

## AGENDA

### A MEETING OF THE NHS FIFE AUDIT & RISK COMMITTEE WILL BE HELD ON FRIDAY 23 JUNE 2023 FROM 2PM TO 4.30PM VIA MS TEAMS

*Note: There will be a pre meeting of Non-Executive Members only at 1.30pm.*

**Alastair Grant**  
Chair

1. Apologies for Absence **(AG)**
2. Declaration of Members' Interests **(AG)**
3. Minutes of Previous Meeting held on Wednesday 15 March 2023 **(AG)** (enc)
4. Action List **(AG)** (enc)
5. Matters Arising
  - 5.1 Chief Internal Auditor Appointment Process **(MM)** (enc)
6. **ANNUAL ACCOUNTS**
  - Assurance & Annual Reports**
  - 6.1 Final Audit & Risk Committee Annual Assurance Statement 2022/23 **(GM)** (enc)
  - 6.2 Committee & Directors' Annual Assurances for 2022/23 **(GM)** (enc)
    - Clinical Governance Committee
    - Finance, Performance & Resources Committee
    - Public Health & Wellbeing Committee
    - Remuneration Committee
    - Staff Governance Committee
    - Executive Directors' Assurance Letters
  - 6.3 Letter from Audit & Assurance Committee Chair - Fife Integration Joint Board **(MM)** (enc)
  - 6.4 Internal Audit Annual Report 2022/23 **(TG)** (enc)
  - 6.5 Service Auditor Reports on Third Party Services **(KB)** (enc)
  - 6.6 External Annual Audit Report (including ISA 260) 2022/23 **(CB)** (enc)
  - 6.7 NHS Fife Independent Auditor's Report - Including Draft Letter of Representation **(CB)** (verbal)
  - NHS Fife Annual Accounts 2022/23 & Governance Statement**
  - 6.8 Governance Statement and NHS Fife Annual Accounts for the Year Ended 31 March 2023 **(CP/MM)** (enc)
  - 6.9 Annual Assurance Statement to the NHS Fife Board 2022/23 **(AG)** (enc)
  - NHS Fife Patients Funds Accounts 2022/23**
  - 6.10 Patients' Private Funds – Receipts and Payments Accounts 2022/23 & Audit Report **(KB/MM)** (enc)

*Under the terms of the Public Finance & Accountability (Scotland) Act 2000, the Board is not permitted to make the Accounts publicly available prior to the Audited Accounts being formally laid before Parliament. These papers are therefore not included in this pack.*

- 7. INTERNAL AUDIT**
  - 7.1 Internal Audit Annual Plan 2023/24 **(TG)** (enc)
  
- 8. RISK**
  - 8.1 Final Annual Risk Management Report 2022/23 **(MM)** (enc)
  - 8.2 Corporate Risk Register **(MM/AG)** (enc)
  
- 9. HEALTH BOARD PARTNERSHIP**
  - 9.1 National Services Scotland Practitioner Services Partnership Agreement April 2023 – March 2028 **(MM)** (enc)
  
- 10. WORKPLAN**
  - 10.1 Delivery of Annual Workplan 2023/24 **(MM)** (enc)
  
- 11. ESCALATION OF ISSUES TO NHS FIFE BOARD**
  - 11.1 Chair's comments on the Minutes / Any other matters for escalation to NHS Fife Board (verbal)
  
- 12. ANY OTHER BUSINESS**

Date of Fife NHS Board Meeting to Approve Annual Accounts: **Tuesday 27 June 2023 at 9.30am** in person

Date of Next Meeting: **Thursday 31 August 2023 at 2pm** via MS Teams

## **Fife NHS Board**

Unconfirmed

### **MINUTE OF THE AUDIT & RISK COMMITTEE MEETING HELD ON WEDNESDAY 15 MARCH 2023 AT 2PM VIA MS TEAMS**

#### **Present:**

Alastair Grant, Non-Executive Member (Chair)  
Cllr David Graham, Non-Executive Member  
Anne Haston, Non-Executive Member

#### **In Attendance:**

Kevin Booth, Head of Financial Services & Procurement  
Chris Brown, Azets  
Pauline Cumming, Risk Manager  
Tony Gaskin, Chief Internal Auditor  
Barry Hudson, Regional Audit Manager  
Amy Hughes, Azets (*observing*)  
Karen Jones, Azets  
Gillian MacIntosh, Head of Corporate Governance & Board Secretary  
Sally McCormack, Associate Medical Director for Emergency Care and Planned Care (*observing*)  
Margo McGurk, Director of Finance & Strategy  
Alan Mitchell, Thomson Cooper (*for item 8.3 only*)  
Hazel Thomson, Board Committee Support Officer (Minutes)

#### **Chair's Opening Remarks**

The Chair welcomed everyone to the meeting. A welcome was extended to Dr Sally McCormack, Associate Medical Director for Emergency Care and Planned Care, who is participating in the Developing Senior Systems Leadership course, and joined the meeting as an observer.

The NHS Fife MS Teams Meeting Protocol was set out and a reminder given that the notes are being recorded with the Echo Pen to aid production of the minutes.

#### **1. Apologies for Absence**

Apologies were received from members Aileen Lawrie (Non-Executive Member) and Kirstie MacDonald (Non-Executive Member), and attendee Carol Potter (Chief Executive).

#### **2. Declaration of Members' Interests**

There were no declarations of interest made by members.

### 3. Minute of the last Meeting held on 5 December 2022

The minute of the last meeting was **agreed** as an accurate record.

### 4. Action List / Matters Arising

The Audit & Risk Committee **noted** the update provided and the closed item on the Action List.

## 5. GOVERNANCE MATTERS

### 5.1 Losses & Special Payments Quarter 3 Report (Oct – Dec 2022)

The Head of Financial Services & Procurement reported that the number of losses for quarter 3 are comparable with the previous quarter. It was noted that the value of losses has increased due to the clinical *ex-gratia* compensation payments. It was advised an analysis has been carried out on the payments outwith any legal settlements, and no further investigation is required at this time. Assurance was provided to members that the current position covering the first three quarters of 2022/23 remains below the full year position reported to the Scottish Government during the 2021/22 Annual Accounts process.

A Haston, Non-Executive Member, highlighted the increased clinical *ex-gratia* compensation payments for quarter 3 and asked if it would be beneficial for the Committee to be provided with an annual summary, for comparison. The Head of Financial Services & Procurement advised that the yearly report will be provided at the next Committee meeting, and he noted that the Annual Report is provided in the Annual Accounts. The Director of Finance & Strategy added that it is difficult to forecast clinical *ex-gratia* compensation payments and difficult to project when those payments will settle and the final settlement amount. It was noted that the yearly report can be compared to the previous year, however it was highlighted that one large claim amount can skew the data.

The Committee took **assurance** from the report.

### 5.2 Committee Self-Assessment Report 2022/23

The Board Secretary advised that a self-assessment is carried out for all the Board's Standing Governance Committees on an annual basis. This paper provides the feedback for the Audit & Risk Committee. It was noted that there was a slightly lower number of respondents, due to leavers of the Committee at the end of 2022, and new members not being a position to complete the questionnaire as they had not yet experienced a meeting since joining the Committee.

An overview on the themes of the self-assessment was provided. It was advised that a training session will be carried out for the Annual Accounts process this year, which was highlighted in the report as being welcomed by members the previous year. It was noted that there were some common themes identified across all the Board's Standing Governance Committees self-assessment outcomes, such as ensuring that meeting

packs were not too voluminous. Work in the next year will attempt to address members' comments as part of a continuous improvement exercise.

A Haston, Non-Executive Member, expressed an opinion that she felt a committee review for new Members would be beneficial to add to the induction process, to help new appointees receive feedback on their initial period serving on a committee. The Board Secretary agreed this could be built into the existing appraisal process.

It was advised that a Committee Induction Handbook will shortly be produced for each of the Board's Standing Governance Committees, to help enhance new members' training around individual Committee's areas of remit.

The Committee **took assurance** from the conclusions of the self-assessment exercise.

### **5.3 Annual Review of Committee's Terms of Reference**

The Board Secretary advised that the changes proposed to the Terms of Reference (ToR) are tracked within the paper and reflects changes to the risk management processes in relation to the replacement of the Board Assurance Framework with the Corporate Risk Register. More clarity around the governance documents subject to annual review, as part of the Code of Corporate Governance, as opposed to being stand-alone, has also been added to the ToR.

The Committee **approved** this version for further consideration by the Board.

### **5.4 Publication of Blueprint for Good Governance, Second Edition**

The Board Secretary reported that the second edition of the Blueprint for Good Governance was released via a Directors' Letter in late December 2022.

It was advised that the information on what is required by Boards to implement the new Blueprint is currently limited, though a Scottish Government led event is scheduled for late April 2023 for Chairs and Non-Executives to discuss what has changed in the Blueprint and to outline the national guidance on its implementation. Training modules, via NES, will also be available, and further detail is to follow.

It was reported that NHS Highland are presently trialling a Board level-survey, which will be rolled out across all Boards. The results of this exercise will be used as a benchmark for Boards, with an action plan to be developed in response.

The Board Secretary reported that discussions have taken place with the Chief Internal Auditor and his team around potential changes to the Blueprint for Good Governance, and it was advised that the development session on the Committee Assurance Principles is complementary to the requirements of the Blueprint document. It was also advised that Internal Audit have made some changes to their regular internal audit recommendation follow-up report, to reflect the new guidance within the Blueprint document.

The Committee noted, for **assurance**, the information provided in the paper on the issuing of the second edition of the NHS Scotland Blueprint of Good Governance and the further detail still to be received on its implementation timeline.

## **5.5 Payroll Service Transfer to NSS Assurance Statement**

The Head of Financial Services & Procurement reported that the paper is presented to the Committee to provide assurance on the continuity of service.

It was advised the paper sets out a three-year plan from the current process to development of a full three-year service audit report to take assurance from, and an overview on the timelines for the audit plan was provided. It was noted the plan has been shared with Audit Scotland and Internal Auditors, and the Head of Financial Services & Procurement agreed to feed back any comments on the plan from the Committee to the Auditors.

The Chief Internal Audit highlighted the importance of service continuity linking into the service audit for assurance on reliability of the systems moving forward.

The Committee took **assurance** from the Audit Plan proposed by NSS for 2022/23 and the following two years.

## **6. RISK**

### **6.1 Corporate Risk Register**

The Risk Manager reported that the paper provides a summary of the key changes to the strategic risk profile and corporate risks which have been reported to the Board's Standing Governance Committees since the previous meeting. An overview on the updates was provided.

It was advised that the Risk & Opportunities Group will have a focus on comments and feedback received from the Board's Standing Governance Committees, particularly around the scoring of risks and target scores to ensure they are realistic and achievable. The Risk & Opportunities Group will also develop the assurance component around the corporate risks and will explore a model that will provide appropriate levels of assurance. In terms of concluding the work on the Population Health & Wellbeing Strategy, it was advised that the Risk & Opportunities Group will connect this to the Corporate Risk Register and Strategic Planning & Resource Allocation (SPRA), to ensure alignment.

The Director of Finance & Strategy reported that clearly defining specific levels of assurance, linked to the impact of risk mitigation, had been raised at other Committee meetings and she noted that this is being taken forward through the Risk & Opportunities Group.

The Chief Internal Auditor strongly welcomed the development of the Corporate Risk Register, and the Chair agreed that its introduction has been beneficial.

The Committee took **assurance** from the update.

## 7. GOVERNANCE – INTERNAL AUDIT

### 7.1 Internal Audit Framework

The Chief Internal Auditor introduced this item and summarised the main points of the paper.

The Committee:

- **Noted** the NHS Fife Specification for Internal Audit Services
- **Approved** the Internal Audit Charter
- **Approved** the NHS Fife Internal Audit Reporting Protocol and Audit Follow Up Protocol

### 7.2 Internal Audit Progress Report

The Regional Audit Manager advised that the report details activity on the Annual Audit Plan, and that the appendix describes the status of the remaining reviews since the last Committee meeting. It was highlighted that the final mid-year Internal Control Evaluation report has now been completed, with management responses now included. It was reported that outstanding work is progressing well, and the majority of field work is close to draft report stage.

The Committee took **assurance** of the progress on the delivery of the Internal Audit Plan.

### 7.3 Internal Audit – Follow-Up Report on Audit Recommendations 2021/22

The Regional Audit Manager advised that the follow-up report includes reference to the Blueprint for Good Governance in NHS Scotland, second edition. It was noted that the follow-up report has been adapted to demonstrate the requirement that actions should be addressed in the current financial year, rather than being carried forward from one financial year to the next, which is from the new guidance within the Blueprint document. The Audit follow-up protocol will also be adapted to reflect these changes and will be brought back to the next Committee meeting for approval.

The Committee took **assurance** from the current status of Internal Audit recommendations recorded within the Audit Follow-Up system. The Committee **noted** the changes to the style of Audit Follow-Up reporting to meet the related requirements of the Blueprint for Good Governance in NHS Scotland (second edition).

### 7.4 Internal Control Evaluation Report 2022/23 – Final Report

The Chief Internal Auditor advised that the draft report was presented to the Committee at the last meeting, and that it now includes management responses, which are

comprehensive. He noted that progress made over the previous year has been positive, particularly in relation to good governance.

The Committee took **assurance** on the finalised Internal Control Evaluation Report, with updated management responses to the audit recommendations.

## **8. GOVERNANCE – EXTERNAL AUDIT**

### **8.1 External Audit Plan**

C Brown from Azets reported that the plan is based on a number of sources of information and evidence. The key aspects from the External Audit Plan were outlined. It was noted that there have been changes to auditing standards in relation to risk assessment and fraud risk assessment, which require more detailed work in those areas, and that this has resulted in a slight delay to the planning process. An overview was provided on the identified risks of material misstatement, which are detailed in the plan. C Brown also highlighted that further work will be carried out in relation to the provision of payroll services following the transfer of the service to NSS.

Following a query from the Chair regarding timelines for the Annual Accounts process, K Jones from Azets advised that the plan will be updated once timelines have been received, and it was noted the timelines will be in line with meeting the 30 June 2023 approval timetable.

The Committee took **assurance** from the External Audit Plan.

### **8.2 External Audit – Follow-Up Report on Audit Recommendations**

The Head of Financial Services & Procurement advised the paper is presented as a follow-up report, following the December 2022 update. It was advised that preliminary discussions have taken place with Azets in relation to the findings and points raised at last year's audit. Assurance was provided that the recommendations are either being addressed or will continue to be addressed going forward.

The Committee took **assurance** from the progress made against the 2021/22 External Audit recommendations.

### **8.3 External Audit Plan – Patients' Private Funds**

A Mitchell from Thomson Cooper joined the meeting. It was reported that the document outlines the audit approach, timetable for the audit and the key risk areas identified.

A Mitchell explained the ethical standard for auditors in terms of long associations with clients, as detailed in the paper, and advised that it will be recommended that he is retained as the Responsible Individual (RI) and Fiona Haro, another RI within the firm, will undertake a concurring review.

As part of the process, A Mitchell advised that the key risks within the audit have been identified and are detailed in the plan. It was noted that the key risks are similar to

previous years and the focus of the audit will be around security of patient funds and compliance with agreed financial operating procedures.

A Mitchell advised that Stratheden Hospital and Whyteman's Brae Hospital have been identified as the two sites to be audited.

The Director of Finance & Strategy highlighted to members the importance of holding patients' private funds and having a solid and robust system of control in place, which is being reiterated to the team.

The Committee took **assurance** from the External Audit plan.

## **9. FOR ASSURANCE**

### **9.1 Audit Scotland Technical Bulletin 2022/4**

The Head of Financial Services & Procurement advised that the Audit Scotland Technical Bulletin is provided to the Committee to update on current matters and emerging issues in relation to the audit process. It was noted that the main focus within the report is around the reduced year-end timeframe this year that the public sector faces. A separate chapter on health and another on fraud irregularity was highlighted. It was advised that the report was provided to the Finance Team for awareness.

The Committee took **assurance** from the Bulletin.

### **9.2 Audit Scotland Annual Overview Report 2022**

The Director of Finance & Strategy highlighted that the key messages within the report will be responded to through our new Population Health & Wellbeing and Medium-term Financial Strategies. It was noted that the largest risk for recovery of services is around the workforce capacity in the medium-term.

The Chief Internal Auditor noted that there is a gap between what is achievable within NHS Fife and the expectation from the Scottish Government. C Brown, Azets, highlighted the unrealistic expectations from the Scottish Government in relation to delivery of services, and the challenges to achieve the recommendations set out in the report. He also highlighted the importance of NHS Boards having realistic plans that are achievable with the resources available. The Director of Finance & Strategy reported that there is a level of transparency across the organisation, and NHS Fife will be clear on the level of challenge through discussions with the Board, Committees, and engagement with the public, which is already taking place. The Director of Finance & Strategy advised that the Scottish Government have been advised that NHS Fife will prepare a five-year financial recovery plan, as a shorter-term plan would not be achievable.

The Board Secretary advised that the Integrated Performance & Quality Report and the achievability of national targets was discussed in detail at the Finance, Performance & Resources Committee on 14 March 2023, and she questioned how we can evidence that good progress is being made whilst the national targets are not being met and provide assurance to the Board.

The Chief Internal Auditor highlighted the importance of setting realistic targets within performance management, and the risks associated with setting targets that are unrealistic.

The Committee **considered** and reflected on the issues contained within the report and how they align particularly to the planning assumptions within the proposed new Population Health and Wellbeing Strategy and the Medium-term Financial Strategy.

### **9.3 Delivery of Annual Workplan**

The Committee took **assurance** on the delivery of the tracked workplan.

### **9.4 Proposed Annual Workplan 2023/24**

The Director of Finance & Strategy advised that the Annual Accounts final reporting timeline has been brought forward within the 2022/23 workplan.

The Board Secretary highlighted that the topic for the next Committee Development Session (date TBC) will be a review of the effectiveness of the new Corporate Risk Register process and welcomed comments or a proposed alternative topic for that session.

**Action: Board Committee Support Officer**

The External Auditors agreed to provide a training session, at the May 2023 meeting, to members on the Annual Accounts process. The training material from the previous year will be shared with the External Auditors.

**Action: Board Committee Support Officer**

The Committee **approved** the proposed annual workplan.

## **10. ESCALATION OF ISSUES TO NHS FIFE BOARD**

There were no issues to highlight to the Board.

The Director of Finance & Strategy suggested providing assurance to the Board that the Audit & Risk Committee have reflected on ensuring that our strategies and financial plans are aligned to recommendations within the Audit Scotland Annual Report.

The Committee agreed that the briefing paper on the Blueprint for Good Governance, Second Edition will be presented to the Board at the March 2023 meeting to provide assurance and to ensure that its issue has been formally documented.

## **11. ANY OTHER BUSINESS**

None.

**Date of Next Meeting:** Wednesday 18 May 2023 at 2pm via MS Teams.

<b>KEY:</b>	Deadline passed / urgent
	In progress / on hold
	Closed

## AUDIT & RISK COMMITTEE – ACTION LIST

Meeting Date: Friday 23 June 2023



NO.	DATE OF MEETING	AGENDA ITEM / TOPIC	ACTION	LEAD	TIMESCALE	COMMENTS / PROGRESS	RAG
1.	16/09/21	<b>National Risk Management System</b>	Exploratory discussions are ongoing at a national level around procurement of risk management systems. Currently, the local preference is for Datix Cloud IQ. The outcome of national discussions is awaited.	<b>PC</b>	An update will be brought back to the Committee on developments as the business case is finalised.	17/03/22 - A business case is being developed in April 2022 for NHS Fife, and the preferred upgrade package is Datix Cloud IQ.  A verbal update was provided at the September 2022 meeting.	In progress
2.	15/03/23	<b>Committee Development Session</b>	To arrange a Committee Development Session on the 'Review of the effectiveness of the new Corporate Risk Register process'.  Members are welcome to submit comments or propose an alternative topic for that session.	<b>HT</b>	June 2023	Complete - arranged for 12 October 2023 at 2pm.	Closed
3.	15/03/23	<b>Annual Accounts Training Material</b>	To share the training material on the Annual Accounts with the External Auditors.	<b>HT</b>	March 2023	Complete.	Closed

<b>Meeting:</b>	<b>Audit &amp; Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Chief Internal Auditor Appointment Process</b>
<b>Responsible Executive:</b>	<b>Margo McGurk, Director of Finance &amp; Strategy / Deputy Chief Executive</b>
<b>Report Author:</b>	<b>Margo McGurk, Director of Finance &amp; Strategy / Deputy Chief Executive</b>

## 1 Purpose

### **This is presented for:**

- Assurance

### **This report relates to a:**

- Legal requirement
- Local policy

### **This aligns to the following NHS Scotland quality ambition(s):**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

A recruitment process is underway to appoint a new Chief Internal Auditor.

### 2.2 Background

The current Chief Internal Auditor advised in February 2023 that he would retire on 31 August 2023.

### 2.3 Assessment

The formal recruitment process commenced 23 May 2023, with a closing date for applications of 6 June 2023. A stakeholder event is planned for 16 June 2023, with interviews following on Wednesday 21 June 2023.

### 2.3.1 Quality/ Patient Care

The Internal Audit function supports the quality of patient care through review of the effectiveness of service planning and delivery.

### 2.3.2 Workforce

The Internal Audit function supports the effectiveness of workforce planning through relevant audit reviews.

### 2.3.3 Financial

The Internal Audit function supports delivery of good financial governance through relevant audit reviews.

### 2.3.4 Risk Assessment/Management

The Internal Audit function supports the effectiveness and impact of risk management arrangements.

### 2.3.5 Equality and Diversity, including health inequalities

There are no equality or diversity implications associated with the report.

### 2.3.6 Other impact

N/A

### 2.3.7 Communication, involvement, engagement and consultation

The Internal Audit Function is a shared resource across NHS Fife, NHS Forth Valley, NHS Tayside and NHS Lanarkshire. The DOFs from all 4 Boards have been consulted on the recruitment process.

### 2.3.8 Route to the Meeting

- EDG, 22 June 2023

## 2.4 Recommendation

- This paper is presented to the Audit and Risk Committee for **Assurance**.

## 3 List of appendices

- N/A

### Report Contact

Margo McGurk

Director of Finance & Strategy / Deputy Chief Executive

Email [margo.mcgurk@nhs.scot](mailto:margo.mcgurk@nhs.scot)

<b>Meeting:</b>	<b>Audit &amp; Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Audit &amp; Risk Committee Annual Statement of Assurance 2022-23</b>
<b>Responsible Executive:</b>	<b>Margo McGurk, Director of Finance &amp; Strategy</b>
<b>Report Author:</b>	<b>Gillian MacIntosh, Board Secretary</b>

## 1 Purpose

**This is presented for:**

- Approval

**This report relates to a:**

- Legal requirement
- Local policy

**This aligns to the following NHSScotland quality ambition(s):**

- Effective

## 2 Report summary

### 2.1 Situation

All formal Committees of the NHS Board are required to provide an Annual Statement of Assurance for the NHS Board. The requirement for these statements is set out in the Code of Corporate Governance. The Audit & Risk Committee is invited to review the draft of this year's report and comment on its content, with a view to approving a final version for submission to the Board.

### 2.2 Background

Each Committee must consider its proposed Annual Statement at the first Committee meeting of the new financial year. The current draft takes account of initial comments received from the Committee Chair, Director of Finance & Strategy, Head of Financial Services & Procurement and Risk Manager.

The drafts of the Board's other committees' assurance statements have been reviewed in the production of this report and these are also included on this meeting's agenda, as a following item.

## **2.3 Assessment**

In addition to recording practical details such as membership and rates of attendance, the format of the report includes a more reflective and detailed section (Section 4) on agenda business covered in the course of 2022-23, with a view to improving the level of assurance given to the NHS Board.

### **2.3.1 Quality/ Patient Care**

Delivering robust governance across the organisation is supportive of enhanced patient care and quality standards.

### **2.3.2 Workforce**

N/A.

### **2.3.3 Financial**

The production and review of year-end assurance statements are a key part of the financial year-end process.

### **2.3.4 Risk Assessment/Management**

Details on the Committee's discussions on its oversight of the Board's risk management processes are detailed within the report.

### **2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions**

This paper does not relate to the planning and development of specific health services, nor any decisions that would significantly affect groups of people. Consequently, an EQIA is not required.

### **2.3.6 Climate Emergency & Sustainability Impact**

No direct impact via this report.

### **2.3.7 Communication, involvement, engagement and consultation**

N/A.

### **2.3.8 Route to the Meeting**

This paper has been considered in draft by the Committee Chair and lead officers involved in the Audit & Risk Committee and takes account of any initial comments thus received.

## **2.4 Recommendation**

The paper is provided for:

- **Approval** – subject to members' comments regarding any amendments necessary

**Report Contact**

Dr Gillian MacIntosh

Head of Corporate Governance & Board Secretary

[gillian.macintosh@nhs.scot](mailto:gillian.macintosh@nhs.scot)

## ANNUAL STATEMENT OF ASSURANCE FOR THE AUDIT & RISK COMMITTEE 2022/23

### 1. Purpose of Committee

- 1.1 The purpose of the Audit & Risk Committee is to provide the Board with assurance that the activities of Fife NHS Board are within the law and regulations governing the NHS in Scotland and that an effective system of internal control is maintained.
- 1.2 The duties of the Audit & Risk Committee are in accordance with the principles and best practice outlined in the Scottish Government [Audit & Assurance Committee Handbook](#), dated April 2018.

### 2. Membership of Committee

- 2.1 During the financial year to 31 March 2023, membership of the Audit & Risk Committee comprised:

Martin Black	Chair / Non-Executive Member (to November 2022)
Alastair Grant	Chair / Non-Executive Member (from December 2022)
Cllr David Graham	Non-Executive Stakeholder Member, Fife Council (to May 2022; reappointed from August 2022)
Anne Haston	Non-Executive Member (from December 2022)
Aileen Lawrie	Non-Executive Stakeholder Member, Area Clinical Forum
Kirstie MacDonald	Non-Executive Member (Whistleblowing Champion)
Arlene Wood	Non-Executive Member (from May to July 2022)

- 2.2 Arlene Wood, Non-Executive Board Member, was co-opted to the Committee during the summer 2022 period, in order to ensure quoracy of meetings whilst the Board was without a Fife Council Stakeholder member due to local authority elections and subsequent external body nomination considerations. She stood down from the Committee in July 2022, after attending the meetings related to the approval of the year-end material and annual statutory accounts.
- 2.3 The Committee may choose to invite individuals to attend the Committee meetings for the consideration of particular agenda items, but the Chief Executive, Director of Finance & Strategy (who is also the Executive lead for risk), Head of Financial Services & Procurement, Risk Manager, Board Secretary, Chief Internal Auditor and statutory External Auditor are normally in routine attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.

### 3. Meetings

- 3.1 The Committee met on seven occasions during the year to 31 March 2023, on the undernoted dates:
- 18 May 2022
  - 16 June 2022
  - 29 July 2022 (Approval of Annual Accounts)
  - 12 September 2022
  - 5 December 2022
  - 13 February 2023 (Development Session)
  - 15 March 2023

3.2 The attendance schedule is attached at Appendix 1.

#### 4. Business

4.1 The range of business covered at meetings held throughout the year, as further detailed below, demonstrates that the full range of matters identified in the Audit & Risk Committee's remit is being addressed. In line with its Constitution and Terms of Reference, reviewed annually in March 2023, the Committee has considered standing agenda items concerned with the undernoted aspects:

- Internal Control frameworks and arrangements;
- Internal & External Audit planning and reporting;
- Corporate Governance, including the Board's implementation of and compliance with the NHSScotland *Blueprint for Good Governance* and updates on the adoption of Committee Assurance Principles;
- Regular updates to the NHS Fife Code of Corporate Governance, including within the Standing Financial Instructions and Scheme of Delegation;
- Scrutiny of the Board's Annual Statutory Financial Statements, including the meaningfulness of the accompanying Governance Statement;
- Risk Management arrangements and reporting, including progress with revising the risk management framework and introduction of the new Corporate Risk Register in-year; and
- other relevant matters arising during the year.

4.2 The Audit & Risk Committee's first meeting of the 2022/23 reporting year took place in May 2022, where a number of papers related to preparations for the 2021/22 statutory accounts process were considered. The Committee scrutinised audit planning memoranda for the Patients' Private Funds and also a timeline for the Board's annual accounts preparation, for members' awareness around key deadlines to be met. The draft Governance Statement was reviewed and comments given prior to its final consideration as part of the July annual accounts meeting. An initial draft of the Risk Management Annual Report for 2021/22 was considered by members, with a number of comments made to be reflected in the final iteration. An update on internal audit progress against delivery of the 2021/22 Internal Audit Plan was also discussed, with members noting the final outstanding areas of work as conclusion of the year-end process approached. An initial draft of the Internal Audit Annual Plan for 2022/23 was considered, noting its alignment to the strategic planning process, risk management developments and creation of the Board's new Population Health & Wellbeing Strategy. Notification of the appointment of new External Auditors, Azets, for an initial term of five years, was given to members, effective for the 2022/23 financial reporting year. An introductory presentation outlining Azets' values and principles was given to members in September 2022, providing members with an opportunity to meet the team assigned to the Fife Health Board audit.

4.3 Meetings in June and July 2022 scrutinised in full the governance-related year-end documentation, auditor reports and statutory financial statements for 2021/22. This included the Board's annual accounts, plus the Patients' Private Funds and Service Auditor Reports on Third Party Services provided on behalf of NHS Fife by NHS National Services Scotland (NSS) and NHS Ayrshire & Arran. Each of the service auditor reports gave an unqualified opinion, indicating an improved position on the previous year from NSS specifically. The Committee's own assurance statement to the Board, detailing its work over the year, was reviewed and finalised and the internal audit report concerning the Fife Integration Joint Board was considered for assurance purposes.

4.4 In reference to External Audit, the Committee has considered in detail the annual audit report on 2021/22 (from Audit Scotland) and the audit plan for the year ahead (from the Board's new external auditors, Azets). The annual audit report includes a report to those charged with governance on matters arising for the audit of the annual financial statements, as well as

comment on financial sustainability, governance and best value. The Committee has also considered national reviews undertaken by Audit Scotland, including their report 'NHS in Scotland 2022', and its implications locally. The Committee has also approved the planning memorandum for the 2023/24 accounts cycle, for the Patients' Private Funds from the respective External Auditor, and has noted the approval by the Board of Trustees of the planning memorandum for the audit of Endowment Funds held by Fife Health Charity. The Committee considers the content of Audit Scotland Technical Bulletins on a regular basis, noting the areas therein of relevance to public sector bodies and health boards specifically.

- 4.5 For assurance purposes, the Audit & Risk Committee has considered the annual assurance statements of each of the governance committees of the Board, namely: the Clinical Governance Committee; the Finance, Performance & Resources Committee; the Public Health & Wellbeing Committee; the Remuneration Committee; and the Staff Governance Committee. These detail the activity of each committee during the year, the business they have considered in discharging their respective remits and an outline of what assurance the Board can take on key matters delegated to them. No significant issues were identified from these reports for disclosure in the financial statements, as per the related content of the Governance Statement.
- 4.6 Appropriate assurance has been provided that each Committee has fulfilled their key remit areas on behalf of the Board during the reporting year. The Clinical Governance Committee report has provided due reflection on the assurance that can be taken around matters of clinical quality and safety, information security & governance, digital & information, resilience and Health & Safety. The Finance, Performance & Resources Committee has closely monitored the position in relation to the Board's financial targets and delivery progress thereon, and has also considered key performance targets around waiting times and delivery of clinical services. The Public Health & Wellbeing Committee has responsibility for oversight of the Board's seasonal flu and Covid vaccination delivery programme and delegated community-based services, plus scrutiny of development of the Board's new organisational Population Health & Wellbeing Strategy and related work around health inequalities. The Staff Governance Committee has received regular updates on recruitment to support key programmes and staff development activities, in addition to ongoing detail on staff well-being initiatives and work underway to reduce sickness absence. The Remuneration Committee has completed its usual business of Executive cohort performance appraisal and objective setting. Further detail on all these areas can be found within the individual Committee reports mentioned above. In addition to the Committee reports, the individual Executive Directors' Assurance letters have provided helpful detail on the internal control mechanisms and mitigation of risks within individual portfolios and Directorates.
- 4.7 In reference to the Fife Integration Joint Board, due to its own year-end accounts approval timeline, it is not possible for the NHS Fife Board to receive a final version of an assurance statement from the IJB prior to the Board's approval of its own statutory financial accounts in June 2023. The Committee has, however, taken assurance from a formal letter received from the Chair of the IJB's Audit & Assurance Committee providing assurance on the adequacy of the governance and internal control environment of that body. The Committee will consider the final IJB Internal Audit report at its meeting in August 2023.
- 4.8 Since February 2023, the NHS Fife Payroll process has been provided by NSS via the South East Payroll Consortium, following the TUPE transfer of NHS Fife payroll staff to the new service. NHS Fife has asked NSS to consider and provide suitable assurance for the continuity of the service to the various partner boards and their auditors, and the plan for that was considered by the Committee at its March 2023 meeting. This details a three-year period over which the development of a full service audit report will be created, which the Committee has endorsed and taken assurance from.
- 4.9 In relation to internal audit, members have reviewed and discussed in detail at meetings the annual audit plans; the interim evaluation of the internal control framework at the mid-year point (January 2023); reports from the internal auditors covering a range of service areas; and

management's progress in completing audit actions raised, through regular follow-up reporting. At the July 2022 meeting, members discussed the Annual Internal Audit Report for 2021-22, welcoming the auditors' opinion that there were adequate and effective internal controls in place and that the Accountable Officer has implemented a governance framework in line with the required guidance, sufficient to discharge the responsibilities of the role. The conclusions of the report were largely positive, which the Committee noted was an achievement, given the backdrop of another challenging year of high demand on NHS Fife's services. The findings of the report were appropriately built into the programme of reviews detailed in the Internal Audit Plan for 2022/23, approved by the Committee at its June 2022 meeting.

- 4.10 The Committee considered at its September 2022 meeting the findings of the External Quality Assessment of the Internal Audit service, noting the positive assessment therein. At the same meeting, members also approved a draft Internal Audit Joint Working and Reporting Protocol with the Fife Integration Joint Board, which aims to ensure effective working between partners and the flow of information across the respective governance structures, in order to enhance the assurances between partners. The new Joint Working and Reporting Protocol also sets out the working relationships between the Internal Audit departments in the Health Board and Fife Council and thereby assures this Audit & Risk Committee that the arrangements are well-structured and efficient. An updated Internal Audit Framework was also approved by the Committee at its March 2023 meeting.
- 4.11 In relation to internal audit follow-up work, whilst improvements in reducing the number of outstanding actions have been seen in this reporting year, the Committee has noted that further effort is required to enhance the effectiveness and timeliness of completing audit recommendations. The Director of Finance & Strategy continues to pursue this as a priority action, with quarterly consideration of the outstanding actions by the Executive Directors' Group to drive forward prompt resolution. The assistance of Internal Audit in supporting strong improvements in the areas of information governance and security and risk management was recognised by the Committee, with helpful input from individual audit colleagues to adopting best practice reporting in these areas.
- 4.12 On behalf of the Board, the Audit & Risk Committee receives regular updates on the workstreams being progressed within NHS Fife for compliance with the NHSScotland *Blueprint for Good Governance*, including the national work ongoing to develop a suite of standard documentation on a 'Once for Scotland' approach. Whilst many of the national workstreams were delayed due to the impact of the pandemic on NHSScotland, the Committee received an update on the Board's Blueprint action plan at its December 2021 meeting, noting the effective closure of the outstanding local actions. With the publication of a revised second edition of the Blueprint, outlined to the Committee in a paper submitted to members in March 2023, the Committee will have a role in oversight of new compliance actions developed over the course of the forthcoming year. The Board's own Code of Corporate Governance has undergone annual review and a number of clarifying changes made (including an update to procurement thresholds), to ensure it remains aligned to national guidance and best practice. Also included therein is the new Model Code of Conduct for NHS Board Members, approved by the Board in June 2022 and incorporated in full within the Code. A Board Development Session was held in April 2023 to outline to Board members the changes within the Code and the personal responsibilities and standards expected from members under the new iteration.
- 4.13 During the year, members of the Committee engaged in a number of training opportunities, covering best practice arrangements for Audit & Risk Committees. A training session with the Internal and External Auditors was held in June 2022, outlining the year-end processes each undertake as part of the review of the financial statements, responsibilities of the Audit & Risk Committee in reference to scrutiny of these, and details on the systems of internal control, in preparation for the review and scrutiny of the annual accounts, prior to the Committee's formal consideration of the 2021/22 financial statements. The presentation slides were usefully adapted to be used as a helpful checklist by members, when the accounts were tabled for formal approval

in July 2022. In February 2023, members attended a Committee Development Session, delivered by the Chief Internal Auditor and Board Secretary, on the Board's adoption and implementation of Committee assurance principles. In addition to Audit & Risk Committee members, Committee Chairs from the other Board Committees were invited to participate, with a helpful discussion held on areas where the Board can strengthen its assurance processes to assist Non-Executives in their scrutiny role.

- 4.14 Progress with fraud cases and counter fraud initiatives were discussed by the Committee in private session on a regular basis throughout the year. The Committee received quarterly fraud updates, on relevant cases and investigations, counter fraud training delivered to staff, initiatives undertaken to identify and address fraud, and the work carried out by Practitioner & Counter Fraud Services in relation to detecting, deterring, disabling and dealing with fraud in the NHS. This has provided the Committee with the assurance that the risk of fraud is being proactively managed across NHS Fife. Updates have also been given on the new Counter Fraud Services Standards introduced across Health Boards, including detail of how the Board will benchmark itself against these for compliance. Related thereto, the Committee were advised at their May 2022 meeting of Scottish Government's confirmation of the Counter Fraud Standards – Partnership Agreement with Health Boards, approved locally for NHS Fife. Regular reporting on losses and special payments is factored into the Committee's workplan on a quarterly basis, to help support the annual accounts reconciliation process generally and, in support of Counter Fraud Standards, to increase the Committee's oversight.
- 4.15 Minutes of Committee meetings have been approved by the Committee and presented to Fife NHS Board. The Board also receives a verbal update at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates.

## **5. Best Value**

- 5.1 Since 2013/14 the Board has been required to provide overt assurance on Best Value. The introduction of both the SPRA process in 2020/21 and the Financial Improvement & Sustainability Programme established in 2022/23 build on the aims of the previous organisational Best Value Framework (2018). Their combined impact facilitates a more effective triangulation of workforce, operational and financial planning, which supports the promotion and delivery of best value across all of our resource allocation. Appendix 3 provides evidence of where and when the Committee considered the relevant characteristics during 2022/23.

## **6. Risk Management**

- 6.1 All NHS Boards are subject to the requirements of the Scottish Public Finance Manual (SPFM) and must operate a risk management strategy in accordance with the relevant guidance issued by Scottish Ministers. The general principles for a successful risk management strategy are set out in the SPFM.
- 6.2 All of the key areas within the organisation maintain a risk register. All risk registers are held on the Datix, the Risk Management digital information system. Training and support for all Datix modules including risk registers, are provided by the Risk Management team according to the requirements of individuals, specialities and teams etc. In September 2022, the Committee received an update from the Risk Manager on the national process currently underway for procuring a new digital system for risk management on a 'Once for Scotland' basis, on completion of which Boards will have flexibility to choose the preferred system or go forward individually with procuring their own updated system.

- 6.3 In line with the Board's agreed risk management arrangements, the Audit & Risk Committee has considered risk through a range of reports and scrutiny, including oversight on the detail of the Board Assurance Framework (BAF) (reported to its May and September 2022 meetings) and, latterly, the new Corporate Risk Register (from December 2022). During 2022/23, the high-level risks identified as having the potential to impact on the delivery of NHS Fife's strategic priorities, and related operational high-level risks, were reported bi-monthly through the BAF and Corporate Risk Register to the governance committees, and subsequently to the Audit & Risk Committee and the Board.
- 6.4 At its meeting in May 2022, the Committee received a progress report on the risk management improvement programme being undertaken during the reporting year. As part of the process of developing a new Corporate Risk Register to replace the BAF, supporting work has also been undertaken to review the risk escalation process within the Board structure and to create a strategic risk dashboard for regular reporting through the IPQR. The work has also provided an opportunity to undertake a meaningful assessment of strategic-level risks and to strengthen these, particularly in the areas linked to the delivery of the new organisational strategy, lack of resources (both workforce and capital) to deliver on its ambitions, equality and diversity-related measures, and to explicitly reference sustainability and climate change workstreams. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance was required, given the scale of external challenges at this time.
- 6.5 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in September 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. It is noted that refinement of these will continue over the coming year, as the new risk presentation beds in. Deep dives have been introduced across the Board's committees, allowing greater scrutiny of the root causes of risks and providing an opportunity for discussion on the effectiveness of management actions in place to reduce risk levels. This aspect of the new risk management approach is expected to mature in the year ahead, to provide Board members with the necessary levels of assurance on the effectiveness of mitigating actions. Operationally, the new Risk & Opportunities Group is contributing to and developing organisational support for effective risk management practice, reducing duplication of risk management effort, embedding the application of assurance principles, developing key performance indicators to track progress, and enhancing collective knowledge and understanding to capitalise on opportunities. The Committee has received the Terms of Reference for the group and progress updates on its initial activities, which will continue into the current year as it becomes fully established.
- 6.6 The Committee was assured that good progress has been made with the risk management improvement plan, which supports operational teams to identify and manage risks effectively and also refocuses reporting to the Board on corporate level risk. The plan also ensures alignment with the existing Strategic Planning & Resource Allocation process, to identify organisational or external risks associated with the delivery of corporate objectives, and supports the identification and mitigation of risks identified through the development and delivery of the Population Health and Wellbeing Strategy. This work is underpinned by acknowledgment of the need to promote a culture that encourages the proactive identification and mitigation of risks from ward to Board, which the Committee will continue to provide oversight on.

## 7. **Self-Assessment**

- 7.1 The Committee has undertaken a self-assessment of its own effectiveness, utilising a revised questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its

March 2023 meeting, and action points are being taken forward at both Committee and Board level.

## **8. Conclusion**

- 8.1 As Chair of the Audit & Risk Committee during financial year 2022/23, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that adequate and effective governance arrangements were in place throughout NHS Fife during the year. Audit & Risk Committee members conclude that they have given due consideration to the effectiveness of the systems of internal control in NHS Fife, have carried out their role and discharged their responsibilities on behalf of the Board in respect of the Committee's remit as described in the Standing Orders.
- 8.2 I can confirm that that there were no significant control weaknesses or issues at the year-end which the Committee considers should be disclosed in the Governance Statement, as they may have impacted financially or otherwise in the year or thereafter.
- 8.3 I would pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I would thank all those members of staff who have prepared reports and attended meetings of the Committee.

Signed:  Date: 23 June 2023

**Alastair Grant, Chair**

On behalf of the Audit & Risk Committee

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

**AUDIT & RISK COMMITTEE - ATTENDANCE RECORD**  
**1 April 2022 – 31 March 2023**

	18.05.22	16.06.22	29.07.22	12.09.22	05.12.22	15.03.23
<b>Members</b>						
<b>M Black</b> , Non-Executive Member ( <b>Chair</b> )	✓	✓	✓	✓		
<b>A Grant</b> , Non-Executive Member ( <b>Chair</b> )	✓	✓	x	✓	✓	✓
<b>Cllr D Graham</b> , Stakeholder Member, Fife Council				✓	✓	✓
<b>A Haston</b> , Non-Executive Member					✓	✓
<b>A Lawrie</b> , Area Clinical Forum Representative	✓	✓	✓	✓	✓	x
<b>K McDonald</b> , Non-Executive Member	✓	x	✓	✓	✓	x
<b>A Wood</b> , Non-Executive Member	✓	✓	✓			
<b>In attendance</b>						
<b>K Booth</b> , Head of Financial Services	✓	✓	✓	✓	✓	✓
<b>A Brown</b> , Principal Auditor				✓		
<b>C Brown</b> , Azets				✓	x	✓
<b>A Clyne</b> , Audit Scotland	✓	x	✓			
<b>G Couser</b> , Associate Director of Quality & Clinical Governance				✓		
<b>P Cumming</b> , Risk Manager	✓	✓	✓	✓	✓	✓
<b>P Fraser</b> , Audit Scotland	x	✓	✓			
<b>T Gaskin</b> , Chief Internal Auditor	✓	✓	x	✓	✓	✓
<b>L Graham</b> , Audit Scotland		✓				
<b>B Howarth</b> , Audit Scotland			✓			
<b>B Hudson</b> , Regional Audit Manager	✓	✓	✓	x	✓	✓
<b>A Hughes</b> , Azets						✓ Observing
<b>K Jones</b> , Azets				x	✓	✓
<b>G MacIntosh</b> , Head of Corporate Governance & Board Secretary	✓	✓	✓	✓	✓	✓
<b>S McCormack</b> , Associate Medical Director, Emergency Care & Planned Care						✓ Observing
<b>M McGurk</b> , Director of Finance & Strategy ( <b>Exec Lead</b> )	✓	x	✓	✓	✓	✓
<b>M Michie</b> , Deputy Director of		✓	✓ Observing			

	18.05.22	16.06.22	29.07.22	12.09.22	05.12.22	15.03.23
Finance						
<b>A Mitchell, Independent Auditor</b>			✓ Item 7.1			✓
<b>C Potter, Chief Executive</b>	✓	✓	✓	x	x	x

**BEST VALUE FRAMEWORK****Vision and Leadership**

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
The Board has identified the risks to the achievement of its strategic and operational plans are identified together with mitigating controls.	Each strategic risk has an Assurance Framework which maps the mitigating actions/risks to help achieve the strategic and operational plans. Assurance Framework contains the overarching strategic risks related to the strategic plan.	<b>COMMITTEES</b>	Bi-monthly	Board Assurance Framework and Corporate Risk Register (to CG/FP&R/PH&W/SG Committees)
		<b>AUDIT &amp; RISK COMMITTEE</b>	5 times per year	Board Assurance Framework and Corporate Risk Register (to A&R Committee)
		<b>BOARD</b>	2 times per year	Board

## GOVERNANCE AND ACCOUNTABILITY

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisation’s activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available.  Committee papers and minutes are publicly available	<b>BOARD</b>  <b>COMMITTEES</b>	On going	Meetings publicly accessible  NHS website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	SBAR reports  EQIA forms



## USE OF RESOURCES

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife maintains an effective system for financial stewardship and reporting in line with the SPFM.	Statutory Annual Accounts process	<b>AUDIT &amp; RISK COMMITTEE</b>	Annual	Statutory Annual Accounts Assurance Statements SFIs
NHS Fife understands and exploits the value of the data and information it holds.	Annual Delivery Plan Integrated Performance & Quality Report	<b>BOARD</b>  <b>COMMITTEES</b>	Annual  Bi-monthly	Annual Delivery Plan  Integrated Performance & Quality Report

## PERFORMANCE MANAGEMENT

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives</p>	<p>Integrated Performance &amp; Quality Report encompassing all aspects of operational performance, Annual Delivery Plan targets / measures, and financial, clinical and staff governance metrics.</p> <p>The Board delegates to Committees the scrutiny of performance</p> <p>Board receives full Integrated Performance &amp; Quality Report and notification of any issues for escalation from Committees.</p>	<p><b>COMMITTEES</b></p> <p><b>BOARD</b></p>	<p>Every meeting</p>	<p>Integrated Performance &amp; Quality Report</p> <p>Code of Corporate Governance</p> <p>Minutes of Committees</p>

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board and its Committees approve the format and content of the performance reports they receive	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	<b>COMMITTEES</b> <b>BOARD</b>	Annual	Integrated Performance & Quality Report
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good; with escalation of issues to the Board as required	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting  Annual	Integrated Performance & Quality Report  Annual Accounts including External Audit report
NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.	Encompassed within the Integrated Performance & Quality Report	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>NHS Fife overtly links Performance Management with Risk Management to support prioritisation and decision-making at Executive level, support continuous improvement and provide assurance on internal control and risk.</p>	<p>Board Assurance Framework / Corporate Risk Register</p>	<p><b>AUDIT &amp; RISK COMMITTEE</b> <b>BOARD</b></p>	<p>Ongoing</p>	<p>Board Assurance Framework / Corporate Risk Register  Minutes of Committees</p>

## CROSS-CUTTING THEME – SUSTAINABILITY

The “Sustainability” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded a sustainable development focus in its work.

The goal of Sustainable Development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Sustainability is integral to an overall Best Value approach and an obligation to act in a way which it considers is most sustainable is one of the three public bodies’ duties set out in section 44 of the Climate Change (Scotland) Act 2009. The duty to act sustainably placed upon Public Bodies by the Climate Change Act will require Public Bodies to routinely balance their decisions and consider the wide range of impacts of their actions, beyond reduction of greenhouse gas emissions and over both the short and the long term. The concept of sustainability is one which is still evolving. However, five broad principles of sustainability have been identified as:

- promoting good governance;
- living within environmental limits;
- achieving a sustainable economy;
- ensuring a stronger healthier society; and
- using sound science responsibly.

Individual Public Bodies may wish to consider comparisons within the wider public sector, rather than within their usual public sector “family”. This will assist them in getting an accurate gauge of their true scale and level of influence, as well as a more accurate assessment of the potential impact of any decisions they choose to make. A Best Value organisation will demonstrate an effective use of resources in the short-term and an informed prioritisation of the use of resources in the longer-term in order to bring about sustainable development. Public bodies should also prepare for future changes as a result of emissions that have already taken place. Public Bodies will need to ensure that they are resilient enough to continue to deliver the public services on which we all rely.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife can demonstrate that it is making a contribution to sustainable development by actively considering the social, economic and environmental impacts of activities and decisions both in the shorter and longer term.	Sustainability and Environmental report incorporated in the Annual Accounts process.	<b>AUDIT &amp; RISK COMMITTEE</b>  <b>BOARD</b>	Annual	Annual Accounts  Climate Change Template

## CROSS-CUTTING THEME – EQUALITY

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.	Evidence of equality considerations in Board’s decision-making structure	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA form on all reports
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA form on all reports
NHS Fife’s policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	Population Health & Wellbeing Strategy  EQIA forms on reports
Wherever relevant, NHS Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments will collect this information to inform future decisions.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA forms on reports

<b>Meeting:</b>	<b>Audit &amp; Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Committee &amp; Directors' Annual Assurances for 2023/23</b>
<b>Responsible Executive:</b>	<b>Respective Executive Directors</b>
<b>Report Author:</b>	<b>Gillian MacIntosh, Head of Corporate Governance &amp; Board Secretary</b>

## 1 Purpose

### **This is presented for:**

- Assurance

### **This report relates to a:**

- Legal requirement
- Local policy

### **This aligns to the following NHSScotland quality ambition(s):**

- Effective

## 2 Report summary

### 2.1 Situation

The purpose of this report is to present the Annual Assurance Statements for each standing Committee of the Board and the individual Executive Director assurance letters for consideration by the Audit & Risk Committee as part of the overall annual accounts and assurance process for 2022/23. The assurance statement produced by the IJB's Chief Internal Auditor is not yet available and has not been considered as yet by the IJB's Audit & Assurance Committee. This will follow separately to the Committee at its August meeting, as detailed in a following agenda item.

