NHS Orkney Board
24 April 2025

Purpose of Meeting

Our **Values**, aligned to those of NHS Scotland, are:

- Open and honest
- Respect
- Kindness

Our **Strategic Objectives** are:

Place - Be a key partner in leading the delivery of place-based care which improves health outcomes and reduces health inequalities for our community

Patient safety, quality and experience - Consistently deliver safe and high-quality care to our community

People - Ensure NHS Orkney is a great place to work

Performance - Within our budget, ensure our patients receive timely and equitable access to care and services and use our resources effectively

Potential - Ensure innovation, transformation, education and learning are at the forefront of our continuous improvement

Quorum:

Five members of whom two are Non-Executive Members (one must be chair or vice-chair) and one Executive Member

Board - 27 February 2025 Minutes

NHS Orkney
2/27/2025 9:30 AMGMT

Attendance

Present:
Members: Mel Barnes, Stephen Brown, Kirsty Cole, Debs Crohn, Rona Gold, Issy Grieve, Joanna Kenny, Anna Lamont, shona lawrence, Meghan McEwen, Ryan McLaughlin, Jarrard O'Brien, Rachel Ratter, Laura Skaife-Knight, Jean Stevenson, Jason Taylor, Sam Thomas, Phil Tydeman, Louise Wilson

Guests: Georgina Green and Guy Wilson - Staff Story

1. Cover page

2. Staff Story- Practice Education (Presenters: Director of People and Culture)

The Board welcomed a great staff story from the Practice Education Team, including Georgie Green and Guy Wilson who shared the excellent work they lead which led to a Board discussion about the importance of putting education, training, improvement and learning front and centre of the work we do and our Corporate Strategy.

Challenges were highlighted which included training facilities, small team and accommodation for students.

The Chief Executive and Board Chair expressed their appreciation and emphasised the importance of having an ambitious strategy around education and improvement recognising its centrality when it comes to recruitment and retention, investing in our staff and our continuous improvement as an organisation. The Chief Executive said that the upcoming discussion at Senior Leadership and Board regarding the Year 2 Corporate Strategy was an opportunity to evidence our ambition in this space, with the integrated Education Strategy and new Education and Improvement Hub in the draft strategy for discussion, which is welcomed and necessary.

3. Welcome and Apologies (Presenter: Chair)

Apologies were received from D Campbell.

4. Declarations of Interest (Presenter: Chair)

There were no declarations of interest raised.

5. Minutes of Previous Meeting 12 December 2024 (Presenter: Chair)

The minute of the meeting held on 12 December 2024 was accepted as an accurate record of the meeting and was approved.

6. Matters Arising (Presenter: Chair)

Risk Development Session - Further discussions to be held with the Board Chair, Chair of the Audit and Risk Committee and Azets regarding the timely and pressing requirement for the Board to discuss risk appetite.

7. Action Log (Presenter: Chair)

The action log and escalation was reviewed, and corrective action agreed on outstanding issues (see action log for details).

8. Board Chair and Chief Executive Report to the Board OHB2425-112 (Presenters: Chair, Chief Executive)

The Chair and Chief Executive presented the report providing an update on key events and activities from December 2024 to February 2025.

Areas highlighted were that NHS Orkney's run rate remained largely on track and in line with the Financial Plan trajectory at month 10 and the savings delivery of £4m in-year was also on track. NHS Orkney recently welcomed the First Minister, John Swinney, to NHS Orkney, and shared the organisation's journey of improvement and how staff were looking after the community and providing excellent care to patients. Mr Swinney recognised the progress NHS Orkney is making and praised the hard work and dedication of staff.

Following confirmation from Scottish Government, NHS Orkney had secured over half a million pounds of funding that would enable Orkney to have a mobile MRI scanner on-site at The Balfour for 12-months with a longer-term solution still to be worked through and up.

In the Summer of 2024, the Chief Executive commissioned an external review of Cultural Development, Governance and Senior Leadership at NHS Orkney to help to identify good practice and recommendations for areas of focus to support the organisation's continuous improvement. Board members will be asked later on the agenda to discuss and agree 6 proposed highest priorities to respond to which would improve people's experience of working at NHS Orkney. The priority actions would feature into Year 2 of the Corporate Strategy.

Melanie Barnes stepped into the Interim Director of Finance post from the end of January 2025, replacing Brian Steven. The Chief Executive welcomed Melanie to NHS Orkney and to her Board-level role and explained that she was on secondment from Scottish Ambulance Service, where her substantive role is Associate Director of Finance.

Tammy Sharp, the new Director of Performance and Transformation (and Deputy Chief Executive) would start in post on 12 May 2025. This was an 18-month fixed term post, fully funded by Scottish Government, and formed part of a reduced package of national financial support which was a requirement for NHS Orkney at level 3 escalation of the NHS Scotland Support and Intervention Framework.

The second round of Performance Review Meetings took place and focused on finance as well as sickness absence, mandatory training and appraisals, and the first Executive to Executive Team meeting between NHS Orkney and NHS Grampian took place, where discussions were held around further strengthening relationships and opportunities to work more effectively together to further improve care and services for patients, including areas such as digital, waiting times and transformation and improvement.

The Board Chair chaired the first joint session with the Senior Leadership Team and the Board. This was the first session of its nature but the relationship between these two leadership groups was critical in order to achieve Corporate priorities and deliver the organisation's promise to the community.

Decision/Conclusion
Members noted the update.

9. CHAIRS ASSURANCE REPORTS

9.1. Joint Clinical and Care Governance Committee OHB2425-113 (Presenter: Rona Gold - Chair of Joint Clinical and Care Governance Committee)

The Chair of the Joint Clinical and Care Governance Committee presented the report highlighting the following items which had been discussed at their meeting on the 4 February 2025:

- Great work demonstrated across a range of reports
- Limited assurance was taken on the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 (UNRC) update. Director of Public Health, Chief Officer for the Integration Joint Board and Head of Children's Services & Criminal Justice to bring the implementation plan to Committee 2 April 2025 with clear deliverables for when actions will be complete, including an update on the governance structure, training for staff and engagement with Clinical Advisory Committees.

The Chief Officer for the Integration Joint Board advised the UNRC was now sitting under the Children's Services Strategic Partnership and enabled NHS Orkney to work with partners to maximise opportunities to ensure that children's rights were recognised.

Decision / Conclusion
The Board noted and accepted the update provided.

9.2. Finance and Performance Committee OHB2425-114 (Presenter: Davie Campbell - Vice Chair Finance & Performance Committee)

The Board Chair presented the report highlighting the following items which had been discussed at their meeting on the 30 January 2025 highlighting:

- The Committee was unable to provide the Board with assurance about performance and improvement plans due to the Integrated Performance Report not being available at the meeting
- There was the need for collaboration and multi-disciplinary team working to ensure that the correct representation was present at future meetings
- The Committee was unable to provide the Board with assurance around the Planned Care submission. The draft that was submitted for approval did not have the necessary level of detail or engagement to enable a rounded and informed discussion
- The Committee commended the effective leadership shown in producing the Annual Delivery Plan P and 3-Year Financial Plan. This was evidenced in the clear links with the Corporate Strategy, and the path to financial recovery.

Decision / Conclusion
The Board noted the update provided.

9.3. Audit and Risk Committee OHB2425-115 (Presenters: Jason Taylor, Chair of Audit and Risk Committee)

The Chair of the Audit and Risk Committee presented the report highlighting the following items which had been discussed at their meeting on 12 December 2024:

- Members received the Job Evaluation Internal Audit report (positive) and raised the difference in correlation within the report and feedback from staff in relation

to the process and experiences. It was agreed a discussion would take place at SLT with a view to developing the scope of audits beyond narrowly defined remits as part of future audit planning. A conversation had taken place and a new Internal Audit plan was being developed.
- Members welcomed the triangulation provided from SLT and the Risk Management Group in terms of the Corporate Risk Register which detailed discussions around risk management.

Decision / Conclusion
The Board noted the update provided.

9.4. Senior Leadership Team - December 2024, January and February 2025 OHB2425-116 (Presenter: Chief Executive - Chair of Senior Leadership Team)

The Chair of the Senior Leadership Team presented the report highlighting the following items which had been discussed at their meeting on 16 December 2024, 8 January, 5 and 14 February 2025 and provided an overview of changes to the SLT from January:

- Meetings were now being held twice a month, divided between Performance, Patient Safety and Place and People and Potential strategic objectives
- Digital priorities had been agreed for 2025/26, and this would be presented to the next Finance and Performance Committee and locked into the Year 2 Corporate Strategy
- NHS Orkney were behind track on the Quarter 3 performance in a number of areas (this is on the agenda)
- An end-to-end review had been commissioned in terms of the Integrated Performance Report to prevent a recurrence of not having the IPR by chapter ay Board Committees, which cannot be repeated
- Work around overdue policies and procedures was behind plan, however a short life working group was in place, led by the Director of Public Health, who will advise when an update is ready to come to SLT and to Board
- Performance Review Meetings continued and the second round of meetings took place and went well with strong engagement
- Discussions around the cause of the deficit continued at SLT and Extended SLT regarding a shared understanding and to be clear about the collective ownership needed to improve the organisation's financial position

Decision / Conclusion
The Board noted the update provided.

9.5. Area Clinical Forum - December 2024 and February 2025 OHB2425-117 (Presenter: Kirsty Cole, Chair of the Area Clinical Forum)

The Chair of the Area Clinical Forum presented the report highlighting the following items which had been discussed at their meeting on 6 December 2024 and 6 February 2025:

- The Chair shared correspondence from the Interim Chair of the Area Dental Committee highlighting ongoing challenges in re-establishing the Committee. The Medical Director agreed to explore the issues and try to support progress.
- The Respiratory Pathways was recommended for approval and had equipment requirements to progress. There were therefore additional dependencies to be overcome.

Decision / Conclusion
The Board noted the update provided.

9.6. Staff Governance Committee - November 2024 and February 2025 OHB2425-118 (Presenter: Joanna Kenny - Chair of Staff Governance Committee)

The Chair of the Staff Governance Committee presented the report highlighting the following items which had been discussed at their meeting on 14 November 2024 and 12 February 2025:

- There was a specific issue around staff not being released for time to lead which had long-term effects on operational governance meetings and poor figures for mandatory and statutory training
- Extended SLT (with an invite to every line manager) to be arranged to set expectations around mandatory management activity, including scheduling mandatory training, sickness absence management, appraisals and eRoster entry. Session to be led by the Chief Executive, Director of People and Culture, Employee Director and Director of Nursing, Midwifery and Allied Health and Chief Officer for Acute. This had since taken place, with strong engagement and attendance.
- Clear and immediate plan of action required to address mandatory training, sickness management and appraisals, supported by Corporate teams as necessary. People and Culture to provide lists of the 5 areas/departments to prioritise for improvement.

Members agreed the vital importance of staff completing statutory and mandatory training and the need for further communication to staff providing an understanding of what was required. The Director of People and Culture advised that an integrated group had met and had developed a training requirement matrix which would be circulated organisation-wide.

Decision / Conclusion
The Board noted the update provided.

10. Corporate Risk Register OHB2425-119 (Presenter: Medical Director)

The Medical Director presented the report which provided an update on active risks, changes to risk ratings, any newly added risks and any risks that had been closed or made inactive within the last reporting period.

Members were advised that the top three highest scored risks for the organisation were lack of senior leadership capacity and capability, lack of organisational digital maturity and corporate financial sustainability.

Five risks were added to the Corporate Risk Register in December 2024 and one risk had been closed in January 2025 as all mitigating actions were complete and the target score was achieved. Two risks scores had been reduced in January, these were risks C-2024-04 (urgent cancer referral pathways) and C-2024-05 (cessation of MRI services).

J Taylor observed that the information available on the cover sheet was limited in terms of updated alignments available.

Decision / Conclusion
The Board noted the update provided and the current mitigation of risks highlighted.

11. STRATEGIC OBJECTIVE - PLACE

11.1. Integration Joint Board (IJB) key items and decisions OHB2425-120 (Presenters: Director of Public Health, Guests: Stephen Brown - Chief Officer IJB)

The Director of Public Health presented the report summarising key points from the Integration Joint Board meeting held in November 2024 highlighting the new finance report was welcomed and areas of spend reviewed. The recovery plan was attempting to not create issues in other parts of the system but address the financial concerns. Agency staffing costs for vacancies were a major part of the overspend.

Decision / Conclusion
The Board sought assurance from the report.

11.2. Community Planning Partnership (CPP) Update OHB2425-121 (Presenter: Director of Public Health)

The Director of Public Health presented the report advising the Guidance for Fair Funding for the voluntary sector was shared and it was felt that this had many good elements within it and the general principles were endorsed by the Community Planning Partnership (CPP) and also the Joint Resource Centre of the Community Planning Partnership was agreed.

It was agreed that the Director of Public Health would bring an update to the next Board meeting on the Fair Funding Agreement, including the general principles.

Following a discussion around the challenges of accommodation, it was agreed that the Practice Education Team and Director of Improvement would support the Director of Public Health to take a paper to the CPP on the issue of accommodation.

Decision / Conclusion
The Board discussed the report.

12. STRATEGIC OBJECTIVE - PEOPLE

12.1. Cultural Development, Governance and Senior Leadership external review action plan and next steps OHB2425-122 (Presenter: Chief Executive)

The Chief Executive presented the report summarising the external review that was commissioned by her in mid-2024 into Cultural Development, Governance and Senior Leadership at NHS Orkney to help to identify good practice and recommendations for areas of focus to support our continuous improvement.

The approach to the review included ascertaining individual views and insights through 1:1s, in-person and virtual discussions, with the Chair, Chief Executive, Executive Directors, Vice-Chair, a number of Non-Executives and a number of Senior Leadership Team members; attendance at Board and a number of Committee meetings; attendance at Corporate Leadership Team (Executive Team) and Senior Leadership Team meetings; discussion with the Organisational Development Consultant who has been leading a programme of development for the Executive Team, Non-Executive Member and Board Development; and a desk-top review of key documentation.

There were 6 proposed highest priorities based on those that were most pressing and would have the biggest impact for the Board to consider and agree.

It was proposed that these highest priorities were locked into the Year 2 Corporate Strategy Key Performance Indicators. The remaining actions would feature in a standalone Action Plan and it was proposed that the Board oversee progress against this Action Plan at every meeting to ensure progress and ownership.

Members welcomed the report, acknowledging opportunities to reflect upon actions and the improvement plan. It was agreed this would be re-visited at every Board meeting. It was also agreed that communication from the Board to staff was required in relation to feedback regarding staffing levels and staff feeling exhausted.

Decision / Conclusion
Members accepted the report and approved the Action Plan which would feature at each Board meeting.

12.2. Staff Experience Programme OHB2425-123 - Paper not received (Presenter: Director of People and Culture)

Paper not received.

12.3. Themes from Board Walkabouts and approach in Year 2 OHB2425-124 (Presenters: Chief Executive / Chair)

Members discussed the key themes and improvement actions from latest Board Walkabouts and the proposed refreshed approach for 2025/26 which would be pivotal in relation to the Staff Experience Programme.

Members agreed that further virtual walkarounds would be available.

Decision / Conclusion
Members accepted and approved the approved approach.

12.4. Governance Committee Membership OHB2425-132 (Presenter: Board Chair)

Board members noted the nomination of Joanna Kenny as the Chair of the IJB to start from May 2025 and reviewed the updated Governance Committee Membership as detailed.
The Board Chair noted there were a few anomalies that were to be corrected. J Stevenson was the Vice Chair of the Joint Clinical Care and Governance Committee.

Decision / Conclusion
Members approved the IJB membership and acknowledged further was required around Non-Executive Members.

13. STRATEGIC OBJECTIVE - PATIENT SAFETY, QUALITY AND EXPERIENCE

13.1. Healthcare Associated Infection Reporting Template (HIART) Report OHB2425-125 (Presenter: Director of Nursing, Midwifery, AHP and Chief Officer Acute)

The Director of Nursing, Midwifery, Allied Health Professionals and Chief Officer for Acute presented the report providing assurance on infection prevention and control standards for all key performance targets as set out by the Scottish Government and locally-led initiatives and highlighted the following:

- From January to December 2024, NHS Orkney had met both *Staphylococcus aureus* bacteraemia and *Clostridioides difficile* standards and evidenced a reduction in *Escherichia coli* bacteraemia

- Continued to demonstrate both the infection prevention team and domestic teams were working to the national average and the score was a testament to the teams
- Patients on the wards surveys evidenced that patients would speak up if they felt clinical areas were not clean
- Further work was required in relation to hand hygiene before mealtimes
- MRSA screening and compliance was not included within the report however compliance had increased to 98%

The Board Chair requested that an accurate and populated report was to be circulated to all Board Members recognising there were some formatting issues and gaps in the paper presented. It was also requested that the four actions aimed at territorial Boards in relation to DL (2024) 29 was included on the agenda under Patient Safety at the Joint Clinical and Care Governance Committee.

K Cole requested clarity around the provision of hand wipes or hand washing and whether that was for individuals that could not be reasonably expected to access a sink and wash their hands with soap and water and whether the impact of the use of single use products had been considered. The Director of Nursing, Midwifery, AHP and Chief Officer for Acute advised an update would be provided within the next iteration of the report.

Decision / Conclusion
The Board noted the update provided received assurance.

14. STRATEGIC OBJECTIVE - PERFORMANCE

14.1. Month 9 and 10 Finance Report OHB2425-126 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the report providing a summary of the month 9 and 10 financial performance. The reported financial position at the end of month 10 was in line with the plan and the Board still expected to deliver the £5.778m, and this continued to be dependent on the run rate reducing over the remainder of the year in line with the expected profile of the Board's efficiency programme.

Following the update last month on the potential risk of an adverse movement due to the potential VAT liability on energy costs related to the NPD contract, it was now anticipated that this would be funded in full, and the Board was therefore anticipating additional funding of £665k in 2024/25.

A limited number of colleagues had submitted claims for the band 5 to 6 review to date. However, a number of claims were progressing and it was anticipated these would be submitted by 31 March 2025. This was currently under review along with the year end accounting treatment of any unpaid claims. The forecast position continued to assume the Agenda for Change reform funding in year would be fully utilised in 2024/25, and once there was a clearer picture on this the assumptions would be updated.

R Gold requested that future reporting included the likelihood of the worst case scenarios based on the level of risk assessment.

I Grieve noted the inpatient spend versus occupied bed days and the graph did not indicate the number of beds available which made it difficult to analyse activity levels. J Taylor requested further narrative around the declining Theatre Utilisation trajectory. Members were advised further information would be provided at the next Board meeting.

Following discussion, the Board Chair requested a Board seminar around what it would mean to receive brokerage and the obligations on how it would be met.

Decision / Conclusion
The Board sought assurance from the report.

14.2. Improving Together Programme Update Report OHB2425-127 (Presenter: Director of Improvement)

The Director of Improvement presented the report providing an update on the Improving Together Programme delivery phase and achievement of savings year-to-date for 2024/25. At Month 10, NHS Orkney was reporting an on-plan financial position.

There continued to be strong confidence that schemes already in implementation would continue to deliver to expected trajectories. Enhanced grip and control measures that went into effect in October 2024 had yielded additional benefits, supported by clinical review to ensure patient safety and experience are maintained.

Next year's efficiency programme launched its ‘development phase’ in November 2024 with the intention to present a final plan for review in April 2025.

The Board Chair acknowledged the alignment of plans and delivery was a signal of positive change that should be celebrated and extended thanks to the tremendous amount of success generated within the year.

Members were advised that focus was required on what the financially sustainable workforce clinical model is for NHS Orkney to maintain and improve clinical outcomes and standards.
R Gold queried who would be leading on Contract Management and Procurement. Members were advised the Interim Director of Finance was responsible and it was featured on the Finance Team Improvement Plan which would be presented at the Finance and Performance Committee in March 2025.

Decision / Conclusion
The Board sought assurance from the report that there was a credible route to delivery of £4.0m in-year savings and all efforts to curb influenceable expenditure for pay and non-pay continued through Quarter 4 and satisfactory progress was being made in developing the £3.5m efficiency plan for 2025/26.

14.3. Integrated Performance Report OHB2425-128 (Presenter: Chief Executive)

The Integrated Performance Report (IPR) by exception was presented in chapters which summarised NHS Orkney’s performance based on national and local reporting requirements as well as those indicators which matter patients, staff, and local community.

The Chief Executive apologised to the Board that there had not been IPR reports by chapters presented to the last round Board Committees and recognised this had been unacceptable. She said this will not be repeated and described that she had commissioned an end to end review of the IPR to plan for the year ahead so that the latest and most timely data could come to the Board Committees routinely.

Members were advised that areas that were performing well included the 18-Week Referral to Treatment Standard, 31-and 62-day cancer standard and the Board's run rate remained largely on track and in line with the Financial Plan trajectory and savings plan at month 10.

Further focus was required around sickness absence whereby data indicated a trend of increasing absences across the organisation, appraisal rates had declined for the second consecutive month and there remained a continued focus on improving wait times in Ophthalmology, Orthopaedics, Ear, Nose and Throat and the Pain Clinic with oversight from the Planned Care Programme Board and Performance Review Meetings.

Patient safety, Quality and Experience
The Board Chair welcomed the improved data and made reference to the 0% compliance in relation to Significant Adverse Event Review (SAER) and requested assurance that there was shared learning with teams who were potentially involved. The Medical Director advised that the SAERs due included multiple bodies and NHS Orkney could not complete until information was received from other bodies. Two related to instances which had external processes, however, there had been conversations with the Scottish Government around the future classifications of SAERs.

Members were advised that due to an increase in falls, additional staffing had been assigned to Inpatient 1 Ward with a cohort of patients being placed together for enhanced monitoring.
The Board Chair highlighted the target for total complaints was zero and raised concern around the message this sent to patients. The Medical Director advised the target was set at zero for a technical reason to ensure it was highlighted due to the report by exception, the risk was if a target was set and achieved it would not be reported in terms of the charts.

J Stevenson queried whether KPIs compliance in relation to patient safety and experience was measured with NEWS as well as PEWS and MEWS. The Director of Nursing, Midwifery, AHP and Chief Officer for Acute advised that compliance was measured with NEWS and was captured through the care dashboard and through Excellence in Care. The Board Chair, JCCGC Executive Lead and Committee Chair and Vice Chair would have a discussion around gaining a deeper understanding of the care dashboard and Excellence in Care programme.

