concerns. | <ul style="list-style-type: none"> Incident leading to death(s) or major permanent incapacity. RIDDOR Reportable/FAI Widespread disruption to operations for an extended period due to health and safety concerns |
| Environmental Sustainability / Climate Change (Risk could impact on environment, ability to comply with legislation/targets or environmentally sustainable care) | <ul style="list-style-type: none"> Limited damage to environment, to a minimal area of low significance. Negligible impact on ability to comply with climate legislation/targets or ability to reach net zero. | <ul style="list-style-type: none"> Minor effects on biological or physical environment. Minor impact on ability to comply with climate legislation/targets or ability to reach net zero. | <ul style="list-style-type: none"> Moderate short-term effects but not affecting eco-system. Moderate impact on ability to comply with climate legislation/targets or ability to reach net zero. | <ul style="list-style-type: none"> Serious medium term environmental effects. Serious impact on ability to comply with climate legislation/targets or ability to reach net zero. | <ul style="list-style-type: none"> Very serious long term environmental impairment of eco-system. Critical non-compliance with climate legislation/targets or ability to reach net zero. |
| Transformation/Innovation (Risk could impact on an operational/technology risk) | <ul style="list-style-type: none"> Barely noticeable reduction in scope/quality/ schedule. Negligible impact on achievement of intended benefits. | <ul style="list-style-type: none"> Minor reduction in scope/quality/ schedule. Minor impact on achievement of intended benefits. | <ul style="list-style-type: none"> Reduction in scope/quality/project/programme objectives or schedule. Some intended benefits will not be achieved. | <ul style="list-style-type: none"> Significant project/programme over-run. Significant proportion of intended benefits will not be achieved. | <ul style="list-style-type: none"> Inability to deliver project/programme objectives. Inability to achieve sustainable transformation. |

NES Risk Categories –

| | |
|---|---|
| Strategic | - Risks arising from the achievement of NES's Strategy due to failure in supporting the delivery of commitments, plans or objectives due to a changing macro-environment. |
| Finance | - Risks arising from not managing finances in accordance with requirements and financial constraints resulting in poor returns from investments, failure to manage assets/liabilities or to obtain value for money from the resources deployed, and/or non-compliant financial reporting. |
| Governance | - Risks arising from unclear plans, priorities, authorities and accountabilities, and/or ineffective or disproportionate oversight of decision-making and/or performance. |
| Reputational | - Risks arising from adverse events, including ethical violations, a lack of sustainability, systemic or repeated failures or poor quality or a lack of innovation, leading to damages to reputation and or destruction of trust and relations. |
| Operational | - Risks arising from inadequate, poorly designed or ineffective/inefficient internal processes resulting in fraud, error, impaired customer service (quality and/or quantity of service), non-compliance and/or poor value for money. |
| Technology | - Risk arising from technology not delivering the expected services due to inadequate or deficient system/process development and performance or inadequate resilience. |
| People/Workforce | - Risks arising from ineffective leadership and engagement, suboptimal culture, inappropriate behaviours, the unavailability of sufficient capacity and capability, industrial action and/or non-compliance with relevant employment legislation/HR policies resulting in negative impact on performance. |
| Health & Safety | - Risks arising from inefficient safety management resulting in non-compliance and/or harm and suffering to employees, contractors, service users or the public. |
| Environmental Sustainability/ Climate Change | - Risk arising from ineffective management of natural resources resulting in harm to the environment and non-compliance with climate legislation/targets or ability to reach net zero. |
| Transformation / Innovation | Risk arising from major transformation projects and innovations resulting in inability to achieve planned changes and reduced effectiveness of delivering on objectives. |

NHS Education for Scotland

NES/26/09

Agenda Item: 08d

Date of meeting: 5 February 2026

NES Public Board Meeting

1 Title of Paper

- 1.1 Q3 Strategic Key Performance Indicators Report 2025/26

2 Author(s) of Paper

- 2.1 Rob Coward, Principal Educator, Planning, Performance & Transformation
Debbie Lewsley, Risk Manager, Planning, Performance & Transformation

3 Lead Director(s)

- 3.1 Christina Bichan, Director of Planning, Performance and Transformation

4 Situation/Purpose of paper

- 4.1 The purpose of this report is to present to the Board the Strategic Key Performance Indicators (SKPIs) Q3 update for 2025/26 for review and approval.
- 4.2 The Board is also asked to consider and approve the proposed amendments for SKPI reporting as outlined in Section 6.7.

5 Background and Governance Route to Meeting

- 5.1 In May 2023, the NES Board approved 41 Strategic Key Performance Indicators in parallel with the NES Strategy, these were structured around the three key themes of the strategy, People, Partnership and Performance.
- 5.2 As part of their responsibility for obtaining assurance on each part of their remit, each Committee is asked to consider the related strategic key performance indicators.
- 5.3 The Q3 Strategic Key Performance Indicators Report was presented to the Planning and Performance Committee for consideration and approval in advance of the February 2026 Board meeting.

6 Assessment/Key Issues

6.1 Overview

- 6.1.1 There are 41 strategic key performance indicators, spanning 52 individual metrics that form NES's reporting suite as presented in Appendix 3.

A summary of the RAG status for the 52 SKPI metrics is presented in Table 1 below.

Table 1: SKPI RAG Status Summary – January 2026

| Green | Amber | Red | Blue (Complete) (Paused) | RAG parameters to be set |
|-------|-------|-----|--------------------------------|--------------------------------|
| 33 | 6 | 1 | 2 | 10 |

- 6.1.2 Within this reporting period 66% of SKPIs have been reported with a green RAG status, this is an increase of 6% in comparison to the last reporting period, which reflects the decrease in the number of SKPIs reported with red and amber RAG status this reporting period.
- 6.1.3 The number of RAG parameters still to be set can be attributed to the outstanding measurements in development. The RAG status of every reportable measurement apart from SKPI34 which had previously been paused have now been determined. A review of the agreed targets and RAG status for this measurement was conducted in Q3, and the NES Board will be asked to consider a change to the reporting for this measurement.
- 6.1.4 At its November 2025 meeting, the NES Board approved the enhancement of wording to SKPI07a, SKPI07b and SKPI07c to help clarify what they are reporting. These amendments were implemented prior to Q3 reporting
- 6.1.5 In addition, the NES Board approved the enhancement to the wording of SKPI04 and the revised targets for this measurement. It was agreed that the thresholds were changed to whole numbers to ensure consistency and clarity in reporting and ensure the RAG status remains meaningful, reflect current performance and align with national benchmarks.
- 6.1.6 A review of all SKPI owners was also undertaken prior to Q3 reporting with ownership of SKPI 1, 2, 3, 4, 5, 17 and 26 transferred to the Director of People & Culture, SKPI 6a, 6b, 6c, 22 and 33 transferred to the Director of Planning, Performance and Transformation and SKPI 25 transferred to the Director of NES Technology Service.

6.2 Q3 Reporting Overview

- 6.2.1 In Quarter 3 data has been recorded for 21 SKPI metrics as shown in Appendix 1. Other measures have not been updated due to their frequency of reporting meaning that they were not due in this reporting period.

A summary of the RAG status for the 21 SKPI metrics is presented in Table 2 below.

Table 2: RAG Status Summary – SKPIs reported in Q3 2025/26

| Green | Amber | Red | RAG parameters to be set |
|-------|-------|-----|--------------------------|
| 17 | 3 | 1 | 0 |

- 6.2.2 SKPI08 – ‘*Staff Inclusion Score (WAS: % of staff who experience NES as an inclusive organisation)*’ this measurement was due for reporting in Q3 however due to the second survey of 2025/26 being issued in December, the average score and analysis will now be reported in Q4. This is the last staff inclusion survey that will be undertaken for NES.
- 6.2.3 As part of the Q3 SKPI reviews, owners considered the measurements thresholds of the SKPIs that are continuing to perform at their desired level. Where potential changes have been identified this will be reflected in Q4 reporting and any proposals will be presented to the Board.

6.3 Q3 Performance Highlights for SKPI’s with Green RAG Status

- 6.3.1 SKPI03 – ‘*Staff retention rate (voluntary leavers).*’
Although there has been a modest decrease reported this quarter, the retention rate continues to reflect a strong level of staff commitment, especially when viewed against historical performance, with the top reasons for leaving remaining consistent.
- 6.3.2 SKPI13a - ‘*Medical Funded trainee placements – Vacancy Rate (WAS Fill rate)*’.
The vacancy rate has decreased this reporting period with core and higher training programmes having an increased fill rate this year, with 98.6% of posts for specialty training starting in August 2025 or February 2026 filled via the recruitment process. This has resulted in the RAG status for this measurement changing from amber to green this quarter.

6.3.3 SKPI13b - *'Dental Funded trainee placements – Vacancy Rate (WAS Fill rate)'*

The RAG status for this measurement has changed within this reporting period from red to green, with the vacancy rate decreasing this quarter. Currently 69 of the 87 funded posts in DCT are filled following national and NES recruitment, with local appointments taking place within some Boards to fill any vacancies. Both Speciality and Vocational training have no vacancies and 7 out of 10 Therapy VT places are filled.

6.3.4 SKPI17 - *'Total accesses of the NHS Scotland Careers Website'*

There has been a substantial surge in engagement during Q3 with a 33% increase compared to Q2, this performance has not only recovered from the previous minor dip but has significantly surpassed the 24/25 baseline average and remains firmly within the green RAG rating, far exceeding the threshold. Further analysing will be undertaken in Q4 to ensure this momentum continues.

6.3.5 SKPI31 - *'Achievement of agreed savings % against annual budget'*

This measurement continues to show a green RAG status with NES enroute to meet and exceed all agreed savings plans.

6.3.6 SKPI32 - *'% of audit actions which are completed within agreed timescale'*

The RAG status for this measurement has changed within this reporting from amber to green, with progress being made on the outstanding audit actions with a further 3 completed in Q3 and work continuing with KPMG to ensure all actions due by the end of March 2026 are closed prior to the transition into the new organisation.

6.3.7 SKPI33 - *'Benefits realisation/ROI from corporate change activities'*

This measurement continues to report a green RAG status with high confidence on completion of programme deliverables for all four programmes in delivery this reporting period.

6.4 Q3 Performance on SKPI's with Amber RAG Status

6.4.1 SKPI04 – *'Operational to capacity threshold – posts advertised'*

The number of advertised vacancies has continued to decrease this quarter, this sustained downward trend indicates a positive trajectory and reflects effective recruitment delivery following the temporary recruitment review implemented earlier in the year. Vacancy levels are now below the revised operational capacity threshold and represent a small proportion of the total workforce. It is anticipated that there may be a slight increase in vacancies in Q4, the ET Sub Group will continue to monitor vacancy trends, emerging pressures and review workforce plans to ensure capacity remains aligned to operational requirements.

6.4.2 SKPI05 – *‘Sickness Absence Rate’*.

There has been a small decrease in the sickness absence rate this quarter, which may indicate early stabilisation to absence levels that remain elevated compared to earlier quarters. NES continues to perform favourably in comparison to other NHS Boards, with National and Special Boards reporting up to 9.7% and Territorial Boards between 4.4% and 7.7%. Absence patterns will continue to be closely monitored to assess whether recent movements reflect seasonal variation or underlying systemic issues.

6.4.3 SKPI37 - *‘Number of complaints or concerns upheld and partially upheld.’*

There have been 2 stage 2 complaints either upheld or partially upheld this quarter, with recommendations identified for both and action plans in place. Although showing as an Amber RAG status, this is still a low number of complaints and reporting can be adversely impacted by fluctuations, with many periods reporting at zero.

6.5 Q3 Performance on SKPI’s with Red RAG Status

6.5.1 SKPI135 – *‘CO2 emissions (staff and business travel)’*.

CO2 emissions from travel are down overall on last year, but in Q3 are up on the prior quarter and previous year due to seasonal calibrations. A review will be undertaken in Q4 when all yearly data available and a further analysis will be undertaken within this reporting period on individual Directorate business travel. Emission data will be calculated on a monthly basis to allow early identification of any issues with meeting the target reduction.

6.6 SKPI Reporting Development for Outstanding Measures

6.6.1

There are currently 9 measurements which have not yet been reported on. Work continues to develop SKPI data collection and reporting capabilities in the short-term while addressing structural challenges affecting the scope and consistency of data collection, data quality and comprehensive reporting. Progress has been made on the interim solutions for several of the measurements, with the piloting of a number of data gathering processes and questionnaires progressing in Q3 with the expectation of reporting data in Q4 2025/26 or Q1 2026/27.

6.6.2

A consistent approach to evaluation is being planned in regard to reporting for SKPI11 *‘% of learners that tell us their education & training will improve their practice’* and SKPI12 *‘% of learners who score their learning experience as 80% or above’* an interim technical solution has been developed with the launch of approved core feedback questions in December 2025 and expectation for some data to be available in Q1 2026/27.

- 6.6.3 SKPI16 - *‘Clinical Training Environment’*
Development continues to understand current approaches to monitoring and evaluating practice-learning environment. The Practice Learning Framework has been launched, and exploration of implementation measures will be initiated in Q1 2026/27.
- 6.6.4 SKPI18 - *‘Uptake of learning products by sector as % of total reach’*
The creation of a centralised learner record as part of the Digital Learning Infrastructure Programme will support reporting for this measurement.
- 6.6.5 SKPI19 - *‘% of learners and trainees from the 20% most deprived data zones in Scotland (SIMD)’* and SKPI20 *‘% of learners and trainees by protected characteristics as compared to population of Scotland’*
As previously reported, monitoring questions to gather equality and SIMD data from learners have been piloted by the NES SQA Centre from August 2025. The purpose of the pilot was to gauge the utility of these questions in measuring the inclusiveness of SQA accredited programmes offered by NES. Our experience of piloting the questions with registrants to SQA programmes has highlighted the challenges of obtaining demographic data from learners. Since the start of the pilot only 28 registrants have completed the monitoring form from a population of over 300. This response rate of nine per cent was despite efforts to explain the purpose of the form to registrants and encourage completion. We continue to investigate other approaches to collecting equality monitoring data from learners and this issue is being actively addressed as part of the Digital Learning Infrastructure project. It was anticipated that data from the pilot could be reported to against SKPIs 19 and 20 in Q4 2025/26, though this is dependent on the quality of the data obtained.
- 6.6.6 SKPI21a - *‘% of learning products which include sustainability’*
Piloting of a new commission process for new education products to enable identification of programmes and resources that address sustainability was due to come into effect by Q3 with initial data on new programmes available Q4 2025/26, but due to a slight delay in procurement the system will not be implemented until end Q4 202/26 with expectation of initial data on new programmes available Q1 2026/27.

6.6.7 SKPI26 - *'% of health and social care workforce who report being confident in using digital ways of working'*.

The digital confidence level of the NES workforce was measured in spring 2025. Since then, the Digital Confidence and Capability programme has delivered a comprehensive initiative, with the final output scheduled for completion in Q4, this will consolidate all resources into a Digital Resource Hub, the measurement will be repeated following the Hub's launch with data available in Q1 2026/27.

6.6.8 SKPI27 - *'Number of NES programmes that can demonstrate active engagement of people with lived or living experience in the development of educational resources designed to support interaction with those who use health and social care services'*

The LEQS Board has agreed that engagement with people and communities will be monitored through the application of Quality Management, Assurance and Enhancement processes with data being available in Q4 2025/26 or Q1 2026/27.

6.7 Amendments to SKPI Reporting

6.7.1 SKPI34 - *'CO2 emissions (estates)'*.

The reporting of data for this measurement which had been paused was reinstated in Q2 for the Westport office with work ongoing to measure emissions for the other properties. A review of agreed targets and RAG status was conducted in Q3, and it is proposed that the reporting of this measurement is changed to record the EPC rating for each property NES leases rather than the CO2 emissions due to the Co2 Emissions (Property) Target having been set by the UK Government for all leased commercial properties to have an EPC Rating "C" by 2027 and "B" rating by 2030. This proposal was endorsed by the Audit and Risk Committee at their January meeting and recommended to the Board for final approval.

6.7.2 Following recommendations from the SKPI Annual Review and Operational Planning discussions, the Education & Quality Committee approved in principle the proposal for the scope of SKPI14 (Trainee placements) to be expanded to include all trainee groups. This will require the creation of additional measures for other professional groups in postgraduate training roles including psychologists and pharmacists. This proposal is recommended to the Board and, if approved, this work will be undertaken in Q4 with the new measures being presented to the Education & Quality Committee and the NES Board for final approval.

- 6.7.3 These proposed amendments were approved by the Planning and Performance Committee at its January 2026 meeting.

6.8 SKPI Reporting Dashboard

- 6.8.1 The SKPI Reporting Dashboard (Appendix 2/3) was implemented for Q2 reporting. The dashboard was developed to provide an enhanced view for presenting the SKPI reporting data to the Board and Governance Committees. The dashboard allows users to view the reportable SKPIs by strategic theme: People, Learners, Partnerships and Performance or by Governance Committee, with access to all data available on individual tabs. It is recommended that the dashboard is viewed in Excel desktop and full user guidance for the dashboard is provided in Appendix 2.
- 6.8.2 Within this reporting period further development of the dashboard has been undertaken, with measurements with 15 plus data points now being presented as Statistical Process Control (SPC) charts to demonstrate data over time and support more active governance. It is anticipated that this will help to drive continuous improvement and decision making through a better understanding of variation. Due to additional formatting requirements and time available, the SPC charts for SKPI03, 04, 05, 17, 37 & 40 have been presented at the bottom of the relevant individual tabs for Q3 reporting, with the intention that in Q4 they will replace the current bar charts.

6.9 Key Matters Arising from the Planning & Performance Committee

- 6.9.1 The Q3 Strategic Key Performance Indicators Report was presented and approved by the Planning and Performance Committee at its January 2026 meeting.
- 6.9.2 The Committee expressed concern of the possibility that the SKPI measurement approach may be lost with the transition to the new organisation. It was noted that the new Public Services Delivery Scotland Board once established, will take a view on the future shape of reporting and performance management in due course and until this has been formalised, maintenance and further development of our SKPI approach will be undertaken to ensure robust reporting of performance across NES's functions.
- 6.9.3 The Committee welcomed the additional work that has been undertaken on the dashboard for presenting the SKPI quarterly data as SPC charts , presenting data over time and asked that in the future development consideration is given to the presentation of the insights and actions narrative for each measurement.

7 Recommendations

The NES Board is invited to:

- 7.1 To review and approve the NES Strategic Key Performance Indicators Q3 update and provide any feedback as appropriate.
- 7.2 To consider and approve the proposed amendments for SKPI reporting as outlined in Section 6.7

Author to complete checklist.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have implications for Public Services Delivery Scotland been considered?
☒ Yes
☐ No
- b) Have educational implications been considered?
☒ Yes
☐ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☒ 1. People Objectives and Outcomes
☒ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☐ Yes
☒ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☐ Yes
☒ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☒ Yes
☐ No
- i) Have you considered a staff and external stakeholder engagement plan?
☒ Yes
☐ No

Author name: Rob Coward, Debbie Lewsley, Christina Bichan

Date: January 2026

NES

Overview of SKPI Reported in Quarter 3

| Measure ID | Measure Name | RAG Status - Jan 2026 |
|--|--|-----------------------|
| SKPI03 | Staff retention rate (voluntary leavers) | Reported Q3 |
| SKPI04 | Vacancy Rate | Reported Q3 |
| SKPI05 | Sickness Absence Rate | Reported Q3 |
| SKPI13a | Medical Funded trainee placements - Vacancy Rate (WAS Fill rate) | Reported Q3 |
| SKPI13b | Dental Funded trainee placements - Vacancy Rate (WAS Fill rate) | Reported Q3 |
| SKPI17 | Total accesses of the NHS Scotland Careers Website | Reported Q3 |
| SKPI23 | Number of education, research and strategic collaborations | Reported Q3 |
| SKPI24 | Number of innovation initiatives invested in, including in collaboration with other stakeholder organisations | Reported Q3 |
| SKPI25 | % of Service Providers who report utilising NES provided workforce data | Reported Q3 |
| SKPI28 | % of technology, data and digital developments which are shaped by staff, learner and partners feedback | Reported Q3 |
| SKPI30 | Number of NES programmes of education and training which are SCQF credit rated | Reported Q3 |
| SKPI31 | Achievement of agreed savings % against annual budget | Reported Q3 |
| SKPI32 | % of audit actions which are completed within agreed timescale | Reported Q3 |
| SKPI33 | Benefits realisation/ ROI from corporate change activities | Reported Q3 |
| SKPI35 | CO2 emissions (staff and business travel) | Reported Q3 |
| SKPI36 | Projected variance of budgeting within 0.5% at year end | Reported Q3 |
| SKPI37 | Number of complaints or concerns upheld and partially upheld | Reported Q3 |
| SKPI38 | Number of unplanned outages to NES systems (internal and external) | Reported Q3 |
| SKPI39 | % NIS Audit Compliance Score for Cybersecurity | Reported Q3 |
| SKPI40 | % RAG status for delivery against Annual Delivery Plan | Reported Q3 |
| SKPI41 | Adverse events: Number of Category 1 Information Governance events and events requiring reporting under RIDDOR | Reported Q3 |
| SKPIs - Not Reported this Quarter | | |
| SKPI01 | Employee Engagement Index | Data Due Q1 26/27 |
| SKPI02 | Proportion of staff who report having the time and resources to support their learning and growth | Data Due Q1 26/27 |
| SKPI06a | Gender pay equality | Data Due Q1 26/27 |
| SKPI06b | Disability pay equality | Data Due Q1 26/27 |
| SKPI06c | Ethnicity pay equality | Data Due Q1 26/27 |
| SKPI07a | % of disabled staff | Data Due Q1 26/27 |
| SKPI07b | % of Minority Ethnic staff | Data Due Q1 26/27 |
| SKPI07c | % of LGB staff | Data Due Q1 26/27 |
| SKPI08 | Staff Inclusion Score (WAS: % of staff who experience NES as an inclusive organisation) | Data Due Q3 25/26 |
| SKPI09 | Total number of accesses to NES learning products | Data Due Q1 26/27 |
| SKPI10 | Number of health and social care staff accessing NES learning products as a % of the health and social care workforce | Data Due Q1 26/27 |
| SKPI14a | Medical Funded trainee placements - Non-completion rate | Data Due Q1 26/27 |
| SKPI14b | Dental Funded trainee placements - Non-completion rate (Vocational Training) | Data Due Q1 26/27 |
| SKPI14c | Dental Funded trainee placements - Completion rate (Core Training) | Data Due Q1 26/27 |
| SKPI14d | Dental Funded trainee placements - Non-completion rate (Dental Speciality Training) | Data Due Q1 26/27 |
| SKPI15a | Employee Engagement Index – Doctors in Training | Data Due Q1 26/27 |
| SKPI15b | Employee Engagement Index - Dentists in Training | Data Due Q2 26/27 |
| SKPI21b | % of learning products which include value based health and social care | Data Due Q4 25/26 |
| SKPI22 | Net Promoter Score for stakeholders who rate themselves likely to recommend NES to colleagues and associates | Reporting Paused |
| SKPI29a | Number of young people participating on a school-based pilot pathway | SKPI Closed |
| SKPI29b | Number of collaborations to support employability and engagement of young people | Data Due Q4 25/26 |
| SKPI34 | CO2 emissions (estates) | Data Due Q4 25/26 |
| SKPIs - Not Measured | | |
| SKPI11 | % of learners that tell us their education & training will improve their practice | |
| SKPI12 | % of learners who score their learning experience as 80% or above | |
| SKPI16 | Clinical Training Environment | |
| SKPI18 | Uptake of learning products by sector as % of total reach (10)? | |
| SKPI19 | % of learners and trainees from the 20% most deprived data zones in Scotland (SIMD) | |
| SKPI20 | % of learners and trainees by protected characteristics as compared to population of Scotland | |
| SKPI21a | % of learning products which include sustainability | |
| SKPI26 | % of health and social care workforce who report being confident in using digital ways of working | |
| SKPI27 | Number of NES programmes that can demonstrate active engagement of people with lived or living experience in the development of educational resources designed to support interaction with those who use health and social care services | |

NES Strategic Key Performance Indicators

Dashboard Guidance

Introduction

The Strategic Key Performance Indicators Dashboard has been developed to provide an enhanced view for presenting the SKPI reporting data to the Board and Governance Committees.

The dashboard allows SKPIs to be viewed by individual strategic theme –

- People
- Learners
- Partnerships
- Performance

or by Governance Committee –

- Audit & Risk
- Education & Quality
- Staff Governance

* It is recommended to view the Dashboard in Excel Desktop and enable macros when asked.

Users can quickly access all information using the interactive dashboard as shown below.

Dashboard Theme /
Committee view

Reporting period

Strategic Key Performance Dashboard -

People
Strategic Theme

Qtr2 25-26
Reporting Period

12
Total Active Measures

13-Oct-25
Last Updated

18-Dec-25
Next Data Collection

Theme buttons – click on individual button to show theme dashboard

Period Moving Average – information on period moving average

Committee buttons – click on individual button to show committee dashboard

Number of measurements on dashboard

Date dashboard updated

Date of next data collection

2-period Moving Average
A 2-period moving average is a method of trending data by calculating the average of the last two data points. It is used and often preferred to reduce the impact of short-term fluctuations and instead highlight longer-

Education & Quality

Audit & Risk

Staff Governance

Purple Tab – click on tab to show welcome data information

Green Tab – click on individual tab theme to show full data information

Brown Tab – click on individual tab to show dashboard for each theme

Brown Tab – click on individual tab to show dashboard for each committee

Welcome People Learners & Trainees Partnerships Performance Definitions People Dashboard Learners Dashboard Partnerships Dashboard Performance Dashboard Education & Quality



NHS Education for Scotland

NES/26/10

Agenda Item: 09a

Date of meeting: 5 February 2026

NES Board Meeting

1 Title of Paper

- 1.1 Strategic Risks Annual Review and Board Risk Appetite.

2 Author(s) of Paper

- 2.1 Rob Coward, Principal Educator, Planning, Performance & Transformation
Debbie Lewsley, Risk Manager, Planning, Performance & Transformation

3 Lead Director(s)

- 3.1 Jim Boyle, Director of Finance

4 Situation/Purpose of paper

- 4.1 The purpose of this report is to present to the NES Board the Strategic Risk Annual Review for review and approval. In 2025 we have progressively developed our processes and practice in risk Management, and the Committee is invited to note the progress that has been made in enhancing NES's risk management approach.
- 4.2 The Board is also asked to review the NES Board's appetite for risk under each risk category and contemplate if any recommendations need to be considered on the appropriateness and proportionality of the scoring for each risk category.
- 4.3 In addition, the Board is asked to approve the proposal for updating the Strategic Risks in preparation for the transition into the new organisation.

5 Background and Governance Route to Meeting

- 5.1 NES has well established risk management processes which are subject to frequent review by the Executive Team, the audit and Risk Committee, NES Board and the Risk Management Group. Our risk management infrastructure

is predominantly in place, with established directorate risk leads, common risk log format and Risk Management Strategy.

- 5.2 All Strategic Risks are reviewed regularly by individual risk owners and the Executive Team and are reported quarterly to the Audit and Risk Committee and the NES Board for review and approval.
- 5.3 Reporting of Strategic Risks that relate to individual Board Governance committees' remitted responsibilities are presented quarterly for consideration. These reports are designed to provide assurance that the individual risks are being effectively managed by the mitigating controls and planned actions identified.
- 5.4 In accordance with the NES Board's Committee's schedule of business, members are asked to review the NES Board Risk Appetite annually.

6 Assessment/Key Issues

6.1 NES Strategic Risk Register

- 6.1.1 The Strategic Risk Register (summary Appendix 1) is subject to regular review by the Executive Team and individual risk owners and is reported quarterly to the NES Board and the Audit & Risk Committee. Over the last year three new strategic risks have been identified and added to the Strategic Risk Register and one risk has been deescalated.
- 6.1.2 Strategic Risk 17 - (relating to the inability for NES to deliver its Annual Delivery Plan for 2025/26 and sufficiently plan for the future delivery of its statutory functions due to the uncertainty and resource demands caused by the formation of Public Services Delivery Scotland). This risk was approved by the Executive Team and the Audit & Risk Committee for inclusion to the Strategic Risk Log in response to the announcement by Scottish Government on 17th June 2025 for NES to come together with NHS National Services Scotland to create a new organisation, from 1st April 2026.
- 6.1.3 Strategic Risk 18 – (relating to NES being unable to resource the work needed to adopt the national Business Systems Replacement Programme). This emerging risk was approved by the Executive Team and the Audit & Risk Committee for inclusion to the Strategic Risk Log.
- 6.1.4 Strategic Risk 19 – (relating to NES being unable to govern and discharge its responsibilities as Lead Employer). This risk was approved by the Executive Team and the Audit & Risk Committee for escalation to the Strategic Risk Log due to it being identified on three Directorate risk logs and the potential impact of the combined risks.

- 6.1.5 Strategic Risk 16 (relating to the inability to meet core responsibilities and objectives due to HR Performance). Due to the HR Transformation Programme being stood down and all activity being transferred to business as usual. This risk was deescalated back to Directorate level where it will continue to be managed until it is fully mitigated.
- 6.1.6 Within the last year there has also been changes to the wording of the risk titles of Strategic Risks 2, 5, 12 and 13 to reflect the current risk profile.
- 6.1.7 In addition, there has been significant movement to the scoring of the majority of risks within the last year in response to the announcement from Scottish Government for NES to come together with NHS National Services Scotland to create a new organisation.
- 6.1.8 In October 2025, the new NES Operational Risk Management and Escalation Process was launched, it provides a clear, consistent and practical framework for how risks are identified, assessed, managed and escalated across the whole organisation. By developing a once-for-NES approach we now have a single, shared process that reduces duplication and variation across directorates and functions. Provides greater clarity on roles, responsibilities and escalation routes while supporting earlier identification and resolution of risks. Enabling more consistent reporting and oversight, to strengthening assurance to senior leadership and stakeholders.
- 6.1.9 A revised Risk Management Manual was published in October 2025, setting out the principles, objectives and processes for the management of risk. It provides a key reference point that sets out the once-for-NES approach to risk and risk management and promotes an open and responsive approach that involves all elements of NES. Adopting a single approach to risk management will help us prepare for and support the transition to the new organisation. Consistent ways of working across NES will ensure we enter the new arrangements with a strong, aligned foundation, reducing complexity and making it easier to integrate our activities.

6.2 NES Board Risk Appetite

- 6.2.1 A review of strategic and directorate risks indicates that there has been a slight increase in the percentage of strategic risks that sit outwith the agreed Board Risk Appetite after mitigating controls have been applied, and a slight decrease in directorate risks. Previously 31% of strategic risks were outwith appetite, in the past year this has increased slightly to 33%, this could be attributed to the potential impact of the announcement from Scottish Government and the additional risks added to the log. The percentage of Directorate risks outwith appetite has reduced from 20% to 19%.

- 6.2.2 Appendix 1 shows where each strategic risk sits in relation to the current Board Risk Appetite Matrix and indicates the current gap above appetite. Several strategic risks have been outwith the Board's appetite for a considerable period, however within this past year the gap has been reduced in the majority of them.
- 6.2.3 The NES Risk Appetite Matrix (as shown in Appendix 2) was reviewed and approved at the January 2025 Audit & Risk Committee and the February 2025 NES Board, with no amendments made.
- 6.2.4 In January 2026 in accordance with the Committee's schedule of business, the Audit and Risk Committee reviewed and approved the NES Risk Appetite.

6.3 Q4 Strategic Risk Log Review Prior to Transition

- 6.3.1 Following an ask by the NES Board at their November 2025 meeting for all Strategic Risks to be reviewed in Q4 in preparation for the transition into the new organisation. An initial review was undertaken by individual risk owners, and a proposal was presented to the Executive Team for the risks to be either –
- Removed from Strategic Risk Log following transition.
 - Remain but reworded for transition.
 - Remain the same and carried forward into transition.
- 6.3.2 The executive team reviewed and discussed all of the strategic risks and approved the removal of Strategic Risk 2 and Strategic Risk 5 prior to transition and for all other risks to be reworded and rescored in accordance with their discussion. This work will be undertaken in Q4, and the updated Strategic Risk Log will be presented to the Executive Team for initial approval prior to being presented to the Audit & Risk Committee and the NES Board for final approval.
- 6.3.3 The Board is asked to approve this approach and the proposal to remove Strategic Risk 2 and 5 and reword and rescore if appropriate the remaining risks in preparation for the Strategic Risk Log to be taken forward into the new organisation. This recommendation was endorsed by the Audit and Risk Committee at their January 2026 meeting.