### 2.2 Background

The Code of Corporate Governance requires all standing committees of the NHS Board to provide an Annual Report (Assurance Statement). As part of this Assurance Statement, each Committee must demonstrate that it is fulfilling its remit, implementing its work plan and ensuring the timely presentation of its minutes to the Board. These reports are designed to provide assurance that there are adequate and effective governance arrangements in place. Each Committee must identify any significant control weaknesses or issues at the year-end which it considers should be disclosed in the Governance Statement and should specifically record and provide assurance that the Committee has

carried out the annual self- assessment of its effectiveness.

Separately, each Executive Director is asked to complete to the Chief Executive a letter at year-end to give individual assurance, for the respective areas under each Executive Director, that there are no control weaknesses that should otherwise be disclosed in the annual accounts.

## **2.3 Assessment**

The Annual Assurance Statements for the Clinical Governance Committee, Finance, Performance & Resources Committee, Public Health & Wellbeing Committee, Remuneration Committee and Staff Governance Committee are attached for consideration by members of the Audit & Risk Committee. Each has been discussed and approved by the respective Committee at their May 2023 cycle of meetings. A final appendix gives the collated responses from the Executive Directors on their areas of responsibility.

### **2.3.1 Quality/ Patient Care**

Delivering robust governance across the organisation is supportive of enhanced patient care and quality standards.

### **2.3.2 Workforce**

N/A.

### **2.3.3 Financial**

The production and review of year-end assurance statements are a key part of the financial year-end process.

### **2.3.4 Risk Assessment/Management**

The identification and management of risk is an important factor in providing appropriate assurance to the NHS Board.

### **2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions**

This paper does not relate to the planning and development of specific health services, nor any decisions that would significantly affect groups of people. Consequently, an EQIA is not required.

### **2.3.6 Climate Emergency & Sustainability Impact**

No direct impact from content of this report.

### **2.3.7 Communication, involvement, engagement and consultation**

N/A.

### 2.3.8 Route to the Meeting

This respective assurance statements have been considered and approved by each Committee at the meetings below:

- Clinical Governance Committee, 5 May 2023
- Finance, Performance & Resource Committee, 9 May 2023
- Public Health & Wellbeing Committee, 15 May 2023
- Remuneration Committee, 16 May 2023
- Staff Governance Committee, 11 May 2023

The collated pack of Executive Directors' letters have been reviewed by Internal Audit as part of their year-end work.

## 2.4 Recommendation

The paper is provided for:

- **Assurance**

## 3 List of appendices

The following appendices are included with this report:

- Appendix No.1 – Standing Committee Annual Statements of Assurance
- Appendix No.2 – Executive Directors' Annual Letters of Assurance

### Report Contact

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## ANNUAL STATEMENT OF ASSURANCE FOR NHS FIFE CLINICAL GOVERNANCE COMMITTEE 2022/23

### 1. Purpose

- 1.1 To provide the Board with the assurance that appropriate clinical governance mechanisms and structures are in place for clinical governance to be supported effectively throughout the whole of Fife NHS Board's responsibilities.

### 2. Membership

- 2.1 During the financial year to 31 March 2023, membership of the Clinical Governance Committee comprised: -

Christina Cooper	Chair / Non-Executive Member (to November 2022)
Arlene Wood	Chair (from December 2022) / Non-Executive Member
Martin Black	Non-Executive Member (to November 2022)
Sinead Braiden	Non-Executive Member
Simon Fevre	Area Partnership Forum Representative
Cllr David Graham	Non-Executive Member (to May 2022; reappointed June 2022)
Colin Grieve	Non-Executive Member (from December 2022)
Anne Haston	Non-Executive Member (from September 2022)
Rona Laing	Non-Executive Member (to May 2022)
Aileen Lawrie	Area Clinical Forum Representative
Kirstie MacDonald	Non-Executive Member & Whistleblowing Champion
Dr Christopher McKenna	Medical Director
Dr Joy Tomlinson	Director of Public Health
Janette Keenan	Director of Nursing
Carol Potter	Chief Executive

- 2.2 The Committee may invite individuals to attend the Committee meetings for particular agenda items, but the Director of Acute Services, Director of Finance & Strategy, Director of Health & Social Care, Director of Pharmacy & Medicines, Deputy Medical Director (Acute Services Division), Deputy Medical Director (Fife Health & Social Care Partnership), Associate Director, Digital & Information, Associate Director of Quality & Clinical Governance and Board Secretary will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.
- 2.3 As part of the recent Committee's Terms of Reference annual review, further discussion has taken place on the potential means of capturing the patient voice across the Committee's full areas of responsibility, following the decision taken not to fill the historical patient representative vacancy on the Committee. This will assist in complementing members' existing input into the review of the adequacy of patient participation and engagement measures, at both locality and service levels. This work is expected to develop over the next year, as the Committee trials new means of ensuring that the patient voice is central to its annual cycle of business.

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### 3. Meetings

3.1 The Committee met on eight occasions during the financial year to 31 March 2023, on the undernoted dates:

- § 29 April 2022
- § 10 June 2022 (Development Session)
- § 1 July 2022
- § 2 September 2022
- § 1 November 2022 (Development Session)
- § 4 November 2022
- § 13 January 2023
- § 3 March 2023

3.2 The attendance schedule is attached at Appendix 1.

### 4. Business

4.1 In October 2021, the Board established a new Public Health & Wellbeing Committee, which has taken under its remit some public health-related areas previously covered by the Clinical Governance Committee. A comprehensive review of workplans and terms of reference of each committee has taken place, to limit the potential for any unnecessary duplication of effort and help clarify each committee's responsibilities over agenda items that might be tabled to more than one standing committee, as part of reporting through the governance structure. After completing its first full annual cycle of business during 2022-23, the Public Health & Wellbeing Committee has settled on a comprehensive workplan to ensure appropriate coverage of business throughout the year. This, in turn, has given the Clinical Governance Committee an opportunity for more focused agendas and enhanced scrutiny on the key aspects of business aligned to its specific remit.

4.2 The Clinical Governance Committee's first meeting of the 2022-23 reporting year took place in April 2022, with updates given to members on the high levels of activity then being experienced due to a further wave of Omicron variant Covid cases, which were particularly impacting upon staffing and general activity levels. Assurance was provided on the measures put in place to ensure the safe and effective delivery of care. The impact of the pandemic, including the effect of seasonal waves of infection, has remained a regular part of the Committee's agendas over the year, as significant pressures on the overall health and social care system continued. The Committee has kept a dedicated section on its agenda for 'active or emerging issues' not otherwise contained in its regular workplan, so members can be apprised of any areas of activity experiencing pressure due to levels of demand. In July 2022, given the background of a rapid increase in Covid cases in Fife due to two new Omicron variants then circulating, the Committee received details on the impact on staffing, limitations of visitor numbers within the inpatient estate footprint, the Covid booster vaccination programme and the enduring impact of long Covid symptoms on individuals. Members have thus been provided with the most up-to-date information on what has continued to be a rapidly changing situation with regard to the continuing impact of the pandemic on health and care services within Fife.

4.3 In April 2022, members considered a report on the governance of advanced practice roles in NHS Fife and Fife Health & Social Care Partnership, with a particular focus on Advanced Nurse Practitioners. The clinical governance aspects of the roll-out of these roles were considered, particularly the clinical supervision of these roles and the need for postholders to have adequate Continuing Personal Development processes and non-clinical time to ensure their learning is developed, in order to ensure high-quality care is delivered to patients. A briefing paper on the development of Assistant Practitioner roles was considered in detail by

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the Committee at its November 2022 meeting, focusing on the possible skills mix and enhancements to clinical delivery of service via these roles, as well as the processes for accountability and delegation and the career development pathways that could be best supported by this initiative. The Committee took broad assurance from the development of the roles and the training to be put in place to support staff, welcoming the proposal in an effort to make further enhancements to the workforce.

- 4.4 A detailed report on the work of the Early Cancer Diagnostic Centre (ECDC) pathway was also considered by the Committee in April 2022, as we continued to see recovery in performance following the impact of the pandemic and have dedicated funding to support this trajectory for 2022/23. Around 40% of patients in Scotland are not currently diagnosed through the existing urgent suspicion of cancer pathway, with an ambition for the ECDC to capture more of these patients and support swift diagnosis and treatment. Dedicated patient navigators aid speedy progress from referral to diagnostic testing, with excellent patient feedback thus far on the effectiveness of the pathway. The Committee welcomed the greatly positive impact of the ECDC, noting that ongoing governance is provided through the Cancer Strategy Group. A dedicated Cancer Framework, and related delivery plan, has also been created, which was presented to the Committee for scrutiny in January 2023 (with a related update tabled to the following meeting in March 2023). This will support aspects of the overall organisational Population Health & Wellbeing Strategy, whilst also setting key priorities around workforce and medicines in this area. A review of progress against the delivery plan is due to come forward annually to the Committee, for assurance on the effectiveness of actions and milestone targets.
- 4.5 A Joint Remobilisation Plan (RMP4), outlining the planning for addressing the backlog of planned care activity following the initial phase of the Covid pandemic, was endorsed by the Committee in 2021. The Plan detailed the adopted methodology around the planning for resumption of normal services, based around a 'Respond, Recover and Renew' approach, building on earlier iterations of the Plan approved by Scottish Government. A progress update on deliverables was previously considered by the Committee at its January 2022 meeting, with a further update on achieving the RMP targets reviewed in April 2022. Assurance was provided that the majority of targets had been achieved or remained on track to be achieved. A lessons learned review of the Winter period 2021-22 activity was also encompassed in the update to the Committee, reflecting on a challenging period of extreme pressure on health and social care services. The supporting role of the Strategic Planning & Resource Allocation (SPRA) process has been recognised. The Committee considered updates on the SPRA methodology and winter actions detailed in the 2022-23 Annual Delivery Plan at its November 2022 meeting, taking assurance from the preparations being made for what would prove to be a challenging period of intense front-door activity. At the January 2023 meeting, members noted the considerable pressures on the system over the Christmas period, indicating a peak of Covid infections and respiratory illness circulating more generally. Assurance was however taken from the positive uptake of both the Covid and Seasonal Flu vaccinations across Fife, with the Board exceeding national targets for delivery of vaccinations.
- 4.6 The Committee's input into the development of the Board's recently approved Population Health & Wellbeing Strategy has been a regular part of this year's agendas. A report on the outcomes delivered from the previous Clinical Strategy was scrutinised by members in November 2022, following initial discussion at a full Board Development Session in October 2022. Whilst the report recognised that significant progress had been made in achieving the aims of the 2016-21 Clinical Strategy, the impact of the Covid pandemic (particularly in the way the Board now operates) had been significant. The new Population Health & Wellbeing Strategy therefore aims to continue work around key priority areas begun in the Clinical Strategy, revising these to ensure these reflect new ways of working post-Covid. In January 2023, members received detail on the engagement work that has been undertaken to inform the content of the strategy, noting the importance of the ambitions being bold and ambitious, in

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order to deliver the recovery of the local healthcare system after the challenges experienced during the pandemic period.

- 4.7 Following detailed discussion at a number of full Board Development Sessions over the reporting year, in March 2023 the Committee considered the most recent update to the Population Health & Wellbeing Strategy document, before a final version was tabled for Board approval at its meeting on 28 March 2023. Strengthening the commitments around addressing health inequalities, in addition to improving the linkages to the Fife Integration Joint Board's strategic priorities for 2023-26, were some of the issues supported by members as the strategy moved towards its final stage of drafting. Following formal Board approval of the new Population Health & Wellbeing Strategy, the Committee expects to have a significant role in the year ahead in helping shape the delivery actions and gaining assurance on progress with the various implementation actions detailed within.
- 4.8 Some programme workstreams to be encompassed within the new strategy are already underway, and the Committee received an update on the Year One activities of the High Risk Pain Medicines Patient Safety Programme in January 2023, taking a high level of assurance from the work undertaken thus far to prevent patient harm, address addiction and tackle linkages to involvement of prescribed medicines in drug deaths. Initial work has been undertaken to gather data, to fully understand the pertinent issues, and the production of a Stage 1 Equality Impact Assessment, to ensure equality issues are appropriately addressed, has been completed. Regular reporting of this programme will continue to the Committee in the year ahead. Related to equality issues, members have also considered the interim progress report on the Board's Equality Outcomes & Mainstreaming Plan for 2021 to 2025, reviewing the mainstreaming activity completed thus far and taking assurance from the progress made in delivering the full ambitions of the Plan.
- 4.9 As part of the strategy development work, a Clinical Governance Strategic Framework and Delivery Plan has been created, which is fundamental to the Board's aim to be an organisation that listens, learns and improves on a continuous basis. The Framework outlines the key clinical governance activities linked to the attainment of the Board's strategic ambitions and the enablers put in place to ensure effective delivery. The supporting governance structures underneath the Clinical Governance Committee, to ensure operationally effective scrutiny of performance with meaningful measures in place to assess quality and safety of services, is detailed fully in the new Framework, and the Committee has had input to ensure that routes of escalation to itself as the key governance body are clear and unambiguous. Approval of the Framework will also address a number of outstanding Internal Audit recommendations made across a number of reports published in the last few years, principally around the reporting line of assurance reporting to the Clinical Governance Committee. In formally endorsing the Framework at its January 2023 meeting, members noted the importance of clear and ongoing communication with staff around the priorities of the Framework, in order for its priorities to be achieved.
- 4.10 The draft Corporate Objectives 2022/23 were presented to the Committee in April 2022. The report described what NHS Fife aims to achieve in-year, in tandem with a looking-back review of Directors' Objectives for 2021/22. Each objective has been carefully refined, with details on what Directors are leading on or supporting more generally. Assurance was provided that there was appropriate linkage to the Health & Social Care Partnership's strategic priorities and that those objectives for Acute will require strong collaborative working to be achievable. The objectives are framed under the four key strategic priorities of the Board, as aligned to national programmes, and reference the ongoing strategy development work undertaken in this reporting year. Each Board Committee has had a role in reviewing the objective from their own specific perspective. Following review, the Committee were pleased to endorse the Corporate Objectives for onward submission to the Board for formal approval. In March 2023, as part of

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the update on the Strategic Planning & Resource Allocation process for the year ahead, an initial proposal for a suite of Corporate Objectives for 2023/24 were discussed at the Committee, with members' feedback helping shape these further prior to further consideration at the May 2023 meeting and formal approval by the Board later in spring 2023.

- 4.11 The Committee received a presentation at its January 2023 on the service model for Fife Specialist Palliative Care Service, outlining changes made to the delivery of end-of-life care during the pandemic and the lessons learned from the patient experience since those changes were made. Challenges around the growing levels of demand for community-based services, aligned with the staffing required to deliver such care, were discussed by members. Whilst the decision-making route for approval of any service changes is via the Integration Joint Board, the clinical governance, quality and safety aspects of any proposal will come back to the Committee for consideration early in 2023/24. The Committee look forward to inputting into discussions on the best service model to be established to meet patient demand.
- 4.12 The Committee carefully scrutinises at each meeting key indicators in areas such as performance in relation to falls, pressure ulcers, complaints and the number of Adverse Events, via the Integrated Performance & Quality Report (IPQR). A dedicated report on Healthcare Associated Infection (HAIs) is also provided on a quarterly basis, to give assurance around the effectiveness of infection prevention, control and surveillance. Following a Board-wide review of the IPQR, reflecting the establishment of the Public Health & Wellbeing Committee, a set of performance-related metrics specific to the Committee has now been refined, to allow for appropriate, regular scrutiny of these at each meeting. Further enhancements have also been made to provide information on corporate risks within the IPQR, aligned to the various improvement outcomes. The Committee considered a report on the outcome of the IPQR review process at its July 2022 meeting and supported its recommendations on the enhancement of metrics and targets to be scrutinised by the Clinical Governance Committee.
- 4.13 During the pandemic and in the recovery period following thereon, strategic decisions have been made in relation to both the configuration of services and on which services could reasonably be provided. Changes to service provision have been risk assessed and the Committee has recognised that some patients may be affected by these decisions. As such, any consequences that resulted would not be considered avoidable, given that this was based on the strategic decision to prioritise services to address the pandemic. Importantly, actions to mitigate identified risks were implemented at all opportunity. The Committee considers that the local response to the pandemic, and the following recovery period into the reporting year, was appropriate, considered and aligned to Scottish Government direction. Throughout, urgent services such as cancer services and urgent care have been prioritised. Data on Hospital Standardised Mortality Ratios (HSMR) has been considered in regular reporting via the IPQR and via a standalone update given to the Committee at its November 2022 meeting (with members noting that NHS Fife's performance is in keeping with the national average). Members have noted the data and taken assurance, following discussion about the significance and interpretation of the data within the pandemic period. Also during the year, the Committee has considered data around instances of avoidable harm as detailed within the IPQR. The Committee is aware of the increase in cardiac arrest and linkages to patient deterioration, and specific assurance has been sought via the Clinical Governance Oversight Group that improvement actions are underway, with a further report anticipated at a future meeting regarding the impact and effectiveness of the improvement work. In-patient falls and hospital-acquired pressure ulcer performance has also been carefully scrutinised. Whilst assurance has been provided around the improvement work underway, the Committee is aware that the performance across both measures has not yet shifted in terms of reducing avoidable harm. Ongoing review of performance across both measures will continue to be undertaken by the Committee.

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- 4.14 The governance route for changing or stopping services has been carefully scrutinised through the pandemic response structures of Bronze, Silver and Gold Command groups, which have again stepped up in this reporting year to manage periods of high levels of activity. Critically, clinical teams and leaders have been central to decision-making, to ensure that any potential harm resulting from cessation or service change was appropriately mitigated. Examples of mitigation include the nationally agreed surgical prioritisation framework, use of 'Near Me' for the continuance of remote appointments, and outpatient prioritisation. The dynamic nature of the pandemic and the evolving understanding of the virus has necessitated a continual review of changes, which have been considered through the command structures described and also discussed by the Committee during the year. As services continue to recover to pre-pandemic levels, the Clinical Governance Committee will continue to offer oversight, to provide assurance in relation to the recovery of services and planning for tackling increased waiting lists.
- 4.15 Stand-alone updates on complaints performance / patient experience and feedback have also been discussed at the Committee, noting the backdrop of a backlog of cases built up during the pandemic and a related increase in complaints as treatment delays have multiplied due to pauses in outpatient and elective surgery appointments. Recovery performance has been variable, with the need to pause some complaint activity during the year at times of extreme pressure on staff, exacerbated also by the issue of staff shortage within the Patient Experience team. Enhancements in reporting to the Committee have been introduced, to provide more meaningful data around patient feedback and experience and analysis / learning from themes and trends, progressed by a new Organisational Learning Group. The Committee heard detail on the Recovery & Improvement Plan at its meeting in April 2022, to be supported by more nuanced quarterly reporting to the Committee that will give a broader view of the types of feedback submitted. In September 2022, focus was given to the feedback left by patients and families on Care Opinion, 80% of which was positive about the service respondents had received. Further investment has been made into the Patient Experience team, via the secondment of staff who had previously been part of the Test & Protect Covid response. Benchmarking against other territorial boards has also been undertaken, to explore new ways of working and to enhance process mapping understanding. In November 2022, the Committee received a further update on performance, noting the planned improvement activities being undertaken by a new Head of Patient Experience, particularly around processes aimed at meeting the 20 day target for complaint responses. Whilst NHS Fife continues to struggle to achieve this target, despite the initiatives cited above, it has been noted that the position is broadly similar across all other NHS Boards, reflecting the system-wide pressures on staff and services as the effects of the pandemic continue to be felt.
- 4.16 In relation to the Organisational Duty of Candour 2021/22 report, delays to its publication (related to the pandemic impacting upon timeliness of the adverse events process) were highlighted in the Internal Audit Annual Report 2021/22, considered by the Committee at its meeting in July 2022, where it was noted that there had been limited reporting to the Committee on cases occurring during the 2020/21 reporting year. Members agreed that backlog in reporting was unsatisfactory and requested an update as soon as information allowed. The final report, outlining the Board's compliance with the relevant legislation and detailing the number of cases that had triggered Duty of Candour processes, was tabled to the Committee at its March 2023 meeting, prior to its formal approval by the Board at their meeting on 28 March 2023. There were 36 adverse events detailed within the report, with the most common outcome (for 20 patients) being an increase in their treatment. A number of areas of strength have been identified, including notifying the person and providing details of the incident, provision of an apology, reviewing all cases and offering support and assistance.
- 4.17 Further detail on a national spike in neonatal adverse events was considered in private session at the Committee's July 2022 meeting, with information given on the local position. Assurance

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was taken that the forthcoming national review being undertaken by Healthcare Improvement Scotland (HIS), to better understand any potential linkages between a clusters of cases of neonatal mortality occurring in 2020/21 (detail of which was presented to the September and November 2022 meetings), would have NHS Fife's full participation, and that local significant adverse event reviews of relevant cases (assisted by external reviewers from Greater Glasgow & Clyde Health Board) would still be undertaken to provide the required assurance around the quality of our own processes and importantly to capture any areas of learning. The Committee has also considered (in November 2022 and March 2023) a report reviewing the deaths of Children and Young People in Fife, this being produced to address national guidance introduced in 2021 to learn from and prevent unnecessary deaths. A multi-disciplinary and multi-agency review group was established to take forward the review, and the full implementation of the national guidance is on track to be completed. Members took assurance from the first year of reporting, noting the governance arrangements and the robust implementation of the national review guidance within Fife.

- 4.18 In January and March 2023, members considered the issues raised by a letter to all NHSScotland Boards from Healthcare Improvement Scotland's Director of Quality Assurance, highlighting general concerns raised via a number of recent Safe Delivery of Care Inspections of acute hospitals across Scotland. The issues cited within reflected the exceptional winter pressures experienced by Scottish hospitals, including potential overcrowding in emergency departments and admission units, heavy use of supplementary staffing, pressures on staff health and wellbeing, the criticality of appropriate medicines governance, and the need for visible and active leadership on-site in clinical areas. Although focused on the results of acute inspections, members recognised that addressing all the action points required nothing less than a whole-system approach, to be achieved through close working with Fife Health & Social Care Partnership colleagues. An action plan has been developed to address the issues raised by HIS, to be supported by a series of 'mock inspections', to provide assurance that lessons learned from the HIS inspections would be carefully reviewed against practice within the Victoria Hospital.
- 4.19 In January 2023, members reviewed the learning from a Breast Screening Programme adverse event linked to nationally provided equipment, with assurance taken from Fife's local response to the issues raised by this incident. In March 2023, members considered a detailed paper benchmarking Fife against the learning from the Ockenden Report, an independent review of maternity services delivered at the Shrewsbury & Telford Hospital NHS Trust. This report outlined a number of essential actions to be taken in response to new-born, infant and maternal harm at the Trust. Whilst some actions were specific to the Trust alone, a number of more general recommendations for maternity care were made in the report, which offers an opportunity to implement learning within Fife. The paper gave important assurance that NHS Fife's maternity service had carefully benchmarked its activities against the system-wide recommendations made in the Ockenden Report and had identified areas where action was needed, to help improve the quality and safety of maternity care available to mothers and babies born within the service.
- 4.20 Annual reports were received on the subjects of: Radiation Protection; the work of the Clinical Advisory Panel; the Director of Public Health Annual Report 2020-21; Nursing, Midwifery & Allied Health Professionals' Assurance Framework; Occupational Health & Wellbeing Service 2021-22; Integrated Screening; Medical Education; Medical Appraisal & Revalidation; Prevention & Control of Infection; Management of Controlled Drugs; Volunteering; Research & Development Strategy & the Research, Innovation & Knowledge Annual Review; and any relevant Internal Audit reports that fall under the Committee's remit, such as those on Resilience Planning.

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- 4.21 The Committee has received minutes and assurance reports from its three sub-groups, namely the Digital & Information Board, Health & Safety Sub-Committee, and the Information Governance & Security Steering Group, detailing their business during the reporting year. As agreed previously, guidance and a template for the format of sub-groups annual assurance statements has been created for the groups to follow, to improve the consistency and content of information provided, and the annual reports of each of the groups have been reviewed at the Committee's May 2023 meeting. An additional assurance statement has also been submitted from the Clinical Governance Oversight Group, considered by the Committee at its meeting in September 2022, outlining the range of activities being taken forward by the group, in support of the clinical effectiveness agenda. It is hoped that the timing of this in future will be able to be aligned to the other formal assurance reports submitted to the Committee at financial year end.
- 4.22 In reference to the Health & Safety Sub-Committee, the annual assurance statement from the group outlines the additional staffing changes made in year to strengthen the team. These include the appointment of a new Health & Safety Manager, a managerial post dedicated to Health & Safety projects, and a number of new posts to enhance Manual Handling and Violence & Aggression compliance and training. Workstreams undertaken during the year include Face Fit refresher training for staff and ligature risk assessments across several NHS Fife sites. In relation to enhancing safety around usage and disposal of sharps, whilst the reestablishment of the Sharps Strategy Group has stalled due to continuing pressures on clinical staff, sharps has been added as a standing item to the Acute Services & Corporate Directorates Local Partnership Forum meetings, to enhance scrutiny in this area. The introduction of an Acute Services Health & Safety Committee has also recently been approved. There was no Health & Safety Executive enforcement undertaken during the year within NHS Fife. Noting the detail of the Health & Safety Sub-Committee's activities, the Clinical Governance Committee can take broad assurance from the work undertaken on its behalf during the reporting year.
- 4.23 The Digital & Information Board has continued to develop the governance, process and controls necessary to assure the organisation about the consideration and delivery of the Digital & Information Strategy and associated delivery plan. Specifically, this relates to ensuring progress is made with delivering the strategic ambition, relating to year four of NHS Fife's Digital and Information Strategy (2019-2024), and ensuring the maintenance and improvement in performance across Digital & Information technical and operational teams. This work has included consideration of a number of significant and outstanding Internal Audit findings given in previous reports, as well as the action points from previous NIS audits. The Committee considered an update report at its meeting in July 2022, noting the progress across a number of key areas, including Phase 2 of the 'Near Me' virtual appointments programme, approval of the Board's Record Management Plan, and further digital enhancements to support the operation of the National Treatment Centre Fife Orthopaedics. Members noted delays to the implementation of Hospital Electronic Prescribing and Medicines Automation (HEPMA). Contractual negotiations did not proceed as planned, which has delayed the project considerably from its original due date. However, the Committee has received assurance that the positive clinical impact and transformational benefits of the introduction of HEPMA remain undiminished and a new procurement process (as detailed in a report to the Committee in private session in July 2022) has begun to move this work forward. The impact of the pandemic on initiatives such as Paperlite electronic patient record has also slowed planned roll-out, however progress in these areas will continue to be closely monitored by the Committee. A further update on the progress of delivery of the Digital Strategy, and a stand-alone report on the Keeper of the Registers of Scotland's Report assessing the Board's Records Management Plan, was considered by members in January 2023, with members taking considerable assurance from the progress made in delivery of the related programmes of work.

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- 4.24 During the pandemic period, there has been unprecedented change in the areas of digital adoption, for staff, patients and the public in general. There has been continued demand for the implementation of new or existing technologies through the digital health and care request process. Additional consideration has been given to the revised resource model across Digital teams, as they continue to deal with the demand, whilst matching the responsibilities to operate the additional digital capabilities. Improvements to the recruitment of a more permanent workforce and reduced reliance on temporary and fixed term resources is being progressed. Via the number of updates throughout the year, the Committee were assured that Digital & Information colleagues will take due account of such demand as the Board continues to deliver the key ambitions of the Digital & Information Strategy, noting that these will be scrutinised and prioritised in accordance with the individual programmes and workstreams of the new organisational strategy. A revised engagement model has been established, which ensures the correct level of clinical and leadership engagement with digital developments, including the prioritisation of projects reflecting clinical effectiveness and safety issues, to help manage excess demand. The annual Assurance Statement of the Digital & Information Board provides further detail on the Group's activities, as considered by the Committee at its May 2023 meeting. During the year, 15 risks aligned to the Digital & Information Board improved their rating, 5 moved to the target risk rating (and thus moved to the status of monitoring) and 4 risks were closed. No significant issues have been escalated for disclosure in the Governance Statement and the Clinical Governance Committee can take broad assurance from the work undertaken by the Digital & Information Board over 2022-23.
- 4.25 The Clinical Governance Committee has also considered updates from the Information Governance & Security Steering Group. The Group has reviewed reports (in September 2022 and March 2023) detailing the current baseline of performance and controls within the remit of Information Governance & Security activities, recognising that whilst compliance and assurance in some areas is effective, in others improvement in data availability and reporting is necessary to ensure the confidentiality, availability and integrity of patient, corporate and staff information. The Group have adopted a set of performance measures and a defined workplan, with projects and deliverables associated across outcomes per quarter. This, in turn, brings assurance to support a strong baseline of performance in the area of Information Governance & Security, with improvement against key controls to better measure performance. Key measures reviewed throughout the year included: monthly Subject Access Request data; point-in-time Information Asset Register figures; Information Governance training compliance; monthly Freedom of Information performance; current policy and procedure review information; Network and Information Security Directive (NISD) compliance at time of audit; monthly adverse event reporting; and summary information on reportable incidents to the Information Commissioner's Office / Competent Authority.
- 4.26 Throughout the year, the Group were presented with a consistent summary risk profile by risk rating and information relating to the improvement or deterioration of risk during the period. Key areas under the Group's scrutiny include Data Protection and GDPR; Freedom of Information; Public Records; and the National Information Security Directive (NISD), including audit against this framework. Visualisation of the risk profile, which amounted to 26 in number over the year, supported the critique and assurance the Group were able to offer after consideration of individual workstream reports and overall activity tracker. In year, focus has been on data sharing agreements with GPs and external contractors; the processes around addressing Subject Access Requests (SARs) to improve timeliness of response; actions required following the Keeper of the Records of Scotland's approval of NHS Fife's Records Management Plan; and compliance activities mapped against the Information Commissioner's Office Accountability Framework and NISD Framework. For the most recently reported NIS audit, NHS Fife achieved a compliance score of 76%, indicating steady improvement from the 69% achieved in the 2021 audit. During the period, nine risks aligned to the Steering Group

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improved their rating, one risk deteriorated during the period, three equalled their target risk rating (and thus moved to a status of monitoring) and five risks were closed. There are no issues identified that require disclosure within the Governance Statement, which is continuing testament to improvements made across the domain of Information Governance & Security in the reporting year.

- 4.27 New for this year to the Committee's workplan has been enhanced reporting around resilience and emergency planning, culminating in a new annual assurance statement being submitted from the Resilience Forum to provide members with greater detail around the further development of business continuity plans within NHS Fife. An Internal Audit report (tabled to the Committee in April 2022) indicated a lack of effectiveness around resilience arrangements, notwithstanding the emergency response swiftly enacted during the pandemic, signifying a potentially high risk to the Board in this area. A new Head of Resilience appointed in spring 2022 is progressing areas of focussed work around emergency planning, resilience guidance documents and Business Continuity Planning across the organisation, thereby addressing the audit points raised in the report. An update outlining the workstreams being taken forward to make improvements in this area was considered by the Committee in April 2022, to be supported by a number of workshops and real-life scenarios to be run for key operational groups to help identify where resilience planning needed to be strengthened. A further paper was considered by members in July 2022, focused on progress in implementing the various internal audit recommendations and clarifying future reporting arrangements, including regular updates to the Executive Directors' Group, particularly around testing and exercising, business continuity and Major Incident Plan development. In March 2023, the Resilience Annual Report was considered by members, containing details of activity across the full range of major incident planning and business continuity work, and this has been supported by a formal annual statement of assurance from the Resilience Forum, considered at the Committee's May 2023 meeting. The statement of assurance concludes that partial assurance can be taken from the developing and maturing process around emergency planning, noting that the Major Incident Plan framework remains under revision, following initial consideration by EDG. The completion of Business Continuity Plans for all relevant service areas is being progressed to completion over a longer timescale than previously intended. The majority of plans (95) have now been approved, with the remainder (38) in progress of being drafted. The Corporate Risk Register currently records a moderate level of risk within Emergency Planning & Business Continuity, reflecting the developing status of processes within this area as the team continues to work towards full compliance with statutory requirements and best practice guidance detailed in the Civil Contingencies Act 2004 and the NHS Scotland standards for Resilience.
- 4.28 An annual statement of assurance has also been received and considered from the Quality & Communities Committee of the Integration Joint Board, detailing how clinical & care governance mechanisms are in place within all Divisions of the Fife Health & Social Care Partnership and that systems exist to make these effective throughout their areas of responsibility. The Committee has gone major restructuring during the reporting year and is working towards implementing its full Terms of Reference, recognising the significant change in membership and function over 2022-23. Progress has been made, as detailed further in the Committee's annual assurance statement, with plans for further development of agendas and workplan to reflect all areas of the Committee's remit in the year ahead.
- 4.29 The Committee has held a series of dedicated Development Sessions throughout the year, allowing members to gain a greater understanding and to receive detailed briefings on a number of topics. In June 2022, a session with the Committee discussed the Edinburgh Cancer Centre re-provision and the proposed regional service model, with a particular focus on the potential impact on NHS Fife regarding the optimisation of pathways. The briefing helped assist members in their understanding of the programme of work, prior to the Committee's formal consideration of the relevant Initial Agreement at its July 2022 meeting, aided by a presentation

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from colleagues from NHS Lothian. The June 2022 Development Session also received a presentation from the Research, Innovation & Knowledge team (RIK), complementing their formal route of reporting into the Committee across the year. At the following Committee meeting in July 2022, members considered in detail the Data Sharing Agreement for a use case demonstration project with DataLoch, to support the evaluation of NHS Fife business needs and strategies as informed by real-life data. Given the complexity around this, the earlier Development Session from the RIK team helped aid members' understanding of the formal proposal brought subsequently to the Committee.

- 4.30 The November 2022 Development Session saw presentations from clinical teams on E-Coli Bacteraemia, to support the Committee's knowledge around HAI surveillance and performance, and detail on the cancer services provided in Fife in relation to the draft Cancer Framework which was then presented for endorsement to the Committee in January 2023. Members welcomed the assurance given by the clinical specialists and appreciated the opportunity to ask questions directly of the relevant specialists in these areas.
- 4.31 Minutes of Clinical Governance Committee meetings have been subsequently approved by the Committee and presented to Fife NHS Board. The Board also receives a verbal update at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates.

### 5. Best Value

- 5.1 Since 2013/14 the Board has been required to provide overt assurance on Best Value. A revised Best Value Framework was considered and agreed by the NHS Board in January 2018. Appendix 2 provides evidence of where and when the Committee considered the relevant characteristics during 2022/23.

### 6. Risk Management

- 6.1 In line with the Board's agreed risk management arrangements, NHS Fife Clinical Governance Committee, as a governance committee of the Board, has considered risk through a range of reports and scrutiny, including oversight on the detail of the Board Assurance Framework (BAF) in the areas of Quality & Safety and Digital & Information, and via its aligned risks assigned to it under the new Corporate Risk Register introduced in this reporting year. Progress and appropriate actions were noted. In addition, many of the Committee's requested reports in relation to active and emerging issues have been commissioned on a risk-based approach, to focus members' attention on areas that were central to the Board's priorities around care and service delivery, particularly during challenging periods of activity.
- 6.2 From May 2022, the Public Health & Wellbeing Committee took over detailed scrutiny of the Strategic Planning Board Assurance Framework (BAF). Improvement to the risk level has been seen in-year, due to the detailed work undertaken to creating the required structures, engagement activities and governance to support the development of the Board's new Population Health & Wellbeing Strategy and full resourcing of the Corporate Programme Management Office. As part of the move to a refreshed Corporate Risk Register during 2022/23, a new risk has been drafted around the effectiveness of strategy and its delivery, which will be monitored closely by the Public Health & Wellbeing Committee in the year ahead.
- 6.3 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of

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members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in September 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance has been agreed, given the scale of external challenges at this time.

- 6.4 During the year, in relation to Quality & Safety, the Committee has specifically considered the overall component of this BAF, along with its linked operational risks. In April 2022, the potential impact on quality of care and safety of services from reduced nursing and midwifery staffing levels was carefully considered by members, this also being linked to Staff Governance Committee's own scrutiny of the dedicated Workforce BAF. Given the likely negative impact upon patient safety through reduced staffing levels, the linkage of the risk to both BAFs was supported by members. Additional discussions on this BAF have focused on Cancer Waiting Times Access Standards and Covid-related risks, including Public Health oversight of care homes. The Quality & Safety BAF remained unchanged for the Committee's July and September 2022 meeting, prior to its replacement by the Corporate Risk Register.
- 6.5 In relation to Digital & Information risks, the alignment of risks to the two subordinate governance groups (the Digital & Information Board and the Information & Security Steering Group) has been completed, to reflect core operational, strategic and information security risks critical to the organisation and enhanced framing within the overall Digital Strategy. A number of risks have heightened during the year, including those related to the overall cyber threat landscape, given the conflict in Ukraine. In July 2022, this risk was reduced to moderate, to reflect the introduction of new mitigating actions to limit the potential for a cyber-attack on NHS Fife. Also reduced during the year was the risk of additional financial costs from the Office365 national licensing agreement, and the Digital & Information financial position more generally, given the conclusion of prioritisation activity as part of the annual SPRA process. It has been agreed that the move from the BAF to the new presentation of the Corporate Risk Register will allow for a reassessment of the visibility of operational risks, such as those linked to the replacement Laboratory Information Management System (LIMS), which has been the subject of Board-level discussions in-year. A stand-alone paper detailing the mitigation of risks in reference to the LIMS project has also been considered by the Committee at its November 2022 meeting.
- 6.6 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in September 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance has been agreed, given the scale of external challenges at this time.
- 6.7 In November 2022, members considered in detail the six individual risks aligned to the Clinical Governance Committee, presented in the new Corporate Risk Register format. It is noted that refinement of these will continue over the coming year, as the new risk presentation beds in. The risks aligned specifically to the Clinical Governance Committee cover the areas of optimal clinical outcomes; quality of care provided; the ongoing impact of Covid, particularly on those most at risk from severe outcomes; and delivery of the Digital & Information strategy and cyber resilience measures, against a difficult backdrop of financial challenges. In addition to the summary presentation of the aligned risks at all meetings since November 2022, members

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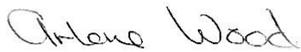
have received deep-dive information on the Digital & Information risk (November 2022) and the Covid-19 pandemic risk (March 2023), with in-depth review of Optimal Clinical Outcomes corporate risk scheduled for May 2023. Deep dives allow for greater scrutiny of the root causes of risks and discussion on the effectiveness of management actions in place to reduce risk levels. This area of the new risk management approach is expected to mature in the year ahead, to provide members with the necessary levels of assurance on the effectiveness of mitigating actions.

### 7. Self-Assessment

- 7.1 The Committee has undertaken a self-assessment of its own effectiveness, utilising a revised questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its March 2023 meeting, and action points are being taken forward at both Committee and Board level.

### 8. Conclusion

- 8.1 As Chair of the Clinical Governance Committee, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that adequate and effective governance arrangements were in place throughout NHS Fife during the year.
- 8.2 I can confirm that that there were no significant control weaknesses or issues at the year-end which the Committee considers should be disclosed in the Governance Statement, as they may have impacted financially or otherwise in the year or thereafter.
- 8.3 I would pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I would thank all those members of staff who have prepared reports and attended meetings of the Committee.

Signed:  Date: 5 May 2023

**Arlene Wood, Chair**

On behalf of the Clinical Governance Committee

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

**NHS Fife Clinical Governance Committee Attendance Record  
1 April 2022 to 31 March 2023**

	29.04.22	10.06.22	01.07.22	02.09.22	04.11.22	13.01.23	03.03.23
<b>Members</b>							
<b>C Cooper</b> , Non-Executive Member ( <b>Chair</b> )	P	P	P	P	P		
<b>A Wood</b> , Non-Executive Member ( <b>Chair</b> )	P	P	P	P	x	P	P
<b>M Black</b> , Non-Executive Member	P	x	P	P	P		
<b>S Braiden</b> , Non-Executive Member	P	P	x	P	x	P	P
<b>S Fevre</b> , Area Partnership Forum Representative	P	P	P	P	P	P	P
<b>Cllr D Graham</b> , Stakeholder Member, Fife Council	x						
<b>C Grieve</b> , Non-Executive Member					P Observing	P	P
<b>A Haston</b> , Non-Executive Member				P	P	P	P
<b>R Laing</b> , Non-Executive Member	x						
<b>A Lawrie</b> , Area Clinical Forum Representative	x	x	P	x	P	P	x
<b>K MacDonald</b> , Non-Executive Whistleblowing Champion		P	x	P	P	P	P
<b>C McKenna</b> , Medical Director ( <b>Exec Lead</b> )	P	P	x	P	P	P	P
<b>J Keenan</b> (Previously Owens), Director of Nursing	P	P	P	P	P	P	P
<b>C Potter</b> , Chief Executive	x	P	x	P	P Part	P Part	x
<b>J Tomlinson</b> , Director of Public Health	x	P	P	x	x	P	P
<b>In Attendance</b>							
<b>A Akhtar</b> , Orthopaedics Consultant		P Item 4					
<b>L Barker</b> , Associate Director of Nursing				P	P		
<b>N Beveridge</b> , Head of Nursing						P	
<b>J Bowden</b> , Palliative Care Consultant		P Item 4				P	
<b>J Brown</b> , Head of Pharmacy			P				
<b>L Campbell</b> , Associate Director of Nursing				P			
<b>N Connor</b> , Director of H&SC	P	P	P Part	x	P	P	P

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	29.04.22	10.06.22	01.07.22	02.09.22	04.11.22	13.01.23	03.03.23
<b>G Couser</b> , Associate Director of Quality & Clinical Governance	x	x	x	x			
<b>S Cosens</b> , NHS Lothian			P Item 7.1				
<b>P Cumming</b> , Risk Manager	P Item 5.5			P Item 7			
<b>D Dhasmana</b> , Respiratory Medicine Consultant		P					
<b>C Dobson</b> , Director of Acute Services	P	P	P	P	P	P	P
<b>S Fraser</b> , Associate Director of Planning & Performance			P Part			P	P
<b>A Graham</b> , Associate Director of Digital & Information	P	P	P	P	P	P	P
<b>K Gray</b> , Research & Development Lead Nurse		P Item 4					
<b>B Hannan</b> , Director of Pharmacy & Medicines	P	x	x	P	P	P	P
<b>S Harrow</b> , NHS Lothian			P Item 7.1				
<b>H Hellewell</b> , Associate Medical Director, H&SCP	P	x	P	x	P	P	P
<b>G MacIntosh</b> , Head of Corporate Governance & Board Secretary	P	x	P	P	P	P	P
<b>A MacKay</b> , Speech & Language Therapy Operational Lead	P Observing						
<b>S McCormack</b> , Associate Medical Director for Emergency Care and Planned Care							P Observing
<b>N McCormick</b> , Director of Property & Asset Management							P
<b>M McGurk</b> , Director of Finance & Strategy	P Part	P	P	P	P	P	P
<b>D Miller</b> , Director of Workforce						P	
<b>J Morrice</b> , AMD, Women & Children Services	x	P	x	x	x	x	x
<b>E Muir</b> , Clinical Effectiveness Manager	P	P	P	x	P	P	P
<b>K Nicoll</b> , Cancer Transformation Manager		P Item 4					
<b>G Ogden</b> , Head of Nursing					P		P
<b>E O'Keefe</b> , Consultant in Dental Public Health	P Item 6.2			P	P		
<b>M Paterson</b> , Head of Nursing	P	P					
<b>F Quirk</b> , Assistant Research & Development Director		P Item 4	P Item 7.2				
<b>C Reid</b> , NHS Lothian			P Item 7.1				

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	<b>29.04.22</b>	<b>10.06.22</b>	<b>01.07.22</b>	<b>02.09.22</b>	<b>04.11.22</b>	<b>13.01.23</b>	<b>03.03.23</b>
<b>S A Savage</b> , Interim Associated Director of Quality & Clinical Governance					P Observing	P	P
<b>M Wood</b> , Interim Associate Medical Director for Surgery, Medicines & Diagnostics	x	x	x	x			
<b>K Wright</b> , Clinical Services Manager						P Item 8.5	

## Best Value Framework

### Vision and Leadership

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The strategic plan is translated into annual operational plans with meaningful, achievable actions and outcomes and clear responsibility for action.	Winter Plan  Capacity Plan	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>  <b>CLINICAL GOVERNANCE COMMITTEE</b>  <b>BOARD</b>	Annual  Bi-monthly  Bi-monthly	Winter Plan review  NHS Fife Clinical Governance Workplan is approved annually and kept up to date on a rolling basis  Minutes from Linked Committees e.g. <ul style="list-style-type: none"> <li>· NHS Fife Area Drugs &amp; Therapeutics Committee</li> <li>· Acute Services Division, Clinical Governance Committee</li> <li>· NHS Fife Infection Control Committee</li> <li>· NHS Fife H&amp;SCP Quality &amp; Communities Committee</li> </ul> NHS Fife Integrated Performance & Quality Report is considered at every meeting

**Governance and Accountability**

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure openness and transparency. Public reporting should show the impact of the organisations activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Out with the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available.  Committee papers and minutes are publicly available	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	Strategy updates considered regularly  Via the NHS Fife website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	SBAR reports  EQIA section on all reports

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife has developed and implemented an effective and accessible complaints system in line with Scottish Public Services Ombudsman guidance.	Complaints system in place and regular complaints monitoring.	<b>CLINICAL GOVERNANCE COMMITTEE</b>	Ongoing  Bi-monthly	Single complaints process across Fife health & social care system  NHS Fife Integrated Performance & Quality Report is discussed at every meeting. Complaints are monitored through the report.
NHS Fife can demonstrate that it has clear mechanisms for receiving feedback from service users and responds positively to issues raised.	Annual feedback  Individual feedback	<b>CLINICAL GOVERNANCE COMMITTEE</b>	Ongoing  Bi-monthly	Update on Participation & Engagement processes and groups undertaken during the reporting year.  NHS Fife Integrated Performance & Quality Report is discussed at every meeting. Complaints are monitored through the report.

**Use of Resources**

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
There is a robust information governance framework in place that ensures proper recording and transparency of all NHS Fife’s activities.	Information & Security Governance Steering Group Annual Report  Digital & Information Board Annual Report  Digital & Information Board minutes	<b>CLINICAL GOVERNANCE COMMITTEE</b>	Annual	Minutes and Annual Report considered, in addition to related Internal Audit reports. Reporting format and content has been enhanced in current year.
NHS Fife understands and exploits the value of the data and information it holds.	Remobilisation Plan  Integrated Performance & Quality Report	<b>BOARD COMMITTEES</b>	Annual  Bi-monthly	Integrated Performance & Quality Report considered at every meeting  Particular review of performance in relation to pressure ulcers, falls, catheter infections and E Coli undertaken in current year

**Performance Management**

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives	Integrated Performance & Quality Report encompassing all aspects of operational performance, Annual Operational Plan targets / measures, and financial, clinical and staff governance metrics.  The Board delegates to Committees the scrutiny of performance  Board receives full Integrated Performance & Quality Report and notification of any issues for escalation from Committees.	<b>COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report considered at every meeting  Minutes from Linked Committees e.g. <ul style="list-style-type: none"> <li>· Area Drugs &amp; Therapeutics Committee</li> <li>· Acute Services Division, Clinical Governance Committee</li> <li>· Digital &amp; Information Board</li> <li>· Infection Control Committee</li> <li>· Information Governance &amp; Security Steering Group</li> </ul>
The Board and its Committees approve the format and content of the performance reports they receive	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	<b>COMMITTEES</b>  <b>BOARD</b>	Annual	Integrated Performance & Quality Report considered at every meetings. Review of format and content is being undertaken in reporting year.
Reports are honest and balanced and subject to	Committee Minutes show scrutiny and challenge when performance	<b>COMMITTEES</b>	Every meeting	Integrated Performance & Quality Report considered at

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
proportionate and appropriate scrutiny and challenge from the Board and its Committees.	is poor as well as good; with escalation of issues to the Board as required	<b>BOARD</b>		every meetings  Minutes of Linked Committees are reported at every meeting, with improved process for escalation of issues.
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	<b>COMMITTEES</b>  <b>BOARD</b>	Every meeting  Annual	Integrated Performance & Quality Report considered at every meeting  The Committee commissions further reports on any areas of concern, e.g. as with complaints, adverse events.
NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.	Encompassed within the Integrated Performance & Quality Report	<b>COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report considered at every meeting  Minutes of Linked Committees <ul style="list-style-type: none"> <li>· Area Clinical Forum</li> <li>· Acute Services Division, Clinical Governance Committee</li> <li>· Area Drugs &amp; Therapeutics Committee</li> </ul>

### Cross-Cutting Theme – Equality

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.		<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	Strategy updates regularly considered, along with People with Planning updates in current year  All strategies have a completed EQIA
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	Strategy updates regularly considered  All strategies have a completed EQIA
NHS Fife’s policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	All NHS Fife policies have a EQIA completed and approved. The EQIA is published alongside the policy when uploaded onto the website
Wherever relevant, NHS	In accordance with the Equality	<b>BOARD</b>	Ongoing	Update on Participation &

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.	and Impact Assessment Policy, Impact Assessments will collect this information to inform future decisions.	<b>COMMITTEES</b>		Engagement processes and groups undertaken during the reporting year, which encompassed effectiveness of engagement with key groups of users

**ANNUAL STATEMENT OF ASSURANCE FOR THE  
FINANCE, PERFORMANCE & RESOURCES COMMITTEE 2022/23**

**1. Purpose of Committee**

- 1.1 The purpose of the Committee is to keep under review the financial position and performance against key non-financial targets of the Board, and to ensure that suitable arrangements are in place to secure economy, efficiency and effectiveness in the use of all resources, and that these arrangements are working effectively.

**2. Membership of Committee**

- 2.1 During the financial year to 31 March 2023, membership of the Finance, Performance & Resources Committee comprised:

Rona Laing	Chair / Non-Executive Member (to May 2022)
Alistair Morris	Chair / Non-Executive Member (Chair, from May 2022)
Wilma Brown	Non-Executive Stakeholder Member
Cllr David Graham	Non-Executive Stakeholder Member (from November 2022)
Alastair Grant	Non-Executive Member
Aileen Lawrie	Non-Executive Stakeholder Member
John Kemp	Non-Executive Member (from November 2022)
Mansoor Mahmood	Non-Executive Member
Margo McGurk	Director of Finance & Strategy
Dr Chris McKenna	Medical Director
Janette Keenan	Director of Nursing
Carol Potter	Chief Executive
Dr Joy Tomlinson	Director of Public Health

- 2.2 The Committee may invite individuals to attend the Committee meetings for particular agenda items, but the Director of Acute Services, Director of Health & Social Care, Director of Property & Asset Management, Director of Pharmacy & Medicines, Deputy Director of Finance and Board Secretary will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.

**3. Meetings**

- 3.1 The Committee met on nine occasions during the financial year to 31 March 2023, on the undernoted dates:

- 10 May 2022
- 12 July 2022
- 13 September 2022
- 20 September 2022 (Development Session)
- 17 October 2022 (Extraordinary Meeting)
- 15 November 2022
- 17 January 2023
- 14 March 2023
- 30 March 2023 (Development Session)

- 3.2 The attendance schedule is attached at Appendix 1.