Operational Standards
I Grieve queried whether it was possible to break down waiting list data across the Balfour and SLA areas. The Medical Director advised this would be challenging as some patients may be waiting for appointments across both the Balfour and other centres.

Members were advised there may be an anomaly with regards to the decline in Accident and Emergency data re: attends presented as there had not been a decrease.

Community
The Board Chair requested further information in relation to services collectively preventing admission and re-admissions whilst increasing packages of care to those who were most vulnerable.

K Cole referred to the previous Board meeting where it had been agreed that clarity would be provided with regards to the difference between MSK Physiotherapy and MSK Allied Health Professional metrics. The Chief Officer, IJB apologised that the information had not been provided and advised there was specific MSK Physiotherapy waiting lists as well as more standard Physiotherapy waiting list and the report featured on the MSK elements. The Board Chair said that the Year 2 Corporate Strategy included feedback from the community around physiotherapy and the need to improve access.

The Board Chair queried whether the roll-out of the PHIO app had been carried out by the deadline of 31 January 2025 and if the action in relation to repurposing clinical space had been completed. The Chief Officer for the IJB advised the clinical space had been completed however the implementation of the app had been moved to March 2025.

Population Health
The Board Chair requested work around obesity would be included in a future iteration of the report.

Workforce
There had been wider discussions throughout the meeting referencing workforce and finance elements.

Decision / Conclusion
Members noted where Key Performance Indicators were off track and the improvement actions in place to bring deliverables back on track. The Chief Executive advised that the Executive Team would discuss the outputs of the end-to-end review of the IPR later that day and agree a way forward. A paper would be presented to SLT for agreement at March's SLT re: IPR and come on to the April 2025 Board meeting.

14.4. Year 1 Corporate Strategy - Quarter 3 Report OHB2425-129 (Presenter: Chief Executive)

The Chief Executive presented the Corporate Strategy 2024/25 Quarter 3 progress update.
The Quarter 3 focus had remained on delivery and performance across all National and Local Key Performance Indicators (KPIs), including the Corporate Strategy KPIs/objectives.

There were 75 deliverables in the Corporate Strategy Delivery Plan 2024/25. 20 were RAG rated Red, 17 rated Amber, 33 Green with 5 actions deferred to 2025/26 following a prioritisation exercise by the Digital Information Operations Group.

Deliverables that were RAG rated red and amber were presented along with improvement actions to bring the deliverable back on track in Quarter 4 of 2024/25.

Place
The Board sought assurance around mitigating actions in place.

People
J Kenny queried whether alternative wording could be used with reference to 'no action required' against appraisal and sickness rates.

Patient Safety, Quality and Experience
The Board Chair raised a challenge around Compassionate Conversations whereby the training was available via Turas and had been highlighted to Senior Charge nurses as this had not yielded results in the past and queried what could be done further. The Medical Director advised the the training was not available in Scotland and equivalent training had been identified and the challenge remained around the time to learn element.

Performance
The Board sought assurance around mitigating actions in place.

Potential
The Board Chair acknowledged the limitations within the Practice Education Team and queried whether the Education Strategy was achievable. The Chief Executive assured members that a draft Integrated Education Strategy had been produced and would be presented to SLT in the coming month and therefore this was very much on track for Quarter 4 of 2024/25.
Members agreed that the next iteration of the report would include SMART actions to ensure assurance could be sought.

Decision/Conclusion
Members received and noted the paper and sought limited assurance, noting the considerable number of deliverables which were off track, recognising the actions required to bring the plan back on track in Quarter 4 and that some priorities would roll-over into 2025/26.

14.5. Year 2 Corporate Strategy - Engagement Approach and Development of Priorities OHB2425-130 (Presenter: Chief Executive)

The Chief Executive presented the Board with a draft high-level Year 2 (2025/26) Corporate Strategy priorities for review and endorsement and the approach taken to engage with patients, community, partners, and staff.

A clear communication and engagement plan was in place setting out the approach to engagement and feedback, and progress against the Year 2 (2025/26) Corporate Strategy priorities would continue to be overseen, monitored and embedded and the final draft Corporate Strategy 2025/26 and Delivery Plan would be brought to the In Committee Board on 13 March 2025 for final approval ahead of publication in April 2025 after discussion and approval at SLT on 7 March 2025.

Following discussion members were advised as a starting point, age and geography were elements being asked as part of the online and paper survey.
The Board Chair suggested a Board seminar around responsibility in relation to Equality and Diversity was held within the next 12- months.

Decision/Conclusion
The Board noted and welcomed the approach to engagement of the Year 2 Corporate Strategy.

15. STRATEGIC OBJECTIVE – POTENTIAL

15.1. Digital Delivery Plan - Quarter 3 Report OHB2425-131 (Presenter: Chief Executive, Guests: Debs Crohn - Head of Improvement)

Members noted the Digital Delivery Plan.

16. ANY OTHER COMPETENT BUSINESS

17. APPROVED MINUTES FROM GOVERNANCE COMMITTEE MEETINGS

17.1. Staff Governance Committee

Members noted the minutes.

17.2. Audit and Risk Committee

The minutes from the December 2024 meeting would be approved at the Audit and Risk Committee on 4 March 2025.

17.3. Area Clinical Forum

Members noted the minutes.

17.4. Finance and Performance

The minutes from the January 2025 meeting would be approved at the Finance and Performance Committee in March 2025

17.5. Joint Clinical Care Governance Committee

The minutes from the January 2025 meeting will be approved at the Finance and Performance Committee in March 2025

18. ITEMS FOR INFORMATION (Presenters: Chair)

18.1. Board Meeting Schedule 2025/26

Members noted the schedule.

18.2. Attendance Record

Members noted the attendance record.

Item 4 - NHS Orkney Board Action Log 2025/26

Purpose: The purpose of the action log is to capture short term actions to enable Board members to assure themselves that decisions have been implemented appropriately.

Ref No	Strategic Priority	Escalated From	Meeting Date	Action	Due Date	Action Owner	Update	Status
OHB2425-02	Patient Safety, Quality and experience	Board	12 December 2024	**Public Protection** Public protection should be taken forward as an improvement project – Senior Leadership Team to consider this and update to JCCGC in February 2025	27.02.25	Director Nursing, Midwifery, Allied Health Professionals. Chief Officer Acute Services	**27.02.2025** – This is being discussed by the JCCGC – project management support is being sourced to support the role out of staff training. Mapping work is underway – this work to be brought back to Board in August 2025. Assurance to be provided by the JCCGC,	In Progress
OHB2425-06	Patient Safety, Quality and experience	Board	27 February 2025	**Integrated Pefromance Report** Board Chair, DoNMAHP and Chair of JCCGC to meet re Excellence in Care Dashboard	24.02.25	DoNMAHP Board Chair Chair of JCCGC		In Progress

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Board Chair and Chief Executive Report**
Responsible Executive/Non-Executive:	**Meghan McEwen, Board Chair and Laura Skaife-Knight, Chief Executive**
Report Author:	**Meghan McEwen, Board Chair, and Laura Skaife-Knight, Chief Executive**

1 Purpose

This is presented to the Board for:

- Awareness

2 Report summary

2.1 Situation

This report has been provided to update the Board on key external/internal events and activities from February-April 2025, including:

- A summary of our overall operational and financial performance
- Clinical Service Review underway
- Team Orkney Awards success
- National recognition for NHS Orkney nurses
- Developing our behavioural standards
- Board Chair and Chief Executives' diaries – including meetings with external stakeholders and partners
- Looking ahead to 2025/26 – we have published our Corporate Strategy 2025/26 (Year 2) priorities and responded to what matters most to our patients, community, partners and staff

2.2 Background

2.2.1 A summary of our overall operational and financial performance

Operational performance: summary

What's going well: summary

- Monthly sickness absence at the end of December 2024 was 6.05% compared to 6.52% at end of November 2024
- Performance against the 31-day cancer standard remains consistently at 100% versus the 95% national standard
- Staff appraisal rates increased at the end of February 2025 up from 36.49% to 38.33% - with much more work to do
- Four-hour emergency access standard performance at the end of February 2025 was 91.99% against the national 95% standard. NHS Orkney remains a top three performing Health Board in Scotland for this national standard

Areas of concern: summary

- Performance in Quarter 4 of 2024/25 has significantly worsened across all areas of Planned Care with the exception of the 31-day cancer standard (above), impacted by a combination of workforce gaps, clinic cancellations and winter pressures. Proactive work is underway to see the recovery that is necessary, including external providers being explored and a request for national funding to run extra consultant-led sessions in a number of specialties to address the backlog, with this work being overseen by the Planned Care Programme Board, which reports to our Finance and Performance Committee

Financial performance: summary

At month 11 for 2024/25, the Board's run rate remained largely on track and in line with the financial plan trajectory at month 11 (£0.808m favourable). The efficiency programme has delivered recurring savings of £2.394m at the end of the same month.

As we finalise, validate and audit our year-end financial position, we can confirm we are on track to achieve our Financial Plan. We have delivered our savings plan for the year and we are one of few Boards in Scotland to achieve 3% recurring savings in 2024/25, which will see NHS Orkney achieving a record level of efficiencies. Consistent with other Boards across Scotland, we face a challenging few years ahead, though our 2024/25 performance gives us a solid foundation on which to build so that we can move NHS Orkney back to a sustainable financial position in the years to come. We are now well on this path and this is thanks to the hard work, focus and efforts of all staff across the organisation. This is an incredible achievement and one that demonstrates what Team Orkney (our staff) can achieve together.

Our savings requirement for the year ahead is £3.5m, with our Improving Together (efficiency) programme well developed and engagement strong across the organisation. The final draft plan will be considered by the Board in April 2025, and will return as a final document to June 2025's public Board meeting for approval.

Our Board has taken the decision to set up a new Financial Escalation Board, to be chaired by the Board Chair, from April 2025 and recognising the challenge that still lies ahead, despite the improvement NHS Orkney can evidence in 2024/25. This will further strengthen the oversight and scrutiny of different aspects of financial performance and will be attended by a subset of Board members and a senior Scottish Government Finance Lead.

2.2.2 Clinical Services Review underway

We have started a Clinical Services Review, which will help us consider the way our clinical services are delivered in both hospital and community settings in the future. It is funded by the Scottish Government as part of our ongoing support under the NHS Support and Intervention Framework (financial escalation).

The main aim of this review is to find constructive ways to further improve the quality of care we deliver to our communities in a remote and rural island context, and ensure our services are sustainable, efficient and affordable moving forward.

To support this work, two experienced NHS leaders—Dr Jennifer Armstrong (former Medical Director, NHS Greater Glasgow and Clyde) and Fiona McKay (former Director of Planning, NHS Greater Glasgow and Clyde) are working with us and spending time on-site speaking to our clinicians and teams as well as partner Health Boards, including engagement with our clinical advisory groups.

There are two main phases to the review:

- Phase One – Mapping current services in acute and primary care
- Phase Two – An evidence-based review of future service models, drawing on good practice from around the UK and internationally, to strengthen and transform clinical services for NHS Orkney

We see this as a real chance to shape how we deliver care, both now and in the years ahead. Our focus is on developing a clear clinical vision and one that improves patient care and experience, supports our staff, and helps us to address our financial challenges.

This is a 16-week piece of work which will be overseen by our Improving Together Programme Board and our Financial Escalation Board, with results and options for next steps presented later this Summer for NHS Orkney to consider.

2.2.3 Team Orkney Awards success

Very many congratulations to the winners of our 2025 Team Orkney Awards who were announced at a special event at The Legion at the end of March 2025, which was a memorable evening where we celebrated our staff and teams across the organisation and thanked colleagues for all they do to look after our community and provide excellent care.

With 157 nominations for this year's Team Orkney Awards across thirteen categories which were updated from last year based on feedback from staff, and 42 colleagues/teams shortlisted, this was 50 more nominations than last year with really strong engagement from our local community.

Our Team Orkney Awards are in direct response to staff and are now part of our wider reward and recognition programme across NHS Orkney.

The Team Orkney Awards highlight examples of outstanding patient care, inspirational support and leadership, excellent teamwork and how living NHS Orkney's values has made a significant difference to the lives of patients and our community.

Thank you to The Orcadian for sponsoring the People's Choice Award for the second year running and to Cameron Stout from BBC Radio Orkney for superbly hosting our awards.

2.2.4 National recognition for NHS Orkney nurses

Many congratulations to our two NHS Orkney nurses, Anne Gregg, Macmillan Specialist Nurse, and Amanda Manson, Cardiology Specialist Nurse, who have been named finalists in this year's Royal College of Nursing (RCN) Scotland Nurse of the Year Awards.

Amanda Manson has been nominated for the Adult Nursing Award. This award aims to recognise those who have succeeded in raising standards of care for their patients and service users and have made an outstanding contribution to the care of adults.

And Anne has been nominated for the People's Choice Award. This award is the public's opportunity to recognise a nurse, midwife or nursing support worker who they believe has made a difference and gone that extra mile to ensure the highest standards of care.

The winners will be announced at an awards evening on 12 June 2025.

2.2.5 Developing our new behavioural standards

The work to develop new behavioural standards which underpin our values has begun with the Board and Senior Leadership Team (SLT), with sessions taking place to get input from Board and SLT before we commence engagement sessions with staff and teams across the organisation. This work is a top priority going into 2025/26, as detailed in our Corporate Strategy Year 2 document, and given the role the Board has when it comes to shaping organisational culture, it was important that this work started at the top of the organisation.

2.2.6 CEO and Chair diaries – including meetings with external stakeholders and partners

Board Chair

I attended the Board Chairs' Group meeting with the Cabinet Secretary, where we heard about the Operational Improvement Plan and the key steer from Government that working together and working efficiently will be key priorities for the year ahead.

I continue to co-chair the Integration Portfolio group on behalf of the Board Chairs' Group, where we explore the key leadership and improvement areas for NHS Boards to deliver integrated and holistic services to our communities.

I have had conversations this month about developing and advertising our vacancy for a Non-Executive member of our Board. This has highlighted the need to take a more co-ordinated approach to succession planning for Board members, and I have asked Issy Grieve, Non-Executive Director to Chair a Succession Planning Committee to help guide our work.

Our Team Orkney Awards were an incredible success, and the evening was a delight. Most importantly, it was incredibly moving to see colleagues come together and hear how they have delivered such excellent care to our patients and community.
I have met with North of Scotland Chairs to speak about sharing best practice, learning from one another, and working collaboratively together for people in the North of Scotland.
I am conducting appraisals this month, which is a rewarding and interesting exercise with colleauges.

Chief Executive

I attended an in-person meeting with the First Minister, John Swinney, the Cabinet Secretary for Health and Social Care and the Director General for Health and Social Care in Scotland, with all other Board Chief Executives, where we discussed the highest priorities for Board in the context of the renewal and reform agenda. Mr Swinney reiterated the strengthened focus that is needed by Boards when it comes to further reducing waiting times. He asked for a focus on optimising relationships between Health and Social Care Partnerships and NHS Boards, including in managing Delayed Transfers of Care and finding solutions to solving problems together. Linked to this he emphasised the need for more collaborative and cross boundary working in order to ensure there are more system solutions to longstanding challenges and problems, including here in Orkney. All of these priorities feature in our Year 2 (2025/25) Corporate Strategy. Finally, he updated Chief Executives on the three key publications in development, notably:

1. Operational Improvement Plan – published end of March 2025
2. Population Health Framework
3. Renewal Framework

Responding to the External Review Report into culture, governance and leadership, we have commenced a formal Executive team meeting every other week, which has a formal agenda and areas of focus which span operational and financial performance, patient and staff experience and national updates which has brought an enhanced focus to our meetings.

Following a successful Executive-to-Executive Team meeting with NHS Grampian, early April 2025 we had a productive Executive-to-Executive Team meeting with colleagues from NHS Highland to explore opportunities for closer working and collaboration for the benefit of our patients and community. These meetings will take quarterly from now, which is welcomed, and key to building strengthened relationships recognising our reliance on neighbouring Health Boards for the care and treatment of our community here in Orkney.

I attended the Orkney Community Planning Partnership meeting, with a tour of The Balfour to showcase our leading work on sustainability and net zero taking place ahead of the meeting.

I continue to attend each staff induction to personally meet and introduce new starters to the organisation, and lead monthly listening sessions for all staff with me personally and lead the all

staff briefing which is attended by our Executive Team, to keep colleagues well informed about NHS Orkney developments and news. I also led two staff briefing sessions as part of our launch of the Year 2 Corporate Strategy for 2025/26) so that our priorities are known and understood by colleagues across the organisation.

I welcomed Rhoda Grant, MSP for the Highlands and Islands region, to The Balfour, where we took her on a tour of the hospital, providing an opportunity to meet patients and staff, and discussed our progress and challenges, including how we are responding to these.
I had my regular meeting with Liam McArthur, MSP for Orkney, and I joined our Interim Director of Finance for a meeting with colleagues from Robertsons who are responsible for our new hospital contract delivery. I met with Dr Andrew Trevitt at the Orkney Hyberbaric Unit in Stromness to hear more about this important facility which is for the treatment of divers involved in accidents.

I attended and contributed to all of the year-end Board Committee development and effectiveness review meetings.

I chaired our latest Extended Senior Leadership team meeting which focused on our Year 2 Corporate Strategy priorities, our 2025/26 Improving Together (efficiency) programme, our Leadership Development programme, integrated Education Strategy, options appraisal for the Education and Improvement Hub we wish to create and the Clinical Service Review that is currently underway.

Stephen Brown, Chief Officer for the Integration Joint Board, and I visited our Advanced Nurse Practitioner, Heidi Jones, and members of the community on Papa Westray. This was a great opportunity to hear from Heidi what it's like to work on the island, what's going well and listen to feedback on the areas in which there are opportunities for improvement both to improve the experience of patients and your experience of working here. It was also useful for us to hear from wider members of the community and for Stephen and I to share some updates on our vision for the future of health and social care in Orkney.

Meghan and I had our quarterly relationship meeting with the Editor of The Orcadian where we discussed opportunities for partnership working and shared ideas for promoting important health, wellbeing and prevention messages to our community throughout the year. We also met with GPs from our Skerryvore Practice to listen to their experiences and frustrations, and agreed some next steps.

We also met with Andrew Fletcher, Chief Executive of Muscular Dystrophy UK, and some of his team to explore potential collaboration opportunities and hear an update the ongoing work in Scotland and discussed the findings and recommendations from the latest report, *Missing People, Missing Support: How Scotland is Letting Down People with Muscle Wasting and Weakening Conditions*. We look forward to working in partnership with Muscular Dystrophy UK to further enhance the service and support we provide to our patients.

2.2.7 Looking ahead to 2025/26 – we have published our Corporate Strategy 2025/26 (Year 2) priorities and responded to what matters most to our patients, community, partners and staff

On 31 March 2025, we launched our priorities for the year ahead after asking patients, our community and staff what matters most to them.

We have listened carefully to the feedback and stories we receive throughout the year which points clearly to what we need to focus on in the year ahead to ensure we look after our community and provide excellent care on a consistent basis.

Our priorities also incorporate the main local, regional and national priorities that are required of the Health Board.

Our strategy focuses on five key areas: People, Place, Patient Safety, Performance and Potential.

When we asked our community, what means most to you, this is what they told us and therefore these areas are at the heart of our 2025/26 priorities:

- Timely access to care and reducing waiting times, with a particular focus on dentistry, ophthalmology, physiotherapy, mental health, outpatients and the pain service
- Further reducing travel for appointments that could be done virtually
- Improving communication by introducing email/text appointment reminders
- A much-strengthened focus on improving population health and the prevention of ill health, including empowering the community to maintain their own health and wellbeing
- Improving access and the discharge (leaving hospital) experience for those who live on our ferry linked isles

We go into 2025/26 with much optimism, and ready to build on our progress to date so we can look after our community and more consistently provide excellent care and further improve people's experience of working here – with exciting plans now in place which enable us to achieve both.

We will discuss our Year 2 Corporate Strategy later on this agenda in more detail and we are grateful to members of our community, partners and staff who took the time to have their say.

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Health Board Collaboration and Leadership**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight, Chief Executive**
Report Author:	**NHS Board Chief Executives**

Executive Summary

- This paper sets the national context for renewal and reform following the First Minister's statement on 27 January 2025
- The content of this paper has been agreed nationally and Chief Executives have been asked to each take the report in full to their own Board at their next scheduled meeting (for NHS Orkney this is April 2025)
- The paper aims to brief NHS Boards on the new governance arrangements in place for planning, with the establishment of the NHS Scotland Executive Group and wider efforts to support a more collaborative ethos in NHS Scotland
- It also describes the need for all NHS Boards to ensure a systematic approach to balancing local delivery with the need to contribute to meet the needs of larger populations – beyond their geographical boundaries – in the delivery of planned care (and reducing waiting times)
- Board members are asked to acknowledge and endorse the duality of their role for the population/Board they serve, as well as their contribution to population planning that will cross traditional Board boundaries. The Board is asked to approve local implementation of this approach and note the anticipated increased pace of change and requirement for regional and national collaboration in coming weeks and months.

1. Purpose

This paper is presented to the Board for:

- Assurance

This report relates to:

- Emerging issue
- Government policy/directive

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

- Effective
- Person Centred

2 Report summary

2.1 Situation

This paper:

- Sets the context for renewal and reform following the First Minister's statement on 27 January 2025
- Briefs NHS Boards on the new governance arrangements with the establishment of the NHS Scotland Executive Group and wider efforts to support a more collaborative ethos in NHS Scotland
- Describes the need for all NHS Boards to ensure a systematic approach to balancing local delivery with the need to contribute to meet the needs of larger populations – beyond their geographical boundaries – in the delivery of planned care

2.2 Background

The First Minister's statement on Improving Public Services and NHS Renewal on 27 January 2025, emphasised the need for NHS Boards to work collaboratively to achieve the principles and aims that he set out: improved access to services; shifting the balance of care to the community; focus on innovation to improve access to; and delivery of care.

The First Minister's statement reflected the shift sought in DL(2024)31: A renewed approach to population-based planning across NHS Scotland, which was published on 28 November 2024. The DL emphasises the need for service planning to align with the population size and be collaborative. It highlights a significant shift in planning, organising, delivering, and potentially funding services to meet Scotland's changing needs and ensure high-quality, sustainable services. NHS Boards will be required to collaborate across NHS Board boundaries – and with Scottish Government – to implement these principles, particularly through the annual delivery plan process.