7 Recommendations

The NES Board is invited to:

- 7.1 To review and approve the NES Strategic Risks Annual Review and note the progress that has been made in enhancing NES's risk management approach.
 - 7.2 To review the NES Board Risk Appetite and agree if any recommendations need to be considered on the appropriateness and proportionality of the scoring for each risk category.
 - 7.3 To approve the proposal for updating the Strategic Risks in preparation for the transition into the new organisation.
-

Author to complete checklist.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have implications for Public Services Delivery Scotland been considered?
☒ Yes
☐ No
- b) Have educational implications been considered?
☒ Yes
☐ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☐ 1. People Objectives and Outcomes
☐ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☒ Yes
☐ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☐ Yes
☒ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☒ Yes
☐ No
- i) Have you considered a staff and external stakeholder engagement plan?
☒ Yes
☐ No

Author name: Rob Coward, Debbie Lewsley, Jim Boyle

Date: January 2026

NES

Summary of Risk Log

| Risk No. | Risk Title | Risk Date | Date due for next review | Gross Total | Net Total | Risk Category | Risk appetite vs net score | Overall Control Assurance |
|----------|--|------------|---------------------------|-------------|-----------|------------------|----------------------------|---------------------------|
| SR1 | NES Strategic Plan does not align with the evolving needs and expectations of stakeholders | 19/04/2023 | 08/03/2026 | 15 | 12 | Strategic | | Effective |
| SR2 | Continued reliance on high levels of non-recurrent funding to support the work of NES. | 19/04/2023 | 04/03/2026 | 20 | 4 | Finance | | Effective |
| SR3 | Failure to recruit and retain sufficiently experienced and knowledgeable people to the Board, Executive Team and senior management establishment | 19/04/2023 | 04/03/2026 | 16 | 16 | People/Workforce | | Acceptable |
| SR4 | NES staff become disengaged | 19/04/2023 | 04/03/2026 | 16 | 12 | People/Workforce | | Effective |
| SR5 | NES does not establish and maintain adequate corporate infrastructure to support the Transformation Route Map. | 19/04/2023 | 08/03/2026 | 16 | 9 | People/Workforce | | Effective |
| SR6 | Failure to develop and maintain adequate Business Continuity arrangements to deal with the risk of adverse events and threats | 19/04/2023 | 11/03/2026 | 16 | 9 | Governance | Gap 4 | Acceptable |
| SR7 | Failure to put in place measures to adequately protect against breaches of cyber security | 19/04/2023 | 11/03/2026 | 20 | 15 | Governance | Gap 10 | Acceptable |
| SR8 | Failure to put sufficient employee training and other operational controls in place to minimise the risk of breaches of Information Governance | 19/04/2023 | 11/03/2026 | 20 | 8 | Operational | | Effective |
| SR9 | NES does not put sufficient measures in place to address ongoing cost and funding pressures leading to misalignment with Scottish Government priorities and expectations. | 19/04/2023 | 04/03/2026 | 25 | 8 | Finance | Gap 3 | Acceptable |
| SR10 | Failure to adequately anticipate and mitigate the impacts of policy, legislative, economic, technological and societal change | 19/04/2023 | 08/03/2026 | 16 | 16 | Strategic | | Acceptable |
| SR11 | Learning outcomes and learning experience for our stakeholders is compromised. | 19/04/2023 | 09/02/2026 | 20 | 20 | Operational | Gap 4 | Acceptable |
| SR12 | Insufficient investment in Digital Learning Infrastructure Programme and other NES learning platforms. | 19/04/2023 | 11/03/2026 | 20 | 15 | Operational | | Acceptable |
| SR13 | Failure to recruit and retain sufficient number of appropriately skilled and experienced staff within NES. | 19/04/2023 | 04/03/2026 | 16 | 16 | People/Workforce | | Acceptable |
| SR14 | Inadequate Board governance, systems, processes and scrutiny of them. | 19/04/2023 | 08/03/2026 | 15 | 4 | Governance | | Effective |
| SR15 | NES is not an evidence based data driven organisation, lacking intelligence and insights from its Information Assets. | 14/12/2023 | 11/03/2026 | 12 | 6 | Governance | Gap 1 | Acceptable |
| SR16 | Inability to meet core responsibilities and objectives due to HR Performance. Nov 2025 - Risk Deescalated to People & Culture Directorate Risk Log. | 03/12/2024 | Risk Deescalated Nov 2025 | 20 | 9 | People/Workforce | | Effective |
| SR17 | Inability of NES to deliver its Annual Delivery Plan for 2025/26 and to sufficiently plan for the future delivery of its statutory functions due to the uncertainty and resource demands caused by the formation of Public Services Delivery Scotland. | 17/07/2025 | 08/03/2026 | 20 | 8 | Strategic | | Effective |
| SR18 | NES will be unable to resource the work needed to adopt the national Business Systems Replacement Programme | 17/07/2025 | 04/03/2026 | 20 | 16 | Operational | | Acceptable |
| SR19 | NES unable to govern and discharge its responsibilities as Lead Employer. | 17/07/2025 | 04/03/2026 | 20 | 16 | Governance | Gap 11 | Acceptable |

| Type of Risk | Risk Appetite | | |
|--|--------------------|----------------------------------|------------------------------|
| | Concept (Net Risk) | Pilot /Test of Change (Net Risk) | Business as Usual (Net Risk) |
| Strategic/Policy Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |
| Finance Risks | Cautious (6 – 10) | Cautious (6 – 10) | Averse (1 – 5) |
| Governance/Accountability Risks | Cautious (6 – 10) | Cautious (6 – 10) | Averse (1 – 5) |
| Reputational/Credibility Risks | Open (12 – 16) | Cautious (6 – 10) | Cautious (6 – 10) |
| Operational/Service Delivery Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |
| Technology Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |
| People/Workforce Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |
| Health & Safety Risks | Averse (1 – 5) | Averse (1 – 5) | Averse (1 – 5) |
| Environmental Sustainability/ Climate Change Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |
| Transformation/Innovation Risks | Hungry (20 – 25) | Hungry (20 – 25) | Open (12 – 16) |

NES Board Risk Appetite – Classification

| Classification | Description | Residual Score Range: Likelihood x Impact |
|-----------------|---|---|
| Averse | Avoidance of risk and uncertainty is a key organisational objective. | 1 – 5 (Low) |
| Cautious | Preference for safe options where the inherent risk has relatively low impact/ likelihood and there is limited potential for reward. | 6 - 10 (Medium) |
| 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. | 12 – 16 (High) |
| Hungry | Eager to be innovative and to choose options offering the highest potential rewards or transformation, despite a high level of residual risk. | 20 – 25 (Very High) |

NHS Education for Scotland

NES/26/12

Agenda Item: 10a

5 February 2026

NES Public Board

1. Title of Paper

- 1.1. Annual Review of the NES Corporate Governance Package

2. Author(s) of Paper

- 2.1. Drew McGowan, Board Secretary & Principal Lead for Corporate Governance
- 2.2. Laura Howard, Deputy Director of Finance

3. Lead Director(s)

- 3.1. Jim Boyle, Executive Director of Finance
- 3.2. Christina Bichan, Director of Planning, Performance & Transformation

4. Situation/Purpose of paper

- 4.1. To facilitate the annual review of the NES corporate governance package.

5. Background and Governance Route to Meeting

- 5.1. The corporate governance package was reviewed and approved by the Audit and Risk Committee on 15 January 2026 ahead of its final review by the Board in February. The package consists of the Standing Orders, Scheme of Delegation, Code of Conduct, Standing Financial Instructions and Committee Terms of Reference (ToRs).
- 5.2. All committee reviewed their ToRs ahead of the annual review.

6. Assessment/Key Issues

- 6.1. NES conducts annual reviews of the entire corporate governance package, as well as individual components of it, to ensure the whole framework is aligned and fit for purpose.
- 6.2. A summary of the proposed amendments is provided below, with the governing documents marked up with tracked changes enclosed with this paper. Given the size of this paper, hyperlinks have been provided to assist with navigation.

| Governing Document | Amendment(s) |
|--|---|
| Standing Orders | Minor changes to date and initials. |
| Scheme of Delegation | Minor changes to date, initials and titles. |
| Standing Financial Instructions | Minor changes to titles. No required changes from the Scottish Public Finance Manual. |
| Code of Conduct | Minor changes to date and initials. No required changes from the Model Code of Conduct. |
| Committee Terms of Reference: | |
| Generic ToRs | Minor changes to date, name and title. |
| Audit & Risk Committee | Minor changes to date, name and title. Section 9.4.4 updated to reflect new Global Internal Audit Standards for the UK Public Sector. |
| Education & Quality Committee | Minor changes to date, name and title. Section 9.3 amended to reflect the establishment of the Clinical Care & Assurance Group. |
| Planning & Performance Committee | Minor changes to date, name and titles. |
| Remuneration Committee | Minor changes to date, name and titles. |
| Staff Governance Committee | Minor changes to date, name and titles. |

- 6.3. This will be the last review of the corporate governance package ahead of the establishment of NHS Delivery on 1 April 2026. Work is currently underway to develop the new corporate governance framework for NHS Delivery, informed by the NES/NSS packages and bespoke to the needs of the new organisation.
- 6.4. Any implications or recommendations resulting from the go/no-go decision on NHS Delivery will be communicated to the Committee and the Board.

7. Recommendations

- 7.1. To review and approve the NES corporate governance package and, subject to any amendments, agree to recommend it to the Board for final approval at its meeting on 5 February 2026.

Author to complete checklist.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have implications for NHS Delivery been considered?
☒ Yes
☐ No
- b) Have educational implications been considered?
☒ Yes
☐ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☒ 1. People Objectives and Outcomes
☒ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☒ Yes
☐ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☒ Yes
☐ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☒ Yes
☐ No
- i) Have you considered a staff and external stakeholder engagement plan?
☒ Yes
☐ No

Drew McGowan & Laura Howard
10 December 2025
NES

**STANDING ORDERS FOR THE PROCEEDINGS
AND BUSINESS OF NHS EDUCATION FOR SCOTLAND (NES) NHS BOARD**

Version 1~~0~~
Approved February 2023
Reviewed February 2024
Reviewed February 2025
Reviewed February 2026

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1 General

- 1.1 These Standing Orders for regulation of the conduct and proceedings of NHS Education for Scotland (NES), the common name for NHS Education for Scotland NHS Board, [the Board] and its Committees are made under the terms of The Health Boards (Membership and Procedure) (Scotland) Regulations 2001 (2001 No. 302), as amended up to and including The Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016 (2016 No. 3).

The NHS Scotland Blueprint for Good Governance (issued through [DL 2019 02](#)) and NHS Scotland Health Boards and Special Health Boards – Blueprint for Good Governance Second Edition (issued through [DL \(2022\) 38](#)) have informed these Standing Orders. The 2022 Blueprint describes the functions of the Board as:

- Setting the direction, including clarifying priorities and defining change and transformational expectations
- Holding the Executive Leadership Team to account by seeking assurance that the organisation is being effectively managed and change is being successfully delivered
- Managing risks to the quality, delivery and sustainability of services
- Engaging with key stakeholders, as and when appropriate
- Influencing the Board's and the wider organisational culture.

Further information on the role of the Board, Board members, the Chair, Vice-Chair, and the Chief Executive is available on the NHS Scotland Board Development website (<https://learn.nes.nhs.scot/17367/board-development>)

- 1.2 The Scottish Ministers shall appoint the members of the Board. The Scottish Ministers shall also attend to any issues relating to the resignation and removal, suspension and disqualification of members in line with the above regulations. Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances.
- 1.3 Any statutory provision, regulation or direction by Scottish Ministers, shall have precedence if they are in conflict with these Standing Orders.
- 1.4 Any one or more of these Standing Orders may be varied or revoked at a meeting of the Board by a majority of members present and voting, provided the notice for the meeting at which the proposal is to be considered clearly states the extent of the proposed repeal, addition or amendment. The Board will annually review its Standing Orders.
- 1.5 Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances. The Scottish Ministers may by determination suspend a member from taking part in the business (including meetings) of the Board. Paragraph 5.4 sets out when the person presiding at a Board meeting may

suspend a Board member for the remainder of a specific Board meeting. The Standards Commission for Scotland can apply sanctions if a Board member is found to have breached the Board Members' Code of Conduct, and those include suspension and disqualification. The regulations (see paragraph 1.1) also set out grounds for why a person may be disqualified from being a member of the Board.

Board Members – Ethical Conduct

- 1.6 Members have a personal responsibility to comply with the Code of Conduct for Members of NHS Education for Scotland. The Commissioner for Ethical Standards in Public Life can investigate complaints about members who are alleged to have breached their Code of Conduct. The Board will have appointed a Standards Officer. This individual is responsible for carrying out the duties of that role, however he or she may delegate the carrying out of associated tasks to other members of staff. The Board's appointed Standards Officer shall ensure that the Board's Register of Interests is maintained. When a member needs to update or amend his or her entry in the Register, he or she must notify the Board's appointed Standards Officer of the need to change the entry within one month after the date the matter required to be registered.
- 1.7 The Board's appointed Standards Officer shall ensure the Register is available for public inspection at the principal offices of the Board at all reasonable times and will be included on the Board's website.
- 1.8 Members must always consider the relevance of any interests they may have to any business presented to the Board or one of its committees. Members must observe paragraphs 5.6 - 5.10 of these Standing Orders and have regard to Section 5 of the Code of Conduct, (Declaration of stage 1: Connection; stage 2: Interest and stage 3: Participation).
- 1.9 In case of doubt as to whether a "connection" should be declared, in the interests of transparency, members are advised to make a declaration of "connection". In such instances where this is a declaration of "interest" the member will not participate in any way in those parts of the meeting where they have declared an interest.
- 1.10 Section 3 of the Code of Conduct outlines the requirements regarding gifts and hospitality. Members will not accept any gifts or hospitality, other than under the limited circumstances specified in the Code of Conduct. Gifts and hospitality are therefore not registered. Members will promptly advise the Standards Officer if offered (and refuse) any gift or hospitality of any significant value and / or if I am offered any gift or hospitality from the same source on a repeated basis, so this can be monitored.
- 1.11 The Board Secretary and Principal Lead Corporate Governance shall provide a copy of these Standing Orders to all members of the Board on appointment. A copy shall also be held on the Board's website.

2 Chair

- 2.1 The Scottish Ministers shall appoint the Chair of the Board.

3 Vice-Chair

- 3.1 The Chair shall nominate a candidate or candidates for Vice-Chair to the Cabinet Secretary. The candidate(s) must be a non-executive member of the Board. A member who is an employee of a Board is disqualified from being Vice-Chair. The Cabinet Secretary will in turn determine who to appoint based on evidence of effective performance and evidence that the member has the skills, knowledge and experience needed for the position. Following the decision, the Board shall appoint the member as Vice-Chair. Any person so appointed shall, so long as he or she remains a member of the Board, continue in office for such a period as the Board may decide and will be reviewed by the Board every two years.
- 3.2 The Vice-Chair may at any time resign from that office by giving notice in writing to the Chair. The process to appoint a replacement Vice-Chair is the process described at paragraph 3.1.
- 3.3 Where the Chair has died, ceased to hold office, or is unable for a sustained period of time to perform his or her duties due to illness, absence from Scotland or for any other reason, then the Board's Chief Executive and Accountable Officer should refer this to the Scottish Government. The Cabinet Secretary will confirm which member may assume the role of interim Chair in the period until the appointment of a new Chair, or the return of the appointed Chair. Where the Chair is absent for a short period due to leave (for whatever reason), the Vice-Chair shall assume the role of the Chair in the conduct of the business of the Board. In either of these circumstances references to the Chair shall, so long as there is no Chair able to perform the duties, be taken to include references to either the interim chair or the Vice-Chair. If the Vice-Chair has been appointed as the Interim Chair, then the process described at paragraph 3.1 will apply to replace the Vice-Chair.

4 Calling and Notice of Board Meetings

- 4.1 The Chair may call a meeting of the Board at any time and shall call a meeting when required to do so by the Board. The Board shall meet at least six times in the year and will annually approve a forward schedule of meeting dates.
- 4.2 The Chair will determine the final agenda for all Board meetings. The agenda may include an item for any other business, however this can only be for business which the Board is being informed of for awareness, rather than being asked to make a decision. No business shall be transacted at any meeting of the Board other than that specified in the notice of the meeting except on grounds of urgency.

- 4.3 Any member may propose an item of business to be included in the agenda of a future Board meeting by submitting a request to the Chair. If the Chair elects to agree to the request, then the Chair may decide whether the item is to be considered at the Board meeting which immediately follows the receipt of the request, or a future Board meeting. The Chair will inform the member which meeting the item will be discussed. If any member has a specific legal duty or responsibility to discharge which requires that member to present a report to the Board, then that report will be included in the agenda.
- 4.4 In the event that the Chair decides not to include the item of business on the agenda of a Board meeting, then the Chair will inform the member in writing as to the reasons why.
- 4.5 A Board meeting may be called if one third of the whole number of members signs a requisition for that purpose. The requisition must specify the business proposed to be transacted. The Chair is required to call a meeting within 7 days of receiving the requisition. If the Chair does not do so, or simply refuses to call a meeting, those members who presented the requisition may call a meeting by signing an instruction to approve the notice calling the meeting provided that no business shall be transacted at the meeting other than that specified in the requisition.
- 4.6 Before each meeting of the Board, a notice of the meeting (in the form of an agenda), specifying the time, place and business proposed to be transacted at it and approved by the Chair, or by a member authorised by the Chair to approve on that person's behalf, shall be circulated to every member so as to be available to them at least four clear days before the meeting. The notice shall be distributed along with any papers for the meeting that are available at that point.
- 4.7 With regard to calculating clear days for the purpose of notice under 4.6 and 4.9, the period of notice excludes the day the notice is sent out and the day of the meeting itself. Additionally, only working days (Monday to Friday) are to be used when calculating clear days; weekend days and public holidays should be excluded.
- 4.8 Lack of service of the notice on any member shall not affect the validity of a meeting.
- 4.9 Board meetings shall be held in public. Once approved by the Board, a list of the public meetings to take place for the year, will be published on the Board's website. A public notice of the time and place of the meeting shall be provided at least three clear days before the meeting is held. The notice and the meeting papers shall also be placed on the Board's website. The meeting papers will include the minutes of committee meetings which the relevant committee has approved. The exception is that the meeting papers will not include the minutes of the Remuneration Committee. The Board may determine its own approach for Committees to inform it of business which has been discussed in Committee meetings for which the final minutes are not yet available. For items of business which the Board will consider in private session (see paragraph 5.22), only the

Board members will receive the meeting papers for those items, unless the person presiding agrees that others may receive them.

Calling and Notice of Board Meetings: Deputations and petitions

- 4.10 Any individual or group or organisation which wishes to make a deputation to the Board must make an application to the Chair's Office at least 21 working days before the date of the meeting at which the deputation wishes to be received. The application will state the subject and the proposed action to be taken.
- 4.11 Any member may put any relevant question to the deputation but will not express any opinion on the subject matter until the deputation has withdrawn. If the subject matter relates to an item of business on the agenda, no debate or discussion will take place until the item is considered in the order of business.
- 4.12 Any individual or group or organisation which wishes to submit a petition to the Board will deliver the petition to the Chair's Office at least 21 working days before the meeting at which the subject matter may be considered. The Chair will decide whether or not the petition will be discussed at the meeting.

5 Conduct of Meetings

Authority of the Person Presiding at a Board Meeting

- 5.1 The Chair shall preside at every meeting of the Board. The Vice-Chair shall preside if the Chair is absent. If both the Chair and Vice-Chair are absent, the members present at the meeting shall choose a Board member who is not an employee of a Board to preside.
- 5.2 The duty of the person presiding at a meeting of the Board or one of its committees is to ensure that the Standing Orders or the committee's terms of reference are observed, to preserve order, to ensure fairness between members, and to determine all questions of order and competence. The ruling of the person presiding shall be final and shall not be open to question or discussion.
- 5.3 The person presiding may direct that the meeting can be conducted in any way that allows members to participate, regardless of where they are physically located, e.g. video-conferencing, teleconferencing. For the avoidance of doubt, those members using such facilities will be regarded as present at the meeting.
- 5.4 In the event that any member who disregards the authority of the person presiding, obstructs the meeting, or conducts himself/herself inappropriately the person presiding may suspend the member for the remainder of the meeting. If a person so suspended refuses to leave when required by the person presiding to do so, the person presiding will adjourn the meeting in line with

paragraph 5.12. For paragraphs 5.5 to 5.20, reference to 'Chair' means the person who is presiding the meeting, as determined by paragraph 5.1.

Quorum

- 5.5 The Board will be deemed to meet only when there are present, and entitled to vote, a quorum of at least one third of the whole number of members, including at least two members who are not employees of a Board. NHS Education for Scotland has fourteen members of the Board. The quorum for NHS Education for Scotland will be five. This will translate as three Non-Executive Directors and two Executive Directors. The quorum for committees will be set out in their terms of reference, however it can never be less than two Non-Executive Board members.
- 5.6 In determining whether or not a quorum is present the Chair must consider the effect of any declared interests.
- 5.7 If a member, or an associate of the member, has any pecuniary or other interest, direct or indirect, in any contract, proposed contract or other matter under consideration by the Board or a committee, the member should declare that interest at the start of the meeting. This applies whether or not that interest is already recorded in the Board Members' Register of Interests. Following such a declaration, the member shall be excluded from the Board or Committee meeting when the item is under consideration and should not be counted as participating in that meeting for quorum or voting purposes.
- 5.8 Paragraph 5.7 will not apply where a member's, or an associate of theirs, interest in any company, body or person is so remote or insignificant that it cannot reasonably be regarded as likely to affect any influence in the consideration or discussion of any question with respect to that contract or matter. In March 2015, the Standards Commission granted a dispensation to NHS Board members who are also voting members of integration joint boards. The effect is that those members do not need to declare as an interest that they are a member of an integration joint board when taking part in discussions of general health & social care issues. However, members still have to declare other interests as required by Section 5 of the Board Members' Code of Conduct.
- 5.9 If a question arises at a Board meeting as to the right of a member to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting be referred to the Chair. The Chair's ruling in relation to any member other than the Chair is to be final and conclusive. If a question arises with regard to the participation of the Chair in the meeting (or part of the meeting) for voting or quorum purposes, the question is to be decided by the members at that meeting. For this latter purpose, the Chair is not to be counted for quorum or voting purposes.

- 5.10 Paragraphs 5.6-5.9 shall equally apply to members of any Board committees, whether or not they are also members of the Board, e.g. stakeholder representatives.
- 5.11 When a quorum is not present, the only actions that can be taken are to either adjourn to another time or abandon the meeting altogether and call another one. The quorum should be monitored throughout the conduct of the meeting in the event that a member leaves during a meeting, with no intention of returning. The Chair may set a time limit to permit the quorum to be achieved before electing to adjourn, abandon or bring a meeting that has started to a close.

Adjournment

- 5.12 If it is necessary or expedient to do so for any reason (including disorderly conduct or other misbehaviour at a meeting), a meeting may be adjourned to another day, time and place. A meeting of the Board, or of a committee of the Board, may be adjourned by the Chair until such day, time and place as the Chair may specify.

Business of the Meeting

The Agenda

- 5.13 If a member wishes to add an item of business which is not in the notice of the meeting, he or she must make a request to the Chair ideally in advance of the day of the meeting and certainly before the start of the meeting. The Chair will determine whether the matter is urgent and accordingly whether it may be discussed at the meeting.
- 5.14 The Chair may change the running order of items for discussion on the agenda at the meeting. Please also refer to paragraph 4.2.

Decision-Making

- 5.15 The Chair may invite the lead for any item to introduce the item before inviting contributions from members. Members should indicate to the Chair if they wish to contribute, and the Chair will invite all who do so to contribute in turn. Members are expected to question and challenge proposals constructively and carefully to reach and articulate a considered view on the suitability of proposals.
- 5.16 The Chair will consider the discussion, and whether or not a consensus has been reached. Where the Chair concludes that consensus has been reached, then the Chair will normally end the discussion of an item by inviting agreement to the outcomes from the discussion and the resulting decisions of the Board.
- 5.17 As part of the process of stating the resulting decisions of the Board, the Chair may propose an adaptation of what may have been recommended to the Board in the accompanying report, to reflect the outcome of the discussion.

- 5.18 The Board may reach consensus on an item of business without taking a formal vote, and this will be normally what happens where consensus has been reached.
- 5.19 Where the Chair concludes that there is not a consensus on the Board's position on the item and/ or what it wishes to do, then the Chair will put the decision to a vote. If at least two Board members ask for a decision to be put to a vote, then the Chair will do so. Before putting any decision to vote, the Chair will summarise the outcome of the discussion and the proposal(s) for the members to vote on.
- 5.20 Where a vote is taken, the decision shall be determined by a majority of votes of the members present and voting on the question. In the case of an equality of votes, the Chair shall have a second or casting vote. The Chair may determine the method for taking the vote, which may be by a show of hands, or by ballot, or any other method the Chair determines.
- 5.21 While the meeting is in public the Board may not exclude members of the public and the press (for the purpose of reporting the proceedings) from attending the meeting. Board meetings will be made accessible, as appropriate, to enable this. The exception to this would be if any person in attendance was behaving inappropriately, disrespectfully or in an unruly manner and disruptive to Board proceedings. In such circumstances it would be the Chairs responsibility to invite a behaviour change or ask them to leave the meeting.

Board Meeting in Private Session

- 5.22 The Board may agree to meet in private in order to consider certain items of business. The Board may decide to meet in private on the following grounds:
- The Board is still in the process of developing proposals or its position on certain matters and needs time for private deliberation.
 - The business relates to the commercial interests of any person and confidentiality is required, e.g., when there is an ongoing tendering process or contract negotiation.
 - The business necessarily involves reference to personal information and requires to be discussed in private in order to uphold the Data Protection Principles.
 - The Board is otherwise legally obliged to respect the confidentiality of the information being discussed.
- 5.23 The minutes of the meeting will reflect when the Board has resolved to meet in private.

Minutes

- 5.24 The names of members present at a meeting of the Board, or of a committee of the Board, shall be recorded in the minute of the meeting. The names of other persons in attendance shall also be recorded.

- 5.25 The Board Secretary Principal Lead Corporate Governance (or his/her authorised nominee) shall prepare the minutes of meetings of the Board and its committees. The Board or the committee shall review the draft minutes at the following meeting. The person presiding at that meeting shall sign the approved minute.

6 Matters Reserved for the Board

Introduction

- 6.1 The Scottish Government retains the authority to approve certain items of business. There are other items of the business which can only be approved at an NHS Board meeting, due to either Scottish Government directions or a Board decision in the interests of good governance practice.

- 6.2 This section summarises the matters reserved to the Board:

- a) Standing Orders
- b) The establishment and terms of reference of all its committees, and appointment of committee members
- c) Organisational Values
- d) The strategies for all the functions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval.
- e) The Annual Operational Plan for submission to the Scottish Government for its approval. (Note: The Board should consider the draft for submission in private session. Once the Scottish Government has approved the Annual Operational Plan, the Board should receive it at a public Board meeting.)
- f) Corporate objectives or corporate plans which have been created to implement its agreed strategies.
- g) Risk Management Policy.
- h) Financial plan for the forthcoming year, and the opening revenue and capital budgets.
- i) Standing Financial Instructions and a Scheme of Delegation.
- j) Annual accounts and report. (Note: This must be considered when the Board meets in private session. In order to respect Parliamentary Privilege, the Board cannot publish the annual accounts, or any information drawn from it before the accounts are laid before the Scottish Parliament. Similarly, the Board cannot publish the report of the external auditors of their annual accounts in this period.)
- k) Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the [Scottish Capital Investment Manual](#).
- l) The Board shall approve the content, format, and frequency of performance reporting to the Board.
- m) The appointment of the Board's chief internal auditor. (Note: This applies either when the proposed chief internal auditor will be an employee of the Board, or when the chief internal auditor is engaged through a contract with an external provider. The audit committee should advise the Board on the

appointment, and the Board may delegate to the audit committee oversight of the process which leads to a recommendation for appointment.)

- 6.3 The Board may be required by law or Scottish Government direction to approve certain items of business, e.g. the integration schemes for a local authority area.
- 6.4 The Board itself may resolve that other items of business be presented to it for approval.
- 6.5 Additional matters which may be reserved for the Board are:
- The contribution to Community Planning Partnerships through the associated improvement plans.
 - Health & Safety Policy
 - Arrangements for the approval of all other policies.
 - The system for responding to any civil actions raised against the Board.
 - The system for responding to any occasion where the Board is being investigated and / or prosecuted for a criminal or regulatory offence.
- 6.6 Within the above the Board may delegate some decision making to one or more executive Board members.

7 Delegation of Authority by the Board

- 7.1 Except for the Matters Reserved for the Board, the Board may delegate authority to act on its behalf to committees, individual Board members, or other Board employees. In practice this is achieved primarily through the Board's approval of the [Standing Financial Instructions](#) and the [Scheme of Delegation](#).
- 7.2 The Board may delegate responsibility for certain matters to the Chair for action. In such circumstances, the Chair should inform the Board of any decision or action subsequently taken on these matters.
- 7.3 The Board and its officers must comply with the [NHS Scotland Property Transactions Handbook](#), and this is cross-referenced in the Scheme of Delegation.
- 7.4 The Board may, from time to time, request reports on any matter or may decide to reserve any particular decision for itself. The Board may withdraw any previous act of delegation to allow this.

8 Execution of Documents

- 8.1 Where a document requires to be authenticated under legislation or rule of law relating to the authentication of documents under the Law of Scotland, or where a document is otherwise required to be authenticated on behalf of the Board, it shall be signed by an executive member of the Board or any person duly authorised to sign under the Scheme of Delegation in accordance with the Requirements of Writing (Scotland) Act 1995. Before authenticating any document, the person authenticating the document shall satisfy themselves that all necessary approvals in terms of the Board's procedures have been satisfied. A document executed by the Board in accordance with this paragraph shall be self-proving for the purposes of the Requirements of Writing (Scotland) Act 1995.
- 8.2 Scottish Ministers shall direct which officers of the Board can sign on their behalf in relation to the acquisition, management and disposal of land.
- 8.3 Any authorisation to sign documents granted to an officer of the Board shall terminate upon that person ceasing (for whatever reason) from being an employee of the Board, without further intimation or action by the Board.

9 Committees

- 9.1 Subject to any direction issued by Scottish Ministers, the Board shall appoint such committees (and sub-committees) as it thinks fit. NHS Education for Scotland Board Development website identifies the committees which the Board must establish. (<https://learn.nes.nhs.scot/17367/board-development>)
- 9.1a All of the Standing Committees shall consist of, or have a majority of, non-executive Board members.
- 9.1b The quorum of a Standing Committee of the Board shall normally be three non-executive members.
- 9.1c No expenditure shall be incurred by a Committee without the consent of the Chief Executive and Accountable Officer. Consent for this expenditure will not be unreasonably withheld.
- 9.2 The Chair shall appoint Board Members to Standing Committees and other roles within the NHS Board and partner organisations. The Board shall approve the Terms of Reference and membership of the Committees. The Board shall review these as and when required and shall review the terms within 2 years of their approval, if there has not been a review.
- 9.3 The Chair shall appoint Committee members to fill any vacancy in the membership as and when required. If a Committee is required by regulation to be constituted with a particular membership, then the regulation must be followed

- 9.4 Provided there is no Scottish Government instruction to the contrary, any non-executive Board member may replace a Committee member who is also a non-executive Board member, if such a replacement is necessary to achieve the quorum of the Committee.
- 9.5 The Board's Standing Orders relating to the calling and notice of Board meetings, conduct of meetings, and conduct of Board members shall also be applied to Committee meetings where the Committee's membership consist of or include all the Board members. Where the Committee's members includes some of the Board's members, the Committee's meetings shall not be held in public and the associated Committee papers shall not be placed on the Board's website, unless the Board specifically elects otherwise. Generally, Board members who are not members of a Committee may attend a Committee meeting and have access to the meeting papers. However, if the Committee elects to consider certain items as restricted business, then the meeting papers for those items will normally only be provided to members of that Committee. The person presiding the Committee meeting may agree to share the meeting papers for restricted business papers with others.
- 9.6 The Board shall approve a calendar of meeting dates for its Committees. The Committee Chair may call a meeting any time and shall call a meeting when requested to do so by the Board.
- 9.7 The Board may authorise Committees to co-opt members for a period up to one year, subject to the approval of both the Board and the Accountable Officer. A Committee may decide this is necessary to enhance the knowledge, skills and experience within its membership to address a particular element of the committee's business. A co-opted member is one who is not a member of NHS Education for Scotland NHS Board and is not to be counted when determining the Committee's quorum and is a non-voting member.

NES Board Scheme of Delegation

RESERVATION OF POWERS AND SCHEME OF DELEGATION

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

- Policy,
- Strategy, strategic risk and setting risk appetite, delivery plan 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,
- Overall financial and performance reporting arrangements,
- Strategic Stakeholder Engagement plan and
- Constitution and Terms of Reference for statutory Committees.

1.2 Powers delegated by the Board to the Standing Committees and the executives are detailed in the table below:

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|-----------------------------------|---|
| 1. Chair all Board meetings and associated responsibilities | Chair | Vice Chair |
| 2. Standing Committees Board delegated Strategic Key Performance Indicators and Strategic Risks | Committee Executive/Director Lead | Committee Executive Lead nominated deputy Director/Associate Director |
| 3. Risk Management | Chief Executive | Executive Director of Finance |
| 4. Board Assurance Framework | Chief Executive | Executive Director of Finance |
| 5. Demonstrate Best Value for all services | Chief Executive | Executive Director of Finance |
| 6. Disciplinary and Grievance arrangements | Chief Executive | Director of People and Culture |
| 7. Standards of business conduct for staff | Chief Executive | Executive Director of Finance |
| 8. Standards of Board Member Conduct | Chair and Chief Executive | Vice Chair; Deputy Chief Executive |
| 9. Register of Interests (including gifts and hospitality) <ul style="list-style-type: none"> Board Members | Chief Executive | Board Secretary & Corporate Governance Lead |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|--|---|
| <ul style="list-style-type: none"> Staff | Chief Executive | Executive Director of Finance |
| 10. Approve and sign all legal documents which will be necessary in legal proceedings related to staff | Chief Executive | People and Culture |
| 11. Complaints | Chief Executive | Director of Planning and Performance |
| 12. Freedom of Information | Chief Executive | Director of Planning and Performance |
| 13. Educational Quality Assurance Systems | Chief Executive | Executive Director of Nursing, Midwifery and Allied Health Professionals (NMAHP) and Executive Medical Director |
| 14. Public Protection / Infection Prevention and Control | Executive Director of Nursing, Midwifery and Allied Health Professionals (NMAHP) | Deputy Director of Nursing, Midwifery and Allied Health Professionals (NMAHP) |
| 15. Operation of all detailed financial matters including bank accounts and banking procedures. | Executive Director of Finance | Deputy Director of Finance |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|---|---|
| 16. Implementing the Board's financial policies and co-ordinating corrective action and ensuring detailed financial procedures and systems are prepared and documented | Executive Director of Finance | Deputy Director of Finance |
| 17. Delegation of budgets | Chief Executive & Executive Directors | Executive Director of Finance |
| 18. Responsibility for the implementation and monitoring of budget virements | Executive Director of Finance | Deputy Director of Finance |
| 19. Virement between Budgets (<i>Section 21.6 to 21.9 of SFIs</i>) | | |
| a) Up to or equal to £25,000 | Budget Holder | N/A |
| b) Up to or equal to £100,000 | Deputy Director of Finance | Head of Finance Business Partnering |
| c) Up to or equal to £500,000 | Executive Director of Finance | Deputy Director of Finance |
| d) Up to or equal to £1,000,000 (virements over £1m require Board approval) | Chief Executive (and report to the Board) | Executive Director of Finance (only if Accountable Officer is absent and report to Board) |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|---|--|---|
| 20. Approval of expenditure for which no provision has been made in an approved budget, and which is not covered by funding under the delegated powers of virement, (<i>Section 6.12 & 9.2 of SFIs</i>) | | |
| a) Up to or equal to £500,000 | Executive Director of Finance | Deputy Director of Finance |
| b) up to or equal to £1,000,000 | Chief Executive (and report to the Board) | Executive Director of Finance (only if Accountable Officer is absent and report to Board) |
| 21. Approval to spend funds within delegated limits: [<i>Section 21.4 of SFIs</i>] | | |
| c) Up to the level of their designated authority, which shall be no greater than £10,000 | Designated Directorate Administrator, Coordinator, Officer | Nominated authoriser as per the PECOS matrix |
| d) Up to or equal to £25,000 | Senior Managers and Associate Directors | Nominated authoriser as per the PECOS matrix |
| e) Up to or equal to £50,000 | Associate Directors and Deputy Directors | Senior Managers and Associate Directors |
| f) Up to or equal to £250,000 | Directors and Executive Medical Director | Associate Directors and Deputy Directors. |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|---|--|--|
| g) Up to or equal to £500,000 | Executive Director of Finance | Deputy Director of Finance |
| h) Contractual and other commitments over £500,000 | Chief Executive | Executive Director of Finance |
| 22. Recording and monitoring of payments under the losses and compensation regulations | Executive Director of Finance | Deputy Director of Finance |
| 23. Approval of Losses within delegated limits set by Scottish Government <i>[Section 12.5 of SFIs]</i> : | Chief Executive | Executive Director of Finance |
| 24. Approval of Memorandum of Understandings (MoUs) between NES and other organisations | Chief Executive | Executive Director of NMAHP & Deputy Chief Executive |
| 25. Procedures for the procurement, ordering and receipt of goods | Executive Director of Finance | Head of Procurement |
| 26. Approval to sign contracts on behalf of the Board <i>(Section 21.3 of SFIs)</i> : First signatory | | |
| a) Up to or equal to £10,000 based on individual delegated authority level | Designated Directorate officers | Designated Directorate officers |
| b) Up to or equal to £25,000 | Designated Senior Managers and Associate Directors | Designated Senior Managers and Associate Directors |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|---|---|--|
| c) Up to or equal to £50,000 | Associate Directors and Deputy Directors. | Designated Senior Managers and Associate Directors |
| d) Over £50,000 | Directors and Executive Medical Director | Associate Directors and Deputy Directors. |
| 27. Approval to sign contracts on behalf of the Board (<i>Section 21.3 of SFIs</i>): Second Signatory | | |
| a) Up to or equal to £150,000 based on individual delegated authority level | Procurement Officer | Procurement Officer |
| b) Up to or equal to £250,000 | Procurement Manager | Procurement Officer |
| c) Up to or equal to £500,000 | Head of Procurement | Procurement Manager |
| d) Up to or equal to £1,000,000 | Executive Director of Finance | Deputy Director of Finance plus Director of Commissioning Area |
| e) Unlimited | Chief Executive | Executive Director of Finance |
| 28. Approval to sign Service Level Agreements on behalf of the Board: (<i>Section 21.2 of SFIs</i>) | | |
| a) Up to or equal to £25,000 | Senior Managers and Assistant Directors | N/A |
| b) Up to or equal to £50,000 | Associate Directors and Deputy Directors. | Senior Managers and Assistant Directors |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|---|--|---|
| c) Up to or equal to £250,000 | Directors and Executive Medical Director | Associate Directors and Deputy Directors. |
| d) Up to or equal to £500,000 | Executive Director of Finance | Deputy Director of Finance |
| e) Over £500,000 | Chief Executive | Executive Director of Finance (only if Accountable Officer is absent and report to the Board) |
| 29. Payment of staff | Executive Director of Finance | Deputy Director of Finance |
| 30. Procedures for the payment of travel, subsistence, study course and other expenses | Executive Director of Finance | Deputy Director of Finance |
| 31. Procedures for the payment of accounts including Payments on Behalf (PoB) to other Boards | Executive Director of Finance | Deputy Director of Finance |
| 32. Management of Non-Exchequer funds | Executive Director of Finance | Deputy Director of Finance |
| 33. Management of Capital Schemes | Executive Director of Finance | Deputy Director of Finance |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|---|--|
| 34. Liaison with Internal and External Audit services | Executive Director of Finance | Deputy Director of Finance |
| 35. Issuing Tenders | Executive Director of Finance | Head of Procurement |
| 36. Receiving and Opening of Tenders | Executive Director of Finance | Authorised personnel |
| 37. Waiving of Competitive Tendering (in specific, limited circumstances) (<i>Section 11.8 – 11.9 of SFIs</i>) | Executive Director of Finance | Head of Procurement |
| a) Up to or equal to £50,000 | Head of Procurement | Procurement Manager |
| b) greater than £50,000 | Executive Director of Finance | Deputy Director of Finance |
| 38. Devise and maintain systems of budgetary control | Executive Director of Finance | Deputy Director of Finance |
| 39. Preparing the Annual Accounts and the Annual Report | Executive Director of Finance | Deputy Director of Finance |
| 40. Signing the Annual Accounts and Annual Report | Chief Executive (CEO)/ Accountable Officer (AO) and Executive Director of Finance (statement of Financial Position) | In the absence of the Accountable Officer the Accounts can be delayed until the AO is available to sign them |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|--|---|
| 41. Banking Arrangements | Executive Director of Finance | Deputy Director of Finance |
| 42. Risk Management Processes | Executive Director of Finance | Director of Planning, <u>and</u> Performance <u>and</u> <u>Transformation</u> |
| 43. Management and control of technology systems and facilities including data protection | Director of NES Technology <u>Service</u> | Deputy Director <u>of NES</u> Technology <u>Service</u> |
| 44. Investigate any suspected cases of fraud and other irregularity | Fraud Liaison Officer (Deputy Director of Finance) | Head of Governance and Operational Services (Finance) |
| 45. Review, appraise and report in accordance with NHS Internal Audit Manual and best practice | Chief Internal Auditor | N/A |
| 46. Information Governance including Cybersecurity | Director of NES Technology <u>Service</u> | Deputy Director of Technology <u>Service</u> |
| 47. Caldicott Guardianship | Director of Social Care <u>& Communities</u> | Executive Medical Director |
| 48. Human Resource (HR) Management | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|---|---|
| 49. Procedures for employment of staff | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |
| 50. Leave: annual, compassionate, special leave and leave without pay. | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |
| 51. Grievance and disciplinary procedures for staff | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |
| 52. Any redundancy situation leading to contractual entitlement to a payment in excess of £95,000 (<i>Section 9.53 & 9.55 of SFIs</i>) | Remuneration Committee and Chief Executive as Accountable Officer | N/A |
| 53. Chair of Consultant Discretionary Points Panel (non-voting) | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |
| 54. Health and Safety arrangements | Director of People and Culture | Associate Director of <u>People & Culture</u> HR |
| 55. Whistleblowing | Chief Executive | Director of Planning, and <u>Performance and Transformation</u> |
| 56. Emergency Climate Change and Sustainability | Executive Director of Finance | Clinical Lead for Climate Emergency and Sustainability (Associate Post Graduate Dean) |

| Delegated Issue and Scope of Delegation | Individual Responsible | Deputy |
|--|-----------------------------------|--------|
| 57. Responsible for security of the Board's property, avoiding loss, exercising economy and efficiency in using resources and conforming Standing Orders, Financial Instructions and Procedures. | All members and employees of NES. | N/A |