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### 4. Business

- 4.1 At each meeting the Finance, Performance & Resources Committee considers the most up-to-date financial position for the year, for both revenue and capital expenditure. This function is of central importance, as the Committee provides detailed scrutiny of the ongoing financial position and on aspects of operational performance across NHS Fife activities, including those delegated to the Integration Joint Board. Considerable time was spent in meetings discussing and reviewing the financial pressures facing the Board (during financial years 2021-22 and 2022-23), the delivery of in-year savings against plan, and consideration of the enduring financial consequences of the Covid pandemic, which continue to impact on achieving financial sustainability over the medium term. The risk score for financial sustainability has remained high throughout the year, with the matter under regular review at an operational level by the Financial Improvement & Sustainability Programme Board. Updates on the predicted year-end position (where a financial gap of c.£10.4m is expected) were presented and discussed by members.
- 4.2 In September 2022, members considered a detailed update from the Financial Improvement & Sustainability Programme Board, outlining the delivery progress of cost improvement plans and the challenges experienced in these achieving the predicted targets. Key areas of pressure at that mid-year point included spend on supplementary staffing and the vacancy factor, further details on which have also been considered in-year by the Staff Governance Committee. The cost of living crisis affecting the whole economy, plus the removal of Covid-related financial support to Health Boards, have created additional challenges, particularly in the area of procurement. The situation has generally been reflective of the activity pressures experienced throughout the year and the resultant workload on staff. The Committee, however, have been clear that the 2022/23 savings target should remain the objective, to ensure that following year targets are attainable. Further updates on the trajectory of performance were received at the Committee's meeting in November 2022, with the target to reduce spend on supplementary staffing showing some slippage. An additional update in January 2023 reported that whilst £6m of savings had been delivered by November 2022, with £2.4m on a recurring basis, this remained short of the £11.7m target set at the beginning of the financial year. These reports indicated the challenge of meeting saving targets against a backdrop of relentless demand and challenging economic conditions. The Financial Improvement & Sustainability Programme Board is not solely focussed on saving opportunities, but is also working closely with colleagues to increase productivity and capacity, reviewing on a frequent basis the ability to deliver the financial grip and control targets.
- 4.3 The creation of a medium-term financial plan, covering the period 2022/23 to 2024/25, has been the subject of detailed scrutiny at Committee meetings. The March 2022 Board-approved position of a year-end deficit of no more than £10.4m for 2022/23 has been captured within the plan, though this has been pressured by general inflation within the wider economy. A mid-year review report was considered by members in November 2022, noting that unrelenting pressures in patient demand, staffing shortages and an increase in non-pay costs as a result of inflation were key drivers behind a larger-than-expected overspend. A two-stage action plan was developed to mitigate increased costs, as detailed within the report to members. It was recognised that brokerage would be required for 2022/23, and the Committee considered the impact of the repayment profile across both three- and five-year plans. In March 2023, the next iteration of the medium-term plan was considered, covering 2023/24 to 2027/28, and scrutiny was undertaken of the high-level assumptions within. Further updates have been given to the Board directly, both at formal meetings and at Board Development Sessions, as financial plans have been considered and then formally approved.
- 4.4 In October 2021, the Board established a new Public Health & Wellbeing Committee, which has taken under its remit some public health-related areas previously covered by the Finance, Performance & Resources Committee (chiefly scrutiny over mental health performance

## APPENDIX 1

delivery in Child & Adolescent Mental Health Services (CAMHS) and Psychological Therapies (PT)). A comprehensive review of workplans and terms of reference of each committee has taken place, to limit the potential for any unnecessary duplication of effort and help clarify each committee's responsibilities over agenda items that might be tabled to more than one standing committee, as part of reporting through the governance structure. After completing its first full annual cycle of business during 2022/23, the Public Health & Wellbeing Committee has settled on a comprehensive workplan to ensure appropriate coverage of business throughout the year. This, in turn, has given the Finance, Performance & Resources Committee an opportunity for more focused agendas and enhanced scrutiny on the key aspects of performance and business aligned to its specific remit.

- 4.5 Updates have been given to the Committee on the Strategic Planning & Resource Allocation process, now in its third year of operation, which has generated key content to support the Annual Delivery Plan, financial and workforce plans and the Corporate Objectives for the year. It is considered that this focus will improve the overall lines of reporting and assurance to the Committee over the forthcoming year. Ongoing reports have been provided on the Population Health & Wellbeing Strategy development work, including details on the engagement approach and the development of the Population Health Needs Assessment, which has created the baseline for the new strategy. Development of the individual workstreams are being taken forward through a Portfolio approach involving all members of the Executive Directors' Group. Overall, the workstreams are linked to the five national care programmes that have been initiated by the Scottish Government. Engagement has taken place with staff, key stakeholders and members of the public, and updates have been given to the Committee thereon. At its March 2023 meeting, the Committee were pleased to endorse the content of the new strategy, following detailed full Board discussion. The Public Health & Wellbeing Committee is the lead Committee for the development of the new Strategy, though the Finance, Performance & Resources Committee will continue to have a specific role in the scrutiny and assurance of the financial plan aspects as these move towards the delivery phase.
- 4.6 The draft Corporate Objectives 2022/23 were presented to the Committee in May 2022. The report described what NHS Fife aims to achieve in-year, in tandem with a looking-back review of Directors' Objectives for 2021/22. Each objective has been carefully refined, with details on what Directors are leading on or supporting more generally. Assurance was provided that there was appropriate linkage to the Health & Social Care Partnership's strategic priorities and that those objectives for Acute will require strong collaborative working to be achievable. The objectives are framed under the four key strategic priorities of the Board, as aligned to national programmes, and reference the ongoing strategy development work undertaken in this reporting year. Each Board Committee has had a role in reviewing the objectives from their own specific perspective and, for the Finance, Performance & Resources Committee, linkage between these and the Strategic Planning & Resource Allocation process is explicit. Following review, the Committee were pleased to endorse the Corporate Objectives for onward submission to the Board for formal approval.
- 4.7 The Committee scrutinised operational performance at each meeting through review of the Integrated Performance & Quality Report (IPQR), specifically those measures that fall within its own remit (performance updates related to CAMHS and Psychological Therapies have now fully transitioned to come under the responsibility of the new Public Health & Wellbeing Committee). The Committee considered a report on the outcome of the IPQR review process at its July 2022 meeting and supported its recommendations on the enhancement of metrics and targets to be scrutinised by the Finance, Performance & Resources Committee. The impact of Covid on traditional key performance measures monitored by the Committee remains significant, particularly in relation to Treatment Times Guarantee measures, long waits within the Emergency Department, numbers of new referrals and diagnostic performance. In general, the plans to tackle the resultant backlog from the pause of services

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during the height of the pandemic remains a significant focus of the Committee going forward. In September 2022, the Committee considered a specific briefing on the delivery of long wait targets for outpatients, elective surgery and diagnostics. Noting the challenges of meeting these targets whilst experiencing extreme unscheduled care and staffing pressures, the Committee took assurance from the Board's request made to Scottish Government for the required waiting times funding, noting the implications for the level of planned activity should this not be received in full. An update was given in November 2022, as part of the discussion of the IPQR report, noting that reduced funding had been granted by Scottish Government, which has meant that the full scope of the plan had been difficult to implement. Changes to the allocation model for orthopaedic surgery in the new National Treatment Centre will also impact on local waiting times performance, with the third theatre in the new build to be assigned largely to regional work. Members were assured that senior and clinical teams continue to have open and frank dialogue with Scottish Government colleagues, to indicate what financial support is required to deliver the full aspirations around waiting list targets.

- 4.8 Demand for unscheduled care services has continued to exceed expectation for much of the year, leading to significant pressures particularly at the front-door of the Emergency Department. Spikes in Covid-related and respiratory infections have continued to negatively impact upon the delay position and discharge / flow, with the Committee receiving regular updates via IPQR reporting, particularly over the winter period. Significant pressures on the workforce have also been reported. Scrutiny of the actions underway to improve the situation was undertaken, with members noting the negative impact on whole-system care, quality and workforce in consequence of the delay position. This year's Annual Delivery Plan (considered in private session in July 2022) has also detailed the measures aimed at recovering performance.
- 4.9 The Committee discussed planning for the Winter Period (as part of the Board's Annual Delivery Plan return) and reflected on Winter performance via a report on the 2021/22 period considered by members at the Committee's May 2022 meeting. It was recognised that, particularly with Covid activity ongoing, planning for pressures and surges was, in essence, a year-round activity, which goes beyond the actual Winter season. Services have been recovering as well as remobilising, and close working relationships (particularly with colleagues in the Health & Social Care Partnership) have been critical to managing delay and flow, with varying results across the year. It has been important for the Board to continuously review proposals to mitigate capacity issues, to ensure that pressures 365 days per year are accounted for in overall planning. Activity levels have at some periods been unrelenting, and the Committee were fully apprised of the impact this had on the variability of performance overall, particularly around key targets such as A&E attendances. Clinical prioritisation, however, ensures that the most urgent cases continue to receive timely treatment. The introduction of a new Operational Pressures Escalation Levels (OPEL) process, which became fully embedded over the reporting year, is helping manage day-to-day pressures, with clear triggers for action and escalation.
- 4.10 A briefing paper on the development of Assistant Practitioner roles was considered in detail by the Committee at its September 2022 meeting, focusing on the financial impacts on budgetary planning for the nursing workforce, as well as the processes for accountability and the career development pathways that could be best supported by this initiative. The Committee took broad assurance from the development of the roles and the training to be put in place to support staff, welcoming the proposal as an effort to make further enhancements to the workforce. The particular importance of utilising the full nursing budget appropriately to support staff, whilst the Board continues to experience a vacancy gap in Band 5 nursing posts, was recognised by members, noting the importance of creating career pathways for our staff to help mitigate the usage of agency and bank spend.

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- 4.11 The Committee has considered a bi-annual update (in May and November) around the status of General Policies & Procedures, noting that the introduction of a new post-holder in the Corporate Governance support team has led to considerable work being undertaken during the reporting year to improve the follow-up processes, develop a prioritised workplan and to enhance the guidance available to staff, which is now readily accessible on StaffLink. A new escalation process to the Executive Directors' Group has also been established in-year. The format and content of the policy status report to the Committee has also been enhanced, to provide clearer detail and assurance around areas that require further follow-up work and to highlight risks of key policies remaining overdue for review. Members have previously been supportive of efforts to move to a more streamlined review process, utilising electronic software solutions where appropriate, though a decision remains to be made on the best way to take forward procurement of any software solution. However, dedicated staff resource secured to assist with the general administration and review of General Policies has helped to improve compliance and this is expected to help in the long term to reduce the backlog of overdue reviews. The Committee will receive ongoing updates on this, for assurance, whilst the backlog continues to be worked through
- 4.12 The Committee has held a series of dedicated Development Sessions throughout the year, allowing members to gain a greater understanding and to receive detailed briefings on a number of topics. In September 2022, members were pleased to welcome Alan Morrison from Scottish Government to provide a briefing on the National Capital Programme and funding assumptions from a Scottish Government perspective. This was complemented by a detailed presentation from the Director of Finance & Strategy on the development of the Board's medium-term financial strategy. In March 2023, the Committee took part in a presentation on the outcome of the Primary Care Premises Strategy and the findings of that review, recognising its importance to the wider issue of GP sustainability in particular.
- 4.13 The Committee considered progress in relation to the following capital schemes:
- National Treatment Centre Fife Orthopaedics
  - Hospital Electronic Prescribing & Medicines Administration (HEPMA)
  - Kincardine & Lochgelly Health Centres
  - Laboratory Information Management System (LIMS)
- 4.14 Ongoing quarterly updates were provided to members on the progress with the National Treatment Centre for Fife Orthopaedics construction project, which continued during 2022/23. In May 2022, members took assurance from an update detailing build progress and the mitigation actions underway to address materials shortages due to turbulence in global markets. The means by which quality and safety were being assured during construction was also detailed, as were the service models being developed and the workforce / recruitment programme to help support these. In September 2022, the update covered the initial work on site from the NHS Assure team during their construction key stage review. Updates were also given on the strategic plan and service model being developed by the Orthopaedic team and related musculoskeletal services, which outlined their plans to develop the National Treatment Centre into a centre of excellence for orthopaedic care. The Committee also welcomed the detail on the various enhancements being made to the build from funding received via Fife Health Charity, particularly those that enhance the patient and staff experience within the new building. In March 2023, members were delighted to receive a report confirming the official opening date of the new facility (23 March), following NHS Assure sign-off of the safety of the building, confirming its ability to deliver clinical and surgical services. The new National Treatment Centre in Fife is the first to open across Scotland and its specialty-leading facilities are already making an immediate impact on patients and staff.

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- 4.15 At the Committee's March 2022 meeting, members received a report detailing significant contractual issues with the HEPMA contract award and the eventual ceasing of negotiation with the preferred supplier in January 2022. A full re-procurement exercise was subsequently carried out. In July 2022, the Committee considered a revised Full Business Case, endorsing the proposed contractor and supplier-managed service proposed. The Board subsequently gave formal approval to proceed with the terms outlined in the Full Business Case.
- 4.16 Updates on the business cases being developed for the new Kincardine & Lochgelly Health & Wellbeing Centres were delivered to the Committee at its 2022/23 meetings. Consultation with local stakeholders and design of the replacement Health Centres progressed throughout the year and, in May 2022, the Committee were pleased to receive the Outline Business Cases for full scrutiny. The linkages with the wider Primary Care Premises Strategy and workforce challenges were noted. Members were pleased to endorse the Outline Business Case for formal Board approval, this being granted at the end of May 2022.
- 4.17 The Committee held an Extraordinary Meeting in October 2022 to discuss the full business case created for the replacement of the current Laboratory Information Management System (LIMS). In order to meet tight deadlines linked to the commissioning of a new system, this detailed review of the business case and resulting supplier decision was delegated to the Committee by the Board in September 2023. Members received presentations from the Associate Director of Digital & Information and from senior managers in Acute, detailing the work underway to mitigate the risks of implementing a new system, which is critical to day-to-day clinical services. Following discussion on the preferred supplier's costs over the ten-year contractual period, with assurance that this can be supported from existing investment plans, the Committee were pleased to approve the business case, a decision which was homologated by the Board at its October 2022 meeting. A further update was given to members in March 2023, outlining additional mitigations available to NHS Fife to ensure continuity of service, including extending the implementation period beyond March 2023 for an additional six months, with continued use of the current software during that time. No additional financial costs have been borne by the Board, with these being met by the National Consortium Group.
- 4.18 In January 2023, members reviewed a report outlining the performance of the Fife Health & Social Care Partnership against meeting the targets detailed in the Ministerial Strategic Group report on Integration, published in 2019. It also benchmarked Fife against other Partnerships across Scotland. Fife Health & Social Care Partnership were the first to be assessed and the report highlighted several examples of good practice, with work required across six further areas to fully support integration principles. The Fife Integration Joint Board will continue to monitor progress and provide assurance on this through established assurance routes to the Health Board.
- 4.19 Regular reports on the work of the Fife Capital Investment Group (FCIG) have been considered at Committee meetings, with the paper reviewed in May 2022 detailing the outturn position for 2021/22, prioritisation of core capital funding, planned expenditure, and the proposed five-year plan for capital investment. In July 2022, members reviewed the proposed utilisation of the 2022/23 capital allocation, with members taking assurance from FCIG's detailed work around prioritisation of individual workstreams. In September 2022, detail was given on additional capital monies received by the Board, following successful bids to the National Infrastructure & Equipping Board. Costs related to the National Treatment Centre build were reported as largely being in line with budgeted levels, with some minor increases due to the impact of the Covid pandemic. At its November 2022 meeting, detail was also provided on the securing of an additional £2.7m in capital grants, to be applied to backlog maintenance projects, and £0.917m for digital and information projects and initiatives. Over the year, some £31m of capital spend has been allocated by the Group, a large percentage of which has been in support of the National Treatment Centre build.

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- 4.20 In January 2023, a proposal for the re-financing of the PFI Phase 3 Victoria Hospital project was considered in private session, with the Committee noting the options under consideration by the Board. The annual Public Private Partnership (PPP) Monitoring Report for 2021/22, covering the sites of St Andrews Community Hospital and Phase 3 of the Victoria Hospital in Kirkcaldy, was considered by the Committee in March 2023, with members gaining assurance from the positive content detailed therein.
- 4.21 Members reviewed an update on the Property & Asset Management Strategy (PAMS) for 2021/22 at its July 2022 meeting, to address the annual requirement to provide a data response for the State of the NHS Scotland Assets & Facilities Report. Submission of the data allows NHS Scotland Assure to establish a position regarding the NHS estate across Scotland. The data also allows individual Boards to understand the position regarding their own estate, which in turn allows a plan to be developed in the form of a PAMS. It was reported that the Board's submission, made in June 2022, would be captured in the introductory session of the PAMS for 2022/23. The creation of a new PAMS would allow this to be fully aligned and embedded as an integral part of the organisational Population Health & Wellbeing Strategy.
- 4.22 At its meeting in September 2022, the 2022 Interim PAMS was considered in detail by members. It is recognised that the PAMS document is an important supporting enabling framework to the delivery of the organisational strategy, describing how the NHS Fife estate will help deliver and support its strategic ambitions. The current update gave a local focus to the work underway in NHS Fife related to Anchor Institution ambitions, plus further detail on our plans to improve Environmental Sustainability through our work on zero carbon initiatives, enhancing green spaces and embracing biodiversity. Members noted that NHS Fife has a large estate footprint and diverse asset base, with considerable potential for this to be better exploited in the future. The updated document also addresses a number of recent Internal Audit recommendations, particularly in relation to alignment with the developing Population Health & Wellbeing Strategy and development of an action plan where delivery progress can be effectively monitored. Members greatly welcomed the report's enhancements and streamlining, noting its strategic focus across the wider organisation has direct relevance to the work underway in delivering a new organisational strategy to help serve our local communities. It also provides a context for the review of future infrastructure investment proposals / business cases, to ensure strategic intent in the development of estates-related initiatives.
- 4.23 The Committee has in previous years considered a number of reports around the Primary Care estate, including the Transfer of Third-Party Leases from GP practices and an ongoing Primary Care Premises Review, the purpose of which are to help support GP sustainability and are an important cornerstone of the work being undertaken to review the NHS Fife property / asset needs and requirements over the longer term. In March 2023, an update report on the ongoing tender process for three 2C Board-managed GP practices in Fife was considered by members. An external procurement process has recently concluded, with notes of interest currently being assessed before the formal decision-making process is undertaken in May 2023.
- 4.24 The Committee has received a briefing on the designation of Phase 1 and Phase 2 of Victoria Hospital, Kirkcaldy with listed building status from Historic Environment Scotland. Phase 1 has been listed as Category C, it being a representative example of the new type of centralised hospital building established from the 1950s. Phase 2 has been listed as Category B, reflecting its status as a major example of a new type of high-rise hospital design from the 1960s in Scotland, of which few examples survive in such an unaltered state. Members noted the process that will be required to be undertaken to carry out future refurbishment work to either of the sites, after due liaison with the local authority.

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- 4.25 The Committee received a number of updates on a Community Asset Transfer request, submitted under the Community Empowerment Act 2015, by a charity body seeking a long-term lease of mainly agricultural land adjacent to the Stratheden Hospital site. A short life working group with broad membership was established to formally evaluate the request and its supporting business case against the defined criteria described in the legislation. A scoring matrix was developed to enable the proposal to be appraised against key indicators. The working group's conclusions were considered at the Committee's May 2022 meeting, with the Board subsequently rejecting the request at its subsequent meeting. Since that decision, the charity body has formally appealed, Scottish Ministers appointed an independent reporter to assess the case (as detailed further in an update to the November 2022 meeting) and subsequently concluded in favour of the charity body, overruling the Board's previous decision. The formal negotiations for a lease of the requested land will accordingly feature in the 2023/24 workplan of the Committee.
- 4.26 A briefing on the provision of automated prescription locker boxes within Fife, and the possibility of legal challenge to the Board, was given to members at the November 2022 meeting, noting the possibly financial implications of a likely judicial review.
- 4.27 In November 2022, the Committee considered and endorsed the Annual Procurement Report, which sets out compliance with national standards in relation to procurement. At the same meeting, members considered a series of twelve Key Performance Indicators for the Procurement service, in order to assess the service's performance against its key strategic ambitions and aid oversight of financial controls. In year, the tender threshold limit for equipment and other goods and services within the Financial Operating Procedures and Standing Financial Instructions has been increased to £50k, to bring the Board in line with other territorial boards and the limits detailed in the Procurement Reform (Scotland) Act 2014.
- 4.28 The Committee considered internal audit reports relevant to its remit and the actions required thereunder, which are monitored for completion by the Audit & Risk Committee. In July 2022, the Committee received the internal audit reports on Procurement Governance and Financial Process Compliance, with the auditors' findings discussed and noted. The Annual Internal Audit report for 2021/22 was also considered at the same meeting, with members noting the comments from the auditors on the areas of financial planning and performance, delivery of efficiency savings, capital investment and asset management, and best value. The auditors' action point in relation to development of an implementation plan for the Property & Asset Management Strategy has been actioned in-year. In September 2022, members took assurance from the positive report tabled on post-transaction monitoring. In addition, in July 2022, the Committee received the annual report on the Laboratories Managed Service Contract, focused on the performance against contract.
- 4.29 Minutes of Committee meetings have been approved by the Committee and presented to Fife NHS Board. The Board also receives a verbal update at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates.

## 5. Outcomes

- 5.1 The Committee has, through its scrutiny and monitoring of regular finance reports and other one-off reports, been able to assure the Board that NHS Fife:

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- complied with statutory financial requirements and achieved its financial targets for the financial year 2022/23 subject to external audit;
- met specific reporting timetables to both the Board and the Scottish Government Health & Social Care Directorates;
- delivered £9.7m of the in-year efficiency saving target of £11.7m, and secured the required Scottish Government support for the historical underlying financial gap associated with a recurring overspend in Acute services; and
- has taken account of planned future policies and known or foreseeable future developments in the financial planning process.

### 6 Best Value

- 6.1 The introduction of both the SPRA process in 2020/21 and the Financial Improvement & Sustainability Programme in 2022/23 build on the aims of the previous organisational Best Value Framework (2018). Their combined impact facilitates a more effective triangulation of workforce, operational and financial planning, which supports the promotion and delivery of best value across all of our resource allocation. The Committee supported both these initiatives and throughout 2022/23 received progress reports and plans for consideration. The Committee were able to take ongoing assurance that the organisation had the plans and processes in place to promote and deliver best value.
- 6.2 Appendix 2 provides evidence of where and when the Committee considered the relevant best value characteristics during 2022/23.

### 7 Risk Management

- 7.1 In line with the Board's agreed risk management arrangements, the Committee has considered risk through a range of reports and scrutiny activity, including oversight on the detail of the Board Assurance Frameworks covering Financial Sustainability, Strategic Planning and Environmental Sustainability and, latterly within the reporting year, the specific risks aligned to the Committee under the revised Corporate Risk Register. Progress and appropriate actions were noted.
- 7.2 From July 2022, the Public Health & Wellbeing Committee took over lead scrutiny of the Strategic Planning Board Assurance Framework (BAF) from the Finance, Performance & Resources Committee, though this continued to be reported to the Committee for assurance purposes. Improvement to the risk level has been seen in-year, due to the detailed work undertaken to create the required structures, engagement activities and governance to support the development of the Board's new Population Health & Wellbeing Strategy and full resourcing of the Corporate Programme Management Office. As part of the move to a refreshed Corporate Risk Register during 2022/23, a new risk has been drafted around the effectiveness of strategy and its delivery, which will be monitored also by the Committee in the year ahead.
- 7.3 At its meeting in May 2022, the Committee received a progress update report on the risk management improvement programme being undertaken during the reporting year. As part of the process of developing a new Corporate Risk Register to replace the BAF, supporting work has also been undertaken to review the escalation process within the Board structure and to create a risk dashboard for regular reporting through the IPQR. The work has also provided an opportunity to undertake a meaningful assessment of strategic-level risks and to strengthen these, particularly in the areas linked to the delivery of the new organisational strategy, lack of resources (both workforce and capital) to deliver on its ambitions, equality and diversity-related measures, and to explicitly reference sustainability and climate change workstreams. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those

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individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance has been agreed, given the scale of external challenges at this time.

- 7.4 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in September 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. Six specific corporate risks are aligned to the Finance, Performance & Resources Committee. It is noted that refinement of these will continue over the coming year, as the new risk presentation beds in. The risks aligned specifically to the Finance, Performance & Resources Committee cover the areas of whole-system capacity; access to outpatient, diagnostic and treatment services; Cancer waiting times; delivery of a balanced in-year financial position and recurring financial balance over the medium term; and prioritisation and management of capital funding. In addition to the summary presentation of the aligned risks at all meetings since November 2022, members have received deep-dive information on the medium-term financial position (January 2023) and the access to outpatient, diagnostic and treatment services risk (March 2023), with in-depth review of bank and agency spend and utilisation scheduled for May 2023. Deep dives allow for greater scrutiny of the root causes of risks and discussion on the effectiveness of management actions in place to reduce risk levels. This area of the new risk management approach is expected to mature in the year ahead, to provide members with the necessary levels of assurance on the effectiveness of mitigating actions.
- 7.5 The Committee took assurance from and closely monitored progress in mitigating a range of environmental and estate sustainability risks, noting that two of the three residual operational risks in this area required the completion of the Elective Orthopaedic Centre build (achieved in March 2023) before these could be closed (both relate to activity being undertaken during part of the reporting year in the Phase 2 Tower Block at VHK and require the move of all non-ambulatory patients from this location). Enhancing fire safety training has reduced and mitigated this risk until the new orthopaedic wards are opened. The remaining risk, in relation to the replacement of flexible hoses by the PFI contractors for Victoria Hospital and St Andrews Community Hospital, is being addressed by an ongoing programme of work covered by a lifecycle contract.

## 8 Self-Assessment

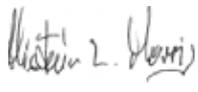
- 8.1 The Committee has undertaken a self-assessment of its own effectiveness, utilising a questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its March 2023 meeting, and action points are being taken forward at both Committee and Board level.

## 9. Conclusion

- 9.1 As Chair of the Finance, Performance and Resources Committee, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that adequate financial planning and monitoring and governance arrangements were in place throughout NHS Fife during the year, including scrutiny of all aspects of non-financial performance metrics, noting the continuing impact of the backlog from the Covid period upon the indicators generally.

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- 9.2 I would pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I would thank all those members of staff who have prepared reports and attended meetings of the Committee.

Signed: 

Date: 9 May 2023

**Alistair Morris, Chair**

On behalf of the Finance, Performance & Resources Committee

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

**FINANCE, PERFORMANCE & RESOURCES COMMITTEE  
ATTENDANCE SCHEDULE 2022/23**

	10.05.22	12.07.22	13.09.22	17.10.22	15.11.22	17.01.23	14.03.23
<b>Members</b>							
<b>R Laing</b> , Non-Executive Member ( <b>Chair</b> )	Ü						
<b>A Morris</b> , Non-Executive Member ( <b>Chair</b> )	Ü	Ü	Ü	Ü	Ü	Ü	Ü
<b>W Brown</b> , Non-Executive Stakeholder Member	Ü	Ü	Ü	x	Ü	x	Ü
<b>Cllr D Graham</b> , Non-Executive Stakeholder Member						Ü	Ü
<b>A Grant</b> , Non-Executive Member	Ü	Ü	Ü	Ü	Ü	Ü	Ü
<b>J Kemp</b> , Non-Executive Member					Ü	Ü	Ü
<b>A Lawrie</b> , Area Clinical Forum Representative	Ü	x	x	x	Ü	Ü	x
<b>M Mahmood</b> , Non-Executive Director	Ü	x	x	Ü	Ü	Ü	Ü
<b>M McGurk</b> , Director of Finance & Strategy (Exec Lead)	Ü	Ü	Ü	Ü	Ü	Ü	Ü
<b>C McKenna</b> , Medical Director	x	x	x	Ü	Ü	Ü	Ü
<b>J Keenan</b> , Director of Nursing	Ü	Ü	x	Ü	Ü	x	Ü
<b>C Potter</b> , Chief Executive	Ü	Ü	x	Ü	Ü	Ü	x
<b>J Tomlinson</b> , Director of Public Health	x	Ü	Ü	Ü	Ü	Ü	Ü

**In attendance**

<b>L Barker</b> , Associate Director of Nursing			Ü				
<b>J Brown</b> , Head of Pharmacy		Ü					
<b>N Connor</b> , Director of H&SC	Ü	Ü	Ü	x	Ü	Ü	Ü
<b>G Couser</b> , Associate Director of Quality & Clinical Governance			Ü Items 1 – 7.1				
<b>P Cumming</b> , Risk Manager	Ü Item 5.5						
<b>C Dobson</b> , Director of Acute Services	Ü	x	x	x	Ü	Ü	Ü
<b>F Forrest</b> , Deputy Director of Pharmacy				Ü			
<b>S Fraser</b> , Associate Director of Planning & Performance	Ü	Ü					Ü
<b>D Galloway</b> , General Manager (WCCS)				Ü			
<b>A Graham</b> , Associate Director of Digital & Information				Ü			
<b>B Hannan</b> , Director of Pharmacy & Medicines	Ü	x	Ü	x	Ü	Ü	Ü

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	<b>10.05.22</b>	<b>12.07.22</b>	<b>13.09.22</b>	<b>17.10.22</b>	<b>15.11.22</b>	<b>17.01.23</b>	<b>14.03.23</b>
<b>B Johnston</b> , Head of Capital Planning & Project Director	Ü Item 6.4		Ü Items 6.3 & 6.4				
<b>F MacKay</b> , Head of Strategic Planning, Performance & Commissioning				Ü		Ü Item 6.1	
<b>G MacIntosh</b> , Head of Corporate Governance & Board Secretary	Ü	Ü	Ü	Ü	Ü	Ü	Ü
<b>S McCormack</b> , Associate Medical Director, Emergency & Planned Care							Ü
<b>N McCormick</b> , Director of Property & Asset Management	Ü	Ü	Ü	x	Ü	Ü	Ü
<b>S McGlashan</b> , Microbiology Service Manager				Ü			
<b>M Michie</b> , Deputy Director of Finance	Ü	Ü	Ü	x	Ü	Ü	Ü
<b>N Robertson</b> , Associate Director of Nursing						Ü	
<b>H Thomson</b> , Board Committee Support Officer					Ü Item 6.2		
<b>M Watters</b> , ST4 (Obstetrics & Gynaecology)					Ü Observing		
<b>A Wilson</b> , Waiting Times General Manager			Ü Item 6.7				

## BEST VALUE FRAMEWORK

## Vision and Leadership

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Resources required to achieve the strategic plan and operational plans e.g. finance, staff, asset base are identified and additional / changed resource requirements identified.	Financial Plan	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Annual	Annual Delivery Plan
	Workforce Plan	<b>STAFF GOVERNANCE COMMITTEE</b>	Annual	Financial Plan
	Property & Asset Management Strategy	<b>BOARD</b>	Annual	Workforce Plan
			Bi-annual	Property & Asset Management Strategy
The strategic plan is translated into annual operational plans with meaningful, achievable actions and outcomes and clear responsibility for action.	Winter Plan	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Annual	Winter Plan
	Capacity Plan	<b>CLINICAL GOVERNANCE COMMITTEE</b>	Bi-monthly	Minutes of Committees
		<b>BOARD</b>	Bi-monthly	Integrated Performance & Quality Report

**GOVERNANCE AND ACCOUNTABILITY**

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisation’s activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available.  Committee papers and minutes are publicly available	<b>BOARD</b>  <b>COMMITTEES</b>	On going	NHS Fife website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	SBAR reports  EQIA section on all reports

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
NHS Fife conducts rigorous review and option appraisal processes of any developments.	Business cases	<b>BOARD</b> <b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Ongoing	Business Cases

USE OF RESOURCES

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife understands and measures and reports on the relationship between cost, quality and outcomes.	Reporting on financial position in parallel with operational performance and other key targets	<b>BOARD</b>  <b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Bi-monthly	Integrated Performance & Quality Report
The organisation has a comprehensive programme to evaluate and assess opportunities for efficiency savings and service improvements including comparison with similar organisations.	National Benchmarking undertaken through Corporate Finance Network.  Local benchmarking with similar sized organisation undertaken where information available.  Participation in National Shared Services Programme  Systematic review of activity / performance data through use of Discovery tool	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>  <b>BOARD</b>	Annual  Bi-monthly  Ongoing	Financial Plan  Integrated Performance & Quality Report  Financial overview presentations

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Organisational budgets and other resources are allocated and regularly monitored.	Annual Delivery Plan  Integrated Performance & Quality Report	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Bi-monthly	Integrated Performance & Quality Report  SPRA Process
NHS Fife has a strategy for procurement and the management of contracts (and contractors) which complies with the SPFM and demonstrates appropriate competitive practice.	Code of Corporate Governance  Financial Operating Procedures	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Reviewed annually	Code of Corporate Governance  Financial Operating Procedures  Procurement Annual Report
NHS Fife understands and exploits the value of the data and information it holds.	Annual Delivery Plan  Integrated Performance & Quality Report	<b>BOARD</b>  <b>COMMITTEES</b>	Annual  Bi-monthly	Annual Delivery Plan  Integrated Performance & Quality Report

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
Fixed assets including land, property, ICT, equipment and vehicles are managed efficiently and effectively and are aligned appropriately to organisational strategies.	Property and Asset Management Strategy	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>	Bi-annual  Ongoing  Bi-monthly  Monthly	Property and Asset Management Strategy  Report on asset disposals  Integrated Performance & Quality Report  Minutes of NHS Fife Capital Investment Group

**PERFORMANCE MANAGEMENT**

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives	Integrated Performance & Quality Report encompassing all aspects of operational performance, AOP targets / measures, and financial, clinical and staff governance metrics.  The Board delegates to Committees the scrutiny of performance  Board receives full Integrated Performance & Quality Report and notification of any issues for escalation from Committees.	<b>COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Code of Corporate Governance  Minutes of Committees

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board and its Committees approve the format and content of the performance reports they receive	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	<b>COMMITTEES</b> <b>BOARD</b>	Annual	Integrated Performance & Quality Report
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good; with escalation of issues to the Board as required	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting  Annual	Integrated Performance & Quality Report  Annual Accounts including External Audit report

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.</p>	<p>Encompassed within the Integrated Performance &amp; Quality Report</p>	<p><b>COMMITTEES</b> <b>BOARD</b></p>	<p>Every meeting</p>	<p>Integrated Performance &amp; Quality Report  Minutes of Committees</p>

**CROSS-CUTTING THEME – SUSTAINABILITY**

The “Sustainability” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded a sustainable development focus in its work.

The goal of Sustainable Development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Sustainability is integral to an overall Best Value approach and an obligation to act in a way which it considers is most sustainable is one of the three public bodies’ duties set out in section 44 of the Climate Change (Scotland) Act 2009. The duty to act sustainably placed upon Public Bodies by the Climate Change Act will require Public Bodies to routinely balance their decisions and consider the wide range of impacts of their actions, beyond reduction of greenhouse gas emissions and over both the short and the long term.

The concept of sustainability is one which is still evolving. However, five broad principles of sustainability have been identified as:

- promoting good governance;
- living within environmental limits;
- achieving a sustainable economy;
- ensuring a stronger healthier society; and
- using sound science responsibly.

Individual Public Bodies may wish to consider comparisons within the wider public sector, rather than within their usual public sector “family”. This will assist them in getting an accurate gauge of their true scale and level of influence, as well as a more accurate assessment of the potential impact of any decisions they choose to make.

A Best Value organisation will demonstrate an effective use of resources in the short-term and an informed prioritisation of the use of resources in the longer-term in order to bring about sustainable development. Public bodies should also prepare for future changes as a result of emissions that have already taken place. Public Bodies will need to ensure that they are resilient enough to continue to deliver the public services on which we all rely.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife can demonstrate that it respects the limits of the planet’s environment, resources and biodiversity in order to improve the environment and ensure that the natural resources needed for life are	Sustainability and Environmental report incorporated in the Annual Accounts process.	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>  <b>BOARD</b>	Annual	Annual Accounts

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
unimpaired and remain so for future generations.				Climate Change Template

**CROSS-CUTTING THEME – EQUALITY**

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.		<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA section on all reports
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA section on all reports
NHS Fife’s policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	Development of new Strategy  EQIA section on reports

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE:</b>
Wherever relevant, NHS Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.	In accordance with the Equality and Impact Assessment Policy, Impact Assessments will collect this information to inform future decisions.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	EQIA section on reports

## ANNUAL STATEMENT OF ASSURANCE FOR NHS FIFE PUBLIC HEALTH & WELLBEING COMMITTEE 2022/23

### 1. Purpose

To provide the Board with assurance that NHS Fife is fully engaged in supporting wider population health and wellbeing for the local population, including overseeing the implementation of the population health and wellbeing actions defined in the Board's strategic plans and ensuring effective contribution to population health and wellbeing related activities.

### 2. Membership

2.1 During the financial year to 31 March 2023, membership of the Public Health & Wellbeing Committee comprised: -

Tricia Marwick	Committee Chair / Chair of the Board
Martin Black	Non-Executive Member (to November 2022)
Christina Cooper	Non-Executive Member (to December 2022)
Rona Laing	Non-Executive Member (to May 2022)
Mansoor Mahmood	Non-Executive Member (from December 2022)
Alistair Morris	Non-Executive Member (from May 2022)
Arlene Wood	Non-Executive Member (from December 2022)
Margo McGurk	Director of Finance & Strategy
Dr Christopher McKenna	Medical Director
Janette Keenan	Director of Nursing
Carol Potter	Chief Executive
Dr Joy Tomlinson	Director of Public Health

2.2 The Committee may invite individuals to attend the Committee meetings for particular agenda items, but the Director of Health & Social Care, Associate Director of Planning & Performance and Board Secretary will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.

### 3. Meetings

3.1 The Committee met on six occasions during the financial year to 31 March 2023, on the undernoted dates:

- § 16 May 2022
- § 4 July 2022
- § 29 August 2022
- § 7 November 2022
- § 11 January 2023
- § 1 March 2023

3.2 The attendance schedule is attached at Appendix 1.

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### 4. Business

- 4.1 In July 2021, the Board approved a proposal to establish a new Standing governance committee of the Board, the Public Health & Wellbeing Committee. The principle behind its establishment was to give greater focus in the Board governance structure to wellbeing and preventative / proactive care (in line with the Scottish Government's direction of travel) and to consider placement of the public health aspects then within the remit of the Clinical Governance Committee and Finance, Performance & Resources Committee, to allow for enhanced input by the Board. The Committee met for its first meeting in October 2021 and initially focused on developing a detailed remit that was complementary to existing Committee coverage. The new remit was formally approved by the Board in November 2021. The Committee's Terms of Reference has been influenced by Public Health Scotland's areas of focus and the Public Health Priorities for Scotland. It also seeks to bring together into the one committee scrutiny of performance-related measures related to the planning and delivery of delegated services for which the Integration Joint Board sets the overall strategic direction. The Committee also takes the governance lead in oversight of the development of the new Population Health & Wellbeing Strategy and thereafter, once this approved, will focus on its implementation and delivery progress.
- 4.2 A comprehensive review of the Committee's workplan has also taken place, to help define and establish the cycle of business that will be considered by the Committee annually. This has been enhanced during the reporting year, particularly after a parallel review of both Clinical Governance and Finance, Performance & Resources remits and workplans, to limit the potential for any unnecessary duplication of effort and help clarify each committee's responsibilities over agenda items that might be tabled to more than one standing committee, as part of reporting through the governance structure. After completing its first full annual cycle of business during 2022-23, the Committee has settled on a comprehensive workplan to ensure appropriate coverage of business throughout the year. A rolling update on the workplan is presented to each meeting, for members to gain assurance that reports are being delivered on a timely basis and according to the overall schedule. A final version of the workplan for 2023-24 was approved at the Committee's March 2023 meeting.
- 4.3 The most significant work undertaken during the year by the Committee has been its input into the development of the Board's recently approved Population Health & Wellbeing Strategy. In May 2022, the Committee reviewed the plans being created for the follow-up engagement and consultative survey process, delivered by an external facilitator, which has been designed to help capture further public, staff and partner feedback, building on early community and colleague conversations carried out initially in December 2021. Members have fully discussed how participation of external stakeholders can best be enhanced, particularly via active outreach to people within Fife who are most affected by deprivation and communities who find it harder to access services, and through use of the new Healthcare Improvement Scotland Equality Framework for Engagement & Participation. Co-ordination with the Fife Health & Social Care Partnership's own engagement activities, being undertaken in the preparation of their own strategic plan, has taken place, to ensure a joined-up approach. Members have recognised the importance of ensuring the diversity of Fife's population is appropriately reflected and addressed in the organisational strategy. The Committee welcomed the fact that a dedicated Equality Impact Assessment (EQIA) has been drafted to ensure the different needs of our local communities are appropriately captured and secured in the overall strategy development process.
- 4.4 In July 2022, members also considered the outcome of a review led by Public Health of population health needs, the data behind which has informed the key priorities of the new strategy. Members took assurance from the conclusions of a well-attended workshop held with a wide range of colleagues to discuss the review, focusing specifically on NHS Fife's role in creating health and wellbeing and how this could best be captured in the new strategy. In August 2022, further detail was provided to the Committee on the strategy's alignment to the Scottish Government's National Care and Wellbeing Portfolio. At the same meeting, information was reviewed on the whole-system engagement work being progressed

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internally, and with partners and external stakeholders, to help secure appropriate input into strategy development. Progress reports on the comprehensive programme of community and staff engagement undertaken to help develop the new Strategy were considered at the Committee's November 2022 meeting, which was aligned with the newly published Quality Framework for Community Engagement & Participation (itself the subject of a briefing paper at the same meeting). Part of this exercise has included a comprehensive review of the previous Clinical Strategy 2016-21, involving a wide range of clinical teams, to measure its actual deliverables and ensure that lessons have been learnt from the delivery of previous plans. The Committee received the full review assessment at its November 2022 meeting, taking assurance from the significant progress made on the delivery of recommendations made in the previous Clinical Strategy and noting the continuation of areas of priority within the drafting of the Population Health & Wellbeing Strategy.

- 4.5 As part of its scrutiny of the Board's overall strategy development process, the Committee has also had input into development and review of the Corporate Objectives for 2022/23, particularly those aspirations focused around the ambition of 'Improving Health & Wellbeing' in Fife. In-year updates on delivery of the 2021/22 Corporate Objectives have been given via substantive agenda items, as detailed further in this report. Assurance has also been given that the Directors' individual objectives not only support the direction of travel detailed within the new Population Health & Wellbeing Strategy, but are also suitably aligned to the four national care programmes. Further reports have been given to the Committee on the Board's progress in developing its Annual Delivery Plan, aided by the annual Strategic Planning & Resource Allocation (SPRA) progress, with a series of regular papers considered over the Committee's meetings held in July, August and November 2022. The Committee took broad assurance from the Board's achievements in meeting the Annual Delivery Plan targets and from the ongoing roll-out of the SPRA methodology in the allocation and prioritisation of resources via routine operational planning. In March 2023, an initial proposal for a suite of Corporate Objectives for 2023/24 were discussed at the Committee, with members' feedback helping shape these further prior to formal approval by the Board later in spring 2023.
- 4.6 Linked to the Committee's specific role in supporting the Board's strategy development, the Committee has also received updates (in May and August 2022 and January 2023) on the Board's progress in developing its Anchor Institution ambitions, linked also to NHS Fife's participation in the national Community Benefit Gateway initiative (an online portal that matches community and voluntary sector organisation 'needs' to NHS suppliers). Ways in which NHS Fife can support its local areas range from procuring products locally to youth employment initiatives for those seeking entry into the workplace. The Committee welcomed the fact that specific deliverables linked to this work will be captured formally in the next iteration of the Directors' Corporate Objectives. The development of a Greenspace Strategy also aims to support the Anchor Institution work, helping define how NHS Fife can use its varied range of physical assets for the benefit of the wider communities we serve. Members have also discussed the Board's role in addressing the Climate Emergency and ensuring that sustainability is at the forefront of our future activities, particularly those related to our estate. This has culminated in the presentation to members of the Annual Climate Emergency & Sustainability Report 2021/22, discussed at the Committee's March 2023 meeting, the priorities of which will be appropriately reflected in the Board's future strategic priorities.
- 4.7 Following detailed discussion at a number of full Board Development Sessions over the reporting year, in March 2023 the Committee considered the most recent update to the Population Health & Wellbeing Strategy document, before a final version was tabled for Board approval at its meeting on 28 March 2023. Strengthening the commitments around addressing health inequalities, in addition to improving the linkages to the Fife Integration Joint Board's strategic priorities for 2023-26, were some of the issues supported by members as the strategy moved towards its final stage of drafting. Following formal Board approval of the new Population Health & Wellbeing Strategy, the Committee expects to have a significant role in the year ahead in helping shape the delivery actions and gaining assurance on progress with the various implementation actions detailed within.

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- 4.8 Some programme workstreams to be encompassed within the new strategy are already underway, and the Committee received an update on the Year One activities of the High Risk Pain Medicines Patient Safety Programme in January 2023, taking a high level of assurance from the work undertaken thus far to prevent patient harm, address addiction and tackle linkages to involvement of prescribed medicines in drug deaths. Initial work has been undertaken to gather data, to fully understand the pertinent issues, and the production of a Stage 1 Equality Impact Assessment, to ensure equality issues are appropriately addressed, has been completed. Regular reporting of this programme will continue to the Committee in the year ahead. Related to equality issues, members have also considered the interim progress report on the Board's Equality Outcomes & Mainstreaming Plan for 2021 to 2025, reviewing the mainstreaming activity completed thus far and taking assurance from the progress made in delivering the full ambitions of the Plan.
- 4.9 Through the regular receipt of reports throughout the year, the Committee has gained assurance from the Board's ongoing work on Covid vaccination and testing (including the seasonal flu and Covid vaccine delivery programme for the 2022/23 Winter period). The Committee has gained assurance that planning and a substantive workforce were in place to deal with anticipated demand over the busy Winter season, made more acute with the heightened pressures caused by a seasonal wave of Covid and flu infection, resulting in high levels of activity at the front door. The response of the Board continued to be agile, with local teams working closely with national colleagues to deliver new tranches of the Covid booster and seasonal flu vaccines as these came on-stream. Lessons learned on the prior local implementation of the national scheduling tools have ensured that the appointing of patients for vaccination appointments has progressed smoothly. The Committee welcomed the fact that the Board has exceeded its targets for both Covid and Seasonal Flu vaccination over the 2022/23 winter period. The implementation of the Immunisation Strategic Framework, including therein plans to deliver its key priorities against a robust governance framework, has also been the subject of a detailed report to the Committee. This has helped support learning for the 2023/24 Autumn / Winter Covid and Seasonal Flu vaccine delivery campaign, the early plans for which were considered by members at their meeting in March 2023.
- 4.10 At the meeting in August 2022, members took assurance from the updates provided on the Health Promoting Health Service programme, particularly how this had been influenced by the challenges of the Covid pandemic. At the same meeting, the Committee endorsed the Joint Health Protection Plan for 2022-24, which effectively demonstrated close partnership working between NHS Fife Public Health teams and Fife Council Environmental Health, focused around health protection priorities, provision and preparedness. The Child Poverty Action Plan was also considered by members, prior to further review at the Fife Partnership Board. In March 2023, an assurance report detailing how NHS Fife is fulfilling the requirements of the United Nations Convention on the Rights of the Child treaty was considered by members, noting its importance to a wide range of the Committee's work across the sphere of child health and wellbeing. Further work will be advanced in the next year on areas of development that seek to enhance the Board's ambitions for mainstreaming equality and diversity across its activities.
- 4.11 The Committee has received a series of detailed updates on Child and Adolescent Mental Health Services (CAMHS) performance (including recruitment challenges) and Psychological Therapies (PT) performance against Local Delivery Plan Standards, these reports being each considered in August 2022. For Psychological Therapies, new roles and different roles in relation to supporting workforce pressures and challenges are being brought forward. The focus is also on access to the service, against a background of high demand, and addressing the backlog of the longest waits. Members discussed what support was in place for those waiting for more intensive treatment, to ensure their condition did not worsen in the meantime. Assurance was also given on the Board's ongoing progress to eradicate the waiting list for CAMHS by March 2023. Support has been received from Scottish Government and a number of new posts are being recruited to. Recruitment challenges have a direct impact on meeting waiting list trajectories. Changes to the recruitment of staff, and methods for upskilling the current workforce, will help address the workforce challenges that have impacted upon the

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timeliness of treatment for some patients. In January 2023, the Committee received a further update on the performance of both CAMHS and PT, taking assurance from the fact that both services are on track to achieve delivery targets by the stated deadlines. Challenges remain in eradicating the historic backlog of referrals for both services, but members recognised the impact of a series of improvement actions, which combined have helped address the numbers of patients waiting. A deep-dive Development Session is to be scheduled for the Committee in early summer 2023, in order for members to understand the issues in greater detail.

- 4.12 In May 2022, members welcomed plans to establish a new Primary Care Governance & Strategy Oversight Group, to help direct the vision and support for development of a new Primary Care Strategy for Fife. An early focus of the group's work has been on enhancing sustainability and transformation of services, and building upon recent initiatives (such as ScotGEM) to support primary care resilience in the future. The Oversight Group is the mechanism for providing assurance both to Fife NHS Board and the Integration Joint Board, enhancing the whole-system approach to development of Primary Care Services. The Committee has received regular reports and outputs from this group, including a comprehensive update considered by members at the January 2023 meeting, with particular focus on sustainability of GP services and enhanced governance arrangements being implemented to develop long-term plans for services and their estate assets. A tender process for three of the five 2C Board-managed General Practices within Fife was begun in late 2022, and the Committee has considered the actions being undertaken to ensure sustainability of services via the tendering process. In March 2023, the Committee agreed to the target score on the Corporate Risk Register for the Primary Care Services risk being revised upward, to more realistically reflect the risk and the extent to which it can be mitigated locally in the challenging climate being experienced currently.
- 4.13 A comprehensive presentation on Dental Services and Oral Health Improvement work was given to members at the January 2023 meeting. The creation of the new Committee has allowed for greater Board scrutiny of topics such as this, and members found the update particularly useful, particularly in reference to understanding recovery pressures dating from the pandemic backlog and also linkages into overall sustainability issues and resourcing within Primary Care more generally. The Committee has also had opportunity to learn more about the urgent challenge across Scotland in relation to increasing drug and alcohol deaths, with members receiving a paper at their January 2023 meeting in relation to the adoption of Medication Assisted Treatment Standards by the Fife Alcohol & Drug Partnership. This will be an important area of focus for the Committee in the future, given the link to health inequalities and overall preventative health activity in relation to the new Population Health & Wellbeing Strategy.
- 4.14 In relation to capital projects, outline business cases for Kincardine and Lochgelly Health Centres were considered by the Committee in May 2022, focusing on the service models to be delivered in the new centres and its relationship to overall primary care service improvement. Internal plans continue to progress in relation to the development of these innovative two new health centres, despite noting that funding from Scottish Government in support of these business cases will be pushed into the latter half of the decade.
- 4.15 In May 2022 members received an update on the proposed redesign of the Mental Health estate, focused particularly on the early engagement work taking place with stakeholders on plans for improving mental health in-patient facilities across Fife. Via an update report on progress in the delivery of the Mental Health Strategy, considered at the July 2022 meeting, the Committee has gained assurance that the service continues to work towards implementing its main strategic ambitions. A refresh of the Mental Health Strategy for Fife post-Covid has been undertaken, in line with learning post-pandemic and new national requirements, such as suicide prevention and the imminent publication of the national review of mental health. The importance of this work linking with the Mental Health estates-related work has been fully recognised. Further amendments will ensure the Mental Health strategic priorities are fully aligned to the new Fife Health & Social Care Partnership Strategic Plan

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and to the new Mental Health Strategy for Scotland. The latter in particular will impact on performance and outcome monitoring, aligned to new national indicators. This will be a focus in the year ahead.