2.3 Assessment

NHS Board Chairs and Chief Executives received a letter on 7 February 2025 from the Director General Health and Social Care and Chief Executive of NHS Scotland (DGNHS) setting out expectations about collaboration. This letter reaffirmed the principles set out in DL(2024)31 with an expectation for increased collaboration between NHS Boards for to help improve the health and wellbeing of the citizens and communities of Scotland and is aligned to the principles of co-operation and assistance as set out in section 12 (J) of the 1978 NHS Scotland Act.

This letter also aligns with the key priority deliverables set out in the First Minister's speech on 27 January 2025 which aims to improve access, reform and equity for the people of Scotland.

Governance Arrangements

Over the past year, steps have been taken to revise national governance arrangements. This is intended enhance collaborative working in recognition that the challenges facing the NHS and

social care require a system-level leadership and corporate working across NHS Board boundaries.

In October 2024, the NHS Scotland Executive Group was established. It is co-chaired by the Director General Health and Social Care and Chief Executive of NHS Scotland and the Chair of Board Chief Executives Group. This newly formed group provides collective leadership in addressing key issues which require a national perspective. NHS Chairs received a briefing on the role of the Group on 5 November 2024.

NHS Boards are working to advance practical examples of building a more cohesive approach to the design and delivery of services on behalf of NHS Scotland. NHS Board Chief Executives undertook a successful two-day session on group development and digital innovation in September 2024 at the National Robotarium in Edinburgh. In relation to adoption of new digital developments and products it was agreed that the default position should be national development approach and local adoption. It was also recognised that this principle may well apply in a range of other planning matters.

Renewal and Reform

Since the end of 2024, a small cohort of Board Chief Executives, on behalf of the wider NHS Board Chief Executives Group, have contributed to a weekly reform coordination group. This group also includes senior Scottish Government officials and was set-up to create early dialogue on the phasing of reform and renewal plans due to be published this year. NHS Board Chief Executives have welcomed this approach as it has enabled NHS representatives to meaningfully contribute to and influence the early approach on reform and renewal.

Representatives of the reform coordination group led on delivery of a joint Chief Executives/Executive Leads and Scottish Government session on NHS Renewal, held at COSLA on 18 February. This session explored the current position of the 3 ‘products’ that are due to be published in the first half of 2025:

- Operational Improvement Plan (by the end March)
- Population Health Framework (Spring)
- Health and Social Care Service Reform Framework (pre summer Scottish Parliament recess)

These policy documents will provide the platform for the delivery of the First Minister’s commitments. There is significant opportunity for NHS Board Chairs, Chief Executives and teams to contribute to this work, as well as partners, patients and communities themselves. It is important that NHS Boards contribute to the scrutiny of any proposals to ensure that the plans are deliverable.

In parallel to reform, there is renewed focus on wider public sector reform and efficiency and productivity with an onus on Chief Executives and NHS Boards to ensure that all opportunities for service efficiency and improvement are explored and delivered, whilst simultaneously progressing longer term reform. A paper will be presented to the NHS Scotland Executive Group on 6 March on Business Services which will demonstrate opportunities available to NHS Boards to deliver transformation of business services and supporting systems.

Improvements in Planned Care

NHS Board Chief Executive representatives updated colleagues on weekly meetings they had contributed to which were convened and chaired by the First Minister, including the Cabinet Secretary for Health and Social Care and Scottish Government officials. This has resulted in the development of a National Planned Care Framework, which sets out a number of principles for achieving the necessary improvements in planned care.

The Framework seeks to create a balanced planned care system, ensuring all patients in Scotland have equal and timely access to care. It aims to maintain or improve care standards while balancing short-term and long-term actions on waiting lists. This draft framework was discussed and approved by the NHS Board Chief Executives Group on 19 February. It will now be subject to engagement with NHS Boards.
The National Planned Care Framework exemplifies new working methods, adhering to the principles of cooperation and assistance outlined in section 12(J) of the 1978 NHS Scotland Act. As we advance in planning, organising, delivering, and potentially funding services to meet Scotland's evolving needs and lay the groundwork for service transformation, the Director General Health and Social Care and Chief Executive of NHS Scotland is committed to reviewing and modifying the performance governance of individual Boards to reflect this new approach, emphasising collective accountability. This will be important as there will likely be a requirement to adopt a collaborative approach to delivery across other key areas of healthcare policy.

2.3.1 Quality/ Patient Care

N/A

2.3.2 Workforce

N/A

2.3.3 Financial

N/A

2.3.4 Risk assessment/management

A more systematic approach to population-based planning and collaboration across Boards is intended to support mitigation of risk across NHS Scotland, particularly within the context of planned care. The review of the performance management framework will take into consideration the direction of travel set out in this approach.

2.3.5 Equality and Diversity, including health inequalities

N/A

2.3.6 Route to the Meeting

This paper has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- NHS Scotland Executive Group, 5 March 2025

2.4 Recommendations

The NHS Orkney Board is asked to **note**:

- The commitment set out by the First Minister to progress the renewal and reform of the NHS in Scotland, and associated requirement for the Board to seek assurance on delivery of these commitments
- The evolution of the new governance arrangements which are intended to enable and foster stronger collective accountability whilst underpinning the strength of local accountability mechanisms

The NHS Orkney Board is asked to **acknowledge and endorse**:

- The duality of their role for the population/Board they serve as well as their contribution to population planning that will cross traditional Board boundaries and approves local implementation of this approach, consistent with DL(2024)31 and 12 (J) of the 1978 NHS Scotland Act
- The anticipated increased pace of change and requirement for regional and national collaboration in coming weeks and months as there is requirement to deliver the principles set out by the First Minister in his speech on 27 January, to deliver efficiencies and savings and to put into action the commitments set out in the three reform documents.

The NHS Orkney Board to note that in response to these changes, it is recognised that there is requirement to refresh the traditional approach to Board performance framework and indeed Executive personal objectives, which was referenced in Caroline Lamb's letter of 7 February.

2.5 Appendices

The following appendix is included with this report

- Appendix 1 – Letter from Caroline Lamb, Chief Executive of NHS Scotland and Director General for Health and Social Care (7 February 2025)

Director-General Health & Social Care and
Chief Executive NHS Scotland
Caroline Lamb

E: dghsc@gov.scot

Scottish Government
Riaghaltas na h-Alba

All NHS Chairs and NHS Chief Executives

7 February 2025

Dear Colleagues

Following the First Minister's recent keynote speech on improving public services, I am writing to seek your support in taking forward the programme of reform and renewal for our NHS. The NHS Chairs meetings and the advent of the NHS Scotland Executive Group has meant a fundamental shift in the way we come together and lead the NHS, but we need to increase the pace at which we are implementing the range of improvements across our system, in order to maximise the effectiveness and efficiency of services.

In taking forward the range of system reform and improvement work, it is important that we fully utilise the opportunities provided by working across boundaries – giving life to the statutory duties placed upon all NHS Boards to work collaboratively in delivering healthcare services. This duty is set out in Section 12J of the National Health Service (Scotland) Act 1978 and provides the foundation for ensuring equitable and effective healthcare delivery across Scotland.

As system leaders, you are required to ensure that your Boards actively engage in collaborative arrangements with other Health Boards. This includes sharing resources, expertise and services, where appropriate, to optimise patient outcomes and improve efficiency across the system. Such co-operation is critical to achieving the best possible care for our population, especially given the complex challenges we face in addressing health inequalities and meeting the demands on services.

Over the last year we have strengthened our approach to collaboration and co-operation with you, beginning with the publication of the Model Framework Document for NHS Boards in April 2024. This document outlines how we collaborate and co-operate and provides a structured approach for Boards, detailing our respective roles, responsibilities, and the nature of how Boards interact with the Scottish Government. It aimed to provide greater clarity on governance and accountability and sets out our commitment to fostering effective partnerships to deliver high-quality healthcare services across Scotland.

Our commitment to working together has been further strengthened with the establishment of the NHS Scotland Executive Group, which first met in October 2024. Its primary aim is to support the effective governance, planning and delivery of healthcare services across Scotland. The NHS Scotland Executive Group plays a central role in supporting national and

regional planning initiatives, such as those outlined in the NHS Scotland Planning Framework.

The recent publication of the NHS Scotland Planning Director's Letter, in November 2024, provides additional guidance on population-based planning, once again highlighting the need for strengthened national and regional coordination. The DL emphasised the establishment of a Single Planning Framework to ensure coherence and alignment in service delivery, infrastructure investment, and workforce planning at national level. The NHS Scotland Planning and Delivery Board (NHSSPDB) will oversee and govern these efforts, ensuring that resources are deployed efficiently and equitably across all Health Boards.

At the regional level, the letter outlines the importance of collaboration between neighbouring Health Boards to develop strategies that address the specific needs of local populations. Regional planning groups are expected to drive innovation and adaptability, responding to the unique health dynamics within their areas whilst aligning with the broader NHS Scotland priorities. These planning efforts are integral to achieving the vision set out in the 2016 National Clinical Strategy and the Public Bodies (Joint Working) (Scotland) Act, which prioritise integration and partnership working across sectors.

I believe we have all of the foundations now in place to allow you to fulfil your roles, as NHS leaders, but also in how we come together as an NHS Scotland to meet the needs of patients and the expectations of our communities.

Moving forward, I intend to work with employers to enhance the Executive Management Appraisal System so that we can properly assess and record the impact of working across board and wider system boundaries. This will be incorporated into the guidance for the 2024/25 performance review and 2025/26 objective setting process, which the Chief People Officer will issue in late February / early March. Similarly, the appraisals of NHS Chairs will encompass how they are facilitating and supporting the level of cross boundary working that we all see as essential.

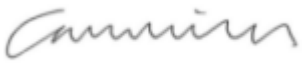
For now, I encourage you all to review your current arrangements for cross-boundary collaboration and identify any areas requiring improvement. Please also ensure that staff within your Boards are familiar with the statutory requirements of the Model Framework.

In the meantime, should you require clarification or support, please do not hesitate to contact my office.

Thank you for your continued leadership and dedication to delivering high-quality, patient-centred care for the people of Scotland.

Yours sincerely,

Caroline Lamb



Director General Health and Social Care and Chief Executive NHS Scotland

Joint Clinical and Care Governance Committee Chair's Assurance Report to Board

Title of Report:	**Chair's Assurance report from the Joint Clinical and Care Governance Committee**	**Date of Meeting: 02/04/2025**
Prepared By:	Rona Gold, Chair and Non Executive Director	
Approved By:	Sam Thomas Executive Director of Nursing, Midwifery, Allied Health Profession (AHP's) and Chief Officer Acute Services	
Presented By:	Rona Gold, Chair and Non Executive Director	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Joint Clinical and Care Governance Committee at its meeting on 2 April 2025.		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. It has been raised through the Infection Control Committee (CAR), Occupational Health's concerns for TB screening currently within Orkney. This was echoed Area Clinical Forum chair and there was agreement that clarity on progress made would be shared with Clinical Governance groups, led by JCCGC Exec Lead. 2. The Chief Executive escalated some compliance concerns regarding the new hospital contract, including some relating to water maintenance, which are being explored. A paper setting out proposed strengthened arrangements for governance and performance management arrangements will come to the 22 May 2025 Finance and Performance Committee, with any quality/safety concerns being escalated to Joint Clinical and Care Governance Committee, to ensure cross Committee working and assurance.	1. Received verbal update from Chief Social Work Officer on the work underway to coordinate and collaborate across health and social care on the actions required of the United Nations Convention on the Rights of the Child (UNCRC). 2. Endoscopy Peer Review report welcomed including the steps taken steps to address risks through a bid submitted to the Scottish Government for backlog clearance, workforce transformation, and integration with the CSR to establish long-term service model. More detail and actions from the recommendations will come as a further update to the July meeting of JCCGC. 3. The Quality, Safety and Experience Report highlighted work underway to address reviewing and closing incidents, and serious and adverse events (SAEs) this includes regular meetings and training for those in management and leadership positions. 4. Communication will be provided to GP practices to update on the work ongoing to improve the arrangements for adult neurodevelopmental assessments.

Positive Assurances to Provide	Decisions Made
1. The Committee welcomed the work of the staff involved in the Green Maternity Project: Hip Dysplacia scanning; with their leadership, perseverance, creativity and ambition to work towards achieving multiple goals of better patient experience, financial savings, carbon reductions and staff development. 2. Social Work and Social Care Governance Board CAR highlighted an excellent outcome from the Care Inspectorate review of Adult Support and Protection Services undertaken with significant progress achieved in all areas inspected. 3. Took assurance on the agreed process for undertaking future Peer Reviews, ensuring standardisation and involvement of key stakeholders in the planning and approval, which will improve quality and effectiveness of recommendations. 4. Comprehensive update from Dentistry with confirmation of actions underway to support current challenges. 5. Positive assurances from a comprehensive update on Children's Health Services in Orkney, covering work of Health Visitors and School Nurses.	1. Minute of Meeting 4 February 2025 approved. 2. JCCGC Annual Report approved. 3. Assurance taken from the Chairs Assurance Reports (CARs) for: JCCGC (4 February), Area Drugs and Therapeutics Committee (10 February), Infection Control Committee (5 February) , Social Work and Social Care Governance Board (4 March) and the Risk Management Forum (12 February). 4. Agreed to have in future to JCCGC, one report on the combined actions within the Mental Health Peer Review report and the Mental Health Assurance report, alongside previous actions already underway on mental health. 5. It was agreed that an update on the action plan within the Dentistry paper will be considered at the October JCCGC meeting.
Comments on Effectiveness of the Meeting	
• The staff presentation on the Green Maternity Project: Hip Dysplacia scanning, at the start of the meeting set a very positive patient focussed tone to the meeting. Meeting was extended to take account of the breadth and depth of papers required to come through for governance. The meeting finished on time. There was good discussion and the quality of the papers was very good.	

Finance and Performance Committee

Title of Report:	Chair's Assurance report from **Finance and Performance Committee**	**Date of Meeting:** 27 March 2025
Prepared By:	Debs Crohn, Head of Improvement	
Approved By:	Davie Campbell, Chair Finance and Performance Committee	
Presented By:	Davie Campbell, Chair Finance and Performance Committee	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Finance and Performance Committee on the **27 March 2025.**		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. Committee expressed their disappointment that the Business Continuity Plan update was not received, raising concerns regarding capacity within the Boards Resilience team. Update to be brought to Senior Leadership Team 22 April 2025 and Finance and Performance Committee 22 May 2025. Chief Executive to review Executive Leadership of the resilience team. 2. Committee were not assured by the operational data presented in the Integrated Performance Plan, raising concerns regarding the lack of data on ophthalmology performance data and a disconnect between narrative and performance data. 3. Despite the Island Games 2025 plan being 80% complete, Committee were not in a position to recommend approval of the plan due to several outstanding actions. Limited assurance was taken by Committee with concerns raised regarding the occurrence of a major incident and additional costs pressures to the Board. 4. Committee raised concerns regarding the increase in costs at Month 11 due to unknown quantified prescribing costs, however noted that the efficiency programme remains on track to deliver the predicted £4 million savings by the end of the financial year. 5. Committee discussed and recommended that the funding proposal from Scottish Government be approved by the Board noting the risks associated with accepting the conditions outlined in the proposal. 6. Concerns were raised by Committee in relation to the Agenda for Change implications. As a substantial amount of our efficiency programme for 2025/26 (around 28%) is related to workforce, deep	1. Contracts register is now in place and will be presented at all Finance and Performance Committee. 2. Director of Nursing, Midwifery, Allied Health Professional and Chief Officer Acute Services to develop a Business Case for an additional Band 6 post and the risk to patient care if additional resources are not brought in to support delivery of this clinical service.

dives into the Improving Together Workstream and Agenda for Change will be brought to Committee 22 May 2025.	
Positive Assurances to Provide	**Decisions Made**
1. Committee thanked the Interim Director of Finance for the update from the National Directors of Finance Meeting, Board Chair suggested that this approach should be used as an exemplar for all national meeting updates at Board Committees. 2. Improving Together Programme Update - the Board is in a much better position than this time last year. The Improving Together Plan for 2025/26 will be brought to Board 24 April 2025, to ensure alignment with the Clinical Services Review 3. First Cytosponge clinic has now taken place – 8 patients who were eligible for this type of diagnostic examination have been seen at the first clinic in Orkney removing the need for patients to travel south. 4. Committee noted the NHS Orkney Procurement Annual report 2023/24 5. Committee acknowledged improvements within the finance team and welcomed the internal controls that have been put in place to address the issues raised in internal and external reviews.	1. Committee Annual Report 2024/25 approved for onward submission to the Audit and Risk Committee. 2. Refresh of Standing Financial Instructions and Scheme of Delegation (Phase 1) approved.
Comments on Effectiveness of the Meeting	
Consideration should be given to the level of assurance given at the meeting.	

Audit and Risk Committee Chair's Assurance Report to Board

Title of Report:	Chair's Assurance report from the Audit & Risk Committee	**Date of Meeting: 4 March 2025**
Prepared By:	Rachel Ratter	
Approved By:	Jason Taylor	
Presented By:	Jason Taylor	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Audit & Risk Committee at its meeting on 4/3/24		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
	• Risk Management workshop - Medical Director and Head of Improvement to agree timing and content of session with Board Chair. Session to include discussion around the Risk Register cover paper (updates and timing of updates relative to aligning committees). • Risk management to be built into Management Induction programme
Positive Assurances to Provide	**Decisions Made**
• Internal Audit recommendations: 2023/24 internal audits – 13 actions closed, 10 with agreed revised dates for completion (on track for completion by end of 24/25) 2024/25 internal audits - 9 actions closed in line with original timescales, 7 due to complete 31st March. Evidence of learning in respect of a more realistic approach to actioning and setting timescales in respect of audit recommendations. • Received internal audit reports and accepted the recommendations in respect of Financial Controls, Strategic Planning and the Audit Sustainability Review, noting many actions already identified in house and progressing. • Received the draft external audit plan and noted positive progress and engagement to date. • External Audit recommendations: 7 actions in progress (4 on track, 2 off track and 1 subject to national timescales)	• The committee approved the SFI Waiver • The committee received assurance on and approved the Governance Committee Workplans for 2025/26, subject to clarification on dates / timings of common work in both the Finance and Performance and Audit & Risk workplans. • The committee recommends the Code of Corporate Governance to Board for approval • The committee approved a new approach to the 2025/26 audit planning cycle, comprising a reduction in the number of audits with enhanced executive input, greater specificity of ask, and an expectation of best practice comparators. • The committee approved the Internal Audit Plan for 2025/26 with 5 areas of proposed audit. • Add the Internal Audit Sustainability Follow Up Review to the Audit Universe on 3 year cycle.

Comments on Effectiveness of the Meeting	
Systematic running order of agenda and reference to paper numbers greatly assisted flow of meeting.	

Senior Leadership Team (SLT) Place, Patient Safety Quality, Experience and Performance Chair's Assurance Report to Board

Title of Report:	Chair's Assurance report from the Senior Leadership Team	**Date of Meeting: 6 March 2025**
Prepared By:	Debs Crohn, Head of Improvement	
Approved By:	Senior Leadership Team	
Presented By:	Laura Skaife-Knight, Chief Executive	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Senior Leadership Team at its meeting on **6 March 2025**.		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. Corporate Risk Register - Digital Maturity risk has been reduced from 15 - 10 due to the significant work that has been undertaken by the Digital Services Team	1. Island Games 2025 Delivery Plan, Medical Plan and Communications and Engagement Plan will come to SLT 1 in May 2025 for approval. 2. Head of Planning, Performance and Information will review the Integrated Performance Report data sets with each Executive Lead to ensure they are meaningful and useful by the end of April 2025 3. Head of Planning, Performance and Information will lead a full review of the IPR which will be completed in Quarter 3 of 2025/26 so that a refreshed IPR can be launched in April 2026.
Positive Assurances to Provide	**Decisions Made**
1. Month 10 financial performance results are in line with our financial plan in 2024/25. Savings plan for the year is also on-track.	1. NHS Orkney Anchor Strategic Plan Report and metrics approved for onward approval by the Board 13 March 2025 ahead of submission to Scottish Government on 17 March 2025. 2. Business Continuity Management Policy approved. 3. Refreshed Complaints Policy and procedure approved. 4. Final draft 3-Year Financial Plan recommended to the Board for approval by SLT acknowledging that the plan is our commitment to undertaking system-wide transformation, ahead of submission to Scottish Government on 17 March 2025 5. Year 2 Corporate Strategy priorities and deliverables for 2025/26 recommended to the Board for approval

	6. IPR reporting schedule from April 2025 approved which ensures that (1) Board Committees receive the IPR chapter at every meeting for appropriate scrutiny and (2) the latest data is available in the IPR. 7. Internal Audit Programme for 2025/26 was approved.
Feedback about meeting: - Welcomed the Island Games update and commitment to the Board's representation at the Island Games meetings - Fortnightly meetings are working well - Big meaty items and discussions have taken place - Lots of agenda items for approval	

Senior Leadership Team (SLT) People and Potential Chair's Assurance Report to Board

Title of Report:	Chair's Assurance report from the Senior Leadership Team People and Potential	**Date of Meeting:** 21 March 2025
Prepared By:	Debs Crohn, Head of Improvement	
Approved By:	Senior Leadership Team	
Presented By:	Laura Skaife-Knight, Chief Executive	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Senior Leadership Team at its meeting on 21 March 2025		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. Wider staff communication around the Improving Together Programme including the Workforce Workstream. 2. Medical Device Policy – no paper received. Paper will come to the next SLT for approval by the Board in June 2025. 3. HR Records Management – considerable work has gone into bringing HR records into line with the Board's Records Management Policy and retention guidance. This work has highlighted the volume of records which will need to be reviewed across the organisation and consideration will need to be given to how best to undertake this work over the next 6 – 12 months.	1 Corporate Communications team are working on the transition of the NHS Orkney website to a National Services Scotland (NSS) web platform.This work will be complete over a 12-month period. 2 Over the next 12 months, as we embed Sharepoint, this will include the move to a new staff intranet. Digital Services team are in conversations with the University of the Highland and Islands (UHI) to bring in a modern apprentice to support this work.
Positive Assurances to Provide	**Decisions Made**
1. The HR file review has been thorough with important learning for the organisation. 2. The automation of control books was considered a good example of innovation and streamlining effort. 3. Uptake of GDPR training has increased, across the organisation in the past 12 months. 4. The number of incidents reported to the Information Commissioner's Office (ICO) have been low, which reflects the amount of work undertaken by the Information	1. Peer review process approved for onward assurance by the Joint Clinical and Care Governance Committee. 2. Members agreed the recovery and improvement plans for each of the priority areas noting the ask to include Agenda for Change Terms and Conditions, Health and Care Staffing Act and Succession Planning. 3. Members approved the draft Annual Report for the Senior Leadership Team (SLT) for approval by the Chief Executive 4. Members were not in a position to support the recommendation roll-out the automated Health and Safety Control Books. It was agreed that a proof of concept by undertaken within the Radiology Department, update be brought to SLT in May 2025.

