Public Meeting of the Board of Healthcare Improvement Scotland
Date: 24 March 2021
Time: 10.30 – 14.00
Venue: MS Teams Videoconference

Present
Carole Wilkinson, Chair
Jackie Brock, Non-executive Director (from item 2.3)
Keith Charters, Non-executive Director
Suzanne Dawson, Non-executive Director
Dr Zoë M Dunhill MBE, Non-executive Director
Paul Edie, Non-executive Director
John Glennie OBE, Non-executive Director
Gill Graham, Non-executive Director
Rhona Hotchkiss, Non-executive Director
Christine Lester, Non-executive Director
Evelyn McPhail, Non-executive Director
Robbie Pearson, Chief Executive
Duncan Service, Non-executive Director

In Attendance
Sybil Canavan, Director of Workforce
Lynsey Cleland, Director of Community Engagement
Ann Gow, Deputy Chief Executive/Director of Nursing, Midwifery and Allied Health Professions (NMAHP)
Ruth Glassborow, Director of Improvement
Lynda Nicholson, Head of Communications
Sandra McDougall, Interim Director of Quality Assurance
Safia Qureshi, Director of Evidence
David Rhodes, Head of Finance and Procurement
Maggie Waterston, Director of Finance, Planning and Governance
Simon Watson, Medical Director

Apologies
None

Board Support
Pauline Symaniak, Governance Manager

Declaration of interests
Declaration(s) of interests raised are recorded in the details of the minute.

Registerable Interests
All Board members and senior staff are required to review regularly and advise of any updates to their registerable interests within one month of the change taking place. The register is available on the Healthcare Improvement Scotland website.
1. OPENING BUSINESS

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<thead>
<tr>
<th>1.1 Chair's welcome and apologies</th>
<th>ACTION</th>
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<td>The Chair opened the public meeting of the Board by extending a warm welcome to all in attendance. She noted that this is the first Board meeting open to the public since the beginning of remote working due to the COVID-19 pandemic. The Chair welcomed David Rhodes to the meeting, noting that he will be attending the Board and Committee meetings pending the appointment of a successor to Maggie Waterston, Director of Finance Planning and Governance who retires on 31 March 2021. On behalf of the Board, the Chair extended her thanks to Maggie Waterston for the contribution she has made to the organisation over many years and the support she has provided to the Board. There were no apologies.</td>
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<th>1.2 Register of Interests</th>
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<td>The Chair asked the Board to note that changes for the Register must be provided to the Corporate Governance Office within one month of them occurring and that any interests should be declared that may arise during the course of the meeting. Paul Edie advised that he had a new interest to declare and details will be provided outwith the meeting. The register was approved for publication on the website.</td>
<td>Governance Manager</td>
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<th>1.3 Minutes of the Public Board meeting held on 9 December 2020</th>
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<td>The minutes of the meeting held on 9 December 2020 were accepted as an accurate record.</td>
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<th>1.4 Action points from the Public Board meeting on 9 December 2020</th>
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<td>The action point register was reviewed and accepted. There were no matters arising.</td>
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<th>1.5 Chair's Report</th>
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<td>The Board received a report from the Chair updating them on recent strategic developments and governance matters. The Chair highlighted the following points: a) Regarding the Board vacancy, the planning meeting for the recruitment had been held and the submission will shortly be provided to the Cabinet Secretary for Health and Sport for approval. The timeline thereafter is to advertise in April 2021, shortlist in May 2021 and undertake interviews in June 2021. The appointment will be made after the elections on 6 May 2021 and therefore approved by the new Cabinet Secretary. b) She attended an excellent webinar delivered by the ihub which featured some very interesting speakers talking about harnessing the power of communities. c) At the recent NHS Board Chairs’ meeting with the Cabinet Secretary, there was discussion about developing leaders in the health and social care sector and putting in place succession planning.</td>
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In response to questions from the Board about the current recruitment she is involved in for NHS Board Chairs, the following additional points were made:

d) The Chair is a panel member for the appointment of Board Chairs to NHS Western Isles, State Hospitals Board for Scotland, NHS Lothian and NHS Lanarkshire. The same panel will be in place for all of this recruitment.

e) The recruitment process is using a number of innovative approaches to attract a wider pool of candidates and ultimately improve the diversity on NHS Boards. Potential applicants will be asked initially to produce a video in which they talk about which skills and experience they will bring to the post and why they are attracted to it. There will then be a facilitated session with them before moving to formal applications.

f) The outgoing Chair of NHS Lanarkshire is also leading a programme of work to improve the diversity on NHS Boards.