- 4.16 Following a Board-wide review of the Integrated Performance & Quality Report (IPQR), a set of performance-related metrics specific to the Committee has now been established, to allow for appropriate, regular scrutiny of these at each meeting. Further enhancements have also been made to provide information on corporate risks within the IPQR, aligned to the various improvement outcomes. The Committee considered a report on the outcome of the IPQR review process at its July 2022 meeting and supported its recommendations on the enhancement of metrics and targets to be scrutinised by the Public Health & Wellbeing Committee.
- 4.17 Consideration of CAMHS and PT performance (specifically those metrics linked to the waiting list improvement trajectory for both services) has now fully transitioned over to the Committee. Consideration has also been given to identifying a number of other metrics relevant to the Committee's remit, for inclusion in the dedicated Public Health & Wellbeing section of the revised IPQR. There has been opportunity to identify areas which have not previously been reviewed in depth by Board-level committees and include them in the IPQR, such as immunisation (including child vaccination), screening programmes and the self-management of long-term conditions, dependent on the regularity of data reporting.
- 4.18 In addition to the regularity of IPQR performance reporting, the Committee has considered detailed updates on Smoking Cessation & Prevention work and waiting list performance and post-diagnostic support for individuals and families affected by dementia (both reviewed by members at the July 2022 meeting). Stand-alone reports have been presented on the Sexual Health & Blood Borne Viruses Framework and the Board's response to the required actions thereunder. Also, a briefing to the Committee in November 2022, focusing on lessons learned, was delivered in relation to a recent national coding incident impacting on individuals wrongly being offered a Shingles and Pneumococcal vaccination, with members gaining assurance that local adverse events processes have addressed the low-level risks to the small number of patients affected. In January 2023, members reviewed the learning from a Breast Screening Programme adverse event linked to nationally provided equipment, with assurance taken from Fife's local response to the issues raised by this incident.
- 4.19 As Covid activity has generally transitioned into business-as-usual activities for the Board, performance tracking for this area has moved to being situated within the monthly performance reporting within the IPQR, rather than via stand-alone updates to the Committee. Winter performance has also been encapsulated into the regular review of the Board's progress against its Annual Delivery Plan targets, with the Committee taking assurance from that separate stream of performance reporting.
- 4.20 During the year, the Committee has also received subject-specific reports on i) the Director of Public Health's Annual Report 2020/21; ii) the Health Promotion Service Annual Report 2020/21; iii) Immunisation Annual Report 2021; iv) Community Children Services Annual Report; v) Integrated Screening Annual Report 2022; vi) Pharmaceutical Care Services Report 2021/22; and vii) Violence against Women Annual Report 2021-22. Members have welcomed the comprehensive detail provided in each.
- 4.21 Minutes of Committee meetings have been approved by the Committee and presented to Fife NHS Board. The Board also receives a verbal update at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates.

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### 5. Best Value

- 5.1 Since 2013/14 the Board has been required to provide overt assurance on Best Value. A revised Best Value Framework was considered and agreed by the NHS Board in January 2018. Appendix 2 provides evidence of where and when the Committee considered the relevant characteristics during 2022/23.

### 6. Risk Management

- 6.1 From May 2022, the Public Health & Wellbeing Committee took over scrutiny of the Strategic Planning Board Assurance Framework (BAF) from the Finance, Performance & Resources Committee. Improvement to the risk level has been seen in-year, due to the detailed work undertaken to creating the required structures, engagement activities and governance to support the development of the Board's new Population Health & Wellbeing Strategy and full resourcing of the Corporate Programme Management Office. As part of the move to a refreshed Corporate Risk Register during 2022/23, a new risk has been drafted around the effectiveness of strategy and its delivery, which will be monitored closely by the Committee in the year ahead.
- 6.2 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in August 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance has been agreed, given the scale of external challenges at this time.
- 6.3 In November 2022, members considered in detail the four individual risks aligned to the Public Health & Wellbeing Committee, presented in the new Corporate Risk Register format. It is noted that refinement of these will continue over the coming year, as the new risk presentation beds in. The four risks relate to the likelihood of the new organisational strategy meeting its ambitions; the work required by the Board to reduce health inequalities; implementation of policies aimed at reducing environmental impact and addressing climate change; and delivery of improvements in Primary Care to deliver sustainable, quality services. In addition to the summary presentation of the aligned risks at all meetings since November 2022, members have received deep-dive information on tackling climate change (November 2022) and Health Inequalities (March 2023), with in-depth review of the Primary Care Services corporate risk scheduled for May 2023 (the target score of this risk has been revised upward in March 2023, as detailed further at 4.12). Deep dives allow for greater scrutiny of the root causes of risks and discussion on the effectiveness of management actions in place to reduce risk levels. This area of the new risk management approach is expected to mature in the year ahead, to provide members with the necessary levels of assurance on the effectiveness of mitigating actions.

### 7. Self-Assessment

- 7.1 The Committee has undertaken a self-assessment of its own effectiveness, utilising a revised questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its March 2023 meeting, and action points are being taken forward at both Committee and Board level in the year ahead.

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### 8. Conclusion

- 7.1 As Chair of the Public Health & Wellbeing Committee, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the meetings held through this year, I can confirm that adequate and effective governance arrangements were in place throughout NHS Fife during the year.
- 7.2 I can confirm that that there were no significant control weaknesses or issues at the year-end which the Committee considers should be disclosed in the Governance Statement, as they may have impacted financially or otherwise in the year or thereafter.
- 7.3 I would pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I would thank all those members of staff who have prepared reports and attended meetings of the Committee as it has completed its first full year of operation.

*Tricia Marwick*

Signed:

Date: 27 March 2023

**Tricia Marwick, Chair**

On behalf of the Public Health & Wellbeing Committee

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

**NHS Fife Public Health & Wellbeing Committee Attendance Record  
1 April 2022 to 31 March 2023**

	16.05.22	04.07.22	29.08.22	07.11.22	11.01.23	01.03.23
<b>Members</b>						
<b>T Marwick</b> , Non-Executive Member ( <b>Chair</b> )	P	P	P	P	x	P
<b>M Black</b> , Non-Executive Member	P	x	P	P Part		
<b>C Cooper</b> , Non-Executive Member	x	P	P	x		
<b>R Laing</b> , Non-Executive Member	P					
<b>M Mahmood</b> , Non-Executive Member				P Observing	P	P
<b>A Morris</b> , Non-Executive Member		P	P	P	P	x
<b>A Wood</b> , Non-Executive Member				P Observing	P	P
<b>W Brown</b> , Employee Director	x	P	x	x	x	P
<b>M McGurk</b> , Director of Finance & Strategy	P	P	P	P	P	P
<b>C McKenna</b> , Medical Director	P	x	P	P	P	P
<b>J Keenan</b> , Director of Nursing	P	P	P	P	P	P
<b>C Potter</b> , Chief Executive	P	x	P	P	P	x
<b>J Tomlinson</b> , Director of Public Health ( <b>Exec Lead</b> )	P	P	P	P	P	P
<b>In Attendance</b>						
<b>R Bennet</b> , Health Promotion Service Manager	P Item 8.2					
<b>N Connor</b> , Director of H&SC	P	P	P	P	P	P
<b>G Couser</b> , Associate Director of Quality & Clinical Governance	P Item 5.2					
<b>P Cumming</b> , Risk Manager			P Item 7			
<b>B Davis</b> , Head of Primary & Preventative Care	P Item 6.7					
<b>S Fraser</b> , Associate Director of Planning & Performance	P	P	P	x	P	P
<b>B Hannan</b> , Director of Pharmacy & Medicines				P	P	P
<b>G MacIntosh</b> , Head of Corporate Governance & Board Secretary	P	P	P	P	P	P
<b>N McCormick</b> , Director of Property & Asset Management	P					P
<b>E O'Keefe</b> , Consultant in Dental Public Health					P	

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	<b>16.05.22</b>	<b>04.07.22</b>	<b>29.08.22</b>	<b>07.11.22</b>	<b>11.01.23</b>	<b>01.03.23</b>
					Item 7.1 & 7.2	
<b>F Richmond</b> , Executive Officer to the Chief Executive & Board Chair	P	P	P			

**BEST VALUE FRAMEWORK****Vision and Leadership**

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
The Board agrees a strategic plan which incorporates the organisation's vision and values and reflects stated priorities.	Approval of Population Health & Wellbeing Strategy and relating supporting annual processes	<b>BOARD</b> <b>PUBLIC HEALTH &amp; WELLBEING COMMITTEE</b>	Annual	Population Health & Wellbeing Strategy Annual Delivery Plan Corporate Objectives
The strategic plan is translated into annual operational plans with meaningful, achievable actions and outcomes and clear responsibility for action.	Approval of Annual Delivery Plan by SG  Strategic Planning & Resource Allocation (SPRA) process	<b>BOARD</b>  <b>ALL BOARD COMMITTEES</b>	Annual	Annual Delivery Plan Corporate Objectives

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>The Board has identified the risks to the achievement of its strategic and operational plans are identified together with mitigating controls.</p>	<p>Each strategic risk has an Assurance Framework which maps the mitigating actions/risks to help achieve the strategic and operational plans. The Corporate Risk Register contains the overarching strategic risks related to the strategic plan.</p>	<p><b>ALL BOARD COMMITTEES</b> <b>BOARD</b></p>	<p>Bi-monthly Twice per year</p>	<p>Corporate Risk Register</p>

**Effective Partnerships**

The “Effective Partnerships” theme focuses on how a Best Value organisation engages with partners in order to secure continuous improvement and improved outcomes for communities, not only through its own work but also that of its partners.

A Best Value organisation will show how it, and its partnerships, are displaying effective collaborative leadership in identifying and adapting their service delivery to the challenges that clients and communities face. The organisation will have a clear focus on the collaborative gain which can be achieved through collaborative working and community engagement in order to facilitate the achievement of its strategic objectives and outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board develop relationships and works in partnership wherever this leads to better service delivery. The organisation seeks to explore and promote opportunities for efficiency savings and service improvements through shared service initiatives with partners.	NHS Fife involvement in strategic planning and engagement with Fife H&SCP  NHS Fife key partner in Fife Partnership Board	<b>BOARD</b>  <b>PUBLIC HEALTH &amp; WELLBEING COMMITTEE</b>	Ongoing	Population Health & Wellbeing Strategy  Reporting of Minutes

**Governance and Accountability**

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisation’s activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available.  Committee papers and minutes are publicly available	<b>BOARD</b>  <b>ALL BOARD COMMITTEES</b>	Ongoing	Standing Orders / Code of Corporate Governance  NHS Fife website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b>  <b>ALL BOARD COMMITTEES</b>	Ongoing	SBAR reports  EQIA section on all reports

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife conducts rigorous review and option appraisal processes of any developments.	Strategic plans and appropriate business cases are developed and scrutinised appropriately.	<b>BOARD</b>  <b>PUBLIC HEALTH &amp; WELLBEING COMMITTEE</b>	Ongoing	Business Cases for capital projects  Strategy Development

**Performance Management**

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives	Integrated Performance & Quality Report encompassing all aspects of operational performance, Annual Delivery Plan targets / measures, and committee-specific metrics.  The Board delegates to Committees the detailed scrutiny of performance.  The Board receives full Integrated Performance & Quality Report and notification of any issues for escalation from the Committees.	<b>ALL BOARD COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Code of Corporate Governance  Minutes of Committees

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board and its Committees approve the format and content of the performance reports they receive	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	<b>ALL BOARD COMMITTEES</b>  <b>BOARD</b>  <b>PUBLIC HEALTH &amp; WELLBEING COMMITTEE</b>	Every meeting  Monthly  Annual	Integrated Performance & Quality Report  Outcome of IPQR review process
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good, with escalation of issues to the Board as required.	<b>ALL BOARD COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	<b>ALL BOARD COMMITTEES</b>  <b>BOARD</b>	Every meeting  Annual	Integrated Performance & Quality Report  Annual Accounts process, including External Audit report
NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.	Encompassed within the Integrated Performance & Quality Report	<b>COMMITTEES</b>  <b>ALL BOARD COMMITTEES</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees

**Cross-Cutting Theme – Sustainability**

The “Sustainability” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded a sustainable development focus in its work.

The goal of Sustainable Development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Sustainability is integral to an overall Best Value approach and an obligation to act in a way which it considers is most sustainable is one of the three public bodies’ duties set out in section 44 of the Climate Change (Scotland) Act 2009. The duty to act sustainably placed upon Public Bodies by the Climate Change Act will require Public Bodies to routinely balance their decisions and consider the wide range of impacts of their actions, beyond reduction of greenhouse gas emissions and over both the short and the long term.

The concept of sustainability is one which is still evolving. However, five broad principles of sustainability have been identified as:

- promoting good governance;
- living within environmental limits;
- achieving a sustainable economy;
- ensuring a stronger healthier society; and
- using sound science responsibly.

Individual Public Bodies may wish to consider comparisons within the wider public sector, rather than within their usual public sector “family”. This will assist them in getting an accurate gauge of their true scale and level of influence, as well as a more accurate assessment of the potential impact of any decisions they choose to make.

A Best Value organisation will demonstrate an effective use of resources in the short-term and an informed prioritisation of the use of resources in the longer-term in order to bring about sustainable development. Public bodies should also prepare for future changes as a result of emissions that have already taken place. Public Bodies will need to ensure that they are resilient enough to continue to deliver the public services on which we all rely.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife can demonstrate that it respects the limits of the planet’s environment, resources and biodiversity in order to improve the environment and ensure that the natural resources	Climate Sustainability reporting incorporated in Committee’s workplan and one of the Committee’s relevant risks assigned to it for review.	<b>PUBLIC HEALTH &amp; WELLBEING COMMITTEE</b>	Annual  Bi-monthly	Annual Climate Emergency & Sustainability Report  Specific risk indicator in Corporate Risk Register

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
needed for life are unimpaired and remain so for future generations.				

**Cross-Cutting Theme – Equality**

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.	Evidenced via formal reporting to the Board on compliance.	<b>BOARD</b> <b>ALL BOARD COMMITTEES</b>	Ongoing	EQIA section on all reports  Annual Report on Equality Outcomes & Mainstreaming Plan
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>ALL BOARD COMMITTEES</b>	Ongoing	EQIA section on all reports  Specific clinical programmes are supported by dedicated EQIAs (i.e. immunisation, High Risk Pain Medicines)

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<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE:</b>
<p>NHS Fife’s policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.</p>	<p>In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.</p>	<p><b>BOARD</b>  <b>ALL BOARD COMMITTEES</b></p>	<p>Ongoing</p>	<p>Population Health &amp; Wellbeing Strategy and related EQIA  Focus of Committee on health inequalities more generally</p>
<p>Wherever relevant, NHS Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.</p>	<p>In accordance with the Equality and Impact Assessment Policy, Impact Assessments collect this information to inform future decisions.</p>	<p><b>BOARD</b>  <b>ALL BOARD COMMITTEES</b></p>	<p>Ongoing</p>	<p>Annual progress reporting on equality issues  Evaluation of programme outcomes against EQIA priorities</p>

**ANNUAL STATEMENT OF ASSURANCE FOR  
NHS FIFE REMUNERATION COMMITTEE FOR 2022/23**

**1. Purpose**

- 1.1 The purpose of the Remuneration Committee is to consider and agree performance objectives and performance appraisals for staff in the Executive Cohort and to oversee performance arrangements for designated senior managers.
- 1.2 To direct the appointment process for the Chief Executive and Executive Members of the Board.

**2. Membership**

- 2.1 During the financial year to 31 March 2023, membership of the Remuneration Committee comprised:

Tricia Marwick	Chair / Chair of the Fife NHS Board
Carol Potter	Chief Executive (until May 2022, attendee thereafter)
Martin Black	Non-Executive Director (to November 2022)
Wilma Brown	Employee Director
Alastair Grant	Non-Executive Director (from December 2022)
Rona Laing	Non-Executive Director (to May 2022)
Alistair Morris	Non-Executive Director (from November 2022)

- 2.2 The Committee may invite individuals to attend Committee meetings for particular agenda items. The Chief Executive and Director of Workforce will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting. The Executive Assistant to the Director of Workforce or Corporate Governance Support Officer will normally take the minute of the meeting.

**3. Meetings**

- 3.1 The Committee met on five occasions during the financial year to 31 March 2023, on the undernoted dates:

- 14 April 2022
- 17 May 2022
- 18 July 2022
- 21 November 2022
- 29 March 2023

- 3.2 The attendance schedule is attached at Appendix 1.

**4. Business**

- 4.1 The business of the Committee during the year has been impacted to some extent by the need for NHS Fife as a whole to address the ongoing challenges of the global Coronavirus pandemic, e.g. appraisal/performance management activities and the receipt of associated assurance information.

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- 4.2 The Committee continued to meet throughout 2022/23 utilising videoconferencing technology. The Committee's workplan has ensured that items are covered appropriately and that the required assurances can be provided to the Board.
- 4.3 The Remuneration Committee's first meeting of the 2022/23 reporting year was in April 2022, where the Terms of Reference and workplan for 2022/23 were considered and agreed. The draft Annual Statement of Assurance for 2021/22 was discussed and comments made. Also discussed in April 2022 was the Letter of Assurance from the National Performance Management Committee (NPMC), which confirmed the ratings as recommended and submitted by the Remuneration Committee. Consideration was also given to the Deputy Chief Executive Role and Responsibilities and commencing salary for the Director of Pharmacy & Medicines.
- 4.4 At its meeting in May 2022 the Committee considered and approved the Executive & Senior Manager (ESM) Annual Performance Appraisals outcomes for the Executive Cohort and Senior Managers for 2021/22 (except for the Chief Executive and Director of Public Health). The Committee also considered the draft Corporate Objectives 2022/23 and Chief Executive Objective Setting 2022/23. The Annual Statement of Assurance for 2021/22 was approved.
- 4.5 At the July 2022 meeting, the Committee considered and approved the ESM Performance Appraisal Outcome 2021/22 for the Chief Executive and Director of Public Health, ensuring the submission of outcomes for all the ESM cohort to the NPMC. The Committee also agreed the Executive Cohort Objectives 2022/23, noting the mapping of the Corporate Objectives to individual Director roles.
- 4.6 The Director of Workforce provided an overview of the ESM performance appraisal timeline and the documentation provided to the Remuneration Committee for Executive and Senior Manager performance appraisal and recommended that these documents form part of the induction material for new members of the Committee.
- 4.7 An overview of the value-based appointment process for the Director of Workforce position was given, with Members asked to review and comment on the draft job description for approval in due course.
- 4.8 The Committee also considered the Scottish Government circular DL(2021)35 Annual Leave Buy Back and Carry Over 2021/22 Uptake Report, with confirmation provided that the return had been submitted to the Scottish Government by the approved deadline.
- 4.9 In November 2022, the Committee approved the Award of Discretionary Points for Consultants (2022) and noted progress with Mid-Year Review discussions for the ESM cohort. A paper was also presented for assurance, which outlined the position in respect of the salary applied to the incoming Director of Workforce.
- 4.10 In February 2023, the Director of Workforce led an induction session for the one new Member to the Committee. A training session for the full Remuneration Committee will be arranged once a new Chair has been appointed.
- 4.11 In March 2023, the Committee considered the Terms of Reference and draft Annual Statement of Assurance for 2022/23. The Committee Self-Assessment Report 2022/23 was discussed, and it was agreed that a Development Session be organised for Committee Members as soon as practicable. Also discussed in March 2023 was the Letter of Assurance from the NPMC, which confirmed the ratings as recommended and submitted by the Remuneration Committee. The Remuneration Committee Workplan for 2023/24 was approved.

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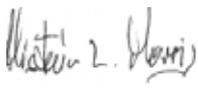
- 4.12 A paper was also considered in respect of ESM Performance Management Outcomes 2020/21, noting that the NPMC Letter of Assurance 2021/22 had been issued and was applied in February salaries.
- 4.13 Throughout the year the Remuneration Committee has considered (and, where appropriate, approved) the decisions relating to the Executive and Senior Management performance management arrangements.
- 4.14 At each meeting appropriate circulars and letters were presented and noted by the Committee.

### 5. Self Assessment

- 5.1 The Committee completed a self assessment of its own performance and effectiveness, utilising the questionnaire approved by the Committee Chair. Attendees were also invited to participate in the self assessment, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its meeting in March 2023, and action points are being taken forward. Themes from the self-assessment exercise related to the timely issuing of papers and further training to be undertaken on the roles and responsibilities of members in relation to delivery of the scope of business contained in the Committee's remit.

### 6. Conclusion

- 6.1 As current Chair of the Remuneration Committee, I am satisfied that, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. As a result of the work undertaken during the year, I can confirm that appropriate arrangements were in place for the implementation of the circulars and the Committee fulfilled its remit and purpose.
- 6.2 I continue to pay tribute to the dedication and commitment of fellow members of the Committee and to all attendees. I thank all those members of staff who have prepared reports and attended meetings of the Committee, during what has been a very challenging year.

Signed: 

Date: 19 May 2023

**Alistair Morris, Chair**

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

## NHS FIFE REMUNERATION COMMITTEE

## ATTENDANCE SCHEDULE 1 APRIL 2022 – 31 MARCH 2023

	14.04.22	17.05.22	18.07.22	21.11.22	29.03.23
<b>Members</b>					
Tricia Marwick, Chair	ü	ü	ü	ü	ü
Carol Potter, Chief Executive	ü				
Martin Black, Non-Executive Member	ü	ü	ü	ü	
Wilma Brown, Employee Director	ü Part	x	ü	ü	ü
Alastair Grant, Non-Executive Member				ü Observing	ü
Rona Laing, Non-Executive Member	ü	ü			
Alistair Morris, Non-Executive Member				ü	ü
<b>In Attendance</b>					
Linda Douglas, Director of Workforce	ü Part	ü	ü	ü	
David Miller, Director of Workforce					ü
Carol Potter, Chief Executive		ü	ü	ü	ü

**Best Value**

**VISION AND LEADERSHIP**

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland's people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
There are mechanisms within the organisation to develop and monitor relevant leadership and strategic skills in Board members and senior management.	This is achieved through the development of Personal Development Plans and Annual Appraisals.	<b>CHAIR / CHIEF EXECUTIVE REMUNERATION COMMITTEE</b>	Annual	Annual Appraisal process for Executive and Senior Management (ESM) posts

**GOVERNANCE AND ACCOUNTABILITY**

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisations activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publicly available.	<b>BOARD</b>	On going	NHS Fife website
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	SBAR reports EQIA forms

**USE OF RESOURCES**

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
NHS Fife understands and exploits the value of the data and information it holds.	Annual Delivery Plan Integrated Performance & Quality Report.	<b>BOARD</b> <b>COMMITTEES</b>	Annual Bi-monthly	Annual Delivery Plan Integrated Performance & Quality Report
NHS Fife ensures that all employees are managed effectively and efficiently, know what is expected of them, their performance is regularly assessed and they are assisted in improving.	Executive and Senior Manager (ESM) performance reporting.	<b>REMUNERATION COMMITTEE</b>	Annual and as required	Minutes of Remuneration Committee
Staff performance management recognises and monitors contribution to ensuring continuous improvement and quality.	Executive and Senior Manager Objectives Setting and Review.	<b>REMUNERATION COMMITTEE</b>	Annually	Minutes of Remuneration Committee

**PERFORMANCE MANAGEMENT**

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good; with escalation of issues to the Board as required.	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Minutes of Committees

**CROSS-CUTTING THEME – EQUALITY**

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
NHS Fife meets the requirements of equality legislation.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA form on all appropriate reports

**ANNUAL STATEMENT OF ASSURANCE FOR  
NHS FIFE STAFF GOVERNANCE COMMITTEE FOR 2022/23**

**1. Purpose**

- 1.1 The purpose of the Staff Governance Committee is to support the development of a culture within the health system where the delivery of the highest standard possible of staff management is understood to be the responsibility of everyone working within the system, is built upon partnership and collaboration, and within the direction provided by the NHS Scotland Staff Governance Standard.
- 1.2 To assure the NHS Fife Board that the Staff Governance arrangements in the Integration Joint Board are working effectively.
- 1.3 To escalate any issues to the Board if serious concerns are identified regarding staff governance issues within all services, including those devolved to the Integration Joint Board.

**2. Membership**

- 2.1 During the financial year to 31 March 2023, membership of the Staff Governance Committee comprised: -

Sinead Braiden	Chair / Non-Executive Member
Wilma Brown	Employee Director
Simon Fevre	Co-Chair, Health & Social Care Partnership Local Partnership Forum
Colin Grieve	Non-Executive Member (from November 2022)
Kirstie Macdonald	Non-Executive Member Whistleblowing Champion
Mansoor Mahmood	Non-Executive Member (to November 2022)
Alistair Morris	Non-Executive Member
Janette Keenan	Director of Nursing
Carol Potter	Chief Executive
Andrew Verrecchia	Co-Chair, Acute Services Division Local Partnership Forum

- 2.2 The Committee may invite individuals to attend Committee meetings for particular agenda items, but the Director of Workforce, Director of Acute Services, Director of Health & Social Care, Deputy Director of Workforce, Heads of Service for the Workforce Directorate, and Board Secretary will normally be in attendance at Committee meetings. Other attendees, deputies and guests are recorded in the individual minutes of each Committee meeting.

**3. Meetings**

- 3.1 The Committee met on eight occasions during the financial year to 31 March 2023, on the undernoted dates:
- 12 May 2022
  - 14 July 2022
  - 1 September 2022
  - 24 October 2022 (Development Session)
  - 10 November 2022

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- 12 January 2023
- 16 February 2023 (Development Session)
- 9 March 2023

3.2 The attendance schedule is attached at Appendix 1.

### 4. Business

4.1 The Staff Governance Committee's first meeting of the 2022-23 reporting year took place in May 2022. Substantive agenda items included a presentation on Equality, Diversity and Human Rights related activities, to address the relevant strand of the Staff Governance Standard (namely 'Employees should be treated fairly and consistently, with dignity and respect, in an environment where diversity is valued'). The composition of the NHS Fife workforce and the percentage of those with protected characteristics was highlighted. Discussion took place on the requirement to reinvigorate the Black, Asian & minority ethnic (BAME) network group as their meetings began once again post-Covid, to progress a number of actions that staff-side colleagues have highlighted as being critical. The Committee took assurance from the recent appointment of a new Equality & Diversity Lead Officer, to help support this work, in addition to the roll-out of a new communications plan and mentoring scheme.

4.2 At its May 2022 meeting, members reviewed the initial draft of NHS Fife's Three-Year Workforce Plan 2022-25 submission to the Scottish Government, utilising the national template and six-step workforce planning methodology. The Plan took due cognisance of the recent publication of the National Workforce Strategy for Health & Social Care, detailed in a Director's Letter (DL 2022(09)) issued in April 2022. Issues discussed by members included the potential for work to be undertaken with university partners to address particular clinical speciality gaps; progress with international nurse recruitment; and evidencing the Fair Work agenda. At its July 2022 meeting, members reviewed an updated draft of the NHS Fife Plan, alongside the complementary plan for the Health & Social Care Partnership. Both documents have been written with due acknowledgement of the current service-pressure backdrop and legacy challenges of the pandemic. The content covers the main professional groups and details the demands and challenges these areas are respectively facing over the period of the plan. The Fife Health & Social Care Workforce Plan 2022-25 encompasses the broad range of services delivered by the Partnership, and is fully aligned to the NHS Fife plan. Members welcomed the synergies between both strategies and the ambitions detailed within, endorsing the content for onward submission to Scottish Government.

Feedback from Scottish Government on the NHS Fife plan (which will influence the next three-year iteration and any annual updates required) was considered by members at the Committee's November 2022 meeting. Comments related to strengthening financial planning linkages to workforce planning, to better understand the extent to which affordability factors are being considered as part of the overall workforce planning process; workforce projections over the period of the plan; and how the workforce and services to be provided over the plan's lifecycle will be affected by the changing population dynamics and composition of our staff. Assurance was provided that the annual Strategic Planning & Resource Allocation (SPRA) process was aiding enhancement of the integration of financial and workforce planning, and that the production of a workforce plan as part of an enabling strand of the Board's new Population Health & Wellbeing Strategy would explicitly address this feedback. A specific update on this year's SPRA process was given to members in November 2022, with the Committee being assured that the process has been considerably more embedded this year and with real ambition to integrate organisational workforce and financial plans going forward.

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- 4.3 Ongoing reports have been provided to the Committee on the organisational strategy development work, including details on the staff and public engagement approach and the results of the Population Health Needs Assessment, which is the underpinning baseline of the strategy document text. Development of the individual workstreams is being taken forward through a Portfolio approach involving all members of the Executive Directors' Group. Overall, the workstreams will be linked to the five national care programmes that have been initiated by the Scottish Government. Members' feedback on the means of further engaging with staff and service users on the content of the new strategy has been welcomed, particularly for the stages with more focused participation. The Public Health & Wellbeing Committee is the lead Committee for the development of the new Strategy, though the Staff Governance Committee has had regular input over the course of the reporting year.
- 4.4 Following detailed discussion at a number of full Board Development Sessions over 2022/23, in March 2023 the Committee considered the most recent update to the Population Health & Wellbeing Strategy document, before a final version was tabled for Board approval at its meeting on 28 March 2023. Strengthening the commitments around addressing health inequalities, in addition to improving the linkages to the Fife Integration Joint Board's strategic priorities for 2023-26, were some of the issues supported by members as the strategy moved towards its final stage of drafting. Following formal Board approval of the new Population Health & Wellbeing Strategy, the Committee expects to have a significant role in the year ahead in helping shape the delivery actions, including the enabling workforce strategy, and gaining assurance on progress with the various implementation actions detailed within.
- 4.5 The Committee reflected on Winter 2021/22 performance and discussed planning for the 2022/23 Winter Period (as part of the Board's Annual Delivery Plan return) via reports considered by members at the Committee's May and November 2022 meetings. Members noted that the Winter period had been especially challenging for staff, with many employees reassigned from their core role to support services under pressure. It was recognised that, particularly with Covid activity ongoing, planning for pressures and surges was, in essence, a year-round activity, which goes beyond the actual Winter season. Services remain in recovery mode, and close working relationships (particularly with colleagues in the Health & Social Care Partnership) have been critical to managing delay and flow, with varying results across the year. It has been important for the Board to continuously review proposals to mitigate capacity issues, to ensure that pressures 365 days per year are accounted for in overall planning. Activity levels have at some periods been unrelenting, and the Committee were fully apprised of the impact this had on staff wellbeing and the variability of performance overall, particularly around key targets such as A&E attendances and sickness absence. Clinical prioritisation, however, ensures that the most urgent cases continue to receive timely treatment. The introduction of a new Operational Pressures Escalation Levels (OPEL) process, which became fully embedded over the reporting year, is helping manage day-to-day pressures and identify areas where staff shortages are impacting, with clear triggers for action and escalation.
- 4.6 A comprehensive Framework created to detail the Board's ambitions to support staff health and wellbeing activities, including work around promoting attendance, was reviewed by members in November 2022. Detail was given within on the services available to help support staff during this time of increased activity on all services (including Mindfulness training, peer support and reflective practice to help support returning staff and their managers), outlining also the permanent staff hubs opened across NHS Fife sites following support from Fife Health Charity. The Committee received assurance that the current commitment to staff health and wellbeing activities, including investment in additional occupational health and psychology support services staff, is sustainable and in place for the longer term, particularly as the legacy effects of Covid become clearer. Members also welcomed the information given on the various offers of support available to staff and the

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positive impact this can have on overall staff absence figures, noting its relevance to the risk profile regularly scrutinised by the Committee.

- 4.7 In March 2023, in reference to the issue of staff wellbeing, members considered the issues raised by a letter to all NHSScotland Boards from Healthcare Improvement Scotland's Director of Quality Assurance, highlighting general concerns raised via a number of recent Safe Delivery of Care Inspections of acute hospitals across Scotland. The issues cited within reflected the exceptional winter pressures experienced by Scottish hospitals, including potential overcrowding in emergency departments and admission units, heavy use of supplementary staffing, pressures on staff health and wellbeing, the criticality of appropriate medicines governance, and the need for visible and active leadership on-site in clinical areas. Although focused on the results of acute inspections, members recognised that addressing all the action points required nothing less than a whole-system approach, to be achieved through close working with Fife Health & Social Care Partnership colleagues. An action plan has been developed to address the issues raised by HIS, to be supported by a series of 'mock inspections', to provide assurance that lessons learned from the HIS inspections would be carefully reviewed against practice within the Victoria Hospital. Further detail was also given on the measures put in place for staff to find time and space to take appropriate breaks away from work, including facilities such as the permanent staff wellbeing hubs and new energy pods. The creation of suitable breakout space in outdoor areas will be developed as part of the Greenspace Strategy work underway.
- 4.8 An update on the implementation of safe staffing legislation, The Health and Care (Staffing) (Scotland) Act 2019, was considered by members at the Committee's September 2022 meeting, detailing the timetable in place to support the sequence of actions required for full implementation of the legislation. The Strategic Workforce Planning Group has been providing oversight at an operational level. The Committee recognised that meeting the staffing levels given in the legislation will be challenging, given that services have operated below these at times of high activity, with potential implications for patient safety. New service models require development and an increased number of registrants need to be recruited before the legislation comes into operation. The Committee took assurance from the work being undertaken to prepare for the Act's implementation, recognising the challenges to be addressed as the Board fully details its related risk management mitigations and escalation routes.
- 4.9 The Board has implemented the National Whistleblowing Standards, launched in April 2021. Since their introduction, the Committee has since received regular reports on the embedding of the new Standards and, as part of performance reporting, quarterly data on cases within the Board that fall within the scope of the Standards. Each NHS Board has a dedicated Whistleblowing Champion as a Board member, who monitors and supports the effective delivery of the organisation's whistleblowing policy. This role has been developed by the Scottish Government and complements the work of the Independent National Whistleblowing Officer. The Board's Whistleblowing Champion, Kirstie Macdonald, is an *ex officio* member of the Staff Governance Committee. The Whistleblowing Champion is predominantly an assurance role, which helps NHS Boards comply with their responsibilities in relation to Whistleblowing. The Whistleblowing Champion provides critical oversight and ensures managers are responding to whistleblowing concerns appropriately, in accordance with the national Standards. The Whistleblowing Champion is also expected to raise any issues of concern with the Board as appropriate, either in relation to the implementation of the Standards, patterns in reporting of concerns or in relation to specific cases. Beyond the services delivered directly by each NHS Board, the Whistleblowing Champion also has responsibility for ensuring that the organisation has appropriate systems in place to ensure that services delivered indirectly (including primary care services, contracted services and those delivered by HSCPs) are meeting the requirements of the Standards.

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- 4.10 Further work is underway on the format of quarterly Whistleblowing reports, in particular to improve the timeliness of data reporting and to evidence an open and learning culture. Capturing staff feedback on the Whistleblowing process, substantiating learning being extracted from each case, and providing assurance of the organisation's culture and values overall remains a work-in-progress within the formal reporting mechanism. An action plan showing specific areas where improvement can be achieved will be presented to Staff Governance Committee and the NHS Fife Board in summer 2023. Enhancements are expected to be made to both quarterly reporting and the Annual Report for 2022/23, which will include action plan monitoring. Additional data on staff take-up of Whistleblowing training (which had been designated as 'core' training for all staff and managers), to gain assurance of widespread understanding and visibility of the practical process, has been strengthened in ongoing reporting to the Staff Governance Committee and the Board. A third online training module for managers responsible for recording and reporting Whistleblowing concerns has been introduced this year, details on the uptake of which are contained in the reports to the Committee. It has been agreed to capture the number of 'anonymous' concerns raised within the Board, though these do not strictly fall within the definition of Whistleblowing under the Standards. Additionally, acknowledgement of instances where staff concerns have been raised externally (for instance, anonymously with the local media) have also been included, to improve the overall picture of staff concerns. Consideration has additionally been given to including staff stories in future reporting, to provide a more nuanced reflection of the awareness of the Standards across the organisation. An annual performance-focused report on Whistleblowing was considered by the Committee at its September 2022 meeting, which included an assurance statement from the Whistleblowing Champion. Two Whistleblowing concerns were raised during 2021-22, with two anonymous concerns (recorded for management purposes) submitted also during the year. The Committee were assured that NHS Fife has introduced the Standards and continues to improve and embed its internal processes around reporting and recording of cases, work which will continue into this financial year.
- 4.11 The Board held a dedicated discussion at its April 2022 Development Session on developing an open and transparent culture (this has recently been followed up by a second Board Development Session on behaviours and values in April 2023), which has helped set the scene for this year's initiatives. It is recognised that the formal Whistleblowing reporting process sits alongside a number of established ways for staff to raise concerns, such as the reporting of Datix incidents and Adverse Events, employment-related routes of raising issues and direct contact with staff-side colleagues, who are often a route of escalation to senior management and the Board. The Committee welcomed the recent nationally led 'Speak Up' week for staff, including the widespread promotion of the 'Know Who To Talk To' campaign, noting this reflects an organisation that is open, wants to learn from concerns or issues and, importantly, values the opportunity to address them. This campaign will be run again in this reporting year.
- 4.12 The draft Corporate Objectives 2022/23 were presented to the Committee in May 2022. The report described what NHS Fife aims to achieve in-year, in tandem with a looking-back review of Directors' Objectives for 2021/22. For the Staff Governance Standard, relevant individual objectives were linked to broader workstreams such as: implementation of high quality systems to improve staff health and wellbeing; delivery of workforce plans that attract, recruit and retain a high-quality workforce; and improving leadership capacity and embedding the framework for talent management. Each objective has been carefully refined, with details on what Directors are leading on or supporting more generally. Assurance was provided that there was appropriate linkage to the Health & Social Care Partnership's strategic priorities and that those objectives for Acute will require strong collaborative working to be achievable. The objectives are framed under the four key strategic priorities of the Board, as aligned to national programmes, and reference the ongoing strategy development work undertaken in this reporting year. Each Board Committee has had a role in reviewing the objectives from their own specific perspective and, for the Staff Governance Committee, linkage between these and the broader

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workforce planning process is explicit. Following review, the Committee were pleased to endorse the Corporate Objectives for onward submission to the Board for formal approval. In March 2023, as part of the update on the Strategic Planning & Resource Allocation process for the year ahead, an initial proposal for a suite of Corporate Objectives for 2023/24 were discussed at the Committee, with members' feedback helping shape these further prior to further consideration at the May 2023 meeting and formal approval by the Board later in spring 2023.

- 4.13 Reflecting on staff experience remains an important part of the Committee's business. The Committee has considered the results of the most recent iMatter staff survey in the reporting year, with a report delivered to members in January 2023 detailing its findings. The Committee recognised that the NHS Fife response rate (of 60%) continues to be higher than NHSScotland averages, though the Employee Engagement Index and experience of working in the organisation both deviated marginally by -1 point. When comparing NHS Fife's results with the national report, all scores were either the same or deviated by one point. There were no red flags in our report and no significant surprises. Further improvement actions are needed in the transfer of team results into meaningful action plans, which will be a focus in the next assessment exercise. Members agreed that NHS Fife's response rate offers robust data to inform future actions and welcomed further information on how staff feedback will influence staff-related initiatives being presented in future.
- 4.14 In July 2022, a detailed report on the workforce implications of the General Practice Memorandum of Understanding 2 (MoU2) was discussed, noting the requirement of an enhanced multi-disciplinary, multi-professional team built around GP practices, which will be primarily composed from the nursing, Allied Health Professionals and Pharmacy workforce. The risks of this, in light of the existing pressures on Nursing and Advanced Health Care Practitioners numbers, are well recognised, and are being monitored on an ongoing basis via the Committee's usual risk reporting. Members were advised that utilisation of a Scottish Government underspend from the pandemic period, amounting to funding of £6.5m on a non-recurring basis, has allowed further progression of MoU2 implementation across all three key workstreams, including recruitment to fixed-term posts and other practical support for GP Practices. Two thirds of the Community Treatment and Care (CTAC) workforce are in place and the requirement to transfer the Vaccination Transformation Programme has been achieved by the April 2022 deadline. The Committee took assurance from the report that there has been progression in the recruitment of the workforce and noted the ongoing progress of all priority areas and the mitigating actions being taken in relation to the risks identified. A further update was given to the Committee in January 2023, focused on the specific areas of risk (the overall financial gap and recruitment in the Band 5 Community Treatment & Care Service and pharmacotherapy workforce) and how these were being addressed in the production of a new Primary Care Strategy. In relation to the general issue of Primary Care sustainability, in March 2023, an update report on the ongoing tender process for three 2C Board-managed GP practices in Fife was considered by members. An external procurement process has recently concluded, with notes of interest currently being assessed before the formal decision-making process is undertaken in May 2023.
- 4.15 Progress reports on the development of a number of 'Once for Scotland' employment policies have been supplied to members, including a dedicated HR Policy Update at the Committee's November 2022 meeting. Progress with the Supporting Work / Life Balance suite of policies was outlined and NHS Fife's input into the national consultation exercise was discussed. Meantime, the local HR Policy Group continues to meet to update the remaining local documents, with Area Partnership Forum input prior to their endorsement.
- 4.16 At each meeting of the Committee, members routinely scrutinise performance in relation to workforce metrics. Within the Integrated Performance & Quality Report (IPQR), the Committee has responsibility for scrutiny of the measure on sickness absence. The Committee continued to be provided with information relating to sickness absence levels

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compared to the anticipated trajectory (this remaining above the national 4% target throughout the year, at around 6.5%), and a number of stand-alone agenda reports focusing on sickness absence have also been scrutinised. Performance has fluctuated over the course of the year, with long term sickness absence, particularly in the 'Anxiety / Stress / Depression / Other Psychiatric illnesses' category, continuing to challenge a sustainable positive improvement for this measure. Actions continue to be undertaken to manage the challenging circumstances that lead to sickness absence, in particular that of a long-term nature, which can by its nature be extremely complicated to manage. In September 2022, the Committee discussed a Promoting Attendance Update, outlining the various activities underway to help support staff stay healthy. The work of an Attendance Management Taskforce has since been incorporated in the Executive Directors' Group, to allow for regularity of reporting.

- 4.17 As part of a proposal to assign to the Committee additional performance metrics, members considered a report on the outcome of the recent IPQR review process at its July 2022 meeting. Noting that not all workforce metrics lend themselves to routine performance reporting, it has nevertheless been agreed that three additional measures will be included in future reporting. These are Personal Development planning & Performance Review (PDPR), core training compliance and data on the Establishment Gap. Further performance-related measures will continue to be reported separately to the Committee as the data becomes available, for instance iMatter results and some operational statistics currently captured in the Committee's quarterly Workforce Information report.
- 4.18 In relation to PDPR performance and mandatory training uptake, the Committee has reviewed the current level of performance in both areas and inputted into proposals for improvement in the levels of staff engaged in both processes. Reduced levels of current performance reflect the high levels of day-to-day pressure on staff, resulting in employees having inadequate time in their working day to participate in relevant development activities, such as ongoing training and appraisal. In January and March 2023, detailed updates on training compliance for the period 2021/22 were reviewed by members, indicating that a decline in overall training compliance and a need to prioritise immediate work around this, particularly in areas where patient safety or quality of care might be compromised by a lack of compliance. Discussion on improving performance has been taken forward by the Executive Directors' Group and the full Board, and the Committee will be keeping these performance metrics and defined targets under review in the current year, to gain assurance of progress in this area. PDPR performance was the subject of a deep-dive presentation to the Committee at its March 2023 meeting, as part of the Corporate Risk Register review. Details on some of the operational actions being led by the Area and Local Partnership Forums were given, in addition to the cross-service work across departments that is underway to help secure time for staff learning and development, whilst system pressures continue.
- 4.19 The Committee has considered during the year a regular Workforce Information Overview report tabled on a quarterly basis, containing enhanced data, which is intended to provide added context to the Committee in support of their role. Utilising the Tableau visualisation tool, this seeks to link data from a range of workforce and financial systems to broader workforce issues. There is also opportunity to add narrative and trend-related analysis to reports. In May 2022, it was reported that work to identify the Establishment Gap was ongoing with colleagues at regional and national level, as this continues to be an area of challenge across all Health Boards, though remains key to understanding the quantum of the workforce challenge. Specific updates have also been given at meetings on areas such as staff wellbeing activity and occupational health referrals, number of employee relations cases, and spiritual care services activity. In January 2023, the Committee discussed the reliance on bank and agency staff, and associated costs, noting that the need to reduce this reliance was being taken forward as a separate workstream, aligned to national work in this area. Members welcomed the ongoing development of this report, which will enhance the Committee's scrutiny of key issues and improve assurance reporting going forward.

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4.20 Members considered the annual Staff Governance Monitoring Return draft submission for 2021/22 at the Committee's meeting in September 2022, the national template for which is constructed around the five Staff Governance strands and seeks to gather information on staff experience and culture. Members were assured that close engagement would be undertaken with a variety of stakeholder groups and staff-side to help gather the information and data used to populate the return, prior to its formal submission to Scottish Government in November 2022. The feedback from Scottish Government from the previous year's exercise was also considered, which identified particular areas of focus for subsequent plans. Delegated authority for formal approval of the final return was given to the Committee Chair and Employee Director, in order to meet the Scottish Government's deadline of 18 November 2022.

4.21 As part of its work in addressing across its agenda items the Staff Governance Standard, the Committee has received a number of presentations and papers on the strand 'Provided an improved and safe working environment', promoting the health and wellbeing of staff, patients and the wider community, facilitated by the attendance of the Director of Property & Asset Management's attendance for these items. The updates detailed the work being undertaken by the Estates & Facilities, Health & Safety, Property and Capital Development teams within the wider directorate to provide a continuously improving working environment for staff. The Health & Safety Sub-Committee, which reports formally into the Clinical Governance Committee, is the standing governance committee leading on this work. A range of risk-specific groups (such as the Water Safety Group, Decontamination Group, etc.) provide specialist oversight, with close working with a number of Fife-wide services such as Infection Prevention & Control.

A further update was given in January 2023, focussed on the forming of a new multidisciplinary Steering Group on preventing workplace-related stress, utilising a 'Talking Toolkit' provided by the Health & Safety Executive. Staff from the Property & Asset Management team have piloted the training directly and the plan is that this approach will be rolled out across priority areas, as detailed at the March 2023 meeting. Further reflection on the implementation of this initiative will feature in this year's Committee agendas.

4.22 The Committee has held a series of dedicated Development Sessions, allowing members to gain a greater understanding and to receive detailed briefings on a number of topics. In October 2022, the Committee had a detailed briefing on the Staff Governance Standard, including information on how coverage of this is part of the Committee's annual cycle of business and also further detail on the way in which partnership working is embedded across NHS Fife and Fife H&SCP. In February 2023, members were pleased to welcome colleagues to speak on the topic of Values Based Reflective Practice, being led by staff from the Spiritual Care service. At the same session, an employee story detailing the return to work plan of a Speech & Language Therapy staff member with complex management of attendance was discussed by the Committee.

4.23 Members have considered annual reports on the subjects of: (i) the Occupational Health & Wellbeing Service (detailing its activities in support of the pandemic and its business-as-usual support); (ii) Volunteering; (iii) Medical Appraisal & Revalidation; (iv) Nursing, Midwifery and Allied Health Professionals; and annual reports from the Local Partnership Forums of both the Acute Services Division & Corporate Directorates and Health & Social Care Partnership, detailing the activities covered during 2021/22 and the priority actions underway by both staff-side groups.

4.24 The Committee considers internal audit reports relevant to its remit and the actions required thereunder, which are monitored for completion by the Audit & Risk Committee. In July 2022, the Committee received the Annual Internal Audit report for 2021/22, with members discussing the comments from the auditors on the areas of workforce succession planning and adequate coverage of the Staff Governance Standard throughout the Committee's

## APPENDIX 1

yearly workplan. In relation to the latter, in the reporting year improvements have been made to the categorisation of papers to make explicit which Staff Governance Standard each is addressing, as reflected also in the Committee's annual workplan. This signposting will give members improved assurance that the Committee's coverage of agenda items throughout the year delivers on the Standard's categories. Over the course of the year, the Committee has received individual papers to demonstrate that staff are well informed; appropriately trained and developed; involved in decisions; treated fairly and consistently, with dignity and respect, in an environment where diversity is valued; and provided with a continuously improving and safe working environment, promoting the health and well-being of staff. The explicit linkages of papers to these distinct areas gives assurance that the Committee's agendas are delivering on all aspects of its remit. Additionally, the regular review of delivery of business against the Committee's workplan ensures that agenda items are promptly rescheduled should any slippage arise. The introduction of Committee Development Sessions is a further way to capture members' input into the business covered across the year, with topics scheduled to address any member requests for greater understanding or training in a particular topic.

- 4.25 Minutes of Committee meetings have been approved by the Committee and presented to Fife NHS Board. The Board also receives a verbal update at each meeting from the Chair, highlighting any key issues discussed by the Committee at its preceding meeting. The Committee maintains a rolling action log to record and manage actions agreed from each meeting, and reviews progress against deadline dates at subsequent meetings. The format of the action log has been enhanced, to provide greater clarity on priority actions and their due dates.

### 5. Best Value

- 5.1 Since 2013/14 the Board has been required to provide overt assurance on Best Value. A revised Best Value Framework was considered and agreed by the NHS Board in January 2018. Appendix 3 provides evidence of where and when the Committee considered the relevant characteristics during 2022/23.

### 6. Risk Management

- 6.1 In line with the Board's agreed risk management arrangements, the Staff Governance Committee, as a governance committee of the Board, has considered risk through a range of reports and scrutiny, including oversight on the detail of the Workforce Sustainability section of the Board Assurance Framework (BAF) and, within the reporting year, the areas of the new Corporate Risk Register aligned to it for regular monitoring. Progress and appropriate actions were duly noted.
- 6.2 During the course of the year, whilst there has been no change to 'High' rating of the workforce sustainability risks reported to the Committee within the BAF, amendments were made to the linked operational risks. These relate to the risks incurred by a national shortage of radiologists, the loss of a number of consultants in the rheumatology service (a specific paper on this issue was also tabled to the Committee at its September 2022 meeting) and a risk related to nurse and midwifery recruitment. A presentation on nursing and midwifery staffing levels was delivered to the Committee in March 2022, with members scrutinising vacancy levels, the potential for upskilling the existing workforce, possible pension changes influencing uptake of early retirement, and options to reduce reliance on supplementary bank and agency nursing staff. This has been supported in-year with the development of a Band 4 Assistant Practitioner role, as detailed further in a briefing paper considered at the Committee in September 2022 and progressed by the Board over the autumn period. The Committee took assurance that this risk is being actively managed, though noting the national pressures overall on the nursing and midwifery workforce.