Governance team and a culture where staff feel able to raise concerns and issues.	5. Members approved the Information Governance Assurance report and the Information Commissioner's Office (ICO) Self-Assessment Report for onward assurance to the Finance and Performance Committee
Feedback about meeting: - Positive feedback about the split SLT agenda which allows more time for detailed discussion - Positive feedback about papers being brief and easy to follow although overall quality remains variable - Honest and open conversations - Overwhelming support for the work that has been delivered by the digital services team over the past 12-months	

Senior Leadership Team (SLT) Place, Patient Safety Quality, Experience and Performance Chair's Assurance Report to Board

Title of Report:	Chair's Assurance report from the Senior Leadership Team	**Date of Meeting: 1 April 2025**
Prepared By:	Debs Crohn, Head of Improvement	
Approved By:	Senior Leadership Team	
Presented By:	Laura Skaife-Knight, Chief Executive	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the Senior Leadership Team at its meeting on **1 April 2025**.		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. Corporate Risk Register - Financial sustainability risk has been upgraded from a 15 toa score of 20 as Scottish Government have confirmed there is no brokerage available from 1 April 2025 and therefore the Board won't meet its statutory requirement to breakeven. 2. Integrated Performance Report - Performance in Quarter 4 of 2024/25 has significantly worsened across all areas of Planned Care with the exception of the 31-day cancer standard which remains consistently at 100% versus the 95% national standard.	1. Deep dive scheduled for the 2 May 2025 SLT to discuss the Improving Together efficiency schemes programme for 2025/26 with a focus on the Workforce workstream given the significant amount of savings attached to this workstream (circa 30%). 2. NHS Scotland Operational Improvement Plan published w/c 31 March 2025 – agreed to bring this back to the 2 May 2025 SLT to summarise its contents and what this means for NHS Orkney.
Positive Assurances to Provide	**Decisions Made**
1. Month 11 Finance Results – on track and on plan. 2. Improving Together programme 2024/25 on track to deliver £4 million savings target. 3. Procurement Annual Report 2023/24 was well received, noting a new process is now in place to ensure SLT is sighted on the Annual Report earlier in 2025/26. 4. Senior Leadership Team's proactiveness and commitment to continuous Improvement evidenced, and this includes: - Response to the Healthcare Improvement Scotland (HIS) review of NHS Greater Glasgow and Clyde's Emergency Department – recognising there is learning for all Boards in Scotland, NHS Orkney has begun a self assessment against the report's recommendations and agreed a goverance route for this	1. Maternity peer review scope and Terms of Reference approved. 2. Corporate Strategy Quarter 4 update approved for onward assurance to the Board on 24 April 2025.

- Maternity Peer review – Terms of Reference agreed by SLT – recognising HIS inspections have begun in Scotland in maternity and to focus on our own opportunities for improvement - Establishment of the Financial Escalation Board – recognising the Board is closer to Level 4 escalation than level 2 despite the progress NHS Orkney can evidence in-year	
Feedback about meeting: - Members welcomed that the meeting concluded within an hour due to a more focused agenda - Improvement in the quality of the papers which led to good discussions - Recognised the proactive approach taken and the focus on continuous improvement (as above) which is a significant step forward	

Chair's Assurance Report Area Clinical Forum

Title of Report:	**Chair's Assurance report Area Clinical Forum**	**Date of Meeting: 04/04/2025**
Prepared By:	Dr. Kirsty Cole	
Approved By:	Dr. Kirsty Cole	
Presented By:	Dr. Kirsty Cole	
Purpose		
The report summarises the assurances received, approvals, recommendations and decisions made by the GP Sub Committee at it's meeting on 04/04/2025		

Matters of Concern or Key Risks to Escalate	Major Actions Commissioned / Work Underway
1. SBAR presented by AHP Practice Education Lead highlighting concerns relating to accommodation available to AHP students coming to NHS Orkney on placement. Specific concerns included student numbers exceeding available rooms and equity of access across the different disciplines. ACF and Exec Leads recommended further discussion with the Director of Improvement. 2. Two of the clinical advisory groups highlighted concerns related to delays caused at the vacancy control panel stage impacting on time taken to recruit to vacant posts. 3. Discussion around waiting list data presented to one of the clinical advisory groups relating to a specific clinical area, with agreement to explore this is more detail with the service manager.	1. TRADAC Chair highlighted that AHP are not consistently involved in the discharge planning process and emphasised that AHP teams have significant potential to contribute to this process. Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute Services agreed to facilitate a broader multidisciplinary approach to discharge planning and arrange some initial meetings. 2. Presentation from Resilience Officer on PREVENT and Martyn's Law with clinical advisory committee leads agreeing to remind their teams that there is a TURAS module on the topic.
Positive Assurances to Provide	**Decisions Made**
1. Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute Services confirmed that Primary Care Improvement Plan posts are not subject to delays in at the vacancy control panel stage. 2. Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute Services outlined improved staffing levels in the High Dependency Unit.	1. ACF recommends approval following thorough scrutiny of the Ankyloglossia (tongue tie) Pathway (subject to some minor recommendations to use more inclusive language).

Comments on Effectiveness of the Meeting

Well attended with good representation from several clinical advisory committees this month. Particularly positive to note high quality thorough scrutiny of the papers presented.

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Corporate Risk and Assurance Report**
Responsible Executive/Non-Executive:	**Anna Lamont, Medical Director**
Report Author:	**Kat Jenkin, Head of Patient Safety, Quality and Risk; Diane Smith, Clinical Governance and Risk Facilitator**

1 Purpose

This is presented to the Board for:

- Discussion

This report relates to a:

- Annual Operation Plan
- Local policy

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

- Safe
- Effective

2 Report summary

2.1 Situation

The Corporate Risk Register Report is presented to the Board to support clarity, oversight, and enhance scrutiny for the organisation.

The work to align risks with one oversight committee has been completed. The oversight committee is agreed by Senior Leadership Team at stage of approval to add a risk to the corporate risk register.

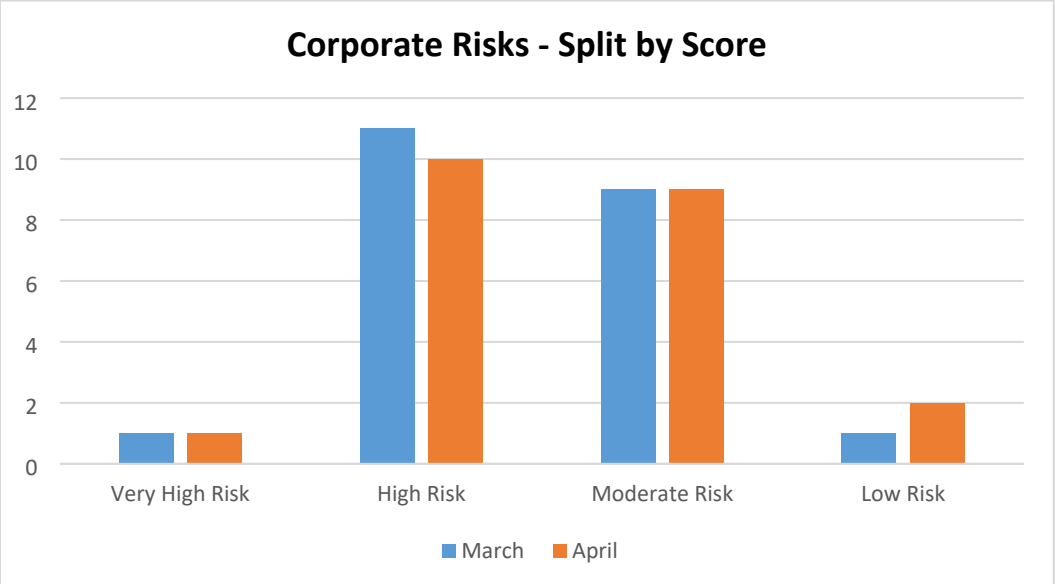
The risk actions are continually added to and to ensure the actions remain relevant, any actions more than a year old will be removed from the current register to aid clarity.

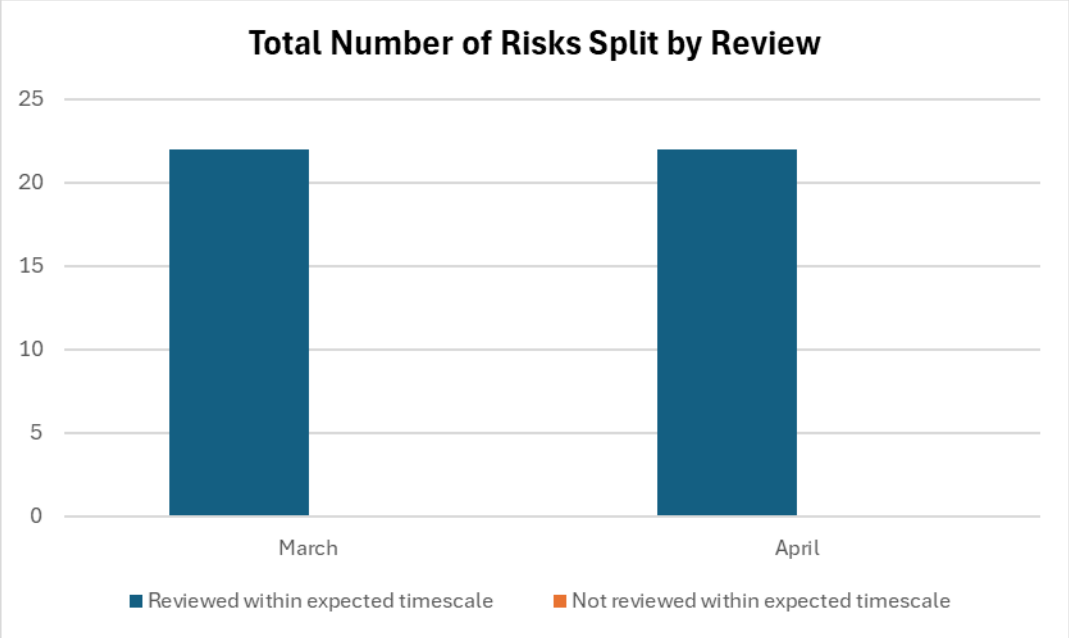
2.2 Background

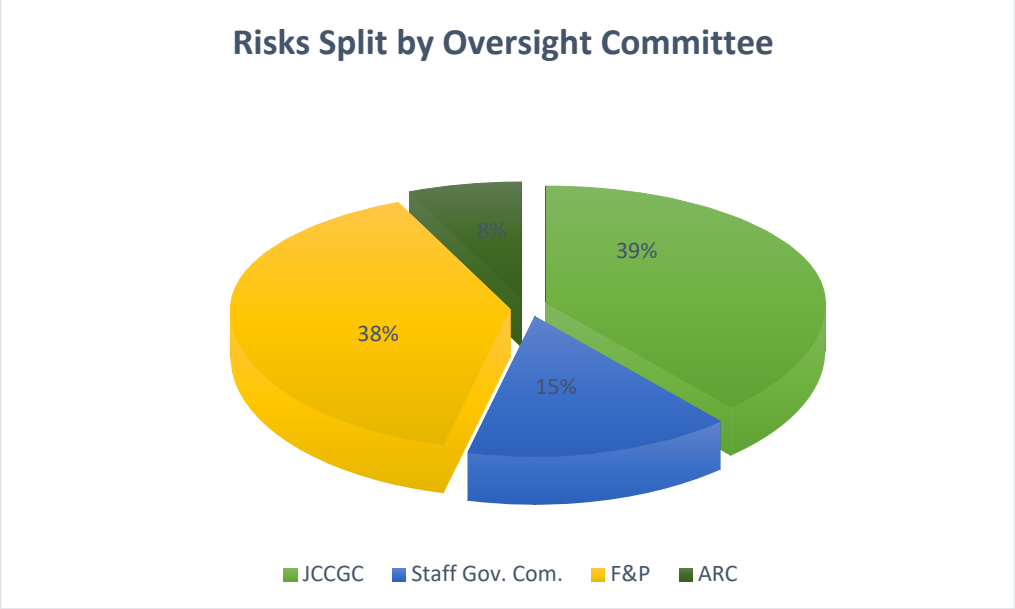
This report provides an at a glance view of what has changed over two months, and how the risks are shared across committees.

2.3 Assessment

The Corporate Risk Register with overview is attached as appendix one. The first sheet summarises changes over two months, with an extract summary as below.







The following table would normally hold the top three risks for the organisation, but currently there are nine risks that are all scoring 12 which is the third highest risk score. Therefore, the third risk has been selected by looking at the clinical impact to patients.

Top Three Corporate Risks							
ID	Risk Title	Current Impact	Current likelihood	Current Risk Level	Target Risk Level	Mitigating Actions	Actions
510	Corporate Financial Sustainability	5	**4**	20	10	3.2m of efficiency programmes currently in implementation, 2.5m recurrent (above 3% target) in excess of 1m in cost reduction schemes Strengthened governance arrangements - scheme of delegation, performance review meetings, streamlines investment approval process Additional grip and control measures - vacancy control panel, discretionary spend, budget trackers, workforce establishments Plan currently on track to be delivered, expectation is brokerage support to this value will be received. Financial Escalation Board to be stood up.	**Update 13/04/2025** - Final out-turn for 2024/25 is being finalised but is on-track to deliver our revised target of £4.2m. 2025/26 Financial Plan has been submitted to SG with forecast £3m. Conversations are ongoing regarding the plan and we will have a final position from SG at the end of April. Financial Escalation Board first meeting at the end of April to commence scrutiny of the Board's finances. No change to SG position of no brokerage therefore 2025/26 still likely to result in a Section 22 Qualification. No change to the risk level at this stage – continues to be a very high risk **Update 12/03/2025** - 2024/25 will deliver a lower deficit than forecast. Primarily due to additional funding received and not due to lowering of costs however, 2025/26 is forecasting another £3million deficit and Scottish Government have confirmed that no brokerage is available from April and therefore we won't meet our statutory requirements to break even. External audit will therefore likely qualify our 2025/26 annual accounts and we will have to appear at Scottish Government Public Audit and Post - Legislative Scrutiny Committee. From April 2025 Financial Escalation Board will be stood up to provide Executive and Non-Executive oversight and responsibility to deliver the financial position that is aligned to Scottish Governments agreed plan. Risk Score increased to 20 - likelihood increased from 3 to 4. **Update 09/12/2024** - Risk description revised to more accurately reflect the risk. **Update 08/11/2024** - The Board continues to be where it expected to be in terms of the financial efficiencies and is on track to meet its targets. An in year budget refining exercise is underway designed to identify and address legacy issues. We have also initiated a more robust planning process for

							25/26 - 28/29 which will focus on performance and activity and workforce as the main components / drivers of cost. **Update 23/07/2024** - The Board is delivering the financial position at the end of Q1 2024/25. The Board's efficiency programme is ahead of plan and is forecasting to deliver the expected forecast of recurrent savings. If the Board delivers the 5.8m deficit plan the expectation is that brokerage support would be received from Scottish Government to this value, however the Board continues to aim to deliver a position that is favourable to this to reduce the reliance on brokerage. There is currently in excess of 1m of cost reduction schemes in the pipeline and this continues to be a key focus across the Board. The reliance on temporary staffing is lower in comparison to last year. **Update 07/05/2024 -** The improving together programme is now established in Q4 23/24. The Director of Recovery appointed 08/04/2024 and Director of Improvement appointed 15/04/2024. The Board have submitted an efficiency programme for 24/25 totalling £4million (6% of allocation). The improvement programme is underpinned by 12 recovery workstreams all of which have a designated SRO and are developing their programmes which would be subject to a quality impact assessment process. There is an integrated revised planning process scheduled for Q3 24/25 ahead of 25/26 which should inform the medium to longer term financial sustainability programme. The 24/25 plan has been approved by the Board and it is deliverable. The Board are working closely with Scottish Government to ensure a collaborative approach.
C-2024-01	Lack of senior leadership capacity and capability	4	**4**	16	4	8a – d leadership development programme and PDPs for all senior leaders SLT formal development programme	**Update 3 Feb 2025** – Interim Director of Finance has been appointed from SAS on a 6-month secondment. Successfully appointed the Director of Performance and Transformation (Deputy Chief Executive) start date to be confirmed. **Update 8 Dec 2024** – Interim Director of Finance secured from February 2025 and interviews for an 18-month fixed term Director of Performance and Transformation (Deputy Chief Executive) 13 December

						8c and d personal objectives set and agreed by Renumeration committee Interim Director of Finance commenced in post in September 2024 for 6 months Interviews for substantive Director of Finance are at the end of October Interim Head of Strategy in post on secondment for 6-month period	Some phased returns for senior colleagues have commenced to ensure a supported return, and cover for colleagues on sickness absence in place (including support from Scottish Government and other Health Boards as development opportunities (finance, strategy, performance and planning) Quarter 4 2024/25 – Next phase of executive development programme to be planned and a Heads of Service development prorgamme will be a priority for the Director of People and Culture to lead delivery and to ensure senior colleagues feel supported Extended Senior Leadership and Senior Leadership Team membership updated to be as inclusive as possible across our most senior leadership community – so that colleagues feel involved and engaged and all voices are heard **Update 03/10/2024** - Corporate Service Reviews and Improvement plans in place for Digital, People and Culture and Finance Teams. From January 2025, Bands 8A-D leaders will be asked to focus on visible and compassionate leadership, with on-site working closer to 50% of the time to maximise support for teams. Culture programme to launch in Q4 following current external review of culture, senior leadership and governance. Manager/leadership development programme to launch in April 2025Long-term sickness absence and gaps with a number of senior/Head of Service posts is impacting adversely on performance, wider colleagues and morale. Risk score increased to 16 **Update 07/07/2024**Training Needs Analysis underway for all managers in the organisation, which will underpin both a manager induction programme (all levels of managers) and senior leadership development programme, alongside national offerings through NES. CEO and Director of People and Culture to scope a formal development programme with Allison Trimble, to ensure golden thread between Board and Executive Team development programme to commence in Quarter 4 of 2024/25. Completed and shared with Remuneration Committee at its meeting on 11 July 2024. Interim Head of Finance out to advert w/c 1 July 2024 (6 month cover)

							Interim Head of Planning and Performance arrangements confirmed for a 6 month period Substantive Director of Finance to be advertised by w/e 12 July 2024 Change management course completed for senior leaders, with positive feedback received. QI methodology being scoped for NHS Orkney, and programme for Extended SLT in place for the remainder of the year, with plans to enhance engagement and communication in between meetings **Update 13th May 2024** - Risk jotter reviewed at SLT and agreement made to enter risk on to the Corporate risk register.
1228	Fragile Clinical Services	3	**4**	12	6	Ophthalmology - Establish outstanding Highland SLA provision and ensure backlog is recovered. •Establish use of NTC (Highland and Golden Jubilee) for cataract operations. •Establishment consultant vacancies mapping for all services •Recruitment to establishment Consultant vacancies •Business cases for additional clinical resource for fragile services - recurring & non-recurring - complete for paediatrics (community and mental health)	**Update 11/04/2025** 6.4 Consultant vacancies currently being advertised and the CSR currently underway mapping the current provision and recommending the model for sustainable services. **Update 03/01/2025** - The planned care programme board continues to provide oversight, however definitive improvement and stabilisation plans for services are outstanding. An ophthalmology peer review on 8th Jan aims to establish a sustainable operating model. Under the requirements for financial balance, some services in the short to medium term will need to revert to NHS Grampian. **Update 2/10/24** Recurring Locum for ophthalmology has resigned to take up a new post, Peer review for ophthalmology agreed for end of October with CfSD. **Update 22/07/**2024 approach to NHS Highland and Golden Jubilee for non-recurring provision for ophthalmology services and review of Highland SLA - ophthalmology. Services remain brittle with sustained raised likelihood due to limited numbers of staff and increasing waiting lists in affected areas. **Update 23rd April 2024** - Risk reviewed and revised in to new risk register format.

No risks were added to the Corporate Risk Register in February and March 2025.

No risks were closed in February and March 2025.

Risk 510 (corporate financial sustainability) has increased the risk scoring from 15 to 20. Moving it from high risk to very high risk.

Risk C-2024-02 (organisational digital maturity) has had the scoring reduced from 15 to 10. This is due a number of the mitigating actions having been completed and therefore the likelihood has been reduced.

It is asked that the Board review and discuss the Corporate Risk Register.

2.3.1 Equality and Diversity, including health inequalities

There are no identified impacts identified through this report.

2.3.2 Climate Change Sustainability

There are no identified impacts identified through this report.

2.3.3 Route to the Meeting

This paper is prepared for this meeting only.

2.4 Recommendation

The Board are asked to review and scrutinise the Corporate Risk Register. To note that Board members are asked to critically consider the register, and raise any recommended changes or clarifications beyond those noted in the cover report:

- Discussion – Review and discuss the Corporate Risk Register.

3 List of appendices

The following appendices are included with this report:

- Appendix one: Corporate Risk Register

NHS Orkney

Meeting:	**Board of NHS Orkney**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Community Planning Partnership Update.**
Responsible Executive/Non-Executive:	**Stephen Brown, Chief Officer.**
Report Author:	**Stephen Brown, Chief Officer.**

1 Purpose

This is presented to the Board for:

- Awareness

This report relates to a:

- Annual Operation Plan
- Legal requirement
- Local policy

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

NHS Orkney is a member of the Community Planning Partnership known locally as the Orkney Partnership Board, and this paper aims to provide members with an update of key issues being considered by the Orkney Partnership Board at its last meeting. The last meeting was on 26 March 2025.

2.2 Background

As outlined in the Community Empowerment (Scotland) Act (2015) the NHS has a role to facilitate community planning and ensure the partnership carries out its functions efficiently and effectively.

2.3 Assessment

Before the meeting of the 26 March Community Planning Partners were provided with a tour of the Balfour Hospital and provided with detail and insight into the hospital-build and its design, including its net-zero approach to energy and its waste recycling capability.