The Board noted the report.

**1.6 Executive Report**

The Board received a report from the Chief Executive and the Executive Team providing information on headline issues and key operational developments.

The Chief Executive highlighted the following points from within the report:

a) He echoed the Chair’s comments and on behalf of the organisation also extended thanks to Maggie Waterston for her contribution.

b) Congratulations were extended to Ruth Glassborow who has been appointed to The Promise Oversight Board.

c) The new ways of working programme will seek to capture the learning about how we have worked remotely during the COVID-19 pandemic and use it to inform our return in due course to Gyle Square and Delta House.

d) Non-Executive Directors have requested access to the Source, the organisation’s intranet. The solution to this, pending the Source being hosted on Office 365 in the future, is to provide them with a laptop and remote access token. The Governance Manager will take this forward outwith the meeting.

e) The newly formed Governance for Engagement sub-committee is now fully operational and represents a significant step forward to ensure there is strong engagement across the organisation.

The Chair of the Scottish Health Council advised that the recent meeting of the Governance for Engagement sub-committee examined processes within the Community Engagement Directorate. The discussions were complemented by the input of the two additional Non-Executive Directors who joined the meeting.

The Chair of the Care Inspectorate advised that he welcomed several developments within the report such as the appointment of Ruth Glassborow to The Promise Oversight Board mentioned above, a joint development session for the joint inspection work being delivered by both organisations and the future opportunity for joint working that has been
highlighted by the report from the Independent Review of Adult Social Care.

In response to questions from the Board, the Executive Team provided the following information:

f) Regarding stage 2 complaints, the complaints toolkit sets out the steps. Any individual training issues will be highlighted to the line manager whilst any broader learning will be considered by the Clinical and Care Governance Group.

g) A contractor for the Delta House work was appointed on 19 March which represented a slight delay on the target date of 17 March 2021. This was due to ensuring the information from all the bids could be compared consistently. There is currently a “stand still” period but the formal appointment will be made the following week. All tenders were under budget and within the specified timescales.

h) Referring to the complaint from a healthcare provider, this was about our complaint handling. Once the issues was explained to the complainant, they were content.

i) The National Organisations Support Integration Workshop on the Independent Review of Adult Social Care was a collaborative forum convened by HIS on behalf of the other organisations. Inclusion of NHS Golden Jubilee will be followed up for future events.

j) Regarding the Practice Learning Placements, the clinical and care governance structures will cover all professional groups including social workers. However, doctors are subject to a different system of formal validation which involves ongoing supervision with an annual appraisal.

k) Regarding the escalation of 25% of care home inspections in October, it’s not possible to say at this point if there is a trend going forward. The HIS escalation of issues mirrors the process we use for NHS inspections.

l) The COVID-19 pandemic has impacted recruitment. In general there is an increased volume of applications to a wide range of vacancies, reflecting the current economic climate. However, appointments still need to be made on the basis of securing the appropriate skills. The recruitment pause impacted negatively on the ihub vacancies. As well as this, there is the ongoing issue with fixed term posts experiencing higher turnover and there are a number of staff who want to return to face to face working which is not possible in HIS at the moment.

m) A session was held to inform an options appraisal about the Sharing Intelligence for Health & Care Group considering Integration Authorities as well as NHS boards. The Medical Director was unable to attend but will seek feedback.

n) Regarding implementation of the Whistleblowing Standards, a number of Non-Executive Directors attended the meeting of the Short Life Working Group the day before to review the organisation’s readiness for the April 2021 launch. The implementation details have been discussed by Partnership Forum and expertise provided by the Responding to Concerns team and our Non-Executive Whistleblowing Champion. There will be one further meeting of the group at the end of April 2021 as well staff communications. A further update will then be provided to the Board meeting on 30 June 2021.
The matrix referred to in relation to the assessments for digital psychotherapy for adult patients is a guide to delivering evidence based psychological therapies.

The Board scrutinised the report and welcomed the level of detail reported.

## 2. SETTING THE DIRECTION

### 2.1 COVID-19 Latest Operational Update

The Director of Evidence, who is the Executive Lead for the COVID-19 response, provided a paper setting out the latest developments and highlighted the following:

- **a)** The Emergency Response Team continue to meet regularly and their focus is on supporting staff and monitoring a rapidly changing situation.
- **b)** There will be a need to balance national restrictions easing with the HIS offices remaining closed. The home working policy has been extended to the end of September 2021.
- **c)** All HIS inspectors have now been vaccinated.
- **d)** Planning for the return to offices is aided by the work to refurbish Delta House such as the creation of a desk booking system as there will be limited capacity upon return.