NES
DT/LH February 202~~6~~⁵



STANDING FINANCIAL INSTRUCTIONS

Financial Year 2025/26

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1. INTRODUCTION

1.1 Background

These Standing Financial Instructions are issued in accordance with the financial directions issued by the Scottish Government Health and Social Care Directorate (SGHSCD) under the provisions contained in the Regulation 4 of the NHS (Financial Provisions) (Scotland) Regulations, 1974 together with the subsequent guidance and requirements contained in NHS Circular No. 1974 (GEN) 88 and Annex, and NHS Circular MEL (1994) 80. Their purpose is to provide a sound basis for the control of NHS Education for Scotland's (NES) financial affairs and shall have the effect as if incorporated in the Standing Orders of NES.

1.2 The purpose of such a scheme of control is:

- to ensure that NES acts within the law and that financial transactions are in accordance with the appropriate authority.
- to ensure that proper accounting records, which are accurate and complete, are maintained.
- to ensure that financial statements, which give a true and fair view of the financial position of NES and its expenditure and income, are prepared timeously.
- to protect NES against the risk of fraud and irregularity.
- to ensure that all staff feel comfortable raising issues of concern, confident that those issues will be investigated fully and impartially.
- to safeguard NES assets.
- to ensure that proper standards of financial conduct are maintained.
- to enable the provision of appropriate management information.
- to ensure that NES seeks best value from its resources, by making proper arrangements to pursue continuous improvement, having regard to economy, efficiency, and effectiveness in NES's operations.
- to ensure that any delegation of responsibility is accompanied by clear lines of control and accountability, together with reporting arrangements; and
- to ensure transparency and accountability in all procurement and contracting activities.

COMPLIANCE

- 1.3 All Board Members, officials, staff, and agents of NES shall observe the Standing Financial Instructions. The Chief Executive, Directors and Members of the Executive Team shall be responsible for ensuring that

staff and others within the organisation are aware of, and adhere to, the Standing Financial Instructions.

- 1.4 Failure to comply with these Standing Financial Instructions may lead to disciplinary action being taken.
- 1.5 Where these Standing Financial Instructions place a duty upon a person, this may be delegated to another person, subject to the Scheme of Delegation contained within the Standing orders of NES.
- 1.6 All references in these instructions to a particular gender shall be read as equally applicable to any gender.
- 1.7 Nothing in these Standing Financial Instructions shall be held to override any legal requirement or Ministerial Direction placed upon NES, its members, or officers.

2. RESPONSIBILITIES OF THE CHIEF EXECUTIVE AS ACCOUNTABLE OFFICER

- 2.1 Under the terms of Section 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000, the Principal Accountable Officer (PAO) for the Scottish Government has designated the Chief Executive of NES as its Accountable Officer.
- 2.2 Accountable Officers must comply with the terms of the Guidance to Accountable Officers and any updates issued to them from time to time by the Scottish Government Health and Social Care Directorate.
- 2.3 GENERAL RESPONSIBILITIES
 - 2.3.1 The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finances for NES ensuring that the resources of the body are used economically, efficiently, and effectively.
 - 2.3.2 The Accountable Officer has a personal duty of signing the Annual Accounts of NES for which they have responsibility. Consequently, they may also have the further duty of being a witness before Scottish Parliament committees including the Public Audit Committee (PAC) and be expected to deal with questions arising from the Accounts, or, more commonly, from reports made to Parliament by the Auditor General for Scotland on examinations into the economy, efficiency, and effectiveness with which the body has used its resources in discharging its functions. The Accountable Officer must also ensure that any

arrangements for delegation promote good management, and that they are supported by the necessary staff with an appropriate balance of skills. This requires careful selection and development of staff and the sufficient provision of special skills and services.

2.4 SPECIFIC RESPONSIBILITIES

The Accountable Officer must:

- 2.4.1 Ensure that appropriate financial systems are in place and applied, and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes.
- 2.4.2 Sign the Accounts and the associated governance statement assigned to them, and in doing so accept personal responsibility for their proper presentation as prescribed in legislation and/or in the relevant Accounts Direction issued by Scottish Ministers.
- 2.4.3 Ensure that proper financial procedures are followed and that accounting records are maintained in the form prescribed for published accounts.
- 2.4.4 Ensure that the public funds for which they are responsible are properly managed and safeguarded, with independent and effective checks of cash balances in the hands of any official.
- 2.4.5 Ensure that the assets for which they are responsible, including land, buildings, fixtures, fittings, equipment, intangible, and other assets are properly managed and safeguarded and checked as appropriate.
- 2.4.6 Ensure that, in consideration of policy proposals relating to expenditure or income for which they have responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or best value, are taken into account, and where appropriate brought to the attention of the NES Board.
- 2.4.7 Ensure that any delegation of authority is accompanied by clear lines of control and accountability, together with reporting arrangements.
- 2.4.8 Ensure that procurement activity is conducted in accordance with the requirements in the Procurement section of the Scottish Public Finance Manual
- 2.4.9 Ensure that effective management systems appropriate for the

achievement of the organisation's objectives, including financial monitoring and control; systems have been put in place.

- 2.4.10 Ensure that risks, whether to achievement of business objectives, regularity, propriety, or best value, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them.
- 2.4.11 Ensure that arrangements have been made to secure Best Value as set out in the Scottish Public Finance Manual.
- 2.4.12 Ensure that managers at all levels have a clear view of their objectives and the means to assess and measure outputs, outcomes, and performance in relation to those objectives.
- 2.4.13 Ensure that managers at all levels are assigned well-defined responsibilities for making the best use of resources (both those consumed by their own commands, and any made available to third parties) including a critical scrutiny of outputs, outcomes, and best value.
- 2.4.14 Ensure that managers at all levels have the information (particularly about costs), training, and access to the expert advice which they need to exercise their responsibilities effectively.

2.5 REGULARITY AND PROPRIETY OF EXPENDITURE

- 2.5.1 The Accountable Officer has a particular responsibility for ensuring that NES achieves high standards of regularity and propriety in the consumption of resources. Regularity involves compliance with relevant legislation, relevant guidance issued by the Scottish Ministers - in particular the Scottish Public Finance Manual - and the framework document defining the key roles and responsibilities which underpin the relationship between NES and the Scottish Government. Propriety involves respecting the Parliament's intentions and conventions and adhering to values and behaviours appropriate to the public sector.
- 2.5.2 All actions must be able to stand the test of parliamentary scrutiny, public judgement on propriety and professional codes of conduct. Care must be taken to avoid actual, potential, or perceived conflicts of interest.

2.6 ADVICE TO THE NHS EDUCATION BOARD, AND OTHER DECISION-MAKING BODIES

- 2.6.1 The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board, the Executive team, and other decision-making bodies on all matters of financial propriety and regularity, and more broadly, as to all considerations of prudent and economical administration, efficiency, and effectiveness.
- 2.6.2 If the Accountable Officer considers that, despite their advice to the contrary, the Board or other decision making body is contemplating a course of action which they consider would infringe the requirements of regularity or propriety, and that, as a result, they would be required to take action that is inconsistent with the proper performance of their duties as Accountable Officer, they should, inform the Scottish Government Health and Social Care Directorate's Accountable Officer, so that the Department, if it considers it appropriate, can intervene, and inform Scottish Ministers. If this is not possible, the Accountable Officer should set out in writing their objection to the proposal and the reasons for the objection. If their advice is overruled, and the Accountable Officer does not feel that they would be able to defend the proposal to the Scottish Parliament's Public Audit Committee (PAC), as representing best value, they should obtain written instructions from the Board and send a copy of their request for instruction and the instruction itself as soon as possible to the External auditor and the Auditor General for Scotland.
- 2.6.3 The Accountable Officer must also ensure that their responsibilities as Accountable Officer do not conflict with those as a Board member. They should vote against any action that they cannot endorse as Accountable Officer, and in the absence of a vote, ensure that their opposition as a Board member, as well as Accountable Officer is clearly recorded.

2.7 ABSENCE OF ACCOUNTABLE OFFICER

- 2.7.1 The Accountable Officer should ensure that they are generally available for consultation and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, a senior officer will act on their behalf.
- 2.7.2 In the event that, the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more,

NES will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.

- 2.7.3 Where an Accountable Officer is unable, by reason of incapacity or absence, to sign the Accounts in time for them to be submitted to the Auditor General, the Board may submit unsigned copies, pending the return of the Accountable Officer.

3. RESPONSIBILITIES OF THE BOARD

The Board functions in accordance with the NHS Scotland Blueprint for Good Governance (Second Edition) (issued through [DL \(2022\) 38](#)) in setting the direction, clarifying priorities and defining expectations; holding the executive to account and seeking assurance that the organisation is being effectively managed; managing risks to the quality, delivery and sustainability of services; engaging with stakeholders and influencing the Board's and the organisation's culture.

- 3.1 The Board has key functions for which it is held accountable by Scottish Government Health and Social Care Directorate on behalf of the Scottish Ministers:

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

- 3.2 In fulfilling these functions, the Board should:

- specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure the Board can fully

understand its responsibilities.

- be clear what decisions and information are appropriate to the Board and draw up standing orders, a schedule of decisions reserved to the Board, and standing financial instructions to reflect this.
- establish performance and quality targets that maintain the effective use of resources and provide best value.
- ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior officers for the main programmes of action and for performances against programmes to be monitored and senior officers held to account.
- establish committees, including audit and risk and remuneration committees, on the basis of formally agreed terms of reference which set the membership of the committees, the limit to their powers, and the arrangements for reporting back to the Board; and
- act within the statutory, financial, and other constraints.

4. RESPONSIBILITIES OF SENIOR MANAGERS AND ALL OFFICERS

- 4.1 The Chief Executive shall have delegated authority from the NES Board to secure the efficient operation and management of the full range of NES activities in accordance with the current policies of NES and within the limits of the resources available.
- 4.2 Directors of NES have collective responsibility to exercise financial supervision, control, and monitoring by requiring the submission and approval of budgets within approved allocations, by defining and approving essential features of financial arrangements in respect of important procedures and financial systems, including the need to obtain best value, and by defining specific responsibilities placed on officers.
- 4.3 The NES Strategic Financial Principles must be adopted by all NES staff in the exercise of their duties. See Appendix 2a.
- 4.4 All staff individually and collectively are responsible for the security of NES's property, for avoiding loss, for economy and efficiency in the use of resources, for identifying and managing risk, and for complying with the requirement of Standing Orders, Standing Financial Instructions, and other financial procedures which the Executive Director of Finance may issue.

- 4.5 It shall be the duty of the Chief Executive to ensure that arrangements are made for existing staff and all new employees to be notified of their responsibilities within these instructions and receive appropriate awareness training.
- 4.6 The Chief Executive shall be responsible for the implementation of NES's financial policies and for ensuring whatever corrective action is necessary to further these policies after taking account of advice given by the Executive Director of Finance on all such matters.
- 4.7 Without prejudice to the functions of any other officers of NES, the duties of the Executive Director of Finance shall include the provision of financial information to NES and its officers; the design, implementation, and supervision of systems of financial control and the preparation and maintenance of such accounts, certificates, estimates, records, and reports as NES may require for the purpose of carrying out its statutory duties and responsibilities.
- 4.8 The Executive Director of Finance shall prepare, document, and maintain detailed financial procedures and systems incorporating the principles of separation of duties and internal control to supplement these instructions. The Executive Director of Finance shall require any officer, who carries out a financial function, to ensure that the form in which the records are kept and the manner in which the officer discharges their duties shall be to the satisfaction of the Executive Director of Finance.
- 4.9 All records should be stored securely and in accordance with the [NES Retention Policy](#).
- 4.10 Where a fundamental organisational change occurs, the Executive Director of Finance should initiate a review of the relevant Standing Financial Instructions to ensure that if any amendments are required these are implemented timeously. This review would then be subject to the approval of the Board.
- 4.11 Wherever the titles Chief Executive, Executive Director of Finance or other nominated officer is used in these instructions, it shall be deemed to include such officers who have been duly authorised to represent them.

5. RESOURCE LIMITS

- 5.1 NES, as a Special Health Board, is required by statutory provision made under Section 85 of the National Health Service (Scotland) Act

1978, as amended by the Health Services Act 1980, to perform its functions within the total of funds allocated by the Scottish Government Health and Social Care Directorate. The financial targets which NES must operate within are the:

- Revenue Resource Limit (RRL)
- Capital Resource Limit (CRL)
- Cash Requirement

- 5.2 The Executive Director of Finance shall ensure that all income and expenditure is identified correctly and accounted for in the relevant financial year.
- 5.3 The Executive Director of Finance shall, on behalf of the Chief Executive, request an appropriate level of Capital resource from the Scottish Government Health and Social Care Directorate. This may be in the format of a funding transfer from Revenue to Capital.
- 5.4 The Executive Director of Finance shall ensure that amounts drawn for NES against the agreed cash limit are required for approved expenditure only.
- 5.5 The Executive Director of Finance will ensure that the cash balances held by NES are not excessive but are sufficient to meet immediate liabilities. The Executive Director of Finance shall therefore ensure that due receipts are collected promptly and shall pay invoices in accordance with targets set by the Scottish Government Health and Social Care Directorate.
- 5.6 Payments shall not be made in advance of need and payments of due debts shall not be delayed artificially to a following financial year in order to manage cash balances at year-end.
- 5.7 In submitting the final requisition for a fiscal year, the Executive Director of Finance shall ensure that sufficient resources are available to meet financial commitments at the end of the year. The balances of accounts holding public funds will be maintained at the lowest practicable levels.
- 5.8 The Executive Director of Finance will review the RRL/CRL and Cash positions regularly to ensure that NES remain on target to meet its financial objectives.
- 5.9 The Executive Director of Finance shall provide reports to the Scottish Government Health and Social Care Directorate in the form requested and in accordance with the guidance issued by the Scottish

6. PLANNING AND BUDGETING

- 6.1 The Chief Executive shall carry out their duties within the total of funds allocated by Scottish Ministers and shall not exceed the budgetary limit set for NES. All plans and financial approvals and control systems shall be designed to meet this obligation.
- 6.2 The Chief Executive, with the assistance of the Director of Planning, ~~and~~ Performance & Transformation, shall compile and submit to NES Board and the Scottish Government Health and Social Care Directorate (SGHSCD) such Delivery Plans as required in accordance with the guidance issued by the Scottish Government Health and Social Care Directorate. The lifespan of the plans will be in accordance with SGHSCD requirements which prevail.
- 6.3 Officers shall provide the Executive Director of Finance with all financial, statistical, and other relevant information as necessary for the compilation of such estimates and forecasts that the Executive Director of Finance may need to fulfil the requirements of NES and the Scottish Government Health and Social Care Directorate.
- 6.4 The funding for new / specific ring-fenced projects will be agreed in advance of the project's commencement with NES and SGHSCD and will be supported by a business case. The Executive Director of Finance should be notified of any such projects at the earliest opportunity and will be responsible for ensuring funding is secured via additional allocations.
- 6.5 Officers will be required to review and formally confirm the delegated budget for their directorate on an annual basis, and to notify the Executive Director of Finance of any subsequent changes to funding or spending requirements as soon as they become known.
- 6.6 The Executive Director of Finance shall, on behalf of the Chief Executive, prepare and submit budgets within the limits of available funds to NES Board for its approval.
- 6.7 The Executive Director of Finance shall provide frequent reports to the Chief Executive and senior managers, comparing actual expenditure and income with approved budgets. Identifying any areas of significant variance against the financial plan which requires action to be taken.
- 6.8 The Executive Director of Finance shall provide quarterly reports to the Chief Executive and NES Board, comparing actual expenditure and

income with approved budgets. The Executive Director of Finance shall report to NES Board any significant in year variance from the financial plan and shall advise the Board on action to be taken.

- 6.9 The Executive Director of Finance shall also compile and submit to the Board such financial estimates and forecasts as may be required from time to time. As a consequence, the Executive Director of Finance shall have a right of access to all budget holders on all financial related matters.
- 6.10 The Executive Director of Finance shall ensure that a system of budgetary control is maintained and that all officers whom NES may empower to engage staff or otherwise incur expenditure, collect, or generate income, shall comply with the requirements of those systems. The systems of budgetary control shall incorporate the reporting of, and investigation into, expenditure variances from budget.
- 6.11 The Chief Executive will delegate responsibility for budgets to nominated officers (budget holders) to permit the performance of defined activities. Budget holders must manage financial resources in line with NES' Strategic Financial Principles demonstrating control of expenditure; Best Value; and achievement of planned levels of service and regular reporting. All budget holders must ensure that the financial limits detailed within the scheme of delegation are adhered to. The Executive Director of Finance will be responsible for providing budgetary information and advice to the Chief Executive and budget holders to enable the Chief Executive and other officers to carry out their budgetary responsibilities.
- 6.12 In carrying out their duties:
- the Chief Executive shall not exceed the budgetary or virement limits set by NES Board.
 - officers designated as budget holders shall not exceed the budgetary or virement limits set for them by the Chief Executive; and
 - the Chief Executive may vary the budgetary limit of an officer within the Chief Executive's own budgetary limit.
- 6.13 Except where otherwise approved by the Chief Executive, taking account of advice of the Executive Director of Finance, budgets shall be used only for the purpose for which they were provided and any budgeted funds not required for their designated purpose shall revert to the immediate control of the Chief Executive, unless covered by delegated powers of virement, see Section 22.
- 6.14 Expenditure, for which no provision has been made in an approved

budget and not covered by funding under the delegated powers of virement, shall only be incurred after authorisation by both the Executive Director of Finance and the Chief Executive to limits as specified in the Scheme of Delegation. Any programme of expenditure greater than £1m, will require board approval and any programme of expenditure over £500k will be reported to the Board.

- 6.15 The Executive Director of Finance shall keep the Chief Executive, and the Board informed of the financial consequences of changes in policy, pay awards, and other events and trends affecting budgets and shall advise on the financial and economic aspects of future plans and projects. For information relating to authorisation limits and budget virements, see Section 22.

7. ANNUAL ACCOUNTS AND REPORTS

- 7.1 NES is required under the terms of Section 86(3) of the National Health Services (Scotland) Act 1978 and the Public Finance and Accountability (Scotland) Act 2000 to prepare and transmit Annual Accounts to Scottish Ministers.
- 7.2 Scottish Ministers have issued an Accounts Direction in exercise of the powers conferred by Section 86(1) of the National Health Service (Scotland) Act 1978 which contains provisions covering the basis of preparation and the form of accounts. NES shall comply with all these provisions. Subject to the foregoing requirement, the Annual Accounts shall also contain any disclosure and accounting and requirements which Scottish Ministers may issue from time to time.
- 7.3 The Executive Director of Finance shall maintain proper accounting records which allow the timeous preparation of Annual Accounts, in accordance with the timetable set by the Scottish Government Health and Social Care Directorate, and which give a true and fair view of NES and its expenditure and income for the period in question.
- 7.4 Annual Accounts, Supplementary Notes and other financial returns required by the Scottish Government Health and Social Care Directorate shall be prepared by NES in accordance with the guidance and the timetables contained within the NHS Board Accounts Manual for the Annual Report and Accounts of NHS Boards as amended from time to time.
- 7.5 Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General for Scotland is responsible for the

appointment of the External Auditors of NES.

- 7.6 The Executive Director of Finance shall agree with the External Auditor a timetable for the production, audit, adoption by the Board and submission of accounts to the Auditor General for Scotland and the Scottish Government Health and Social Care Directorate. This timetable shall be consistent with the requirements of the Scottish Government Health and Social Care Directorate and reported to the Audit and Risk Committee for information.
- 7.7 The Chief Executive shall be responsible for preparing a Governance Statement as parts of their duties as an Accountable Officer, and in so doing shall seek appropriate assurances, including that of the Chief Internal Auditor, with regard the adequacy of internal control throughout the organisation, including the performance of the non-executive committees.
- 7.8 The Annual Accounts of NES shall be reviewed by the Audit and Risk Committee, which has the responsibility of recommending adoption of the accounts by the NES Board. Under the terms of the Public Finance and Accountability (Scotland) Act 2000, Annual Accounts may not be placed in the public domain, prior to them being formally laid before Parliament.
- 7.9 Following the formal approval of the motion to adopt the accounts by NES Board, the Annual Accounts and relevant certificates shall be duly signed on behalf of the Board and submitted to the External Auditor for completion of the relevant audit certificates.
- 7.10 Signed sets of NES's Annual Accounts shall then be submitted by the External Auditor to the Scottish Government Health and Social Care Directorate, and to the Auditor General in the required format.
- 7.11 The Chief Executive shall arrange for the publication of an Annual Report for NES, in such form as may be determined by the Scottish Government Health and Social Care Directorate (SGHSCD). The Annual Report, together with an audited financial statement, shall be published no later than nine months after the relevant accounting date, subject to confirmation that they have been formally laid before Parliament.

8. BANKING ARRANGEMENTS AND OPERATION

- 8.1 All arrangements with NES's bankers will be made in accordance with directions and advice from the Scottish Government Health and Social Care Directorate (SGHSCD).

- 8.2 NES is obliged to comply with instructions from Scottish Ministers and His Majesty's Treasury in relation to the operation of bank accounts. All bank accounts will only be opened on the instruction of the Executive Director of Finance.
- 8.3 The Scottish Government commercial banking arrangements provide for public bodies to hold a commercial bank account with the Royal Bank of Scotland (RBS) part of the NatWest Group.
- 8.4 HM Treasury manage arrangements for the Government Banking Service (GBS) so that all NHS Scotland bodies are obliged to use accounts provided by National Westminster Bank (NatWest Group plc), From the 31st December 2018 the following bank accounts have been in operation: -

| Bank | Account Description | Services Provided |
|------------------------|---|--|
| Royal Bank of Scotland | Commercial Account under the terms of the Scottish Government contract for commercial Bank Accounts | BACS sponsorship and receipts from BACS rejects and recalls; and Local Pay-Ins. |
| NatWest | Account provided under existing GBS contract | Payable Orders (cheques); BACS payments. Receipt of Income from Debtors; Portal; Pay by Link card receipts; and payments from/to Other Public Sector organisations. |

Any new accounts or changes to existing arrangements for the accounts must be approved by the Executive Director of Finance.

- 8.5 Payable Orders are printed with the signature of the Assistant Paymaster General added at the time of processing.
- 8.6 All other payments are authorised electronically on the above accounts. For payments generated from the Finance System, only one authoriser is required to approve payments using secure on-line access. However, all payments, including manual payments which exceed £50,000 require on-line approval from two authorisers. The Executive

Director of Finance will specify all officers approved to authorise payments and BACS files.

- 8.7 The signatory(ies) will satisfy themselves that payments are correctly substantiated and are in respect of sums properly payable by NES.
- 8.8 All Payable Orders (cheques) (which shall be crossed with “Not Negotiable – Account Payee Only”) shall be treated as controlled stationery in the charge of a duly designated officer controlling their issue.
- 8.9 The Executive Director of Finance is responsible for ensuring the system of control of access to; and authorisation of payments from all bank accounts is robust and administered appropriately using the systems provided by the banks. This system of administration will cover creation and prompt deletion of users as necessary to ensure the security of access and efficient management of the accounts.
- 8.10 The Executive Director of Finance shall ensure that NES does not, without the approval of Scottish Government given as appropriate with the consent of Treasury, borrow or lend money nor give any guarantee, indemnity, nor letter of comfort.

FOREIGN CURRENCY

- 8.11 Business should normally be conducted in sterling. However, some supplies need to be purchased using on-line foreign currency transactions through the Government Banking Services. The Executive Director of Finance will approve the currencies which are open to NES for use through GBS.
- 8.12 Foreign currency transactions in excess of £2m require to receive advance authorisation through the Government Banking Service. Such transactions will be referred to the Executive Director of Finance for arrangement.

9. FINANCIAL ARRANGEMENTS

- 9.1 The Executive Director of Finance shall ensure that detailed written procedures relating to financial systems are designed, including specific reference to duties of officers under these systems and that these systems, incorporating internal control principles, duly approved by the Executive Director of Finance, are maintained, reviewed annually, and updated as necessary.

- 9.2 Any authorisation for expenditure outside of the approved plans, policies, or regulations and for which no budget has been provided under the powers of virement, must have the written approval from both the Chief Executive and the Executive Director of Finance before payment as per the Scheme of Delegation.

SECURITY OF CASH, CHEQUES AND OTHER NEGOTIABLE INSTRUMENTS:

- 9.3 All means of officially acknowledging or recording amounts received or receivable shall be in the form approved by the Executive Director of Finance. These stationery items shall be subject to the same precautions as are applied to cash, in accordance with the requirements of the Executive Director of Finance.
- 9.4 All officers, whose duty it is to collect or hold cash, shall be provided with a safe or with a lockable cash box which will normally be deposited in a safe or other secure location. The officer concerned shall hold only one key with one duplicate being held by another officer authorised by the Executive Director of Finance and suitable receipts obtained. The loss of any key shall be reported immediately to the Deputy Director of Finance. The Executive Director of Finance shall arrange for all new keys to be despatched directly to them from the manufacturers and shall be responsible for maintaining register of authorised holders of safe keys.
- 9.5 The safe key holder shall not accept unofficial funds for depositing in their safe unless deposits are in sealed envelopes or locked containers. It shall be made clear to the depositor that the NES Board is not held liable for any loss and written indemnity must be obtained from the organisation or individual absolving NES from responsibility for any loss. During the absence of the holder of a safe or cash box key, the officer who acts in their place shall be subject to the same controls as the normal holder of the key. There shall be written discharge for the safe/cash box contents on the transfer of responsibilities and the discharge document must be retained for audit inspection.
- 9.6 All cash, cheques, postal orders, and other forms of payment shall normally be received by more than one officer and shall be entered in an approved form of register which should be signed by both. All cheques and postal orders shall be crossed immediately "Not Negotiable". The remittances shall be passed to the Operational Assistant from whom a signature shall be obtained.
- 9.7 The opening of mail and the counting and recording of any takings shall

be undertaken by two officers together.

- 9.8 Official monies shall not under any circumstances be used for the encashment of private cheques.
- 9.9 All cheques, postal orders, cash etc. shall be banked intact promptly in accordance with the approved procedures of the Executive Director of Finance. Disbursements shall not be made from cash received, except under arrangements approved by the Executive Director of Finance.
- 9.10 Any cash collected from fund raising events will be counted by two staff members in the Directorate where the funds have been collected. If passing to Finance for onward payment to the charity, the directorate team must complete a form with the breakdown of cash, signed by the two staff members before passing the form and cash to Finance. Finance will bank the income and issue a cheque to the Charity. Cash will be banked by finance, no later than the next available working day. Any cash held overnight will be kept in the safe.
- 9.11 All unused payable orders shall be kept in the safe.
- 9.12 Any loss or shortfall of cash, cheques, or other negotiable instruments, however occasioned, shall be reported immediately in accordance with the agreed procedure for reporting losses.
- 9.13 Petty cash reconciliations shall be prepared prior to requesting cash reimbursement for expenses.

SECURITY OF ASSETS

- 9.14 Each employee has a responsibility to exercise a duty of care over the property of NES and it shall be the responsibility of senior staff in all disciplines to apply appropriate routine security practices in relation to NHS property. Persistent breach of agreed security practices shall be reported to the Chief Executive.
- 9.15 Wherever practicable, items of equipment shall be marked as NES property. Items to be controlled shall be recorded and updated in an appropriate register including all capital assets.
- 9.16 Nominated officer(s) designated by the Chief Executive shall maintain an up-to-date asset register of those items which are capital by definition. (See Section 18 Fixed Assets).

- 9.17 A separate register of items of a specialist nature, which do not meet the formal definition of capital assets, for example Laptops, PCs, mobile phones, shall be maintained by nominated officers. The Executive Director of Finance shall approve the form of all registers and the methods of updating.
- 9.18 Any damage to premises, vehicles and equipment, or any loss of equipment or supplies shall be reported by staff in accordance with the agreed procedure for reporting losses (Also see Losses section).
- 9.19 Registers shall also be maintained by responsible officers and where practicable receipts retained for:
- Equipment on loan, and
 - Leased equipment.

Equipment on loan to other public bodies will be approved by the Executive Director of Finance and the Director of NES Technology Service

- 9.20 The Chief Executive will ensure that NES does not dispose of any assets, unless Scottish Government otherwise agrees, except at current market values and in accordance with the practices applicable to assets purchased out of public funds as laid down in Government Accounting. The Chief Executive shall ensure that assets having a net book value or realisable value, whichever is the higher, in excess of £50,000, are not disposed of without prior Scottish Government approval.
- 9.21 The NES Corporate Information Security Policy provides assurance that the Integrity of Operational systems and Information assets will be maintained. Access to systems is managed through strict user management protocols and firewalls. As a Cloud first organisation, NES information (intangible) assets reside within the technology environments provided by the contracted cloud providers. There are two levels of policy and procedure applied to this model, the first provided at vendor level: and the second specific to the NES deployment of applications. Both are developed and managed to the UK government standards of technology and information security, audited by the NES Information Security Forum through internal audit and Scottish Government administered Annual Network and Information (NIS) audits
- 9.22 The responsibilities of individuals within NES to protect the information assets owned and used by NES from threats whether internal or external, deliberate or accidental are set out within the [NES Information Security Acceptable Use Policy](#)

INCOME

- 9.23 The Executive Director of Finance shall be responsible for designing and ensuring maintenance of systems for the proper recording and collection of all monies due.
- 9.24 All officers shall inform the Executive Director of Finance of monies due to NES arising from transactions they initiate, including all contracts, leases, tenancy agreement and any other transactions in order that an official invoice is raised to the customers.
- 9.25 The Executive Director of Finance shall take appropriate recovery action on all outstanding debts including the establishment of procedures for the write-off of debts after all appropriate recoverable steps have been taken to secure payment (see Losses section 12).
- 9.26 In relation to Income Generation Schemes, the Executive Director of Finance shall ensure that there are systems in place to identify all costs and services attributed to each scheme before implementation and such schemes should only proceed on the basis of providing income in excess of the cost of the scheme. All fees and charges must be:
- approved in advance by the Executive Director of Finance, and
 - reviewed annually by the Budget Holder to ensure they are still appropriate and agreed by the Executive Director of Finance.
- 9.27 When deciding whether fees should be charged for courses, consideration must be given to both the source of the funding, and those participating in the courses. Where new courses are run that are not covered by NES baseline, nor by additional non-recurring funding from Scottish Government, fees should be set at a level which as a minimum covers the net costs to NES for providing the course, including an appropriate share of overheads. Approval should be sought as per sections 6.12 and 9.2.

