

**NOT PROTECTIVELY MARKED**

**Public Board Meeting**

**November 2018**

**Item No 12**

**THIS PAPER IS FOR NOTING**

**NHS IN SCOTLAND 2018 OVERVIEW REPORT**

<b>Lead Director Author</b>	Julie Carter, Interim Director of Finance and Logistics -
<b>Action required</b>	The Board is asked to <ol style="list-style-type: none"> <li>1. Note the key messages and recommendations from the recent NHS in Scotland 2018 report; and</li> <li>2. Note the key considerations and actions in progress for SAS arising from this report.</li> </ol>
<b>Key points</b>	<p>The NHS in Scotland 2018 overview report was published in October 2018 The attached paper takes the recommendations included within the report and correlates them with work already in place within the Service. This confirms the strategic direction and current thinking of Board members including, specifically:</p> <ul style="list-style-type: none"> <li>- review of governance arrangements</li> <li>- focus and priority on shifting the balance of care with particular focus on primary care and mental health</li> <li>- the importance of robust workforce planning</li> </ul> <p>importance of understanding our current demand and capacity</p> <p>Audit Scotland has confirmed it will be attending the Audit Committee meeting on 16 January 2019 to provide an overview of the report and its findings. An invitation is extended to all Board members to attend this session. The session will commence following the Audit Committee meeting at approximately 12.30pm.</p>
<b>Timing</b>	Board members are asked to note the work in progress. Updates will be provided through separate work streams reporting back through the appropriate governance committees.
<b>Link to Corporate Objectives</b>	The review will assist the Board to deliver its responsibilities for the conduct of public business and the stewardship of funds under its control.
<b>Contribution to the 2020 vision for Health and Social Care</b>	The Auditor General appoints auditors to ensure key tools are in place to regulate the operation of the Service, enhance Board Governance and ensure value for money is achieved.
<b>Benefit to Patients</b>	Ensuring good stewardship of resources.
<b>Equality and Diversity</b>	No implications identified.

## **NHS In Scotland 2018 Audit Scotland Overview Report**

### **Introduction**

Board members are aware of the recently published NHS in Scotland 2018 overview report. Copies have been sent separately.

This paper will take the key messages included within the report and describe how this impacts on SAS financial and service planning going forward.

### **Key Messages**

The key messages within the report are well documented and described in each section.

These are:

1. Long term financial planning. Further and faster change is required.
2. NHS Boards are struggling to breakeven and relying increasingly on non recurring savings.
3. The pressures on the NHS are increasing. Performance against the national targets continues to decline and the number of patients on waiting lists continues to increase.
4. The scale of the challenge needs decisive action with an urgent focus on the key elements critical to the running of the health service. This includes being clear about governance, local and national planning, health and social care integration and regional planning.
5. Ensuring effective leadership is also critical. More engagement is needed and information on how new forms of care will work.

### **Report Recommendations**

The recommendations for Scottish Government in partnership with NHS Boards and integration authorities, arising from these key points have been summarised on the table below. Against each of these recommendations are considerations and actions to be considered by the Board, noting a number of these are already underway.

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Recommendations	SAS Considerations and Actions
Should strengthen board level governance arrangements including an improved national approach to induction, training and assessment for non executive directors	<ul style="list-style-type: none"> <li>- Board governance including risk management and performance management under review</li> <li>- induction for Non Executive Directors being enhanced including, for example, outputs from the recent review of Audit Committee best practice</li> </ul>
Should identify by NHS leadership posts are difficult to fill and develop ways to address this	<ul style="list-style-type: none"> <li>- Project LIFT and other developments are being considered by SG</li> <li>- Joint posts being developed and considerations through, for example, National Board collaborations for enhancing staff and team development and staff recruitment and retention</li> </ul>
Should develop a national capital investment strategy to ensure capital funding is strategically prioritised	<ul style="list-style-type: none"> <li>- Work has commenced in this area through the National group</li> <li>- SAS linked into the work of this group through the Director of Finance although consideration may be needed for representation on the new capital infrastructure board</li> </ul>
Should continue to develop a comprehensive approach to workforce planning that: <ul style="list-style-type: none"> <li>- reflects forecasts of future staffing and skills to deliver changing models of healthcare</li> <li>- provides a clear breakdown of transitional and future costs to meet projected demand</li> </ul>	<ul style="list-style-type: none"> <li>- this is a key focus for the Board given the development of paramedic roles in primary care, mental health and deliver of the 2020 strategy objectives and the demand and capacity review. Significant work has been done already in this area and further work is in place to take this forward</li> </ul>
Should work together to develop a clearer understanding of demand for services and capacity and activity trends in primary and secondary care	<ul style="list-style-type: none"> <li>- the ORH work within SAS through the demand and capacity review fully supports this objective</li> <li>- engaging with integration authorities and other stakeholders in assessing this in primary care is also critical as the paramedics in primary care scoping project will be describing</li> </ul>
Publish clear and easy to understand information on how the health funding system works	<ul style="list-style-type: none"> <li>- this work has commenced with the publication of the financial framework</li> <li>- the Service's financial plan for 2019-2022 will build on this work and describe how the funding pressures and opportunities can be bridged</li> <li>- the finance team is also undertaking a review of Finance Board reporting picking up some of the points raised in the report</li> </ul>
Put NHS staff, local communities and the public at the heart of change and involve them in planning and implementing changes to how services are accessed and delivered	<ul style="list-style-type: none"> <li>- work on patient and stakeholder engagement is a key focus of the Service and will be further built upon as the Strategy post 2020 is being developed</li> </ul>

Audit Scotland has confirmed it will be attending the Audit Committee meeting on the 16<sup>th</sup> January 2019 to provide an overview of the report and its findings. An invitation is extended to all Board members to attend this session. The session will commence following the Audit Committee meeting at approximately 12.30pm.

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