In response to questions from the Board, the following points were provided:

- **e)** Regarding new ways of working upon return to offices, research was carried out two months previously to gauge expectations and there was a full range of responses about the level of home working and office working in the future. More research will be done but we will proceed on the basis of a hybrid model. All this work will be delivered in Partnership.
- **f)** New ways of working will have an impact on attraction strategies for staff and contractual arrangements. When staff attend the office, we expect they will do so with a particular purpose such as collaboration with colleagues. There are a small number of roles that need to be present in the office for practical reasons.

The Board considered the latest position and were assured by the actions in place to continue to work within the context of the pandemic and to ensure staff wellbeing. The Board noted the need to ensure that the new ways of working also support the organisation in the delivery of its objectives.

### 2.2 Operational Planning 2021-24 including: Remobilisation Plan 3; Financial Plan; Workforce and Development Plan

The Board received a paper from the Director of Finance, Planning and Governance setting out the Remobilisation and Financial Plans, and providing an update on progress with the Workforce and Development Plan. She took the Board through a powerpoint presentation about the Remobilisation Plan which covered the following areas:

- **a)** The engagement and approval process was set out. It was highlighted that the Board is asked to approve the two plans presented to ensure they are submitted for ministerial approval by 31 March 2021.
- **b)** The plans presented reflect the various stages of the pandemic.
response and align to the Scottish Government’s strategic framework for easing of COVID-19 restrictions and the national mobilisation priorities.

c) The Remobilisation Plan is a live document and it’s expected that a fourth version will be requested in autumn 2021. It will be underpinned by our seven key delivery areas for which driver diagrams are being developed.

In response to questions from the Board about the Remobilisation Plan, the following points were made:

d) The plan seeks to meet the needs of the service at the moment and to anticipate that any requests from Scottish Government for future work can be accommodated in the current plan. It will make the nature and cost of new commissions more clear.

e) Teams have provided input to the development of the plan and communications have been cascaded through team structures. Therefore, staff should be able to see how their role fits into the overall plan.

The Head of Finance and Procurement then took the Board through a presentation which supported the Financial Plan set out in the papers and covered the following points:

f) A deficit of £1.6m for 2021-22 was identified in the draft budget that the Board received at the Board seminar on 19 January 2021. This deficit is being driven by cost increases associated with filling staff vacancies and funding uplifts being historically lower than wage inflation.

g) Good progress has been made on confirming the value of additional allocations with Scottish Government and over 80% of allocations have been confirmed. The balance currently remains uncertain. The slides set out those allocations which are confirmed and those which remain high risk. Discussion about these is ongoing with Scottish Government.

h) Proposals to reduce the deficit include establishing a structure that fits within the funding envelope and securing savings through the £500k change fund which is earmarked for the Internal Improvement Oversight Board (IIOB) to invest in efficiencies. It is also possible to flex the corporate services recharge for additional allocations.

i) In terms of medium term planning and financial sustainability, several assumptions have been made to assist planning: Scottish Government funding continues at the same level and is balanced with wage inflation; inflation for fixed and variable costs is 2%; there are recurrent savings from pay and the work of the IIOB; and additional allocations remain at a similar level.

j) Financial sustainability will be driven by several factors. The Workforce Strategy Group review will deliver an appropriate organisational structure to fit the funding envelope each year and the IIOB will drive recurring savings.

The Chair of the Audit and Risk Committee then advised that the Committee had considered the financial plan set out at its meeting on 10 March 2021 and are content to recommend it to the Board for approval. The Committee agreed that the savings plan was low risk and there are good plans in place to meet it.
In response to questions from the Board, the following points were clarified:

k) Regarding 2022-23, the recurrent pay savings are an aspirational figure. Historically, we have used vacancy management to achieve savings but there is a need to achieve a balanced budget on a recurring basis. There is confidence in the prediction because start dates have been remodelled.

l) Achieving savings through the IIOB is critical to the projections but we will do regular re-forecasting to ensure this remains on track.

m) Regarding communication with staff about the implications of the financial plan, the projections don’t affect staff who are in post today as the plans relate to a future structure and future recruitment. There will be engagement with staff and Partnership Forum, and adherence to the Staff Governance Standard.

The Board considered the Remobilisation Plan 3 and the Financial Plan and, subject to the clarification above, were content to approve these.