The meeting itself covered a number of key areas. A report on Orkney's gender pay gap was presented highlighting the extent of the gap, which is relatively higher than elsewhere in Scotland. Partners unanimously committed to working collectively to address this. The Board also agreed and approved the Community Wealth Building Delivery Plan, an updated Terms of Reference and a process for providing grants to organisations.

Updates were provided to the Board from the Sustainable Delivery Development Group and the Cost of Living Task Force.

The Board also considered the recent publication of Scottish Ambulance Services report on volunteers looking at the delivery of the First Responder service in Scotland. It was noted that the report specifically excluded island Board areas, which was felt to be a significant gap, particularly given the inequitable provision of the service across Orkney's ferry-linked isles. It was agreed that options would be explored regarding how best to address and highlight the ongoing issues and concerns.

2.3.1 Quality/ Patient Care

Working together with partners should support quality services.

2.3.2 Workforce

There are no workforce implications directly arising as a result of this report.

2.3.3 Financial

While there are no financial implications directly arising as a result of this report, NHS Orkney has to support resourcing of the Orkney Partnership support.

2.3.4 Risk Assessment/Management

There are no risk implications directly arising as a result of this report.

2.3.5 Equality and Diversity, including health inequalities

There are no equality or diversity implications directly arising as a result of this report.

2.3.6 Climate Change Sustainability

While there are no climate change implications directly arising as a result of this report, the Orkney Partnership planned work includes work on climate change.

2.3.7 Other impacts

While there are no other implications directly arising as a result of this report, the Orkney Partnership planned work includes work on sustainability.

2.3.7 Communication, involvement, engagement and consultation

NHS Orkney undertakes communication as part of the Orkney Partnership.

2.3.9 Route to the Meeting

This is a summary of the Orkney Partnership Board meeting.

2.4 Recommendation

- **Awareness** – For Members' information only.

3 List of appendices

Not applicable.

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Integration Joint Board Key Items and Discussion**
Responsible Executive/Non-Executive:	**Stephen Brown, Chief Officer**
Report Author:	**Stephen Brown, Chief Officer**

1 Purpose

This is presented to the Board for:

- Awareness

This report relates to a:

- Government policy/directive
- Local policy
- NHS Board/Integration Joint Board Strategy or Direction

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

NHS Orkney receives Directions from the Orkney Integration Joint Board in relation to a range of delegated services. There are three Non-Executive Directors of the NHS Orkney Board who are also voting members of the Integration Joint Board.

2.2 Background

Integration Joint Boards arose from the Public Bodies (Joint Working) (Scotland) Act 2014 which required integration of certain aspects of adult health and social services. As well as prescribed functions that had to be delegated additional functions could be included and these are captured in the Integration Scheme.

The last meeting of the Orkney Integration Joint Board was on 19 February 2025.

2.3 Assessment

Key Points from the February 2025 meeting include:

The Integration Joint Board approved Mr Willie Neish and Ms Sarah Kennedy as the Carer Representatives on the Board and on the Strategic Planning Group. This is an increase in the number of Carer Representatives, which has previously been one, and recognises the invaluable role that unpaid carers play and the pressures that are often experienced in fulfilling that role.

The Board also noted that the Board of NHS Orkney would be considering its appointments to the Integration Joint Board on 27 February 2025.

The Integration Joint Board took assurance from the Performance and Audit Committee meetings on 25 September and 11 December 2024, the Joint Clinical and Care Governance Committee pm 1 October and 2 December 2024 and the Strategic Planning Group on 29 November 2024.

The Revenue Expenditure Monitoring Report was presented noting the financial position as at quarter three.

An update on the latest developments in relation to the National Care Service Bill was provided following the announcement by the Minister for Social Care, Mental Wellbeing and Sport to Parliament on 23 January 2025. The implications of the Ministerial announcement were detailed within section 4 of the report.

The annual Integration Joint Board Climate Change Duties report was presented for members information which included the returns from both NHS Orkney and Orkney Islands Council. It was agreed that representation be made to Scottish Government on the requirements for Integration Joint Boards.

The Integration Joint Board took assurance on the Joint Inspection of Adult Support and Protection Progress Review, recognising the significant progress made and providing their sincere thanks to the hard work of all the staff involved in the progress to date.

There was one item which was exempt from the public in relation to Daisy Villa General Practice, St Margaret's Hope. Once the minutes are finalised from the Integration Joint Board a formal Direction will be issued to NHS Orkney.

2.3.1 Quality/ Patient Care

The Integration Joint Board aims to improve quality of care through joined up provision of services.

2.3.2 Workforce

There are no workforce implications directly arising as a result of this report.

2.3.3 Financial

There are no financial implications directly arising as a result of this report. There are close links between NHS Orkney's finance department and the Chief Officer and Chief Finance Officer.

2.3.4 Risk Assessment/Management

There are no risk implications directly arising as a result of this report.

2.3.5 Equality and Diversity, including health inequalities

There are no equality or diversity implications directly arising as a result of this report.

2.3.6 Climate Change Sustainability

There are no climate change implications directly arising as a result of this report.

2.3.7 Other impacts

There are no other implications directly arising as a result of this report.

2.3.7 Communication, involvement, engagement and consultation

The Integration Joint Board is a public meeting, where members of the public can attend in the viewing gallery at the Council Chamber or can listen to the audio casting of the meeting which is available for one year after the date of the meeting.

2.3.8 Route to the Meeting

This is a summary of the Integration Joint Board meeting key items and discussion.

2.4 Recommendation

- **Awareness** – For Members' information only.

3 List of appendices

Not Applicable.

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Cultural Development, Governance and Senior Leadership External Review – Action Plan progress update**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight, Chief Executive**
Report Author:	**Laura Skaife-Knight, Chief Executive**

1 Purpose

This is presented to the Board for:

- Assurance on progress against the Action Plan and the highest priorities agreed by the Board.

2 Report summary

2.1 Situation

Mid-2024, our Chief Executive commissioned an external review of Cultural Development, Governance and Senior Leadership at NHS Orkney to help to identify good practice and recommendations for areas of focus to support our continuous improvement.

At its February 2025 meeting, the Board received the Report and approved an Action Plan with a set of highest priorities, all of which have been incorporated into our Year 2 Corporate Strategy (2025/26), to ensure alignment.

It was agreed that progress against the Action Plan was of such significance to the Board's progress that an update would be brought to every public Board meeting commencing April 2024, so that this could be tracked and for transparency.

2.2 Background

Scottish Government (SG) supported NHS Orkney to commission this review as part of a wider package of work we are doing to inform future progress and priorities as the organisation considers what is needed to de-escalate from Level 3 of the NHS Scotland Support and Intervention Framework.

Professor Tracy Myhill led this work as an experienced HR Professional and CEO and prior to her retirement was the Chief Executive of Swansea Bay University Health Board. Previously she was CEO of the Welsh Ambulance Service.

There were 33 recommendations in total in the report, made up of work already underway/started and a small number of new actions.

The highest priorities agreed by the Board, which also feature in our Year 2 (2025/26) Corporate Strategy, are:

1. Executive Team cohesion
2. Clinical Executive Director leadership and engagement
3. Behavioural standards
4. Leadership development programme (including Executive Team, Senior Leadership Team and Board Development)
5. Appraisals, training and sickness
6. Respect for our governance

The remaining actions feature in a standalone Action Plan (see Appendix 1). This paper is a progress update against this Action Plan, which will feature on every public Board agenda until there is assurance that appropriate progress has been made and sustained.

Progress summary against Action Plan (for the period February–April 2025)

Bringing values to life

- Board and Senior Leadership Team (SLT) sessions have been held ahead of wider engagement in the organisation re: behavioural standards development

Appraisals, mandatory training and sickness absence

- There is early evidence that the different intervention and support we have put in place is having an impact on compliance

Leadership development

- Proposed programme discussed at Extended Senior Leadership Team on 15 April 2025
- Paper with proposed leadership development programme coming to SLT on 22 April 2025

Executive Clinical Leadership engagement

- Clinical Service Review underway, led by the Clinical Executive Directors, presenting an opportunity for strong clinical engagement in the organisation, which is being taken
- A review of clinical engagement is underway, including our approach to clinical advisory groups, to ensure we maximise the clinical voice in change/improvement work

Cultural development and values and behaviours (Executive Team)

- All Executive Directors are taking part in a 360 appraisal process as part of 2024/25 year-end appraisal process and to inform 2025/26 personal development plans. This work is well advanced and will be concluded by the end of April 2025

Commitment to consistent priorities

- Year 2 Corporate Strategy (2025/26) includes significantly fewer priorities and fixed priorities for the year in response to staff feedback

Respect for our governance

- Review of operational governance commencing Quarter 1 2025/26
- Specific improvements relating to respecting our governance included in shared Executive Team objectives for 2025/26 which have been agreed by the Remuneration Committee
- Updated paper on package of respecting our governance changes to return to June 2025 Board meeting for approval following initial discussion at March 2025's meeting

Support for the Chief Executive

- Some portfolio changes made from 1 April 2025 – including whistleblowing transferring to the Medical Director from the Chief Executive
- Line management of the Communications Team will transfer from the Chief Executive to the Head of Improvement in May 2025
- The Director of Performance and Transformation (and Deputy Chief Executive) commences in post on 12 May 2025 which will see performance and improvement transfer to the Deputy Chief Executive and formal Deputy Chief Executive in post, bolstering support for the Chief Executive

Proportionate external demands

- Initial discussion by Executive Team has taken place and a set of principles are under development which will be discussed with Scottish Government at the May 2025 Quarter 4 Financial Review Meeting as a starting point

Staffing resource analysis

- Is part of the workforce workstream (Improving Together Programme) and where this work will be picked up, reporting to the Improving Together Board

2.3 Assessment

The Board is asked to take:

- Assurance on progress against the Action Plan and the highest priorities agreed by the Board (this update details progress made between February and April 2025).

2.3.1 Quality/ Patient Care

There are a number of recommendations in this report, notably the role of our Clinical Executive Directors and requirement for closer working, in driving improvements to patient safety, experience and quality of care through greater cohesion, along with strengthened team working from our Executive Team.

2.3.2 Equality and Diversity, including health inequalities

NA

2.3.3 Route to the Meeting

This progress update has come direct to the Board.

2.4 Recommendation

- The Board is asked to take assurance on progress against the Action Plan and the highest priorities agreed by the Board (this update details progress made between February and April 2025).

2.5 Appendices

Appendix 1 – Action Plan.

#

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Your Employee Journey**
Responsible Executive/Non-Executive:	**Jarrard O'Brien, Director of People and Culture**
Report Author:	**Steven Phillips, Head of People and Culture**

1 Purpose

This is presented to the Committee for:

- **Approval**

This report relates to a:

- NHS Board/Integration Joint Board Strategy or Direction

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

The Employee Journey presented to the Board outlines our Organisational Culture Programme and how we will address and fulfil the People Priorities in the NHS Orkney Corporate Strategy 2024-2028. Additionally, it includes a visual map to clearly communicate the various areas included in this programme. This map will highlight our focus areas and encourage colleagues to provide ongoing feedback regarding these priorities.

The Journey outlines the crucial touchpoints colleagues experience throughout their working life at NHS Orkney. By pinpointing these stages, we can work with colleagues to understand what excellence looks like at each stage, target interventions to meet specific needs, and create a strong foundation for developing, enabling, co-creating, and delivering activities. This approach ensures that colleagues are included and valued, enhancing organisational culture and helping us understand where we need to improve. Creating a cultural programme that actively includes the voices and participation of as many colleagues as possible is essential for the success, delivery, and implementation of our vision. This approach supports the organisation in achieving the strategic objective of making NHS Orkney a great place to work.

Work has already been undertaken to actively collaborate with key operational groups, teams, and colleagues across the organisation to validate the 39 touchpoints; key focus areas have been identified and listed in no specific order.

The Employee Journey incorporates the five key priorities identified in 2024 concerning our people and a significant amount of work has already taken place across the organisation to develop the foundations of a better experience for colleagues:

- Timely Job Evaluation
- Appraisal Rates
- Training Compliance
- Sickness Absence Related to Stress
- Budgets

The Senior Leadership Team agreed on these priorities for action in October 2024, which are essential for enhancing performance. Work programmes were developed, and activities undertaken by the People and Culture and Finance teams, and collaboration and investment from leaders across the organisation has been crucial to driving performance improvements in these areas.

Additionally, Your Employee Journey incorporates our iMatter improvement areas, which have been identified based on feedback gathered from colleagues in the 2024 iMatter survey. The agreed areas for change include:

- Your Health and Wellbeing
- Valuing and Recognising You
- Involving You in Decision-Making
- Upholding Our Values
- Listening to and Acting on Your Feedback (including closing the feedback loop)
- Creating a Culture Where You Feel Safe to Speak Up About Issues, Knowing You Will Be Heard, Changes Will Occur, and You Will Not Face Any Detriment.

Quarterly communication (latest in April 2025) continues to be shared with colleagues to update them on the work under these headings to reassure them that we are acting on feedback and closing the loop where possible.

Senior Leadership Team: Potential and People meeting

Your Employee Journey was presented to the Senior Leadership team: Potential and People meeting on 22 January 2025 to discuss the current programme and the realistic priorities based on the People and Culture team and organisational capacity. In the meeting, members of the Senior Leadership Team were asked to confirm the actions that they identified as the priorities that required total concentration and commitment to the organisational priorities. It was confirmed that the priorities were:

- Sickness absence
- Appraisals
- Statutory and mandatory training

- Management and leadership development programmes
- Values and behaviours framework

To further enhance the focus on sickness absence, appraisals, and statutory and mandatory training, these areas have been established as individual workstreams within the overall workforce improvement initiative. Six departments across the organisation have been identified to concentrate on all three areas, with the requirement for each department to initially focus on only one of the three elements. Dedicated support will be provided to encourage them and assist with any specific questions or concerns.

Sickness Absence

Weekly meetings have been scheduled with identified departments to provide assistance, and positive progress has been reported in these areas. While we may not see an immediate reduction in sickness absence, we are confident that colleagues are receiving support in line with the attendance policy, and appropriate Occupational Health guidance is being sought.

The Occupational Health team has enhanced this support by proactively reaching out to departments to clearly outline their services, the referral process, and the types of questions managers can ask when making a referral. This clarity enables managers to gather sufficient information, helping them support colleagues' attendance. As a result, managers will better understand how to facilitate a prompt return to work or provide the necessary interventions to help them remain at work.

We will also be adopting a new initiative in collaboration with Able Futures. Ables Futures is a nationwide specialist partnership set up to provide the Access to Work Mental Health Support Service on behalf of the Department for Work and Pensions. Colleagues can access this service directly to receive support from a mental health coach. This is one of the resources we have recently identified, and we will communicate it across the organisation once we receive their promotional materials. In the meantime, we will recommend this service directly from our Occupational Health team; however, we are planning an awareness session for colleagues and managers.

Appraisals

We know evidence demonstrates the importance of appraisals in fostering a connection to the organisation, helping colleagues find meaning and purpose in their work, and providing opportunities for development and learning. Work is currently being undertaken in priority areas to identify barriers to conducting appraisals. To assist with this, a paper template document has been introduced to support appraisal planning. This document allows colleagues to write out their appraisal conversations, which can then be uploaded into the system in one easy step. This approach is especially beneficial for colleagues who do not typically work at a computer during their shifts, as it is recognised that this can be a barrier to completing appraisals.

Statutory and mandatory training

As a public system, any member of the public can create a learning account within Turas and access the learning platforms of all NHS boards. Historically, many colleagues have begun their training using personal email addresses, which has resulted in their training not being linked to their NHS Orkney employee accounts. This disconnect affects the organisation's ability to accurately

record compliance levels for training. This requires a line-by-line review to match training records with employee accounts. With the new Learning and Development Adviser recently starting in their role, this will support this work and correct historical practices.

Management and leadership development programmes.

Efforts have been made to collaborate with external providers to develop and support the implementation of the NHS Orkney Leadership and Management Development Programmes. This initiative will consist of two distinct programmes: the first will focus on the Senior Leadership Team, while the second will be aimed at Managers, Supervisors, and Team Leaders across the organisation.

Both programmes will be presented to SLT for approval in May 2025. The Manager Development Programme will be presented for approval and will aim to address identified gaps in management induction and training by creating a structured framework that supports all managers in their roles, ensuring clarity in responsibilities and governance. This was created based on feedback across the organisation. The Leadership Development Programme will be presented to SLT for approval to commence procurement with the aim of rolling it out around October 2025.

Values and Behaviours Framework

The organisation launched the revised NHS Orkney values in April 2024: Openness and Honesty, Respect, and Kindness. To support the implementation and adoption of these values consistently across the entire organisation, we will conduct sessions with colleagues to collaborate on defining what these mean in practice. This approach ensures that everyone's voice is heard during the creation process.

These sessions will focus on developing a behavioural framework that outlines the positive behaviours expected from colleagues while also identifying behaviours to be avoided.

The first session has taken place with Board members, which included a discussion to define the culture we want at NHS Orkney, and the next stage of that work will take place at a Board development session in May 2025. The next step will be to engage with the Senior Leadership Team which is scheduled for April 2025. An engagement plan is being developed to conduct interactive sessions throughout the organisation over the next few months.

This initiative will be led across the organisation, and managers will support this programme by facilitating sessions within their teams. This approach will allow for a comprehensive gathering of information and data, enabling clear articulation of the values and behaviours expected and agreed upon at NHS Orkney based on feedback, ultimately helping to create a robust framework. It is expected that the behavioural framework will be launched in quarter 4 of this Financial Year.

2.2 Background

To achieve the set standard and to maintain NHS Scotland's status as an exemplary employer, evidence has to be made available to show that systems are in place to identify areas of concern, that action plans are in place that show how improvements are being made and how they will continue to be made.

The Staff Governance Action Plan, traditionally created by subject matter experts, formed the continuous improvement model to enable the Staff Governance Committee to provide assurance to the Board. The NHS Orkney Employee Journey is the next evolution of the Staff Governance Action Plan, ensuring that colleagues across the organisation can actively participate in shaping the future organisational culture and supporting the delivery of our People Priorities and the Staff Governance Standards.

A highlight report is in place and will be used as a live document and regularly updated to incorporate feedback from colleagues across the organisation and address any identified risks, issues, or local Board or national Government requirements that arise.

2.3 Assessment

Your Employee Journey contains a number of short, medium, and long-term actions that will support us in delivering the people priorities within the corporate strategy. The corporate strategy, SLT and colleagues will assist with identifying the priorities for each year.

2.3.1 Quality/ Patient Care

Engaging colleagues ensures they feel included and valued, enhancing an organisational culture that supports and provides a safe environment that improves patient safety, quality of care and experience.

2.3.2 Workforce

Your Employee Journey is essential for NHS Orkney to be recognised as a great place to work, enabling it to attract and retain colleagues.

2.3.3 Financial

Any initiatives within Your Employee Journey that have a financial impact will be presented to SLT for discussion and approval.

2.3.4 Risk Assessment/Management

NA

2.3.5 Equality and Diversity, including health inequalities

By ensuring our organisation is diverse and inclusive, we can eliminate discrimination within the board and enhance health outcomes for our community.

2.3.6 Climate Change Sustainability

NA

2.3.7 Other impacts

NA

2.3.7 Communication, involvement, engagement and consultation

The Board has carried out its duties to involve and engage external stakeholders where appropriate:

- The Staff Governance Committee formally approved Your Employee Journey on 14 November 2024. The senior Leadership Team agreed on the current priorities on 22 January 2025.

2.3.8 Route to the Meeting

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- The Staff Governance Committee formally approved Your Employee Journey on 14 November 2024. The Senior Leadership Team agreed on the current priorities on 22 January 2025.

2.4 Recommendation

State the action being requested. Use one of the following directions for the meeting. No other terminology should be used.

- **Approval** – Approve Your Employee Journey 2024-2028 (appendix 1)

3 List of appendices

The following appendices are included with this report:

- **Appendix 1**, Your Employee Journey 2024-2028

Your employee journey 2024–2028

NHS Orkney

The map below shows the key elements of your working life at NHS Orkney and our current priorities based on feedback. It is also to help you tell us what matters most and where else we need to improve.

Attract the best

- Website and social media
- Key contact
- Promote NHS Orkney
- Living and working in Orkney
- Real life stories

Recruit

- Application
- Interview
- Offer / Unsuccessful
- Candidate feedback

Getting started

- Pre-employment checks and info
- Manager check-in
- Local orientation
- Induction
- Systems and processes
- 1:1 follow ups every 3, 6 and 12 months
- Terms and conditions

Develop, train and retain

- Career pathways and education
- Personal development planning and review
- Succession plannin, learning and development
- Development and upskilling
- Coaching and mentoring
- Career progression

Wellbeing and recognition

- Change management
- Speak up
- Spiritual wellbeing
- Diversity and inclusion
- Flexible working
- Value and recognition
- Listening and feedback
- Wellbeing support
- Keeping you well informed
- Safe place to work
- Connect and collaborate
- Innovation and research

Moving on

- Resignation / Termination
- Exit interviews and feedback
- Career recognition and farewell
- Retire and return
- Volunteering

What matters to you?

ORK

Open and honest **R**espect **K**indness

#

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**NHS Orkney Annual (Health and Care Staffing Act) Report 2024/25**
Responsible Executive/Non-Executive:	**Jarrard O'Brien, Director of People and Culture**
Report Author:	**Sam Thomas, Executive Director Nursing, Midwifery and AHPs / Chief Officer Acute Services** **Anna Lamont, Medical Director** **Lynn Adam RRC, Clinical Lead for Workforce**

1 Purpose

This is presented to the Board for:

- Decision
- Discussion

This report relates to a:

- Corporate Strategy 2024-2028
- Government policy/directive
- Legal requirement
- NHS Board/Integration Joint Board Strategy or Direction

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

The Health and Care (Staffing) (Scotland) Act 2019 (the Act), which came in to effect on 1 April 2024, requires an annual report[1] detailing how the Health Board, including delegated healthcare functions to an Integrated Authority, have carried out their duties, must be published by NHS Orkney (NHSO) using the template provided by Scottish Government, and submitted to Scottish Ministers by 30 April each year.

This report outlines the implementation and impact of the Act, which was designed to ensure safe and effective staffing across health and social care services in Scotland. Over the past year, health and care services have continued to navigate significant challenges, including workforce shortages, increased demand, and ongoing recovery from the COVID-19 pandemic. Despite these pressures, efforts have been made to uphold the principles of the Act, ensuring that staffing decisions support high-quality care, staff wellbeing, and sustainable service delivery. This report reflects both progress and areas where further action is required to strengthen workforce planning and maintain high standards of care across NHSO.