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- 6.3 At its meeting in May 2022, the Committee received a progress update report on the risk management improvement programme being undertaken during the reporting year. As part of the process of developing a new Corporate Risk Register to replace the BAF, supporting work has also been undertaken to review the escalation process within the Board structure and to create a risk dashboard for regular reporting through the IPQR. The work has also provided an opportunity to undertake a meaningful assessment of strategic-level risks and to strengthen these, particularly in the areas linked to the delivery of the new organisational strategy, lack of resources (both workforce and capital) to deliver on its ambitions, equality and diversity-related measures, and to explicitly reference sustainability and climate change workstreams. Linkages to the Board's overall risk appetite have been discussed with members, noting that for those individual metrics currently facing a risk profile in excess of the Board's agreed appetite, a degree of tolerance has been agreed, given the scale of external challenges at this time.
- 6.4 The replacement of the BAF by the Corporate Risk Register has allowed for revision of the key strategic risks reported to the Board, along with presentation improvements to aid clarity of members' understanding. The Committee considered the full set of draft Corporate Strategic Risks at its meeting in September 2022, noting the proposed 18 risks, their mapping against the Board's strategic priorities, and the proposed visual presentation of these in report form. It is noted that refinement of these will continue over the coming year, as the new risk presentation beds in. The risks aligned specifically to the Staff Governance Committee cover the areas of workforce planning and delivery, and staff health and wellbeing. In addition to the summary presentation of the aligned risks at all meetings since January 2023, members have received deep-dive information on workforce planning for nursing and midwifery staffing levels, and personal development and performance review in March 2023, with in-depth review of bank and agency spend and utilisation scheduled for May 2023. Deep dives allow for greater scrutiny of the root causes of risks and discussion on the effectiveness of management actions in place to reduce risk levels. This aspect of the new risk management approach is expected to mature in the year ahead, to provide members with the necessary levels of assurance on the effectiveness of mitigating actions.
- 6.5 The risk level for the metrics aligned to the Staff Governance Committee have remained high throughout the year, reflecting the intense levels of activity in health and social care and the pressures put upon staff thereupon. The Committee has reviewed through a series of agenda items possible mitigating actions, including recruitment initiatives (such as the Band 4 Assistant Practitioner roles and support for local employment programmes, as part of the Board's Anchor Institution ambitions) and detail on the raft of staff health and wellbeing activities put in place to help support staff. Nevertheless, both the sickness absence and vacancy level measures give an indication of the challenges facing the Board, with a continuing risk that safe staffing, particularly in nursing and midwifery, cannot be achieved, which is a position similar to many other territorial boards across Scotland. The deep-dive exercise undertaken by the Committee in January 2023 is an attempt to consider issues such as these in more detail, with members' scrutiny and debate of possible mitigating actions and reflection on the effectiveness of those already in place. This approach is expected to mature in the year ahead.

## 7. Self Assessment

- 7.1 The Committee has undertaken a self-assessment of its own effectiveness, for the year 2022/23 utilising a revised questionnaire considered and approved by the Committee Chair. Attendees were also invited to participate in this exercise, which was carried out via an easily accessible online portal. A report summarising the findings of the survey was considered and approved by the Committee at its March 2023 meeting, and action points are being taken forward at both Committee and Board level, as appropriate.

## 8. Conclusion

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- 8.1 As Chair of the Staff Governance Committee during financial year 2022/23, I am satisfied that the integrated approach, the frequency of meetings, the breadth of the business undertaken and the range of attendees at meetings of the Committee has allowed us to fulfil our remit as detailed in the Code of Corporate Governance. The Committee has also taken assurance that, through the full delivery of its annual workplan, there is evidence of the Committee addressing full coverage of the strands of the Staff Governance Standard. As a result of the work undertaken during the year, I can confirm that adequate and effective Staff Governance planning and monitoring arrangements were in place throughout NHS Fife during the year.
- 8.2 I would pay tribute to the dedication and commitment of fellow members of the Committee, staff-side colleagues and to all attendees. I thank all those members of staff who have prepared reports and attended meetings of the Committee.
- 8.3 In particular, I acknowledge the ongoing contribution of all our staff, particularly in another most challenging year, as demand and services continue to see the legacy effects of the Coronavirus pandemic and a general backlog of treatment. All Committee members and I continue to be astounded and humbled by the efforts made by NHS Fife and Fife Health & Social Care staff, at what continues to be a difficult period of exceptional demand on our Acute and H&SCP services. We all remain in their debt.



Signed:

Date: 22 May 2023

**Sinead Braiden, Chair**

On behalf of the Staff Governance Committee

**Appendix 1 – Attendance Schedule**

**Appendix 2 – Best Value**

**NHS FIFE STAFF GOVERNANCE COMMITTEE  
ATTENDANCE SCHEDULE 1 APRIL 2021 – 31 MARCH 2023**

<b>Present</b>	<b>12.05.22</b>	<b>14.07.22</b>	<b>01.09.22</b>	<b>10.11.22</b>	<b>12.01.23</b>	<b>09.03.23</b>
<b>S Braiden</b> , Non-Executive Member ( <b>Chair</b> )	ü	ü	ü	ü	ü	x
<b>W Brown</b> , Employee Director	ü	ü	ü	x	ü	x
<b>S Fevre</b> , Co-Chair, H&SCP Local Partnership Forum	ü	ü	ü	ü	ü	ü
<b>C Grieve</b> , Non-Executive Member				ü	ü	ü
<b>K Macdonald</b> , Non-Executive Member	X	ü	x	ü	ü	x
<b>M Mahmood</b> , Non-Executive Member	ü	x	ü			
<b>A Morris</b> , Non-Executive Member	ü	x	ü	ü	ü	ü
<b>J Kennan</b> , Director of Nursing	ü	ü	ü	ü	ü	x
<b>C Potter</b> , Chief Executive	ü	ü	ü	ü	ü	ü
<b>A Verrecchia</b> , Co-Chair, Acute Services Division Local Partnership Forum	ü	x	ü	ü	x	x
<b>In attendance</b>						
<b>K Berchtenbreiter</b> , Head of Workforce Development	X	ü	ü	ü		
<b>H Bett</b> , Interim Senior Manager, HSCP			ü			
<b>N Connor</b> , Director of Health & Social Care	ü	ü	x	ü	ü	ü
<b>P Cumming</b> , Risk Manager	ü Item 5.3			ü		
<b>C Dobson</b> , Director of Acute Services	ü	ü	ü	ü	ü	ü
<b>L Douglas</b> , Director of Workforce ( <b>Exec Lead</b> )	ü	ü	ü	ü		
<b>S Fraser</b> , Associate Director of Planning & Performance	ü Item 7.3	ü Item 7.1 & 7.2		ü	ü	ü
<b>R Lawrence</b> , Workforce & OD Lead for the HSCP		ü Item 6.2				
<b>N McCormick</b> , Director of Property & Asset Management			ü		ü	
<b>M McGurk</b> , Director of Finance & Strategy and Deputy Chief Executive	ü	ü	ü	ü	ü	ü
<b>G MacIntosh</b> , Head of Corporate Governance & Board Secretary	ü	ü	ü	ü	ü	ü
<b>S McCormack</b> , Associate Medical Director for Emergency Care and Planned Care						ü
<b>D Miller</b> , Director of Workforce					ü	ü
<b>S Raynor</b> , Head of Workforce Resourcing and Relations	ü	ü	ü	ü	ü	x

<b>K Reith</b> , Deputy Director of Workforce	ü	ü	ü	ü	ü	ü
<b>N Robertson</b> , Associate Director of Nursing						ü
<b>J Tomlinson</b> , Director of Public Health						ü Item 7.4
<b>R Waugh</b> , Head of Workforce Planning and Staff Wellbeing	ü	ü	ü	ü	ü	ü

**Best Value Framework**

**Vision and Leadership**

A Best Value organisation will have in place a clear vision and strategic direction for what it will do to contribute to the delivery of improved outcomes for Scotland’s people, making Scotland a better place to live and a more prosperous and successful country. The strategy will display a clear sense of purpose and place and be effectively communicated to all staff and stakeholders. The strategy will show a clear direction of travel and will be led by Senior Staff in an open and inclusive leadership approach, underpinned by clear plans and strategies (aligned to resources) which reflect a commitment to continuous improvement.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>NHS Fife acts in accordance with its values, positively promotes and measures a culture of ethical behaviours and encourages staff to report breaches of its values.</p>	<p>Whistleblowing Policy Code of Corporate Governance</p>	<p><b>BOARD</b> <b>STAFF GOVERNANCE COMMITTEE</b></p>	<p>Annual</p>	<p>Whistleblowing Champion appointed as a Board member and a member of this Committee</p> <p>Regular quarterly reporting on Whistleblowing activity and discussion on how this reporting can be enhanced and expanded</p> <p>Model Code of Conduct included in annually reviewed Code of Corporate Governance</p>

**APPENDIX 1**

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REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Resources required to achieve the strategic plan and operational plans e.g. finance, staff, asset base are identified and additional / changed resource requirements identified.	Financial Plan Workforce Plan Property & Asset Management Strategy	<b>FINANCE, PERFORMANCE &amp; RESOURCES COMMITTEE</b>  <b>STAFF GOVERNANCE COMMITTEE</b>  <b>BOARD</b>	Annual Annual Annual Bi-annual Bi-monthly	Annual Delivery Plan Financial Plan Workforce Plan Property & Asset Management Strategy Integrated Performance & Quality Report

**GOVERNANCE AND ACCOUNTABILITY**

The “Governance and Accountability” theme focuses on how a Best Value organisation achieves effective governance arrangements, which help support Executive and Non-Executive leadership decision-making, provide suitable assurances to stakeholders on how all available resources are being used in delivering outcomes and give accessible explanation of the activities of the organisation and the outcomes delivered.

A Best Value organisation will be able to demonstrate structures, policies and leadership behaviours which support the application of good standards of governance and accountability in how the organisation is improving efficiency, focusing on priorities and achieving value for money in delivering its outcomes. These good standards will be reflected in clear roles, responsibilities and relationships within the organisation. Good governance arrangements will provide the supporting framework for the overall delivery of Best Value and will ensure open-ness and transparency. Public reporting should show the impact of the organisation’s activities, with clear links between the activities and what outcomes are being delivered to customers and stakeholders. Good governance provides an assurance that the organisation has a suitable focus on continuous improvement and quality. Outwith the organisation, good governance will show itself through an organisational commitment to public performance reporting about the quality of activities being delivered and commitments for future delivery.

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
Board and Committee decision-making processes are open and transparent.	Board meetings are held in open session and minutes are publically available.  Committee papers and minutes are publically available.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	Board section on NHS website, containing papers and instructions for those wishing to join meetings as public observers
Board and Committee decision-making processes are based on evidence that can show clear links between activities and outcomes	Reports for decision to be considered by Board and Committees should clearly describe the evidence underpinning the proposed decision.	<b>BOARD</b>  <b>COMMITTEES</b>	Ongoing	SBAR reports  EQIA forms

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>NHS Fife can demonstrate that it has clear mechanisms for receiving feedback from staff and responds positively to issues raised.</p>	Annual feedback	<b>CLINICAL GOVERNANCE COMMITTEE</b>	Annual	Annual Review with Ministers
	Individual feedback		Ongoing	Care Opinion
		<b>STAFF GOVERNANCE COMMITTEE</b>	Quarterly	Regular meetings with MPs/MSPs
			Bi-monthly	Integrated Performance & Quality Report
			Annual	iMatter survey (local and national) Reports
			Ongoing	Adverse Event reporting (Datix) and review.
			Quarterly and Annually	Whistleblowing Reporting
			Ongoing	Workforce Information Overview

**USE OF RESOURCES**

The “Use of Resources” theme focuses on how a Best Value organisation ensures that it makes effective, risk-aware and evidence-based decisions on the use of all of its resources.

A Best Value organisation will show that it is conscious of being publicly funded in everything it does. The organisation will be able to show how its effective management of all resources (including staff, assets, information and communications technology (ICT), procurement and knowledge) is contributing to delivery of specific outcomes.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
NHS Fife ensures that all employees are managed effectively and efficiently, know what is expected of them, their performance is regularly assessed and they are assisted in improving.	AfC appraisal process and Executive and Senior Manager Performance reporting.  Medical performance appraisal (also reported to Clinical Governance Committee).	<b>STAFF GOVERNANCE COMMITTEE</b>  <b>REMUNERATION COMMITTEE</b>	Annual and as required  Bi-monthly	Appraisal, Personal Development and Reviews & iMatter reports  Integrated Performance & Quality Report
NHS Fife understands and measures the learning and professional development required to support statutory and professional responsibilities and achieve organisational objectives and quality standards.	Core Training compliance reported  Medical revalidation report and monitoring  Nursing revalidation.	<b>STAFF GOVERNANCE COMMITTEE</b>	Ongoing	Minutes of Staff Governance Committee

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
<p>Staff performance management recognises and monitors contribution to ensuring continuous improvement and quality.</p>	<p>Service Improvement and Quality are core dimensions of AfC appraisal process.</p> <p>Executive and Senior Manager Objectives – core collective objectives include performance and leadership.</p>	<p><b>STAFF GOVERNANCE COMMITTEE</b></p> <p><b>REMUNERATION COMMITTEE</b></p>	<p>Ongoing</p>	<p>Minutes of Staff Governance Committee &amp; Remuneration Committee</p>

**PERFORMANCE MANAGEMENT**

The “Performance Management” theme focuses on how a Best Value organisation embeds a culture and supporting processes which ensures that it has a clear and accurate understanding of how all parts of the organisation are performing and that, based on this knowledge, it takes action that leads to demonstrable continuous improvement in performance and outcomes.

A Best Value organisation will ensure that robust arrangements are in place to monitor the achievement of outcomes (possibly delivered across multiple partnerships) as well as reporting on specific activities and projects. It will use intelligence to make open and transparent decisions within a culture which is action and improvement oriented and manages risk. The organisation will provide a clear line of sight from individual actions through to the National Outcomes and the National Performance Framework. The measures used to manage and report on performance will also enable the organisation to provide assurances on quality and link this to continuous improvement and the delivery of efficient and effective outcomes.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
Performance is systematically measured across all key areas of activity and associated reporting provides an understanding of whether the organisation is on track to achieve its short and long-term strategic, operational and quality objectives	Integrated Performance & Quality Report encompassing all aspects of operational performance, AOP targets / measures, and financial, clinical and staff governance metrics.  The Board delegates to Committees the scrutiny of performance.  Board receives full Integrated Performance & Quality Report and notification of any issues for escalation from Committees.	<b>COMMITTEES</b>  <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Code of Corporate Governance  Minutes of Committees

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REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE
The Board and its Committees approve the format and content of the performance reports they receive.	The Board / Committees review the Integrated Performance & Quality Report and agree the measures.	<b>COMMITTEES</b> <b>BOARD</b>	Annual	Integrated Performance & Quality Report
Reports are honest and balanced and subject to proportionate and appropriate scrutiny and challenge from the Board and its Committees.	Committee Minutes show scrutiny and challenge when performance is poor as well as good, with escalation of issues to the Board as required	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees
The Board has received assurance on the accuracy of data used for performance monitoring.	Performance reporting information uses validated data.	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting  Annual	Integrated Performance & Quality Report  Annual Accounts including External Audit report
NHS Fife's performance management system is effective in addressing areas of underperformance, identifying the scope for improvement, agreeing remedial action, sharing good practice and monitoring implementation.	Encompassed within the Integrated Performance & Quality Report	<b>COMMITTEES</b> <b>BOARD</b>	Every meeting	Integrated Performance & Quality Report  Minutes of Committees

**CROSS-CUTTING THEME – SUSTAINABILITY**

The “Sustainability” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded a sustainable development focus in its work.

The goal of Sustainable Development is to enable all people throughout the world to satisfy their basic needs and enjoy a better quality of life without compromising the quality of life of future generations. Sustainability is integral to an overall Best Value approach and an obligation to act in a way which it considers is most sustainable is one of the three public bodies’ duties set out in section 44 of the Climate Change (Scotland) Act 2009. The duty to act sustainably placed upon Public Bodies by the Climate Change Act will require Public Bodies to routinely balance their decisions and consider the wide range of impacts of their actions, beyond reduction of greenhouse gas emissions and over both the short and the long term.

The concept of sustainability is one which is still evolving. However, five broad principles of sustainability have been identified as:

- promoting good governance;
- living within environmental limits;
- achieving a sustainable economy;
- ensuring a stronger healthier society; and
- using sound science responsibly.

Individual Public Bodies may wish to consider comparisons within the wider public sector, rather than within their usual public sector “family”. This will assist them in getting an accurate gauge of their true scale and level of influence, as well as a more accurate assessment of the potential impact of any decisions they choose to make.

A Best Value organisation will demonstrate an effective use of resources in the short-term and an informed prioritisation of the use of resources in the longer-term in order to bring about sustainable development. Public bodies should also prepare for future changes as a result of emissions that have already taken place. Public Bodies will need to ensure that they are resilient enough to continue to deliver the public services on which we all rely.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE</b>
NHS Fife promotes personal well-being, social cohesion and inclusion.	Healthy workforce	<b>STAFF GOVERNANCE COMMITTEE</b>  <b>BOARD</b>	Ongoing	Healthy Working Lives Gold Award  Equality Outcomes reporting

**CROSS-CUTTING THEME – EQUALITY**

The “Equality” theme is one of the two cross-cutting themes and focuses on how a Best Value organisation has embedded an equalities focus which will secure continuous improvement in delivering equality.

Equality is integral to all our work as demonstrated by its positioning as a cross-cutting theme. Public Bodies have a range of legal duties and responsibilities with regard to equality. A Best Value organisation will demonstrate that consideration of equality issues is embedded in its vision and strategic direction and throughout all of its work.

The equality impact of policies and practices delivered through partnerships should always be considered. A focus on setting equality outcomes at the individual Public Body level will also encourage equality to be considered at the partnership level.

<b>REQUIREMENT</b>	<b>MEASURE / EXPECTED OUTCOME</b>	<b>RESPONSIBILITY</b>	<b>TIMESCALE</b>	<b>OUTCOME / EVIDENCE:</b>
NHS Fife meets the requirements of equality legislation.	Equality Reporting	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA section on all reports
The Board and senior managers understand the diversity of their customers and stakeholders.	Equality Impact Assessments are reported to the Board and Committees as required and identify the diverse range of stakeholders.	<b>BOARD</b> <b>COMMITTEES</b>	Ongoing	EQIA section on all reports
NHS Fife’s Performance Management system regularly measures and reports its performance in contributing to the achievement of equality outcomes.		<b>CLINICAL GOVERNANCE COMMITTEE</b>	Ongoing	Minutes

REQUIREMENT	MEASURE / EXPECTED OUTCOME	RESPONSIBILITY	TIMESCALE	OUTCOME / EVIDENCE:
<p>NHS Fife ensures that all members of staff are aware of its equality objectives.</p>	<p>Induction</p> <p>Equality and Diversity is core dimension in KSF (Knowledge and Skills Framework) that underpins the appraisal process for AfC staff</p> <p>Equality and Diversity Learn Pro Module</p>	<p><b>STAFF GOVERNANCE</b></p>	<p>Ongoing</p>	<p>iMatter reports</p> <p>Minutes</p>
<p>NHS Fife's policies, functions and service planning overtly consider the different current and future needs and access requirements of groups within the community.</p>	<p>In accordance with the Equality and Impact Assessment Policy, Impact Assessments consider the current and future needs and access requirements of the groups within the community.</p>	<p><b>BOARD</b></p> <p><b>COMMITTEES</b></p>	<p>Ongoing</p>	<p>Strategy Development process</p> <p>EQIA section on reports</p>
<p>Wherever relevant, NHS Fife collects information and data on the impact of policies, services and functions on different equality groups to help inform future decisions.</p>	<p>In accordance with the Equality and Impact Assessment Policy, Impact Assessments will collect this information to inform future decisions.</p>	<p><b>BOARD</b></p> <p><b>COMMITTEES</b></p>	<p>Ongoing</p>	<p>EQIA section on reports</p>

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: 3 April 2023

Our ref: CD/MM

Enquiries to: Claire Dobson

Email: [claire.dobson3@nhs.scot](mailto:claire.dobson3@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### **ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23**

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### **Effectiveness of Risk Management Arrangements**

I can confirm that risk management arrangements were in place and operating effectively. There were a number of corporate risks during the year in relation to the ongoing response to and management of the pandemic and system pressures which are noted below:

CORPORATE RISK 6	Whole System capacity
CORPORATE RISK 7	Access to out-patient, diagnostic and treatment services
CORPORATE RISK 8	Cancer Waiting Times

#### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources. There were a number of important investment decisions and cost improvement activities which supported that position which are noted below.



Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

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## APPENDIX 2

Directorate cost improvement plans
Directorate grip and control
Ensuring appropriate spend was attributed to COVID-19 funding
Collaborative working with the HSCP to ensure the appropriate allocation of Scottish Government funding e.g. winter monies

### **Compliance with applicable policies, procedures, laws and regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. There were no external reviews carried out.

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### **Internal Audit Reports and Recommendations**

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

Yours sincerely



**Claire H J Dobson**  
**Director of Acute Services**  
**NHS Fife**

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: Friday 2 June 2023  
Enquiries to: Kerrie Donald  
Email: [kerrie.donald@nhs.scot](mailto:kerrie.donald@nhs.scot)

Mrs Carol Potter  
Chief Executive  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Carol

### **ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23**

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to you as Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### **Effectiveness of Risk Management Arrangements**

During 2022/23 we developed and launched an improved risk management reporting system which focusses on a new Corporate Risk Register linking all risks to the delivery of our strategic priorities. Whilst this new arrangement is taking time to embed it is proving to be very effective in ensuring effective engagement on the management and mitigation of our most significant corporate risks.

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

Close scrutiny and focus on both the risk of delivering against the in-year financial targets and also the development of a credible plan to deliver medium-term financial sustainability have been the focus of my directorate and the wider executive team across this financial year. To support this, deep dives were undertaken with both the EDG and the Finance, Performance and Resources Committee to provide evidence and assurance on our collective activity to manage both risks.

#### **Economic, Effective and Efficient use of resources**

I can confirm that through the leadership and guidance of my directorate, engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing



Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

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## APPENDIX 2

review and control of the budgets across the organisation, that there was economic, effective and efficient use of resources during 2022/23.

### **Compliance with applicable policies, procedures, laws and regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control.

There was a significant change to service provision during 2022/23, with the Payroll function and team transferring to National Services Scotland management on 1 February 2023. I can confirm that all steps were taken to ensure the smooth TUPE transfer of the staff involved and that appropriate arrangements are in place to deliver an audit opinion on the service area during this financial year. I can also confirm that we maintain appropriate connections to this team to support them in a caring way as this change to service delivery progresses.

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

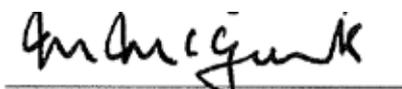
### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### **Internal Audit Reports and Recommendations**

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

Yours sincerely



**Margo McGurk**  
**Director of Finance & Strategy**  
**Deputy Chief Executive**  
**NHS Fife**



Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

**Nicky Connor**  
Director of Health and Social Care

Email: nicky.connor@nhs.scot

Your Ref:  
Our Ref: NC/CN  
Date: 19 April 2023

Dear Margo

**ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23**

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

**Effectiveness of Risk Management Arrangements**

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

**NHS Corporate Risks**

- Primary Care Services – A Primary Care Oversight Group is in place to bring together both the transformation and sustainability initiatives for all four of the independent Primary Care contractors, whilst overseeing any critical aspects of governance. A deep dive review of this risk is currently being undertaken.

**IJB Strategic Risks**

- Workforce Risk - in terms of recruitment and retention. A workforce strategy for 2022 – 2025 was submitted to Scottish Government in November 2022. An annual report will be provided to Scottish Government on any refresh to the Strategy.
- Finance risk - in relation to financial sustainability. A Medium-Term Financial Strategy was agreed by the IJB in March 2023.

Fife House, North Street, Glenrothes KY7 5LT  
TELEPHONE 03451 55 00 00

**NICKY CONNOR** Director of Health and Social Care



## APPENDIX 2

- Demographics/Changing Landscapes – in terms of the risk posed to delivery of the Strategic Plan. A Strategic Needs Assessment was completed to support the creation of the Strategic Plan and the Medium-Term Financial Strategy has been agreed.

### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources. There were a number of important investment decisions and cost improvement activity which supported that position which are noted below:

- Savings of £1.2m were carried forward into financial year 2022/23, 66% of these have been delivered but not as originally intended. There is a risk that the ability to substitute may no longer be available and as a result this will remain under review.

### **Compliance with applicable policies, procedures, laws and regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. (There was an important external review and report which support that position, noted below:

- Joint inspection of Adult Social Care (Integration and Outcomes)

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the Code of Corporate Governance during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### **Internal Audit Reports and Recommendations**

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

- Many recommendations were dependent on the refreshed Integration scheme and the risk management policy and strategy. As these have now been approved good progress will be made in this area. The only area that still requires to be progressed is in relation to Assurance Principles but work on this is currently underway, providing clarity to members of governance committees in terms of their role and remit

Yours sincerely

**APPENDIX 2**



---

**Nicky Connor**  
**Director of Fife Health & Social Care Partnership**

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: 6 April 2023

Enquiries to: Kerrie Donald

Email: [Kerrie.donald@nhs.scot](mailto:Kerrie.donald@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### **GOVERNANCE STATEMENT 2022/2023**

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### **Effectiveness of Risk Management Arrangements**

I can confirm that risk management arrangements were in place and operating effectively. A full review of the Corporate Risks is underway completing a “deep dive” for each in turn to ensure that the risks including those associated with the ongoing impact of the pandemic are adequately captured.

#### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources. There were a number of important investment decisions and cost improvement activity which supported that position which are noted below.



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Chief Executive: Carol Potter

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Investment/ Cost Improvement Activity	Description
Investment in an Adverse Events and Risk Management Coordinator	Investment of additional 0.4 WTE for 24 months to provided WTE cover of a secondment of 3 days per week. These additional hours were required to meet organisational needs.
Temporary agreement for investment to support the updated Cancer Audit & Performance Team Structure	Investment of 1.0wte Band 6 Cancer Audit & Performance Manager and 1.0wte Band 4 MDT Coordinator to support delivery of the cancer waiting times and audit functions.
Fixed Term investment provided by Macmillan Cancer Support to underpin the delivery of the Action Delivery Plan (Cancer Framework)	01/02/23 Investment of 1WTE band 6 Project Manager for 12 Month
Fixed term investment from the Scottish Government to support realistic medicine	Band 7 Senior Project Manager for Realistic Medicine for 12 months (from August 2022-August 2023)
ACT approved bids	Re-grading of Undergraduate Administrator post from Band 4 to Band 5.  VHK Education Centre and QMH classrooms upgrades. This has made the rooms more fit for purpose and allowed for an improved teaching experience for users.

### Compliance with applicable policies, procedures, laws and regulations

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. There were a number of important internal and external reviews and reports which support that position which are noted below.

Review	Review Summary
Network and Information Systems Audit (NIS) conducted by the Scottish Health Competent Authority – April 2021	Compliance score of 76% achieved and improvement from 69% achieved in the 2021 audit.
Network and Information Systems Audit (NIS) conducted by the Scottish Health Competent Authority – July 2023	Results of audit expected in September 2023.
Audit of Records Management Plan by National Records Scotland	Feedback and action plan presented to EDG on 5 January 2023.

### Compliance with the Code of Corporate Governance

I can confirm that there were no known breaches of the Code of Corporate Governance during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

## APPENDIX 2

### Integrity and Reliability of Information and Data

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### Internal Audit Reports and Recommendations

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility through the Internal Control Evaluation 2022/23 report have been agreed. A summary of outstanding actions is set out below.

Internal Audit Reference	Actions Status
B19/21 Clinical Governance Strategy and Assurance Point 1	This point is multifaceted and the actions to address the recommendations made are scheduled to be completed by 31 July 2023. The main actions relate to the revised Clinical Governance Strategic Framework being approved by Fife NHS Board (scheduled for 28 March 2023) and points related to assurance reporting to the Clinical Governance Committee that are in the process of being addressed.
B23-21 – ITIL Process Development Points 3, 4, 5 & 6	Actions to address points 1 & 2 from this report have been completed but action to address the remaining 4 points has been delayed due to recruitment and software deployment issues. The target implementation date for actions to address these remaining points has been extended to 31 March 2023.
B08-23 Internal Control Evaluation Points 3, 4 and 11	Actions to address point 3 related to improving assurances to the Clinical Governance Committee and Clinical Governance Oversight Group are assigned to the Director of Health and Social Care due to their nature and are anticipated to be implemented by 30 April 2023. Actions to address the multifaceted point 4 regarding the Clinical Governance Strategic Framework and Clinical Governance Risk Management are expected to be implemented by 31 August 2023. The action to address point 11 relates to Digital and Information Risk Management. Revised workforce plan to be included in mitigations to Corporate Risk 18 – Digital and Information Strategy Risk and is to be addressed by 31 May 2023.

Yours sincerely

**APPENDIX 2**

A handwritten signature in black ink, appearing to read 'Chris McKenna', written in a cursive style.

**Dr Chris McKenna**  
Medical Director NHS Fife

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: Friday 7 April 2023  
Enquiries to: Kerrie Donald  
Email: [kerrie.donald@nhs.scot](mailto:kerrie.donald@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### Effectiveness of Risk Management Arrangements

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

1	Risk (number 2214) 'Nursing and Midwifery Staffing levels'. The risk is described in detail and mitigating actions are clearly articulated. A 'Deep Dive' report, in relation to this risk, was presented to the Staff Governance Committee on 12/01/2023
2	Risks in relation to HCAI are discussed at each Infection Control Committee (ICC). A focus on Risks is being undertaken at each ICC and, to support this discussion, 'Risks' are first on the agenda. A Deep Dive is being presented to each ICC in 2023 – the first is on Water Safety Risks.

#### Economic, Effective and Efficient use of resources

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources.



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Chief Executive: Carol Potter

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## APPENDIX 2

1	Nursing Directorate: I can confirm economic, effective and efficient use of resources, demonstrating an underspend in the Directorate's annual budget
2	NTC-Fife: I can confirm the efficient and effective use of resources. The NTC Fife Orthopaedics opened and treated its first patients on 20 March 2023. The project was delivered on time and in budget.

### Compliance with applicable policies, procedures, laws and regulations

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control.

1	HEI carried out a Mental Health Infection Control Inspection on 8 <sup>th</sup> and 9 <sup>th</sup> February 2023 in QMH, WBH and Stratheden. The HEI report has been delayed – expected now on 17/04/23. High level feedback was very positive around cleanliness, staff knowledge, audits, communication, collaborative working but issues were raised around the environment which was in a poor state of repair.
2	An internal review was carried out in relation to recommendations from the Ockenden Inquiry. The Women and Childrens team carried out a gap analysis against the 89 recommendations in the report. 4 recommendations were described as 'amber' and are in relation to workforce. The report was presented to the Clinical Governance Committee in March 2023.

### Compliance with the Code of Corporate Governance

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

### Integrity and Reliability of Information and Data

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### Internal Audit Reports and Recommendations

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

Yours sincerely



**Janette Keenan**  
**Director of Nursing**  
**NHS Fife**

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: Thursday 6 April 2023  
Enquiries to: [kymm.dingwall](mailto:kymm.dingwall)  
Email: [kymm.dingwall@nhs.scot](mailto:kymm.dingwall@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy and Deputy  
Chief Executive  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### Effectiveness of Risk Management Arrangements

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

<p>There was a risk that the provision of Community Pharmacy services in Fife is unsustainable due to workforce challenges and demand pressures. This continues to be managed through close working with Community Pharmacy Fife, and a balanced approach to recruitment. Initiatives including serial prescribing support reduced workload in the sector</p>	<p>There was a risk that NHS Fife is not able to deliver on the Pharmacotherapy component of the GMS contract. This risk is managed through close collaboration with primary care colleagues and investment in redesigned processes and skillmix</p>
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Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

Fife NHS Board is the common name of Fife Health Board

## APPENDIX 2

<p>There was a risk that there is not enough workforce available, across staff groups, within the directorate and within the wider recruitable pool to deliver on all priorities of the managed service and community pharmacy services. This is managed through clear prioritisation decisions and pragmatic approaches to recruitment and skill mix development. This risk applies across all boards and Fife is represented in the appropriate forums</p>	<p>There was a risk that external factors could compromise the ability of the managed service and Community Pharmacy to supply medicines to patients. These factors include EU Exit, international conflict, and the reliance on global supply chains. Local processes and governance groups to mitigate impact are in place, and links to local and national organisations established.</p>
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### Economic, Effective and Efficient use of resources

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective, and efficient use of resources. There were a number of important investment decisions and cost improvement activity which supported that position which are noted below.

<p>The Board continues to make progress with contracting and implementation of Hospital Electronic Prescribing Management and Administration system, and associated enabling systems</p>	<p>Cost saving work in both the Board and HSCP on medicines efficiencies have delivered targets and supported financial balance</p>
<p>Investment in clinical Pharmacy services within mental health, critical care, cancer, and orthopaedics are delivering improved quality of clinical care in these environments.</p>	<p>There has been investment in staffing infrastructure to support sustainability of vaccination/ immunisation programmes</p>
<p>The Board has taken the decision to invest in locally funded Pre-Registration Pharmacy Technician posts, mitigating impact of national funding lost and ensuring a sustainable pipeline and skillmix</p>	<p>The local programme on high-risk pain medicines has benefitted from investment in clinical and programme staffing – a successful first year will form the basis for ongoing improvement in clinical care</p>

## APPENDIX 2

### Compliance with applicable policies, procedures, laws, and regulations

I can confirm that there was full compliance with all applicable policies, procedures, laws, and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control.

The roles and responsibilities of Controlled Drugs Accountable Officer (CDAO) are governed by Controlled Drugs (Supervision of Management and Use) Regulations 2013. There is a legal duty to share information between responsible organisations. It is a requirement for all NHS Boards to establish a Local Intelligence Network to support information sharing and to put in place processes for the disposal of unwanted CDs in NHS sites, community pharmacies and GP practices. An annual report was tabled at Clinical Governance Committee and Executive Directors Group in October 2022 to update on ongoing work to ensure safe and effective use of CDs within Fife. Our Controlled Drug Local Intelligence Network is established and has met twice in this reporting period.

As organisational lead for medicines, the Director of Pharmacy and Medicines is responsible for the safe supply, storage, prescribing and administration of medicines and medical gases across the organisation.

Both HTM 02-01 and (s)HTM 02-01 recommend that a Medical Gas Committee be established to “oversee the general operation and management of the Medical Gas Pipeline System and all facets of the MGPS operational policy”. The requirement to have a multidisciplinary group responsible for reviewing oxygen-related incidents, developing a local oxygen policy and a training programme was reinforced within the National Patient Safety Agency Rapid Response Report (NPSA/2009/RRR006). Medical gas committee in NHS Fife has regularly over this reporting period with 6 monthly reports to the Area Drugs and Therapeutics Committee, including the annual audit of medical gas within wards/departments and medical gas stores to provide assurance. Problem assessment group was also established throughout the waves of the pandemic to ensure site resilience for oxygen demand, which has been met throughout this reporting period

Professional guidance on the safe and secure handling of medicines by the Royal Pharmaceutical Society covers all health care settings and all health professionals whose role involves handling of medicines and was used to develop NHS Fife Safe and Secure Use of Medicines policies and procedures, whilst ensuring compliance with relevant legislation and guidance from the Scottish Government. The Safe and Secure Use of Medicines Group (SSUOMG) has developed an audit and assurance programme consisting of rolling programme of 13 audits. The SSUOMG have met regularly during this reporting period with 6 monthly reports to Area Drugs and Therapeutics committee, including audit reports consisting of controlled drug ward checks, medicines that require refrigeration and medical gas wards and stores audit.

## APPENDIX 2

The NHS Fife Safe and Secure Use of Medicines Policies and Procedures will be updated in April 2023 following work undertaken over the reporting period with all updates to be available on Blink.

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity, or corruption.

### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### **Internal Audit Reports and Recommendations**

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

Yours sincerely



### **BEN HANNAN**

NHS Fife Director of Pharmacy and Medicines, Chief Pharmacist and Controlled Drugs Accountable Officer

## APPENDIX 2

**NHS FIFE**  
**Property & Asset Management**  
Estates, Facilities, Capital Planning  
and Health & Safety

Phase 1  
Victoria Hospital  
Hayfield Road  
Kirkcaldy  
Fife KY2 5AH  
Telephone: 01592 643355  
[www.nhsfife.org](http://www.nhsfife.org)



Mrs M McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Date 5 April 2023  
Your Ref  
Our Ref NMcC/AB  
Enquiries to Neil McCormick  
Extension  
Direct Line  
Email [neil.mccormick@nhs.scot](mailto:neil.mccormick@nhs.scot)

Dear Margo

### **ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23**

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### **Effectiveness of Risk Management Arrangements**

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

Policy obligations in relation to environmental management and climate change	Regular reporting through the Public Health & Wellbeing Committee and other reports including the ADP and MTP for 2023/24
Prioritisation & Management of Capital funding	Monitoring through FCIG and FP&R
Off-Site Area Sterilisation and Disinfection Unit Service	Risks being identified and managed through the Decontamination Group



Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

Fife NHS Board is the common name of Fife Health Board

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### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources.

Met extended Targets agreed as part of the Financial Improvement and Sustainability Programme Board
---

Increased the capacity of the Capital Planning Team
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Carried out an external review of Medical Equipment / Medical Devices function
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### **Compliance with applicable policies, procedures, laws and regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. There was an important external review and report which support that position, noted below:

NHS Scotland Assure Key Stage Review for the Fife Orthopaedic NTC
---

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity, or corruption.

### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### **Internal Audit Reports and Recommendations**

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

## APPENDIX 2

B21/21 Medical Equipment and Devices has some outstanding actions with respect to operational policies and the work of the CEMG which will be closed out shortly

B14/21 Sharps Management has one remaining point with respect to the work of the sharps strategy group being replaced by local Health & safety fora which will be closed out shortly

Yours sincerely



Neil McCormick  
Director of Property & Asset Management

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: Friday 2 June 2023  
Enquiries to: Kerrie Donald  
Email: [kerrie.donald@nhs.scot](mailto:kerrie.donald@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### ANNUAL ACCOUNTS - GOVERNANCE STATEMENT 2022/23

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility throughout 2022/23.

#### Effectiveness of Risk Management Arrangements

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

Topic Area	Control
COVID19 pandemic risk Health Protection	Contract extension agreed by EDG until 31/05/2023; to aid with transition to East Region Health Protection Service and in alignment with nationally agreed Variant and Mutation workforce. All risks reviewed at Public Health Assurance Committee.
COVID19 pandemic risk Test & Protect	Services now decommissioned. Services reviewed by Test & Protect Oversight Group, workforce risk and processes reviewed at Test & Protect short life working group. All risks reviewed at Public Health Assurance Committee.



Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

Fife NHS Board is the common name of Fife Health Board

## APPENDIX 2

Strategic oversight of Immunisation Programmes	Strategic Framework in place with clear roles and responsibilities
Health Inequalities	Population Health and Wellbeing Strategy and the associated Delivery Plan will identify actions that will contribute to reducing health inequalities. Health Inequalities risk included in Corporate Risk register.

### Economic, Effective and Efficient use of resources

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources. There were a number of important investment decisions and cost improvement activity which supported that position, which are noted below.

Areas of investment	Control
<p>Non-recurring funding covering:</p> <ul style="list-style-type: none"> <li>· Test &amp; Protect, contact tracing until 30/09/2022</li> <li>· Community testing programme for COVID19 until 28/02/2023</li> <li>· Enhanced Health Protection teams</li> </ul>	<p>Weekly reviews with Finance and Public Health Service Manager</p> <p>Fortnightly oversight and discussion at Public Health Management Team meetings</p> <p>Quarterly enhanced Public Health Management Team meeting focusing on finance, budget allocation and spending forecasting</p> <p>Relevant risks reviewed at Public Health Assurance Committee.</p>
<p>Non-recurring funding covering:</p> <ul style="list-style-type: none"> <li>· Cervical Exclusion Audit for 12 months</li> </ul>	<p>Monthly meetings with key stakeholders and contributors</p> <p>Fortnightly oversight and discussion at Public Health Management Team meetings</p> <p>Relevant risks reviewed at Public Health Assurance Committee.</p>

## APPENDIX 2

SPRA	Completed by department leads. Oversight through Public Health Management Team  Forecast for medium term financial balance  Relevant risks reviewed at Public Health Assurance Committee.
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### Compliance with applicable policies, procedures, laws and regulations

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control.

### Compliance with the Code of Corporate Governance

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/23. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

### Integrity and Reliability of Information and Data

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities.

### Internal Audit Reports and Recommendations

I can confirm that all actions arising from recommendations made by Internal Audit for Resilience have been agreed and actioned.

Actions Identified	Outcome
Actions identified through Internal Audit of Resilience	Discussed and actions progressed in line with expectations

Yours sincerely



**Dr Joy Tomlinson**  
**Director of Public Health**  
**NHS Fife**

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: 31 December 2022

Enquiries to: Linda Douglas

Direct line: 01592 643355 | Extension: 28135 | Email: [linda.douglas@nhs.scot](mailto:linda.douglas@nhs.scot)

Margo McGurk  
Director of Finance & Strategy  
Hayfield House Hayfield Road  
KIRKCALDY  
KY2 5AH

Dear Margo

### GOVERNANCE STATEMENT 2022/2023 (April – December 2022)

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my directorate areas of responsibility during 2022/23 (Apr-Dec).

#### Effectiveness of Risk Management Arrangements

I can confirm that risk management arrangements were in place and operating effectively. All Workforce Directorate risks were updated to meet reporting timetable. In addition, as part of corporate review of risks and the introduction of the revised Risk Management Framework and the Risk Appetite Review conducted in year, a review of the Workforce Sustainability BAF was completed and the revised format was implemented.

Reports on linked high operational risks were reported to SGC during the first few quarters of 2022/2023 meeting cycle and the first version of the revised Corporate Risk Register regarding Workforce risks was tabled to Staff Governance Committee at their meeting on 10 November 2022. The corporate risks connected to Workforce Sustainability are provided in the table below, together with the risks that are scheduled for a Deep Dive this year.

Risk ID	Risk Description
Corporate Risk 11	<b>Workforce Planning and Delivery</b> There is a risk that if we do not implement effective strategic and operational workforce planning, we will not deliver the capacity and capability required to effectively deliver services.



Chair: Tricia Marwick  
Chief Executive: Carol Potter

Fife NHS Board is the common name of Fife Health Board

## APPENDIX 2

Corporate Risk 12	<b>Staff Health and Wellbeing</b> There is a risk that if due to a limited workforce supply and system pressures, we are unable to maintain the health and wellbeing of our existing staff, we will fail to retain and develop a skilled and sustainable workforce to deliver services now and in the future.
ID2214 – scheduled for January 2023 SGC meeting	There is an established and continuing risk that safe nursing and midwifery levels cannot be achieved. NHS Fife is experiencing critical nursing and midwifery shortfalls, similar to other Boards across NHS Scotland. Vacancy rates, sickness absence levels and high activity related to consequences of the pandemic are aligned to the unprecedented demand on clinical services and on nursing and midwifery. There continues to be a heavy demand on supplementary staffing. Consequently, the impact on quality of care remains.
ID1420	The Rheumatology service will lose three of its 5 Consultants over the coming 9 months which will have a significant impact on the service offered to patients both in terms of waiting times for new patients and access to care for review patients It appears that there are no Consultants available to appoint to these vacancies, resulting in the need for service redesign and consideration of alternative staffing provision.

### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) for 2022/23 and the ongoing review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources. I would acknowledge the evolving arrangements through SPRA which support the alignment of our strategic, workforce and financial plans. We continue to build on this positive work as we address a small number of legacy issues relating to directorate budget. We have contributed in small part to implement our organisational programme of Financial Improvement and Sustainability, namely through managing the vacancy factor assigned to the directorate.

In terms of specific Workforce Directorate activity, significant work has been undertaken across the functions to scope service redesign to identify future potential opportunities to reduce workload or meet the increase in workload demand within existing resources. We will be unable to sustain all of our current higher activity levels without consideration of the resources available to support service delivery, especially relating to Occupational Health and Employability/Engagement services. In this past year I recognise the work undertaken to complete the implementation of the Regional Recruitment Service to deliver a more effective and efficient service for all participant Boards. Attention will need to be maintained on the service agreement and any cost implication from service development that NHS Lothian as the host Board might advocate for.

### **Compliance with applicable policies, procedures, laws and regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. I would draw particular attention to the work described in the Staff Governance Annual Monitoring Return for 2021/22 (submission to Scottish Government 18 November 2022). I believe we are well placed within NHS Fife due to the work undertaken in partnership to evidence our compliance with the Staff Governance Standard.

## APPENDIX 2

### Compliance with the Code of Corporate Governance

I can confirm that there were no known breaches of the Code of Corporate Governance during 2022/23 (April – December) period. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity, or corruption.

### Integrity and Reliability of Information and Data

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities. Last year we developed additional workforce reporting for governance and assurance purposes, which we have further developed either through our corporate systems and/or through regional Board collaboration. From feedback through Committee and Executive groups we continue to evolve the availability of workforce reporting and develop our data definitions in line with organisational level business intelligence activity, with the revision of the Integrated Performance and Quality Report reflecting some of the completed and planned developments. I would note that all workforce related Freedom of Information requests have been responded to in line with legislation and timescales.

### Internal Audit Reports and Recommendations

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

Lastly some general comments, this year saw the removal of COVID-19 related funding with not the commensurate reduction in service provision or demand. This continues to impact on the delivery of services provided by the Workforce Directorate Departments/Portfolios (i.e. Staff Wellbeing & Workforce Planning, Workforce Resourcing & Relations, and Workforce Development & Engagement). Changes to service delivery remains constructively led and managed. A period to consolidate the work undertaken to create or adapt systems of work to respond to the demands presented is required to ensure we continue to meet the needs of the organisation, i.e. how we:

- source, recruit and onboard, deliver learning and (re)skill, communicate and engaged with our staff
- involve stakeholders,
- develop and invest in human resources information systems to evidence decision making, and probably most significantly,
- develop wellbeing services / initiatives to sustain and enhance the wellbeing and resilience of our people.

Yours sincerely,



Linda Douglas  
Director of Workforce

## APPENDIX 2

NHS Fife, Hayfield House, Hayfield Road, Fife, KY2 5AH  
01592 643355 | [www.nhsfife.org](http://www.nhsfife.org)



Date: Friday 2 June 2023  
Our Ref: DM/CP  
Enquiries to: David Miller  
Direct line: 01592 648135 | Extension: 28135 | Email: [david.miller12@nhs.scot](mailto:david.miller12@nhs.scot)

Mrs Margo McGurk  
Director of Finance & Strategy  
NHS Fife  
Hayfield House  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Dear Margo

### ANNUAL ACCOUNTS – GOVERNANCE STATEMENT 2022/2023

In line with the Scottish Public Finance Manual (SPFM) guidance on the preparation of the Annual Governance Statement, this letter has been prepared to give formal assurance to the Chief Executive (Accountable Officer) that adequate and effective internal controls and risk management arrangements have been in place across my Directorate's areas of responsibility throughout 2022/2023.

#### Effectiveness of Risk Management Arrangements

I can confirm that risk management arrangements were in place and operating effectively. The following corporate risks have required continued focus and mitigation throughout the year.

Risk ID 11 **Workforce Planning and Delivery:** There is a risk that if we do not implement effective strategic and operational workforce planning, we will not deliver the capacity and capability required to effectively deliver services.

Risk ID 12 **Staff Health and Wellbeing:** There is a risk that if due to a limited workforce supply and system pressure, we are unable to maintain the health and wellbeing of our existing staff, we will fail to retain and develop a skilled and sustainable workforce to deliver services now and in the future.

Risk ID 527 **Sickness Absence:** There is a risk that NHS Fife will not meet the Sickness Absence rate HEAT Standard target of 4%.



Acting Chair: Alistair Morris  
Chief Executive: Carol Potter

Fife NHS Board is the common name of Fife Health Board

## APPENDIX 2

### **Economic, Effective and Efficient use of resources**

I can confirm that through engagement with the Strategic Planning and Resource Allocation Process (SPRA) and on-going review and control of the budgets allocated to my areas of responsibility, that there was economic, effective and efficient use of resources.

I would note the financial limitations we face as a Board and the impact on decisions arising from the SPRA. We continue to engage positively with the process, but are still working to address a number of legacy issues relating to our Directorate budget. We have contributed to the organisational programme of Financial Improvement and Sustainability, in particular, through managing the vacancy factor assigned to the Directorate.

In terms of specific Workforce Directorate activity, significant work has been undertaken across the functions to scope service redesign to identify future potential opportunities to reduce workload, or meet the increase in workload demand within existing resources. As we move forward, I recognise the substantial programme associated with Bank & Agency spend, which I will be leading in the next year.

We will be unable to sustain all of our current higher activity levels without consideration of the resources available to support service delivery, especially relating to Occupational Health and Employability / Engagement services. As we complete the implementation of the Regional Recruitment Service, attention will need to be maintained on the service agreement and any cost implications from service developments that NHS Lothian, as the host Board, might advocate for.

### **Compliance with Applicable Policies, Procedures, Laws and Regulations**

I can confirm that there was full compliance with all applicable policies, procedures, laws and regulations as they related to my areas of responsibility. I can also confirm there were no known failures or weaknesses reported on the system of internal control. I would note the work described in the Staff Governance Annual Monitoring Return for 2022/2023 (submission to Scottish Government on 18 November 2022). I believe we are well placed within NHS Fife due to the work undertaken in partnership to evidence our compliance with the Staff Governance Standard. This year also saw the development and approval of our Workforce Plan for 2022-2025, (submitted to the Scottish Government on 27 July 2022), so we ensured our compliance with NHS Scotland national guidance, which will inform our work and priorities over the next three years.

### **Compliance with the Code of Corporate Governance**

I can confirm that there were no known breaches of the [Code of Corporate Governance](#) during 2022/2023. There was also compliance throughout the year with the organisational safeguards against losses, including those arising from fraud, irregularity or corruption.

### **Integrity and Reliability of Information and Data**

I can confirm that there were adequate processes in place to ensure the integrity and reliability of information and data relevant to the operation of all directorate activities. Last year we developed additional workforce reporting for governance and assurance purposes, which we have further developed either through our corporate systems and/or through regional Board collaboration.

From feedback through Committee and Executive groups, we continue to evolve the availability of workforce reporting and develop our data definitions in line with organisational level business intelligence activity, with the revision of the Integrated Performance and Quality Report reflecting some of the completed and planned developments. I would note that all

## APPENDIX 2

workforce related Freedom of Information requests have been responded to in line with legislation and timescales.