The Director of Workforce then provided an update on progress with the Workforce and Development Plan:

n) The workforce planning approach has been different this year to reflect that only a one year plan will be provided.

o) The plan will be based on the Remobilisation Plan 3 and findings from the recent Internal Audit report. Therefore it will be clear and feature time bound actions. The audit report was considered by the Audit and Risk Committee and the Staff Governance Committee.

p) Creation of the plan is being influenced by short term drivers such as structural change, the ongoing impact of remote working, the impact of our expanding role in inspections and the implementation of the East Region Recruitment Service which will affect the HIS People and Workplace Team.

q) Longer term drivers are the impact of the report from the Independent Review of Adult Social Care, the new ways of working as we emerge from the pandemic and the unknown long term impact of the pandemic on wellbeing.

r) Longer term areas of focus will be positive people practices, creation of a strong employer brand and initiatives to enhance wellbeing.

The Board considered the progress update and were content with the direction of travel for the development of the Workforce and Development Plan.

2.3 Independent Review of Adult Social Care

The Chief Executive provided a paper to the Board setting out an overview of the report from the Independent Review of Adult Social Care. He highlighted the following points:

a) The paper sets out areas which are of particular relevance to HIS’s current functions and is intended as a starting point for a series of discussions to develop thinking on the implications of the report’s recommendations, especially in respect of the future strategic direction of HIS.

b) There will be further consideration of the implications for HIS once the new administration has considered the report after the

c) The report recommends three key outcomes. Firstly, shifting the paradigm so social care is an investment. Secondly, it suggests that there is a need to strengthen the foundations including implementation of health and social care integration. Thirdly, the report talks about redesigning the system including the creation of a national care service.

The Board had a wide ranging discussion on possible implications of the report and in response to their questions, the Executive Team provided the following answers:

d) It’s presently not clear what the extent of any structural changes to the health and social care system will be, and how the different parts will be democratically accountable for the services they deliver.

e) The implementation timescale will be decided by the Scottish Government.

f) It’s difficult at this stage to anticipate the role for HIS. However, there are more immediate asks of us such as our current support of 30% of care home inspections. There is no clarity as yet on the future of this role or its funding and HIS has been asked to increase its contribution to 100% of care home inspections. It’s important to understand that these should not be termed as joint inspections as this would require a change in the regulatory framework.

C) Two Integration Joint Board (IJB) Chief Officers talked at the integration joint board huddle about the review however the IJBs will not respond formally at this stage.

h) There may be a desire to start delivering the recommendations that are not contentious.

The Board considered the paper and asked that the Review remain as a standing item for their agenda.

Chief Executive

3. INFLUENCING CULTURE

3.1 Equality Mainstreaming Report including Equality Outcomes

The Board received the draft Equality Mainstreaming report from the Director of Community Engagement. She highlighted the following points:

a) The report is due to be published on 31 March 2021 and has been considered previously by the relevant Committees.

b) The report includes the proposed new Equality Outcomes which have been designed in collaboration with stakeholders.

c) There is further information to be added about board diversity.

d) It covers our work as both a national improvement body and as an employer.

e) The report will inform our equality mainstreaming action plan.

In response to questions from the Board about implementing the Equality Outcomes, it was advised that the proposals are ambitious but they will be supported by the action plan. This will be taken forward by the Equality and Diversity Working Group which has representation from all parts of the organisation. It is hoped that this will ensure the Equality Outcomes become fully embedded.

The Board welcomed the report. Having considered the content, they endorsed the report for publication and approved the Equality Outcomes.
4. HOLDING TO ACCOUNT – INCLUDING FINANCE AND RESOURCES

4.1 Organisational Performance Report

The Board received the latest information about organisational performance which included the following reports: Detailed Progress for Q3, Finance, Workforce and the Operational Plan Risks.

The Director of Finance, Governance and Planning advised that there is a need to consider what performance information is included in this report compared to the information provided in the Executive Report to ensure balance and avoid duplication.

In response to a question from the Board about the older people key delivery area, it was clarified that the issue is a lack clarity around the role of HIS in care home inspections. Once there is clarity, there will be communications with stakeholders on our role.

The Head of Finance and Procurement then highlighted some key points from the financial performance section of the report:

   a) The February results have not identified any matters that are different to the forecast position.
   b) The current baseline figure is £700k under budget. The projection is that this will be £600k under budget at the end of the year.
   c) This is being managed through various measures including self-funding the £500 bonus to staff and providing a non-recurring sum of £250k to the National Boards’ collaboration savings target. Therefore, the underspend will be reduced to the permitted carry forward of 1% of budget. Any surplus is being discussed with Scottish Government.
   d) There is an underspend in relation to Additional allocations but this is offset by allocations being returned to Scottish Government that couldn’t be spent as they were received late into the year.
   e) Regarding independent healthcare, there is an issue emerging around provider debt which may affect the £100k surplus figure for independent healthcare. This will be factored into future fee setting.
   f) The £2m savings target has been met due to the impact of COVID-19 which led to the recruitment freeze and working from home. Lessons learned from this are filtering through to next year’s budget.