PAYMENT OF ACCOUNTS

- 9.28 The Executive Director of Finance shall ensure that up to date lists of authorised signatories are maintained and reviewed regularly, at least annually.
- 9.29 The Executive Director of Finance shall be responsible for the payment

of all accounts, invoices and contract claims in accordance with contractual terms and/or targets set by the Scottish Government Health and Social Care Directorate. Payment systems shall be designed to avoid payments of interest arising from non-compliance with the Late Payment of Commercial Debts (Interest) Act 1998.

- 9.30 All officers shall inform the Executive Director of Finance promptly of all agreements entered into related to leases or tenancy agreements in order to ensure –NES complies with lease accounting standards.
- 9.31 All expenditure should be consistent with approved spend from the budget process.
- 9.32 Suppliers shall be instructed to send all invoices to the Finance Department for processing, quoting a valid purchase Order number where appropriate.
- 9.33 All other requests for payment not covered by a Purchase order, should, wherever possible, have relevant invoices or contract payment vouchers attached and shall be authorised by an approved officer from a list of authorised signatories.
- 9.34 The Executive Director of Finance shall be responsible for designing and maintaining a system for the verification, recording and payment of all amounts payable. The system shall provide for certification that:
- goods have been duly received, examined, are in accordance with specification and order, are satisfactory and that prices are correct.
 - work done or services rendered have been satisfactorily carried out in accordance with the order; that where applicable the materials used were of the requisite standard and that the charges are correct.
 - in the case of contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, that the rates of labour are in accordance with the appropriate rates, that the materials have been checked as regards quantity, quality, and price and that the charges for the use of the vehicles, plant and machinery have been examined.
 - where appropriate, the expenditure is in accordance with regulations and that all necessary Board or appropriate officer authorisations have been obtained.
 - the account/claim is arithmetically correct.
 - the account/claim is in order for payment.
 - VAT has been recovered as appropriate.
 - payments are processed timeously in order to secure discounts available; and

- a timetable and system for submission of accounts for payment is maintained to ensure prompt payment to suppliers.
- 9.35 Budget Holders shall ensure, before a requisition for goods and service is placed, that the purchase has been properly considered and forms part of the department's allocations, agreed business plans, or other known and specific funds available to the department.
- 9.36 Procurement rules must be followed at all times as outlined in section 11.
- 9.37 The Executive Director of Finance shall ensure that payment for goods and services is only made once the goods and services are received other than under the terms of a specific contractual agreement. (e.g., Venue Hire where a deposit may be required – see also section 9.42 below).
- 9.38 Where an officer certifying accounts or claims relies upon other officers to do preliminary checking, they shall, wherever possible, ensure that those who check delivery or execution of work act independently of those who have placed order and negotiated prices and terms. Budget Managers must therefore ensure that there is effective separation of duties between:
- the person placing the order,
 - the person certifying receipt of goods and services, and
 - the person authorising the invoice.

No single person should undertake all three functions. The Executive Director of Finance must approve the list of officers authorised to certify invoices, non-invoice payments and payroll schedules, including where required by the Executive Director of Finance, financial limits to their authority. The Director of Finance will maintain details, together with their specimen signatures.

- 9.39 In the case of contracts for building or engineering works which require payment to be made on account during progress of the works, the Executive Director of Finance shall make payment on receipt of certificate from the appropriate technical consultant or officer. Without prejudice to the responsibility of any consultant or works officer appointed to a particular building or engineering contract, a contractors account shall be subject to such financial examination by the Executive Director of Finance and such general examination by a works officer as may be considered necessary before the person responsible for the contract issues the final certificate.

- 9.40 The Executive Director of Finance may authorise petty cash as required. Individual payments must be restricted to the amounts authorised by the Director of Finance and appropriate vouchers obtained and retained in accordance with the [NES Retention Policy](#).
- 9.41 When commissioning contractors to carry out work on behalf of NES, the responsible officer must check the employee/employer status of the individual concerned to assess whether NES are compliant with the IR35 rules for each assignment. Claims of self-employed status on behalf of the individual need to be verified for every project undertaken. The His Majesty's Revenue & Customs (HMRC) Employment Status Indicator tool should be completed by the officer commissioning the individual (<http://www.hmrc.gov.uk/calcs/esi.htm>). The result should be kept by the officer to produce in the event of an audit from HMRC. If the result confirms that there is no employee/ employer relationship, then the contractor should be asked to provide an invoice for their fees. However, if the result indicates that there is a relationship then the contractor should be provided with a copy of the Employment Status Indicator result as a Status Determination Statement and asked to complete a fee form and will be paid through the NES payroll.
- 9.42 Advance payment for supplies, equipment, or services out-with normal business practices shall not be normally permitted. Advance payment in all exceptional circumstances shall be subject to the express approval of the Executive Director of Finance.
- 9.43 The budget holder is responsible for ensuring that all items due under a payment in advance contract, are received and they must inform the Executive Director of Finance immediately problems are encountered.
- 9.44 NHS Scotland operates a "Payment on Behalf" process which eliminates the need for the transfer of cash between NHSScotland Boards for the payment of services. The process removes the need for Boards to raise Purchase Orders and invoices to one another, and instead recognises the payments as a non-cash transfer. The system is managed by NHS National Services Scotland (NSS) on behalf of Scottish Government and the transfers are processed monthly. Where payments to other Boards are managed through this process, the Executive Director of Finance is responsible for ensuring that there is an authorisation process in place which assures that services have been received and payment authorised prior to the transfer being made. The Deputy Director of Finance has delegated authority to approve the transfer request to NSS on behalf of the Executive Director of Finance.
- 9.45 The issue of NHS Credit/Purchasing cards will be managed by the Executive Director of Finance who will delegate authority to the Deputy

Director of Finance to amend credit/purchasing card limits as appropriate. It is the responsibility of the Executive Directors to nominate a card holder or card user for their own area. Daily and single transaction limits will be set by the Deputy Director of Finance based on the expected use of the card. Increases to those limits must be submitted by the card holder and approved by the Deputy Director of Finance. All corporate purchase card transactions will be reviewed at least annually by Finance to ensure appropriate use.

PAYMENT OF STAFF

- 9.46 Staff may be engaged or re-graded only by authorised officers within the limit of the approved budget and establishment when agreed by the Chief Executive or other authorised officer unless following successful grading appeals. The Remuneration Committee shall approve any changes to the remuneration, allowances, and conditions of service of the Chief Executive and other Directors in accordance with the Code of Corporate Governance, subject to advice from the Director of [People & Culture](#) ~~Workforce~~.
- 9.47 Each employee shall be issued with a contract which shall comply with current employment legislation and be in a form approved by NES.
- 9.48 Electronic completion and signing of engagement forms and change forms containing information necessary for the payment of staff as they may require shall be co-ordinated and quality assured by appropriate HR Officers and approved forms processed on eESS for transmission to National Services Scotland (NSS) Payroll, as close to the new member of staff commencing with NES as possible.
- 9.49 A termination of employment ticket or any such other documents as may be required, for payment purposes, shall be completed, and where appropriate signed, and approved through the appropriate Line Manager, or other authorised NES - Deanery personnel for trainee employees and HR Officers and processed on eESS for transmission to NSS Payroll. Where an employee fails to report for duty, in circumstances which they have left without notice and this has been confirmed, NSS Payroll shall be informed immediately.
- 9.50 Completion and signing of notification of change forms and such other documents necessary for the payment of staff following changes in employment status or terms and conditions of service shall be co-ordinated between the appropriate HR Officers and approved forms processed on eESS as close to the effective date of change for processing by NSS Payroll.

- 9.51 All time-records, staff returns, and other pay records and notifications shall be in a form approved by the Executive Director of Finance and shall be certified and submitted in accordance with their instructions. Where this information is transmitted by electronic means, appropriate procedures covering such transmissions require to be agreed with him/her.
- 9.52 Subject to the limits laid down in the Scheme of Delegation, the Remuneration Committee shall review and approve submissions from the Director of People & Culture~~Workforce~~, approved by the Chief Executive for any redundancy situation leading to contractual entitlement to a payment in excess of £95,000.
- 9.53 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.
- 9.54 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.
- 9.55 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.
- 9.56 The Director of People & Culture~~Workforce~~ and the Executive Director of Finance shall be jointly responsible for ensuring that rates of pay and relevant conditions of service are in accordance with current agreements as advised by the Scottish Government Health and Social Care Directorate and agreed by the Board. The Chief Executive, or Board in appropriate circumstances, shall be responsible for the final determination of pay but subject to the statutory duty of the Executive Director of Finance who shall issue instructions regarding:
- verification of documentation of data.
 - the timetable for receipt and preparation of payroll data and payment of staff.
 - maintenance of subsidiary records for Superannuation, Income Tax, National Insurance, and other authorised deductions of pay.

- security and confidentiality of payroll information in accordance with the principle of the General Data Protection Regulations Act, May 2018.
- checks to be applied to completed payroll before and after payment.
- methods of payment available to various categories of staff.
- procedures for payment to staff.
- procedures for unclaimed wages which should not be returned to salaries and wages staff.
- pay advances authorised and their recovery.
- maintenance of regular and independent reconciliation of adequate control accounts.
- separation of duties of preparing records and handling cash; and
- a system to ensure the recovery from leavers of any sums due by them to NES.

9.57 All employees shall be paid by bank credit transfer, unless otherwise agreed by the Executive Director of Finance.

9.58 After approval by the Remuneration Committee, the Chair will personally authorise for payment the Performance Related Pay Progression (PRPP) of the Chief Executive and the Chief Executive will personally authorise the progression payment for other contracted NES staff within the Executive and Senior Management Cohort.

9.59 The Executive Director of Finance shall ensure salaries and wages are paid on the currently agreed dates but may vary these when necessary due to special circumstances (e.g. Christmas or other Bank Holidays). Payment to an individual shall not normally be made in advance of the normal pay date.

10. TRAVEL, SUBSISTENCE AND OTHER ALLOWANCES

10.1 The Executive Director of Finance shall ensure that all expense claims by employees of NES are reimbursed in line with the relevant NHS regulations, and in line with the NES Travel and Subsistence Policy.

10.2 The Executive Director of Finance shall issue additional guidance on the submission of expense claims, specifying the documentation to be used, the timescales to be adhered to and the required level of authorisation.

CONTRACTING AND PROCUREMENT

- 10.3 All procurement must be undertaken in line with the requirements of the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014, the Procurement (Scotland) Regulations 2016 and the principles set out in the Scottish Government's Scottish Procurement Policy Handbook 2008, and the Scottish Government's published Procurement Journey, including any subsequent revisions. In addition, as a result of the UK's exit from the European Union on 31 December 2020, The Public Procurement etc. (EU Exit) (Scotland) (Amendment) Regulations 2020 and The Public Procurement (Agreement on Government Procurement) (Amendment) Regulations 2021 also apply.
- 10.4 In all circumstances, officers of NES shall seek to obtain Best Value through the application of the NES Policy and Procedures. Adopting a MEAT (Most Economically Advantageous Tender) approach enables NES to take account of criteria that reflects qualitative, technical, and sustainable aspects of the tender submission as well as price when reaching an award decision.
- 10.5 NES shall comply as far as is practicable with the Scottish Capital Investment Manual (SCIM) and Scottish Procurement Policy Notes.
- 10.6 In accordance with CEL 05 (2012) where national, regional, or local contracts exist (including framework agreements) NES will use these contracts. Only in exceptional circumstances and with the authority of the Executive Director of Finance, can goods or services be ordered out-with such agreements.

THRESHOLDS FOR PURCHASING/ORDERING

- 10.7 The central Procurement team are responsible for all Procurement activities Best Value, the use of Public Contracts Scotland (PCS), including PCS Mini-competition and any World Trade Organisation's (WTO) and Government Procurement Agreement (GPA) directives must be applied when the estimated contract value exceeds the procurement thresholds set out in the table below.
- In case of any doubt, advice must be sought from the Procurement Department.

| | | | | | | |
|-----------------|----------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Spend £k | ≥116.4* | FaT* | FaT* | FaT* | FaT* | FaT* |
| | >50 <116.4* | PCS-T | PCS-T | PCS-T | PCS-T | PCS-T |
| | >25 ≤50 | PCS | PCS | PCS | PCS | PCS |
| | >10 ≤25 | PCS Quick Quote | PCS Quick Quote | PCS Quick Quote | PCS Quick Quote | PCS |
| | >0 ≤10 | VFM | VFM | VFM | VFM | PCS Quick Quote |
| | | Very Low | Low | Medium | High | Very High |
| Risk/Complexity | | | | | | |

* UK Find a Tender (FaT) threshold £116,407 ex-VAT, implemented 30/10/23 and valid from 1/1/24 ((FaT) replaced OJEU Tender process on 1/1/21). The threshold is modified from time to time by the Scottish Government Scottish Procurement Policy Notices (SPPN).

PSC – Public Contracts Scotland
PSC-T Public Contracts Scotland Tender

** To support our SMEs (as defined by HMRC) and comply with Procurement Equality Duty and Fair Work principles, NES may directly award contracts up to the value of £25,000 in line with procurement regulations.

Order value refers not only to individual orders but also to the total estimated value of recurring orders for like goods/services.

ACCEPTANCE AND AWARD BY CHIEF EXECUTIVE

- 10.8 The Chief Executive, acting with the Executive Director of Finance are authorised on behalf of the organisation to accept tenders and award contracts. This responsibility can be assigned to those who have delegated financial authority.
- 10.9 The limits for delegation for the acceptance of tenders shall be approved by NES Board and the Executive Team from time to time.
- 10.10 Formal tendering procedures may be waived with the recorded approval of the Executive Director of Finance where:
- For values below the UK Find a Tender (FaT) limits, the timescale genuinely precludes competitive tendering. Failure to plan the work properly is not a justification for single tender; and
 - Specialist expertise is required, and evidence is provided to demonstrate that this is available from only one source; and
 - The task is essential to complete the project; and
 - Arises as a consequence of a recently completed assignment; and
 - Engagement of different consultants for the new task would be inappropriate; or
 - There is a clear benefit to be gained from maintaining continuity with an earlier project. However, in such cases the benefits of such continuity must outweigh any potential financial advantage to be gained by competitive tendering; or
 - Clause 21 of the Public Contracts (Scotland) Regulations 2015 allows any public sector body to restrict the tendering process for goods or services to supported factories and businesses only. The directive only applies as a matter of law to contract opportunities which have a financial value greater than the OJEU threshold values.
 - Where provided for in the Scottish Capital Investment Manual.
- 10.11 Competitive tendering can only be waived in specific, limited circumstance by the Executive Director of Finance, the Head of Procurement, or their deputies as per the maximum contract values in the Scheme of Delegation. The waiver request and the reasons supporting the request, should be provided by the relevant Director and the record retained by Procurement.

SINGLE TENDER (REGULATED)

- 10.12 Where only one tender is received, NES must ensure, as far as practicable, that the price to be paid is fair and reasonable. If this situation arises the reasons for accepting the single tender should be formally documented and submitted to the Head of Procurement.

OFFICIAL ORDERS

- 10.13 No goods, services or works other than works and services executed in accordance with a contract, or a NES Purchasing Card shall be ordered except on an official order, whether hardcopy or electronic, and contractors shall be notified that they should not accept orders unless on an official order form or processed via an approved secure electronic medium. Oral (Verbal) orders shall be issued only by an officer designated by the Chief Executive and only in accordance with the Business Continuity Plan. These shall be confirmed by an official order issued no later than the next working day, except for in exceptional circumstances, and clearly marked "Confirmation Order". National contracts must be used unless express permission, within the Scheme of Delegation, has been obtained from the Head of Commissioning and Procurement, the Deputy Director of Finance, or the Executive Director of Finance.
- 10.14 Official orders shall be issued by the NES Purchase to Pay (P2P) Order system and shall incorporate an obligation on the contractor to comply with NES terms and conditions as regards delivery, carriage, documentation, variations etc.
- 10.15 Orders will be processed and transmitted by electronic methods in place of signed numbered paper-based orders providing always that appropriate procedures for such orders are agreed by the Executive Director of Finance.
- 10.16 Official order forms, supported by appropriate requisition requests, shall only be approved officers authorised by the Chief Executive. Lists of authorised officers shall be maintained and a copy of such list supplied to the Executive Director of Finance.
- 10.17 No order, contract, lease shall be issued for any items for which there is no budget provision or for which no funding has been provided under the delegated powers of virement unless authorised by the Executive Director of Finance on behalf of the Chief Executive. Members and officials must ensure that all contracts, leases, tenancy agreements and other commitments they enter into on behalf of NES for which a financial liability may result but without secured funding or budget provision are notified to the Executive Director of Finance in advance of commitment being made.

MANAGEMENT CONSULTANTS

- 10.18 In accordance with the [SG Consultancy Procedures](#) issued in 2017, when consultants are necessary, they need to be used sparingly, appropriately and

effectively. Within NES, Management Consultants should only be used when documentary evidence of a benefit to NES has been prepared and the following demonstrated:

- the work cannot be carried out internally.
- Management is determined to take action to bring about change and demonstrate commitment to act upon the outputs.
- The Management consultants can bring relevant knowledge and have proven experience which will add value; and
- The number of consultants must not exceed in-house capacity to manage them effectively.

10.19 Directorates must submit the documentary evidence to support the request for a management consultant to the Chief Executive and the Executive Director of Finance for approval before progressing with selection and appointment.

10.20 In choosing a Management Consultant, steps should be taken to ensure that they are capable of carrying out the assignment; that Best Value is obtained; and that due probity is demonstrated in awarding the contract. Appointment of Management Consultants must normally be by Competitive Tender.

10.21 Where successive assignments beyond the scope and terms of an appointment made by competitive tender arise, these should also be subject to tender arrangements. Where it is expected that there may be follow on assignments, it may be more appropriate for the tendering exercise to appoint Management Consultants under a call off arrangement.

CONTRACTS

10.22 NES may only enter into contracts within its statutory powers and shall comply with:

- Standing Orders.
- NES Standing Financial Instructions.
- UK and World Trade Organization Government Procurement Agreement (WTO GPA) Directives and other statutory provisions.
- any relevant directions including the Scottish Capital Investment Manual, Scottish Public Finance Manual, and guidance on the use of Management Consultants; and
- such NHS Standard Contract conditions as are applicable.

- 10.23 Where specific contract conditions are considered necessary by the lead officer, these will be drafted by the Head of Procurement and Commissioning and where appropriate, advice shall be sought from suitably qualified persons and/or the Central Legal Office part of National Services Scotland (NSS).
- 10.24 In all contracts made by NES, the Procurement team shall endeavour to obtain Best Value. All tenders are awarded on the basis of MEAT (Most Economically Advantageous Tender) which incorporates both qualitative and financial measures into the tender process. All supporting evidence is documented and held in accordance with the [NES Retention Policy](#).
- 10.25 Any contractual aspects will be managed by the Procurement team in addition to a nominated Point of Contact who shall oversee and manage deliverables.
- 10.26 All contracts entered into shall contain standard clauses empowering NES to:
- Cancel the contract and recover all losses in full where a company or their representative has offered, given, or agreed to give, any inducement to members or officials; and
 - Recover all losses in full or enforce specific performance where goods or services are not delivered in line with contract terms.
- 10.27 The Executive Director of Finance shall ensure that arrangements for financial control and financial audit of building and engineering contracts and property transactions comply with the guidance contained within Scottish Construction Code (SCOTCONCODE) and the Scottish Capital Investment Manual (SCIM). The Technical audit of these contracts shall be the responsibility of the relevant Director.

IN HOUSE SERVICES

- 10.28 The Chief Executive, as Accountable Officer, shall be responsible for ensuring that Best Value can be demonstrated for all services provided under contract or in-house. The Board or appropriate committee may also determine from time to time that in-house services should be market tested by competitive tendering.

REGISTER OF INTEREST

- 10.29 Acceptance of Financial Assistance, Gifts and Hospitality and Declaration of Interest.

- the principles relating to the acceptance by Health Service staff of financial assistance, gifts and hospitality from commercial sources and declaration of interest are stated in the [NES Standards of Business Conduct Policy](#) which references NHS Circular MEL 1994(48) Annex 7 and NHS Circular MEL 1994(80). This policy has been widely circulated and should be read as part of the Standing Financial Instructions.
- the policy covering acceptance of financial assistance, gifts and hospitality and declaration of interest is updated by the Workforce Directorate on behalf of the Chief Executive.
- a register covering acceptance of financial assistance, gifts and hospitality is maintained by the Finance Directorate and the register of and declaration of interest is maintained by Board Services on behalf of the Chief Executive for board members and a separate register of interests for staff (excluding Executive Board Members) is maintained by Finance.
- no order shall be issued for any item or items for which an offer of gifts (other than low-cost items e.g. calendars, diaries, pens and like value items), or hospitality has been received from the person interested in supplying goods or services. Any employee of NES receiving such an offer shall notify their line manager as soon as is practicable; and
- visits at supplier's expense to inspect equipment, goods or services must not be undertaken without the prior approval of the Chief Executive.

11. LOSSES AND SPECIAL PAYMENTS

- 11.1 Any officer discovering or suspecting a loss of any kind shall forthwith inform their line manager, who shall immediately inform the Fraud Liaison Officer. Where a criminal offence is suspected, the Counter Fraud policy in operation at NES must be applied, in accordance with the partnership agreement between NES and Counter Fraud Services.
- 11.2 The Executive Director of Finance shall maintain a losses and compensation register in which details of all losses shall be recorded, as they are known. Write off action shall be recorded against each entry in the register. Losses are noted even if they are recovered or expected to be recovered.
- 11.3 Losses are classified according to details issued by the Scottish Government Health and Social Care Directorate.
- 11.4 An annual report on losses and special payments is presented to the Audit and Risk Committee, and details of individual losses exceeding £250k are published in the Annual Report and Accounts.
- 11.5 In accordance with the Scheme of Delegation, the Chief Executive, acting together with the Executive Director of Finance, may approve the writing off

of losses within the limits delegated to the Board / Executive team by the Scottish Government Health and Social Care Directorate, as per NHS Circular CEL 10 (2010) (Appendix C): -

| Item No | Category of Loss | Delegated Authority (per case) £ |
|---------|---|----------------------------------|
| | Theft / Arson / Wilful Damage | |
| 1 | Cash | 10,000 |
| 2 | Stores / procurement | 20,000 |
| 3 | Equipment | 10,000 |
| 4 | Contracts | 10,000 |
| 5 | Payroll | 10,000 |
| 6 | Buildings & Fixtures | 20,000 |
| 7 | Other | 10,000 |
| | Fraud, Embezzlement & other irregularities (including attempted fraud) | |
| 8 | Cash | 10,000 |
| 9 | Stores / procurement | 20,000 |
| 10 | Equipment | 10,000 |
| 11 | Contracts | 10,000 |
| 12 | Payroll | 10,000 |
| 13 | Other | 10,000 |
| 14 | Nugatory & Fruitless Payments | 10,000 |
| | Claims Abandoned | |
| 15(a) | Private Accommodation | 10,000 |
| 15(b) | Road Traffic Acts | 20,000 |
| 15(c) | Other | 10,000 |
| | Stores Losses | |
| 16 | Incidents of the Service – | |
| | - Fire | 20,000 |
| | - Flood | 20,000 |
| | - Accident | 20,000 |
| 17 | Deterioration in Store | 20,000 |
| 18 | Stocktaking Discrepancies | 20,000 |
| 19 | Other Causes | 20,000 |

| Item No | Category of Loss | Delegated Authority (per case) £ |
|---------|---|----------------------------------|
| | Losses of Furniture & Equipment and Bedding & Linen in circulation | |
| 20 | Incidents of the Service - | |
| | - Fire | 10,000 |
| | - Flood | 10,000 |
| | - Accident | 10,000 |
| 21 | Disclosed at physical check | 10,000 |
| 22 | Other Causes | 10,000 |
| | Compensation Payments - legal obligation | |
| 23 | Clinical | 250,000 |
| 24 | Non-clinical | 100,000 |
| | Ex-gratia payments | |
| 25 | Extra-contractual Payments | 10,000 |
| 26 | Compensation Payments - Ex-gratia - Clinical | 250,000 |
| 27 | Compensation Payments - Ex-gratia - Non Clinical | 100,000 |
| 28 | Compensation Payments - Ex-gratia - Financial Loss | 25,000 |
| 29 | Other Payments | 2,500 |
| | Damage to Buildings and Fixtures | |
| 30 | Incidents of the Service | |
| | - Fire | 20,000 |
| | - Flood | 20,000 |
| | - Accident | 20,000 |
| | - Other Causes | 20,000 |
| 31 | Extra-Statutory & Extra-regulatory Payments | Nil |
| 32 | Gifts in cash or in kind | 10,000 |
| 33 | Other Losses | 10,000 |

11.6 The exercise of powers of delegation in respect of losses and special payments will be subject to the submission of annual reports to NES Audit & Risk Committee identifying which powers have been exercised and the amount involved.

- 11.7 The Audit and Risk Committee will formally consider and approve all Losses annually when recommending the adoption of the Statutory Annual Accounts.
- 11.8 No special payments exceeding the delegated limits laid down, and subsequent amendments thereto shall be made without prior approval of the Scottish Government Health & Social Care Directorate.
- 11.9 The Executive Director of Finance shall be authorised to take any necessary steps to safeguard NES's interests in bankruptcies and company liquidations.
- 11.10 All articles surplus to requirements or unserviceable shall be condemned or otherwise disposed of by an officer authorised for that purpose by the Executive Director of Finance.
- 11.11 The officer shall satisfy their self as to whether or not there is evidence of negligence in use and shall report any such evidence to the Executive Director of Finance and the Chief Executive who shall take the appropriate action.

12. RISK MANAGEMENT

The Chief Executive shall ensure that NES has a Risk Management Strategy that is approved and monitored by the Audit and Risk Committee.

The Risk Management Strategy shall include:

- a Statement on the NES approach to Risk Management,
- a summary of the NES Strategy for Risk Management,
- details of the Structures in place to implement the strategy,
- details of the processes in place supporting the risk management structures,
- definition of the Risk Appetite i.e. the level of risk the board is willing to accept, and
- definition of responsibilities with regard to risk management.

The Audit and Risk Committee shall have oversight of the Risk Management Strategy and of the implementation and monitoring of risk management structures and processes.

The Executive Director of Finance shall ensure that appropriate insurance and indemnity arrangements are in place in support of the risk management strategy.

13. STANDING COMMITTEES

The Board has established standing committees to which it delegates responsibilities. The Terms of Reference of all Committees will be reviewed annually and are published on the [NES external website](#). The NES Board jointly governs with NHS Golden Jubilee, the work of the NHS Scotland Academy. This is undertaken via NHSS Academy Executive Programme Group and governed through NES Education and Quality Committee and NHS Golden Jubilee Strategic Portfolio Governance Committee.

14. SPECIFIC ROLES & RESPONSIBILITIES

ROLE OF THE EXECUTIVE DIRECTOR OF FINANCE

14.1 The Executive Director of Finance is responsible for:

- ensuring there are arrangements to review, evaluate and report on the effectiveness of internal control including the establishment of an effective internal audit function.
- ensuring that the effectiveness of Internal Audit is reviewed by the Audit and Risk Committee and meets the NHS mandatory audit standards; and
- liaising with Counter Fraud Services as appropriate to determine at what stage to involve the police in cases of fraud, misappropriation, and other irregularities.

14.2 The Executive Director of Finance, designated auditors, and representatives from Counter Fraud Services (CFS), are all entitled without necessarily giving prior notice to require and receive:

- access to all records, documents and correspondence relating to any financial or other relevant transactions, including documents of a confidential nature.
- access at all reasonable times to any land, premises, or employee of the organisation.
- the production of any cash, stores, or other property of the organisation under an employee's control; and
- explanations concerning any matter under investigation.

ROLE OF INTERNAL AUDIT

- 14.3 The role, objectives and scope of Internal Audit are set out in the NHS Internal Audit Standards and the Public Sector Internal Audit Standards recognising the importance of an independent and objective internal audit service working to the [NHS Internal Audit Standards](#) (2011). The work of Internal Audit is carried out primarily for the benefit of the Accountable Officer and Board/Executive of the organisation. The Head of Internal Audit, in accordance with the [Public Sector Internal Audit Standards](#) (2013), has a responsibility to provide an annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control processes. There is consequently a major synergy between the purpose of the Head of Internal Audit and the role of the Audit and Risk Committee.
- 14.4 The Internal Auditor shall have specific responsibility to review, appraise and report upon:
- (a) controls to ensure achievement of NES's objectives.
 - (b) the extent of compliance with established policies, procedures, plans, regulations, and laws etc.
 - (c) the extent to which NES's assets and interests are accounted for and safeguarded from loss of any kind arising from: fraud and other offences, theft, accident, waste, extravagance, inefficient administration, poor value for money or other causes.
 - (d) the suitability, reliability, and integrity of management information systems; and
 - (e) the adequacy of follow-up action to their reports.
- 14.5 The Internal Auditors shall be accountable to the Audit and Risk Committee of NES. The reporting and follow up systems for internal audit shall be agreed between the Accountable Officer, the Executive Director of Finance, the Audit and Risk Committee and the Chief Internal Auditor. The agreement shall be in writing and shall comply with the guidance on reporting contained in the NHS Internal Audit manual. The reporting system shall be reviewed at least every 3 years.
- 14.6 Whenever any matter arises which involves, or is thought to involve, irregularities concerning cash, stores or other property of NES or any suspected irregularity in the exercise of any function of a pecuniary nature; the Executive Director of Finance shall be notified immediately. (See also Section 13 – Losses and Special Payments).
- 14.7 NES will nominate a senior officer as Fraud Liaison Officer (FLO) to liaise with NHS Counter Fraud Services (CFS) on all fraud related matters. This is in compliance with the approach agreed in the partnership agreement with CFS. The FLO will report and receive all allegations of fraud to and from

CFS on NES's behalf and will distribute all fraud reports and communications, on behalf of CFS, to appropriate recipients within NES.

- 14.8 The Internal Auditors shall issue reports to the Executive Director of Finance, who shall refer audit reports to the appropriate officers designated by the Chief Executive. Failure to take any necessary remedial action within a reasonable period shall be reported to the Chief Executive.
- 14.9 Where, in exceptional circumstances, the use of normal reporting channels could be seen as a possible limitation of the objectivity of the audit, or where sufficient action is not taken on matters of consequence, the Internal Auditor shall have direct access to the Audit and Risk Committee. In exceptional circumstances, where they deem necessary, the Internal Auditor shall have the right to report direct to the Chief Executive, NES Chair or the Chair of the Audit and Risk Committee.
- 14.10 At each meeting of the Audit and Risk Committee the opportunity should be given for the Chair of the Committee to meet with Non-Executive Members privately. At least twice a year the Chair of the Audit and Risk Committee and the Non-Executive Members should be provided with the opportunity to meet with the Chief Internal Auditor and External Auditors privately.

EXTERNAL AUDIT

- 14.11 The External Auditor is concerned with providing an independent assurance on financial stewardship including best value, probity, material accuracy, compliance with guidelines and accepted accounting practice for NES accounts. Responsibility for securing the audit of NES rests with Audit Scotland. The appointed External Auditor's statutory duties are contained in the Public Finance and Accountability (Scotland) Act 2000.
- 14.12 The appointed auditor has a general duty to satisfy themselves that:
- the organisation's accounts have been properly prepared in accordance with directions given under the Public Finance and Accountability (Scotland) Act 2000.
 - proper accounting practices have been observed in the preparation of the accounts; and
 - the organisation has made proper arrangements for securing economy, efficiency, and effectiveness in the use of its resources.

15. INFORMATION TECHNOLOGY

- 15.1 The Director of NES Technology Service shall be responsible for the overall maintenance and security of networked systems within NES. The Executive Director of Finance shall be primarily responsible for the accuracy of data and the maintenance of appropriate security levels within the financial systems of NES.
- 15.2 The Director of NES Technology Service shall devise and implement any necessary policies and procedures to protect NES and individuals from inappropriate access, use or misuse of any financial or other information held in NES systems or devices for which they have responsibility and shall take account of the provisions of the Data Protection Act 2018, the UK General Data Protection Regulations (GDPR) and the UK Network and Information Systems (NIS) Regulations.
- 15.3 The Executive Director of Finance shall satisfy themselves that such digital and information system audit checks and reviews as they may consider necessary are being carried out.
- 15.4 The Executive Director of Finance shall ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by another NHS Board or any other agency, assurances of adequacy will be obtained from them prior to implementation.
- 15.5 The Executive Director of Finance shall ensure that contracts for digital services for financial applications with another NHS Board or any other agency shall clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing and storage. The contract should also ensure rights of access for audit purposes.
- 15.6 Where another NHS Board or any other agency provides a digital service for financial applications, the Executive Director of Finance shall periodically seek assurances that adequate controls are in operation.
- 15.7 Where digital systems have an impact on corporate financial systems the Executive Director of Finance shall ensure that:
 - (a) systems acquisition, development and maintenance are in line with corporate policies such as Scottish Government Digital Health and Care Strategy 2021.

- (b) data produced for use with financial systems is adequate, accurate, complete, and timely, and that a management (audit) trail exists; and
- (c) Executive Director of Finance staff have access to such data.

16. FIXED ASSETS

16.1 The Chief Executive and Executive Director of Finance shall ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal upon the financial plans for the organisation.

16.2 Capital assets can be tangible i.e. they have a physical substance, and Intangible have no physical substance e.g. software purchases and internally generated digital developments

16.3 Items falling into the following categories are tangible assets:

- property, plant, and equipment assets which are capable of being used for a period which could exceed one year and have a cost equal to or greater than £5,000 (inclusive of VAT).
- where a new development would result in an exceptional charge to the Operating Cost Statement in the first year of use, Boards have the option to capitalise such expenditure as a single 'equipping' asset with a useful economic life of up to 10 years. Where it is intended to exercise this option, Boards should consult with the SGHSCD.
- assets of lesser value may be capitalised where they form part of a group of similar assets purchased at approximately the same time, each individual part costs £250 or more and costs over £20,000 in total.

16.4 Intangible assets can be bought or developed internally and must meet recognition criteria as set out in the NHS Capital Accounting Manual. They are generally analysed over the following headings:

- Information Technology - software developed in-house or by third parties.
- software licences – the right to use software developed by third parties.
- websites that deliver services.
- development expenditure.
- licences, trademarks, and artistic originals – original films, sound recordings, etc on which performances are recorded or embodied.
- patents – inventions that are afforded patent protection; and
- goodwill

16.5 The Executive Director of Finance shall ensure that every capital expenditure proposal meets the following criteria:

- potential benefits have been evaluated and compared with known costs,
- the cost consequences of the developments have been evaluated and included in future budgets, and
- complies with the guidance in the NHSScotland (NHSS) Scottish Capital Investment Manual and subsequent disclosure complies with International Financial Reporting Standards (IFRS).

16.6 The Executive Director of Finance shall ensure that processes are in place to capture the impact on the NES Capital Resource Limit (CRL) from entering into property and equipment leases from the 1st April 2022.

16.7 In the case of large capital schemes, a system shall be established for progressing the scheme and authorising necessary payments up to completion. Provision should be made for regular reporting of actual expenditure against authorisation of capital expenditure.

16.8 Where capital assets are sold, scrapped, or impaired, their value must be reduced or moved from the accounting records and each disposal must be validated by reference to authorisation documents and ~~notes~~ (where appropriate). Where land and property are disposed of, the requirements set out in the NHSS Scottish Government Property Transactions handbook and the Scottish Public Finance Manual (SPFM), together with any subsequent amendments, ~~shall~~ be followed.