### Internal Audit Reports and Recommendations

I can confirm that all actions arising from recommendations made by Internal Audit for my areas of responsibility have been agreed and actioned.

On behalf of the Workforce Directorate, we are committed to continue to deliver effective corporate governance to support the essential work NHS Fife has identified to support our workforce aspirations i.e. how we:

- source, recruit and onboard, deliver learning and (re)skill, communicate and engaged with our staff;
- involve stakeholders;
- develop and invest in Human Resources information systems to evidence decision making, and probably most significantly;
- develop wellbeing services / initiatives to sustain and enhance the wellbeing and resilience of our employees.

Yours sincerely

A handwritten signature in cursive script that reads "David Miller".

**DAVID MILLER**  
Director of Workforce  
NHS Fife

Alastair Grant  
Chair, Audit and Risk Committee  
NHS Fife  
Hayfield Road  
KIRKCALDY  
Fife  
KY2 5AH

Direct Line:

Email: [vanessa.salmond@fife.gov.uk](mailto:vanessa.salmond@fife.gov.uk)

Your Ref:

Our Ref: DD/IJBAAC.001/VS

Date: 06 June 2023

Dear Alastair

### Letter of Assurance

As Chair of the IJB Audit and Assurance Committee, for the financial year 2022-23, I can provide assurance that adequate and effective governance arrangements are in place and that there are no major control weaknesses, and all risks have effective controls.

As per Integrated Resource Advisory Group (IRAG) Guidance, we will share our internal audit report with your committee following approval through our own governance arrangements.

I trust that this is all in order, if you wish to discuss I am more than happy to do so.

Yours sincerely



Cllr Dave Dempsey  
Chair, IJB Audit and Assurance Committee

Fife House, North Street, Glenrothes KY7 5LT  
TELEPHONE 03451 55 00 00



<b>Meeting:</b>	<b>Audit and Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Draft Internal Audit Annual Plan 2023/24</b>
<b>Responsible Executive:</b>	<b>Margo McGurk – Director of Finance and Strategy</b>
<b>Report Author:</b>	<b>Tony Gaskin – Chief Internal Auditor</b>

## 1 Purpose

### **This is presented for:**

- Approval

### **This report relates to a:**

- Legal requirement

### **This aligns to the following NHSScotland quality ambition(s):**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

It had been originally envisaged that this would be the first year of a new Strategic Internal Audit Plan 2023-28. However, NHS Fife's overall strategy, which should inform any long-term audit plan, has only recently been approved and a number of the supporting strategies and plans are still in development. In addition, the current Chief Internal Auditor is retiring and any new appointment may wish to review the approach to Internal Audit Planning. Therefore, this plan has been prepared for 2023/24 only, based on the latest iteration of the Corporate Risk Register and audit intelligence gleaned from the Internal Control Evaluation 2022/23.

The FTF Partnership Board, which oversees and manages the internal audit consortium for NHS Fife, NHS Tayside, NHS Forth Valley and NHS Lanarkshire with the Health Board Directors of Finance as members, met on 29 April 2023. They agreed that for 2023/24, a one year operational internal audit plan would be developed and a new 3 or 5 year strategic plan would be implemented in 2024/25. This decision factored in that services continue to return to 'Business As Usual' following Covid, and that a new Chief Internal Auditor will be appointed in 2023/24.

Public Sector Internal Audit Standards (PSIAS) require the Chief Internal Auditor to produce a risk based plan, which takes into account NHS Fife's risk management framework, strategic objectives and priorities.

During 2022/23, NHS Fife has implemented a new Corporate Risk Register (CRR). The Internal Audit Operational Plan 2023/24 has been mapped to the CRR and takes into account issues identified in recent Internal Audit reports and the Internal Control Evaluation (ICE).

We have engaged with the Director of Finance and Strategy and with the wider Executive Directors Group to identify any further areas where a review would add value prior to the draft plan being presented herewith to the Audit and Risk Committee.

## 2.2 Background

*“Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve an organisation’s operations. It helps an organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, internal control and governance processes.”*

Public Sector Internal Audit Standards (PSIAS) – Section 3, Definition of Internal Auditing

The draft Operational Plan 2023/24 has been developed in accordance with Public Sector Internal Audit Standard 2010 – Planning, to enable the Chief Internal Auditor to meet the following key objectives:

- The need to establish risk-based plans to determine the priorities of the internal audit activity, consistent with the organisation's goals;
- Provision to the Accountable Officer of an overall independent and objective annual opinion on the organisation's governance, risk management, and control, which will in turn support the preparation of the Annual Governance Statement;
- Audits of the organisation's governance, risk management, and control arrangements which afford suitable priority to the organisation's objectives and risks;
- Improvement of the organisation's governance, risk management, and control arrangements by providing line management with recommendations arising from audit work;
- Effective co-operation with external auditors and other review bodies functioning in the organisation.

The internal audit service will be delivered in accordance with the Internal Audit Charter.

Our Strategic Internal Audit Plan is designed to provide NHS Fife, through the Audit and Risk Committee, with the assurance it needs to prepare an Annual Governance Statement that complies with best practice in corporate governance. We also support the continuous improvement of governance, risk management and internal control processes by using a systematic and disciplined evaluation approach.

The objective of audit planning is to direct audit resources in the most efficient manner to provide sufficient assurance that key risks are being managed effectively.

## 2.3 Assessment

### Standard process – Previous Years (Pre Covid)

Our Strategic Internal Audit planning process is normally structured around an audit universe based on a 5 year cycle which links to the Strategic Risk Register and objectives. The process overtly demonstrates cyclical coverage of all strategic risks and is designed to allow Executive Directors and the Audit and Risk Committee to contribute their views on areas for inclusion. The resultant operational plan is again overtly linked to the relevant strategic risk, which will still be the focus of our work, together with any key governance or assurance elements required in order to provide a view on the overall adequacy and effectiveness of internal controls.

As noted above, this full Strategic Planning process may be subject to amendment following the appointment of a new Chief Internal Auditor.

### Current year process – 2023/24

For 2021/22 and 2022/23, the significant and ongoing impact of Covid19 on the risk profile of the organisation, meant that a planning process which relied on a relatively static risk environment and change generally occurring in the medium to long term was no longer viable. As such, we produced a flexible plan, responsive to the requirements of senior management and non executive directors and, to a certain extent, emergent as the risk profile changed.

Whilst the immediate impact of Covid is subsiding and there is a move towards resolution of the longer term consequences of Covid, the risk environment is still volatile and whilst the overall strategy has been approved, the details of NHS Fife's strategic response to these pressures, which would be understood in some detail, in order to inform the Strategic Audit Plan is still under development. In addition, as noted above, a new Chief Internal Auditor may wish to review the approach and therefore it would be sensible to allow them to develop the strategic approach for 2024/25 and beyond.

The EDG considered and supported the draft plan on the 18 May 2023.

### Environmental and change risks

We actively take into account ongoing projects, forthcoming changes and our wider knowledge of the NHS to ensure we provide an appropriate level of audit coverage across all key areas and risks. This includes consideration of the following key sources of information:

- Corporate Strategy & Plans/ Recovery and Remobilisation Plans / local plans
- Themes / risks emerging from our Internal Control Evaluation work
- Previous internal audit reports
- External audit reports and plans
- Board website, internal policies and procedures
- Our NHS knowledge and experience
- Discussions with the EDG and the Audit and Risk Committee
- NHS Fife's Corporate risk profile

### Assurance mapping

The Chief Internal Auditor, working with officers from NHS Fife and other client Health Boards, developed a set of Committee Assurance Principles, together with a series of

questions which would help Standing Committees assess the assurances they receive on risks delegated to them. These were considered and endorsed by the NHS Fife Audit and Risk Committee at its meeting in May 2021.

The Board Secretary is working with Standing Committee Chairs to ensure these are embedded within the Board's formal assurance processes and Internal Audit continue to liaise with management on the application of the principles.

### **Other stakeholders**

There is congruence between Health Board internal audit plans and those of the Integrated Joint Board (IJB) Partner. The NHS Fife Internal Audit Plan currently includes days for Internal Audit of the IJB, with IJB Plan agreed with the IJB Chief Officer and Chief Finance Officer and approved by the IJB Audit Committee. The IJB Chief Officer had the opportunity to consider the Health Board Plan as a member of the EDG and there is a sharing protocol that allows for Health Board and Council Internal Audit Plans to be shared with the IJB and vice-versa.

#### **2.3.1 Quality/ Patient Care**

The Triple Aim is a core consideration in planning all internal audit reviews.

#### **2.3.2 Workforce**

Management responsibilities, skill sets and structures are a core consideration in planning all internal audit reviews.

#### **2.3.3 Financial**

Financial Governance is a key pillar of the Annual Internal Audit Plan and value for money is a core consideration in planning all internal audit reviews.

#### **2.3.4 Risk Assessment/Management**

The plan takes account of NHS Fife's risk profile as identified through the CRR (see appendix 2) and through our detailed ICE review. Individual internal audit assignments identify the key risks at the planning stage and our work is designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified. Legal requirements are a core consideration in planning all internal audit reviews.

#### **2.3.5 Equality and Diversity, including health inequalities**

All internal audit reviews which involve review of policies and procedures examine the way in which equality and diversity is incorporated in Board documentation.

#### **2.3.6 Other impact**

N/A

#### **2.3.7 Communication, involvement, engagement and consultation**

This approach has been agreed with the NHS Fife Director of Finance and the FTF Partnership Board. Following EDG endorsement at its meeting on 18 May 2023, the plan is now presented to the NHS Fife Audit and Risk Committee in line with the timetable outlined above.

### **2.3.8 Route to the Meeting**

N/A

## **2.4 Recommendation**

The Audit and Risk Committee are asked to:

- Approve the draft Internal Audit Annual Plan for 2023/24.

### **Report Contact**

Tony Gaskin

Chief Internal Auditor

Email: [tony.gaskin@nhs.scot](mailto:tony.gaskin@nhs.scot)

Barry Hudson

Regional Audit Manager

Email: [barry.hudson@nhs.scot](mailto:barry.hudson@nhs.scot)

**Appendix A –Operational Internal Audit Plan 2023-24**

<b>Audit Process</b>	<b>Scope</b>	<b>Rationale</b> <b>Mandatory/Legislation/Risk/Executive Request/ICE Issue/Internal Audit Requirement/Risk Assessed from 2022-23 Plan</b>	<b>Days</b>
<b>AUDIT MANAGEMENT</b>			<b>58</b>
B01/24 - Audit Risk Assessment & Planning	Audit Risk Assessment & Operational Planning	<b>Internal Audit Requirement</b>	7
B02/24 - Audit Management & Liaison with Directors	Audit Management, liaison with Director of Finance and other officers	<b>Internal Audit Requirement</b>	13
B03/24 - Liaison with External Auditors	Liaison and co-ordination with External Audit	<b>Internal Audit Requirement</b>	3
B04/24 - Audit and Risk Committee	Briefing, preparation of papers, attendance and action points	<b>Internal Audit Requirement</b>	17
B05/24 - Clearance of Prior Year	Provision for clearance and reporting of 2022/23 audit reports	<b>Internal Audit Requirement</b>	18
<b>CORPORATE GOVERNANCE</b>			
<b><i>Accountability and Assurance</i></b>			<b>110</b>
B06/24 - Annual Internal Audit Report	CIA annual assurance to Audit and Risk Committee	<b>Legislation</b>	15

B07/24 - Governance Statement	Preparation of portfolio of evidence to support	<b>Legislation</b>	15
B08/24 - Interim Control Evaluation	Mid-year assurance for Audit and Risk Committee on specific agreed governance areas	<b>Internal Audit Requirement</b>	40
B09/24 - Audit Follow Up	Undertaking the follow up of audit action points and provision of related reports to the Audit and Risk Committee	<b>Legislation</b>	40
<b>Control Environment</b>			<b>45</b>
B10/24 - Board, Operational Committees and Accountable Officer	Attendance and input / provision of advice at Standing Committees and other Groups.	<b>Internal Audit Requirement</b>	5
	Review of how health inequalities are considered within all Board and Committee papers	<b>Risk CRR 2 Health Inequalities</b>	10
B11/24 - Assurance Framework	Continuation of assurance mapping work across FTF Clients	<b>Internal Audit Requirement</b>	5
B12/24 - Code of Corporate Governance	Review of NHS Fife implementation of the Governance Blueprint and the complementary Committee Assurance Principles. Internal input into Board and non-executive development events.	<b>Legislation</b>	15
B13/24 - Policies and Procedures	Review of the process to ensure that the update of policies is risk-assessed, delivered and monitored appropriately and that updated policies are published effectively and superseded versions removed from circulation.	<b>ICE Issue</b>	10

<b>Risk Management</b>			<b>28</b>
B14/24 - Risk Management Strategy, Standards and Operations	Attendance and contribution to the Risk Opportunities Group. Provision of expertise and advice as risk management arrangements evolve and on individual risks as required.	<b>Executive Request</b>	10
B15/24 - Environmental Management	Operational and financial planning by NHS Fife to meet Environmental legislation including the net zero target. Structures in place to monitor progress and compliance with legislation.	<b>Risk CRR4 - Policy obligations in relation to environmental management and climate change</b>	18
<b>Health Planning</b>			<b>90</b>
B16/24 - Strategic Planning	Review of structures and systems to deliver and monitor plans and strategies to implement and support the delivery of the recently approved Population and Health Wellbeing Strategy. Review of the revision of Performance Management targets and arrangements to ensure that they provide meaningful information on both the delivery of the strategy and risks to its delivery.	<b>Risk CRR 1 - Population Health and Wellbeing Strategy</b> <b>Risk CRR 5 – Optimal Clinical Outcomes</b>	30
B17/24 - Operational Service Planning	Review of the delivery and actions arising from the Discharge Without Delay national programme for delayed discharges.	<b>Risk Assessed from 2022-23 Plan</b> <b>Risk CRR 6 – Whole System Capacity</b>	25
B18/24 - Health & Social Care Integration	Deliver Fife IJB Internal Audit Plan	<b>Internal Audit Requirement</b>	35*
<b>CLINICAL GOVERNANCE</b>			<b>20</b>
B19/24 - Clinical Governance Committee	Review of the governance and risk arrangements for Cancer Waiting Times programmes.	<b>Risk CRR 8 – Cancer Waiting Times</b>	10

B20/24 - Medicines Management	The Medicines Assurance Audit Plan (MAAP) is delivered and monitored by the Safe and Secure Use of Medicines - Policy and Procedures Group (SUOMG). The Director of Pharmacy has requested that internal audit undertake one review each year from the MAAP reviews which is identified by the Safer Use of Medicines Group	<b>Executive Request</b>	10
<b>STAFF GOVERNANCE</b>			<b>20</b>
B21/24 - Workforce Planning	Efficiency, effectiveness and timeliness of retention and recruitment systems (including timeliness).	<b>Operational Risk 2214 - Nursing &amp; Midwifery Staffing Levels which is associated with CRR 11 - Workforce Planning and Delivery, and CRR 12 - Staff Health and Wellbeing</b>	20
<b>FINANCIAL GOVERNANCE</b>			
<b><i>Financial Management</i></b>			<b>35</b>
B22/24 - Efficiency Savings	Review of the Financial Improvement and Sustainability Programme including the delivery and impact of the SPRA process.  A deep dive review of the control procedures and policies in place governing the employment of bank and agency staff is be undertaken by NHSF. Internal Audit will review the use of supplementary staffing to provide assurance that procedures and policies are being adhered to.	<b>Risk - CRR 13 - Delivery of in-year financial position and CRR 14 - Delivery of recurring financial balance over the medium term</b>	35

<b>Transaction Systems</b>			<b>25</b>
B23/24 - Financial Process Compliance	Review of travel and accounts receivable.	<b>Internal Audit Requirement</b>	10
B24/24 - Patients Funds/Endowments	Review ward/service level financial control compliance, focusing on remediation of issues identified by the relevant External Auditors.	<b>Internal Audit Requirement</b>	15
INFORMATION GOVERNANCE			<b>32</b>
B25/24 - Information Assurance	Planning for, and implementation of, revised Public Sector Cyber Resilience Framework.	<b>Internal Audit Requirement / Risk - CRR 18 - Digital and Information and CRR 17 Cyber Resilience</b>	18
	Follow up of ICO recommendations from recent ICO visit		
B26/24 - Digital	Review of the benefits realisation of eHealth investment, for example Near Me.	<b>Internal Audit Requirement / Risk - CRR 18 - Digital and Information</b>	14
<b>Total Days for 2023/24 Internal Audit Plan</b>			<b>463</b>

\* Dependent on Fife Council contribution.

Appendix 2 – NHSF Corporate Risk Register at 31 March 2023

CRR No.	Strategic Priority / Risk Appetite	Risk Appetite Assessment	Description	Current Score/Target Score	Owner/Committee	Internal Audit Review
1.	To Improve health and Wellbeing <b>HIGH</b>	<b>High</b>	<b>Population Health and Wellbeing Strategy (PHWS)</b> There is a risk that the ambitions and delivery of the new organisational Strategy do not deliver the most effective health and wellbeing and clinical services for the population of Fife.	Moderate 12/ Moderate 8	Chief Executive/Public Health and Wellbeing Committee (PHWC)	B14/23 Strategic Planning B16/24 Strategic Planning
2.	To Improve health and Wellbeing <b>HIGH</b>	<b>High</b>	<b>Health Inequalities</b> There is a risk that if NHS Fife does not develop and implement an effective strategic approach to contribute to reducing health inequalities and their causes, health and wellbeing outcomes will continue to be poorer, and lives cut short in the most deprived areas of Fife compared to the least deprived areas, representing huge disparities in health and wellbeing between Fife communities.	High 20/Moderate 10	Director of Public Health/PHWC	B10/24 Board and Operational Committees
3.	To Improve health and Wellbeing <b>HIGH</b>	<b>High</b>	<b>COVID 19 Pandemic</b> There is an ongoing risk to the health of the population, particularly the clinically vulnerable, the elderly and those living in care homes, that if we are unable to protect people through vaccination and other public health control measures to break the chain of transmission or to respond to a new variant, this will result in mild-to-moderate illness in the majority of the population, but complications requiring hospital care and severe disease, including death in a minority of the population.	Moderate 12/ Moderate 12	Director of Public Health / Clinical Governance Committee (CGC)	-
4.	To Improve health and	<b>High</b>	<b>Policy obligations in relation to environmental management and climate change</b> There is a risk that if we do not put in place robust	Moderate 12 / Moderate 10	Director of Property and Asset Management /	B15/24 – Environmental Management

	Wellbeing <b>HIGH</b>		management arrangements and the necessary resources, we will not meet the requirements of the 'Policy for NHS Scotland on the Global Climate Emergency and Sustainable Development, Nov 2021.'		PHWC	
5.	To Improve health and Wellbeing <b>HIGH</b>	<b>High</b>	<b>Optimal Clinical Outcomes</b> There is a risk that recovering from the legacy impact of the ongoing pandemic, combined with the impact of the cost-of-living crisis on citizens, will increase the level of challenge in meeting the health and care needs of the population both in the immediate and medium-term.	High 15 / Moderate 10	Medical Director / CGC	B16/24 Strategic Planning
6.	To Improve the Quality of Health and Care Services <b>MODERATE</b>	<b>Above</b>	<b>Whole System Capacity</b> There is a risk that significant and sustained admission activity to acute services, combined with challenges in achieving timely discharge to downstream wards and/or provision of social care packages, that the management of Acute hospital capacity and flow will be severely compromised.	High 20 / Moderate 9	Director of Acute Services / Finance, Performance and Resources Committee (FPRC)	B17/24 Operational Service Planning
7.	To Improve the Quality of Health and Care Services <b>MODERATE</b>	<b>Above</b>	<b>Access to outpatient, diagnostic and treatment services</b> There is a risk that due to demand exceeding capacity, compounded by COVID -19 related disruption and stepping down of some non-urgent services, NHS Fife will see a deterioration in achieving waiting time standards. This time delay could impact clinical outcomes for the population of Fife.	High 16 / Moderate 12	Director of Acute Services / Finance, Performance and Resources Committee (FPRC)	-
8.	To Improve the Quality of Health and Care Services <b>MODERATE</b>	<b>Above</b>	<b>Cancer Waiting Times (CWT)</b> There is a risk that due to increasing patient referrals and complex cancer pathways, NHS Fife will see further deterioration of Cancer Waiting Times 62-day performance, and 31 day performance, resulting in poor patient experience, impact on clinical outcomes and failure to achieve the Cancer Waiting Times Standards.	High 15 / Moderate 12	Director of Acute Services / Finance, Performance and Resources Committee (FPRC)	B19/24 Clinical Governance Committee

9.	To Improve the Quality of Health and Care Services <b>MODERATE</b>	<b>Above</b>	<b>Quality &amp; Safety</b>  There is a risk that if our governance, arrangements are ineffective, we may be unable to recognise a risk to the quality of services provided, thereby being unable to provide adequate assurance and possible impact to the quality of care delivered to the population of Fife.	High 15 / Moderate 10	Medical Director / CGC	B19/21 Clinical Governance Strategy and framework
10.	To Improve the Quality of Health and Care Services <b>MODERATE</b>	<b>Above</b>	<b>Primary Care Services</b>  There is a risk that due to a combination of the demand on services, workforce availability and current funding and resourcing of Primary Care, it may not be possible to deliver sustainable quality services to the population of Fife into the medium-term.	High 16 / High 16	Director of Health and Social Care / PHWC	-
11.	To Improve Staff Experience & Wellbeing <b>MODERATE</b>	<b>Above</b>	<b>Workforce Planning and Delivery</b>  There is a risk that if we do not implement effective strategic and operational workforce planning, we will not deliver the capacity and capability required to effectively deliver services.	High 16 / Moderate 8	Director of Workforce / Staff Governance Committee (SGC)	B17/23 Workforce Planning B21/24 Workforce Planning
12.	To Improve Staff Experience & Wellbeing <b>MODERATE</b>	<b>Above</b>	<b>Staff Health and Wellbeing</b>  There is a risk that if due to a limited workforce supply and system pressure, we are unable to maintain the health and wellbeing of our existing staff we will fail to retain and develop a skilled and sustainable workforce to deliver services now and in the future.	High 16 / Moderate 8	Director of Workforce / Staff Governance Committee (SGC)	B17/23 Workforce Planning B21/24 Workforce Planning
13.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Above</b>	<b>Delivery of a balanced in-year financial position</b>  There is a risk that due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally, the Board will not achieve its statutory financial revenue budget target in 2022/23 without additional in-year support from Scottish Government.	High 16 / Moderate 12	Director of Finance and Strategy / FPRC	B22/24 Efficiency Savings

14.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Above</b>	<b>Delivery of recurring financial balance over the medium-term</b>  There is a risk that NHS Fife will not deliver the financial improvement and sustainability programme actions required to ensure sustainable financial balance over the medium-term.	High 16 / Moderate 12	Director of Finance and Strategy / FPRC	B22/24 Efficiency Savings
15.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Within</b>	<b>Prioritisation &amp; Management of Capital funding</b>  There is a risk that lack of prioritisation and control around the utilisation of limited capital and staffing resources will affect our ability to deliver the PAMS and to support the developing Population Health and Wellbeing Strategy.	Moderate 12 / Moderate 8	Director of Property and Asset Management / FPRC	-
16.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Within</b>	<b>Off-Site Area Sterilisation and Disinfection Unit Service</b>  There is a risk that by continuing to use a single off-site service Area Sterilisation Disinfection Unit (ASDU), our ability to control the supply and standard of equipment required to deliver a safe and effective service will deteriorate.	Moderate 12 / Low 6	Director of Property and Asset Management / CGC	-
17.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Above</b>	<b>Cyber Resilience</b>  There is a risk that NHS Fife will be overcome by a targeted and sustained cyber attack that may impact the availability and / or integrity of digital and information required to operate a full health service.	High 16 / Moderate 12	Medical Director / CGC	B25/24 Information Assurance
18.	To Deliver Value and sustainability <b>MODERATE</b>	<b>Above</b>	<b>Digital &amp; Information</b>  There is a risk that the organisation will fail to recognise and afford the financial investment necessary to deliver its D&I Strategy and current operational lifecycle commitment to enable transformation across Health and Social Care	High 15 / high 15	Medical Director / CGC	B26/24 Digital

<b>Meeting:</b>	<b>Audit and Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Draft Annual Risk Management Report 2022-2023</b>
<b>Responsible Executive:</b>	<b>Margo McGurk, Director of Finance and Strategy</b>
<b>Report Author:</b>	<b>Pauline Cumming, Risk Manager</b>

## 1 Purpose

### This is presented for:

- Assurance

### This report relates to a:

- Local framework and policy

### This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

This report provides the Audit and Risk Committee with an overview of the risk management activity undertaken during the period 2022-2023 and outlines the focus for 2023-2024.

### 2.2 Background

The report forms a component of the governance reporting arrangements for risk management in accordance with the NHS Fife Code of Corporate Governance.

### 2.3 Assessment

This report confirms that adequate and effective risk management arrangements were in place throughout the year. It describes progress against key deliverables within the risk management improvement programme approved in 2022, intended to enhance the effectiveness of our risk management framework arrangements. In summary:

- reviewing and revalidating the current Board Risk Appetite - achieved
- reviewing the Board Strategic Risk Profile - achieved

- creating a Corporate Risk Register to replace the current Board Assurance Framework - achieved
- developing a Risk dashboard to complement the updated Integrated Performance and Quality Report (IPQR) and to support effective performance management - achieved
- agreeing an updated process to support the escalation, oversight, and governance of risks - work in progress; and
- creating a Risks and Opportunities Group - achieved

### **2.3.1 Quality/ Patient Care**

Effective management of risks to quality and patient care will support delivery of our strategic priorities, to improve health and wellbeing and the quality of health and care services.

### **2.3.2 Workforce**

All staff in the organisation have a responsibility for identifying risk. To enable them to do this, they require to be informed about and involved in risk management. Education and training will be provided to support the development of necessary capability and capacity.

### **2.3.3 Financial**

There are no direct financial implications linked to this paper. Those associated with the potential upgrade to the Board's risk management system referenced in the report, will be considered in light of developments with National Procurement outlined therein.

### **2.3.4 Risk Assessment / Management**

The report summarises activities to further develop our risk management arrangements.

### **2.3.5 Equality and Diversity, including health inequalities**

An Equality and Diversity (E&D) assessment has not been conducted but there are not considered to be direct E&D implications associated with this report.

### **2.3.6 Other impact**

None identified.

### **2.3.7 Communication, involvement, engagement and consultation**

The report reflects the results of engagement in 2022/23 including with the following:

- Director of Finance and Strategy
- Executive Directors' Group (EDG)
- Governance Committees
- Fife NHS Board
- Internal Audit
- Risks and Opportunities Group
- Senior Leadership Teams
- Operational Teams

### 2.3.8 Route to the Meeting

Margo McGurk, Director of Finance and Strategy on 02/05/23

EDG on 11/05/2023

## 2.4 Recommendation

The Committee is asked to:

- **Consider** and **take assurance** from the content of the report

## 3 List of appendices

Draft Annual Risk Management Report 2022-2023

### Report Contact

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**DRAFT**

**Annual Risk Management  
Report**

**2022-2023**

File Name: Draft NHS Fife Annual Risk Management Report 2022- 2023 DRAFT	V 0.1	Date: 15/05/23
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## 1. RECOMMENDATION

The Audit and Risk Committee is asked to note and take assurance from the risk management activity undertaken during the period, April 2022 to March 2023.

## 2. INTRODUCTION

2.1 NHS Fife is committed to embracing and further developing an organisational culture which recognises the role and contribution of risk management in supporting decision making, strategic planning, and capitalising on opportunities to change in line with our ambitions, aspirations and capabilities.

2.2 This commitment is based on our core values which means treating people using services, and providing our workforce with the care, compassion, dignity and respect they expect and deserve. We believe in an open and honest culture in which everything we do is delivered through teamwork, and where continued quality improvement is core business.

2.3 In March 2022, Fife NHS Board endorsed a risk management improvement programme to provide the mechanics for a refreshed and more effective risk management framework which includes:

- Reviewing and revalidating the current Board Risk Appetite
- Reviewing the Board Strategic Risk Profile
- Creating a Corporate Risk Register to replace the current Board Assurance Framework
- Developing a Risk dashboard to complement the updated Integrated Performance and Quality Report (IPQR) and to support effective performance management
- Agreeing an updated process to support the escalation, oversight, and governance of risks and
- Creating a Risks and Opportunities Group

2.4 During 2022- 2023, several initiatives have been undertaken to progress elements of this programme. This report provides the Committee with a summary of the activities undertaken and confirms that adequate and effective risk management arrangements were in place throughout the year.

## 3. RISK MANAGEMENT IN 2022 / 2023

3.1 The Director of Finance and Strategy provides strategic leadership and direction for risk management in NHS Fife.

3.2 The Audit & Risk Committee has responsibility for evaluating the overall effectiveness of the risk management arrangements, and reviews and challenges how these are operating across the organisation.

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3.3 During 2022/23, Internal Audit have continued to support the development of the risk management arrangements through constructive challenge and recommendations on specific elements of this work. The Internal Control Evaluation (ICE) 2022/23 Report BO8/23 includes positive comment on progress made to date and recommendations for improvement.

#### 4. Risk Appetite

4.1 A risk appetite statement details the amount of risk the organisation is willing to take and underpins an effective risk management culture which enables the organisation to achieve its strategic priorities.

4.2 NHS Fife’s risk appetite statement was considered by the Board pre- pandemic in 2019. Considering our recovery, and the development of our Population Health and Wellbeing Strategy, it was necessary to carry out a strategic review and update of our risk appetite in 2022.

4.3 Through meetings of the Executive Directors’ Group (EDG), and a Board Development Session held during June and July 2022 respectively, consideration was given to how risk appetite is described in the organisation. The previous measures used a five-point scale which was felt to be confusing, so a set of simplified descriptors was proposed.

4.4 It was also recognised as important to align our risk appetite with the then developing Population Health and Wellbeing Strategy and our aspiration to “being one of the best NHS Boards in the country, so all our citizens are living well, working well and flourishing in Fife...” It was understood that it is not possible to eliminate all inherent risks in the delivery of health and care. The Board considered the level of risk it is prepared to tolerate and where appropriate treat to ensure delivery against the agreed four strategic priorities:

- To improve health and wellbeing
- To improve the quality of health and care services
- To improve staff experience and wellbeing
- To deliver value and sustainability

The refreshed Board Risk Appetite Statement was approved by Fife NHS Board on 26 July 2022. This is set out at Appendix 1.

#### 5. Strategic Risk Profile

5.1 A Strategic Risk Profile as a dashboard set in the context of the Board’s risk appetite, was proposed to the Board on 27 September 2022. Following its approval, the dashboard now forms a component of the monthly Integrated Performance & Quality Report (IPQR).

5.2 The full Profile is part of the introductory Corporate Risk Summary section; extracts related to specific strategic priorities are contained within the Assessment section

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against the following areas of performance; clinical governance, operational, finance, staff governance and public health and wellbeing.

5.3 Consideration will be given to reviewing the impact of this development during 2023-24 and taking forward any areas for improvement.

5.4 Figure 1 below provides a breakdown of the current Strategic Risk Profile.

**Figure 1**

Strategic Priority	Total Risks	Current Strategic Risk Profile				Risk Movement	Risk Appetite
To improve health and wellbeing	5	2	3	-	-	◀▶	High
To improve the quality of health and care services	5	5	-	-	-	▼	Moderate
To improve staff experience and wellbeing	2	2	-	-	-	◀▶	Moderate
To deliver value and sustainability	6	4	2	-	-	◀▶	Moderate
<b>Total</b>	<b>18</b>	<b>13</b>	<b>5</b>	<b>0</b>	<b>0</b>		
<b>Summary Statement on Risk Profile</b>							
The current assessment indicates that delivery against 3 of the 4 strategic priorities continues to face a risk profile in excess of risk appetite.							
Mitigations are in place to support management of risk over time with some risks requiring daily assessment.							
Assessment of corporate risk performance and improvement trajectory remains in place.							
<b>Risk Key</b>				<b>Movement Key</b>			
High Risk	15 - 25			▲	Improved - Risk Decreased		
Moderate Risk	8 - 12			◀▶	No Change		
Low Risk	4 - 6			▼	Deteriorated - Risk Increased		
Very Low Risk	1 - 3						

## 6. Corporate Risk Reporting

6.1 From April 2022 up to and including September 2022, the high-level risks identified as having the potential to impact on the delivery of NHS Fife’s strategic priorities, and related operational high-level risks, were reported by the responsible Executive Director bi-monthly through the Board Assurance Framework (BAF) to the governance committees, and subsequently to the Audit & Risk Committee and the Board.

The reporting schedule is set out at Appendix 2.

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- 6.2 In line with our commitment to replace the Board Assurance Framework (BAF) with a Corporate Risk Register, during 2022, a range of work was undertaken with Senior Leadership Teams, the Executive Directors' Group (EDG), the governance committees and the Board, to make the transition from the BAF to a Corporate Risk Register. This involved reflections on the period of the pandemic to date and recognition that the Register must be dynamic and act as a tool to enable the identification and management of risks that may affect delivery of our strategic priorities.
- 6.3 It was agreed that the Register would refocus the presentation of the Corporate Risks with the mitigation in place at a strategic level, that the risks would be categorised by mapping to the 4 strategic priorities, and that each risk should be aligned to a governance committee for assurance. This work resulted in the identification of 18 corporate risks. These were incorporated into a proposed Corporate Risk Register which received Board approval on 27 September 2022.
- 6.4 Since November 2022, the Corporate Risks have been reported bi - monthly to the governance committees, and subsequently to the Audit & Risk Committee and the Board.

The reporting schedule is set out at Appendix 3.

- 6.5 During 2022/23, the ongoing response to the COVID - 19 pandemic, recovery and sustained system pressures and demands, presented significant risk to the organisation. These risks were closely monitored, reviewed and discussed regularly at Executive, Committee and Board meetings, and within the Risks and Opportunities Group.
- 6.6 The majority of the corporate risks are outwith risk appetite which reflects the continued heightened risk profile during a period of ongoing operational challenges. This position was highlighted to the Board on 31 January 2023, when they recognised this deviation from our stated risk appetite for elements of service quality, patient experience, staff health and wellbeing, and financial decision making, in order to support service delivery and workforce requirements.
- 6.7 It is recognised that frequent review of existing risks and monitoring of the internal and external environment, are essential to ensure these continue to represent the contemporary risk profile of the organisation in terms of risk coverage, clearly reflect the relationship between current and target risk scores and risk appetite, and that the scores are realistic.

## 7. Deep Dive Reviews

- 7.1 To provide an additional layer of assurance and to create a focus for in depth discussion and scrutiny, it was agreed each Corporate Risk would be subject to a deep dive review, scheduled on the aligned Committee work plan.

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- 7.2 This review should include evidence of the status of the mitigation plan, its effectiveness in improving the risk towards its target within the stated timescale, and an indication of any delivery challenges; the content of the review is intended to enable the Committee to conclude on the level of assurance received.
- 7.3 At 31 March 2023, deep dive reviews had been undertaken on 8 of the 18 Corporate Risks. Additionally, the Staff Governance Committee commissioned reviews of non corporate risks which are otherwise significant and aligned to staff governance. All reviews were reported to the aligned committee. A schedule for deep dive reviews of the remaining Corporate Risks during 2023-2024 is being finalised in consultation with Committee Chairs and Lead Officers.

The current schedule is set out in Appendix 4.

## 8. Assurance Framework

- 8.1 At the inception of reporting on the corporate risks to the Committees, it was recognised that the Register and the associated ‘assurance framework’ would evolve and be subject to further refinement. It was agreed that it would be appropriate to take stock after three to four reporting cycles, allowing time for the new approach to gain traction, and to elicit and consider Committee feedback to inform further developments.
- 8.2 The refreshed approach to reporting has been well received and has generated richer discussions between the Executive and Non-Executive Directors about the risks and their management, as well as constructive feedback which is being used to improve the presentation and focus of risk-related papers. The Chief Internal Auditor has strongly welcomed the development of the Corporate Risk Register, and the Chair of the Audit and Risk Committee agrees that its introduction has been beneficial.
- 8.3 Feedback from Internal Audit and committee members has been noted and taken into consideration in the ongoing development of the risk management framework. While much of this is encouraging, there is consensus on the need to improve the mechanism for providing specific information on which to base an assurance opinion i.e. supporting assurance evidence on the effectiveness of the controls and mitigating actions in place for specific risks. This particularly applies to the deep dive reviews and will be an area of focus in Q1 of 2023-24.
- 8.4 An Audit & Risk Committee Development Session has been arranged for 12 October 2023; this will focus on the ‘Review of the effectiveness of the new Corporate Risk Register process’.

## 9. Risks and Opportunities Group

- 9.1 A key commitment for 2022-2023, was to establish a Risks and Opportunities Group (ROG). The Group was established on 14 September 2022. It aims to embed an effective organisational risk management framework and culture, including assurance mapping principles by:

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- Promoting leadership to ensure the organisation gives risk management the appropriate priority;
- Contributing to the development and implementation of the risk management framework to ensure processes are in place and operating effectively to identify, manage, and monitor risks across the organisation;
- Identifying risks and opportunities to the strategic objectives of the organisation and escalating to the EDG as appropriate;
- Assessing risks, opportunities, issues and events that arise and responding accordingly;
- Horizon scanning for future opportunities, threats and risks linked to the delivery of NHS Fife's strategic priorities;
- Considering the external environment for review of risks and opportunities in the context of national directives;
- Ensuring continuous improvement of the organisation's control environment;
- Creating a collective and enabling approach to risk controls and actions

9.2 The Group formally met on four occasions during 2022/23. A Terms of Reference was agreed in November 2022; this has been reviewed and is being updated.

To date, the Group's focus has included:

- Reviewing the Corporate Risk Register with a focus on realistic risk scoring, particularly current and target risk scores, and risk appetite;
- Considering governance committees' feedback on Corporate Risk assurance reports including deep dive reviews;
- Identifying potential improvements to the design and content of assurance reports, specifically to develop an assurance model around the corporate risks that allows provision of appropriate levels of assurance, and to consider a mechanism for clearly defining specific levels of assurance, linked to the impact of risk mitigation, to be used in conjunction with the existing Assurance Principles;
- Reviewing the risk assessment matrix in order to identify potential improvements to support risk assessment / decision making including refreshing consequence descriptors to reflect the current operational context and promote the use and benefits of the matrix;
- Considering the availability of data within Datix and exploring the use of Micro strategy to support services to improve risk management performance, provide insight into the types or areas of emerging risk and assist in the format of risk reports to support quicker and easier processing of information and easier tracking of information and trends.

9.3 The ROG has developed a work plan for 2023-24 which will drive efforts to further develop a positive and proactive approach to risk management across the organisation.

9.4 During 2023-24, the Group will further develop its role in connecting to the Population Health and Wellbeing Strategy, the Strategic Planning and Resource Allocation (SPRA) process, and the Corporate Objectives in order to inform recommendations on changes or additions to the Corporate Risks and the broader

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organisational risk profile, and to explore potential related opportunities.

## 10. DATIX RISK MANAGEMENT SYSTEM

10.1 Datix remains the repository for risks, incidents (adverse events), safety alerts, complaints and claims within NHS Fife. It was previously reported that Datix Cloud IQ was the preferred upgrade path from DatixWeb and that a business case was being developed for NHS Fife. The current position is that development of the business case is suspended following a request to all NHS Boards from National Procurement to pause, pending the outcome of a tendering exercise which may lead to a Once for Scotland digital system. The outcome of that exercise is awaited.

### 10.2 Risk Register Module

Pending a system upgrade, work is underway to consider modifications to support developments in risk management processes.

## 11. RISK MANAGEMENT LEARNING AND DEVELOPMENT

11.1 A session for recently appointed Non Executive Directors on the Corporate Risk Register, its evolution and relationship to risk appetite took place on 12 January 2023.

11.2 An Audit & Risk Committee Development Session on Committee Assurance Principles and their practical use within NHS Fife was held on 13 February 2023. This considered the assurance principles in the context of the NHS Scotland Blueprint for Good Governance, local implementation, the role of Committee Chairs in helping to further embed the principles, and areas for future work. Internal Audit will continue to promote the use of the assurance principles through continued leadership of the Fife Tayside Forth Valley (FTF) Assurance Mapping Group, attendance at the Risks and Opportunities Group, and through individual Internal Audits.

11.3 During 2022/23, a range of risk management training was undertaken on a customised basis in response to requests from individuals, services and directorates. A risk management learning and development programme will be developed for 2023/24 in consultation with the Risks and Opportunities Group.

11.4 The remit of the NHS Fife Organisational Learning Group (OLG) currently includes promoting effective risk management as a means of supporting organisational learning, quality improvement and decision making. The NHS Fife Clinical Governance Oversight Group is re-examining the purpose and remit of the OLG, expected outputs and where it fits within the organisation's governance structure. The outcome of the review will be considered in due course.

## 12. RISK MANAGEMENT OBJECTIVES 2023/24

12.1 The Risk Manager will continue to engage with the Executive Directors, Committee Chairs and the Board, and offer more focused support in developing

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our risk management arrangements in order to enhance organisational risk maturity.

12.2 Developments for the forthcoming year will focus on:

Continual improvement of the operational risk management approach informed by recommendations within the ICE Report cited above. This will include:

- Completing the refresh of the Risk Management Framework including finalising the process to support the escalation, oversight and governance of risks;
- Refining risk management processes;
- Reviewing and updating of the Board risk appetite statement;
- Updating risk key performance indicators;
- Improving the content and presentation of risk management reports;
- Supporting the continuing development of assurance reporting in which risks are effectively reviewed, addressed and controlled through the Board's governance structures;
- Devising and delivering an education and training programme that equips staff with risk management knowledge and skills according to their roles and responsibilities

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# NHS Fife Risk Appetite Statement

July 2022

## Risk Appetite Descriptors

To ensure a common understanding of 'levels' of risk appetite, the following definitions have been adopted by the NHS Fife Board.

**Low** - Regarding statutory functions, we have very little appetite for risk, loss, or uncertainty. We are prepared to accept low levels of risk, with a preference for ultra-safe delivery options, while recognising that these will likely have limited or no potential for innovative opportunities

**Moderate** - Prepared to accept only modest levels of risk to achieve acceptable, but possibly unambitious outcomes and limited innovation.

**High** - Willing to consider and / or seek all delivery options (original / ambitious / innovative), and accept those with the highest likelihood of successful outcomes, in pursuit of objectives even when there are elevated levels of associated risk

## Risk Appetite Statement

NHS Fife's Population Health and Wellbeing Strategy (2022-2027) sets an organisational vision that the people of Fife live long and healthy lives. A strategic framework, developed by our staff and built on our vision and values details how our priorities will link to National Care Programmes, underpinned by system enablers.

The Board recognises that it is not possible to eliminate all the risks which are inherent in the delivery of health and care and is willing to accept a certain degree of risk when it is in the best interests of the organisation, and ultimately, the population of Fife and people we serve. The Board has therefore considered the level of risk that it is proposed to accept for key aspects of the delivery of health and care, and these are described in line with our four organisational aims.

### 1. Improving health and wellbeing

The Board has a *high* risk appetite in this domain.

We are willing to consider original, ambitious, and innovative delivery options and accept those worth the highest likelihood of outcomes in influencing improvements in population health. We will proactively engage and involve

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stakeholders in the design and delivery of services to meet their needs and explore transformational and sustainable change to align with our strategic ambition in this domain.

We will seek to maximise our influence on tackling social determinants of health through our ambitious strategy, and through contributing to the local population as an Anchor institution.

## 2. Improving the quality of health and care services

The Board has a *moderate* risk appetite in this domain.

We acknowledge that healthcare operates within a highly regulated environment, and we must meet high levels of compliance expectations in line with national standards and various regulatory sources. We will endeavour to meet those expectations within a framework of prudent controls, balancing the prospect of risk elimination against pragmatic, operational imperatives

Our focus is on delivering core health and care services safely. However, with the opportunity of potentially improved outcomes, where appropriate controls are in place, the Board may decide to accept risk and adopt innovative approaches in pursuit of these.

## 3. Improving staff experience and wellbeing

The Board has a *moderate* risk appetite in this domain.

We acknowledge the standard of expectations placed on the Board and individuals in relation to Staff Governance Standards with no intent to deviate, and we are committed to Partnership working.

Our Workforce Strategy identifies the current and anticipated future workforce challenges the Board needs to address and defines the type of organisation and employer we aspire to be. We acknowledge the innovation required to attract and retain the right people with the right skills and values to deliver our strategic ambition.

## 4. Delivering value and sustainability

The Board has a *moderate* risk appetite in this domain.

We acknowledge our requirements to adhere to Standing Financial Instructions, and financial statutory duties, as well as maintenance of robust financial controls, including our statutory responsibility to maintain the financial balance and sustainability of the organisation.

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In relation to investments, we understand we are accountable for the delivery of best value and efficiency in resource allocation. Therefore, capital investment and planning to enhance and develop services will require to demonstrate 'value added'. Realising benefits and efficient resource allocation are key drivers in making financial decisions and opportunities.

We recognise our ambition to achieve 'Net-Zero' status in line with Scottish Government direction. We realise this will require changes to the way we work and deliver services to maximise our reduction in our carbon footprint and maximise benefit to the environment.

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## Appendix 2

<b>Board Assurance Framework (BAF) Reporting Schedule 2022</b>					
<b>Committee</b>		April 2022	May 2022	July 2022	Sept 2022
<b>BAF</b>	<b>Finance, Performance &amp; Resources (FPRC)</b>				
	Financial Sustainability	N/A	✓	✓	✓
	Environmental Sustainability	N/A	✓	✓	✓
	Strategic Planning	N/A	✓	✓	✓
<b>Clinical Governance (CGC)</b>					
<b>BAF</b>	Quality & Safety	✓	N/A	✓	✓
	Digital & information	✓	N/A	✓	✓
	Strategic Planning	N/A	N/A	✓	✓
<b>Staff Governance (SGC)</b>					
<b>BAF</b>	Workforce Sustainability	N/A	✓	✓	✓
<b>IJB and the Board</b>					
<b>BAF</b>	Integration Joint Board	Closed June 2022		N/A	N/A

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## Appendix 3

<b>Corporate Risk Reporting Schedule 2022-23</b>				
<b>Risk</b>	<b>Public Health &amp; Wellbeing Committee</b>	<b>08 Nov 22</b>	<b>11 Jan 2023</b>	<b>1 Mar 2023</b>
1	Population Health & Wellbeing Strategy	✓	✓	✓
2	Health Inequalities	✓	✓	✓
4	Policy obligations in relation to environmental management & climate change	✓	✓	✓
10	Primary Care Services	✓	✓	✓
	<b>Clinical Governance Committee</b>	<b>4 Nov 2022</b>	<b>13 Jan 2023</b>	<b>3 Mar 2023</b>
3	COVID- 19 Pandemic	✓	✓	✓
5	Optimal Clinical Outcomes	✓	✓	✓
9	Quality & Safety	✓	✓	✓
16	Off-Site Area Sterilisation and Disinfection Unit Service	✓	✓	✓
17	Cyber Resilience	✓	✓	✓
18	Digital & Information	✓	✓	✓
	<b>Finance , Performance &amp; Resources Committee</b>	<b>15 Nov 2022</b>	<b>17 Jan 2023</b>	<b>14 Mar 2023</b>
6	Whole System Capacity	✓	✓	✓
7	Access to outpatient, diagnostic and treatment services	✓	✓	✓
8	Cancer Waiting Times	✓	✓	✓
13	Delivery of a balanced in-year financial position	✓	✓	✓
14	Delivery of recurring financial balance over the medium-term	✓	✓	✓
15	Prioritisation & Management of Capital funding	✓	✓	✓
	<b>Staff Governance Committee</b>	<b>10 Nov 2022</b>	<b>12 Jan 2023</b>	<b>9 Mar 2023</b>
11	Workforce Planning and Delivery	✓	✓	✓
12	Staff Health and Wellbeing	✓	✓	✓
All	<b>Audit and Risk Committee</b>	<b>8 Dec 2022</b>	<b>N/A</b>	<b>16 Mar 2023</b>
All	<b>Fife NHS Board</b>	<b>-</b>	<b>31 Jan 2023</b>	<b>-</b>

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## Appendix 4

<b>DEEP DIVE REVIEW SCHEDULE</b>			
<b>Risk Title</b>	<b>Committee</b>	<b>Date</b>	<b>Status</b>
Cancer Waiting Times (to both committees as originally aligned to CGC then changed to F,P&R)	CGC F,P&RC	04/11/22 15/11/22	Complete
Policy Obligations in relation to environmental management and climate change	PHWC	07/11/22	Complete
Cancer Waiting Times (for illustrative purposes)	SGC	10/11/22	Complete
Delivery of a balanced in-year financial position	F,P&RC	15/11/22	Complete
Nursing & Midwifery Staffing Levels - not corporate. Commissioned by the Committee.	SGC	12/01/23	Complete
Digital & Information	CGC	13/01/23	Complete
Delivery of recurring financial balance over the medium term	F,P&RC (private session)	15/01/23	Complete
Health Inequalities	PHWC	01/03/23	Complete
COVID - 19 Pandemic	CGC	03/03/23	Complete
Personal Development & Performance Review - not corporate. Commissioned by the Committee.	SGC	09/03/23	Complete
Access to outpatient, diagnostic & treatment services	F,P&RC	14/03/23	Complete
Optimal Clinical Outcomes	CGC	05/05/23	Scheduled
Bank and Agency Work - not corporate. Commissioned by the Committee.	F,P&RC	09/05/23	Scheduled
Bank and Agency Work- not corporate. Commissioned by the Committee.	SGC	11/05/23	Scheduled
Primary Care Services	PHWC	15/05/23	Scheduled
Population Health & Wellbeing Strategy	PHWC	TBC	TBC
Quality and Safety	CGC	07/07/23	Scheduled
Prioritisation & Management of Capital Funding	F,P&RC	11/07/23	TBC
Off Site Area Sterilisation & Disinfection Unit Service	CGC	08/09/23	Scheduled
Cyber Resilience	CGC	03/11/23	Scheduled
Digital & Information	CGC	01/03/24	Scheduled
Workforce Planning & Delivery	SGC	TBC	TBC
Staff Health & Wellbeing	SGC	TBC	TBC
Whole System Capacity	F,P&RC	TBC	TBC
<b>Clinical Governance Committee (CGC)</b> <b>Finance, Performance &amp; Resources Committee (F,P&amp;RC)</b> <b>Public Health &amp; Wellbeing Committee (PHWC)</b> <b>Staff Governance Committee (SGC)</b>			

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<b>Meeting:</b>	<b>Audit and Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Corporate Risk Register</b>
<b>Responsible Executive:</b>	<b>Margo McGurk, Director of Finance &amp; Strategy, NHS Fife</b>
<b>Report Author:</b>	<b>Pauline Cumming, Risk Manager, NHS Fife</b> <b>Shirley-Anne Savage, Associate Director of Quality &amp; Clinical Governance</b>

## 1 Purpose

**This report is presented for:**

- Assurance

**This report relates to:**

- Annual Delivery Plan
- Emerging issue
- Local policy
- NHS Board / IJB Strategy or Direction / Plan for Fife

**This report aligns to the following NHSScotland quality ambition(s):**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

This paper is brought to the Audit and Risk Committee during the fourth cycle of reporting on the Corporate Risks to the Governance Committees in May/June 2023. It provides:

- an updated summary of the current strategic risk profile since March 2023;
- an overview of the updated corporate risks and their alignment to the respective committees since last reported in March 2023.