2.2 Background

The Health and Care (Staffing) (Scotland) Act 2019 (the Act) came into effect on 01 April 2024. The aim of the legislation is to provide a statutory basis for the provision of appropriate staffing in health and care service settings, enabling safe and high-quality services and to ensure the best health care or care outcomes for service users, and is applicable to 752 employed staff[2] (362.74 WTE) which is 68.2% of the total staff employed by NHSO.

It will also provide services with the structures, processes, and intelligence to enable better workforce planning, better transparency of risk and better accountability, as well as supporting innovation and providing opportunities for service redesign. The Act covers a wide variety of health and care services, and the provisions are designed to be flexible to take into account local context and the delivery of different models of care.

The effective application of this legislation will:

- improve standards and outcomes for service users,
- take account of the particular needs, abilities, characteristics and circumstances of different service users,
- respect the dignity and rights of service users,
- take account of the views of staff and service users,
- ensure the wellbeing of staff,
- promote openness and transparency with staff and service users about decisions on staffing,
- ensure efficient and effective allocation of staff and
- promote multi-disciplinary services as appropriate.

[1] Using the reporting template provided by Scottish Government.
[2] Roles in scope of the legislation, including bank staff.

There are specific duties that Health Boards, Healthcare Improvement Scotland, Care Service providers, Care Inspectorate and Scottish Ministers must fulfil which are outlined within the legislation and is underpinned by Statutory Guidance and Quick Guides. The Statutory Guidance is intended to support organisations in meeting their requirements under the Act.

A Directors Letter (DL) DL (2024) 06 was issued to NHS chief Executives to remind all Health Boards, Special Health boards and NHS NSS[3] of their duties following commencement and to outline how reporting will work, what resources and tools have been developed and what support will be available during the first year of operation, including:

- Accountability for implementing the guiding principles and duties, as set out in the Act, is that of the Health Board and not with individuals who may be charged with carrying out certain actions.
- Quarterly compliance reporting to the Board by the individuals with lead clinical professional responsibility for a particular type of health care (known as "Board level clinicians").
- Health Boards are required to report quarterly on the use of high-cost agency workers to Scottish Government[4].
- Funding for the part-time post (18.75 hrs), to support the Board with its preparations for enactment, will cease on 31 March 2025.

Jay O'Brien, Director of People and Culture assumed the Board Executive Lead for the Act on 1 October 2024, which mirrors Directorate changes at the Scottish Government; with the Healthcare Staffing Programme Board (HCSPB) being incorporated into the Operational Workforce Group.

2.3 Assessment

NHSO progress with embedding the Health Board Duties, as laid out in the Act, has been protracted since the journey commenced in early 2019. Despite considerable effort over the past 6 years only one of the 13 duties listed are fully rooted into business as usual, 12IB, see summary table below.

	Q1 FY 24/25	Q2 FY 24/25	Q3 FY 24/25	Q4[5] FY 24/25
12IA: Duty to ensure appropriate staffing (Ref to 121C, 121E, 121F, 121I, 121J)				
12IB – Duty to ensure appropriate staffing: agency worker				
12IC – Duty to have real-time staffing assessment in place				
12ID – Duty to have risk escalation process in place				
12IE – Duty to have arrangements to address severe and recurrent risks				
12IF – Duty to seek clinical advice on staffing				
12IH – Duty to ensure adequate time given to leaders				
12II – Duty to ensure appropriate staffing: training of staff				
12IJ – Duty to follow the common staffing method				
12IL – Training and Consultation of Staff – Common Staffing Method				

[3] Referred collectively as Health Boards in the DL.
[4] Using the reporting template provided by Scottish Government.
[5] **RAG Status Key** - Green: Systems & processes are in place for, & used by, all NHS functions & professional groups; Yellow: System & processes are in place for, & used by, 50% or above NHS functions & professional groups; Amber: Systems & processes are in place for, & used by, under 50% of all NHS functions & professional groups; Red: No systems are in place for any NHS functions or professional groups.

(This specifically relates to Types of Healthcare & Employees Section 121K (1))				
12IM – Reporting on Staffing				
Planning & Securing Services				

Declaration and Level of Assurance - Key	Limited	Limited	Limited	Limited

Following the change of Executive Lead the NHSO Act Implementation Plan has been refreshed, renamed The Act Transition to BAU, and mapped to the Board Corporate Strategy, the Annual Delivery Plan, and the Cultural Development, Governance and Senior Leadership Report Action Plan.

2.3.1 Quality/ Patient Care

The guiding principles for health and care staffing are to provide safe and high-quality services, and to ensure the best health care or (as the case may be) care outcomes for service users.

2.3.2 Workforce

It is the duty of every Health Board to ensure that all times suitably qualified and competent individuals, from such a range of professional disciplines as necessary, are working in such numbers as are appropriate for;

- The health, wellbeing and safety of patients
- The provision of safe and high-quality health care, and
- In so far as it effects either of those matters, the wellbeing of staff

2.3.3 Financial

The legislation assists NHSO to be responsive to known workload variations, including predicted absence allowance (PAA), and through the application of workload tools and resources, plan for future workforce requirements, eg, time to lead, facilitating efficient and cost-effective use of staff.

2.3.4 Risk Assessment/Management

The implementation of robust arrangements to deliver the general principles and duties as laid down in the legislation, including an auditable framework to inform workforce planning, ensures appropriate staffing in the day-to-day running of services is effectively managed through the identification, reporting, escalating and mitigation of risk caused by staffing levels.

2.3.5 Equality and Diversity, including health inequalities

An impact assessment has not been completed as underpinned by the National Health Service (Scotland) Act 1978 and the Health and Care (Staffing) (Scotland) Act 2019.

2.3.6 Climate Change Sustainability

N/A

2.3.7 Route to the Meeting

This has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- Senior Leadership Team, 22 April 2025

2.4 Recommendation

- **Decision** – Reaching a conclusion after the consideration of options.

2 List of appendices

The following appendices are included with this report:

- Appendix 1, NHS Orkney Annual (HCSA) Report FY 2024/25

#

NHS Orkney

Meeting:	**NHS Orkney Board meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Succession Planning Committee Terms of Reference**
Responsible Executive/Non-Executive:	**Meghan McEwen, Board Chair**
Report Author:	**Meghan McEwen, Board Chair**

1 Purpose

This is presented to the Board for:

- Decision
- Discussion

This report relates to a:

- Emerging issue
- Government policy/directive
- Legal requirement
- Local policy

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

2.2 Background

The Blueprint for Good Governance states that 'NHS Boards require a minimum core set of skills and experience in order to discharge their responsibilities… The recruitment, training and development of Board members needs to be focused and built around the skills and experience they require to make an effective contribution to the governance of the organisation.

To support succession planning and the deployment of Board Members to standing committees and other roles, NHS Boards should maintain a record of the diversity, skills, and experience

present in the current Board. Any gaps should be reflected in the Board's succession planning. Boards may choose to have a Succession Planning Committee to oversee and support this activity.'

2.3 Assessment

NHS Orkney has an opportunity to strengthen and formalise its approach to attracting, recruiting, onboarding, and developing Board members by establishing a Succession Planning Committee.

This Committee will support and advise the Board on recruiting, appointing, and inducting Board members to our organisation so that they can continue to support the delivery of our Corporate Strategy and provide appropriate scrutiny, leadership, and rigour to their role.

The Terms of Reference for the Committee are included as Appendix 1 and are here for approval.

2.3.1. Quality/ Patient Care

The recruitment, training and development of Board Members needs to be focused and built around the skills and experience they require to make an effective contribution to the governance of the organisation.

2.3.2. Workforce

A high-performing, diverse and effective Board will provide the visible and compassionate leadership to the organisation to deliver safe and effective healthcare to our patients.

2.3.3. Financial

None currently.

2.3.4. Risk Assessment/Management

None at this time, although Board members are invited to discuss any risks associated with the Succession Planning Committee and how they can be mitigated so this has the best chances of delivering and supporting our improvement journey.

2.3.5. Equality and Diversity, including health inequalities

The Succession Planning will explore the diversity of skills and characteristics of current Board members, and advice the Board on how to support the successful recruitment of people from diverse backgrounds to bring the necessary confidence and skill set to effectively contribute to the governance of the organisation.

2.3.6. Route to the Meeting

This paper has been produced in conversation with the Chief Executive, Remuneration Committee Chair, and Head of Improvement.

2.4 Recommendation(s)

It is recommended that the Board approve the establishment of a Succession Planning Committee as stated in the attached Terms of Reference.

It is recommended that Issy Grieve be approved as the Chair of that Committee. The other Non-Executive members of the Committee will be the Board Chair, and the Chair of the Remuneration Committee. Other Non-Executives can attend and inform the work of the committee with the approval of the Succession Committee Chair.

Discussion – Examine and consider the implications of a matter.

Decision – Approve the Terms of Reference and membership of the Succession Planning Committee

3 List of appendices

The following appendices are included with this report:

- Appendix 1: Succession Planning Committee Terms of Reference.

NHS Orkney

Succession Planning Committee: Terms of Reference

The Board has established a Succession Planning Committee to support its work on Board appointments, skills mix, and induction. The Succession Planning Committee (SPC) will take account of all Board level appointments including all Non-Executive roles, Executive Board members, and make recommendations for appointments to the Integration Joint Board (IJB).

Purpose:

Inclusive and diverse Boards are more likely to be effective, better understand their stakeholders, and benefit from fresh perspectives, new ideas, vigorous challenge, and broad experience.

The role of the Succession Planning Committee is to:

- lead on meeting the Board's responsibilities regarding planning for succession through appointments and Board member development
- offer advice to the Board on future appointments and reappointments
- review and evaluate the skills, knowledge, expertise, and diversity (including protected characteristics) of current Board members and the requirements of future members on an annual basis or at the discretion of the SPC.
- Develop a succession plan that can be presented to the Board. This plan should include non-executive roles and executive board members. It should also take account of good practice regarding voting members of the IJB, including the Chair's appointment.
- Develop an induction programme to be presented to the Board and reviewed regularly. This programme should include the Integration Joint Board, Orkney Health Board Endowment Fund, and any relevant partner body. It should also include reference to regional and national working arrangements and associated governance.

Constitution

1. The Succession Planning Committee shall consist of the Board Chair, two Board members, the Director of People and Culture, a representative from the Corporate Governance team, and the Chief Executive. [N.B. the majority of the committee members should be independent non-executive members].

2. The Chair of the Board will appoint the Chair of the Committee.

3. The quorum required to be present at any meeting of the Committee shall comprise no fewer than three members.

4. The meeting will be timed to align with the Board planning cycle. The Committee will also convene on an ad hoc basis to deal with issues such as unanticipated Board member departures and changes to the operating environment.

5. The Committee will report to the Board. The basis of that report will be a chair's assurance report, along with succession plans and induction packs for approval as required.

6. The Committee will review its effectiveness and provide an annual overview report to the Board on the Committee's work and key considerations in line with the requirements of External Auditors and the Blueprint for Good Governance.

8. The Succession Planning Committee may co-opt additional members to provide specialist input for a period not exceeding one year.

Remit

1. Consider NHS Orkney's Corporate Strategy, Annual Delivery Plan, Clinical Strategy, and business plans, and from those, identify the skills and experience that will be needed in the board to provide governance and oversight of these and how long they will be required (where that is relevant).

2. Review and evaluate the board's skills, knowledge, experience, and diversity (including in relation to protected characteristics), including the attributes required for all or most Board members (both now and in the future). Information concerning diversity will likely include special category data under GDPR and must be handled accordingly.

3. Identify skills, diversity gaps, and shortages considering the skills and experience identified at step 1.

4. Develop a succession plan in response to the skills, experience, and diversity needs that have been identified. In so doing, ensure that new members appointed to the Board reflect the needs and gaps identified, thus avoiding appointments made in the image of the current Board members. This succession plan should provide NHS Orkney with advice concerning the residency of board members and the requirements for visible leadership within the organisation and wider community.

5. Consult and seek advice from the Public Appointments Team, Scottish Government officials, and other Boards on ways of attracting the type of applicant required. Identify and advise on different methods and approaches to recruitment, including the application process, information pack, and interviews.

6. Consider the participation of service users in the recruitment process and make recommendations for the independent panel member regarding Non-Executive appointments.

7. Consider recommending one or more committee members to take part in the assessment of applicants.

8. Keep the Board apprised of the committee's work and prepare an annual report to the Board. 9. Involve, as appropriate, the executive resources of the body, such as HR and public relations professionals, to enhance and support appointment activity and to ensure that it is aligned with the body's brand, values and other corporate communications.

10. Always adhere to the Code of Practice for Ministerial Appointments and policy and seek appropriate guidance and advice from the office of the Ethical Standards Commissioner.

11. Maintain oversight of the cohort of staff participating in leadership development opportunities through the appointment at NHS Orkney. This can include those on aspirant director and CEO programmes, aspiring chairs, or other relevant programmes.

General:

The work of the Committee needs to be fully informed by:

- Corporate Strategy and NHS Orkney values
- Committee Structure of NHS Orkney and the Integration Joint Board, and the Orkney Health Board Endowment Fund
- Blueprint for Governance
- Up to date risk register
- Gender Representation on Public Boards (Scotland) Act 2018 - statutory guidance
- Information presented to the Board on its composition in accordance with the Equality Act 2010 (Specific Duties) (Scotland) Amendment Regulations 2016 - Equality and Human Rights Commission guidance

NHS Orkney

Meeting:	**NHS Orkney Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Themes from Board walkarounds**
Responsible Executive/Non-Executive:	**Meghan McEwen, Board Chair and Laura Skaife-Knight**
Report Author:	**Laura Skaife-Knight, Chief Executive**

1 Purpose

This is presented to the Board for:

- **Discussing** key themes and improvement actions from latest walkarounds
- **Discussing** and **approving** the proposed refreshed approach to Board walkarounds in 2025/26

2 Report summary

This paper summarises the main themes from the Board walkarounds between March and April 2025.

2.1 Situation

Board walkarounds are one of the ways in which we ensure the visibility of Board members and ensure staff across the organisation feel heard.

There have been three Board walkarounds between March and April 2025: to Primary Care, Flow and Capacity and Clinical Administration.

2.2 Background

Board walkarounds involve a blend of Executive Directors and a Non-Executives visiting different teams and departments across NHS Orkney and listening to how it feels working here.

They are an opportunity to listen, for Board members to get to know staff and build relationships and hear firsthand what staff are proud of and any challenges they face, leading to how Board members can support to resolve and help to unblock issues.

The areas we cover in our conversations with staff are:

1) What is going well in your team/service at the moment?
    - What are you most proud of working in this area?

2) What do you consider to be the main challenges you face on a daily basis?

    - What feedback do people using this service give you?
    - If you could change one thing, what would it be?
    - what do you wish you had more time to do?

3) How can the Board help?

    - Is there anything that you would find helpful to raise to the Board?

4) What does patient safety look like in your area?

    - Do you feel confident in reporting incidents or near misses?
    - Do you get enough feedback when you report incidents/near misses?
    - Do you feel there is enough support for you if you are involved in a patient safety incident?

5) Staff wellbeing: are colleagues aware of support available and have they been able to access that for staff as necessary?

There have been 39 Board walkarounds between May 2023-April, spanning The Balfour, our community and our ferry-linked isles.

Below is a summary of the main feedback received from the five most recent walkarounds.

Main themes from these visits

Positive:

- Lots of good working together as a team and a strong understanding of the Orkney Community Strong teamwork within non-clinical areas to ensure efficient processes and procedures are in place demonstrating real agility and flexibility
- There are strong constructive relationships with colleagues and services within the Patient Flow and Capacity Team as well as strong relationships within the team and clear escalation for challenges
- There was an opportunity to shadow colleagues in Grampian, learn about their system, and build an understanding of ours
- Community opticians and other services are working well, albeit in silos, but efforts are underway to integrate them more effectively
- Significant progress in the dental service

- Many positive stories within the Primary Care team and isles that could be shared more widely with the community to highlight successes
- The Clinical Administration Team go the extra mile, including taking on additional work when required, to ensure support for managing waiting lists
- The Clinical Administration Team are able to provide effective support for a diverse array of clinical services with a relatively small team

Areas for improvement:

- The recruitment process can be frustrating, particularly the time it takes and the complexity of HR processes
- Succession planning needs to be strengthened but is difficult in a small team, especially for long-term condition staff, who are often the only individuals in their roles
- Development of staff can be tricky, as they may need to leave the island for training, which creates additional logistical challenges
- The Board needs to clearly define its risk appetite to support transformational change, as the team is ready for it
- Constrained capacity in relation to Delayed Transfers of Care
- There is also a significant challenge in relation to patient transport
- Instability caused by vacancies and sickness absence within the services can cause upheaval
- Expectations from patients can be unrealistic, and sometimes the frustrations are taken out on the team, which isn't acceptable
- There is need for more robust digital support, especially as the team takes on new systems or the functions of their existing systems expand
- Frustration with the canteen queue times

2.3 Recommendation

The Board walkabouts continue to be a useful and successful engagement tool between Board members and staff/teams.

The purpose of this paper is to:

- **Discuss** the key themes and improvement actions from latest walkarounds.

#

NHS Orkney

Meeting:	NHS Orkney Board
Meeting date:	Thursday, 24 April 2025
Title:	Infection Prevention HAIRT Report
Responsible Executive/Non-Executive:	Sam Thomas, Executive Director of Nursing Midwifery and AHPs & Chief Officer Acute
Report Author:	Sarah Walker Head of Infection Prevention

1 Purpose

This is presented to the Board for:

- Awareness

This report relates to a:

- NHS Board

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

- Safe

2 Report summary

2.1 Situation

DL 2025 ()5):

This report is presented to the Board for assurance against IP&C Standards, the team undertake surveillance and monitoring of infections within NHS Orkney support the IJB and Third Sector with infection prevention advice and training.

An updated DL was issued on the 27th of March (DL (2025) 05), to update on Local Delivery Standards for healthcare associated Infections.

Antimicrobial Resistance and Healthcare Associated Infection (ARHAI) Scotland were commissioned to outline a range of options based on the analysis of the current targets and trends, as well as stakeholder engagement. This DL confirms the Cabinet Secretary for Health and Social Care approval of ARHAI recommendations.

Utilising the 2023/2024 baseline, the standard should be no increase in the incidence (number of cases) by March 2026 of:

- *Clostridioides difficile* infection (CDI),
- *Escherichia coli* bacteraemia (ECB),
- *Staphylococcus aureus* bacteraemia (SAB)

ARHAI Scotland will provide Boards with the 2023/2024 baseline number of CDI, ECB and SAB cases to enable local monitoring.

Protocol for National Enhanced Surveillance of Bacteraemia

More information can be found in the National Infection Prevention & Control Manual - A-Z pathogens

Audit:

Quality assurance audits are ongoing on a continuous basis. In March a round of Leadership walkarounds have been recommenced. These consist of a template used to collate aspects of a formal Healthcare Environment Inspection and are a collaborative approach led by the HAI Executive Lead, Infection prevention, Health & Safety, Estates and Facilities. There is an expectation that following an initial round of "inspection" walkarounds, that these will fall to the Senior Charge Nurses as peer review audits.

2.2 Background

Infection prevention Team undertakes surveillance and monitoring of infections across Primary and Secondary Care with support for prevention of infection across the IJB and 3rd sector.

The Healthcare Associated Infection Reporting Template (HAIRT) was implemented in 2005 for Board assurance purposes and presented on a bi-monthly basis.

2.3 Assessment

The data is still awaited from ARHAI for baseline Standards from 2023-24. The data provided in the HAIRT follows the LDP Standard year. Investigations are ongoing and will report once finalised and validated.

2.3.1 Quality/ Patient Care

The team aim to provide any learning from all cases investigations or incidents that would impact/improve patient care. There is clinician, and Infection Prevention Doctor input into all bacteraemia's and CDI cases.

2.3.2 Workforce

The Infection Prevention Workforce Strategic Plan 2022-24 has been implemented and some elements in regards roles and responsibilities continue to be worked through locally.

2.3.3 Financial

N/A.

2.3.4 Risk Assessment/Management

Risk assessment is core to the IP&C service.

2.3.5 Equality and Diversity, including health inequalities

N/A.

2.3.6 Climate Change Sustainability

N/A

2.3.7 Other impacts

N/A

2.3.8 Communication, involvement, engagement, and consultation

The Board has carried out its duties to involve and engage external stakeholders where appropriate:

- Submission through the HAI Executive Lead

2.3.9 Route to the Meeting

This report has been prepared and submitted for acceptance.

2.4 Recommendation

- **Awareness** – For Members' information only.

3 List of appendices

The following appendices are included with this report:

- None

Created by:

Sarah Walker

Infection Control Manager

NHS Orkney

Infection Prevention & Control HAIRT Report

April 2025

Contents

2 Report Summary

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2.4 Recommendations

The Board is asked to note the report, and the Infection Prevention Team continue to support and facilitate improvement daily, updating staff and changes in the evidence bases; providing information and rationale for areas where improvement can be made. The team also ensure that feedback is given in real time.

Staphylococcus aureus bacteraemia (SAB)

Surveillance is in combination with the Leading Clinician to identify the underlying cause and any risk factors. The LDP standard to March 2026, has been confirmed as no more cases, based on the 2023-24 case numbers.

LDP Standard baseline using local data for 2023-24 – this was one case; this is yet to be confirmed as the LDP Standard by ARHAI Scotland.

Dashboard

LDP Standard Target Quarters	Calendar year 1st Jan 2024 to 31st March 2025 for *Staphylococcus aureus* bacteraemia (SAB) Case Numbers
Q1 – Apr - Jun	0
Q2 – Jul - Sep	0
Q3 – Oct - Dec	0
Q4 – Jan - Mar	0

NHS Orkney

#

Clostridioides difficile Infection

Clostridioides difficile Infection surveillance is undertaken routinely along with the Leading Clinician or GP to identify cause and any risk factors. The LDP standard has been confirmed as

2 cases currently under investigation with clinicians for quarter 4, therefore not included in the data.

Clostridioides difficile Infection - Quarter 2024-25

	Community cases	Healthcare associated cases	Hospital cases
Q1	0	0	0
Q2	1	0	0
Q3	0	0	0
Q4	0	0	0

Escherichia Coli (ECB) Bacteraemia

National surveillance of *E. Coli* bacteraemia continues, and this year's standard is still awaited.

2 under investigation for quarter 4, therefore not included in the data.