16.9 There is a requirement to achieve the best price reasonably achievable when disposing of assets belonging to NES. Competitive Tendering should normally be undertaken in line with requirements of the Board's tendering procedure.

16.10 Competitive Tendering or Quotation procedures shall not apply to the disposal of:

- any matter in respect of which a fair price can be obtained only by negotiation or sale by auction as determined by the Chief Executive.
- obsolete or condemned articles and stores, which may be disposed of in accordance with the supplies policy and recorded within the losses of the organisation.
- items to be disposed of with an estimated sale value of less than £5,000, this figure to be reviewed annually.

- items arising from works of construction, demolition, or site clearance, which should be dealt with in accordance with the relevant contract; and
- land or buildings concerning which Scottish Government guidance has been issued but subject to compliance with such guidance.

16.11 When evaluating options for the treatment of surplus assets, consideration of the disposal of assets to community bodies will be included, where appropriate. This consideration should be consistent with the principles of Best Value, where wider public benefits may be achieved.

16.12 The overall control of fixed assets shall be the responsibility of the Chief Executive advised by the Executive Director of Finance.

- The Executive Director of Finance shall be notified of the disposal and proceeds from disposal of any fixed assets.

16.13 NES shall maintain an asset register recording NES's fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Asset Accounting Manual as issued by the Scottish Government Health and Social Care Directorate. The organisation shall also maintain a register of assets held under operating leases.

16.14 A fixed asset control procedure shall be approved by the Executive Director of Finance. This procedure shall make provision for:

- recording managerial responsibility for each asset.
- identification of additions including internally developed assets.
- identification of assets for impairment or disposal.
- identification of all repairs and maintenance expenses.
- security of assets.
- periodic verification of the existence, condition, remaining life, and title to assets recorded; and
- identification and reporting of all costs associated with the retention of an asset.

16.15 The items on the register shall be checked at least annually by the designated officer and all discrepancies shall be notified in writing to the Executive Director of Finance, who may also undertake such other independent checks as they consider necessary. On the closure of premises, a check shall be carried out and a designated officer shall certify a list of items held showing eventual disposal.

16.16 The Executive Director of Finance shall approve procedures for

reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

16.17 All discrepancies revealed by verification of assets to fixed asset register shall be notified to the Executive Director of Finance.

16.18 The value of each asset shall be indexed to current values in accordance with methods specified in the Capital Accounting Manual.

16.19 The value of each asset shall be depreciated or amortised appropriately, using methods and rates as specified in the Capital Accounting Manual.

16.20 The Executive Director of Finance shall approve a procedure for the calculation and payment of capital charges as specified in the Capital Accounting Manual.

17. PERSONAL USE OF OFFICIAL ACCOMMODATION, EQUIPMENT OR VEHICLES

17.1 No employee of NES may make use of, or make available for use, official accommodation, equipment, supplies, services, or vehicles, for private purposes, without the prior permission of the Chief Executive, unless relating to the use of IT equipment which is covered by Section 19.2 below; and the use of Leased cars which are governed by the leased car agreement.

17.2 Employees should not make inappropriate or unauthorised use of IT systems, the NES [Information Security Acceptable use Policy](#) governing the use of IT systems should be referred to for further guidance.

18. FINANCIAL IRREGULARITIES

This section should be read in conjunction with the [NES Counter Fraud policy](#) and the NES [Standards of Business Conduct Policy](#).

18.1

In November 2023, the Scottish Government with NHS Scotland Counter Fraud Services published NHS Scotland Counter Fraud Strategy 2023-

2026.pdf The strategy sets out the key priorities for the period to reduce fraud affecting the NHS in Scotland.

- 18.2 NES works in partnership with NHS Scotland Counter Fraud Services (CFS) to combat financial crime within the NHS in Scotland. Health Boards nominate a senior officer as Fraud Liaison Officer (FLO) to liaise with CFS on all fraud related matters. The FLO will report and receive all allegations of fraud to and from CFS on the Health Board's behalf. The designated FLO within NES is the Deputy Director of Finance.
- 18.3 The Scottish Government's Strategy also requires Health Boards to appoint a senior executive or non-executive director as Counter Fraud Champion (CFC). Their role is to influence cultural change within organisations to achieve a position where fraud is considered unacceptable. The designated CFC within NES is the Executive Director of Finance. SG circular [CEL 11 \(2013\)](#) provides details of the roles and responsibilities of CFCs and FLOs.
- 18.4 Accountable Officers are responsible for having adequate arrangements in place to counter fraud within their Health Board. In line with central guidance, these arrangements should encompass robust systems of prevention, detection, and investigation controls, to reduce the risk of fraud and contribute to the promotion of a counter-fraud culture.
- 18.5 Within NES all staff are expected to undertake the NHS Scotland counter Fraud eLearning Module available within Turas. Line Managers are also required to complete the Counter Fraud for Line Managers Training. This training is subject to compliance monitoring.
- 18.6 All fraud against NHS Scotland must be reported to CFS, regardless of who the suspect or victim is, whether or not the matter has been prosecuted criminally, through civil action or by discipline, or whether the fraud was actual or attempted. However, the FLO, in consultation with CFS, may occasionally decide that a fraud is best dealt with by internal management action. In general, this will be on the grounds of low value.
- 18.7 There are numerous types of fraud, and some examples are given below, but this list is not exhaustive.

| | | |
|----------------------|---|------------------|
| Deception | bribery | forgery |
| Extortion | corruption | theft |
| Conspiracy | embezzlement | misappropriation |
| false representation | concealment of material facts & collusion | |

For practical purposes fraud may be defined as the use of deception with the intention of obtaining an advantage, avoiding an obligation, or causing loss to another party.

- 18.8 Any officers suspecting theft and/or fraud should immediately inform their line manager who shall in turn inform the Fraud Liaison Officer, who will immediately comply with the requirements of the partnership agreement with NHS Counter Fraud Services.
- 18.9 The Fraud Liaison Officer will also prepare a report for the first appropriate meeting of the Audit and Risk Committee setting out the full circumstances of the incident and any implications for management, including changes to internal control systems which may require to be made.
- 18.10 Careful consideration should be given to payment claims which arise from organisations or individuals who are under investigation or against whom proceedings are being taken for suspected fraud, etc. Legal advice should be sought where necessary.
- 18.11 The Chief Executive should report the matter to the Scottish Government Health and Social Care Directorate in cases where the nature, scale or the persons involved in the suspected offence could give rise to national or local controversy or publicity, or where the offence may be widespread.

19. WHISTLEBLOWING

- 19.1 NES adopts the National whistleblowing standards and encourages all staff in NES to raise any concerns where there is a risk of harm or wrongdoing (including where financial loss or misuse could ensue). Information on how to raise any concerns is available on the [NES Intranet](#).
- 19.2 Any issues raised will be investigated fully and impartially. Nobody will be unfairly treated for raising a concern, for having a whistleblowing allegation made about them or for cooperating with any investigation.

20. AUTHORISATION LIMITS

- 20.1 One of the objectives of the Standing Financial Instructions is to ensure adequate controls exist for the committing and payment of funds on behalf of the Board.

SERVICE LEVEL AGREEMENTS (SLAs)

- 20.2 Provided the service or activity has been approved in the Operational Planning process or virement approval has been obtained, and once verified by the designated Finance Manager, one of the signatories on a Service Level Agreement must be in accordance with Delegated Authority Limits as per Section 24 of the Scheme of Delegation. The relevant Director should also sign the SLA.

CONTRACTS

- 20.3 Contracts and other agreements with non-NHS Bodies must have two signatories, one of which will be a Directorate officer and the other an authorised buyer, with specific delegated authority in accordance with Sections 22 and 23 of the Scheme of Delegation. The total contract value must also be verified by the designated Finance Manager to ensure this is in line with Operational Plans and budgets.
Contractual and other commitments with non-NHS Bodies, over £1,000,000 in total, should be reported to the Board.

PURCHASES (PURCHASE ORDERS AND NOTES)

- 20.4 Purchase requisitions and invoices must be authorised by budget holders, or staff with delegated authority from budget holders, and verified by the designated Finance Managers as noted in Section 18 of the Scheme of Delegation:
- 20.5 Special arrangements exist for payments to other Boards in relation to payments made through the Payment on Behalf Process as outlined in Section 9.40. These include payments in respect of Training Grades and the Additional Costs of Teaching (ACT). These payments are covered by approved SLAs and individual monthly payments are processed subject to confirmation from nominated senior officers within the relevant Directorate who have delegated authority from their director. All submissions are reviewed and authorised by the Deputy Director of Finance before being processed.

VIREMENTS

20.6 It is the responsibility of the Chief Executive and the Executive Director of Finance to ensure all financial commitments entered into on behalf of the Board are in line with approved budgets and management plans.

20.7 A Virement is the transfer of budget from one income or expenditure line to another. To maintain financial control within NES we require authorisation of virements which are above agreed delegated levels and are not considered to be technical adjustments required to adhere to recognised accounting processes. The authority to vire between budgets and the virement limits is covered in Section 16 of the Scheme of delegation.

20.8 During the operational planning process, the Executive Team members consider, and the Board approves the allocation of budgets on the basis of the information provided to them at that time. A key part of the governance process in NES is a robust system of budget monitoring and review to ensure that:

- budgets are used for the purposes for which they are allocated,
- any planned change in the purpose for which funds are used, supports the strategic direction of NES, and
- there is no duplication in the use of funds across the organisation.

It is these criteria which must be taken into account when any budget virement is being considered.

20.9 The following technical budget adjustments are not subject to the Scheme of Delegation for Virements but will be approved by the Head of Finance Business Partnering or their nominated deputy:

- actual receipt of allocations which were anticipated and included as part of the operational planning process and therefore use has been approved. This transaction merely confirms receipt of pre-agreed funds. and will be noted at the next Executive team meeting.
- the anticipated receipt of a confirmed allocation from Scottish Government which has been accepted by NES outwith the Operational planning process
- training grade adjustments - where the number of trainees is set by Scottish Government and the total funding allocation agreed. Budget

adjustments which reallocate funds within the pre-agreed total and on the approval of the appropriate governance group (National Reshaping Workforce Group) are not subject to virement rules.

- Technical Adjustments including budget allocations made by finance to release pre-agreed provisions (example – a provision created for a potential pay award) or movement of budget between budget lines where the purpose for which the budget was allocated has not changed; and
- enactment of structural change within the organisation. Where organisational change has been approved by the Change Management Board and/or the Executive team which necessitates the reallocation of budget this will not also be subject to the Virement rules (example – consolidating budgets which are currently split across cost centres into one single budget).

20.10 Once the Board has approved the budget, plans and performance target for the year and taken account of all reserves and anticipated contingencies, the Directors and Budget Holders will be responsible for managing their affairs within the budget allocated to them and in line with NES' Strategic Financial Principles. This will include dealing with planned or unplanned expenditure on an individual basis and virement within the rules stated above. The virement rules stated above may be suspended with the agreement of the Chief Executive and Executive Team.

20.11 Any savings generated during the year must be quantified and disclosed to the Executive Director of Finance as soon as possible to support achievement of efficiency target savings or for ET agreement as per scheme of delegation for virement

20.12 The Chief Executive in consultation with the Executive Director of Finance should set authorisation limits for any other expenditure.

21. ENDOWMENT FUNDS

21.1 The Review of Governance of NHS Endowment Funds, November 2019, was developed to ensure that all Scottish Endowment funds are managed appropriately using a standard regulations and procedures and this review reported in October 2021.

21.2 Should the Board ever receive an endowment (NHS-linked charity), an endowment fund should be set up following regulations set out in 21.1 above. These were put in place to safeguard the use of NHS-linked charitable funds within the Scottish NHS.

22. GENERAL NURSING COUNCIL (GNC) FUND: REGISTERED CHARITY: SC015662

- 22.1 The GNC is a charitable trust and is registered with OSCR (SC015662) and constituted by deed which includes provision for the appointment and resignation of Trustees who manage the fund in the deliverance of its charitable purpose.
- 22.2 The GNC Fund was set up with the net proceeds from the sale of the former General Nursing Council for Scotland premises in Darnaway Street, Edinburgh by the National Board for Nursing, Midwifery and Health Visiting for Scotland, a predecessor body of NHS Education for Scotland, in 1983.
- 22.3 The management of The Fund is the responsibility of the Trustees. The Trustees rely on the GNC Fund project team and disbursement panel to distribute information concerning The Fund to potential beneficiaries and to make recommendations to the Trustees concerning awards. The day-to-day financial management of the charity is delegated to the Executive Director of Finance at NHS Education for Scotland.
- 22.4 The Trustees of the GNC may include NES Executive and Non-Executive Directors and Board Members whose appointment will be endorsed by the NES Board Chair. All Trustees act independently of the NES Board.
- 22.5 The Trustees shall ensure appropriate arrangements are in place to maintain such accounts and records as may be necessary to record and protect all transactions and funds of the GNC Fund, including an Investments Register consistent with the current statutory requirements (Law Reform (Miscellaneous Provision) (Scotland) Act 1990).
- 22.6 The Trustees shall ensure that annual accounts are prepared within 9 months of the year end and in accordance with the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended), and that proper arrangements are made for these to be either independently examined or audited by a separately appointed External Auditor and submitted to the Office of the Scottish Charity Regulator (OSCR).
- 22.7 All share and stock certificates and property deeds shall be deposited either with the trustee body's Bankers or Investment Advisers, or in a safe, or a compartment within a safe, to which only a designated responsible officer will have access.

23. JOINT WORKING ARRANGEMENTS

- 23.1 NES has entered a joint arrangement with the NHS Golden Jubilee for the provision of the NHS Scotland Academy (NHSSA). The NHSSA is held accountable through the existing parent Board scrutiny and reporting arrangements.
- 23.2 Financial allocations for the NHSSA work are made to and managed by the respective parent Boards. Expenses and liabilities, and the accounting treatment of these, are recorded and reporting within each parent Boards own records. [IAS 31]
- 23.3 Participation or investment in any legal entity (e.g. joint venture) is subject to prevailing legislation and SGHSC guidance and is subject to approval by the Minister. Before proceeding, legal and procedural advice is required, and any activity in this area must be advised to and approved by the Executive Director of Finance.
- 23.4 Joint working with pharmaceutical companies is permitted within certain parameters set out in the Scottish Government's guidance – A Common Understanding 2012 Working Together for Patients. The guide on joint-working between NHS Scotland and the pharmaceutical industry, should be applied to any such joint-working arrangement and will assist in developing local joint-working, governance, monitoring, and project arrangements. Such arrangements should also be reviewed in line with sponsorship and Intellectual property policies
- 23.5 Joint working is also permitted with voluntary organisations, in the form of funding arrangements, subject to certain conditions. NES can only directly fund a third sector organisation; whose role was in line with NES's statutory purpose, strategic direction and roles and responsibilities.

24. SPONSORSHIP

- 24.1 All sponsorship arrangements, entered into by NES, must comply with the NES Sponsorship policy and MEL(2000)13: "Fund Raising, Income Generation and sponsorship within the NHSS" at all times and be in accordance with the NES Sponsorship Policy, as amended for arrangements within the NHS Scotland Academy (NHSSA).
- 24.2 Where sponsorship arrangements are entered into, they should be

appropriate and discreet and not call into question NHSS funding of core business.

- 24.3 If sponsorship arrangements are agreed, the requirements set out in the income sections 9.23 to 9.26 of the is document, should be followed.

25. INTELLECTUAL PROPERTY

- 25.1 The registration, other forms of protection, management, and exploitation of Intellectual Property Rights (e.g. a brand, patent, domain name, etc.) is subject to compliance with HDL(2004)09 A framework and Guidance on the Management of IP in NHSS, MEL (1998) 23 Policy Framework for the Management of IP within NHSS and current [NES Intellectual Property Policy](#) the IP Policy and Scheme of Delegation.
- 25.2 Where we wish to exploit our right or potential right commercially, it is NES policy to take appropriate advice from legal and IP experts in concluding any agreements or licences necessary to deal with the commercial exploitation of IP owned or being developed by NES. All proposals to commercially exploit our IPR must be fully costed, taking into account NES policies on income generation, and must have the approval of the Executive Director of Finance and the relevant Director.
- 25.3 Any request by a third party for permission to exploit NES IPR commercially must be given reasonable consideration in compliance with the Re-use of Public Sector Information regulations, and any refusal must be recorded together with the rationale for refusal. NES will, whenever appropriate, ensure that IP resulting from projects funded in whole or in part by NHS funds is exploited to the benefit of NES and ultimately NHSScotland.
- 25.4 As per the NES Standard Terms of Purchase, where development forms part of a contract for supply of goods or services, right of ownership of any invention, design or IP arising from such development shall be transferred to NES as soon as any such right arises.
- 25.5 If the sale of any intellectual property rights is being considered, the requirements set out in the income sections 9.23 to 9.26 of the is document, should be followed.

Strategic Financial Principles



Code of Conduct for Members of NHS EDUCATION FOR SCOTLAND

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SECTION 1: INTRODUCTION TO THE CODE OF CONDUCT

1.1 This Code has been issued by the Scottish Ministers, with the approval of the Scottish Parliament, as required by the [Ethical Standards in Public Life etc. \(Scotland\) Act 2000 \(the “Act”\)](#).

1.2 The purpose of the Code is to set out the conduct expected of those who serve on the boards of public bodies in Scotland.

1.3 The Code has been developed in line with the nine key principles of public life in Scotland. The principles are listed in [Section 2](#) and set out how the provisions of the Code should be interpreted and applied in practice.

My Responsibilities

1.4 I understand that the public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. I will always seek to meet those expectations by ensuring that I conduct myself in accordance with the Code.

1.5 I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all situations and at all times where I am acting as a board member of my public body, have referred to myself as a board member or could objectively be considered to be acting as a board member.

1.6 I will comply with the substantive provisions of this Code, being sections 3 to 6 inclusive, in all my dealings with the public, employees and fellow board members, whether formal or informal.

1.7 I understand that it is my personal responsibility to be familiar with the provisions of this Code and that I must also comply with the law and my public body’s rules, standing orders and regulations. I will also ensure that I am familiar with any guidance or advice notes issued by the Standards Commission for Scotland (“Standards Commission”) and my public body, and endeavour to take part in any training offered on the Code.

1.8 I will not, at any time, advocate or encourage any action contrary to this Code.

1.9 I understand that no written information, whether in the Code itself or the associated Guidance or Advice Notes issued by the Standards Commission, can provide for all circumstances. If I am uncertain about how the Code applies, I will seek advice from the Standards Officer of my public body, failing whom the Chair or Chief Executive of my public body. I note that I may also choose to seek external legal advice on how to interpret the provisions of the Code.

Enforcement

1.10 [Part 2 of the Act](#) sets out the provisions for dealing with alleged breaches of the Code, including the sanctions that can be applied if the Standards Commission finds that there has been a breach of the Code. More information on how complaints are dealt with and the sanctions available can be found at [Annex A](#).

SECTION 2: KEY PRINCIPLES OF THE CODE OF CONDUCT

2.1 The Code has been based on the following key principles of public life. I will behave in accordance with these principles and understand that they should be used for guidance and interpreting the provisions in the Code.

2.2 I note that a breach of one or more of the key principles does not in itself amount to a breach of the Code. I note that, for a breach of the Code to be found, there must also be a contravention of one or more of the provisions in sections 3 to 6 inclusive of the Code.

The key principles are:

Duty

I have a duty to uphold the law and act in accordance with the law and the public trust placed in me. I have a duty to act in the interests of the public body of which I am a member and in accordance with the core functions and duties of that body.

Selflessness

I have a duty to take decisions solely in terms of public interest. I must not act in order to gain financial or other material benefit for myself, family or friends.

Integrity

I must not place myself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence me in the performance of my duties.

Objectivity

I must make decisions solely on merit and in a way that is consistent with the functions of my public body when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.

Accountability and Stewardship

I am accountable to the public for my decisions and actions. I have a duty to consider issues on their merits, taking account of the views of others and I must ensure that my public body uses its resources prudently and in accordance with the law.

Openness

I have a duty to be as open as possible about my decisions and actions, giving reasons for my decisions and restricting information only when the wider public interest clearly demands.

Honesty

I have a duty to act honestly. I must declare any private interests relating to my public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

I have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of my public body and its members in conducting public business.

Respect

I must respect all other board members and all employees of my public body and the role they play, treating them with courtesy at all times. Similarly, I must respect members of the public when performing my duties as a board member.

SECTION 3: GENERAL CONDUCT

Respect and Courtesy

3.1 I will treat everyone with courtesy and respect. This includes in person, in writing, at meetings, when I am online and when I am using social media.

3.2 I will not discriminate unlawfully on the basis of race, age, sex, sexual orientation, gender reassignment, disability, religion or belief, marital status or pregnancy/maternity; I will advance equality of opportunity and seek to foster good relations between different people.

3.3 I will not engage in any conduct that could amount to bullying or harassment (which includes sexual harassment). I accept that such conduct is completely unacceptable and will be considered to be a breach of this Code.

3.4 I accept that disrespect, bullying and harassment can be:

- a) a one-off incident,
- b) part of a cumulative course of conduct; or
- c) a pattern of behaviour.

3.5 I understand that how, and in what context, I exhibit certain behaviours can be as important as what I communicate, given that disrespect, bullying and harassment can be physical, verbal and non-verbal conduct.

3.6 I accept that it is my responsibility to understand what constitutes bullying and harassment and I will utilise resources, including the Standards Commission's guidance and advice notes, my public body's policies and training material (where appropriate) to ensure that my knowledge and understanding is up to date.

3.7 Except where it is written into my role as Board member, and / or at the invitation of the Chief Executive, I will not become involved in operational management of my public body. I acknowledge and understand that operational management is the responsibility of the Chief Executive and Executive Team.

3.8 I will not undermine any individual employee or group of employees, or raise concerns about their performance, conduct or capability in public. I will raise any concerns I have on such matters in private with senior management as appropriate.

3.9 I will not take, or seek to take, unfair advantage of my position in my dealings with employees of my public body or bring any undue influence to bear on employees to take a certain action. I will not ask or direct employees to do something which I know, or should reasonably know, could compromise them or prevent them from undertaking their duties properly and appropriately.

3.10 I will respect and comply with rulings from the Chair during meetings of:

- a) my public body, its committees; and
- b) any outside organisations that I have been appointed or nominated to by my public body or on which I represent my public body.

3.11 I will respect the principle of collective decision-making and corporate responsibility. This means that once the Board has made a decision, I will support that decision, even if I did not agree with it or vote for it.

Remuneration, Allowances and Expenses

3.12 I will comply with the rules, and the policies of my public body, on the payment of remuneration, allowances and expenses.

Gifts and Hospitality

3.13 I understand that I may be offered gifts (including money raised via crowdfunding or sponsorship), hospitality, material benefits or services ("gift or hospitality") that may be reasonably regarded by a member of the public with knowledge of the relevant facts as placing me under an improper obligation or being capable of influencing my judgement.

3.14 I will never **ask for** or **seek** any gift or hospitality.

3.15 I will refuse any gift or hospitality, unless it is:

- a) a minor item or token of modest intrinsic value offered on an infrequent basis;
- b) a gift being offered to my public body;
- c) hospitality which would reasonably be associated with my duties as a board member; or
- d) hospitality which has been approved in advance by my public body.

3.16 I will consider whether there could be a reasonable perception that any gift or hospitality received by a person or body connected to me could or would influence my judgement.

3.17 I will not allow the promise of money or other financial advantage to induce me to act improperly in my role as a board member. I accept that the money or advantage (including any gift or hospitality) does not have to be given to me directly. The offer of monies or advantages to others, including community groups, may amount to bribery, if the intention is to induce me to improperly perform a function.

3.18 I will never accept any gift or hospitality from any individual or applicant who is awaiting a decision from, or seeking to do business with, my public body.

3.19 If I consider that declining an offer of a gift would cause offence, I will accept it and hand it over to my public body at the earliest possible opportunity and ask for it to be registered.

3.20 I will promptly advise my public body's Standards Officer if I am offered (but refuse) any gift or hospitality of any significant value and / or if I am offered any gift or hospitality from the same source on a repeated basis, so that my public body can monitor this.

3.21 I will familiarise myself with the terms of the [Bribery Act 2010](#), which provides for offences of bribing another person and offences relating to being bribed.

Confidentiality

3.22 I will not disclose confidential information or information which should reasonably be regarded as being of a confidential or private nature, without the express consent of a person or body authorised to give such consent, or unless required to do so by law. I note that if I cannot obtain such express consent, I should assume it is not given.

3.23 I accept that confidential information can include discussions, documents, and information which is not yet public or never intended to be public, and information deemed confidential by statute.

3.24 I will only use confidential information to undertake my duties as a board member. I will not use it in any way for personal advantage or to discredit my public body (even if my personal view is that the information should be publicly available).

3.25 I note that these confidentiality requirements do not apply to protected whistleblowing disclosures made to the prescribed persons and bodies as identified in statute.

Use of Public Body Resources

3.26 I will only use my public body's resources, including employee assistance, facilities, stationery and IT equipment, for carrying out duties on behalf of the public body, in accordance with its relevant policies.

3.27 I will not use, or in any way enable others to use, my public body's resources:

- a) imprudently (without thinking about the implications or consequences);
- b) unlawfully;
- c) for any political activities or matters relating to these; or
- d) improperly.

Dealing with my Public Body and Preferential Treatment

3.28 I will not use, or attempt to use, my position or influence as a board member to:

- a) improperly confer on or secure for myself, or others, an advantage;
- b) avoid a disadvantage for myself, or create a disadvantage for others or
- c) improperly seek preferential treatment or access for myself or others.

3.29 I will avoid any action which could lead members of the public to believe that preferential treatment or access is being sought.

3.30 I will advise employees of any connection, as defined at [Section 5](#), I may have to a matter, when seeking information or advice or responding to a request for information or advice from them.

Appointments to Outside Organisations

3.31 If I am appointed, or nominated by my public body, as a member of another body or organisation, I will abide by the rules of conduct and will act in the best interests of that body or organisation while acting as a member of it. I will also continue to observe the rules of this Code when carrying out the duties of that body or organisation.

3.32 I accept that if I am a director or trustee (or equivalent) of a company or a charity, I will be responsible for identifying, and taking advice on, any conflicts of interest that may arise between the company or charity and my public body.

SECTION 4: REGISTRATION OF INTERESTS

4.1 The following paragraphs set out what I have to register when I am appointed and whenever my circumstances change. The register covers my current term of appointment.

4.2 I understand that regulations made by the Scottish Ministers describe the detail and timescale for registering interests; including a requirement that a board member must register their registrable interests within one month of becoming a board member, and register any changes to those interests within one month of those changes having occurred.

4.3 The interests which I am required to register are those set out in the following paragraphs. Other than as required by paragraph 4.23, I understand it is not necessary to register the interests of my spouse or cohabitee.

Category One: Remuneration

4.4 I will register any work for which I receive, or expect to receive, payment. I have a registrable interest where I receive remuneration by virtue of being:

- a) employed;
- b) self-employed;
- c) the holder of an office;
- d) a director of an undertaking;
- e) a partner in a firm;
- f) appointed or nominated by my public body to another body; or
- g) engaged in a trade, profession or vocation or any other work.

4.5 I understand that in relation to 4.4 above, the amount of remuneration does not require to be registered. I understand that any remuneration received as a board member of this specific public body does not have to be registered.

4.6 I understand that if a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under Category Two, "Other Roles".

4.7 I must register any allowances I receive in relation to membership of any organisation under Category One.

4.8 When registering employment as an employee, I must give the full name of the employer, the nature of its business, and the nature of the post I hold in the organisation.

4.9 When registering remuneration from the categories listed in paragraph 4.4 (b) to (g) above, I must provide the full name and give details of the nature of the business, organisation, undertaking, partnership or other body, as appropriate. I recognise that some other employments may be incompatible with my role as board member of my public body in terms of paragraph [6.7](#) of this Code.

4.10 Where I otherwise undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and how often it is undertaken.

4.11 When registering a directorship, it is necessary to provide the registered name and registered number of the undertaking in which the directorship is held and provide information about the nature of its business.

4.12 I understand that registration of a pension is not required as this falls outside the scope of the category.

Category Two: Other Roles

4.13 I will register any unremunerated directorships where the body in question is a subsidiary or parent company of an undertaking in which I hold a remunerated directorship.

4.14 I will register the registered name and registered number of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which I am a director and from which I receive remuneration.

Category Three: Contracts

4.15 I have a registerable interest where I (or a firm in which I am a partner, or an undertaking in which I am a director or in which I have shares of a value as described in paragraph 4.20 below) have made a contract with my public body:

- a) under which goods or services are to be provided, or works are to be executed; and
- b) which has not been fully discharged.

4.16 I will register a description of the contract, including its duration, but excluding the value.

Category Four: Election Expenses

4.17 If I have been elected to my public body, then I will register a description of, and statement of, any assistance towards election expenses relating to election to my public body.

Category Five: Houses, Land and Buildings

4.18 I have a registrable interest where I own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of my public body.

4.19 I accept that, when deciding whether or not I need to register any interest I have in houses, land or buildings, the test to be applied is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as being so significant that it could potentially affect my responsibilities to my public body and to the public, or could influence my actions, speeches or decision-making.

Category Six: Interest in Shares and Securities

4.20 I have a registerable interest where:

- a) I own or have an interest in more than 1% of the issued share capital of the company or other body; or
- b) Where, at the relevant date, the market value of any shares and securities (in any one specific company or body) that I own or have an interest in is greater than £25,000.

Category Seven: Gifts and Hospitality

4.21 I understand the requirements of paragraphs 3.13 to 3.21 regarding gifts and hospitality. As I will not accept any gifts or hospitality, other than under the limited circumstances allowed, I understand there is no longer the need to register any.

Category Eight: Non-Financial Interests

4.22 I may also have other interests and I understand it is equally important that relevant interests such as membership or holding office in other public bodies, companies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described. In this context, I understand non-financial interests are those which members of the public with knowledge of the relevant facts might reasonably think could influence my actions, speeches, votes or decision-making in my public body (this includes its Committees and memberships of other organisations to which I have been appointed or nominated by my public body).

Category Nine: Close Family Members

4.23 I will register the interests of any close family member who has transactions with my public body or is likely to have transactions or do business with it.

SECTION 5: DECLARATION OF INTERESTS

Stage 1: Connection

5.1 For each particular matter I am involved in as a board member, I will first consider whether I have a connection to that matter.

5.2 I understand that a connection is any link between the matter being considered and me, or a person or body I am associated with. This could be a family relationship or a social or professional contact.

5.3 A connection includes anything that I have registered as an interest.

5.4 A connection does not include being a member of a body to which I have been appointed or nominated by my public body as a representative of my public body or of which I am a member by reason of, or in implementation of, a statutory provision, unless:

- a) The matter being considered by my public body is quasi-judicial or regulatory; or
- b) I have a personal conflict by reason of my actions, my connections or my legal obligations.

Stage 2: Interest

5.5 I understand my connection is an interest that requires to be declared where the objective test is met – that is where a member of the public with knowledge of the relevant facts would reasonably regard my connection to a particular matter as being so significant that it would be considered as being likely to influence the discussion or decision-making.

Stage 3: Participation

5.6 I will declare my interest as early as possible in meetings. I will not remain in the meeting nor participate in any way in those parts of meetings where I have declared an interest.

5.7 I will consider whether it is appropriate for transparency reasons to state publicly where I have a connection, which I do not consider amounts to an interest.

5.8 I note that I can apply to the Standards Commission and ask it to grant a dispensation to allow me to take part in the discussion and decision-making on a matter where I would otherwise have to declare an interest and withdraw (as a result of having a connection to the matter that would fall within the objective test). I note that such an application must be made in advance of any meetings where the dispensation is sought and that I cannot take part in any discussion or decision-making on the matter in question unless, and until, the application is granted.

5.9 I note that public confidence in a public body is damaged by the perception that decisions taken by that body are substantially influenced by factors other than the public interest. I will not accept a role or appointment if doing so means I will have to declare interests frequently at meetings in respect of my role as a board member. Similarly, if any appointment or nomination to another body would give rise

to objective concern because of my existing personal involvement or affiliations, I will not accept the appointment or nomination.

SECTION 6: LOBBYING AND ACCESS

6.1 I understand that a wide range of people will seek access to me as a board member and will try to lobby me, including individuals, organisations and companies. I must distinguish between:

- a) any role I have in dealing with enquiries from the public;
- b) any community engagement where I am working with individuals and organisations to encourage their participation and involvement, and;
- c) lobbying, which is where I am approached by any individual or organisation who is seeking to influence me for financial gain or advantage, particularly those who are seeking to do business with my public body (for example contracts/procurement).

6.2 In deciding whether, and if so how, to respond to such lobbying, I will always have regard to the objective test, which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard my conduct as being likely to influence my, or my public body's, decision-making role.

6.3 I will not, in relation to contact with any person or organisation that lobbies, do anything which contravenes this Code or any other relevant rule of my public body or any statutory provision.

6.4 I will not, in relation to contact with any person or organisation that lobbies, act in any way which could bring discredit upon my public body.

6.5 If I have concerns about the approach or methods used by any person or organisation in their contacts with me, I will seek the guidance of the Chair, Chief Executive or Standards Officer of my public body.

6.6 The public must be assured that no person or organisation will gain better access to, or treatment by, me as a result of employing a company or individual to lobby on a fee basis on their behalf. I will not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which I accord any other person or organisation who lobbies or approaches me. I will ensure that those lobbying on a fee basis on behalf of clients are not given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming.

6.7 Before taking any action as a result of being lobbied, I will seek to satisfy myself about the identity of the person or organisation that is lobbying and the motive for lobbying. I understand I may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that I understand the basis on which I am being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code and the [Lobbying \(Scotland\) Act 2016](#).

6.8 I will not accept any paid work:

- a) which would involve me lobbying on behalf of any person or organisation or any clients of a person or organisation.
- b) to provide services as a strategist, adviser or consultant, for example, advising on how to influence my public body and its members. This does not prohibit me from being remunerated for activity which may arise because of, or relate to, membership of my public body, such as journalism or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

ANNEX A: BREACHES OF THE CODE

Introduction

1. [The Ethical Standards in Public Life etc. \(Scotland\) Act 2000](#) (“the Act”) provided for a framework to encourage and, where necessary, enforce high ethical standards in public life.
2. The Act provided for the introduction of new codes of conduct for local authority councillors and members of relevant public bodies, imposing on councils and relevant public bodies a duty to help their members comply with the relevant code.
3. The Act and the subsequent Scottish Parliamentary Commissions and Commissioners etc. Act 2010 established the [Standards Commission for Scotland](#) (“Standards Commission”) and the post of [Commissioner for Ethical Standards in Public Life in Scotland](#) (“ESC”).
4. The Standards Commission and ESC are separate and independent, each with distinct functions. Complaints of breaches of a public body’s Code of Conduct are investigated by the ESC and adjudicated upon by the Standards Commission.
5. The first Model Code of Conduct came into force in 2002. The Code has since been reviewed and re-issued in 2014. The 2021 Code has been issued by the Scottish Ministers following consultation, and with the approval of the Scottish Parliament, as required by the Act.

Investigation of Complaints

6. The ESC is responsible for investigating complaints about members of devolved public bodies. It is not, however, mandatory to report a complaint about a potential breach of the Code to the ESC. It may be more appropriate in some circumstances for attempts to be made to resolve the matter informally at a local level.
7. On conclusion of the investigation, the ESC will send a report to the Standards Commission.