The Committee is invited to:

- Note the information provided;
- Consider the information against the Assurance Principles at Appendix 2;
- Conclude and comment on the assurance derived from the report

## 2.2 Background

The Corporate Risk Register aligns to our 4 strategic priorities. The format presents the corporate risks in a manner designed to prompt scrutiny and discussion around the level of assurance provided on the risks and their management, including the effectiveness of mitigations in terms of:

- relevance
- proportionality
- reliability
- sufficiency

## 2.3 Assessment

As previously reported, the overall Strategic Risk Profile contains 18 risks.

- No risks have been closed.
- No new risks have been identified.
- Increased risk - 1 high level risk aligned to Finance, Performance & Resources (F, P&R) Committee - *Access to outpatient, diagnostic & treatment services* - increased rating . Likelihood (L) x Consequence (C) from 16 {likely (4) x major (4)} to 20 {almost certain (5) x major (4)}
- 1 moderate level risk aligned to the Public Health and Wellbeing Committee has increased its risk target rating - *Population Health & Wellbeing Strategy* from Moderate 8 to Moderate 12.

## NHS Fife Strategic Risk Profile

The updated Strategic Risk Profile is provided below.

Strategic Priority	Total Risks	Current Strategic Risk Profile				Risk Movement	Risk Appetite
To improve health and wellbeing	5	2	3	-	-	◀▶	High
To improve the quality of health and care services	5	5	-	-	-	▼	Moderate
To improve staff experience and wellbeing	2	2	-	-	-	◀▶	Moderate
To deliver value and sustainability	6	4	2	-	-	◀▶	Moderate
<b>Total</b>	<b>18</b>	<b>13</b>	<b>5</b>	<b>0</b>	<b>0</b>		
<b>Summary Statement on Risk Profile</b>							
The current assessment indicates that delivery against 3 of the 4 strategic priorities continues to face a risk profile in excess of risk appetite.							
Mitigations are in place to support management of risk over time with some risks requiring daily assessment.							
Assessment of corporate risk performance and improvement trajectory remains in place.							
<b>Risk Key</b>				<b>Movement Key</b>			
<b>High Risk</b>	<b>15 - 25</b>			▲	Improved - Risk Decreased		
<b>Moderate Risk</b>	<b>8 - 12</b>			◀▶	No Change		
<b>Low Risk</b>	<b>4 - 6</b>			▼	Deteriorated - Risk Increased		
<b>Very Low Risk</b>	<b>1 - 3</b>						

## Corporate Risk Register Update

Following a review of the risks by their owners, the updated Register is attached at Appendix 1. The Register contains 18 risks. The overall breakdown by risk level is unchanged -13 High level and 5 Moderate level risks.

## Risk Appetite

As previously reported, the majority of the risks (11) remain above risk appetite; this reflects the current organisational context and the ongoing challenges across all areas of service delivery.

## Risk Descriptions

The Committee is asked to note the following proposed changes to risk descriptions:

***Risk 7 - Access to outpatient, diagnostic and treatment services amended from:***

“There is a risk that due to demand exceeding capacity, compounded by COVID -19 related disruption and stepping down of some non-urgent services; NHS Fife will see a deterioration in achieving waiting time standards. This time delay could impact clinical outcomes for the population of Fife” *to:*

“There is a risk that due to demand exceeding capacity, compounded **by unscheduled care pressures**, NHS Fife will see deterioration in achieving waiting time standards. This time delay could impact clinical outcomes for the population of Fife”.

***Risk 10 – Primary Care Services amended from***

“There is a risk that due to a combination of the demand on services, workforce availability and current funding and resourcing of Primary Care, it may not be possible to deliver sustainable quality services to the population of Fife into the medium-term” *to*

“There is a risk that due to a combination of **unmet need across health and social care as a result of the pandemic, increasing demand on services, workforce availability, funding challenges, adequate sufficient premises** and overall resourcing of Primary Care **services**, it may not be possible to deliver sustainable quality services to the population of Fife into the **short, medium and longer term.**”

***Risk 13 - Delivery of a balanced in-year financial position - at the request of the Chair of the Finance, Performance & Resources Committee on 17 January 2023 amended from:***

“There is a risk that the Board may not achieve its statutory financial targets in 2022/23 due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally” *to:*

“There is a risk that **due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally, the Board will not achieve its statutory financial revenue budget target in 2023/24 without brokerage from Scottish Government**”.

***Risk 18 - Digital & Information at the request of the Chair of the Clinical Governance Committee, amended from:***

“There is a risk that the organisation will fail to recognise and afford the financial investment necessary to deliver its D&I Strategy and current operational lifecycle commitment to enable transformation across Health and Social Care” *to:*

“There is a risk that the organisation **maybe unable to sustain the financial investment necessary to deliver its D&I Strategy and as a result this will affect our ability to enable transformation across Health and Social Care and adversely impact on the availability of systems that support, clinical services, in their treatment and management of patients.**”

### **Increased Risk**

1 high level risk aligned to F, P&R - *Access to outpatient, diagnostic & treatment services* has increased its rating. Likelihood (L) x Consequence (C) from 16 {likely (4) x major (4)} to 20 {almost certain (5) x major (4)}

### **Risk Target**

The Committee is asked to note that the Risk Target component of the Register has been amended. Following a review by the Director of Finance and Strategy, the Associate Director of Digital and Information, and the Risk Manager, it was agreed that to be more meaningful, this should be modified to allow the target timescale to be set at the risk owner's discretion rather than fixed at year end.

For the current round of risk reviews, risk owners were again asked to consider the target risk scores to ensure these realistically reflect the risks, and the extent to which these can be mitigated towards target in the current and foreseeable challenging climate. Details are reflected within Appendix 1.

### **Proposed De-escalation from the Corporate Risk Register**

#### **Risk 3 - COVID 19**

It was previously reported, that at its last review in February 2023, this risk had reduced its current level and rating from High 16 to Moderate 12, achieved its target, and was below appetite.

The risk was discussed at the Risks and Opportunities Group (ROG) on 4 April 2023. Members were advised that at the last review, the risk owner cautioned that despite the improved status, COVID -19 remains a significant threat, with a degree of uncertainty over coming months. The risk required to be closely monitored as there was potential for it to increase again. Notwithstanding these factors, the ROG felt that consideration should be given to de-escalating the risk from the Corporate Risk Register, embedding within the organisation's risks and managing it as part of 'business as usual'. This would be with a view to maintaining a dynamic Corporate Risk Register in which risks move on and off in a timely manner.

The risk owner has advised that the risk management actions are now established. There is likely to be a need for a corporate risk related to future pandemic preparedness, and so what is being considered, is the transition point between closing this risk and then deliberately looking ahead and critically appraising the future risk. That decision will be guided by both Public Health Scotland Surveillance and the WHO decision on when the pandemic can be officially considered at an end. EDG will be appraised of developments as they emerge. For now, the recommendation is to continue to monitor the risk. This will be recommended to the EDG on 4 May 2023.

## Governance Committees and Aligned Corporate Risk Overview

### Clinical Governance Committee

Strategic Priority	Overview of Risk Level	Risk Movement	Corporate Risks	Assessment Summary of Key Changes
 To improve health and wellbeing	1   1   -   -	◀▶	<ul style="list-style-type: none"> <li>3 - COVID 19 Pandemic</li> <li>5 - Optimal Clinical Outcomes</li> </ul>	Risk 3 to continue to be monitored. Mitigations updated for Risks 3 and 17  Risk 18 - Description revised.
 To improve the quality of health and care services	1   -   -   -	◀▶	<ul style="list-style-type: none"> <li>9 - Quality and Safety</li> </ul>	
 To deliver value and sustainability	2   1   -   -	◀▶	<ul style="list-style-type: none"> <li>16- Off Site Area Sterilisation and Disinfection Unit Service</li> <li>17- Cyber Resilience</li> <li>18 - Digital and Information</li> </ul>	

### Public Health and Wellbeing Committee

Strategic Priority	Overview of Risk Level	Risk Movement	Corporate Risks	Assessment Summary of Key Changes
 To improve health and wellbeing	1   2   -   -	◀▶	<ul style="list-style-type: none"> <li>1 - Population Health and Wellbeing Strategy</li> <li>2 - Health Inequalities</li> <li>4 - Policy Obligations in Relation to Environmental Management and Climate Change</li> </ul>	Risk 1 - The Strategy was approved by the Board in March. Now moving into implementation phase. Mitigations updated. Risks 2, 4 mitigations updated. Risk 10 updated risk description and mitigation
 To improve the quality of health and care services	1   -   -   -	◀▶	<ul style="list-style-type: none"> <li>10 - Primary Care Services</li> </ul>	

### Staff Governance Committee

Strategic Priority	Overview of Risk Level	Risk Movement	Corporate Risks	Assessment Summary of Key Changes
 To improve staff experience and wellbeing	2   -   -   -	◀▶	<ul style="list-style-type: none"> <li>11 - Workforce Planning and Delivery</li> <li>12 - Staff Health and Wellbeing</li> </ul>	Since the last report to EDG, the target to be achieved for both risks by 31/03/23 was revised up from 8 to 12. The target for both has been reviewed again and remains at 12 to be achieved by 31/03/25.  Mitigations updated for both risks.

## Finance, Performance and Resources Committee

Strategic Priority	Overview of Risk Level	Risk Movement	Corporate Risks	Assessment Summary of Key Changes
 To improve the quality of health and care services	3 - - -	◀▶	<ul style="list-style-type: none"> <li>6 - Whole System Capacity</li> <li>7 - Access to outpatient, diagnostic and treatment services</li> <li>8 - Cancer Waiting Times</li> </ul>	Risk 7 - Proposed increase in current rating from High 16 to High 20 Description revised.
 To deliver value and sustainability	2 1 - -	◀▶	<ul style="list-style-type: none"> <li>13 - Delivery of a balanced in-year financial position</li> <li>14 - Delivery of recurring financial balance over the medium term</li> <li>15 - Prioritisation and Management of Capital Funding</li> </ul>	Risk 13 Description revised.  Mitigations updated for Risks 7, 8,13,14 &15.

### Deep Dive Reviews

Up until May, 8 of the 18 Corporate Risks have undergone a deep dive review, with other risks of particular significance commissioned for deep dives by Committees. The following deep dives were scheduled in May as part of the fourth cycle of reporting to the Committees.

Risk Title	Aligned Committee	Date
Optimal Clinical Outcomes	Clinical Governance Committee (CGC)	05/05/23
Bank & Agency Work (not corporate) requested by SGC.	Finance, Performance & Resources (F,P&RC)	09/05/23
Bank & Agency work (not corporate) requested by F, P&.RC.	Staff Governance Committee (SGC)	11/05/23
Primary Care Services	Public Health & Wellbeing (PH&WC)	15/05/23

### Next Steps

The refreshed Corporate Risk Register was introduced to NHS Fife in November 2022, following the transition from the Board Assurance Framework (BAF). Since then, the corporate risks have been reported bi-monthly to the Governance Committees and subsequently to the Audit & Risk Committee and the Board for assurance.

To provide an additional layer of assurance, it was agreed that each corporate risk would be subject to a deep-dive review, scheduled on the aligned Committee work plan. This requires

the risk owner to provide details including description, root causes, risk scores, mitigations, timescales, and delivery challenges.

At the inception of reporting on the corporate risks to the Committees, it was recognised that the Register and the associated 'assurance framework' would evolve and be subject to further refinement and development. It was agreed that it would be appropriate to take stock after three to four reporting cycles, allowing time for the new approach to gain traction, and to elicit and consider Committee feedback to inform further developments.

The refreshed approach to reporting has been well received and has generated richer discussions between the Executive and Non-Executive Directors about the risks and their management, as well as constructive feedback which is being used to improve the presentation and focus of risk-related papers. The Chief Internal Auditor has strongly welcomed the development of the Corporate Risk Register, and the Chair of the Audit and Risk Committee agrees that its introduction has been beneficial.

While this is encouraging, there is consensus on the need to improve the mechanism for providing specific information on which to base an assurance opinion i.e. supporting assurance evidence on the effectiveness of the controls and mitigating actions in place for specific risks.

As we enter the fourth cycle of reporting, the ROG has been asked to develop the assurance component around the corporate risks and to explore a model that allows provision of appropriate levels of assurance. The Group has also been asked to consider a mechanism for clearly defining specific levels of assurance, linked to the impact of risk mitigation, to be used in conjunction with the existing Assurance Principles (Appendix 2). This should enable an explicit conclusion to be reached on the overarching level of assurance provided by the risk owner and received by a committee.

A proposed approach was recommended to EDG in a Risks & Opportunities Group Progress Report on 4 May 2023.

An Audit & Risk Committee Development Session has been arranged for 12 October 2023 which will focus on the 'Review of the effectiveness of the new Corporate Risk Register process.

### **Connecting to Key Strategic Workstreams**

The developing role of the ROG in considering emergent risks and opportunities arising in particular from the Population Health and Wellbeing Strategy, the Strategic Planning and Resource Allocation process, and the Annual Delivery Plan will be referenced within the Progress report to EDG.

#### **2.3.1 Quality / Patient Care**

Effective management of risks to quality and patient care will support delivery of our strategic priorities, to improve health and wellbeing and the quality of health and care services.

### **2.3.2 Workforce**

Effective management of workforce risks will support delivery of our strategic priorities, to improve staff health and wellbeing, and the quality of health and care services.

### **2.3.3 Financial**

Effective management of financial risks will support delivery of our strategic priorities including delivering value and sustainability.

### **2.3.4 Risk Assessment / Management**

Subject of the paper.

### **2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions**

An Equality Impact Assessment (Stage 1) was carried out to identify if any items of significance need to be highlighted to EDG . The outcome of that assessment concluded on Option 1: No further action required.

### **2.3.6 Climate Emergency & Sustainability Impact**

This paper does not raise, directly, issues relating to climate emergency and sustainability. These items do form elements of risk for NHS Fife to manage.

### **2.3.7 Communication, involvement, engagement and consultation**

This paper reflects communication and engagement with Executive and Non - Executive Directors, and discussions within the ROG.

### **2.3.8 Route to the Meeting**

- Margo McGurk, Director of Finance and Strategy on 28 April 2023

## **2.4 Recommendation**

- **Assurance**

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No. 1, NHS Fife Corporate Risk Register as at 15 June 2023
- Appendix No. 2, Assurance Principles
- Appendix No.3, Risk & Opportunities Group SBAR

### **Report Contact**

Pauline Cumming

Risk Manager, NHS Fife

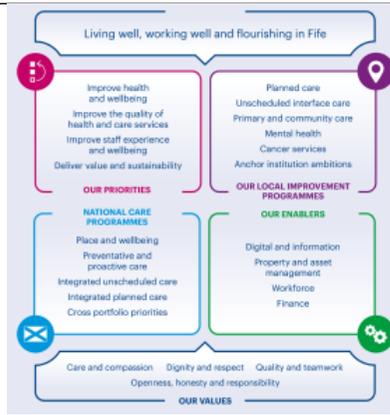
Email [pauline.cumming@nhs.scot](mailto:pauline.cumming@nhs.scot)

**Updated NHS Fife Corporate Risk Register as at 16/6/23**

No	Strategic Priority	Risk	Mitigation	Risk Appetite	Current Risk Level/ Rating	Target Risk level & rating by dd/mm/yy	Current Risk Level Trend	Risk Owner	Primary Committee
1		<p><b>Population Health and Wellbeing Strategy</b></p> <p>There is a risk that the ambitions and delivery of the new organisational Strategy do not deliver the most effective health and wellbeing and clinical services for the population of Fife.</p>	<p>The strategy was approved by the NHS Fife Board in March 2023. The focus now will be on developing and delivering against an agreed set of outcomes for 2023/24. This is in the context that the management of this specific risk will span a number of financial years.</p> <p>We are now preparing the 3-year Medium Term Plan which flows from our strategy for submission to Scottish Government in July 2023</p>	Below	Mod 12	Mod12 by 31/03/24	◀▶	Chief Executive	Public Health & Wellbeing (PHWC)
2		<p><b>Health Inequalities</b></p> <p>There is a risk that if NHS Fife does not develop and implement an effective strategic approach to contribute to reducing health inequalities and their causes, health and wellbeing outcomes will continue to be poorer, and lives cut short in the most deprived areas of Fife compared to the least deprived areas, representing huge disparities in health and wellbeing between Fife communities.</p>	<p>Public Health and Wellbeing Committee established, with the aim of providing assurance that NHS Fife is fully engaged in supporting wider population health and wellbeing for the local population.</p> <p>The Population Health and Wellbeing Strategy will identify actions which will contribute to reducing health inequalities; these will be set out in the delivery plan for the strategy.</p> <p>Consideration of Health Inequalities within all Board and Committee papers.</p> <p>Leadership and partnership working to influence policies to 'undo' the causes of health inequalities in Fife.</p> <p>Deep dive to be carried out for the committee meeting in July.</p>	Within	High 20	Mod 10	◀▶	Director of Public Health	Public Health & Wellbeing (PHWC)

3		<p><b>COVID 19 Pandemic</b></p> <p>There is an ongoing risk to the health of the population, particularly the clinically vulnerable, the elderly and those living in care homes, that if we are unable to protect people through vaccination and other public health control measures to break the chain of transmission or to respond to a new variant, this will result in mild-to-moderate illness in the majority of the population, but complications requiring hospital care and severe disease, including death in a minority of the population.</p>	<p>The spring booster campaign is now underway.</p> <p>Implementation of new treatments for individuals at higher risk of adverse outcomes.</p> <p>Monitoring continues of possible new variants at national level.</p> <p>Tailored support continues to be provided to Care Homes with positive staff or resident cases.</p> <p>Public communications programme to raise awareness of infection prevention and control measures across the region and across the population.</p> <p>Deep dive was presented to CGC in March 2023.</p>	Below	Mod 12	Mod 12 by June 2023		Director of Public Health	Clinical Governance (CGC)
4		<p><b>Policy obligations in relation to environmental management and climate change</b></p> <p>There is a risk that if we do not put in place robust management arrangements and the necessary resources, we will not meet the requirements of the 'Policy for NHS Scotland on the Global Climate Emergency and Sustainable Development, Nov 2021.'</p>	<p>Robust governance arrangements remain in place including an Executive Lead and Board Champion appointed.</p> <p>Regional working group and representation on the National Board. Active participation in Plan 4 Fife.</p> <p>Develop NHS Fife Climate Emergency Report* and Action Plan* by end of January and June 2023 respectively.</p> <p>The board report* which was required by the end of January 2023, as per policy DL38, has been completed and published on the NHS Fife website, via EDG, and PHWC, and sent to Scottish Government (SG).</p> <p>These* will form part of the Annual Delivery Plan. Mechanics and timescales still to be defined.</p>	Below	Mod 12	Mod 10		Director of Property & Asset Management	Public Health & Wellbeing (PHWC)

			Resource in the sustainability team has increased by 1 FTE via external funding for 12 months.						
5		<p><b>Optimal Clinical Outcomes</b></p> <p>There is a risk that recovering from the legacy impact of the ongoing pandemic, combined with the impact of the cost-of-living crisis on citizens, will increase the level of challenge in meeting the health and care needs of the population both in the immediate and medium-term.</p>	<p>The Board has agreed a suite of local improvement programmes, as detailed in the diagram below to frame and plan our approach to meeting the challenges associated with this risk.</p> <p>The governance arrangements supporting this work will inform the level of risk associated with delivering against these key programmes and reduce the level of risk over time.</p>  <p>A deep dive was presented to the CGC in May 2023.</p>	Within	High 15	Mod 10 by 31/03/24	◀▶	Medical Director	Clinical Governance (CGC)
6		<p><b>Whole System Capacity</b></p> <p>There is a risk that significant and sustained admission activity to acute services, combined with challenges in achieving timely discharge to downstream wards and/or provision of social care packages, that the management of Acute hospital capacity and flow will be severely compromised.</p>	<p>The combination of application of our OPEL process on a daily basis and the improvement work through our Integrated Unscheduled Integrated Care and Planned Care programmes provides the operational and strategic response to the challenges posed through this risk.</p>	Above	High 20	Mod 9 by 30/04/24	◀▶	Director of Acute Services	Finance, Performance & Resources (F,P&RC)



7		<p><b>Access to outpatient, diagnostic and treatment services</b></p> <p>There is a risk that due to demand exceeding capacity, compounded by unscheduled care pressures, NHS Fife will see deterioration in achieving waiting time standards. This time delay could impact clinical outcomes for the population of Fife.</p>	<p>Planning for 2023/24 has been completed in line with planning guidance letter received on 06/02/23.</p> <p>Confirmed funding 20% less than committed staff costs. Agreement by EDG to continue with original plan acknowledging the gap in funding</p> <p>Planned capacity for OP is 96% and for IP/DC is 99% of that delivered in 2019/20. Reduction is due in the main to clinical staff vacancies Demand for OP and IP Imaging both is increasing year on year. Capacity is not meeting current demand for OP/IP/DC or Diagnostics</p> <p>The Integrated Planned Care Programme Board is overseeing the productive opportunities work and this along with ongoing waiting list validation seeks to maximise available capacity</p> <p>Speciality level plans in place outlining local actions to mitigate the most significant areas of risk. Focus remains on urgent and urgent suspicious of</p>	Above	High 20 (5x 4 from High 16)	Unable to provide currently given the uncertainty around the funding	▼	Director of Acute Services	Finance, Performance & Resources (F,P&RC)

			<p>cancer patients however routine long waiting times will increase.</p> <p>The governance arrangements supporting this work will inform the level of risk associated with delivering against these key programmes and mitigate the level of risk over time.</p>						
8		<p><b>Cancer Waiting Times (CWT)</b></p> <p>There is a risk that due to increasing patient referrals and complex cancer pathways, NHS Fife will see further deterioration of Cancer Waiting Times 62-day performance, and 31 day performance, resulting in poor patient experience, impact on clinical outcomes and failure to achieve the Cancer Waiting Times Standards.</p>	<p>The prostate project group continues with actions identified to improve steps in the pathway. The nurse-led model is being explored with an expected go live date of August 23.</p> <p>Actions to improve steps in the lung pathway have been agreed funding has been supported for implementation of the lung optimal pathway for 2023-24.</p> <p>The Effective Cancer Management Framework has been updated and actions have been identified for 2023-24.</p> <p>Steps are being taken to introduce the Effective Breach Analysis Standard Operating Procedure in to NHS Fife.</p> <p>Work has commenced to take forward the Re-grading Framework which is is has now been published. An action plan will be developed based on the recommendations.</p> <p>Weekly meetings with Scottish Government (SG) and quarterly monitoring of the Effective Cancer Management Framework continue.</p> <p>A 6 month review of the Single Point of Contact Hub confirms there has been a reduction in DNAs;. Further evaluation will be commenced June 2023. Patient</p>	Above	High 15	Mod 12 by 30/04/24	◀▶	Director of Acute Services	Finance, Performance & Resources (F,P&RC)

			<p>and staff evaluation questionnaire exercise have been sent out and an exercise to assess reduction in patient calls to CNS and feedback from staff users of the service.</p> <p>The Cancer Framework and delivery plan has been launched and priorities are currently being agreed for 2023-24 t</p> <p>A deep dive into urology performance challenges is being undertaken.</p> <p>The governance arrangements supporting this work will inform the level of risk associated with delivering against these key programmes and reduce the level of risk over time.</p>						
9		<p><b>Quality &amp; Safety</b></p> <p>There is a risk that if our governance, arrangements are ineffective, we may be unable to recognise a risk to the quality of services provided, thereby being unable to provide adequate assurance and possible impact to the quality of care delivered to the population of Fife.</p>	<p>Effective governance is in place and operating through the clinical Governance Oversight Group (CGOG) providing the mechanism for assurance and escalation of clinical governance (CG) issues to Clinical Governance Committee(CGC).</p> <p>This is further supported by the Organisational Learning Group to ensure that learning is used to optimise patient safety, outcomes and experience, and to enhance staff wellbeing and job satisfaction.</p> <p>There are also effective systems &amp; processes to ensure oversight and monitoring of national &amp; local strategy / framework / policy /audit implementation and impact.</p> <p>Deep dive will be presented to the CGC in July 2023..</p>	Above	High 15	Mod 10 by 31/03/24	◀▶	Medical Director	Clinical Governance (CGC)

10		<p><b>Primary Care Services</b></p> <p>There is a risk that due to a combination of the demand on services, workforce availability and current funding and resourcing of Primary Care, it may not be possible to deliver sustainable quality services to the population of Fife into the medium-term.</p>	<p>A Primary Care Governance and Strategy Oversight Group is in place. The group, co-chaired by the Medical Director and the Director of Health and Social Care, brings together both the transformation and sustainability initiatives for all four of the independent primary care contractors, whilst also overseeing any critical aspects of governance. It provides assurance to NHS Fife Board and the Integration Joint Board (IJB) through the appropriate sub committees.</p> <p>This group allows governance and scrutiny of all aspects of primary care delivery and provides a focus for improving patient care for the population of Fife.</p> <p>A Primary Care Strategy is in development and is at final draft stage; it was presented to commissioners for discussion and support in February 2023 and will be taken through committees for approval by July 2023.</p> <p>A Primary Care Improvement Plan (PCIP) is in place; subject to regular monitoring and reporting to General Medical Services (GMS) Board, Quality &amp; Communities (Q&amp;C) Committee, IJB and Scottish Government. A workshop took place in January 2023 to review and refresh the current PCIP to ensure it is contemporary and based on current position and known risks to ensure a realistic and feasible PCIP.</p> <p>The refreshed PCIP for 23/24 will be progressed via committees for approval in July 2023. This refreshed PCIP will take into account the further guidance from SG and BMA received</p>	Above	High 16	Mod 12 (3 x4) by 31/03/24	◀▶	Director of Health & Social Care	Public Health & Wellbeing (PHWC)
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			<p>in April. The progress with the current programme will continue.</p> <p>Remodelling and recruitment of workforce action plan resulting from earlier Committee report will be completed as part of the refreshed PCIP</p> <p>A review of models of care incorporating the learning from the pandemic is closed. The review of leadership, management and governance structure which has been jointly commissioned by Deputy Medical Director (DMD) and Head of Service (HOS) for P&amp;PC will be completed by July 2023.</p> <p>Pharmacotherapy and CTAC models for care continue to be shaped and developed. The anticipated date for completion is April 2024.</p> <p>A deep dive review was completed and presented to the PHWC meeting in May 2023.</p>						
11		<p><b>Workforce Planning and Delivery</b></p> <p>There is a risk that if we do not implement effective strategic and operational workforce planning, we will not deliver the capacity and capability required to effectively deliver services.</p>	<p>Continued development of the workforce elements of the Annual Delivery Plan, Population Health &amp; Wellbeing Strategy and Strategic Framework; alongside the Workforce Plan for 2022 to 2025 and aligned service based workforce plans.</p> <p>Implementation of the Health &amp; Social Care Workforce Strategy and Plan for 2022 to 2025 to support the Health &amp; Social Care Strategic Plan for 2019 to 2022 and the integration agenda.</p> <p>Implementation of the NHS Fife Board Strategic and Corporate Objectives, particularly the “exemplar employer /</p>	Above	High 16	Mod 8 by 31/03/25	◀▶	Director of Workforce	Staff Governance (SGC)

			<p>employer of choice” and the associated values and behaviours and aligned to the ambitions of an anchor institution.</p> <p>Harvesting and analysis of SPRA data is underway, so that Directorate and Service based workforce plans can be completed by the end of Quarter 2 of 2023/2024. Allowing mapping of Corporate priorities to the SPRA submissions, identifying impacts on the future shape of the staffing complement, and highlight any sustainability pressures.</p> <p>Progression of Bank and Agency Programme of Work and Nursing &amp; Midwifery Workforce actions to improve workforce sustainability.</p> <p>Rapid recruitment event held on 1 June 2023, to support workforce sustainability.</p> <p>Commencement of local guidance chapter testing to support the implementation of the Health and Care Staffing Act (2019) within NHS Fife.</p>						
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12		<p><b>Staff Health and Wellbeing</b></p> <p>There is a risk that if due to a limited workforce supply and system pressure, we are unable to maintain the health and wellbeing of our existing staff we will fail to retain and develop a skilled and sustainable workforce to deliver services now and in the future.</p>	<p>Working in partnership with staff side and professional organisations across all sectors of NHS Fife to ensure staff health and wellbeing opportunities are maximised, to support attraction, development and retention of staff.</p> <p>The Staff Health &amp; Wellbeing Framework for 2022 to 2025, setting out NHS Fife's ambitions, approaches and commitments to staff health and wellbeing, was published in December 2022.</p> <p>Consideration of staff support priorities for 2022-2025 being progressed via Staff Health &amp; Wellbeing Group and other for a, to develop complementary Action Plan.</p> <p>Work progressing on promoting Attendance improvement actions to support reductions in staff absence and wellbeing.</p>	Above	High 16	Mod 8 by 31/03/25		Director of Workforce	Staff Governance (SGC)
13		<p><b>Delivery of a balanced in-year financial position</b></p> <p>There is a risk that due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally, the Board will not achieve its statutory financial revenue budget target in 2023/24 without brokerage from Scottish Government.</p>	<p>Agreed focus on 3 main areas of cost improvement as part of the medium-term financial plan. FIS Programme focus will be on these areas with regular reporting to the EDG&amp; NHS Fife Board.</p> <p>Good progress being made to develop the detailed plans to deliver against the 3 focus areas.</p> <p>Detailed scrutiny locally on delivery planned on receipt of the Q1 results.</p>	Above	High 16	Mod 12 by 31/03/24		Director of Finance & Strategy	Finance, Performance & Resources (F,P&RC)
14		<p><b>Delivery of recurring financial balance over the medium-term</b></p> <p>There is a risk that NHS Fife will not deliver the financial improvement and sustainability programme actions</p>	<p>Strategic Planning and Resource Allocation process will continue to operate and support financial planning.</p>	Above	High 16	Mod 12 by 31/03/24		Director of Finance & Strategy	Finance, Performance & Resources (F,P&RC)

		required to ensure sustainable financial balance over the medium-term.	<p>The FIS Programme will focus on medium-term productive opportunities and cash releasing savings.</p> <p>The Board will maintain its focus on reaching the full National Resource Allocation (NRAC) allocation over the medium- term.</p> <p>Scottish Government have received and supported our 5-year medium-term financial plan which includes significant cost savings across all 5 years, ongoing brokerage and commencement of repayment in the latter years of the plan.</p>						
15		<p><b>Prioritisation &amp; Management of Capital funding</b></p> <p>There is a risk that lack of prioritisation and control around the utilisation of limited capital and staffing resources will affect our ability to deliver the PAMS and to support the developing Population Health and Wellbeing Strategy.</p>	<p>Infrastructure developments prioritised and funded through the NHS Board capital plan.</p> <p>Annual Property and Asset Management Strategy (PAMS) report submitted to F, P&amp;R, NHS Board and Government.</p> <p>Fife Capital Investment Group (FCIG) reviewed 2022/23 position which showed full utilisation of significant capital allocation and agreed initial allocations for 2023/24 with agreement of all stakeholders.</p>	Within	Mod 12	Mod 8	◀▶	Director of Property & Asset Management	Finance, Performance & Resources (F,P&RC)
16		<p><b>Off-Site Area Sterilisation and Disinfection Unit Service</b></p> <p>There is a risk that by continuing to use a single off-site service Area Sterilisation Disinfection Unit (ASDU), our ability to control the supply and standard of equipment required to deliver a safe and effective service will deteriorate.</p>	<p>Monitoring and review through Decontamination Group.</p> <p>Establishment of local SSD for robotics is progressing.</p> <p>Health Facilities Scotland (HFS) have agreed the design and the unit at St Andrews Community Hospital (SACH) should be operational by December 2023.</p>	Within	Mod 12	Low 6	◀▶	Director of Property & Asset Management	Clinical Governance (CGC)

			A business case is being developed to examine the options for another provider to provide the service as short-term mitigating measure						
17		<p><b>Cyber Resilience</b></p> <p>There is a risk that NHS Fife will be overcome by a targeted and sustained cyber attack that may impact the availability and / or integrity of digital and information required to operate a full health service.</p>	<p>Considerable focus continues in 2023 with heightened threat level to improve our resilience to attack and ability to recover quickly.</p> <p>The primary mechanism for prioritising items is the response to the Network Information Systems Directive (NISD) review report May 2022. Next audit due July 2023.</p>	Above	High 16	Mod12 (4x3) by Sept 2024	◀▶	Medical Director	Clinical Governance (CGC)
18		<p><b>Digital &amp; Information</b></p> <p>There is a risk that the organisation maybe unable to sustain the financial investment necessary to deliver its D&amp;I Strategy and as a result this will affect our ability to enable transformation across Health and Social Care and adversely impact on the availability of systems that support clinical services, in their treatment and management of patients.</p>	<p>Consistent alignment of the D&amp;I Strategy with the NHS Fife Corporate Objectives and developing Health &amp; Wellbeing Strategy.</p> <p>Digital &amp; Information Board Governance established and supporting prioritisation with ongoing review.</p>	Above	High 15	Mod 8 (4x2) by April 2025	◀▶	Medical Director	Clinical Governance (CGC)

### Risk Movement Key

- ▲ Improved - Risk Decreased
- ◀▶ No Change
- ▼ Deteriorated - Risk Increased

## Assurance Principles

General Questions:			
<ul style="list-style-type: none"> <li>Does the risk description fully explain the nature and impact of the risk?</li> <li>Do the current controls match the stated risk?</li> <li>How weak or strong are the controls? Are they both well-designed and effective i.e., implemented properly?</li> <li>Will further actions bring the risk down to the planned/target level?</li> <li>Does the assurance you receive tell you how controls are performing?</li> <li>Are we investing in areas of high risk instead of those that are already well-controlled?</li> <li>Do Committee papers identify risk clearly and explicitly link the strategic priorities and objectives/corporate risk?</li> </ul>			
Specific Questions when analysing a risk delegated to the committee in detail:			
<ul style="list-style-type: none"> <li>History of the risk (when was it opened) – has it moved towards target at any point?</li> </ul>			
<ul style="list-style-type: none"> <li>Is there a valid reason given for the current score?</li> </ul>			
<ul style="list-style-type: none"> <li>Is the target score:                             <ul style="list-style-type: none"> <li>In line with the organisation's defined risk appetite?</li> <li>Realistic/achievable or does the risk require to be tolerated at a higher level?</li> <li>Sensible/worthwhile?</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>Is there an appropriate split between:                             <ul style="list-style-type: none"> <li>Controls – processes already in place which take the score down from its initial/inherent position to where it is now?</li> <li>Actions – planned initiatives which should take it from its current to target?</li> <li>Assurances – which monitor the application of controls/actions?</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>Assessing Controls                             <ul style="list-style-type: none"> <li>Are the controls "Key" i.e., are they what actually reduces the risk to its current level (not an extensive list of processes which happen but don't actually have any substantive impact)?</li> <li>Overall, do the controls look as if they are applying the level of risk mitigation stated?</li> <li>Is their adequacy assessed by the risk owner? If so, is it reasonable based on the evidence provided?</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>Assessing Actions – as controls but accepting that there is necessarily more uncertainty                             <ul style="list-style-type: none"> <li>Are they on track to be delivered?</li> <li>Are the actions achievable or does the necessary investment outweigh the benefit of reducing the risk?</li> <li>Are they likely to be sufficient to bring the risk down to the target score?</li> </ul> </li> </ul>			
<ul style="list-style-type: none"> <li>Assess Assurances:                             <ul style="list-style-type: none"> <li>Do they actually relate to the listed controls and actions (surprisingly often they don't)?</li> <li>Do they provide relevant, reliable and sufficient evidence either individually or in composite?</li> <li>Do the assurance sources listed actually provide a conclusion on whether:                                     <ul style="list-style-type: none"> <li>the control is working</li> <li>action is being implemented</li> <li>the risk is being mitigated effectively overall (e.g. performance reports look at the overall objective which is separate from assurances over individual controls) and is on course to achieve the target level</li> </ul> </li> <li>What level of assurance can be given or can be concluded and how does this compare to the required level of defence (commensurate with the nature or scale of the risk):                                     <ul style="list-style-type: none"> <li>1<sup>st</sup> line – management/performance/data trends?</li> <li>2<sup>nd</sup> line – oversight / compliance / audits?</li> <li>3<sup>rd</sup> line – internal audit and/or external audit reports/external assessments?</li> </ul> </li> </ul> </li> </ul>			
Level of Assurance:			
Substantial Assurance	Reasonable Assurance	Limited Assurance	No Assurance

### Risk Assurance Principles:

#### Board

- Ensuring efficient, effective and accountable governance

#### Standing Committees of the Board

- Detailed scrutiny
- Providing assurance to Board
- Escalating key issues to the Board

#### Committee Agenda

- Agenda Items should relate to risk (where relevant)

#### Seek Assurance of Effectiveness of Risk Mitigation

- Relevance
- Proportionality
- Reliable
- Sufficient

#### Chairs Assurance Report

- Consider issues for disclosure
- Emergent risks or  Escalation  
Recording
- Scrutiny or risk delegated to Committee

#### Year End Report

- Highlight change in movement of risks aligned to the Committee, including areas where there is no change
- Conclude on assurance of mitigation of risks
- Consider relevant reports for the workplan in the year ahead related to risks and concerns

<b>Meeting:</b>	<b>Audit &amp; Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>Risk and Opportunities Group</b>
<b>Responsible Executive:</b>	<b>Margo McGurk – Director of Finance and Strategy</b>
<b>Report Author:</b>	<b>Alistair Graham, Associate Director of Digital and Information</b>

## 1 Purpose

**This report is presented for:**

- Assurance
- Decision

**This report relates to:**

- Local Policy

**This report aligns to the following NHSScotland quality ambition(s):**

- Safe
- Effective
- Person Centred

## 2 Report summary

### 2.1 Situation

The Risks and Opportunities Group meet to continue the development of and embed an effective risk management framework. During the process of supporting its annual work plan the Group split its time between the Corporate Risk Register and in supporting operational risk management practice.

During this work the Risk and Opportunities Group has had an opportunity to reflect on the feedback received on the corporate risk register as it has developed through its presentation by Executive risk owners and then the due consideration given by governance committees, particularly when considering the deep dives.

This paper provides updates to the previously agreed recommendations in relation to assurance levels and target risk date. It also provides a considered review cycle for the Corporate Risk for Committee's consideration.

The paper is provided for assurance and decision.

## 2.2 Background

The corporate risk register has now had four cycles of presentation to governance committees since November 2022.

Of the 18 risks, 11 have additional deep dives presented with the remainder continuing to be scheduled by the committees they are aligned to. During that period specific discussions have taken place on the corporate risk register and deep dive format. In two cases, committees have requested further information be provided in addition to the deep dive.

By their nature the risks contained in the corporate risk register are complex and carry an underlying level of “inherent risk” that makes effective risk management challenging. In many cases the “inherent risk level” presents daily for operational teams and feels more like a process of issue management. In these situations, teams establish additional “controls” so early responses can be actioned when fluctuations occur. The Operational Pressures Escalation Levels framework (OPEL) is an excellent example of this.

In some cases, the opportunity to conduct risk mitigation on the “residual risk” is limited or out with the risk owner’s ability to influence.

As part of the complexity the ability to mitigate corporate risk, in a short period of time, is limited and so requires extended periods of time to plan, fund, re-organise and conduct the risk mitigation actions. Apparent examples in this space include Health Inequalities, policy obligations in relation to environmental management and climate change, workforce planning and delivery etc.

Feedback received from the governance committees requested a specific review on the use of the “level of assurance” listed within the Assurance Principles diagram that is consistently provided with the corporate risk register.

The use of a time limited improvement target, for risk rating, has also been reviewed.

## 2.3 Assessment

### Recommendation Updates

#### 1) Assurance Levels

Following agreement at EDG on 4 May 2023, the use of the 4-level assurance model, used by internal audit has been implemented. Providing additional consistency to our reporting the use of the internal audit assurance levels will now start to become evident during the development of new deep dives and during a review of any existing deep dives.

The assurance levels are described as: -

Level of Assurance		System Adequacy	Controls
Substantial Assurance		A sound system of governance, risk management and control exists, with internal controls operating effectively and being consistently applied to support the achievement of objectives in the area audited.	Controls are applied continuously or with only minor lapses.
Reasonable Assurance		There is a generally sound system of governance, risk management and control in place. Some issues, non-compliance or scope for improvement were identified which may put at risk the achievement of objectives in the area audited.	Controls are applied frequently but with evidence of non-compliance.
Limited Assurance		Significant gaps, weaknesses or non-compliance were identified. Improvement is required to the system of governance, risk management and control to effectively manage risks to the achievement of objectives in the area audited.	Controls are applied but with some significant lapses.
No Assurance		Immediate action is required to address fundamental gaps, weaknesses or non-compliance identified. The system of governance, risk management and control is inadequate to effectively manage risks to the achievement of objectives in the area audited.	Significant breakdown in the application of controls.

The revised assurance model has now been included into the Risk Management Framework and the Assurance Principles document, that is provided to committee as part of the Corporate Risk Register papers. An example of the revised Assurance Principles document is included within Appendix 1.

The Deep Dive template (Appendix 2) has also been updated to provide the risk owner with the opportunity to provide a risk assurance statement as part of the deep dive creation or update.

## 2) In Year Risk Rating Improvement

Given the complexity of corporate risks, the levels of inherent risk associated with some of the corporate risks and the confusion of changing current risk rating targets for the in-year target, it was agreed the current year prediction be removed and the overarching risk target rating is matched with an expected data of achievement. The update to the summary NHS Fife Corporate Risk Register (Appendix 3) shows the change.

## New Recommendation

### Corporate Risk Register – Review Cycle

Trying to provide a balance of effective risk review, the following recommendation seeks to provide a standard for the frequency for Corporate Risk review. Corporate Risk owners can review and update risks at any time, but to provide a standard the following recommendation of review timings is made below. The review has considered feedback from the risk owners and seeks to assure committees that the standard operates in a way that ensures regular review of corporate risks are conducted and updates provided to committee meetings. The review will focus on the Corporate Risk Register document included in Appendix 3.

At present the Corporate Risk owners, risk numbers by owner and committee looks like this:-

Risk Owner	Total Owned	Where Corporate Risk are reported to: -			
		PHWC	CGC	F, P&RC	SGC
Chief Executive	1	1			
D of PH	2	1	1		
D of PAM	2	1	1		
MD	4		4		
D of AS	3			3	
D of HSP	1	1			
D of W	2				2
D of F&S	3			3	
<b>TOTAL</b>	<b>18</b>	<b>4</b>	<b>6</b>	<b>6</b>	<b>2</b>

Given the governance committees meet six times a year (May, July, September, November, January and March) there is an opportunity to rotate the corporate risk review frequency over these 6 meetings to provide assurance of the frequency of review, while supporting the requirement for efficiency of review. The recommendation is the corporate risk owner will review and update where necessary their total set of risks every 4 months.

(Please note – while the date in the tables below aligns to the date of the committee meeting the review of the corporate risk will need to take place the month before to ensure relevant updates are provided to EDG and onward in committee papers.)

### Recommendation: -

Committee	May	July	Sept	Nov	Jan	March
<b>PHWC (4 risks)</b>						
D of PH	1		1		1	
D of PAM	1		1		1	
Chief Executive		1		1		1
D of HSC		1		1		1

<b>TOTAL</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>	<b>2</b>
<b>CGC (6 risks)</b>						
D of PH	1		1		1	
D of PAM	1		1		1	
MD		4		4		4
<b>TOTAL</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>4</b>	<b>2</b>	<b>4</b>
<b>F, P&amp;RC (6 risks)</b>						
D of AS	3		3		3	
D of F&S		3		3		3
<b>TOTAL</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>	<b>3</b>
<b>SGC (2 risks)</b>						
D of W	2		2		2	
<b>TOTAL</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>	<b>2</b>	<b>-</b>

Or presented based on Risk Owner the review cycle for corporate risks would be:-

<b>Committee</b>	<b>May</b>	<b>July</b>	<b>Sept</b>	<b>Nov</b>	<b>Jan</b>	<b>March</b>
Chief Executive (1 risk)		Review		Review		Review
D of PH (2 risks)	Review		Review		Review	
D of PAM (2 risks)	Review		Review		Review	
MD (4 risks)		Review		Review		Review
D of AS (3 risks)	Review		Review		Review	
D of HSC (1 risk)		Review		Review		Review
D of W (2 risks)	Review		Review		Review	
D of F&S (3 risks)		Review		Review		Review
<b>TOTAL</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>	<b>9</b>

These items are presented to Committee for assurance and in relation to the corporate risk register review timings as a recommendation for decision.

### 2.3.1 Quality / Patient Care

Effective management of risks to quality and patient care will support delivery of our strategic priorities, to improve health and wellbeing and the quality of health and care services.

### 2.3.2 Workforce

Effective management of workforce risks will support delivery of our strategic priorities, to improve staff health and wellbeing, and the quality of health and care services.

### 2.3.3 Financial

Effective management of financial risks will support delivery of our strategic priorities including delivering value and sustainability.

### 2.3.4 Risk Assessment / Management

Subject of the paper.

### 2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions

No specific Equality Impact Assessment has been conducted.

### 2.3.6 Climate Emergency & Sustainability Impact

This paper does not raise, directly, issues relating to climate emergency and sustainability. These items do form elements of risk for NHS Fife to manage.

### 2.3.7 Communication, involvement, engagement, and consultation

This paper reflects communication and feedback received from governance committees, and the considerations of the Risk and Opportunity Group.

### 2.3.8 Route to the Meeting

The consideration and recommendations have been considered by:-

- Risk and Opportunity Group – 4 April 2023
- EDG – 4 May 2023
- Risk and Opportunity Group – 6 June 2023
- Executive Directors' Group – 22 June 2023

## 2.4 Recommendation

- **Assurance** – The Committee is asked to take assurance from the update to the implementation of the two prior recommendations: -
  - Assurance Levels – added to Assurance Principles and Deep Dive template
  - In Year Risk Rating Improvement – removed from the Corporate Risk register document and replaced with a target date for inclusion with Target Risk Rating.
- **Decision** – The Committee is asked to consider and agree to the recommendation for a periodic corporate risk review every 4 months, but in a manner that provides some corporate risk updates to committees (excluding Staff Governance Committees) at each meeting.

## 3 List of appendices

- None

### Report Contact

Alistair Graham

Associate Director of Digital and Information

Email – [alistair.graham1@nhs.scot](mailto:alistair.graham1@nhs.scot)

<b>Meeting:</b>	<b>Audit &amp; Risk Committee</b>
<b>Meeting date:</b>	<b>23 June 2023</b>
<b>Title:</b>	<b>NSS Practitioner Services Partnership agreement April 2023 – March 2028</b>
<b>Responsible Executive:</b>	<b>Margo McGurk, Director of Finance &amp; Strategy</b>
<b>Report Author:</b>	<b>Kevin Booth, Head of Financial Services &amp; Procurement</b>

## 1 Purpose

**This report is presented for:**

- Assurance

**This report relates to:**

- Government policy / directive

**This report aligns to the following NHSScotland quality ambition(s):**

- Safe
- Effective

## 2 Report summary

### 2.1 Situation

NSS Practitioner Services have issued NHS Fife and all other Boards with the attached Partnership Agreement covering the period April 2023 – March 2028

### 2.2 Background

This revised agreement replaces the previous agreement which had been in place from April 2019. The agreement sets out how NSS (National Services Scotland) through its Practitioner Services Division will work in partnership with NHS Fife to discharge its responsibilities as delegated to it by the Scottish Government to register patients and pay Primary Care Practitioners.

### 2.3 Assessment

The 2023-2028 Partnership agreement is based on the 2019 iteration with no significant amendments. Following consultation with NHS Fife and the other Scottish Boards a list of minor administrative changes were provided to improve clarity of the agreement.

### **2.3.1 Quality / Patient Care**

The Practitioner Services agreement and its implementation contributes towards quality patient care.

### **2.3.2 Workforce**

The agreement sets out the responsibilities for individuals across NHS Fife, NSS and the Scottish Government.

### **2.3.3 Financial**

The Agreement covers the controls in place with regards to the payments to Primary Care Practitioners on behalf of NHS Fife

### **2.3.4 Risk Assessment / Management**

The escalation routes for any Management disputes in the implementation of the agreement are set out within.

### **2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions**

The agreement facilitates prompt payment where possible to the Primary Care Practitioners and this aligns with Boards Anchor Institute ambitions.

### **2.3.6 Climate Emergency & Sustainability Impact**

N/A

### **2.3.7 Communication, involvement, engagement and consultation**

The Partnership agreement was circulated to members of the Primary Care Manager, the Primary Care Finance Business Partner and the Head of Financial Services & Procurement for comment prior to being returned to NSS by the Director of Finance & Strategy.

### **2.3.8 Route to the Meeting**

This partnership agreement was signed on behalf of NHS Fife by the Director of Finance & Strategy and brought to the committee for assurance of the continued process for Primary Care Practitioners.

## **2.4 Recommendation**

- **Assurance** – For Members' information.

## **3 List of appendices**

The following appendices are included with this report:

- Appendix No, NSS Practitioner Services Partnership Agreement April 2023 – March 2028

### **Report Contact**

Kevin Booth  
Head of Financial services & Procurement  
Kevin.Booth@nhs.scot

**HEALTH BOARD  
PARTNERSHIP AGREEMENT  
April 2023 – March 2028**

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**APPENDIX E** – Joint Controller Legislation

**APPENDIX F** – Scottish Dental Reference Service

## 1. Introduction

This agreement sets out how NHS National Services Scotland (“NSS”) through Practitioner Services, will discharge the responsibilities delegated to it by the Scottish Government Health & Social Care Directorates (SGHSC) and NHS Boards, to register patients and pay Primary Care Practitioners.

The agreement also sets out the status of Practitioner Services within NHSScotland, its overall management arrangements and reflects the responsibilities of the Scottish Dental Practice Board as they are discharged by NSS. The Director of Practitioner and Counter Fraud Services (PCFS) is directly accountable for the work of the strategic business unit to the Chief Executive of National Services Scotland. The Director of PCFS has responsibility for setting the goals and objectives of each contractor group business. The Associate Directors for each main service function and other Senior Managers contribute to the strategy of Practitioner Services and Counter Fraud Services (PCFS). They are accountable for the performance within their areas of responsibility; ensuring objectives are achieved on time and within resources. The organisational structure within Practitioner Services and contact details are attached as Appendix A.