LDP Standard year 1st April 2024 to 31st March 2025 for *E.Coli* bacteraemia (ECB)

	Hospital Cases	Healthcare Associated Cases	Community Cases
Q1	0	3	1
Q2	0	2	4
Q3	0	1	0
Q4	0	0	0

	Cases by Source
Respiratory	1
Unknown	0
Intra-abdominal	1
Hepatobiliary	5
Renal Tract Infection	6

NHS Orkney

#

Multi Drug Resistant Organism (MDRO) Clinical Risk Assessment National Screening

Data is focussed on two pathogens in **bold.** This reported in calendar year data by ARHAI. Quarter 1 of 2025 is still awaited. Target is set at 90%

The data reflects that staff have undertaken and documented a formal risk assessment on the patient would fall into a higher risk category for Meticillin Resistant *Staphylococcus aureus* (MRSA) or Carbapenemase-producing *Entrobacteriaceae* (CPE) colonisation, at time of admission, and does not reflect MRSA or CPE colonisation rates. The criteria for clinical risk assessment is below.

Meticillin Resistant *Staphylococcus aureus* (MRSA)	**Carbapenemase-producing *Entrobacteriaceae* (CPE)**
1. The patient has been admitted with a chronic wound/ulcer, or an invasive device which was present prior to admission.	Has the patient been an inpatient in a hospital outside of Scotland in the previous 12 months?
2. Resident in a Care Home or transferred from another inpatient ward or another hospital	Has the patient had holiday dialysis outside of Scotland in the previous 12 months?
3. Is admitted to a higher risk speciality (HDU)	Does patient share a bedroom with a colonised /infected CPE case?
4. Expected to undergo invasive orthopaedic surgery (other than day care)	

Nationally Produced Data

Clinical Risk Assessment KPI by Quarter –Local and National Data

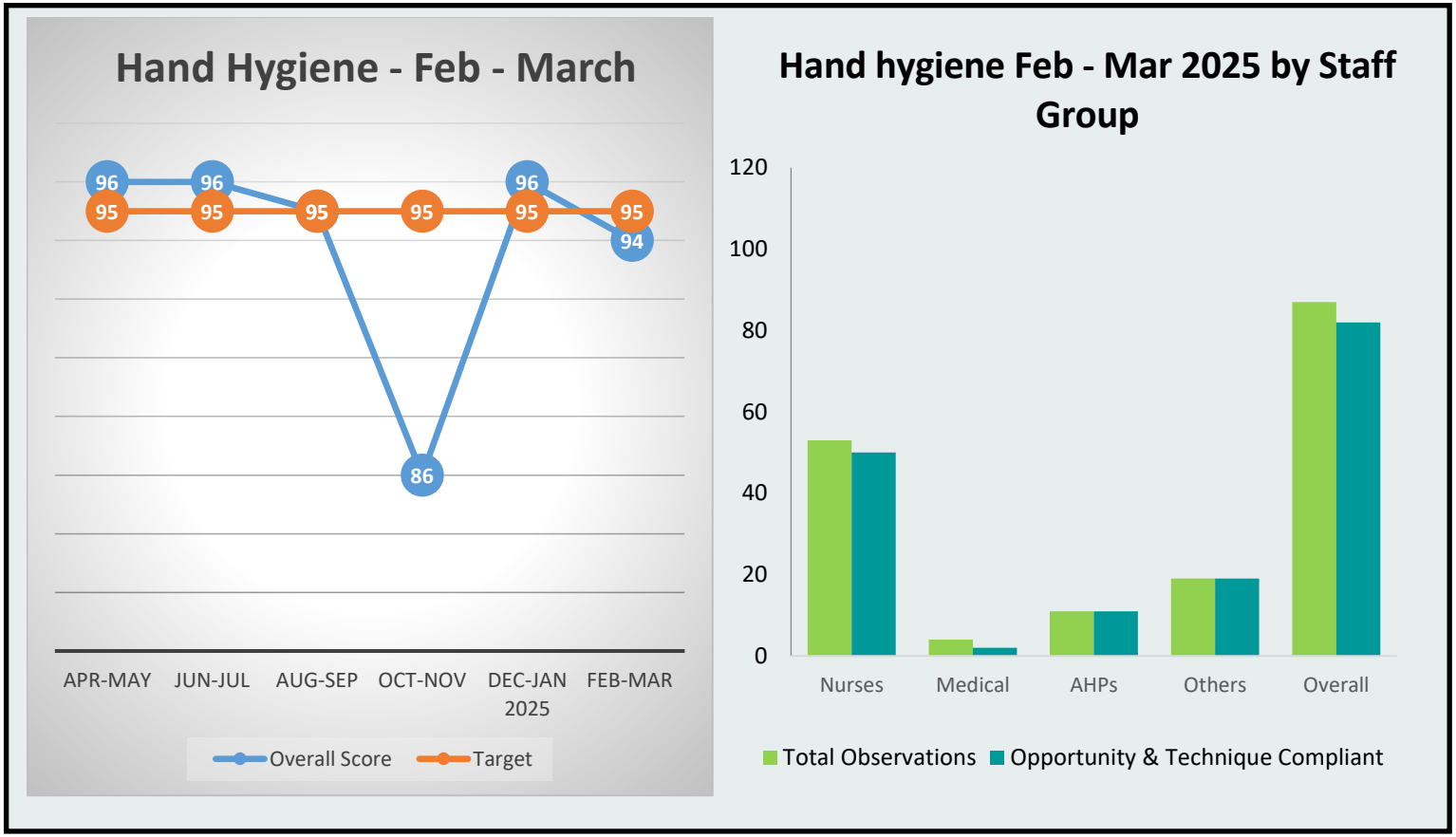
Quarters	**Local MRSA Screening % Scores**	**Local CPE Screening % Scores**	**National MRSA Screening % Scores For Benchmarking only**	**National CPE Screening % Scores For Benchmarking only**
Jan –Mar 2024	87%	100%	79%	**78%**
Apr – Jun 2024	77%	100%	81%	81%
Jul-Sept -2024	67%	100%	80%	82%
Oct-Dec -2024	93%	100%	81%	83%
National Set Target	**90%**	**90%**	**90%**	**90%**

#

Hand Hygiene

The hand hygiene score for February to March 2025 has dipped below the 95% target at 94%, this has mainly been due to missed opportunities.

Work to embed good dress code and training for when hand hygiene needs to be undertaken, remains ongoing across all staff groups.



#

Local Domestic and Estates Environmental Scores

The environment is crucial to prevention/transmission of infection; the domestic score continues to sit above the Scottish target of 93%. No audits were undertaken for January or March due to a glitch with the National Monitoring tool.

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	Domestics score	Estates % score
Apr-24	96%	99%
May-24	98%	100%
Jun-24	95%	99%
Jul-24	Unavailable	Unavailable
Aug-24	94%	100%
Sep-24	92%	100%
Oct-24	97%	100%
Nov-24	97%	100%
Dec-24	94%	100%
Jan-25	Unavailable	Unavailable
Feb-25	95%	99%
Mar-25	Unavailable	Unavailable

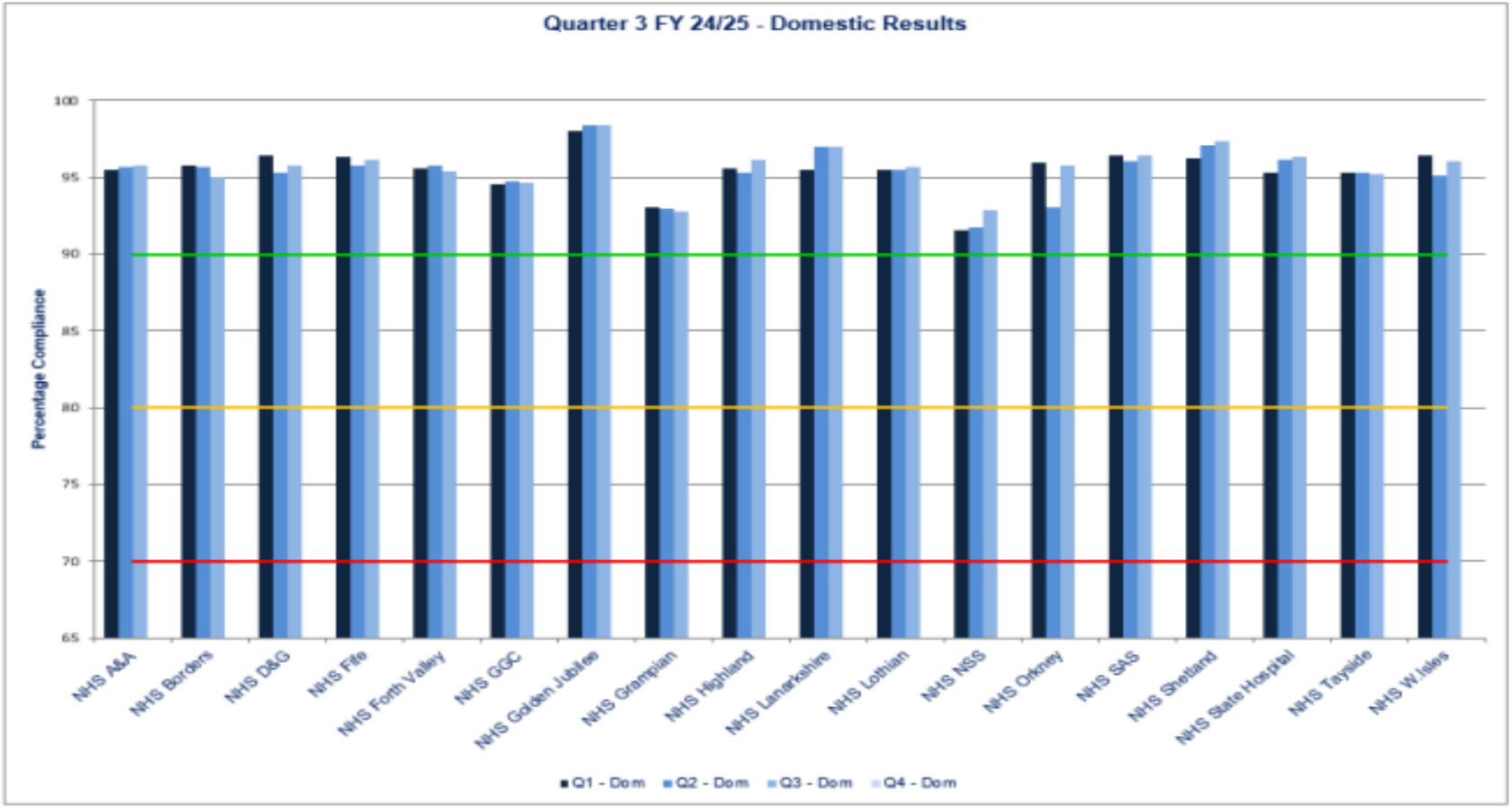
NHS Orkney

#

NHS Scotland National Cleaning and Maintenance compliance Report Quarter 3 Oct-Dec 2024

Domestic Services Monitoring - board performance

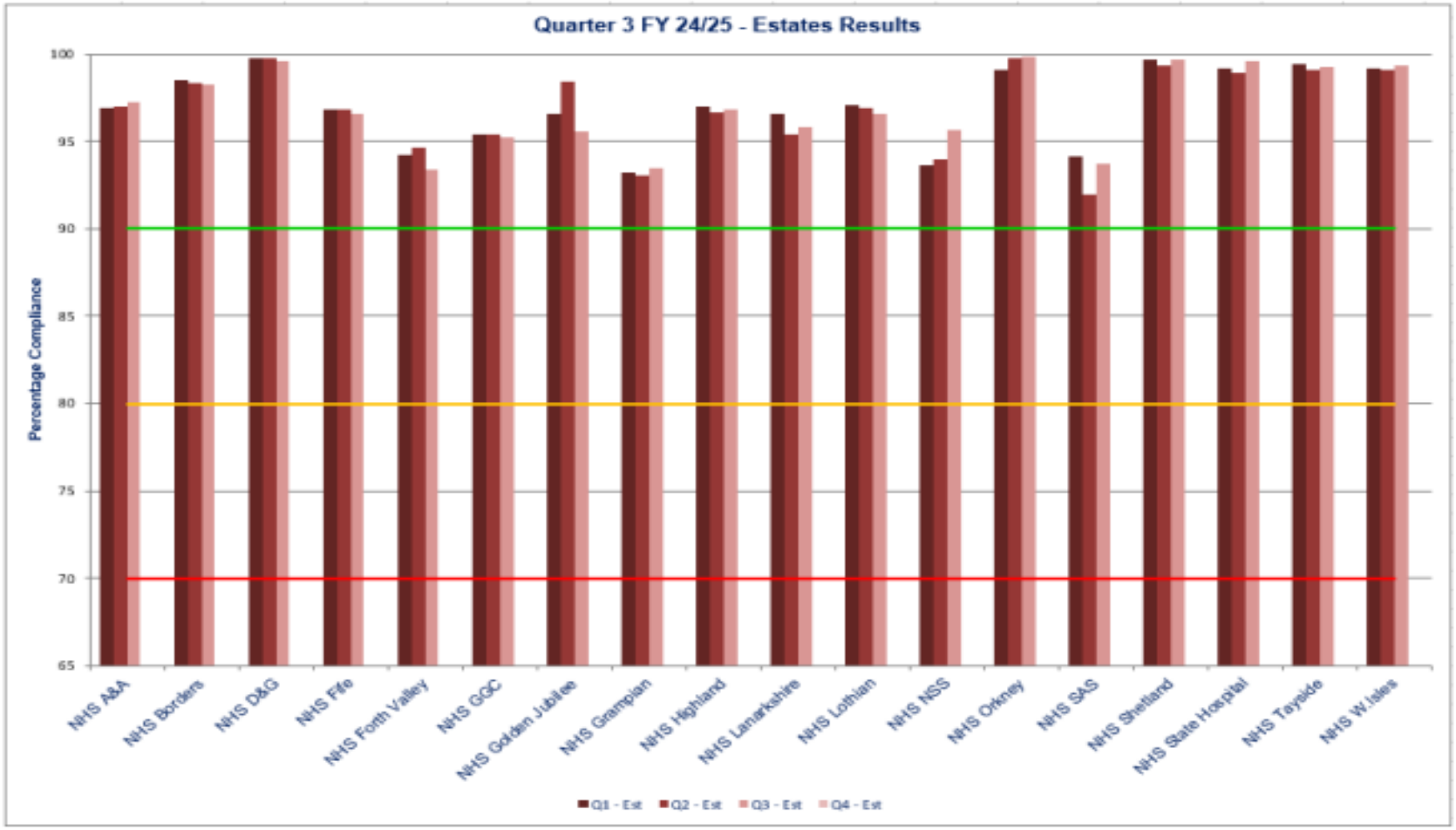
Figure 5.1 - Cumulative quarterly domestic scores by board



Estates Services Monitoring - board performance

The following bar chart shows the quarterly estates scores for each health board.

Figure 7.1 - Chart showing cumulative quarterly estates scores for boards



Infection Prevention Team Updates

The Team continues to support the Primary Care team with meeting infection prevention standards, meeting clinical staff via MS Teams on a regular basis and schedules are in place to start all the Mainland, Linked and Ferry Linked Isles Primary Care premises.

Enhanced cleaning of frequently touched areas had been implemented for a short time at the beginning of April in light of the uptick in community reported gastrointestinal infections, which was also noted in the Care Home sector.

As the part of the Water Safety Group, the team assist with promoting the water safety agenda and sharing of information and focussing on removing splash risks from sinks and outlets across Primary and Secondary Care.

Recommendations from Health Board Healthcare Environment Inspection (HEI) are shared with Senior Charges Nurses, to benchmark against other Boards. Additionally, currently there are ongoing Leadership walkarounds/audits in collaboration with the HAI Executive Lead, Estates, Facilities, Health and Safety and Infection Prevention. Audits are fed back to department leads by the HAI Executive Lead for recommendation and improvement.

Care Home Support

The most recent outbreaks have now been closed by Public Health.

Exception Reporting to Scottish Government

No exception reports submitted.

Code of Corporate Governance

Policy Author:	Head of Corporate Governance
Policy Owner (for updates):	Head of Corporate Governance
Engagement and Consultation Groups:	Audit and Risk Committee / Board members
Approval Record	**Date**
Audit and Risk Committee	6 March 2025
Board	24 April 2025
Equality and Diversity Rapid Impact Assessment	Not applicable
Version Control	
Version Number	18
Date of Original Document	February 2004
Last Change and Approval Date	
Last Review Date	February 2025
Next Formal Review Date	February 2026
Location and Access to Documents	
Location of master document	Corporate Services folder – G:Drive
Location of backup document	Meetings folder – G:Drive
Location of E&D assessment	n/a
Access to document for staff	Blog and website
Access to document for public	website
Post holder(s) names at last review	
Head of Improvement	Debbie Crohn
Senior Corporate Governance Officer	Rachel Ratter

If you require this or any other NHS Orkney publication in an alternative format (large print or computer disk for example) or in another language, please contact the Corporate Governance Team:

Telephone: (01856) 888910
Email: ork.corporategovernance @nhs.scot

CONTENTS PAGE

Introduction

1 Code of Corporate Governance

The Code of Corporate Governance includes the following sections:

Section A How Business is Organised
Section B Members' Code of Conduct
Section C Standards of Business Conduct for NHS staff
Section D Fraud Standards
Section E Reservation of Powers and Delegation of Authority
Section F Standing Financial Instructions

It uses best practice in Corporate Governance, and guidance issued by the Scottish Government Health and Social Care Directorates and the Blueprint for good governance.

The Board reviews and approves the Code of Corporate Governance each year. Sections A to E are Orkney NHS Board's Standing Orders. The Standing Orders are made in accordance with The Health Boards (Membership and Procedure) (Scotland) Regulations 2001 (2001 No. 302), as amended up to and including The Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016 (2016 No. 3).

Statutory provision, legal requirement, regulation, or direction by Scottish Ministers take precedence over the Code of Corporate Governance if there are any conflicts.

2 Orkney NHS Board

Orkney NHS Board, 'The Board', means Orkney Health Board which is the legal name. It is a strategic body, accountable to the Scottish Government Health and Social Care Directorates and to Scottish Ministers for the functions and performance of NHS Orkney. ~~It consists of the Chair, Non-Executive and Executive Members appointed by the Scottish Ministers to constitute Orkney Health Board under the terms of the National Health Services (Scotland) Act 1978 as amended.~~

The Board will not concern itself with day-to-day operational matters, except where they have an impact on the overall performance of the system.

The Board consists of the Chair, Non-Executive and Executive Members appointed by Scottish Ministers to constitute Orkney Health Board. (National Health Services (Scotland) Act 1978, as amended).

Remuneration will be paid as determined by Scottish Ministers to the Chair and other Non-Executive Board Members. Any member of the Board may, on reasonable cause shown, be suspended, or removed, or disqualified from membership of the Board in accordance with the Regulations identified in Section 1 above.

A member of the Board may resign office at any time by giving notice in writing to Scottish Ministers to that effect.

2.1 Overall Purpose

The Overall purpose of Orkney NHS Board is to ensure the efficient, effective and accountable governance of the NHS Orkney system, and to provide strategic leadership and direction for the system as a whole

2.2 Priority Areas

~~Our priority areas as defined in the NHS Orkney Plan on a Page are:~~

~~1. Workforce~~
~~2. Culture~~
~~3. Quality and Safety~~
~~4. Systems and Governance~~
~~5. Sustainability~~

~~Each priority is underpinned by a set of actions at an organisational level which can be accessed at https://www.ohb.scot.nhs.uk/plan-page~~

Our Corporate Strategy 2024-2028 is underpinned by our commitment to delivering excellent care and services to our community. We will do this by connecting with our community and ensuring our values are at the heart of everything we do to deliver our promise of looking after our community and providing excellent care.

Our values, aligned to those of NHS Scotland, are: Openness, honesty, respect and kindness.

We have 5 Strategic Objectives ~~are~~:

1. People - By 2028 we will: ensure NHS Orkney is a great place to work
2. Patient safety, quality and experience - By 2028 we will: consistently deliver safe and high-quality care to our community
3. Performance - By 2028 we will: within our budget, ensure our patients receive timely and equitable access to care and services and use our resources effectively
4. Potential - By 2028 we will: ensure innovation, transformation, education and learning are at the forefront of our continuous improvement
5. Place - By 2028 we will: be a key partner in leading the delivery of place-based care which improves health outcomes and reduces health inequalities for our community

2.3 Function

The Second edition of the NHS Scotland Blueprint for Good Governance (issued through DL 2022 38) describes the functions of the Board as:

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

2.4 Members of Orkney NHS Board

There are 10 Non-Executive Members, which include the Chair of the Board and 3 stakeholder members representing the following:

- Area Clinical Forum
- Orkney Island Council
- Staff Side Employee Director

There are 5 Executive Members:

- Chief Executive
- Director of Nursing, Midwifery, Allied Health Professionals and Chief Officer Acute
- Director of Finance
- Director of Public Health
- Medical Director

In total, there are 15 members of Orkney NHS Board.

In attendance there will also be:

- Director of People and Culture
- Chief Officer, Integration Joint Board
- ~~Corporate Governance~~Head of Corporate Governance ~~Lead~~

2.5 Co-option/Attendance of Non-Board Members at Meetings of the Board

The Board shall extend invitations to non-Board Members to participate in specific agenda items (with no voting rights) and to strengthen its governance arrangements regarding joint working.

2.6 Responsibilities of Members of the Board

Membership of Orkney NHS Board carries with it a collective responsibility for the discharge of the functions outlined in section 2.3.

All members are expected to bring an impartial judgement to bear on issues of strategy, performance management, key appointments, and accountability, upwards to Scottish Ministers and outwards to the local community.

The Orkney NHS Board is a strategic body, accountable to the Scottish Government Health and Social Care Directorate and to Scottish Ministers for the designated functions of the NHS Board and performance of the NHS Orkney system. All members of Orkney NHS Board share collective responsibility for the overall performance of the NHS Orkney system.

2.7 Corporate Governance

The UK Corporate Governance Code (2018) defines Corporate governance as "The system by which organisation are directed and controlled". It expands on that statement by adding that "Governance is about what the board does and how it sets the values of the organisation and is to be distinguished from executive director led day-to-day operational management" A good governance system helps individuals avoid the tension and conflict that can arise in an organisation where the boundaries between roles are not clear.