Hearings

8. On receipt of a report from the ESC, the Standards Commission can choose to:
 - Do nothing;
 - Direct the ESC to carry out further investigations; or
 - Hold a Hearing.
9. Hearings are held (usually in public) to determine whether the member concerned has breached their public body’s Code of Conduct. The Hearing Panel comprises of three members of the Standards Commission. The ESC will present evidence and/or make submissions at the Hearing about the investigation and any conclusions as to whether the member has contravened the Code. The member is entitled to attend or be represented at the Hearing and can also present evidence and make submissions. Both parties can call witnesses. Once it has heard all the evidence and submissions, the Hearing Panel will make a determination about whether or not it is satisfied, on the balance of probabilities, that there has been a contravention of

the Code by the member. If the Hearing Panel decides that a member has breached their public body's Code, it is obliged to impose a sanction.

Sanctions

10. The sanctions that can be imposed following a finding of a breach of the Code are as follows:

- **Censure:** A censure is a formal record of the Standards Commission's severe and public disapproval of the member concerned.
- **Suspension:** This can be a full or partial suspension (for up to one year). A full suspension means that the member is suspended from attending all meetings of the public body. Partial suspension means that the member is suspended from attending some of the meetings of the public body. The Commission can direct that any remuneration or allowance the member receives as a result of their membership of the public body be reduced or not paid during a period of suspension.
- **Disqualification:** Disqualification means that the member is removed from membership of the body and disqualified (for a period not exceeding five years), from membership of the body. Where a member is also a member of another devolved public body (as defined in the Act), the Commission may also remove or disqualify that person in respect of that membership. Full details of the sanctions are set out in section 19 of the Act.

Interim Suspensions

11. Section 21 of the Act provides the Standards Commission with the power to impose an interim suspension on a member on receipt of an interim report from the ESC about an ongoing investigation. In making a decision about whether or not to impose an interim suspension, a Panel comprising of three Members of the Standards Commission will review the interim report and any representations received from the member and will consider whether it is satisfied:

- That the further conduct of the ESC's investigation is likely to be prejudiced if such an action is not taken (for example if there are concerns that the member may try to interfere with evidence or witnesses); or
- That it is otherwise in the public interest to take such a measure. A policy outlining how the Standards Commission makes any decision under Section 21 and the procedures it will follow in doing so, should any such a report be received from the ESC can be found [here](#).

12. The decision to impose an interim suspension is not, and should not be seen as, a finding on the merits of any complaint or the validity of any allegations against a member of a devolved public body, nor should it be viewed as a disciplinary measure.

ANNEX B: DEFINITIONS

"Bullying" is inappropriate and unwelcome behaviour which is offensive and intimidating, and which makes an individual or group feel undermined, humiliated or insulted.

"Chair" includes Board Convener or any other individual discharging a similar function to that of a Chair or Convener under alternative decision-making structures.

"Code" is the code of conduct for members of your devolved public body, which is based on the Model Code of Conduct for members of devolved public bodies in Scotland.

"Cohabitee" includes any person who is living with you in a relationship similar to that of a partner, civil partner, or spouse.

"Confidential Information" includes:

- any information passed on to the public body by a Government department (even if it is not clearly marked as confidential) which does not allow the disclosure of that information to the public;
- information of which the law prohibits disclosure (under statute or by the order of a Court);
- any legal advice provided to the public body; or
- any other information which would reasonably be considered a breach of confidence should it be made public.

"Election expenses" means expenses incurred, whether before, during or after the election, on account of, or in respect of, the conduct or management of the election.

"Employee" includes individuals employed:

- directly by the public body;
- as contractors by the public body, or
- by a contractor to work on the public body's premises.

"Gifts" a gift can include any item or service received free of charge, or which may be offered or promised at a discounted rate or on terms not available to the general public. Gifts include benefits such as relief from indebtedness, loan concessions, or provision of property, services or facilities at a cost below that generally charged to members of the public. It can also include gifts received directly or gifts received by any company in which the recipient holds a controlling interest in, or by a partnership of which the recipient is a partner.

"Harassment" is any unwelcome behaviour or conduct which makes someone feel offended, humiliated, intimidated, frightened and / or uncomfortable. Harassment can be experienced directly or indirectly and can occur as an isolated incident or as a course of persistent behaviour.

“Hospitality” includes the offer or promise of food, drink, accommodation, entertainment or the opportunity to attend any cultural or sporting event on terms not available to the general public.

“Relevant Date” Where a board member had an interest in shares at the date on which the member was appointed as a member, the relevant date is – (a) that date; and (b) the 5th April immediately following that date and in each succeeding year, where the interest is retained on that 5th April.

“Public body” means a devolved public body listed in Schedule 3 of the Ethical Standards in Public Life etc. (Scotland) Act 2000, as amended.

“Remuneration” includes any salary, wage, share of profits, fee, other monetary benefit or benefit in kind.

“Securities” a security is a certificate or other financial instrument that has monetary value and can be traded. Securities includes equity and debt securities, such as stocks bonds and debentures.

“Undertaking” means:

- a) a body corporate or partnership; or
- b) an unincorporated association carrying on a trade or business, with or without a view to a profit.

February 2026⁵
DMF
NES

Terms of Reference: Standard headings for all Committees

1. Constitution/context
2. Role
3. Membership
4. Quorum
5. Attendees
6. Private Member Meetings
7. Frequency of Meetings
8. Authority
9. Responsibilities and Duties
10. Reporting arrangements
11. Review
12. Conduct of Business

Generic Terms of Reference: applicable to all NES Committees

4. Quorum

- 4.1 Three Non-Executive members will constitute a quorum.
- 4.2 All Committees will have a membership of a minimum of four non-executives.
- 4.3 In determining whether a quorum is present the Committee Chair must consider the effect of any declared interests. This consideration shall be minuted.
- 4.4 If a member, or an associate of the member (i.e. family, friend or business associates), has any pecuniary or other interest, direct or indirect, in any contract, proposed contract or any other matter under consideration by the Committee, the member should declare that interest at the start of the meeting or at any other part of the meeting.
- 4.5 A 'conflict of interest' is considered to be any connection or association with a third party that is (or appears to be) against the best interests of NES, or which could enable the member reasonably to be suspected of using their position within NES to gain an unfair advantage for or from a third party.
- 4.6 This applies whether that interest is already recorded in the Board Members' Register of Interests. Following such a declaration, the member shall be excluded from the Committee meeting when the item is under consideration and will leave the meeting for that item. The member will not be counted as participating in that part of the meeting for quorum or voting purposes.
- 4.7 When a quorum is not present, the only actions that can be taken are to either adjourn to another time or abandon the meeting altogether and call another one. The quorum should be monitored throughout the conduct of the meeting in

the event that a member leaves during a meeting, with no intention of returning.

5. Attendees

- 5.1 Board members (non-executive or executive members) who are not members of the Committee may attend a Committee meeting and have access to the meeting papers. However, if the Committee elects to consider certain items as restricted business, then the meeting papers for those items will normally only be provided to members of that Committee. The person presiding at the Committee meeting may agree to share the meeting papers for restricted business papers with other Board members.
- 5.2 The Committee Secretary will attend meetings. The Board Secretary may attend, in agreement with the Committee Chair.

6. Private Member Meetings

- 6.1 The Chair has the right to call a private meeting of Committee members to deal with matters that may arise from their Terms of Reference.

8. Authority

- 8.1 The Committee is authorised to:
- Ensure compliance with due process relating to any investigation of activities which are within the terms of its responsibility and duties. In doing so, is authorised to seek information it requires from any Board member or employee, paying due regard to professional responsibilities and personal data rights. All members and employees are expected to co-operate with reasonable requests made by the Committee;
 - Approve matters as described within its responsibility and duties;
 - Request the attendance of any employee or contractor of NES (as/if agreed on their engagement), as may be required;
 - Establish such Sub-Committees or Sub-Groups it considers appropriate to ensure its work is suitably informed and supported;
 - The Audit and Risk Committee and the Planning and Performance Committee may delegate certain aspects of work to other Committees for more in-depth scrutiny and active governance as / if appropriate.

10. Reporting Arrangements

- 10.1 The names of members present at a meeting of the Board Committee, shall be recorded in the minute of the meeting. The names of other persons in attendance shall also be recorded.

- 10.2 The Board Secretary (or his/her authorised nominee) shall prepare the minutes of meetings of the Committee. The Committee shall review the draft minutes at the following meeting. Any amendments, as agreed by the Committee will be made and the person presiding at that meeting shall sign the final version of the approved minute.
- 10.3 The approved minute will be brought to the next public Board meeting for noting and be published on the Board's external website. The Remuneration Sub Committee will be the exception to this.
- 10.4 In the interim, a verbal report on relevant matters can be given by the Chair to the Board. Additional reports, as appropriate, will be provided to the Board as required to ensure it is informed of current issues.
- 10.5 The Standing Committee Chair will report to the Board, and will submit an Annual Report on its activities, outcomes and effectiveness to the Audit and Risk Committee. The Remuneration Sub Committee will submit their annual report through the Staff Governance Committee. It is then the responsibility of the Audit and Risk Committee to review and recommend approval to the Board. This will also give relevant assurance to the Board and Accountable Officer relating to the Governance Statement.

11. Review

- 11.1 The Committee will review its Terms of Reference annually and these will be submitted as part of the corporate governance package to the Board for approval on an annual basis.

12. Conduct of Business

As per the Board Standing Orders

- Etiquette and Standards;
- Conduct at meetings;
- Appointment and Review

~~Della Thomas~~Drew McGowan,

Board Secretary & Principal Lead for Corporate Governance

NES

Approved by Board <insert date post-approval>~~26 September 2024~~

NHS Education for Scotland

Audit and Risk Committee

Terms of Reference

1. Constitution and Context

1.1 The NHS Education for Scotland (NES) Board has established a Committee to be known as the Audit and Risk 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 the Scottish Public Finance Manual and the Scottish Government Audit and Assurance Committee Handbook (3 April 2018).

2. Role

2.1 The Committee independently supports the Accountable Officer and the Board by reviewing the comprehensiveness and reliability of assurances provided in relation to: the governance, the risk management, the control environment and the integrity of the Annual Report and Accounts, Finance, Procurement and Properties and Facilities.

3. Membership

3.1 The Members and Chair of the Committee are appointed by the Board who ensure members are sufficiently independent. The Chair of the Board is not a member but is invited to attend. The Board ensure that the Committee has a balance of skills including recent financial experience.

3.2 Full membership of the Committee shall include a minimum of four non-executive directors of the Board including the Committee Chair.

3.3 The Board may co-opt independent external members for up to one year if additional skills are needed to meet the assurance requirements.

3.4 The Committee may procure specialist ad-hoc advice at the expense of the organisation, subject to budgets agreed by the Accountable Officer.

4. Quorum

4.1 – 4.7 Quorum: Generic ToRs

5. Attendees

5.1 – 5.2 Attendees: Generic ToRs

5.3 The external auditor, internal auditor, Chief Executive and Executive Director of Finance shall normally attend all meetings.

6. Private Member Meetings

6.1 Private Member Meetings: Generic ToRs

6.2 The Committee may also meet in private with the internal auditors and external auditors at any time but should ensure that it does so at least annually.

6.3 There are mutual rights of access between the Committee Chair and the Accountable Officer, Chief Internal Auditor, and the External Auditors.

6.4 The Chief Internal Auditor will report functionally to the Committee Chair.

6.5 In the interests of developing relationships, the Committee Chair may elect to have private individual meetings with the Accountable Officer, Director of Finance, Chief Internal Auditor, and the senior representative of the External Auditor.

7. Frequency of Meetings

7.1 The Committee will meet four times a year.

8. Authority

8.1 Authority: Generic ToRs

8.2 The Committee has delegated authority from the Board on the following matters, so that it may carry out its responsibilities and duties:

- Oversight of the process to appoint the Chief Internal Auditor and making a recommendation to the Board. The appointment of the Chief Internal Auditor is a matter reserved to the Board.
- Approving the fee of the external auditor within the scale defined by the Auditor General.

9. Responsibilities and Duties

The Committee will generally discharge its responsibilities and duties through:

9.1 Assurance

(an evaluated opinion, based on evidence from review, on the organisation's governance, risk management and internal control framework).

- 9.1.1 Clear articulation of the level and type of assurance required across all areas within the remit of the Committee through review of the Assurance Framework and the recommendation of an optimum mix of assurance.
- 9.1.2 Reviewing and challenging the assurances that have been provided, as to whether their scope meets the needs of the Accountable Officer and the Board.
- 9.1.3 Ensuring effective mechanisms are in place to provide assurances that are reliable and adequately evidenced.
- 9.1.4 Drawing attention to potential weaknesses in systems of risk management, governance and internal control.
- 9.1.5 Commissioning further assurance work for areas that have not had sufficient review.
- 9.1.6 Reviewing annual reports from the other Committees of the Board to ensure they have obtained appropriate assurance to enable them to discharge their duties and responsibilities and give assurance to the Accountable Officer and Board.
- 9.1.7 The Committee will also periodically review its own effectiveness and report the results of that review to the Board and Accountable Officer.

In practice the Committee will carry out the following activities:

9.2 Internal Control, Risk Management and Corporate Governance

- 9.2.1 Assess the scope and effectiveness of the risk management processes.
- 9.2.2 Review the system of internal control and evaluate the control environment and decision-making processes. This will include annual review of the Board's Standing Orders, Standing Financial Instructions, Scheme of Delegation and Risk Management Strategy.
- 9.2.3 On an annual basis, review the Board's attitude to and appetite for risk across the agreed risk areas of *Strategy/Policy; Financial; Operational/Service Delivery; Accountability/Governance and Reputational/Credibility*, to ensure these are appropriately defined and consider if these are aligned to the strategic and delivery plans.
- 9.2.4 Receive and review reports from management on the effectiveness of internal controls – seek assurance that policies, procedures, and processes are appropriately designed and effectively implemented.
- 9.2.5 Seek assurance on the risk and control environment where services are outsourced to external providers, including shared service arrangements.
- 9.2.6 Review and recommend for approval by the Board, the corporate governance disclosures on audit and risk management in the annual accounts (Governance Statement).
- 9.2.7 Review internal arrangements by which staff may raise concerns about possible improprieties such as anti-fraud policies and arrangements for special investigations.
- 9.2.8 Review counter fraud activity and outcomes.

9.3 External Audit (including review of the Annual Accounts)

- 9.3.1 Review the External Audit strategy and plan.

- 9.3.2 Review the previous External Audit letter to those Charged with Governance and review management responsiveness to any recommendations.
- 9.3.3 Consider planned external audit activity and review the level of coordination and engagement between internal and external audit to ensure there is no unnecessary duplication of audit work.
- 9.3.4 Review the proposed accounting policies before management present them to the Board for its approval.
- 9.3.5 Review the draft Annual Accounts including areas of substantial estimates and judgements and the Governance Statement.
- 9.3.6 Review the clarity and completeness of disclosures in the draft Annual Accounts.
- 9.3.7 Consider any items raised in the external Audit letter to those charged with Governance in reaching a view on whether the committee should recommend that the Board approve the draft Annual Accounts.
- 9.3.8 Review management's letter of representation to the external auditors.
- 9.3.9 Provide the Board and Accountable Officer with an Annual Report, timed to support finalisation of the accounts and the Governance Statement, summarising its conclusions from the work it has done during the year.
- 9.3.10 Approve the annual fee of the external auditor.
- 9.3.11 Review the performance of External Audit on an annual basis.
- 9.3.12 On appointment of a new External Auditor by the Auditor General for Scotland, ensure completion of all required assurance checklists.

9.4 Internal Audit

- 9.4.1 Approve the appointment and termination of Internal Audit and advise on the purchase of non-audit services from the suppliers of audit services.
- 9.4.2 Review and approve the Internal Audit strategy and annual Internal Audit in order to assess their accuracy in reflecting the risk exposure of the organisation.
- 9.4.3 Monitor and check that Internal Audit Strategy, annual Internal Audit and adequate resources are being made available to Internal Audit enable the Head of Internal Audit to provide an annual audit opinion.
- 9.4.4 Review the arrangements which the Internal Auditors have in place to implement the requirements of the [Public Sector Global Internal Audit Standards in the UK Public Sector](#) (such as the internal audit charter).
- 9.4.5 Review the results of Internal Audit work, including reports on the effectiveness of systems for governance, risk management and internal control.
- 9.4.6 Review management responses to issues raised.
- 9.4.7 Review the annual Internal Audit opinion and annual report.
- 9.4.8 Review the performance of Internal Audit, including conformance with the applicable standards, expected performance measures, and the results of both Internal and external quality assessments.

9.5 Financial Management

- 9.5.1 Review the draft financial strategy which sets out the financial assumptions and approaches to strategic financial planning which will underpin the draft budget.

- 9.5.2 Review draft financial Plans (Budgets), considering if they support delivery of the Annual Delivery Plan and the NES Strategic objectives, and make recommendations on these to the Board.
- 9.5.3 Provide detailed scrutiny of the estimates of income and expenditure associated with significant new developments requiring formal Business Case approval.
- 9.5.4 Consider the year-end financial report and in particular the financial performance analysed therein and make recommendations to the Board.
- 9.5.5 Consider and make recommendations to the Board on matters relating to the financial management of NES, including efficiency programmes and resource allocation, and the financial arrangements governing relationships with other organisations.
- 9.5.6 Monitor compliance of finance activities with statutory duties, NHSScotland policy and NES priorities in relation to equality and diversity.
- 9.5.7 Consider the financial implications of matters relating to accommodation, maintenance of premises and provision of services. This will include reviewing the content of the Property and Asset Management Strategy (PAMS).

9.6 Procurement

- 9.6.1 Review quarterly reports on Procurement activity including compliance with the Procurement Reform (Scotland) Act 2014, the Scottish Government Procurement Journey and the utilisation of National Contracts.
- 9.6.2 Approve the 3-year Procurement Strategy and associated action plan.
- 9.6.3 Review the NES Procurement Annual Report and approve for publication.
- 9.6.4 Review the Procurement Annual Equality Duty Report and approve for publication.

9.7 Climate Emergency and Sustainability

- 9.7.1 Review sustainability performance, plans and returns.
- 9.7.2 Review the progress against the NHS Scotland Global Climate Emergency and Sustainable Development Policy as per [DL \(2021\) 38](#)
- 9.7.3 Consider the climate emergency and sustainability implications of matters relating to accommodation, maintenance of premises and provision of services.

9.8 Schedule of Business

- 9.8.1 The Committee will develop a Schedule of Business to discharge its responsibilities and duties, which will determine the information that it requires at meetings and consequently the agenda for those meetings.

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 As per the [Board Standing Orders](#)

~~Della Thomas~~Drew McGowan,
Board Secretary & Principal Lead for Corporate Governance
~~January~~February 2026~~5~~

NHS Education for Scotland

Education and Quality 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 *Education and Quality 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 Specifically, the Committee will take cognisance of the fact that most health professional education and training within the UK is governed by UK statutes and overseen by UK regulators, and that many of the curricula and outcomes are determined at a UK level, by Higher Education Institutions, Royal Colleges and Statutory regulators.

2. Role

- 2.1 The role of the Committee is to:
 - provide assurance to the NES Board that effective arrangements are in place to plan, commission, deliver and quality manage all of NES's education and training provision in line with the organisation's Strategic Plan
 - advise the NES Board, when appropriate on where, and how, its education systems and assurance framework may be strengthened and developed further and
 - provide assurance to the NES Board that effective arrangements are in place for the educational and quality governance of the NHS Scotland Academy accelerated education and training activities.

3. Membership

- 3.1 Full membership of the Committee shall include at least four non-executive Directors of the NHS Board and may include one co-opted member with non-voting rights.

4. Quorum

- 4.1 – 4.7 [Quorum \(Generic ToRs\)](#)

5. Attendees

5.1 – 5.2 [Quorum \(Generic ToRs\)](#)

6. Private Member Meetings

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

7. Frequency of Meetings

- 7.1 The Committee shall normally meet four times per year. 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 \(Generic ToRs\)](#)

9. Responsibilities and Duties

- 9.1 Provide assurance to the NES Board that, where NHS education and training is subject to statutory regulatory oversight, the requirements of the relevant regulator are being met.
- 9.2 Provide assurance to the NES Board regarding the effective management and improvement of the quality of NES's Health and Social Care education and training activities and outcomes; including internally regulated activities, Credit Rated Programmes, and leadership development activities.
- 9.3 Seek assurance from the Clinical Care & Assurance that ~~there is a~~ robust and effective clinical ~~and care assurance measures and~~ process are in place in NES.
- 9.4 Seek assurance that strategies, policies, structures, responses to consultations and processes for the governance of Health and Social Care education and training have taken a forward-looking and strategic view.
- 9.5 Seek assurance in relation to progress with the implementation of education and learning strategies and policies.
- 9.6 Seek assurance that arrangements are in place to identify and embed good and innovative practice across NES in ways that enhance the quality of the Health and Social Care education and training provided.
- 9.7 Seek assurance of the effective performance, monitoring, management and value of Health and Social Care education and training programmes and contracts, including the identification of impact (including outcomes) or intended impact, where possible.

- 9.8 Ensure appropriate governance in respect of Board-delegated strategic risks. Review risk identification, assessment, and mitigation, in line with the NES Board's risk appetite, and agree appropriate escalation.
- 9.9 Monitor compliance of Health and Social Care education and training activities with the statutory and regulatory requirements of equity, equality legislation, human rights, person-centred care and participation and Government policy and other relevant policies and seek assurance in relation to the Board delegated equality and diversity outcomes relating to educational quality.
- 9.10 Seek assurance as to the effective management of Health and Social Care educational research programmes.
- 9.11 Seek assurance relating to the key strategic engagement of partners and users across Health and Social Care, including approaches to integration that impact service delivery.
- 9.12 Seek assurance of continuous improvement in relation to Health and Social Care user feedback, including learner satisfaction, fill rate, retention, attainment and progression.
- 9.13 Take steps to ensure there is an acceptable balance between the value of the information received by the Committee and the time and other costs it takes to acquire and process it.
- 9.14 Scrutinise, approve, or note annual reports as appropriate, in relation to the statutory regulation of health and social care education; and other areas of responsibilities as delegated by the NES Board.
- 9.15 Provide assurance to the NES Board in relation to the education and quality assurance for the work of the NHS Scotland Academy in line with the educational statutory function of the NES Board. The Education and Quality Committee's NHS Scotland Academy delegated remit is as per Appendix I.
- 9.16 The Committee will deal with any such matters as may be assigned to the Committee by the Board or other Standing Committees. The Audit and Risk Committee may assign activity related to Internal Audit Reports.

10. Reporting arrangements

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

11. Review

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

11.2 The Committee will undertake a self-assessment of their performance and effectiveness after every meeting and highlight any steps for further improvement to the way they conduct business.

12. Conduct of Business

12.1 As per the Board Standing Orders

~~Della Thomas~~Drew McGowan
Board Secretary & Principal Lead for Corporate Governance

February 2026~~5~~

Appendix I

NHS Scotland Academy Delegated governance and scrutiny to the NES Education and Quality Committee

Review, scrutinise and approve education and quality developmental and performance reports on behalf of the NES and NHS Golden Jubilee (NHSGJ) parent Boards, to ensure that:

1. Key strategic partners are effectively and appropriately engaged and involved including for example, universities, the regulators, and health and social care partners, including young people and school-based pathways.
2. The education and training planned for or provided by, the NHS Scotland Academy, is subject to the appropriate statutory regulatory oversight, and the requirements of the relevant regulators are met.
3. The education and training planned for or provided by, the NHS Scotland Academy, is appropriately accredited.
4. The NHS Scotland Academy education and training activities and outcomes; activities are effectively managed; quality assured; subject to continuous improvement and impact is measured and achieved.
5. Arrangements are in place to identify and embed good and innovative practice across NES and NHSGJ in ways that enhance the quality of the education and training provided.
6. Continuous improvement in relation to user feedback, complaints, including learner satisfaction, retention, attainment and progression is embedded in the management and delivery of the NHS Scotland Academy education and training programmes.
7. Governance processes and quality management controls are in place relating to the delivery of NHS Scotland Academy technology-enhanced education and training.
8. Educational and quality-related risks are identified, mitigated and reported.
9. NHS Scotland Academy educational and quality governance is reported annually to the NES Audit and Risk Committee as part of the Education and Quality Committee Annual Report.

NHS Education for Scotland

Planning and Performance 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 *Planning and Performance 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.

2. Role

2.1 The role of this Committee is to review organisational outcomes and impact achieved in line with the Board's Corporate Strategy and Key Strategic Performance Indicators (SKPIs), the requirements of the Annual Delivery Plan as per Scottish Government guidance, the NES transformation programme and Scottish Government Commissions. The Committee will provide advice and oversight of the development of these Strategies, Plans and programmes in advance of the Board.

2.2 The Committee will provide oversight, scrutiny and assurance relating to digital and innovation work, in line with the Scottish Government's Digital Health and Care Strategy (October 2021). This will include governance and scrutiny within the context of "*Technology*" as defined as the application of technology to deliver business services through the public and private cloud and governance and scrutiny within the context of "*Information*" in relation to the technical aspect of information and cyber security and within the context of the NES legal obligations. The Committee will also provide scrutiny of technology and innovation activity undertaken by the NES Technology Service.

2.3 The Committee will have a strategic horizon scanning role. 2.4 The Committee will provide governance and scrutiny for the NES inequalities work programmes, the Anchors Strategic Plan and any strategic Population Health considerations.

3 Membership

3.1 Full membership of the Committee shall include five non-executive directors of the NHS Board, who shall include the Board Chair and the Standing Committee Chairs.

3.2 The Committee may include 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 Chief Executive, the Director of Planning, ~~and~~ Performance & Transformation and the Director of NES Technology Service (when appropriate) will attend the Committee.

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.

5 Private Member Meetings

6.1 Private Member Meetings

6 Frequency of Meetings

7.1 The Committee shall normally meet four times per year, in advance of the Board.

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(s).

7 Authority

8.1 Authority

8 Responsibilities and Duties

9.1 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.

9.2 Review and provide assurance on the development of the Board's Strategic Plan, the supporting Annual Delivery Plan and Transformation Plans and provide scrutiny of progress made in achieving outcomes and impact.

9.3 Receive assurance that the corporate governance processes have incorporated in-year Scottish Government commissions into the overall strategic work programme with specific focus on alignment with the Board's Strategy and the benefits realisation ambitions from these developments.

9.4 Ensure that systems and procedures are in place to monitor, manage and improve organisational performance reporting and this reporting includes evidence of impact and outcomes achieved.

9.5 Scrutinise the full quarterly Strategic Key Performance Indicator (SKPI) report prior to Board and the associated performance data relating to risk, delivery and finance, Best Value and efficiencies.

9.6 Monitor, seek evidence and give assurance on business continuity and organisational resilience, including emergency planning.

9.7 Seek assurance that health inequalities and social accountabilities ~~are~~^{is} addressed across the NES business, including the development and monitoring of the Anchors Strategic Plan and any Population Health considerations.

9.8 Ensure compliance with statutory and regulatory requirements including, clinical and technical assurance and in line with lawful and ethical processing of patient identifiable data, cybersecurity, safety and user acceptability and as per policies and guidance from the Scottish Government and other organisations as appropriate. Noting that the Clinical and Care Assurance Sub-Group of the Education Quality Committee (EQC) will provide assurance to EQC in relation to educational clinical and technical assurance matters.

9.9 Scrutinise the quarterly complaints reports and the Annual Feedback Comments Concerns and Complaints Report in advance of Board.

9.10 Ensure that effective and coherent strategic engagement and communications is progressed with the relevant stakeholders particularly Scottish Government, NHS Boards, Integration Joint Boards, COSLA, third sector and suppliers to increase confidence in using digital ways of working.

9.11 Receive assurance that the NES Corporate Parenting action plan activities are progressing satisfactorily.

9.12 Delegate as appropriate any more detailed performance scrutiny to the relevant Committees.

9.13 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.

9.14 Deal with any such matters as may be assigned to the Committee by the Board or other Standing Committee. In particular the Audit and Risk Committee may assign activity related to Internal Audit Reports and the Board has assigned specific equality outcomes.

9 Reporting Arrangements

10.1 - 10.5 [Reporting arrangements](#)

10 Review

11.1 [Review](#)

11.2 The Committee will undertake a self-assessment of their performance and effectiveness after every meeting and highlight any steps for further improvement to the way they conduct business.

11 Conduct of Business

12.1 As per the [Board Standing Orders](#)

~~Della Thomas~~[Drew](#),
Board Secretary [& Principal Lead for Corporate Governance](#)
NES

February 2026~~5~~

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 individual 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 will in normal circumstances be the Board Vice Chair.

- i. Non-Executive Board Vice-Chair (and Chair of Education and Quality Committee)

- ii. Non-Executive Chair of the Staff Governance Committee
- iii. Non-Executive Board Chair
- iv. Non-Executive Chair of the Audit and Risk Committee
- v. Non-Executive Chair of Planning and Performance Committee
- vi. Non-Executive Employee Director

4. Quorum

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

5. Attendees and Access to Papers

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

5.3 Due to the confidential nature of the Remuneration Committee business, and the identifiable confidential personal data included in Committee papers, in line with General Data Protection Regulations and the [Data Protection Act 2018](#), meeting papers will only be accessible to Committee members and the agreed regular attendees and executive performance related papers will be shared only with Remuneration Committee members. The exception to this will be in relation to any requests received from the National Performance Management Committee requiring supporting evidence in relation to executive performance.

5.4 The Chief Executive and Director of People and Culture will be in attendance throughout to provide advice and support (apart from during their review). A senior member of the Workforce Directorate will deputise for the Director of People and Culture in their absence, as appropriate, to ensure specialist HR advice is always available to the Remuneration Committee.

5.5 The Chief Executive and Director of People and Culture 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

7.3 The Committee will be scheduled to meet three times per annum, and with the Chair's discretion, conduct business by correspondence on occasion where this provides a more timely or effective mechanism.

7.4 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 People and Culture. The Chair may call a special meeting of the Remuneration Committee to address the issue.

8 Authority

8.3 Authority (generic ToRs)

8.4 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 the place on the grade scale for new post holders.

9.1.2 seek assurance that remuneration, benefits and employment related terms and conditions are in line with and fair, (whether on an individual or collective basis), in relation to the national system and the 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, objectives, purpose and values.

9.1.4 review and approve individual annual SMART performance objectives, including overseeing the annual review of performance against these objectives and at the mid-year point seek assurance that performance against objectives is on track and agree 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 or at the mid-year point) and any changes to the remuneration or the Terms and Conditions of Employment arising from this assessment of performance during the review period. The Remuneration Committee will sign off the final versions, following discussion, which will then be sent to the National Performance Management Committee (NPMC). Following the initial assessment by the NPMC, the Remuneration Committee will sign off any documents which have been returned for amendment.

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, including providing approval of remuneration.

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.

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 All proposals for redundancy leading to contractual entitlement for a payment in excess of £95,000 must have been approved by the accountable officer before being submitted to the Remuneration Committee for review and approval.

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 payback 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 As per the [Board Standing Orders](#)

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

~~Della Thomas~~ Drew McGowan,
Board Secretary [& Principal Lead for Corporate Governance](#)

NES

February 2026~~5~~

NHS Education for Scotland

Staff Governance 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 *Staff Governance 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.

2. Role

2.1 The role of this Committee is to support and maintain a culture within NES where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the system and is built upon partnership and collaboration. It will ensure that robust arrangements to implement the Staff Governance Standard are in place and monitored.

2.2 The Committee may also have a role in seeking assurance in relation to staff health and well-being, as a result of work commissioned directly by Scottish Government, or any other aspect of NES business approved formally through the Annual Delivery Plan.

3. Membership

3.1 Full membership of the Committee shall include the following:

- four non-executive directors of the NHS Board, of which one must be the Employee Director with voting rights;
- two lay representatives, from the trade unions and professional organisations (acting in an ex officio capacity), nominated by the NHS Board Partnership Forum with non-voting rights.

4. Quorum

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

5. Attendees

5.1 – 5.2 [Quorum \(Generic ToRs\)](#)

5.3 The Director of People & Culture Workforce will attend to provide Committee with advice, provision of information and guidance. With the prior approval of the Chair of the Committee, the Director of People & Culture Workforce will be able to provide a deputy on an exceptional basis.

5.4 The NES Chief Executive may attend any meetings.

5.5 The Committee may require relevant officers/partnership representatives 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 (Generic ToRs)

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 (Generic ToRs)

8.2 The Committee may establish Sub-Committees to support its functions. This, as per the Staff Governance Standard, will include the Remuneration Committee.

9. Responsibilities and Duties

9.1 The Committee shall act for the Board to oversee the commissioning of structures and process which ensure that delivery against the Staff Governance Standard is being achieved. Specifically, the Committee will:

- 9.1.1 monitor and evaluate strategies and implementation plans relating to people management.
- 9.1.2 note Once for Scotland staff governance related policies and their local implementation.
- 9.1.3 approve any local staff related policy amendment and consider any funding or resource submission in line with NES expenditure processes to achieve the Staff Governance Standard.

- 9.1.4 take responsibility for the timely submission of all staff governance information required for national monitoring arrangements.
- 9.1.5 provide staff governance information for the statement of internal control.
- 9.1.6 provide assurance that systems and procedures are in place to manage the issues set out in MEL (1993) 114 (amended)
- 9.1.7 receive assurance that the Remuneration Committee discharges its duties.
- 9.1.8 consider any recommendations from the Partnership Forum and receive assurance that the Partnership Forum discharges its duties.

9.2 The Committee will also:

- 9.2.1 review and advise on the Board's whistleblowing policy, procedures and processes.
- 9.2.2 receive assurance that health and safety and wellbeing meet legislative requirements and where relevant, the implementation of the Safer Staffing Regulations.
- 9.2.3 ensure appropriate governance in respect of Board delegated strategic risks. Review risk identification, assessment and mitigation, in line with the NES Board's risk appetite, and agree appropriate escalation.
- 9.2.4 monitor compliance of staff governance activities with statutory duties, NHSScotland policy and NES priorities in relation to equality and diversity and oversee the implementation of key aspects of Equality legislation in respect of staff e.g. Equal Pay, Equality and Diversity Training.
- 9.2.5 receive assurance in relation to NES commissions from Scottish Government, regarding wider NHS and/or Health and Social Care workforce data provisions and attraction to related career pathways.

9.3 The Committee will deal with any such matters as may be assigned to the Committee by the Board or other Standing Committee. In particular, the Audit and Risk Committee may assign activity related to Internal Audit Reports and the Board has assigned specific equality outcomes.

10. Reporting Arrangements

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

11. Review

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

11.2 The Committee will undertake a self-assessment of their performance and effectiveness after every meeting and highlight any steps for further improvement to the way they conduct business.

12. Conduct of Business

12.1 As per the [Board Standing Orders](#)

~~Della Thomas~~Drew McGowan,
Board Secretary & Principal Lead for Corporate Governance
NES

~~January~~February 2026~~5~~

NHS Education for Scotland

NES/26/13

Agenda Item: 10b

Date 5 February 2026

NES Public Board

1. Title of Paper

- 1.1 Committee Membership Changes

2. Author(s) of Paper

- 2.1 Drew McGowan, Board Secretary & Principal Lead Corporate Governance

3. Lead Director(s)

- 3.1 Karen Reid, CEO and Accountable Officer

4. Situation/Purpose of paper

- 4.1 This paper outlines the recent changes to the Board's committee membership for homologation by the Board.