- 1.1 This agreement is compiled in accordance with Standing Financial Instructions and Standard Operational Procedures approved by the Board of NSS. The NSS Board manages and monitors the performance of Practitioner Services.
- 1.2 Where Practitioner Services is acting on the instructions of an individual NHS Board, the Chief Executive of that NHS Board shall be the effective accountable officer. The Chief Executive of the NHS Board is ultimately accountable for all Primary Care expenditure in their board.
- 1.3 Practitioner Services, through its parent body NSS, processes personal data in accordance with relevant NHS legislation, the General Data Protection Regulations (GDPR) and Data Protection Act 2018. NSS takes its responsibilities under the Data Protection Act 2018/GDPR seriously, and has adopted a Data Protection policy, setting out its commitment to compliance. The NSS Medical Director fulfils the role of ‘Caldicott Guardian’ and oversees the use of patient-identifiable information within NSS. The Director of PCFS fulfils this role for Practitioner Services. All NSS staff are contractually obliged and trained to respect confidentiality, and procedures for the proper handling, storage, transmission, and disposal of personal information have been developed.
- 1.4 The services provided under this agreement are largely but not exclusively carried out on behalf of the NHS Boards. As part of NSS’s statutory role, Practitioner Services process personal data, apply expert knowledge and utilising independent decision-making to support the NHS Boards in their legal functions. NSS and the NHS Boards are therefore joint controllers (as defined by Article 26 (1) of the GDPR and Chapter 4 section 104 of the Data Protection Act 2018) in relation to the handling of these personal data. Details of applicable legislation to NSS and NHS Boards as data controllers are set out in Appendix E. Whether by virtue of this Agreement or otherwise, Practitioner Services holds the data for which Practitioner Services and the NHS Board are joint controllers, then any request from the NHS Board for sharing of that data beyond the scope the purposes detailed in this Agreement must be approved by Practitioner Services’ Information Governance Group. Such requests may require that additional processing notices are made to data subjects in order to comply with data protection legislation.
- 1.5 This Agreement is an evolving document which shall run for a period of 5 years with the agreed timetable for delivery of payment and performance information by Practitioner Services being updated annually. Any proposed changes to service will be discussed and agreed with the relevant NHS Board and affected contractors informed. In the event of

any proposal to make significant changes in the way Practitioner Services operates, for example: in response to reductions in funding, consultation will take place with appropriate stakeholders and professional representatives. A formal review will be carried out of all services detailed in the Agreement to ascertain if these can continue to be operated to the agreed service levels for the remaining period of the Agreement. Where services can no longer be offered at the same service level, Practitioner Services will notify the relevant NHS Boards with at least three months' notice of the change in service.

## **2. Roles and Responsibilities**

### **2.1 Background**

Practitioner Services has been responsible for the payment of Primary Care contractors (General Medical Practitioners, General Dental Practitioners, Community Pharmacies and Appliance Suppliers and Optometrists) since 1 April 1999. Funds are drawn directly by NSS, from SGHSC and payments are made on behalf of the NHS Boards to Primary Care contractors providing services in that NHS Board's area. NSS provides information to NHS Boards and to SGHSC on expenditure incurred. Charges against NHS Boards' budgets are based on the payments on their behalf. All parties (NSS, NHS Boards and SGHSC) have a responsibility to maintain this agreement.

### **2.2 NSS Responsibilities**

NSS along with other users are responsible for the quality of the Community Health Index (CHI) data, ensuring that patient data is of a high standard so that patients are appropriately invited for screening and medical records are transferred timeously. NSS is responsible for the accuracy and timeliness of the payments to practitioners and for the flow of accurate and timely information to practitioners, NHS Boards and the SGHSC regarding these payments. In addition, NSS is responsible for ensuring an appropriate system of internal controls exists as part of the payments process and that this process is satisfactory to both internal and external auditors.

Specific responsibilities include: -

- 2.2.1 Manage and maintain digital systems that support the payments on behalf of Primary Care contractors (General Medical Practitioners, General Dental Practitioners, Community Pharmacies and Appliance Suppliers and Optometrists)
- 2.2.2 Register and remove patients from appropriate contractor practice lists and maintain accurate patient demographic and health data. Transfer and securely store both paper and electronic patient medical records. Ensure data quality is subject to regular review and assessment. Fuller details of NSS responsibilities are set out in Appendix D.
- 2.2.3 Assign patients to practices on behalf of NHS Boards where it is necessary. The assignment process is there to provide a safety net for access to care and is not a replacement for the registration process. Where assignment is being misused or cannot be made due to lack of available GP Practices, violence, or GP Practice list issues these cases will be passed to the NHS Board to resolve. The NHS Board remains responsible for patient access to care and decisions in complex cases must be made by the NHS Board.
- 2.2.4 Make payments to Primary Care contractors in accordance with agreed payment schedules (as defined in Appendix B).
- 2.2.5 Provide accurate and timely information to NHS Boards and SGHSC on payments made in accordance with agreed schedules (as defined in Appendix C).
- 2.2.6 Draw down the required funds from SGHSC, provide information on non-discretionary payments made and on the charge against NHS Boards' unified budget in the format agreed as provided for in this agreement.
- 2.2.7 Ensure that actual payments are reconciled to the amounts drawn down and that appropriate adjustments to the draw down are made in future months together with working with NHS Boards and SGHSC to ensure effective cash management within the system.
- 2.2.8 Maintain appropriate ledger records of all transactions to ensure a robust audit trail.
- 2.2.9 Maintain appropriate controls over the payment process, including adjustments for

underpayments and recovery of any identified erroneous overpayments. In the unlikely event that payments are based on estimates as opposed to actuals, NSS will inform both the NHS Board and the relevant Primary Care Contractor representative organisation.

- 2.2.10 Ensure that the payment process and reconciliation of information process is audited annually and that any identified weaknesses are dealt with. Appropriate assurances should be provided to NHS Boards and their auditors, through the Service Auditors reports.
- 2.2.11 Carry out payment verification in line with current guidelines to satisfy NHS Board management/audit requirements. Practitioner Services' involvement in investigations beyond Payment Verification (PV) will be discussed with the relevant NHS Board on a case-by-case basis.
- 2.2.12 Practitioner Services will review the risk assessment in respect of the four-contractor payment streams and around claims where patients are exempt or remitted from paying patient charges. This work will inform the future work of both PV teams and, to an extent, CFS.
- 2.2.13 Through the application of its internal control systems, either pre- or post- payment or through payment verification processes, Practitioner Services may identify irregularities which could potentially be fraud. Whenever that happens Practitioner Services will make its concerns known to both CFS and the NHS Board concerned. Thereafter, tri-partite discussions (Practitioner Services PV, CFS and NHS Board) will be held to determine the best way forward in accordance with the Counter Fraud Strategy and the NHS Board/CFS Partnership Agreement.
- 2.2.14 To assist in the reduction of fraud in Primary Care through continued close liaison and the development of appropriate strategies with CFS. The detailed responsibilities of CFS in relation to both patient and contractor fraud are detailed in a separate Partnership Agreement between CFS and NHS Boards and include a specific responsibility for undertaking patient exemption checking.
- 2.2.15 Carry out and report on Scottish Dental Reference Service examinations as part of our role to provide assurance to the Scottish Dental Practice Board and work with NHS Boards in resolving any financial or clinical performance issues identified.
- 2.2.16 Respond to NHS Board queries within a mutually agreed timescale.
- 2.2.17 Practitioner Services will support SGHSC in maintaining effective working relationships with contractor representative organisations such as Scottish General Practice Committee, Community Pharmacy Scotland, Scottish Dental Practice Committee and Optometry Scotland etc. through regular meetings and other stakeholder engagement as required.
- 2.2.18 Take the lead in maintaining this agreement.
- 2.2.19 Any Board-specific services are described in a separate document to accompany this core agreement.
- 2.2.20 Provide payment on behalf information to NHS Boards (detail of expenditure by both themselves and NSS against their allocations).

### **2.3 NHS Board Responsibilities**

NHS Boards are responsible for receiving the unified budget and non-discretionary budget allocations from SGHSC and for managing their expenditure to stay within these allocations. They are responsible for providing Primary Care Services in accordance with legislative requirements.

Specific NHS Board responsibilities include: -

- 2.3.1 Record and account for expenditure against allocations.
- 2.3.2 Provide regular monitoring information to SGHSC.
- 2.3.3 Working with NSS to provide reliable cash estimates as and when appropriate.
- 2.3.4 Providing IM&T support to Primary Care contractors to implement SGHSC initiatives regarding electronic transmission of information.
- 2.3.5 Where required, review Health Records prior to release to Patients or Patient Representatives under the Data Protection Act 2018 or Access to Health Records Act 1990.
- 2.3.6 Ensure patients have access to care by making decisions timeously to enable P&CFS to process/update the registration/assignment of patients on to national databases.
- 2.3.7 Provide CHI Patient Identification services in Secondary care settings to enable the correct use of the CHI number at all stages of NHS care. Practitioner Services will provide data quality assurance support to NHS Boards using CHI.
- 2.3.8 Use the CHI number to identify the patient's most current details and ensure that hospital correspondence is sent to the correct GP practice for that patient and take corrective action when errors are highlighted.
- 2.3.9 Support Practitioner Services in ensuring that Primary Care contractors provide complete and accurate patient information to ensure registration processes and payment claims.
- 2.3.10 NHS Boards and Practitioner Services are joint controllers for personal data under the Data Protection Act 2018. The handling of personal data by the NHS Boards in the course of these activities is the responsibility of the NHS Board as Controller.

Specific NHS Board Primary Care responsibilities include: -

- 2.3.11 Manage expenditure and cash to ensure sufficient funds are available to NSS to make payments to Primary Care contractors.
- 2.3.12 Request NSS to make payments to contractors for unified budget payments, which at present comprise of parts of General Dental Services, Primary Medical Services, General Pharmaceutical Services and Drugs. These may also include Hospital and Community Health Service payments made to Primary Care Contractors where they are the service provider. NSS is authorised to make non-cash limited payments in accordance with NHS Scotland regulations.
- 2.3.13 NHS Boards should also, as a rule, ensure that any recoveries or repayments from or repayments made by contractors are routed through Practitioner Services. This will ensure that expenditure analysis by Practitioner Services reflects the actual net expenditure incurred and will ensure consistency with recovery of overpayments where Practitioner Services is the recovering body where it has made the payment under specific Regulations.
- 2.3.14 The exception to these payment arrangements is where the Primary Care provider is an employee of the NHS Board and/or the service is managed by the NHS Board when payments will be made directly by the NHS Board. Funding of any non-cash limit payments made directly by the NHS Board should be obtained through NSS, normally by the NHS Board raising an invoice for the relevant amount.

- 2.3.15 Account for Primary Care expenditure. Maintain appropriate controls over the payment authorisation processes with the NHS Board and their communication with Practitioner Services.
- 2.3.16 Ensure that effective PV takes place for each contractor group in accordance with current guidelines, including the actions required by the NHS Boards to achieve the required level of PV assurance.
- 2.3.17 Respond to Practitioner Services within a mutually agreed timescale.
- 2.3.18 Work with Practitioner Services to provide operational support which may include appointment management, premises, equipment and staffing resources, to enable Practitioner Services to deliver the SDRS service for dental contractors and the Public Dental Service within that NHS Board area and to take appropriate action on PV outcomes and on reports from the Scottish Dental Reference Service. More detail is provided in Appendix F of this Agreement.

## **2.4 Scottish Government Health and Social Care Directorates Responsibilities**

The responsibilities of SGHSC are to set policy objectives for Primary Care and to make allocation for unified and non-unified budgets to NHS Boards in accordance with agreed methodologies, to monitor expenditure of NHS Boards on a regular basis and to prepare an account of that expenditure for the financial year.

Specific responsibilities include: -

- 2.4.1 Make allocation to NHS Boards in respect of unified budget and non-unified budget funding streams.
- 2.4.2 Define the policy for Primary Care expenditure, including monitoring and information flow arrangements.
- 2.4.3 Maintain performance management arrangements with NSS through the Annual Strategic Plan process to ensure that nationally agreed standards are being met.
- 2.4.4 Provide cash to NSS consistent with that requested, provided funds are available.
- 2.4.5 Account for payments on behalf of NHS Boards.

## **2.5 Payment and Reporting Timetable**

- 2.5.1 The cut-off and payment dates for each contractor group are included in Appendix B. These schedules will be updated and circulated on an annual basis in March for the forthcoming Financial Year and published on the Practitioner Services website.
- 2.5.2 A list of reporting dates has been included in Appendix C.
- 2.5.3 When required, Practitioner Services/NHS Board Review Group (chaired by SGHSC) will meet to agree changes to the format of the reports to be produced and to agree a reporting timetable for the revised reports.
- 2.5.4 The PV reporting timetable is also included in Appendix C

### **3 Services Provided by Practitioner Services**

The core service consists of: -

#### **3.1 Operations Functions**

The functions are detailed in Appendix D. Management information will be provided in an agreed format by:

Medical – Your Practitioner Services office

Pharmacy – Your Practitioner Services office, PHS and Practitioner Services Finance

Ophthalmic – Ophthalmic Team

Dental – Dental Payments Team

#### **3.2 Payment Verification**

3.2.1 As the accountable bodies for FHS spend, NHS Boards are required to ensure that the payments made to contractors on their behalf are timely, accurate and valid.

3.2.2 With respect to the validity of the payments made by Practitioner Services, as far as possible, claims will be verified by pre-payment checks. The checking process will be enhanced by a programme of post-payment verification, across all contractor groups, i.e.: Dentists, GPs, Optometrists and Community Pharmacies.

3.2.3 Whilst accountability for carrying out payment verification ultimately rests with the NHS Boards, there is an onus on Practitioner Services, as the paying agency, to implement appropriate arrangements for a programme of overall payment verification at both the pre- and post-payment stages.

3.2.4 It is vital that a consistent approach is taken to PV across the contractor streams and the Payment Verification Governance Group, and the Payment Verification Protocols outline the ways in which this matter will be taken forward across the various payment streams.

3.2.5 These requirements have been produced following consultation with representatives from SGHSC, NHS Health Boards, Practitioner Services and Audit Scotland and the relevant professional representative group and reflect the outcome of a comprehensive risk assessment process. The payment verification will be subject to regular review in respect of performance and contractual change.

3.2.6 Risk Assessment - This detailed assessment of financial risk exposure identifies, for each contractor group, those payment/claim areas where the greatest opportunity for error or irregularity exists. In conjunction with the NHS Boards, we will agree what actions they require Practitioner Services to take on their behalf.

3.2.7 Payment verification of the exemption/remission status of patients (Patient Checking) is dealt within a Partnership Agreement between Counter Fraud Services (CFS) and the NHS Boards.

3.2.8 Practitioner Services will undertake PV in accordance with current guidance for all contractor groups: - Details of Medical, Dental, Ophthalmic and Pharmacy PV Protocols are available as Directorate Letter (Current version is DL (2020) 26) issued by SGHSC.

### **3.3 Prescribing Stationery and Information**

- 3.3.1 Practitioner Services will manage the procurement and delivery to NHS Boards of prescription stationery for GMS Contractors, Pharmacy Contractors, and other prescribers. Timetables for ordering and delivery are detailed in Appendix B.
- 3.3.2 Practitioner Services will manage the procurement and delivery of the British National Formulary (BNF), consulting with NHS Boards as appropriate.

## **4 Performance Standards**

### **4.1 Patient Standards**

- 4.1.1 Patients who cannot find a GP Practice to accept them and who request the help of Practitioner Services will be found a GP Practice within five working days.
- 4.1.2 Practitioner Services will scan and digitize all paper records destined to go to a back-scanned GP Practice and progress towards a process where all paper records received as part of the patient transfer will be scanned and sent to the GP Practice digitally.
- 4.1.3 Practitioner Services will invite over 12,000 patients to attend the SDRS services. As we re-mobilise SDRS, Practitioner Services will ensure that at least 2,000 patients are examined across Scotland each year, increasing to 3,000 once the service is fully re-established. It is envisaged that these engagements will be intelligence driven based on data and detailed engagement with each territorial health board.

### **4.2 Payments / Procedural Standards**

- 4.2.1 All Contract payments will be made in accordance with SGHSC guidance.
- 4.2.2 Payment Accuracy standard is 99.5%.
- 4.2.3 Reporting Process – Forms 1-8 will be issued to NHS Boards and NSS Finance by the 2<sup>nd</sup> working day of each month. This information will allow Practitioner Services Finance to produce the schedule 12's by the 5<sup>th</sup> working day of each month. Normally any changes necessary to the data should be notified by NHS Boards to Practitioner Services Payment Centre's or Practitioner Services Finance by 20<sup>th</sup> of the month, being actioned in the following month's reporting. (See Appendix C)
- 4.2.4 NSS Finance will provide the payments on behalf analysis by the 7<sup>th</sup> working day of the month. This would indicate the amounts spent by NSS on the Boards' behalf.
- 4.2.5 Prescribing reconciliation information will normally be provided by 5<sup>th</sup> working day of the following month.
- 4.2.6 DCVP Pharmacy information will be supplied by PHS on a monthly basis. PHS will provide a timetable to NHS Boards.
- 4.2.7 Where there are minor changes required to the above arrangements these can be affected by Practitioner Services after consultation with the Primary Care Finance Technical Group, a sub-group of FHS Executives. Where changes are more fundamental a formal change programme will be established and will also include SGHSC representation and, depending on the nature of the change, representation from contractor professional bodies.
- 4.2.8 The Service Auditor, Internal Audit and Audit Scotland regularly review business processes

for accuracy, effectiveness, and risk. Any recommendations received as a result of these audits will be implemented in line with a time frame agreed with the NSS Audit Committee and will be distributed to NHS Boards.

#### **4.3 Performance Indicators**

Practitioner Services will provide quarterly information as follows:

##### **4.3.1 Patient Standards**

- Percentages of registration transactions completed within 2 days and within 7 days
- Number of GP Assignments processed.
- Number of records outstanding for > 6 weeks from originating GP Practice
- Numbers of Dental patients called to and examined by SDRS.

##### **4.3.2 Payment Timeliness**

Percentage of Primary Care Contractors will be paid in accordance with the agreed payment timescales in Appendix B.

##### **4.3.3 Payment Accuracy**

Percentage accuracy for each Contractor Group within each Health Board area and all Scotland comparatives. These will be based on an analysis of correcting payments for Dental, Ophthalmic and Medical, and on the checking carried out by Community Pharmacy Scotland for Pharmacy.

##### **4.3.4 Reporting Timeliness**

Percentage of financial summary reports provided in accordance of agreed timetables.

##### **4.3.5 Service Audit**

Report on the number of exceptions identified by service auditors in each year.

##### **4.3.6 Payment Verification**

- Percentage of Payment Verification reports issued in accordance with the previously advised timetable.
- Payment Verification recoveries reported by Health Board.
- Number of Medical Practice visits.
- Number of referrals to CFS.

##### **4.3.7 Customer Satisfaction**

Customer Engagement Index (CEI) scores from annual Service User Satisfaction questionnaires, supplemented by systematic real-time view gathering and user journey mapping throughout the year to identify areas for improvement.

## **5 The Agreement**

### **5.1 Agreement**

This Agreement is between Practitioner Services, a directorate of NHS National Services Scotland and the NHS Board. The Agreement is underpinned by The Functions of The Common Services Agency Order 2008, as amended, and The Public Services Reform (Functions of the Common Services Agency for the Scottish Health Service) (Scotland) Order 2013.

### **5.2 Service Undertaking**

Practitioner Services will undertake, on behalf of the NHS Board, specific administrative, monitoring and payment processing functions including registration and CHI maintenance in respect of Primary Care Contractors. Practitioner Services will ensure Contractors are paid accurately and on time and that NHS Boards are supplied with the required information within the agreed timetable. Such services will be carried out in accordance with NHS Scotland guidance and relevant legislation.

### **5.3 Practitioner Services Responsibilities**

These are as detailed in 2.2 above.

### **5.4 NHS Board Responsibilities**

These are as detailed in 2.3 above.

### **5.5 Monitoring and Review Arrangements**

Annual Performance Review Meetings are established between Practitioner Services and the NHS Board, and all aspects of Practitioner Services' performance will be reviewed against agreed standards.

Practitioner Services are represented at the Primary Care Finance Group, FHS Executives Group, Primary Care Finance Technical Group, Primary Care Leads meetings and other relevant Scottish Government/NHS meetings.

In addition, various members of Practitioner Services staff meet with appropriate groups of NHS Board representatives to support and enhance the development of services provided by Practitioner Services and the availability of information to NHS Boards

## 5.6 Partnership Period

The Partnership Agreement will run from 1 April 2023 to 31 March 2028. This Agreement will be an evolving document and may be revised during this period and may be subject to a formal periodic service level review.

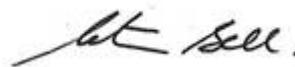
## 5.7 Escalation Procedures

Any dispute arising out of this Agreement should be resolved between the NHS Board and Director of PCFS. If necessary, matters should then be escalated to the Chief Executives of the NHS Board and NSS, thereafter to the SGHSC.



**Margo McGurk, Director of Finance  
NHS Fife**

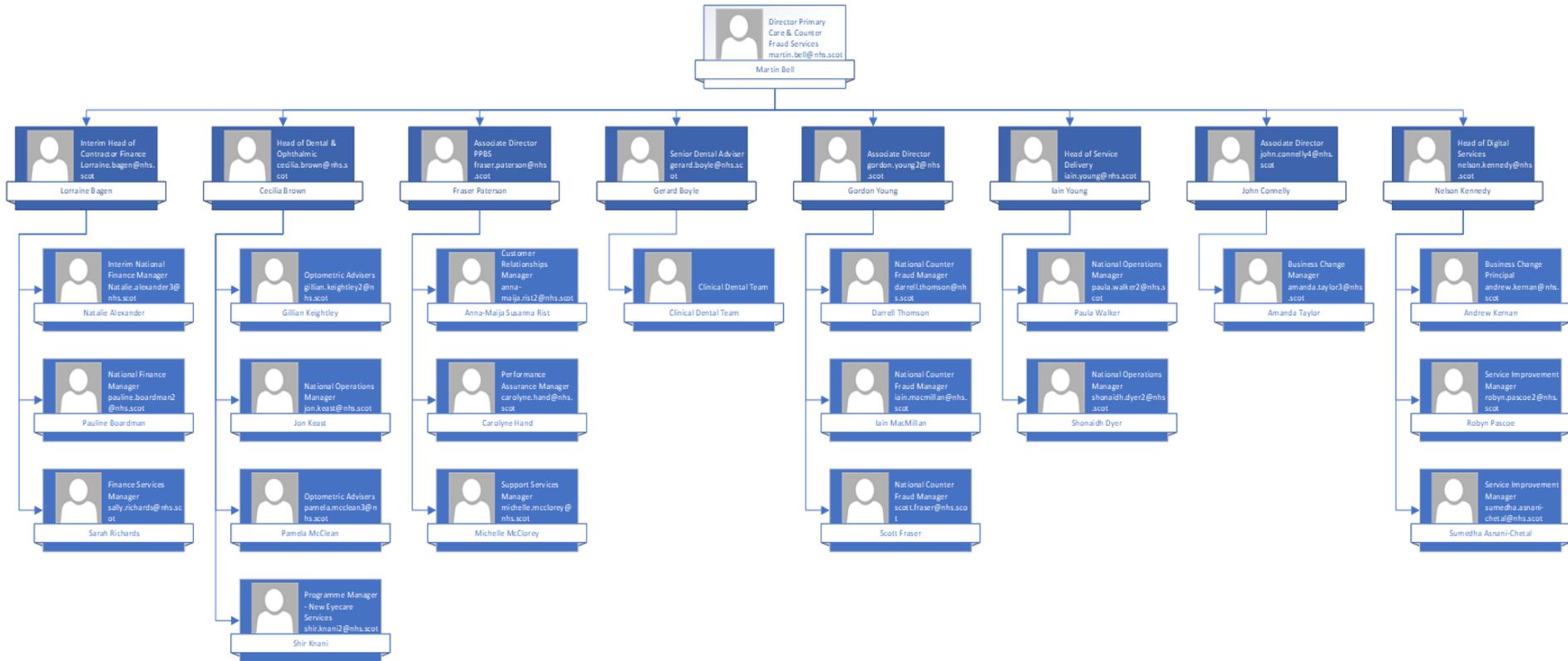
**Signed on behalf of NHS Board**



**Martin Bell, Director,  
Practitioner and Counter Fraud Services**

**Signed on behalf of NSS**

**APPENDIX A – Organisation and Contact Details, published on Practitioner Services website**



Name	Directorate	Role	Base location	Email Address
Alexander, Natalie	Contractor Finance	Interim National Finance Manager - Dental	Gyle Square, Edinburgh	<a href="mailto:Natalie.Alexander3@nhs.scot">Natalie.Alexander3@nhs.scot</a>
Asnani-Chetal, Sumedha	Service Improvement	Service Improvement Manager	Gyle Square, Edinburgh	<a href="mailto:Sumedha.asnani-chetal@nhs.scot">Sumedha.asnani-chetal@nhs.scot</a>
Bagen, Lorraine	Contractor Finance	Interim Associate Director/Head of Contractor Finance	Gyle Square, Edinburgh	<a href="mailto:Lorraine.Bagen@nhs.scot">Lorraine.Bagen@nhs.scot</a>
Boardman, Pauline	Contractor Finance	National Finance Manager - Pharmacy	Gyle Square, Edinburgh	<a href="mailto:Pauline.boardman2@nhs.scot">Pauline.boardman2@nhs.scot</a>
Boyle, Gerard	Service Delivery	Senior Dental Advisor - Dental	Gyle Square, Edinburgh	<a href="mailto:Gerard.Boyle@nhs.scot">Gerard.Boyle@nhs.scot</a>
Brown, Celia	Service Delivery	Associate Director, Dental & Ophthalmic - Dental	Gyle Square, Edinburgh	<a href="mailto:Cecilia.Brown@nhs.scot">Cecilia.Brown@nhs.scot</a>
Connelly, John	Planning Perf & Bus Support	Associate Director/Service Transformation and Redesign	Gyle Square, Edinburgh	<a href="mailto:John.Connelly4@nhs.scot">John.Connelly4@nhs.scot</a>
Dyer, Shonaidh	Service Delivery	National Operations Manager	Marischall Square, Aberdeen	<a href="mailto:shonaidh.dyer2@nhs.scot">shonaidh.dyer2@nhs.scot</a>
Finlayson, Marian	Contractor Finance	Pharmacy Payments Manager	Gyle Square, Edinburgh	<a href="mailto:Marion.Finlayson@nhs.scot">Marion.Finlayson@nhs.scot</a>
Fraser, Scott	Counter Fraud Service	National Counter Fraud Manager	Bain Square, Livingston	<a href="mailto:Scott.Fraser@nhs.scot">Scott.Fraser@nhs.scot</a>
Hand, Carolyne	Planning Perf & Bus Support	Performance Assurance Manager	Gyle Square, Edinburgh	<a href="mailto:Carolyne.Hand@nhs.scot">Carolyne.Hand@nhs.scot</a>
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## **APPENDIX B – Cut Off and Payment Dates, published on Practitioner Services website**

## **APPENDIX C – Timetable for the Provision of Information, published on Practitioner Services website**

## **APPENDIX D – Generic Service Specification**

### **List of SERVICES TO BE PROVIDED by Practitioner Services**

#### **Main Objectives:**

- Record registration of patients with Primary Care Contractors as appropriate.
- Payments to Primary Care Contractors
- Refunds to patients in respect of Dental, Ophthalmic and Pharmaceutical services
- Third party payments approved by the SGHSC/NHS Board, notifying contractors of the payments processed
- Clinical Governance for dental practices

#### **Advice & Guidance**

- Provide advice/guidance to contractors on the Regulations specific to all 4 contractor groups (GMS/GPS/GDS/GOS) and NHS Boards

#### **Participation in National and Local Groups**

- Participate in national Primary Care Leads, CHI/NHSCR groups
- Participate in national contractor engagement groups with BMA SGPC, BDA SDPC and Scottish Public Dental Service Committee (SPDSC), Community Pharmacy Scotland and Optometry Scotland
- Participate in Scottish Dental Practice Board meetings
- Participate in Partner's Board operation and working groups as required

#### **Liaison with other Groups**

- Regular liaison with Atos & Assoc. Systems Contractor and other support contractors
- Regular liaison with NHS Boards/Contractors
- Regular liaison with Primary Care Contractor Representatives

#### **Maintenance of Regulations**

- Updating of regulations applying to contractor groups for use within Practitioner Services
- Implementation of those regulations as agreed with NHS Boards
- Liaise with and advise SGHSC

#### **Finance**

- Responsible for ensuring that accurate and on time payments are processed for contractors
- Responsible for ensuring that patients refunds are appropriately dealt with
- Responsible for reporting summaries of payments on behalf information to NHS Boards and SGHSC

#### **Statistics**

- Ensure that statistical returns to PHI are completed accurately and on time
- Ensure that statistical returns to SPPA are completed accurately and on time

- Ensure that statistical returns to/from Atos are completed accurately and timeously
- Ensure that statistical returns to the SGHSC are completed accurately and on time

## **Medical**

### **Main Objectives:**

- Patient registration details maintained on the CHI
- Storage and destruction of GP's medical records in line with Scottish Government Retention and Destruction of Personal Health Policy (2011)
- Transfer of medical records between GP Practices Payments under collaborative arrangements with Local Authorities, e.g., Fostering medical examination fees
- Removal and assignment of patients to GP Practice lists
- To carry out Payment Verification in line with current guidance
- Issue of Exemption Certificates

### **Registration and Medical Records**

- Acceptances to GPs lists (Movements in + internal transfers)
- Removals from GPs lists (internal transfers)
- NHSCR – Patient Removals (Movements in & out)
- Removals at GP request
- Removals at Patient request
- Immediate removals (violent patients)
- Medical Records (Routine) – Transfers to/from GPs/Practitioner Services (in TR data)
- Medical Records – Supporting applications for access to for unregistered patients
- Medical Records (urgent) – Transfers to/from GPs/Practitioner Services
- Retention of medical records for statutory time periods
- Allocations/Assignments
- Deal with correspondence or telephone queries from patients, doctors and other sources
- Provide GPs with quarterly capitation.
- Maintain 100% post coding of all patient records
- Undertake PiCT matching to ensure GP System and CHI are synchronised
- 

### **Payment Verification**

- Undertake PV checking in accordance with current guidance.

### **Payments Requiring Specific Authorisation by NHS Boards in Accordance with the GMS Statement of Financial Entitlement**

#### **Global Sum and Minimum Practice Income Guarantee**

- Global Sum calculation and payments
- Temporary Patient Adjustment calculation and payments
- Income and Expenses Guarantee calculation and payments
- Additional Services Opt-Outs calculation and deduction
- Vaccination Transformation Programme transferred residuals calculation and payments

#### **Payments for Specific Purposes (NHS Board Administered)**

- Seniority
- Golden Hello

- Doctors Retainers
- Prolonged Study Leave
- Locums for maternity, paternity or adoption leave
- Locum for sickness leave
- Locum single handed rural GPs
- Locum covering suspended doctors
- Pneumococcal vaccination and Hib/Men C Booster vaccination
- Adults with incapacity
- Dispensing Services (paid through Pharmaceutical)

### **Premises and IT**

- Premises payments (inc Business Rates, Water Rates, Trade refuse, Rent, Notional Rent, Improvement grants, Cost Rent)
- IT payments

### **Directed Enhanced Services**

- Childhood Immunisation
- Pre-school Boosters
- Minor Surgery
- Violent Patient Support Scheme
- Seasonal influenza vaccine programme (patients 65 & OVER)
- Seasonal influenza vaccine programme (patients at risk)
- Pneumococcal vaccine programme (patients over 65 yrs.)
- Extended Hours Scheme (inc. Nursing provision)
- Men B
- Rotavirus
- Shingles
- Pertussis
- Item of Service

### **Other short-term Directed Enhance Services**

- Palliative care

### **Scottish Enhanced Services Programme**

- Adults with Learning Disabilities
- Care for Adults with Diabetes
- Pulmonary Rehabilitation
- GP Appointment Sessions
- Alcohol and Brief Interventions
- Falls and Bone Health
- Cancer and Urgent Referral Audit
- Services for Carers
- Childhood Obesity
- Other NHS Board defined

### **National Enhanced Services**

- Anti-coagulation Monitoring
- Homeless People Scheme
- Intra Partum Care

- Contraceptive Services – IUDs
- Minor Injury
- Multiple Sclerosis Service
- Sexual Health Service
- Alcohol Misusers
- Drug Misusers
- Near Patient Testing
- Immediate Care Facility
- Depression Services
- Homeless people scheme

### **Local Enhanced Services**

- Nationally defined:
  - Asylum seekers
  - Mumps outbreaks
  - Nursing homes
- Locally defined by NHS Board/CHP

### **Miscellaneous Items**

- Temporary Arrangements (Reg.78.7-78.3/79.1-79.3)
- LMC Levy
- Contractor deductions agreed by NHS Board Discipline Committees
- Issue payments to third parties as required on behalf of NHS Boards
- Prepare financial reporting information for NHS Board ledgers etc.

### **Other Payments on behalf of NHS Boards**

- Section 17C contract payments
- Payments to GP Practices on behalf of Local Authorities

### **NHS Pension Scheme**

- Administration and payments for Medical Practitioners principals and locums
- Administration and payment for Added Years Contracts for Medical Practitioners
- Administration of additional employer contributions for practice staff
- Submission of periodic returns, e.g., Scottish Public Pension Agency annual return.

### **Electronic Registration & Payments**

- Maintain and support PARTNERS infrastructure
- Implement and maintain further types of electronic data transfer via PARTNERS
- Provide help desk support for practices by Partners Team and Partners Coordinators
- Provide initial/refresher training for practices

## **Pharmacy**

### **Main Objectives**

- Rejected Items Report
- High Value Report
- Processing of all prescription forms dispensed in Scotland to an agreed timescale
- Processing of 'Broken Bulk' claims
- Processing of capitation fees for Minor Ailments Service
- Processing of Essential Small Pharmacy payments
- Processing of 'Measuring and fitting' fees for hosiery and Lymphoedema Garments.
- Processing of Methadone fees
- Processing of Methadone Supervision fees
- Processing of 'Out of Pocket' expenses claims
- Processing of Payments approved by SGHSC and/or NHS Boards
- Processing of Public Health Service EHC Payments
- Processing of Public Health Service Smoking Cessation Payments
- Processing Influenza & Pneumococcal Vaccine Payments
- Processing of Corrective Payments
- Processing of Stoma Dispensing Customisation and Delivery Fees
- Processing of eAMS Quality and Efficiency Payment
- Processing of eCMS Capitation Payment
- Processing of Phasing Payment (CMS)
- Processing of Dispensing Doctor VAT Payments
- Processing of CPS Courier Deduction
- Non-Scottish Prescription Charge Recoveries
- Reporting of Dispensed 'Specials'
- Retrieval of prescription images
- Use of 'Borderline Substances' report
- Provide advice and guidance on prescription processing and pharmacy initiatives
- Processing of Dispensing Pool Payments.
- Processing of Establishment Payments.
- Processing of Pharmaceutical Needs Weighting Payments.
- Processing of Health Board approved Yellow Card reclaims.
- Processing of Health Board approved Buprenorphine Supervision payments.
- Processing Public Health Service Meningitis B Payments.
- Processing Operations & Development Fixed and Variable Payments.

### **Payments**

- Payments to Pharmacies and Appliance Suppliers for Drugs and Appliances and Service Payments

### **Dispensing Doctors**

- Drugs Payment
- Remuneration

### **Additional Services and Payments as Authorised by NHS Boards**

- Essential Small Pharmacies
- Pre-Registration Trainees
- Rota Services
- Payments for Advice to Care Homes
- Supplies and payments under the Needle Exchange Scheme
- Other Payments under Local Negotiation Arrangements e.g., methadone dispensing, smoking cessation

### **Deduction as Authorised by mandate signed by Community Pharmacist**

- Community Pharmacy Scotland Levy

### **Payment Verification**

- Undertake payment verification checking in accordance with guidance.

### **Pharmacy Patient Registrations**

- Process electronic Patient Registrations from Community Pharmacies
- Maintain current Patient Registration MAS/CMS Records
- Provide monthly re-numeration data for MAS and CMS capitation payments
- Process manual corrections for lost/missing/damaged/Patient Registrations
- Add, edit, delete contractors on the PRS database
- Produce monthly PRS Reports for SG, Contractors and Health Boards
- Provide registration information for SG, NHS Boards and contractors on request

### **Advice, Guidance and Support**

- Provide advice and information to Scottish Government, Contractors, NHS Boards and the public
- Return all invalid Patient Registrations to contractors for correction along with guidelines
- Supply relevant prescribing stationery to contractors
- Implement any new amendments to Pharmacy contract and related processes and systems on behalf of the SGHSC. This is being done in partnership with NHS Boards, community pharmacists and professional bodies.

## **Dental**

- Payments to contractors issued under Statement of Dental Remuneration (SDR)
- Processing and payment of all allowances specified in the SDR
- Prepare Monthly Financial Reports for all monies paid out and year end forecasting
- Extend the use of eDental and eOrtho for processing Dentist payment input
- Refund of remission charges to patients
- Refund of patient charges under Regulations
- Refund of charges to persons entitled to exemption
- LDC Levy deduction and payment to local dental committees
- Additional Voluntary Pension Contributions
- Clinical Advice, including telephone advice
- Prior Approval and authorisation of discretionary fees of certain payments where appropriate (on behalf of SDPB)
- Scottish Dental Reference Service
- Clinical Quality Assessment (SDRS)
- Storage and destruction of practitioner claim forms in line with Practitioner Services' Document Retention Policy
- Check and deal with queries on forms
- Provision of education to Vocational Dental Practitioners and dentists undergoing Dental Mandatory Training
- Process payment claims for vocational dental practitioners
- Configuration, processing and report of data for the Public Dental Service

## **Payment Verification**

- Undertake payment verification checking in accordance with guidance (App F)
- Recovery of overpayments.

## **NHS Pension Scheme**

- Administration and payments for Dental Practitioners
- Administration of all superannuation payments on behalf of Dental Practitioners
- Early Retirement

## **Ophthalmic**

### **Payments and Contract Administration**

- Payment to registered contractors for all GOS & HES Claims
- Payment of refunds to patients for vouchers
- Payment for domiciliary visits
- Payment to Ophthalmic Medical Practitioners for sight tests
- Payment to Ophthalmic Opticians for sight tests and vouchers
- Process vouchers for repair and replacement of optical appliances for children and eligible adults
- Process claims for sight tests and spectacle vouchers for payment
- Maintain a CGS registration and assessment database including deregistration where appropriate, and reporting to the NHS Boards
- Process CGS registration, assessment and deregistration forms
- Maintain the registration data for CGS patients
- Maintain the assessment data for CGS patients
- Deregister patients for CGS
- Payment to Accredited Providers for CGS registrations
- Payment to Accredited Clinicians or Assisting Accredited Clinicians for CGS assessments
- Check and deal with queries on GOS forms
- Process non-tolerance cases and uncollected spectacle vouchers
- Prepare Monthly Financial Reports for all monies paid out and year end forecasting
- Pay the Ophthalmic National and Local Levies
- Pay the monthly Superannuation contributions to SPPA
- Process payment claims for travel and subsistence
- Process payment claims for pre-registration trainees
- Payment of miscellaneous claims and grants
- Payment to contractors for Continuing Education and Training allowance (CET)
- Storage and destruction of Practitioner claim forms in line with Practitioner Services' Document Retention Policy

### **NHS Pension Scheme**

- Administration and payments for Ophthalmic Medical Practitioners
- Administration of all Superannuation payments etc on behalf of Ophthalmic Medical Practitioners

### **Statistical Information**

- PHI Statistical returns to be completed and submitted twice per annum

## **Resources and Information Functions**

### **Administration, Monitoring and Control:**

#### **Cash Management**

- Prepare monthly expenditure forecasts to NSS to ensure that sufficient funds are obtained.
- NHS Boards to provide Practitioner Services with advance notice of expected funding requirements.
- Maintain accounting records covering Cash Limited and Non-Cash-Limited drawings.
- NSS Finance to Reconcile Bank Accounts.
- NSS Finance to ensure that bank account balance is kept within Scottish Government limits.

#### **Financial Control and Reporting**

- Process claims in respect of Non-Cash-Limited items in accordance with NHS Regulations, internal controls and NSS Standing Financial Instructions.
- Make payments from Cash-Limited budgets in accordance with each NHS Board's instructions.
- GMS payments monitoring to identify and explain any unexpected patterns
- Record all expenditure on the NSS's General Ledger to the appropriate specifications
- NHS Boards to provide the Practitioner Services with details of Ledger Account codes for all payments.
- Provide reports on expenditure incurred to each NHS Board in accordance with specifications.
- Make all accounting records available for inspection by auditors.
- Obtain the specific approval of the NHS Boards before making any Cash-Limited-Payments.
- Maintain sound internal control systems and ensure probity at all times.

#### **Information**

- Development and Maintenance of Management Information Systems
- Provision of Information to NHS Boards and other interested parties

#### **CHI Maintenance**

- Ensure that CHI is maintained in line with NHS Board Policies which are under the control of the Director of Public Health
- Ensure that information contained in the CHI is as accurate and up to date as possible
- Ensure that user access is appropriate, and password protected
- Ensure that information processed in CHI is in accordance with Data Protection Registration

## **APPENDIX E – Information Governance Legislation and responsibilities**

NSS and the NHS Board need to comply with the following:

- the Data Protection Act 2018, and all codes and guidance issued pursuant thereto;
- the General Data Protection Regulation;
- the Human Rights Act 1998;
- the Common Law Duty of Confidentiality;
- NHSScotland Records Management Code of Practice;
- NHSScotland IT Security Policy;
- eHealth Mobile Data Protection Standard;
- NHSScotland Code of Practice on Protecting Patient Confidentiality;
- SG codes of practice on clinical and administrative records management;
- the Scottish Government Identity Management and Privacy Principles;
- the Scottish Government’s Information Assurance Strategy;
- NHS Scotland guidance and procedures in relation to communications by post; fax; phone, email and other electronic transfers of data.
- the Freedom of Information (Scotland) Act 2002

the Environmental Information Regulations 2004  
Public Services Reform (Scotland) Act 2010  
The Reuse of Public Sector Information Regulations 2015

Where NSS receives a Subject Access Request from a patient under the Data Protection Act 2018 in relation to GP medical records that Practitioner Services may hold (by virtue of the patient not being registered), support from the relevant NHS Board and/or former GP practice will be required to ensure that records are subject to an appropriate clinical review prior to release.

## APPENDIX F – Scottish Dental Reference Service

The Scottish Dental Reference Service (SDRS) provides assurance to both the Scottish Dental Practice Board and NHS Boards that the treatment provided or proposed to be provided under the General Dental Service (GDS) is that which is required to secure and maintain the patient's oral health in accordance with the Regulations. The SDRS is a tool in assessing the quality of dental treatment provided in Scotland and as a mechanism to provide both positive assurance and identify any areas of clinical concern to NHS Boards.

Since January 2014, the provision of most Public Dental Services (PDS) falls within GDS Regulations and therefore the SDRS scope covers treatment provided by that part of PDS also. PDS services out with GDS are currently out with the scope of SDRS and are therefore excluded from this Partnership Agreement as part of the core service; these may be agreed separately with individual NHS Boards.

Every dentist providing services under GDS, whether a principal or assistant/trainee, should be subject to post treatment random examinations of their patients every year, based on risk stratification.

The joint governance responsibilities between Practitioner Services, NHS Boards and the SDPB require a joint and collaborative approach to the provision SDRS, with each partner contributing from its resource pool appropriately to deliver the desired overall governance framework.

Where an NHS Board wishes to use the SDRS as part of a targeted investigation process, this is also covered by this appendix, but the resourcing of such clinics needs separate planning and agreement in advance.

The Scottish Government has confirmed that PDS surgeries and Dental Nurse/staff may be used to support SDRS examinations, where the use of PDS resources or facilities would not adversely impact on PDS clinics.

This Appendix sets out the shared responsibility arrangements between Practitioner Services and NHS Boards. It is recognised that the ability of NHS Boards to support SDRS delivery will vary from Board to Board. The following table is indicative, however discussions with each NHS Board will take place to agree a local model.

Activity	Practitioner Services responsibility	NHS Board responsibility
Selection of random post treatment patients to agreed target/risk levels	X	
Selection of random pre-treatment patients as part of prior approval decision making	X	
Provision of targeted/investigation focused clinics	X	X
Selection of investigation follow-up up patients	X	
Scheduling of clinics	X	X
Provision of qualified dentists to carry out patient examination	X	

Provision of registered Dental Nurse to support and record examination		<b>X</b>
Provision of surgeries to host clinics		<b>X</b>
Provision of reception staff/facilities including a staff member who can summon assistance/ assist the DRO and Dental Nurse in the event of a medical emergency		<b>X</b>
Provision of dental instruments		<b>X</b>
Provision of IT to record and report examinations	<b>X</b>	
Initial communication to selected patients	<b>X</b>	
Appointment confirmation with patients		<b>X</b>
Issuing draft report to dentist	<b>X</b>	
Issuing final report to dentist	<b>X</b>	
Completion of any patient questionnaire	<b>X</b>	
Reporting of reports and outcome codes	<b>X</b>	
Decision on recovery of payment on each report	<b>X</b>	
Decision on other action including remediation	<b>X</b>	<b>X</b>

**AUDIT & RISK COMMITTEE**  
**ANNUAL WORKPLAN 2023 / 2024**

<b>Governance – General</b>						
		18/05/23 - Meeting Cancelled				
	Lead	18/05/23	23/06/23	31/08/23	14/12/23	14/03/24
Minutes of Previous Meetings	<b>Chair</b>	✓ Via email	✓	✓	✓	✓
Action Plan	<b>Chair</b>	✓ Via email	✓	✓	✓	✓
Escalation of Issues to NHS Board	<b>Chair</b>	✓ Via email	✓	✓	✓	✓
<b>Governance Matters</b>						
	Lead	18/05/23	23/06/23	31/08/23	14/12/23	14/03/24
Audit Scotland Technical Bulletin	<b>Head of Financial Services</b>	✓ 2023/1 – Via email		✓ 2023/2	✓ 2023/3	✓ 2023/4
Annual Assurance Statement 2022/23	<b>Board Secretary</b>	✓ Via email	✓ Final			
Annual Assurance Statements from Standing Committees 2022/23	<b>Board Secretary</b>		✓			
Annual Review of Code of Corporate Governance	<b>Board Secretary</b>	✓ Via email				
Committee Self-Assessment	<b>Board Secretary</b>					✓
Corporate Calendar / Committee Dates 2024/25	<b>Board Secretary</b>			✓		
Delivery of Annual Workplan 2023/24	<b>Director of Finance &amp; Strategy</b>	✓	✓	✓	✓	✓
Governance Statement	<b>Director of Finance &amp; Strategy</b>	✓ Via email	✓ Final			
IJB Annual Assurance Statement 2022/23	<b>Board Secretary</b>		✓ Letter			
Internal Audit Review of Property Transactions Report 2022/23	<b>Internal Audit</b>			✓		
Losses & Special Payments	<b>Head of Financial Services</b>	✓ Via email		✓	✓	✓

<b>Governance Matters (cont.)</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Review of Annual Workplan 2024/25	<b>Board Secretary</b>				✓ Draft	✓ Approval
Review of Terms of Reference	<b>Board Secretary</b>					✓ Approval
Significant Issues of Wider Interest	<b>Director of Finance &amp; Strategy</b>	No separate letter required this year				
<b>Risk</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Annual Risk Management Report 2022/23	<b>Risk Manager</b>	✓ Via email	✓ Final			
Corporate Risk Register	<b>Director of Finance &amp; Strategy/Risk Manager</b>	✓	✓	✓	✓	✓
Risk Management Key Performance Indicators 2022/23	<b>Risk Manager</b>			✓	✓	✓
Risk & Opportunities Group and Progress Report	<b>Risk Manager</b>	✓ Via email		✓	✓	✓
<b>Governance – Internal Audit</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
External Quality Assessment (5 yearly)	<b>Internal Audit</b>					✓
FTF Shared Service Agreement / Service Specification	<b>Internal Audit</b>				✓	
Internal Audit Progress Report	<b>Internal Audit</b>	✓ Via email		✓	✓	✓
Internal Audit Annual Plan 2023/24	<b>Internal Audit</b>		✓ Final			
Internal Audit Annual Report 2022/23	<b>Internal Audit</b>		✓			
Internal Audit – Follow Up Report on Audit Recommendations 2022/23	<b>Internal Audit</b>	✓ Via email		✓	✓	✓
Internal Audit Framework	<b>Chief Internal Auditor</b>					✓
Internal Controls Evaluation Report 2023/24	<b>Internal Audit</b>				✓	

<b>Governance – External Audit</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Annual Audit Plan 2023/24	<b>External Audit</b>				✓	
External Audit – Follow Up Report on Audit Recommendations	<b>Director of Finance &amp; Strategy</b>				✓	✓
Patients' Private Funds - Audit Planning Memorandum	<b>Director of Finance &amp; Strategy</b>					✓
Service Auditor Reports on Third Party Services	<b>Director of Finance &amp; Strategy</b>		✓			
<b>Annual Accounts</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Annual Accounts Preparation Timeline	<b>Head of Financial Services</b>	✓ Via email				
Annual Accounts & Financial Statements 2022/23	<b>Director of Finance &amp; Strategy / External Audit</b>		✓			
Annual Audit Report (including ISA 260) 2022/23	<b>External Audit</b>		✓			
Letter of Representation (ISA 580) 2022/23	<b>Director of Finance &amp; Strategy / External Audit</b>		✓			
Patients' Funds Accounts 2022/23	<b>Head of Financial Services</b>		✓			
Annual Statement of Assurance to the NHS Board 2022/23	<b>Board Secretary</b>		✓			
<b>Counter Fraud</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Counter Fraud Service – Quarterly Report (Alerts & Referrals)	<b>Head of Financial Services</b>	Deferred to August		Private Session	Private Session	Private Session
Counter Fraud Standards Update	<b>Head of Financial Services</b>	Deferred to August		Private Session		

<b>Adhoc</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Private Meeting with Internal / External Auditors	<b>Committee</b>			Private Session		Private Session
Appointment of Patients' Funds Auditor	<b>Director of Finance &amp; Strategy</b>	<b>As required</b>				
Legal & regulatory updates (e.g. Audit Scotland reports; Technical Bulletin etc)	<b>Head of Financial Services</b>					
Progress on National Fraud Initiative (NFI)	<b>Head of Financial Services</b>					
External Auditors Annual Accounts Progress Update	<b>External Auditor</b>	No update provided as mtg cancelled				
<b>Additional Agenda Items (Not on the Workplan e.g. Actions from Committee)</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Risk Management Framework and GP/R7 Risk Management Policy	<b>Director of Finance &amp; Strategy</b>			✓ Policy		
Health Board Partnership Agreement April 2023 – March 2028	<b>Director of Finance &amp; Strategy</b>		✓			
<b>Training Sessions Delivered</b>						
	<b>Lead</b>	<b>18/05/23</b>	<b>23/06/23</b>	<b>31/08/23</b>	<b>14/12/23</b>	<b>14/03/24</b>
Members' Training Session – the Annual Accounts: The Role & Function of the Audit & Risk Committee	<b>External Auditors</b>	✓ Held on 30/05/23				
Review of the effectiveness of the new Corporate Risk Register process	<b>Director of Finance &amp; Strategy</b>			<b>12/10/23</b>		