In response to a question from the Board about any reputational risk associated with having an underspend, it was offered that it had been an extraordinary year and HIS is not the only Board with an underspend. Therefore, there is unlikely to be any reputational risk.

The Director of Workforce then took the meeting through the workforce information contained within the report, highlighting the following:

   g) Figures provided are for the end of February and show a similar level of absence to previous months which is very low at less than 2%.
   h) There is an increased level of turnover.
   i) The report provides recruitment information, vacancy processing data and recruitment timelines.
   j) There is also now a breakdown by directorate of permanent and
interim roles.

In response to a question from the Board about turnover and the low response to exit questionnaires, it was advised that engaging with people at the point of them leaving could improve the response rate. It was agreed that this area required closer consideration by the Staff Governance Committee.

The Board then considered the very high operational plan risks presented in the report which related to service change. The Director of Community Engagement advised that national guidance had been received for engagement for health and social care, therefore the risk will be reviewed.

Having scrutinised the report and subject to the clarification above, the Board were content with the progress reported.

5. **ASSESSING RISK**

5.1 **Risk Management: strategic risks**

The Board received a report on the current status of risks on the strategic risk register and their management. The Chief Executive drew the Board’s attention to the fact that there is also a risk related to the continuity of leadership in the Finance, Planning and Governance Directorate.

In response to questions from the Board, the following additional points were made:

a) Regarding risk 759, General Data Protection Regulations, it was discussed at the Information Governance Working Group and they decided not to alter the rating. The Director of Evidence will take this back to the group again as the Board consider the rating is too high.

b) Regarding risk 790, independent healthcare, there is a backlog in action against unregulated providers. There is a key dependency with NSS for fraud services and an issue with the legal wording of the powers assigned to HIS in this area. Discussions are ongoing with Scottish Government and Internal Audit are also looking at our enforcement processes.

In considering if there were any new strategic risks that should be captured on the register, the Board suggested the following areas:

   c) The report from the Independent Review of Adult Social Care will generate both risks and opportunities, for example with the creation of a national care service. However, it is too early to articulate these.

   d) There is a significant financial risk if the IIOB doesn’t successfully deliver the savings intended. This will be considered for inclusion on the register.

The Board considered the strategic risk register and gained assurance that the risks presented were being effectively treated, tolerated or eliminated.
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<th>6.</th>
<th>GOVERNANCE</th>
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<td>6.1 Governance Committee Chairs: key points from the meeting on 19 January 2021</td>
<td>The Board noted the key points.</td>
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| 6.2 Audit and Risk Committee: key points from the meeting on 10 March 2021 and approved minutes from the meeting on 19 November 2020 | The Board noted the key points and minutes. The Committee Chair highlighted the following:  
  a) Evelyn McPhail, Non-Executive Director, has taken on the role of Counter Fraud Champion.  
  b) The Committee wished to extend their thanks to Maggie Waterston, in particular for delaying her retirement to assist with the organisation’s response to the pandemic. |
<p>| 6.3 Quality and Performance Committee: key points from the meeting on 10 February 2021 and approved minutes from the meeting on 28 October 2020 | The Board noted the key points and minutes. |
| 6.4 Scottish Health Council Committee: key points from the meeting on 25 February 2021 and approved minutes from the meeting on 5 November 2020 | The Board noted the key points and minutes. |
| 6.5 Staff Governance Committee: key points from the meeting on 17 March 2021 and approved minutes from the meeting on 25 November 2020 | The key points were not available at the time of the meeting. The Board noted the minutes. |
| 6.6 Succession Planning Committee: key points from the meetings on 8 December 2020 and 17 February 2021, and approved minutes from the meeting on 8 December 2020 | The Board noted the key points and minutes. |</p>
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<th>7.</th>
<th>ANY OTHER BUSINESS</th>
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<td>7.1</td>
<td>There were no items of other business.</td>
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<td>8.</td>
<td>DATE OF NEXT MEETING</td>
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<td>8.1</td>
<td>The next meeting will be held on 30 June 2021. Members of the press and public were excluded from the remainder of the meeting due to the confidential nature of the business to be transacted, disclosure of which would be prejudicial to the public interest.</td>
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<td>Name of person presiding: Carole Wilkinson</td>
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