5. Background and Governance Route to Meeting

- 5.1 The Chair, in accordance with the Standing Orders, is responsible for appointing members to the Board's committees and ensuring each committee has the right balance of skills and experience to fulfil their respective terms of reference.

6. Assessment/Key Issues

- 6.1 Sections 9.2 and 9.3 of the Standing Orders outline the Chair's role in appointing Board members to committees. Following consultation with Board members, the Chair decided that:

- Annie Gunner Logan would step down from the Education & Quality Committee (EQC), where she has served as Chair, effective after the EQC's meeting on 5 December 2025.
- Annie would also step down from the Planning & Performance Committee (PPC), as she was a member in her capacity as EQC Chair, effective from 5 December 2025.
- Olga Clayton would replace Annie as Chair of the EQC and join the PPC, effective from 5 December 2025.

6.2 In September 2025, the Board homologated the following committee membership changes:

- Ally Boyle stood down from the Audit & Risk Committee (ARC) and the Digital Learning Infrastructure Programme Board (DLIPB), effective from 4 September 2025;
- Shona Cowan was appointed to the ARC and the DLIPB, effective from 4 September 2025;
- Shona stood down from the EQC, effective from 12 September 2025; and
- Angus McCann was reappointed as a co-opted member of the PPC and DLIPB, effective from 1 September 2025 to 31 March 2026.

7. Recommendations

7.1 The Board is recommended to homologate the most recent membership changes, as outlined in Section 6.1.

Author to complete checklist.

Author to include any narrative by exception in Section 6 of the cover paper.

- a) Have implications for Public Services Delivery Scotland been considered?
☒ Yes
☐ No
- b) Have educational implications been considered?
☒ Yes
☐ No
- c) Is there a budget allocated for this work?
☒ Yes
☐ No
- d) Alignment with [Our Strategy 2023 – 26 People, Partnerships and Performance](#)
☒ 1. People Objectives and Outcomes
☒ 2. Partnership Objectives and Outcomes
☒ 3. Performance Objectives and Outcomes
- e) Have key strategic risks and mitigation measures been identified?
☒ Yes
☐ No
- f) Have Equality, Diversity, Human Rights and health inequality issues been considered as per [Fairer Scotland Duty: Guidance for Public Bodies](#) and Corporate Parenting as per the [Children and Young People \(Scotland\) Act 2014](#)?
☒ Yes
☐ No
- g) Has an Equality Impact Assessment (EQIA) been completed or in progress for this piece of work?
☐ Yes
☒ No
- h) Have you considered Emergency Climate Change and Sustainability implications as per [DL \(2021\) 38](#)?
☒ Yes
☐ No
- i) Have you considered a staff and external stakeholder engagement plan?
☒ Yes
☐ No

Drew McGowan
5 January 2026
NES

Minutes of the Twenty Second NES Audit and Risk Committee held on Thursday 02 October 2025 via Microsoft Teams.**Present**

| | | |
|-----------------------|---|--------------|
| Jean Ford (JF) | Non Executive Director & Chair | via MS Teams |
| Olga Clayton (OC) | Non Executive Director | via MS Teams |
| Shona Cowan (SC) | Non Executive Director | via MS Teams |
| Gillian Mawdsley (GM) | Non Executive Director – Whistleblowing Champion and Climate Emergency Champion | via MS Teams |

In Attendance

| | | |
|------------------------|---|-------------------------|
| Jenn Allison (JA) | Senior Officer (Minute Taker) | via MS Teams |
| Christina Bichan (CBi) | Director Planning, Performance & Transformation | via MS Teams Item 15 |
| Jim Boyle (JB) | Executive Director of Finance | In Person |
| David Garbutt (DG) | Chair of NES | In Person |
| Louise Harker (LHa) | Boardroom Apprentice (observing) | via MS Teams |
| Laura Howard (LHo) | Deputy Head of Finance | In Person |
| Debbie Lewsley (DL) | Risk Manager | via MS Teams Item 16&17 |
| James Lucas (JL) | KPMG, Internal Audit | In Person |
| Drew McGowan (DM) | Board Secretary and Principal Lead for Corporate Governance | In Person |
| Kenny McLean (KM) | Principal Lead, Procurement | via MS Teams Item 13 |
| Lorraine Scott (LS) | Associate Manager (observing) | In Person |
| Richard Smith (RS) | Audit Scotland, External Audit | In Person |

1. Welcome and Introductions

- 1.1 The Chair welcomed everyone to the meeting, particularly Drew McGowan who was attending his first Audit and Risk Committee (ARC) meeting since taking up post as Board Secretary and Principal Lead for Corporate Governance on 01 September 2025. Shona Cowan, Non Executive Director would be joining committee to replace Ally Boyle.
- 1.2 The Chair also welcomed Louise Harker, Boardroom Apprentice and Lorraine Scott, Board Services Associate Manager, who were in attendance to observe.

2. Apologies for Absence

- 2.1 Apologies were received from Karen Reid, NES Chief Executive, Syed Shah, Internal Audit and Lisa Duthie, KPMG. It was noted that Christopher McClelland from Audit Scotland no longer works on the NES accounts due to a promotion within Audit Scotland. The Chair asked Richard Smith to pass on the Committee's congratulations to Christopher McLelland on his new post within Audit Scotland and to thank him for his support.

- 2.2 The Chair noted that James Lucas would leave the meeting around 11:30.

3. Declarations of interest

- 3.1 No declarations of interest were raised in relation to items of business on the agenda.

4. Any Other Business

- 4.1 No other business was raised.

5. Minutes of Audit and Risk Committee 16 June 2025 (NES/AR/25/52)

- 5.1 The Committee approved the draft minutes of the 16 June 2025 ARC meeting as an accurate record.

6. Actions of the Audit and Risk Committee (NES/AR/25/53)

- 6.1 The Committee noted that 9 of the 11 actions have been marked as complete or closed and were content with the 2 remaining open, which were in progress.

7. Matters Arising

- 7.1 The Chair noted that the NES 2024-2025 Annual Report and Accounts were approved by the Board on 26 June 2025. Jim Boyle added that the NES Annual Report and Accounts had now been laid before the Scottish Parliament and have now been published.

8. Internal Audit Report Progress Report (NES/AR/25/54)

- 8.1 James Lucas introduced the report which updated the Committee on the progress of the Internal Audit plan and management actions.
- 8.2 The Committee noted that of the 7 audits planned for 2025-26, fieldwork for Information Assets – NTS Support and Core Financial Controls – Accounts Receivable Audits, are currently in progress and the reports will be submitted to the January ARC.
- 8.3 The Committee noted that the Governance and the Freedom of Information Audits have been deferred to Quarter 3 (Q3) and Quarter 4 (Q4) respectively.

- 8.4 Discussion took place regarding the reporting of Internal Audit reports and the NES Annual Report and Accounts from April 2026. Jim Boyle assured the Committee that whilst a formal governance structure for NHS Delivery is yet to be determined, both NES and NHS National Services Scotland (NSS) will continue to progress their respective internal and external audit responsibilities for financial year 2025-26. The Committee noted that this is part of the ongoing discussions taking place at the Finance workstream reporting to the NHS Delivery Programme Board.
- 8.5 James Lucas informed the Committee that good progress has been made on implementing outstanding management actions, with 11 actions being closed since the ARC meeting in June. There are 16 outstanding actions in total, 7 of which are not yet due and 9 which are overdue.
- 8.6 Discussion took place regarding the 9 overdue actions and whether there could be further effort applied to finalise these as some have been rescheduled multiple times and commentary does not appear to fully reflect the up-to-date position. James Lucas explained the process of requesting updates from action owners, which includes sending automated reminders and acknowledged that there may be additional information which could be added. It was agreed that a request would be made of owners of these overdue actions to provide a full update on the situation with each action including the risk that this being outstanding creates. Jim Boyle will arrange this and the updates will be circulated to ARC members by email during November.
Action: JB
- 8.7 The Committee noted that management actions were agreed prior to the announcement of the creation of NHS Delivery and some of these actions may not have the same relevance now. Jim Boyle agreed to review the situation with any superseded actions being highlighted and proposed for closure.
Action: JB
- 9. External Audit Recommendations Follow Up (NES/AR/25/55)**
- 9.1 Laura Howard presented the paper to update the Committee on the progress of External Audit recommendations from the 2024-25 Annual Report and Accounts.
- 9.2 Laura Howard informed the Committee that the external audit report from the financial year 2024-25 included two recommendations in relation to the NES Performance Report.
- 9.3 The Committee noted that work in relation to recommendation one; to improve SKPI reporting with trend analysis, infographics, and clearer performance explanations, will begin in Q4.
- 9.4 The Committee noted that work is progressing in relation to recommendation two; to develop metrics and disclosures to meet 2025-26 requirements targets for climate-related SKPIs. Further work will take place in the second half of the

financial year to ensure compliance with the enhanced disclosures set out for the 2025-26 Annual Report and Accounts.

- 9.5 The Committee noted the importance of continuing to progress the actions, noting that the final Annual Accounts for 2025-2026 may result in further actions. The Committee also noted that discussions with Audit Scotland will take place in light of the upcoming transition to NHS Delivery from April 2026.
- 9.6 A query was raised regarding the progress of the SKPI in relation to the climate emergency and sustainability and Laura Howard confirmed that this is progressing well with baseline data established. Jim Boyle added that SKPIs will also help towards the reporting required by the Scottish Government (SG).
- 9.7 The Committee confirmed that the update provided them with assurance that External Audit recommendations are being satisfactorily implemented and progressed.

10. Board Assurance Framework (NES/AR/25/56)

- 10.1 Drew McGowan presented the final review of the NES Board Assurance Framework (BAF) before the transition to NHS Delivery in April 2026.
- 10.2 Drew McGowan updated the Committee that minor amendments have been made to dates, names, and titles.
- 10.3 Discussion took place regarding the role of the Non-Executive Champions, and it was noted that whilst the Whistleblowing role has a remit to provide direct assurance to the Board, the Climate Emergency and Equality and Diversity Champions do not.
- 10.4 The Committee noted that this is the final NES-specific BAF before the transition to NHS Delivery.
- 10.5 The Committee were content to approve the amendments to the Board Assurance Framework, including the agreed amendments in relation to the role of the Non-Executive Champions, for onward sequencing to the 20 November 2025 Board meeting. **Action: DM**

11. Review of ARC Terms of Reference (NES/AR/25/57)

- 11.1 Drew McGowan introduced the updated draft ARC Terms of Reference (ToRs).
- 11.2 The Committee noted that no changes are recommended following reviews in October 2024 and January 2025. James Lucas confirmed that the reference to the Public Sector Internal Audit Standards would need to be updated to Global Internal Audit Standards.
- 11.3 The Committee were content to approve ARC ToRs, including the agreed minor amendment in relation to the Internal Audit Standards, for inclusion in

the corporate governance package to be submitted to the ARC meeting in January 2026.

Action: DM

12. Corporate Governance Blueprint Improvement Action Plan: Progress Update (NES/AR/25/58)

- 12.1 Drew McGowan presented the Corporate Governance Blueprint Action Plan to update the Committee regarding progress of implementation of the NES Corporate Governance Blueprint Improvement actions.
- 12.2 Of the 10 actions in the plan, 9 are complete and 1 action, to improve diversity in non-executive appointments, remains in progress. The final report is being issued due to the creation of new organisation NHS Delivery on 01 April 2026.
- 12.3 The Committee agreed that the in-progress action should also be marked as complete, subject to Drew confirming with the Board Development team, as processes to improve diversity of non-executive appointments have been implemented and are now business as usual.
- 12.4 The Committee confirmed they are content with the progress and approved the action plan to be submitted to the Board meeting on 20 November 2025.

Action: DM

13. Procurement

a) Procurement Activity Update 2025-26 (NES/AR/25/59)

- 13.1 Kenny McLean was welcomed to the meeting to update the Committee on Procurement activity in the first half of the financial year 2025-26 and planned procurement work for Q3-4.
- 13.2 Kenny McLean informed the Committee that 54 contracts have been awarded, totalling £39.67million. 1,573 purchase orders were processed, with a value of £30.5m. One of the key contracts includes a £27.8m 3 year contract awarded to Digital Front Door Delivery Partner, BJSS.
- 13.3 The Committee noted the total savings achieved to date of £644,695.99. Kenny McLean explained that the largest savings are from Digital Library (£327K), Doctorate and Masters in Psychology (£72K), and Framework Agreements (£200K) and noted that it is anticipated that the target of 3.25% savings will be exceeded at the end of this financial year. The Committee asked if the savings target should be raised; however, Kenny McLean advised that the 3.25% target is reasonable.
- 13.4 The Committee noted Appendix One, which detailed £6.72m in waivers issued across various directorates, acknowledging that Committee members requested this information at the June ARC meeting.
- 13.5 Kenny McLean informed the Committee that payment performance is at the highest level, with 99.34% of purchase orders being paid within the agreed timescales.

13.6 The Committee noted that work continues in relation to evidencing suppliers' policies in relation to sustainability and community benefit.

13.7 The Committee were content that the information in the report provided them with assurance.

**b) 2024-25 Annual Procurement Report to Scottish Government
(NES/AR/25/60)**

13.8 Kenny McLean presented the 2024-25 Annual Report to Scottish Government (SG).

13.9 Kenny McLean informed the Committee that the ARC reviewed the detailed annual report at the June meeting and the report to SG is a subset of this information which covers regulated procurements which are tenders above £50,000.

13.10 Kenny advised that NES spent £5.69 million on 22 regulated procurements in 2024-25 and all procurements complied with NES's strategy and legal requirements.

13.11 He noted that the majority of contracts were awarded to Scottish-based and small and medium enterprises (SME) suppliers and there was a focus on ethical procurement, sustainability, and community benefits. He also advised that 98.75% of invoices were paid within 30 days and that future plans include major digital projects, e.g. Digital Front Door.

13.12 Discussion took place regarding ethical procurement, sustainability and community benefits frameworks and the challenges regarding how to evidence that suppliers are adhering to their policies. Kenny McLean confirmed that NES' top suppliers have the relevant policies in place and they are required to outline what actions they are taking within 12 months. The Committee requested that future information regarding this work is included in future reports.
Action: KMc

13.13 The Committee confirmed they are content with the information in this report and approved the report for publication. Kenny McLean left the meeting.

Action: KMc

14. Review of Salary Overpayments (NES/AR/25/61)

14.1 Laura Howard presented the paper to update the Committee regarding Counter Fraud activity in NES.

14.2 Laura Howard informed the Committee that there have been a total of 107 overpayments cases in 2025-26 (to August 2025), with a total value of approximately £167k. The Committee noted that this is 40% down from 2024-25 and approximately £28k has been recovered with plans in place for £60k.

- 14.3 The Committee noted that the main causes have been due to late notification of changes to hours, banding, termination or sickness. 43% of cases were under £1,000 and no overpayments exceeded £10,000.
- 14.4 Laura Howard informed the Committee that of the remaining £207,266 overpayments from financial year 2024-25, a repayment plan for £35k has been arranged and a request for the write-off of £96k is pending.
- 14.5 The Committee noted that improvement actions for data reconciliation, process mapping, internal system improvements and internal audit phase 1 recommendations are complete, while other actions; Lead Employer Project Standard Operating Procedures (SOPs) and national guidance, Salary Overpayments Policy and payroll responsibilities Service Level Agreement (SLA) with NSS, remain in progress. Laura Howard informed the Committee that the policy will be submitted to the January ARC meeting for approval.
- 14.6 A query was raised regarding the impact of the NHS Scotland Business Systems programme. Jim Boyle advised the Committee that having new systems in place will help in relation to data flow and that NES and NSS colleagues are well placed to contribute towards system requirements.
- 14.7 Jim Boyle added that the main challenge is ensuring that Boards advise NES of changes as soon as possible. Jim added that renewed processes are already helping to improve communication from territorial Boards to NES.
- 14.8 Laura Howard extended her thanks to all Directorates involved in this work.
- 14.9 The Committee noted the information contained in the report and confirmed it provided satisfactory assurance.
- 15. Update on the Implementation of the Policy for Controlled Documents (NES/AR/25/62)**
- 15.1 Christina Bichan was welcomed to the meeting to provide an update on the implementation and progress of NES's Policy for Controlled Documents.
- 15.2 Christina Bichan informed the Committee that the Policy for Controlled Documents governs the development, approval, and management of NES-wide strategies, policies, and SOPs and was approved by the NES Board on 08 February 2024.
- 15.3 The Committee noted that multiple NES policies have been updated using the new template, which now includes references to the NES Climate Emergency and Sustainability Strategy 2024–2027 and its action plan. All controlled documents are recorded in central registers and reviewed routinely by Directorates.
- 15.4 Christian Bichan informed the Committee that the NHS Delivery Operations workstream will review the NES policy registers and part of the duties will be to: identify policy variations; develop unified policies; create new policy

registers; and ensure staff access and communication. The Committee noted that Drew McGowan is working closely with NSS to identify which documents will require to be updated for day 1 of the new Organisation.

- 15.5 The Committee noted the update, congratulated Christana Bichan and Nancy El-Farargy on their work and confirmed it provided them with assurance.

- 15.6 Christina Bichan left the meeting.

16. Overview of Committee Delegated Strategic Risk (NES/AR/25/63)

- 16.1 Debbie Lewsley was welcomed to the meeting to introduce the Committee Delegated Strategic Risk paper.

- 16.2 Debbie Lewsley updated that risks have been reviewed by the individual risk owners, and a full Executive Team review is scheduled for October 2025.

- 16.3 The Committee noted that 3 new strategic risks have been added which relates to the delivery of NES' Annual Delivery Plan, these are the formation of NHS Delivery, resource in relation to the national Business Systems Replacement Programme, and Lead Employer responsibilities.

- 16.4 The Committee emphasised that active risk management is evident and embedded in practices, with risks and actions being effectively monitored.

- 16.5 The Committee noted changes to 4 strategic risks and the proposal to de-escalate risk 16 to the Directorate level and were content to approve these changes and additional risks. The Committee confirmed the report provided them with adequate assurance.

17. ARC delegated Strategic Key Performance Indicator (SKPI) Report (NES/AR/25/64)

- 17.1 Debbie Lewsley presented the SKPI report highlighting SKPIs that relate to the remit of the ARC.

- 17.2 The Committee noted that of the 4 SKPIs delegated to the ARC, the SKPI regarding efficiency savings was rated green, the SKPI relating to timescales of completion of audit actions was rated amber and the SKPI regarding staff subsistence in relation to CO2 emissions was rated red.

- 17.3 The Committee noted that the SKPI relating to CO2 emissions for estates was not yet rated as reporting has been paused due to office reconfigurations; however, data will be available for Q2 reporting.

- 17.4 The Committee confirmed the report provided them with adequate assurance and they approved the report.

- 17.5 Debbie Lewsley left the meeting.

18. Climate Emergency and Sustainability Update (NES/AR/25/65)

- 18.1 Jim Boyle presented the paper to update the Committee regarding work in relation to Climate Emergency and Sustainability.
- 18.2 Jim Boyle informed the Committee that NES is actively progressing its Climate Emergency and Sustainability Strategy through a detailed action plan, covering 9 key areas, with regular updates and national reporting.
- 18.3 The Committee noted that the action plan has been updated across all NES directorates with blue, red, amber and green (BRAG) ratings to track progress.
- 18.4 Discussion took place regarding the action plan and it was suggested that a focus on the delivery of NES's climate mission statement, especially regarding education, would be helpful. It was also recommended that the action plan is reported to the Committee biannually. Jim Boyle confirmed that the action plan is structured to deliver the aims of the NES climate strategy. Jim Boyle also clarified that many action plan items relate to education and training. He added that effectiveness in education is harder to measure and will require future assessment.
- 18.5 Jim Boyle updated that work is ongoing to complete the Public Bodies Climate Change Duties Report for 2024-25, which in turn contribute to the report that NES will submit to the Scottish Government. Both reports are required to be submitted by 30 November and will be presented to the NES Board at its November meeting, with comments being sought from ARC members by correspondence prior to Board consideration. **Action: JB**
- 18.6 Jim Boyle informed the Committee that NES is participating with awareness events and staff stories for Scotland's Climate Week, being held from 29 September to 05 October 2025. The Committee commended staff engagement in climate week activities but noted the need to ensure the focus is broadened beyond travel.
- 18.7 A question was asked regarding how the action plan demonstrates progress on ensuring climate change is reflected in all new policies and guidelines.
- 18.8 Drew McGowan advised that the process of unifying NES and NSS policies is underway and policy leads will work to ensure ambitions for NHS Delivery—such as environment, sustainability, and rights of the child—are incorporated.
- 18.9 The Committee raised concern that the reconfiguration of Edinburgh estates may not fully meet climate emergency and sustainability requirements, despite government declarations of climate and nature emergencies.
- 18.10 Jim acknowledged the concern regarding a potential office move to a non-city centre location, stressing that a city centre location would help to support public transport use and reduce car travel.

- 18.11 The Committee noted the ongoing and planned activities, including the NES action plan, and confirmed it provides them with satisfactory assurance.

19. Counter Fraud Activities in NES (NES/AR/25/66)

- 19.1 Laura Howard presented the paper to update the Committee regarding Counter Fraud activity in NES.
- 19.2 Laura Howard informed the Committee that NES continues to make good progress to fulfil the Counter Fraud requirements, with robust controls in place advising that 11 of the 12 Fraud Initiative compliance standards have been met.
- 19.3 The Committee noted there have been no investigations and no declarations of gifts and hospitality since the April 2024 ARC meeting.
- 19.4 Laura Howard updated that 6 fraud alerts were issued by Counter Fraud Services (CFS) in 2025-26, including phishing, invoice scams, and recruitment scams. NES responded with internal communications and awareness campaigns.
- 19.5 The Committee noted the fraud action plan, which includes 18 activities across four strategic pillars, covering awareness, training, risk assessments, reporting, and stakeholder engagement. Laura Howard advised that some actions are delayed or not yet started, but most are in progress or completed.
- 19.6 The Committee noted the information contained in the report and confirmed it provides assurance. The Committee requested that the volume of National Fraud Initiative matches is provided within the next report. **Action: LH**
- 19.7 The Committee noted appendices: NES' agreed Counter Fraud Annual action plan, NES' Fraud Risk Assessment and Counter Fraud Services Annual and Quarterly Reports.

20. Audit Scotland Report – NHS in Scotland: Spotlight on Governance - NES Actions

- 20.1 Drew McGowan informed the Committee that after noting the Audit Scotland report, 'NHS in Scotland – spotlight on Governance', discussed at the 16 June 2025 Committee meeting, NES management was asked to update the Committee regarding any actions in relation to the recommendations. Drew McGowan confirmed that actions will be led by the Scottish Government and, therefore, there are no NES actions required to be taken at this time.

21. Review of Meeting Effectiveness

- 21.1 The Committee agreed that the quality of papers was a high standard and that engagement with the Committee members was effective. The Committee asked that paper authors ensure that dates of Committees are specified when

appropriate and that dates of Acts are included when referencing Acts. The Committee also requested that the cover paper checklists be fully completed.

22. Audit Scotland Reports

- 22.1 The Committee noted the following Audit Scotland Reports:
- Audit Scotland Annual Report: Annual Report 2024-25
 - Audit Scotland Correspondence and Whistleblowing: Annual Report 2024-25
 - Quality of public audit in Scotland: Annual report 2024-25

23. Date and time of next meeting

- 23.1 The next meeting of the Audit and Risk Committee will be held on Thursday 15 January 2026 at 09:30.

NES
October 2025
JA/LS/DM/JF/JB

NHS Education for Scotland

PLANNING & PERFORMANCE COMMITTEE (PPC)

10 November 2025 from 10:15am to 12:55pm

Approved minutes of the third meeting of the Planning & Performance Committee (PPC) held on Monday 10 November 2025 as a hybrid meeting, in person at the Bothwell Street Office, Glasgow and via Microsoft Teams

Present: Jean Ford (JF), Non-Executive Director
David Garbutt (DG), Committee Chair, Board Chair
Annie Gunner Logan (AGL), Non-Executive Director
Nigel Henderson (NH), Non-Executive Director
Angus McCann (AM), Co-opted Member

In Attendance: Christina Bichan (CB), Director of Planning, Performance and Transformation
Jim Boyle (JB), Director of Finance
Rob Coward (RC), Principal Educator
Chris Duffy (CD), Senior Admin Officer, Minute-Taker
Nancy El-Faragy (NEF), Specialist Research Lead, Planning
Laura Howard (LH), Deputy Director of Finance
Kevin Kelman (KK), Director of NHSS Academy, Learning and Innovation
Debbie Lewsley (DL), Manager, Planning
Drew McGowan (DMcG), Board Secretary
Stephen McNamee (SM), Head of Corporate Improvement
Jacqueline Melville (JM), Head of Service, Planning
Gordon Paterson (GP), Director of Social Care
Lorraine Scott (LS), Associate Manager, Planning
Alison Shiell (AS), Manager, Planning
Christopher Wroath (CW), Director of NES Technology Service
Alan Young (AY), Principal Lead, Finance

1. Welcome and Introductions

- 1.1 David Garbutt welcomed all to the meeting and informed the Committee that Ally Boyle, Committee Chair has submitted apologies. Therefore, he will step into the role of Committee Chair for this meeting.

2. Apologies for absence

- 2.1 Member apologies were received from Ally Boyle, Committee Chair.
- 2.2 Regular attendee apologies were received from Karen Reid, Chief Executive.

3. Declarations of interest

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

4. Previous Minutes of PPC meeting held on 11 August 2025

- 4.1 The Committee approved the 11 August 2025 PPC minutes as an accurate record of the meeting.

5. Action Log

- 5.1 The Committee reviewed the 7 actions on the log, noting all were marked as complete but some were only closed on the basis that they would be included in future reports. The Committee recommended that actions stay open until they are fully completed and reflected in relevant reports. A refreshed version of the action log will be produced for the next meeting. **Action: CD**

The Committee approved the action log with recommendations for improvement.

6. Notification of any other business

- 6.1 There was no other business identified.

7. Risk

7.1 Q2 Strategic Risk Report

- 7.1.1 The Committee Chair welcomed Debbie Lewsley to the meeting and invited her to introduce the report. Debbie Lewsley presented the quarter 2 update on the committee's risk register, summarising 10 strategic risks relevant to the Committee. It was noted that there were no changes in risk ratings in this period but it was highlighted that 2 new risks have been added, one about resource challenges for the national business system replacement programme and another about governance and lead employer responsibilities. It was noted that risk 6 relating to business continuity will be reviewed further once outstanding actions are completed to determine if the risk rating can be reduced. The report also included an overview of the 22 directorate risks and a summary dashboard. All risks have been reviewed by the executive team before sharing with the Committee. The Committee were asked to consider the risk process, register, and the assurance provided by current controls and planned actions.
- 7.1.2 The Committee Chair thanked Debbie Lewsley for the introduction and opened the report to the Committee for questions.
- 7.1.3 The Committee asked a question on relation to Risk 15, NES/ not being an evidence-based data-driven organisation and suggested more mitigation around staff data handling skills and analyst support. Christopher Wroath explained that a new data analytics and AI programme is being established with a project initiation document being produced for the executive team to review. The programme aims

to address the risk at a strategic level, particularly in connection with the digital learning infrastructure programme. The Committee highlighted that part of the risk involves the lack of a strategic approach to data quality standards, emphasizing the people aspect rather than just technical solutions. Christopher Wroath added that a Workforce Observatory will be developed to address strategic data standards and approaches, supporting health and social care. He noted this is a significant, newly agreed programme and the Committee will receive updates as this programme develops.

- 7.1.4 The Committee enquired about Risk 19 (Lead Employer), specifically the status of the steering group and whether its reinstatement could address the identified risk. Jim Boyle explained that recent efforts have focused on resolving salary overpayment issues within the lead employer model, involving multiple boards and medical schools. A review of programme fill rates and the lead employer model is planned, during which the executive team will consider the steering group's role. The Committee suggested that the review and potential reactivation of the steering group be included as an action item to demonstrate progress in mitigating this risk.

Action: JB

- 7.1.5 The Committee considered the risk of insufficient support and information for the transition to NHS Delivery, highlighting its relevance to communications and stakeholder engagement. The Committee emphasised the importance of mapping this risk from the programme board to the NES risk register to ensure proper tracking. Christina Bichan confirmed that the overarching programme risk register is maintained by the Scottish Government and that NES has its own internal register, overseen by the internal NES Programme Board structure. Christina committed to reviewing the NES register to ensure the risk is captured and to escalate it if necessary.

Action: CBI

- 7.1.6 The Committee approved the risk register for onward sequencing to the Board.

8. Executive Leads Report

8.1 Executive Leads Report

- 8.1.1 The Committee Chair invited Christina Bichan to introduce this report. Christina reported the establishment of a new Population Health Group within NES, consolidating public health and health inequalities work under the new strategic framework. It was confirmed that NES has achieved accreditation as a Real Living Wage Employer and has submitted for "Equally Safe at Work" accreditation, with progress on track for completion within this financial year. It was noted ongoing alignment efforts with NSS to consider and secure necessary accreditations during the transition to the new organisation. Christina also advised that the staff consultation on NHS delivery is expected to be issued imminently, pending final coordination with communications teams.

- 8.1.2 The Committee raised questions regarding the governance responsibilities and reporting structure of the new Population Health Group, emphasising the need for clarity on its relationship to the Committee and Board. The Committee suggested

that the group's terms of reference should explicitly define how it fits within the committee structure and governance framework. Christina Bichan explained that internal cross-directorate groups typically report to the Executive Team as operational management groups, with deliverables captured in strategic documents such as the Annual Delivery Plan (ADP). It was confirmed that updates on the Population Health Group would be provided through the Executive Leads Report and agreed to clarify the reporting route in the group's terms of reference.

Action: CBI

- 8.1.3 The Committee queried the staff consultation on NHS delivery, specifically referencing section 3.4D and the Gateway Zero review. The Committee asked why the rating was amber rather than green and what issues contributed to this assessment. Christina Bichan confirmed that the report had been received and an action plan submitted to address the identified issues. It was explained that the amber rating resulted from insufficient preparatory work, including benefits realisation, objectives, and vision. These gaps are now being addressed through the development of an outline business case and other foundational elements.
- 8.1.4 The Committee asked why the Scottish Government advised Directors of Planning to roll forward the ADP into Quarter 5 rather than issue a formal request for a new plan, noting this seemed fundamental to planning. Christina Bichan explained that rolling forward the ADP occurs occasionally, typically during periods of strategic change or when guidance documents are being refreshed. It was noted that the planning environment is currently in flux due to shifts toward national, sub-national, and local planning, but Boards continue to plan annually regardless of a formal commission. Christina confirmed that the roll-forward is expected to be temporary, with a formal request likely in the next quarter, and assured that Boards are not missing strategic direction due to the direction provided in recently published documents such as the Service Renewal Framework. The Committee commented on the complexity and lack of clarity in the current planning system, noting the difficulties in understanding the new sub-national planning approach, given that guidance was expected but has not yet been received.
- 8.1.5 The Committee Chair invited Christopher Wroath to introduce the digital elements of the report. Christopher Wroath provided an update on the digital front door programme, highlighting a £12 million funding envelope with an additional £5 million reallocated for technical resilience work to ensure whole-population availability from April. He reported successful completion of user testing for the December release in Lanarkshire, noting minor defects are being addressed and the launch date is under discussion. Christopher confirmed delivery and testing of national digital platform components, with ongoing work on the Scott account by Scottish Government Digital. Further updates included progress on digital prescribing and dispensing pathways, with procurement underway for delivery partners and continued development of National Digital Platform (NDP) components. Christopher also referenced a paper in production addressing risks from the digital prioritisation process, which will be presented to the Executive Team to support extended digital requirements in the next financial year.
- 8.1.6 The Committee asked about the viability and risk assessment of rolling out the digital front door to the whole population by April 2026, given its high political

profile and additional funding. Christopher Wroath confirmed that technical delivery is viable and risks have been appropriately assessed. However, he expressed concern about public reception due to reduced functionality in the April version compared to the December Lanarkshire release. He emphasised that the main risk relates to communications and expectation management rather than technology, and noted that efforts are focused on public messaging. The Committee commented that the MyCare.Scot was recently demonstrated to the First Minister and requested a demonstration for the Board at the next meeting. The Committee also asked whether the original plan for Lanarkshire to expand to other specialties and boards is now suspended due to the whole-population rollout. Christopher confirmed that expansion is paused to redirect resources to national infrastructure for the April launch.

Action: CW

- 8.1.7 The Committee thanked all for their contributions to the Lead Executives report and confirmed it provided the necessary assurance.

9. Technology and Information

9.1 Digital Learning Infrastructure – Gateway Review

- 9.1.1 The Committee Chair invited Kevin Kelman to introduce this report. Kevin Kelman reported that the digital learning infrastructure programme received an Amber-Green rating in the recent external Gateway review, which is considered positive compared to most programmes that are rated Amber. The most significant recommendation is to engage an external partner to evaluate the current educational technology offer, driven by rapid advances in the field and challenges in recruiting technical staff on standard contracts. Kevin confirmed that a partner has been procured to support this evaluation and assist in developing the full business case.
- 9.1.2 The Committee raised Recommendation 6, highlighting the complexity of engaging with the diverse social care sector. It was noted that many providers have their own systems or lack systems entirely and questioned how the programme would avoid imposing costly requirements on smaller organisations. Kevin Kelman acknowledged the complexity and explained that a dedicated workstream has been established to address social care workforce issues. This workstream is led by Angela Fulton from the Social Care Directorate and is designed to ensure diverse stakeholder input.

- 9.1.3 The Committee confirmed the gateway review provided the necessary assurance.

9.2 Digital Learning Infrastructure – Business Case – Verbal Update

- 9.2.1 The Committee Chair invited Christopher Wroath to provide an update on the Digital Learning Infrastructure (DLI) Business Case. Christopher reported that the full business case for the DLI programme is being revised across all five sections, with completion expected in February. Once finalised, it will be submitted to the Chief Executive and progress through the standard governance pathways. This update and timeline align with recommendations from the recent Gateway review,

which was positive and supportive, helping to redirect work to ensure the business case meets expectations.

9.3 NIS Audit 2025

- 9.3.1 The Committee Chair invited Christopher Wroath to introduce this report. Christopher Wroath reported a 94% score in the latest NIS audit, marking an improvement from the previous year. He highlighted significant changes underway in the NIS process, noting that current audits may not provide the necessary assurances, and expressed support for the ongoing developments in this area. The Committee requested an update on the future NIS audit arrangements at the next Committee meeting. **Action: CW**

- 9.3.2 The Committee Chair thanked non-executive colleagues for their strong attendance at the NIS meeting, emphasising that this demonstrates the organisation's commitment to its responsibilities.

- 9.3.3 The Committee noted the report and confirmed it provided the necessary assurance.

10. Finance

10.1 Finance Report

- 10.1.1 The Committee Chair invited Jim Boyle to introduce the finance report. Jim Boyle presented the detailed Quarter 2 Finance Report, covering the period up to the end of September. He highlighted a forecast year-end underspend of £3 million, primarily due to lower recruitment in dental and psychology trainee programmes and delays in the Digital Learning Infrastructure programme. Jim noted ongoing work to analyse the reasons for under-recruitment and underspends. An improved funding position compared to previous years was reported, with significant allocations recently confirmed. Key financial risks were outlined, including those related to NHS delivery. Jim also provided updates on funding for the Digital Front Door project and flagged potential future costs associated with Westport dilapidations.
- 10.1.2 The Committee Chair thanked Jim for the introduction and opened the report for questions.
- 10.1.3 The Committee thanked Jim for the clear finance report and raised questions about the high levels of vacancy lag and cash-releasing savings. It was noted that both the £3 million underspend and £10.4 million in cash-releasing savings exceeded budget expectations and asked whether these surpluses present any risks to the Board. Jim Boyle explained that the majority of the cash-releasing efficiency savings (£9.2 million) were planned in response to a Scottish Government request, with the additional savings mainly due to vacancy lag. He confirmed that further analysis is underway to understand the causes, including recruitment challenges. Jim clarified that while achieving financial targets is positive, under-recruitment in critical programmes poses a concern for future workforce pipelines. He does not consider the current financial position to present

major risks to the Board but noted that some savings are non-recurring, which will be a challenge for the next financial year.

- 10.1.4 The Committee queried the £9.2 million Cash Releasing Efficiency Savings target, noting it was exceeded by £1.2 million, mainly due to higher vacancy lag. He asked whether most savings were achieved by delaying or avoiding recruitment and expressed a preference for savings through process improvements rather than vacancy delays. Angus also requested an update on ongoing process improvement work and its effectiveness in generating savings. Jim Boyle clarified that approximately £2.75 million of the £9.2 million savings resulted from normal vacancy lag, with the remainder from consciously not filling vacancies due to programme delays or changes, as well as property reconfiguration and other efficiency measures. He acknowledged concern about the higher-than-expected vacancy lag and confirmed further analysis is underway to understand causes, including potential impacts from the formation of NHS Delivery. Jim highlighted ongoing and future process improvement initiatives, such as the HR transformation project and the upcoming business systems replacement programme, which is expected to deliver significant efficiency savings. Alan Young added that internal recruitment often creates further vacancies at lower bands, leading to longer recruitment gaps. He noted that annual pay awards increase the value of vacancy savings each year and confirmed that work is ongoing to analyse these patterns and reduce related risks. Christina Bichan explained that process improvement work has enabled changes in the shape of posts, improving workforce resilience without additional investment. She noted that new ways of working have allowed the organisation to extend workloads and upskill staff, using the workforce more flexibly. Tools such as Co-pilot have supported staff to work across different roles, helping the organisation manage increased workloads with existing resources, even if these improvements do not always directly translate into cash-releasing savings.
- 10.1.5 The Committee asked about the apparent absence this year of the financial impact from medical trainee numbers, specifically referencing the typical drop-off rate of around 28% from initial appointment to completion. It was noted that this usually results in significant savings and sometimes requires returning funds at year-end, and questioned whether this factor had disappeared or remains a risk. Jim Boyle confirmed that the issue persists. He explained that the organisation routinely recycles funding each year to compensate for underfunding in resident doctor expansion programmes, with a recurring need to claw back funding when doctors work less than full time. This process accounts for over £20 million annually. Jim noted that while this is managed, there is a risk in some years that the target may not be achieved, but there is a government guarantee to underwrite any shortfall. Jim Boyle also highlighted that the increasing number of doctors opting for less than full-time work is putting pressure on frontline staffing, which is being reviewed further by the relevant committee.
- 10.1.6 The Committee confirmed the finance report provided the necessary assurance.

11. Performance Items

11.1 Governance of externally commissioned activity

- 11.1.1 The Committee Chair invited Jacqueline Melville to introduce this report. Jacqueline summarized the findings from internal governance reviews of external programmes, including digital front door, leading to change, and the centre for workforce supply, following previous deep dives into digital prescribing, remote care, and the national digital platform. It was noted that each programme now has its own improvement plan, with best practices being shared across the organisation. Three breakthrough teams were established focusing on measuring benefits and impact, optimizing stakeholder engagement, and improving the commissioning process, all of which are interrelated. By December, all remaining deep dives will be completed, after which there will be a focused session to refine internal governance and ensure the executive team receives timely and appropriate information.
- 11.1.2 The Committee asked about the main reasons for previous issues in externally commissioned programmes, specifically whether these were due to planning problems, and what corrections were made to address them. The Committee also inquired about how scope changes and governance were managed, and whether there was any connection to end users or if the focus was only internal. Jacqueline explained that the main issues stemmed from lack of clarity in the commissioning process and scope changes, which were addressed by establishing clear governance structures and robust change control. It was emphasized that the importance of starting with benefits and strategic alignment from the outset, rather than rushing into delivery. On external engagement, Jacqueline stated that the approach is outward-looking, aiming to meet stakeholder expectations and ensure strategic and governance alignment for full investability.
- 11.1.3 The Committee described the previous situation as “creeping excellence”, where scope and requirements continually changed. The Committee emphasised the importance of linking governance to user needs rather than focusing solely on internal planning. Jacqueline Melville confirmed that stakeholder engagement remains a key component of the governance process. Stephen McNamee explained that work is underway to map benefits and maintain a “golden thread” from key Scottish Government strategies through to programme delivery. This approach ensures benefits realisation is aligned with public sector priorities and citizen outcomes. The process is being implemented across external programmes and will be strengthened over time.
- 11.1.4 The Committee asked whether there is an evaluation model at the end of these programmes to assess overall success, rather than focusing solely on the approach taken. Jacqueline Melville responded that while each programme will have different benefit and impact measures due to their unique strategic and governance alignments, the internal governance process for external programmes is designed to capture this evaluation. It was noted that an upcoming meeting will review how these measures have been incorporated into the executive process.
- 11.1.5 The Committee highlighted the issue of duplicated leadership and management training programmes across the NHS and expressed hope that the *Leading to Change* programme would support a “Once for Scotland” approach, reducing duplication and ensuring unified delivery. Christina confirmed that a key driver in

the establishment of NHS Delivery is increasing “Once for Scotland” provision and indicated that related themes would appear in the draft NES consultation response for NHS delivery which Board members would shortly be reviewing. The Committee supported this direction, noting that the health service is moving toward more direct, mandated change and integration, referencing the new national planning areas and the ambition for the new board to drive change rather than simply offer it.

- 11.1.6 The Committee noted the report and the approach being taken to strengthen governance and scrutiny in this area.

11.2 Q1 Whole Board Delivery Report

- 11.2.1 The Committee Chair welcomed Alison Shiell to the meeting to introduce this report. Alison Shiell introduced the Quarter 2 Whole Board Delivery Report, noting that it provides an update on NES performance against the 2025/26 annual delivery plan and is presented for Committee review prior to submission to the public Board. Alison highlighted that 87% of deliverables are complete or on track, representing a 2% improvement from Quarter 1, with 20 deliverables experiencing minor delays and two facing significant delays. The report now more clearly outlines mitigating actions and includes details of delays caused by funding issues, as requested by the Board. Amendments to the delivery plan are incorporated, and the number of deliverables dependent on Scottish Government funding has reduced from 13 to two. Overall, performance is slightly improved compared to previous years, despite additional work associated with NHS delivery establishment. Alison summarised the main reasons for delays and confirmed that mitigating actions are detailed within the report.
- 11.2.2 The Committee thanked Alison Shiell for a well-written, readable report and the report was opened for questions.
- 11.2.3 The Committee asked about the impact of the red and amber deliverables in the report, expressing concern about whether there were any hidden risks or major issues that should worry the Committee. Alison Shiell responded that the current position is better than the previous year and acknowledged that some large projects, such as Digital Front Door and Digital Learning Infrastructure, are among those experiencing delays. Christina Bichan assured the committee that the executive team scrutinises the report thoroughly and that all risks and mitigations are well understood and actively managed. Christina explained that most delays represent minor slippages in timing rather than failures to deliver, often due to evolving project requirements or unclear asks from government. Christina confirmed that there are no major concerns requiring additional action beyond what is already in place.
- 11.2.4 The Committee asked whether each deliverable that moves into red status is individually assessed for risk by the executive team and whether the reasons for status changes are discussed. Christina confirmed that the executive team reviews the report in draft form, considers changes to deliverables, and relies on directorates to manage risks internally and escalate them as required, in line with established risk management mechanisms.

- 11.2.5 The Committee asked for clarification on the reduction in funding delays, noting that table four appeared to show five delayed items. The Committee also sought context on the psychology e-learning resources figure, questioning whether the 57,000 accesses were for this financial year or cumulative, and whether this represented a good result. Alison Shiell explained that two deliverables are still awaiting Scottish Government funding, while others received funding late and remain affected by delays; she confirmed that this will be clarified in future reports. Regarding the psychology e-learning resources, it was also confirmed that the 57,000 accesses are for the 2025/26 year and that this meets the target, adding that this will be made clearer in the report.
- 11.2.6 The Committee asked about the red status for the GP Practice Manager CPD deliverable, noting that although funding delays led to changes in delivery, the team is now delivering something different from the original plan. The Committee questioned whether it should still be classified as red, given the change in scope and timing. Alison Shiell explained that the programme's delivery method changed due to funding issues, resulting in a completion date delay to May 2026, which triggered the red status based on the standard classification for delays exceeding three months. Christina Bichan agreed with the Committee, suggesting that the red classification may be too harsh since the deliverable has fundamentally changed, and committed to reviewing the status with the team. **Action: AS**
- 11.2.7 The Committee approved the Q2 delivery report for onward sequencing to the Board.

11.3 Q2 Strategic Key Performance Indicator (SKPI) Report

- 11.3.1 The Committee Chair invited Debbie Lewsley to introduce the Q2 SKPI Report. Debbie Lewsley presented the Q2 update on strategic KPIs, noting that data was reported for 80% of measures, with ongoing work to develop the remaining ones and interim solutions being piloted for education metrics. It was reported that 60% of SKPIs had a green status, representing a slight decrease from the previous period, and confirmed that broad parameters are now set for all but one metric. The annual SKPI review was completed and presented to the board, with positive highlights including 100% utilisation of workforce data by service providers and all programmes meeting agreed saving plans. Debbie Lewsley noted a decrease in advertised vacancies and an increase in sickness absence, although NES compares well to other boards. It was proposed changing vacancy thresholds to whole numbers for clarity, as endorsed by the Staff Governance Committee. Amendments to clarify wording for certain SKPIs were also proposed, and a new dashboard format for KPI data was introduced, with committee approval sought for these changes.
- 11.3.2 The Committee Chair thanked Debbie Lewsley for the introduction and opened the report for questions.
- 11.3.3 The Committee raised concerns about the lack of centralised data on two critical questions: what learners thought of their learning experience and what difference it made to their practice, emphasising that without this information the organisation

is at risk. It was acknowledged that detailed evaluation data exists at programme level, such as within the Academy, but not centrally, and expressed worry that efforts to address this may be lost during the transition to NHS Delivery. The Committee stated that regardless of the timing of organisational change, it is essential for an educational organisation to produce data demonstrating that its training and development meet requirements and deliver the right outcomes. Christina Bichan assured the committee that work on centralising learning evaluation and impact data is progressing and will remain a delivery priority throughout the transition to NHS Delivery, with these objectives built into operational planning for the next year.

- 11.3.4 The Committee praised the new KPI dashboard and asked why Karen Reid is still listed as lead director for some people KPIs instead of Sybil Canavan, why KPI 25 (service providers using workforce data) consistently reports 100% and whether it includes health and social care partnerships or universities, and at what point plateauing KPIs are reviewed for stretch targets. Christina Bichan responded that Karen Reid was still the lead for Quarter 2 and Sybil Canavan will be listed from Quarter 3. She explained that KPI 25 is expected to evolve as the workforce observatory develops, moving from simply providing data to potentially taking a greater leadership role in workforce planning as the organisation transitions into NHS Delivery, and confirmed that monthly reviews with metric owners ensure performance is assessed and targets reconsidered if needed. The Committee acknowledged the explanations provided and welcomed the dashboard's usefulness for Board-level challenge. **Action: DL**

- 11.3.5 The Committee noted a concern that metric owners may be reluctant to change targets when results are consistently 100%, and suggested this should be considered in future reviews.

- 11.3.6 The Committee then asked whether the new Population Health Group will have its own key performance indicators, given its importance, and suggested Christina Bichan discuss this with colleagues. Christina Bichan agreed to take this suggestion forward and consult with the relevant leads. **Action: CBI**

- 11.3.7 The Committee approved the Q2 SKPI Report.

11.4 Equality and Diversity Mid-Year Report

- 11.4.1 The Committee Chair invited Christina Bichan to introduce this report. Christina introduced the mid-year Equality, Diversity, and Inclusion report, noting that it is the first produced under the new strategy and highlights progress on legislative requirements, equality outcomes, the anti-racism action plan, and efforts to create an inclusive workplace for staff and learners. Christina emphasised new work supporting anti-racism across health and social care and outlined the establishment of a new Commission to build capability on international human rights treaties, with plans to extend this work into the next financial year.
- 11.4.2 The Committee asked about the policy for remunerating people with lived experience who inform NES's work, highlighting challenges such as impacts on benefits and student loans, and requested future updates on how these issues are

being addressed and tested. Christina explained that the policy is newly developed and testing is in its early stages, with ongoing work led by Gordon Paterson as part of the corporate improvement programme. She committed to providing an update in the next executive leads report on how remuneration is being managed and tested.

Action: CBI

- 11.4.3 **Governance Note – At this point in the meeting both Annie Gunner Logan and Jean Ford had to leave. The meeting was then not quorate and therefore no further decisions could be taken.**

11.5 Q2 Complaints Report

- 11.5.1 The Committee Chair invited Rob Coward to introduce this report. The Committee receives reports on complaints received by NES in the previous quarter. These reports detail the complaints received, adherence to complaint handling standards and the complaint outcomes. The purpose of this paper was to provide assurance about the handling of NES complaints in quarter two 2025-26. It was noted that five complaints were handled in the last quarter, which was about half the number from the previous quarter. Four were managed at stage one (front line), one at stage two, and only one was partially upheld.

- 11.5.2 The Committee asked whether there were general lessons to be learned from the complaints, observing that most related to process issues such as delays or lack of communication, particularly for trainees who may feel disconnected from NES due to being hosted by other boards. Rob Coward responded that the complexity of relationships with placement boards can make communication challenging but acknowledged that there are lessons to learn about keeping trainees updated. He noted that even when complaints are not upheld, process enhancements are often made.

- 11.5.3 The Committee noted the report.

12. Transformation and Corporate Improvement

12.1 Corporate Improvement Highlight Report

- 12.1.1 The Committee Chair welcomed Stephen McNamee to the meeting to introduce this report. Stephen introduced the corporate improvement report, explaining that it provides assurance that the programme is delivering key internal transformation priorities as NES prepares for transition to NHS Delivery. It was highlighted that the programme structure has matured, now comprising four Tier 1 programmes, and confirmed that HR transformation has moved to business as usual. Stephen noted the introduction of three- and six-month delivery plans to improve sequencing and visibility, streamlined governance arrangements, and tangible progress across all programmes. It was reported that risks remain stable and well controlled, with a focus on embedding improvements for transfer to NHS Delivery.
- 12.1.2 The Committee commented that the report demonstrates the robustness of the current corporate improvement approach, contrasting it with the previous, more ad hoc system, and expressed confidence in the improvements. The Committee

noted that the Staff Governance Committee were able to sign off on the HR transformation plan and move it to business as usual, crediting the team for maintaining pace and momentum for change.

- 12.1.3 The Committee thanked Stephen and colleagues for the report noting that it was helpful.

13. Governance

13.1 Planning and Performance Committee Terms of Reference

- 13.1.1 Drew McGowan introduced the scheduled annual review of the Planning and Performance Committee's terms of reference, noting that this was the first review since the Committee's creation. He confirmed that no material changes were recommended, with only minor updates such as job titles and names to be made as part of the broader corporate governance review. Drew also advised that, due to the meeting not being quorate, no formal agreement could be sought, but feedback could be provided by email.
- 13.1.2 The Committee added that the review should regularly assess the Committee's skills matrix to ensure the right skills are present for effective operation. He noted that this assessment would need to be postponed until quorate approval could be received.

14. Items for noting/homologation

14.1 Digital Learning Infrastructure Programme Board minutes

- 14.1.1 The Committee noted the Digital Learning Infrastructure Programme Board minutes.

15. Committee Effectiveness

- 15.1 The Committee Chair stated that the Committee is well served by lead executives and directors, with the right people attending and presenting at the appropriate level. The Committee Chair noted that the main area for improvement is ensuring quorum, as the lack of quorum in this meeting prevented decisions from being made, and this should be addressed for future meetings. The Committee Chair clarified that the Committee usually adjusts the agenda if quorum issues are anticipated, but on this occasion the problem was unexpected due to an emergency situation.

16. Any other business

- 16.1 There was no other business to discuss.

17. Date and time of next meeting

- 17.1 The next meeting of the Planning and Performance Committee will be held on 28 January 2025, 10:15am – 12:45pm as a hybrid meeting.

NES
CD/
Dec 2025

NHS Education for Scotland

EDUCATION & QUALITY COMMITTEE

11 September 2025 from 10:15am to 12:45pm

Approved minutes of the twentieth meeting of the Educational & Quality Committee (EQC) held on Thursday 11 September 2025 as a hybrid meeting, in person at the Westport Office, Edinburgh and via Microsoft Teams

Present: Annie Gunner Logan, Committee Chair, Non-executive Director
Olga Clayton (OC), Non-Executive Director
Shona Cowan (SC), Non-Executive Director
Nigel Henderson (NH), Non-Executive Director
George Valiotis (GV), Non-Executive Director

In Attendance: Rob Coward (RC), Principal Educator, Executive Secretary
Lindsay Donaldson (LD), Deputy Medical Director
Chris Duffy (CD), Senior Admin Officer, Minute-Taker
Jess Elsey (JE), Head of Programme, Organisational Development
Janice Gibson (JG), Associate Director, Organisational Development
Louise Harker (LH), Boardroom Apprentice
Kevin Kelman (KK), Director of NHSS Academy, Learning and Innovation
Debbie Lewsley (DL), Manager, Planning
Drew McGowan (DMcG), Board Secretary, Planning
Laura McKie (LMcK), Senior Specialist Lead, NHSS Academy, Learning and Innovation
Gordon Paterson (GP), Director of Social Care and Communities
Lorraine Scott (LS), Associate Manager, Planning
Emma Watson (EW), Medical Director and joint EQC Executive Lead
Dylan White (DW), Head of Programme, NHSS Academy, Learning and Innovation
Karen Wilson (KW), Executive Director of Nursing, Deputy CEO and joint EQC Executive Lead

1. Welcome and Introductions

- 1.1 The Committee Chair welcomed all to the meeting. A particular welcome was given to Drew McGowan, Board Secretary who was joining his first meeting.

2. Apologies for absence

- 2.1 Apologies were received from David Garbutt, Board Chair, Karen Reid, Chief Executive and Accountable Officer and Ryan Reed, Head of Programme, NHS Scotland Academy, Learning and Innovation.

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 items of business on the agenda.

5. Draft Minutes of the meeting held on 8 May 2025

5.1 The Chair invited the Committee to review the draft minutes from the 8 May 2025 EQC meeting.

5.2 The Committee approved the draft minute with one amendment to the spelling of the Committee Chairs name.

6. Action Status Report and other matters arising

6.1 The Chair invited the Committee to review the action status report and asked the Committee to note that it contained 13 completed actions.

6.2 The Committee approved the action status report.

7. Education & Quality Executive Leads Report

7.1 The Committee Chair invited Karen Wilson and Emma Watson to introduce the report. Karen Wilson firstly highlighted to the Committee a critical emerging issue related to Dental Technician Training. The University of Aberdeen has recently informed NES and the Scottish Government that it will not be progressing future intakes of the Diploma in Higher Education in Dental Technology (SCQF Level 8). This programme is currently the only one in Scotland approved by the General Dental Council (GDC) for registration as a Dental Technician. This decision has a significant impact to the workforce. NES remain committed to supporting the development of the dental technician profession. NES will continue to engage with Further and Higher Education institutions to establish a new education and training pathway. Discussions are ongoing with the Scottish Funding Council (SFC) to secure funding.

7.2 Karen Wilson highlighted the developments made in Learning and Education Quality System (LEQS) which included the development of clear operational definitions linked to the quality policy. The introduction of the Educator Capabilities Framework and further developments in the Quality Management and Enhancement (QMAE) education governance structures and processes.

7.3 The Committee requested an update on the status of NES Glaucoma Award Training (NESGAT) following the Annual Report on externally regulated programmes. The NES optometry team confirmed that the NESGAT qualification has a further External Verification visit by the SQA scheduled for the 8th September 2025 and the outcome of this visit will be included in the next Lead Executive Report. The Committee were asked to note that NESGAT has

maintained positive student and educator feedback and have had a poster accepted for the upcoming British Congress of Optometry and Vision Science (BCOVS) on the evaluation of the use of simulation around a glaucoma care clinical skill, gonioscopy.

- 7.4 Karen Wilson and Emma Watson agreed that the report showed excellent collaborative work across NES and evidenced that cross-directorate working in NES is very strong.
- 7.5 The Committee Chair thanked the Executive leads for the report and agreed that it shows work is continuing at a high standard. The report was then opened to the Committee for questions.
- 7.6 The Committee noted the ongoing work related to the NES Quality Policy and requested that a final update is scheduled for the EQC meeting on 5th March 2026.
Action: RR
- 7.7 The Committee asked what is the system for raising issues like the dental technician issue, when it is an issue to do with partners? Karen Wilson responded, Director of Dental Lee Savarrio is working with the SFC and Chief Dental Officer on this issue. Kevin Kelman confirmed active discussions are ongoing with universities and colleges. The Committee observed that this matter appeared to have arisen without prior warning and queried how NES can effectively identify potential risks. In response, Karen Wilson acknowledged this concern and noted that she has raised the issue with the Scottish Funding Council, highlighting the current absence of a dedicated forum for strategic discussions. She explained that Directors and Leads maintain individual relationships with programme providers and escalate any emerging issues to the Executive Team as appropriate. The Committee Chair expressed appreciation to colleagues for bringing this matter forward, and the Committee confirmed their confidence that NES is taking all feasible actions to address the situation, notwithstanding certain inherent limitations.
- 7.8 The Committee commended the report for raising awareness of all the fantastic education and work in NES. The updates on the once for Scotland modules and realistic medicine being embedded in curriculums were noted as really positive developments.
- 7.9 The Committee discussed the results of the National Trainee Survey and the point that stated 61% of trainees and 47% of trainers are considered to be at moderate or high risk of burnout (56% and 46% in Scotland). The Committee asked how NES are making the right people aware of this result. Emma Watson confirmed the survey results are discussed at the Scottish Association of Medical Directors (SAMD), there is training to support trainees to speak up, be leaders and to manage their wellbeing. There is a challenge at the moment due to the demands on the health and care service.
- 7.10 The Committee asked if there is still a programme that focusses on General Practitioner retention in the profession. Emma Watson confirmed that there is still support from Scottish Government on mentoring and coaching for GP colleagues.

- 7.11 Gordon Paterson raised a point as Chair of the NES Equalities and Human Rights Steering Group he invited discussion on the following survey result;
- 7.12 *Of those that completed our optional questions on discriminatory behaviours, 39% of gay and 45% of bisexual trainees (36% and 46% in Scotland) reported hearing discriminatory comments, compared to 24% of heterosexual trainees (25%). 17% of female trainees reported being ignored or excluded, compared to 13% of male trainees (18% vs 12% in Scotland). And 34% of UK graduates from an ethnic minority background report experiencing behaviours like micro-aggressions from colleagues, compared to 25% of their white colleagues (33% vs 26% in Scotland).*
- 7.13
- 7.14 Emma Watson confirmed that bystander training is really focussing on this area to create environments where resident doctors feel comfortable to speak up and speak out. It was also noted that this has been raised at SAMD, Scottish Executive Nurse Directors Group and Board Chief Executives Group.
- 7.15 The Committee requested that a paper is brought to the December EQC meeting that focusses on how NES can respond to the figures above. **Action: EW**
- 7.16 The Committee acknowledged the continued migration of additional health boards to the Turas Learn platform. Kevin Kelman further reported that constructive discussions are ongoing with those boards that have not yet completed the migration process. There is now a comprehensive understanding of the existing barriers and challenges, and it is anticipated that all remaining boards will transition to Turas Learn in due course.
- The Committee confirmed the report provided the necessary assurance.
- 7.17 The Committee Chair thanked all who contributed to this comprehensive report and noted that is an excellent resource that showcases the unique work of NES
- 7.18 and the impact the work has.

8. Annual Progress Report – National Leadership Development

- 8.1 The Committee Chair invited Janice Gibson and Jess Elsey to present the report, which provides an overview of programmes supporting the internal workforce, as well as national initiatives with an external focus. It was highlighted that programmes overseen by the Board Development Reference Group and the Line Managers Network (reported to the Staff Governance Committee) are not included. The report encompasses national succession planning, Leading to Change, the Armed Forces Talent Programme, board development, and the Trainee Management Scheme, and also addresses external commissions. It outlines the objectives of the programmes, the integration of technology, evaluation methods, utilisation of feedback, and maintenance of quality standards.
- 8.2 The Committee Chair expressed gratitude to the presenters for their comprehensive report, with particular appreciation for their responsiveness to prior Committee feedback, notably through the inclusion of evaluation and impact data

as well as a detailed breakdown of sector attendance. The Committee had previously requested information regarding knowledge networks for alumni, and Janice Gibson was invited to address this matter. Janice Gibson, together with Jess Elsey, affirmed that alumni actively contribute to the planning and development of future initiatives. Furthermore, it was noted that a dedicated report is currently being prepared to document the development and outcomes of the Leading to Change programme over the past three years. This forthcoming report will provide additional evidence concerning alumni engagement and networking within the Leading to Change initiative. It is scheduled for publication at the end of October and will be incorporated into the next Lead Executive Report.

- 8.3 The Committee acknowledged the strong uptake and sustained interest in the 'You as a Collaborative Leader' programme and inquired about potential avenues for expanding the initiative or transferring its skills and knowledge to other programmes. Janice Gibson explained that this work is integral to the operational leadership success profile and outlined plans to pilot the programme to assess its accessibility within the public sector. Additionally, collaborative efforts are underway with the Scottish Prison Service over the coming four months.

- 8.4 The Committee asked within the Leadership courses has there been extremely good attendance and outcomes? Would NES have expected to see a higher level of confidence in applying skills back to their work and what has been learnt there? Janice Gibson replied, it is expected that this is due to the conditions in their organisations or the appetite of their leadership teams to embrace different ways of working. This is, however, worthy of further exploration and something to pick up with alumni.

- 8.5 The Committee observed that participation is diverse, and the proportion of health and social care involvement appears appropriate. Members discussed methods for ensuring that the intended audience is being reached. Janice Gibson stated that programmes are designed to engage relevant individuals and consider input from the system, though acknowledged that further evaluation is needed to confirm effectiveness. Janice Gibson agreed to address this as an area for improvement in future reports. **Action: JG**

- 8.6 The Committee noted that although social care staff numbers are increasing, they remain low compared to the overall workforce. Efforts continue to attract more workers and leaders, with a focus on leadership development needs across different groups. Collaboration with the University of Strathclyde, SSSC, and Gordon Paterson's team has led to a funding proposal for resources to support social care supervisors—identified as a priority. The initial bid was unsuccessful, but a second application is in progress.

- 8.7 The Committee noted that some courses are in high demand and oversubscribed. They questioned whether NES can increase course frequency and if funding is sufficient. Janice Gibson acknowledged more budget is needed but stated NES operates within current financial limits.

- 8.8 The Committee asked how many participants of the aspiring CEO programme have become a CEO? Janice Gibson confirmed that 9 have been successful. Over

2 years there has been 12 CEX appointments, 8 of these posts arose due to retirements and the other 4 due to internal NHS Scotland promotions. This has created opportunities for these posts to be filled with promotions from existing NHS Scotland Chief Execs (4 Boards) Executive Director and IJB Chief Officer cohorts (5 Boards), the wider Scottish public sector (1 board) and the NHS in England (2 boards)

- 8.9 The Committee approved the report and confirmed it provided the necessary assurance. Janice Gibson, Jess Elsey and their teams were thanked for an excellent report.

9. EQC Strategic Key Performance Indicators (SKPIs)

- 9.1 The Committee Chair invited Debbie Lewsley to introduce the report which presented the EQC quarter one delegated SKPIs update for 2025-26. In addition the Committee were asked to note the approval by the NES Board of the new dashboard format for the quarterly reporting of SKPIs to the NES Board and Committees.

- 9.2 There are 17 SKPIs delegated to the EQC, spanning 24 individual metrics. SKPI RAG summary detailed 13 SKPIs as Green, 2 as Amber, 0 as Red, 1 as Blue (Complete) and 8 with RAG parameters to be set.

- 9.3 The Committee Chair thanked Debbie Lewsley for the introduction and opened the report to questions.

- 9.4 The Committee expressed ongoing concerns regarding the number of SKPIs for which data is currently unavailable, particularly in the context of the forthcoming organisational transition. Karen Wilson advised that a business analyst has now been appointed to develop recommendations for addressing this issue, including outlining the necessary funding for implementation. It was acknowledged that comprehensive reporting on SKPIs lacking data will not be possible within the current financial year; however, recommendations concerning the future handling of these SKPIs will be provided. An imminent review of SKPIs will consider whether those without data are appropriate and critical measures of performance, and whether their framing requires modification. Karen Wilson confirmed that these aspects are under active consideration, with Digital Learning Infrastructure playing a central role in reshaping the SKPIs. In the short term, this work will help inform the approach. Kevin Kelman added that, once Digital Learning Infrastructure is in place, data collection will be significantly enhanced, though current complexities preclude this. The Committee enquired about direct engagement with the business analyst; Karen Wilson responded that, while this is not possible at present, a short-term solution report will be presented to the Committee, affording members the opportunity to raise questions. **Action: KW**

- 9.5 The Committee approved the SKPI report.

10. NES Annual Research Governance Report, Research and Innovation Governance Policy and Update on Research and Innovation Plan

- 10.1 The Committee Chair welcomed Jan Clarkson to the meeting who provided an update on actions associated with the Research and Innovation Plan. The Research and Innovation Governance Policy was also provided. Rob Coward was also welcomed to the meeting to introduce the NES Annual Research Governance Report.
- 10.2 The Committee thanked Jan Clarkson for the update which the Committee requested at the last meeting. It was clear to see the once for NES approach has been implemented.
- 10.3 The Committee Chair opened the reports for questions and comment.
- 10.4 The Committee expressed its appreciation to colleagues for their exemplary work, which provides a coherent progression from the plan presented at the previous meeting. The absence of comments from the Committee serves as testament to the high standard of the reporting. The work undertaken has effectively addressed the Committee's requirements and positions the organisation favourably for future strategic discussions. The Committee also emphasised the importance of incorporating evaluation mechanisms from the inception of any innovative initiatives.
- 10.5 The Committee approved the NES Learning and Education Research and Innovation Governance Policy and noted the NES Annual Research Governance Report and Research and Innovation Plan update.

11 Career Pathways Planning Update

- 11.1 The Committee Chair invited Dylan White and Laura McKie to introduce this presentation which provided an update on Earn as You Learn, foundation, modern and graduate apprenticeships. It was noted that for Foundation apprenticeships there is 1 option specific to social care and in modern there are 3 frameworks specific to health roles.
- 11.2 The Committee chair thanked Dylan White and Laure McKie for the update which the Committee requested at their last meeting and opened the update for questions.
- 11.3 The Committee observed that a considerable number of apprenticeship positions remain frozen, which poses challenges in securing additional placements. There were inquiries regarding the extension of opportunities to individuals over the age of 25, including those undertaking career transitions. Laura McKie indicated that there has been an increase in trainees above the age of 25 in the workforce, aided by existing funding, particularly through Healthcare Support Worker apprenticeship frameworks. Trainers commonly request further contributions towards costs, and there are ongoing discussions about the value received for these payments. Consideration is being given to how NES can participate in policy discussions, particularly in relation to the evolving workforce and labour market. Kevin Kelman thanked Dylan White and Laura McKie for delivering a joint Board Development Session with the Scottish Government Workforce Team. The

- 11.4 session will focus on a Once for Scotland approach, utilizing NES data in this area.
- 11.5 The Committee noted the update.
- 12 Learning and Education Quality System (LEQS) – Update on implementation**
- 12.1 The Committee Chair invited Kevin Kelman to introduce a presentation on the whole LEQS programme to scope out what is achievable in the next 3 to 6 months.
- 12.2 The Committee Chair thanked Kevin Kelman for the update and opened up the update for questions.
- 12.3 The Committee asked about learner engagement in the development of resources being a deliverable out of scope and asked if this is correct. Rob Coward confirmed that learner engagement will not be part of the Digital Learning Infrastructure work before March 2026. The Committee also asked where the involving people and communities framework sits within this. Gordon Paterson confirmed this framework has recently been approved and will be shared more widely. An associated remuneration policy has been developed and now work is underway on standard operating procedures. The ambition is to bed in this framework before the transition to NHS Delivery.
- 12.4 The Committee asked if NES/NHS Delivery still aim to be a credit rating body by 2027. Karen Wilson and Kevin Kelman confirmed this is still the target.
- 12.5 The Committee noted the update and confirmed it provides the necessary assurance.
- 13. Education & Quality Strategic Risks**
- 13.1 The Committee Chair invited Rob Coward to introduce the report.
- 13.2 Rob Coward advised that there is 1 strategic risks relevant to EQC. Strategic Risk 11 (relating to poor learning outcomes and learning experience for our stakeholders), the net likelihood risk score has been increased due to the uncertainty of the timing of the relocation of Westport and the potential impact this could have on access and quality of training facilities. This assessment has resulted in the overall net risk rating being increased from 9 to 12, the risk continues to sit within the agreed Board appetite. An additional action of scoping of alternative training venues has been identified to support in the mitigation of this risk materialising. The risk will continue to be reviewed with the potential of being reduced when final plans are in place.
- 13.3 The Committee were also provided with an overview of directorate risk reporting which are aligned to EQC for noting.
- 13.4 The Committee noted the report and confirmed that the risks delegated to EQC are managed effectively.

14. Clinical and Care Assurance Group (CCAG) Report

- 14.1 The Committee Chair invited Emma Watson to introduce this report which provided EQC with assurance on matters considered by the CCAG at its meeting on 20 August 2025. It summarises key discussion points, agreed outcomes, and areas of risk or assurance aligned to the Groups terms of reference.
- 14.2 The Committee Chair thanked Emma Watson for the introduction and opened the report for questions.
- 14.3 The Committee asked if this newly established group is fulfilling its function. Emma Watson confirmed that the group has started good work already and there is scope for more. It was noted that a lot more work could fall under this group when NES transitions to NHS Delivery. NSS have a clinical governance committee and this group could link with that but it was important to note the framework for discussing clinical governance in the education space should be maintained.
- 14.4 The Committee noted this report and confirmed it provides the necessary assurance.

Items for noting

15. Consultation Log

- 15.1 The Committee noted the consultation log.

16. Educational Leadership Group Annual Report

The Committee noted the Educational Leadership Group Annual Report

16. Scottish Government and NES Educational policies

- 16.1 There were no policies to report at this meeting.

17. Committee Effectiveness

- 17.1 The Committee confirmed that reports to the Committee had communicated relevant information at the right frequency, time, and in a format that was effective. The Committee felt that they had benefited from the right level of attendance. The Committee confirmed the papers were of good standard and quality.

18. Any other business

- 18.1 There was no other business.

19. Date and time of next meeting

- 19.1 The next meeting of the Education and Quality Committee will be held on 4 Dec 2025, 10:15am – 12:45pm as a hybrid meeting.

NES
CD
October 2025

Approved by Annie Gunner Logan 31st October 2025