The Orkney NHS Board's Ccorporate Governance function is essential for ensuring it operates ethically, transparently, and in the best interests of all its stakeholders. This includes:~~:~~

1. **Ownership of the Board's Assurance Framework**: Which sets up the rules, practices, and processes by which the Orkney NHS Board is directed and controlled

2. **Board Oversight**: Setting the direction, clarifying priorities, defining expectations and influencing organisational culture.

3. **Accountability and Transparency**: Ensuring the Orkney NHS Board's operations are transparent, holding the Executive ~~Leadership~~ Team to account and seeking assurance that the organisation is being effectively managed.

4. **Risk Management**: Managing risks to the quality, delivery and sustainability of services.

5. **Ethical Conduct**: Promoting ethical behaviour and compliance with laws and regulations

6. **Community Engagement**: Balancing the interests of stakeholders, including shareholders, employees, customers, and the community

7. **Valuing Diversity –** ensuring we have different experience and points of view on the Board, encouraging applications from people with protected characteristics who are currently under-represented on the NHS Orkney Board, for example disabled people, people from the

LGBTI+ community, people from minority ethnic communities, and those aged under 50.

.
Effective corporate governance helps build trust, reduces risks, and enhances our reputation with our staff, patients, community and stakeholders.

~~Corporate Governance is the term used to describe our overall control system. It details how we direct and control our functions and how we relate to our communities. It covers the following dimensions:~~

- ~~Community focus~~
- ~~Health protection and improvement~~
- ~~Service delivery arrangements~~
- ~~Structures and processes~~
- ~~Risk management and internal control; and~~
- ~~Standards of conduct~~

Orkney NHS Board is responsible for:

- Giving leadership and strategic direction
- Putting in place controls to safeguard public resources
- Supervising the overall management of its activities; and
- Reporting on management and performance

The Senior Leadership ~~Management~~ Team (SLT) is responsible for the operational delivery of services supporting health protection and improvement.

2.8 Conduct, Accountability, and Openness

Members of Orkney NHS Board (Executive and Non-Executive) are required to comply with the Members' Code of Conduct and the Standards of Business Conduct for NHS staff.

Board Members and staff are expected to promote and support the Principles of Public Life In Scotland and be bound by the ~~principles in the~~ Members' Code of Conduct which are as follows: ~~and to promote by their personal conduct the key principles of:~~

The Principles of Public Life in Scotland	
Duty You have a duty to uphold the law and act in accordance with the law and the public trust placed in you. You have a duty to act in the interests of the public body of which	**Openness** You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

you are a member and in accordance with the core tasks of that body.	
Selflessness You have a duty to take decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.	**Honesty** You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.
Integrity You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.	**Leadership** You have a duty to promote and support these principles by leadership and example, to maintain and strengthen the public's trust and confidence in the integrity of the public body and its members in conducting public business
Objectivity You must make decisions solely on merit when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.	**Respect** You must respect fellow members of your public body and employees of the body and the role they play, treating them with courtesy at all times. Similarly you must respect members of the public when performing duties as a member of your public body
Accountability and Stewardship You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the public body uses its resources prudently and in accordance with the law.	

- ~~Leadership~~
- ~~Duty~~
- ~~Selflessness~~
- ~~Integrity~~
- ~~Objectivity~~
- ~~Openness~~
- ~~Accountability and stewardship~~
- ~~Honesty~~
- ~~Respect~~
-

2.9 Understanding our responsibilities arising from the Code of Corporate Governance

It is the duty of the Chair and the Chief Executive to ensure Board Members and staff understand their responsibilities. Board Members and Managers will receive copies of the Code of Corporate ~~Governance~~Governance, and the Head of Corporate Governance ~~Corporate Services Manager~~ will maintain a list of individuals ~~managers~~ to whom the Code of Corporate Governance has been issued. Managers are responsible for ensuring their staff understand their own responsibilities.

The Code of Corporate Governance is available ~~will also be published~~ on the Board's website, the intranet (The Blog) and on the Corporate Governance Teams channel.

2.10 Orkney Health Board Endowment Fund

The principles of this Code of Corporate Governance apply equally to Members of Orkney NHS Board who have distinct legal responsibilities as Corporate Trustees of the Board's Endowment Fund.

2.11 Advisory and Other Committees

The principles of this Code of Corporate Governance apply equally to all of NHS Orkney's Advisory Committee and all Committees and groups which report directly to an Orkney NHS Board Committee.

2.12 Review

The Board will keep the Code of Corporate Governance under review and undertake a comprehensive annual review. ~~at least every two years~~. The Board may, on its own or if directed by the Scottish Ministers, vary and revoke Standing Orders for the regulation of the procedure and business of the Board and of any Committee. The Audit and Risk Committee is responsible for advising the Board on these matters.

2.13 Feedback

NHS Orkney wishes to improve continuously and reviews the Code of Corporate Governance regularly. To ensure this Code remains relevant, we would be happy to hear from you with regard to new operational procedures, changes to legislation, confusion regarding the interpretation of statements or any other matter concerning the Code. Comments and suggestions for improvement are welcomed and should be sent to:

Head of Corporate Governance (01856)888910
NHS Orkney
The Balfour ork.corporategovernance@nhs.scot
Foreland Road
Kirkwall
KW15 1NZ

2.14 Definitions

Any expression to which a meaning is given in the Health Service Acts, or in the Regulations or Orders made under the Acts, shall have the same meaning in this interpretation and in addition:

Definition	Meaning
The Accountable Officer	Is the Chief Executive of NHS Orkney, who is personally answerable to the Scottish Parliament (in accordance with section 15 of the Public Finance and Accountability (Scotland) Act 2000, Annex 2: Memorandum to Accountable Officers for other Public Bodies) for the propriety and regularity of the public finances for NHS Orkney, ensuring they are used economical, efficiently and effectively. The Chief Executive of NHS Orkney is also accountable to the Board for clinical, staff and financial governance, including controls assurance and risk management. This is a legal appointment made by the Principal Accountable Officer of the Scottish Government.
The Act	The National Health Service (Scotland) Act 1978, as amended
The 1960 Act	The Public Bodies (Admission to Meetings) Act 1960, as amended
The 2016 Regulations	The Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016
Board Executive Member	Or 'Executive' means the Chief Executive, the Director of Finance, the Director of Nursing, Midwifery, Allied Health Professionals and Acute, the Director of Public Health, and the Medical Director. All other Members are Non-Executive Members
Budget	Means Money proposed by the Board for the purpose of carrying out, for a specific period, any, or all of the functions of the Board
Chair	The person appointed by the Scottish Ministers to lead the Board and to ensure that it successfully discharges its overall responsibility for the Board as a whole. The expression "the Chair of the Board" is deemed to include the Vice-Chair of the Board if the Chair is absent from the meeting or is otherwise unavailable.

Definition	Meaning
	The Chair of a Committee is responsible for fulfilling the duties of a Chair in relation to that Committee only
Chief Executive	Means the Chief Officer of Orkney NHS Board
Committee	Means a Committee established by the Board, and includes 'Sub-Committee'
Committee Members	Are people formally appointed or co-opted by the Board to sit on or to chair specific committees. All references to members of a committee are as 'committee member' and when the reference is to a member of the Board it is 'Board Member'
Contract	Includes any arrangement including an NHS contract
Co-opted Member	Is an individual, not being a Member of the Board, who is invited to attend Board meetings or appointed to serve on a committee of the Board
~~Corporate Services Manager~~Head of Corporate Governance	A senior administrative officer in a public organisation with a role like that of Company Secretary, who is responsible for ensuring procedures are followed in accordance with good governance
Director of Nursing and Acute	Means the Director of Nursing, Midwifery, Allied Health Professionals and Acute
Director of Finance	The Chief Finance Officer of the Board
Directors	Means all direct reports to the Chief Executive
Meeting	Means a meeting of the Board or of any Committee
Member	A person appointed as a Member of the Board by Scottish Ministers, and who is not disqualified from membership. This definition includes the Chair and other Executive and Non-Executive Members. (Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016)
Motion	Means a proposal
Nominated Officer	Means an officer charged with the responsibility for discharging specific tasks within the Code of Corporate Governance

Definition	Meaning
Non-Executive Member	Any Member appointed to the Board in terms of the Health Boards (Membership and Procedure) (Scotland) Amendment Regulations 2016 and who is not listed under the definition of Executive Member above
Responsible Officer	Subject to the below regulations, every designated body must nominate or appoint a responsible officer The Medical Profession (Responsible Officers) Regulations 2010 (legislation.gov.uk)
Officer	An employee of NHS Orkney
SFIs	Standing Financial Instructions
Sos	Standing Orders
The Code	Code of Corporate Governance
Vice-Chair	The Non-Executive Member appointed by the Board to take on the Chair's duties if the Chair is absent for any reason
Working day	Any day between Monday and Friday inclusive, but not including, public holidays

2.15 The Seven Principles of Public Life

The Seven Principles of Public Life (also known as the Nolan Principles) apply to anyone who works as a public officeholder. All public officeholders are both servants of the public and stewards of public resources. You have a duty to uphold the law and act in accordance with the law and public trust placed in you.

The Seven Principles of Public Life - GOV.UK (www.gov.uk)

1 Selflessness
Holders of public office should act solely in terms of the public interest

2 Integrity
Holders of public office must avoid placing themselves under any obligation to people or organisations that might try inappropriately to influence them in their work. They should not act or take decisions in order to gain financial or other material benefits for themselves, their family, or their friends. They must declare and resolve any interests and relationships

3 Objectivity
Holders of public office must act and take decisions impartially, fairly and on merit, using the best evidence and without discrimination or bias

4 Accountability
Holders of public office are accountable to the public for their decisions and actions and must submit themselves to the scrutiny necessary to ensure this

5 Openness
Holders of public office should act and take decisions in an open and transparent manner. Information should not be withheld from the public unless there are clear and lawful reasons for so doing

6 Honesty
Holders of public office should be truthful

7 Leadership
Holders of public office should exhibit these principles in their own behaviour. They should actively promote and robustly support the principles and be willing to challenge poor behaviour wherever it occurs

SECTION

A

How Business is Organised

This section is for Members of Orkney NHS Board and details how they should conduct themselves in undertaking their duties.

1 How Board and Committee Meetings must be Organised

This section regulates how the meetings and proceedings of the Board and its Committees will be conducted and are referred to as 'Standing Orders'.

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

1 Calling and Notice of Meetings

1.1 The Chair may call a meeting of the Board at any time and the Chair of a Committee may call a meeting of that Committee at any time or when required to do so by the Board.

1.2 Ordinary meetings of the Board or Committees shall be held in accordance with the timetable approved by the Board. The Board shall meet at least six times in the year and will annually approve a forward schedule of meeting dates

1.3 Meetings of the Board and its Committees may be conducted in any way in which each member is enabled to participate such as video conferencing, ~~teleconferencing~~ and hybrid meeting arrangements.

1.4 A Board meeting may be called if one third of the whole number of members signs a requisition for that purpose. The requisition must specify the business proposed to be transacted. The Chair is required to call a meeting within 7 days of receiving the requisition. If the Chair does not do so, or simply refuses to call a meeting, those members who presented the requisition may call a meeting by signing an instruction to approve the notice calling the meeting provided that no business shall be transacted at the meeting other than that specified in the requisition

1.5 Before each meeting of the Board, a notice of the meeting (in the form of an agenda), specifying the time, place and business proposed to be transacted at it and approved by the Chair, or by a member authorised by the Chair to approve on that person's behalf, shall be circulated to every member so as to be available to them at least three clear days before the meeting. The notice shall be distributed along with any papers for the meeting that are available at that point

1.6 Notification of the time and place of Board meetings shall be placed on NHS Orkney's website,

1.7 Lack of service of the notice on any Member shall not affect the validity of a meeting.

1.8 Special meetings of Committees shall be held on the dates and times that the Chairs of those Committees determine.

1.9 It is within the discretion of the Chair of any Committee to cancel, advance or postpone an ordinary meeting if there is a good reason for doing so.

1.10 Four or more members of any Committee may, by notice in writing, request a special meeting to be called to consider the business specified in the notice. Such a meeting shall be held within fourteen days of receipt of the notice by the Head of Corporate Governance or Lead Officer.

1.11 In the case of the Audit and Risk Committee a special meeting may be called by the Audit and Risk Committee Chair, the Chief Executive, and the Director of Finance.

2 Appointment of Chair of Orkney NHS Board

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

The Scottish Ministers shall also appoint the members of the Board. The Scottish Ministers shall also attend to any issues relating to the resignation and removal, suspension and disqualification of members in line with the above regulations. Any member of the Board may on reasonable cause shown be suspended from the Board or disqualified for taking part in any business of the Board in specified circumstances.

3 Appointment of Vice-Chair of Orkney NHS Board

3.1 The Chair shall nominate a candidate or candidates for vice-chair to the Cabinet Secretary. The candidate(s) must be a non-executive member of the Board. A member who is an employee of a Board is disqualified from being Vice-Chair. The Cabinet Secretary will in turn determine who to appoint based on evidence of effective performance and evidence that the member has the skills, knowledge and experience needed for the position. Following the decision, the Board shall appoint the member as Vice-Chair. Any person so appointed shall, so long as he or she remains a member of the Board, continue in office for such a period as the Board may decide.

3.2 The Vice-Chair may at any time resign from that office by giving notice in writing to the Chair. The process to appoint a replacement Vice-Chair is the process described at paragraph 3.1.

3.3 Where the Chair has died, ceased to hold office, or is unable for a sustained period of time to perform his or her duties due to illness, absence from Scotland or for any other reason, then the Board's Head of Corporate Governance ~~Services Manager~~ should refer this to the Scottish Government. The Cabinet Secretary will confirm which member may assume the role of interim chair in the period until the appointment of a new chair, or the return of the appointed chair. Where the Chair is absent for a short period due to leave (for whatever reason). the Vice-Chair shall assume the role of the Chair in the conduct of the business of the Board. In either of these circumstances references to the Chair shall, so long as there is no Chair able to perform the duties, be taken to include references to either the interim chair or the Vice-Chair. If the Vice-Chair has been appointed as the Interim Chair, then the process described at paragraph 3.1 will apply to replace the Vice-Chair.

4 Duties of the Chair and Vice-Chair

4.1 At every meeting of the Board the Chair shall preside. If the Chair is absent the Vice-Chair shall preside. If the Chair and Vice-Chair are both absent, the Members present shall elect a Non-Executive Member to act as Chair for that meeting. This cannot be an NHS Orkney employee.

4.2 If both the Chair and Vice-Chair (if any) of a Committee are absent from a meeting a member of the Committee chosen at the meeting by the other members shall act as Chair for that meeting.

4.3 It shall be the duty of the Chair:

- To ensure that Standing Orders are observed and to facilitate a culture of transparency, consensus, and compromise
- To preserve order and ensure that any member wishing to speak is given due opportunity to do so and a fair hearing
- To call members to speak according to the order in which they caught their eye
- To decide all matters of order, competence, and relevance.

4.4 The Chief Executive or Head of Corporate Governance ~~Services Manager~~ shall draw the attention of the Chair to any apparent breach of the terms of these Standing Orders.

4.5 The decision of the Chair on all matters referred to in this Standing Order shall be final and shall not be open to question or discussion in any meeting of the Board.

4.6 Deference shall always be paid to the authority of the Chair. When the Chair commences speaking, they shall be heard without interruption.

5 Membership

5.1 Non-Executive Membership

Each Committee will have a minimum number of Non-Executive Members which includes those Non-Executive Members who are members due to the office they hold:

Audit and Risk	Four
Finance and Performance	Four
Joint Clinical and Care Governance	Three
Remuneration	Five
Staff Governance	Four

6 Quorum

6.1 The Board will be deemed to meet only when there are present, and entitled to vote, a quorum of at least one third of the whole number of members, including at least two members who are not employees of a Board. The quorum for committees will be set out in their terms of reference, however it can never be less than two Board members.

6.2 The quorum for Committees shall be as follows: -

One third of whole number of members including:

	Quorum
Audit and Risk Committee	Three Non-Executive Members, one of whom must be chair or vice-chair
Finance and Performance Committee	Three members including two Non-Executive Members, one of whom must be chair or vice-chair, and one executive member
Joint Clinical and Care Governance Committee	~~Four~~ Three members including two Non-Executive Members, one of whom must be chair or vice-chair and two Orkney Islands Council voting members of the Integration Joint Board.

Staff Governance Committee	Four members including two Non-Executive Members, one of whom must be chair or vice-chair, one executive member and one lay representative from Union or Professional body
Remuneration Committee	Three Non-Executive Members, one of whom must be Chair or Vice-Chair

6.3 If a quorum is not present ten minutes after the time specified for the start of a meeting of the Board or Committees, the Chair will seek agreement to adjourn the meeting or reschedule.

6.4 If, during any meeting of the Board or of its Committees, a Member or Members are called away and the Chair finds that the meeting is no longer quorate, the meeting shall be suspended. If a quorum is not present at the end of ten minutes, the Chair will seek agreement to adjourn the meeting or reschedule.

7 Human Rights

7.1 If the Business before the Board or its Committees involves the determination of a person's individual civil rights and obligations, no members shall participate in the taking of a decision on an item of business unless they have been present during consideration of the whole item, including where the item of business was discussed at a previous meeting. (Article 6 of the European Convention of Human Rights)

8 Order of Business

8.1 For an ordinary meeting of the Board, the business will proceed in the order shown on the agenda, the Chair may change the running order if there are reasons to do so. No business shall be transacted at any meeting of the Board other than that specified in the notice of the meeting except on grounds of urgency.

9 Order of Debate

9.1 Informal Committee Rules

9.1.1 The Board or any Committee will routinely conduct its business under 'Informal Committee Rules' on the understanding that any one Board or

Committee member may at any time, without giving due reason, request that the Board or Committee move to the formal order of debate of motions as set out below (Formal Committee Rules 9.2).

9.1.2 All speakers will address the Chair and observe order. The Chair will have discretion to conduct the meeting, that is, limit the number of contributions any speaker makes, the amount of time for which they speak or to ask a speaker to sum up their contribution. At the conclusion of the discussions, the Chair will summarise the decisions of the Board or Committee. Orderly debate in the public domain is essential to project a professional approach to business.

9.1.3 If any point arises which is not provided for in the Board's Standing Orders, the Chair shall give a ruling on the point and their decision will be final.

9.1.4 The Chair will seek to establish a consensus. If a consensus is not emerging, the Chair will follow the procedure set out in Section 14 – Voting.

9.1.5 The Chair will have a casting vote in the event of an equality of votes.

9.2 **Formal Committee Rules**

9.2.1 Any Board or Committee Member wishing to speak shall indicate this by raised hand and, when called upon, shall address the Chair, and restrict their remarks to the matter being discussed by:

- Moving, seconding, or leading a motion or amendment
- Moving or seconding a procedural motion
- Asking a question
- Making a point of clarification; or
- Raising a point of order

9.2.2 There shall be no discussion on any motion or amendment except by the mover until such motion or amendment is seconded.

9.2.3 No Member shall speak more than once in a debate on any one motion and amendment unless raising a point of order, making a clarification, moving, or seconding a procedural motion. However, the mover of the substantive motion (or an amendment which has become the substantive motion) in any debate shall have a right of reply but shall not introduce any new matter.

9.2.4 After the mover of the substantive motion has commenced their reply, no Member shall speak except when raising a point of order or moving or seconding a procedural motion.

9.2.5 Any Member wishing to raise a point of order may do so by stating that they are raising a point of order immediately after it has arisen. Any Member then speaking will cease and the Chair shall call upon the Member

raising the point or order to state its substance. No other Member shall be entitled to speak to the point or order except with the consent of the Chair. The Chair shall give a ruling on the point of order, either immediately, or after such adjournment as they consider necessary. After this the Member who was previously speaking shall resume their speech, provided the ruling permits.

9.2.6 Any Member wishing to ask a question relating to the matter under consideration may do so at any time before the formal debate begins.

10 Motions and Amendments

10.1 When called to speak, the mover of any motion or amendment shall immediately state the exact terms of the motion or amendment before proceeding to speak in support of it. The mover shall also provide the terms in writing at the request of the Chair to the Head of Corporate Governance before any vote is taken, except in the case of: -

- Motions or amendments to approve or disapprove without further qualification
- Motions or amendments to remit for further consideration; or
- Motions or amendments, the terms of which have been fully set out in a minute of a Committee or report by an Executive Member or other officer

10.2 Every amendment must be relevant to the motion to which it is moved. The Chair shall decide as to the relevancy and shall have the power, with the consent of the meeting, to conjoin motions or amendments which are consistent with each other.

10.3 All additions to, omissions from, or variations upon a motion shall be considered amendments to the motion and shall be disposed of accordingly.

10.4 A motion or amendment once moved and seconded shall not be withdrawn without the consent of the mover and seconder.

10.5 Where an amendment to a motion has been moved and seconded, no further amendment may be moved until the result of the vote arising from the first amendment has been announced.

10.6 If an amendment is rejected, a further amendment to the original motion may be moved. If an amendment is carried, it shall take the place of the original ~~motion~~motion, and any further amendment shall be moved against it.

10.7 A motion for the approval of a minute or a report of a Committee shall be considered as an original motion and any proposal involving alterations to or rejection of such minute shall be dealt with as an amendment.

10.8 The Chair of a Committee shall have the prior right to move the approval of the Minute of that Committee.

10.9 A motion or amendment moved but not seconded, or which has been ruled by the Chair to be incompetent, shall not be put to the meeting nor shall it be recorded in the minute, unless the mover immediately gives notice to the ~~Corporate Services Manager~~Head of Corporate Governance ~~Lead Officer~~ requesting that it be so recorded.

10.10 A Member may request their dissent to be recorded in the minute in respect of a decision which they disagree and on which no vote has taken place.

11 Notice of Motions to be placed on an Agenda

11.1 Notice of motions must be given in writing to the Head of Corporate Governance no later than noon fourteen days before the meeting and must be signed by the proposing member and at least one other member.

11.2 A member may propose a motion which does not directly relate to an item of business under consideration at the meeting.

11.3 The terms of motions of which notice have been given shall appear as items of business for consideration at the next meeting.

11.4 If a member who has given notice of a motion is absent from the meeting when the motion is considered or, if present, fails to move it, any other member shall be entitled to move it, failing which the motion shall fall.

12 Questions

12.1 A Board or Committee Member may put a question to the Chair relating to the functions of that Committee, irrespective of whether the subject matter of the question relates to the business which would otherwise fall to be discussed at that meeting, ~~provided that~~if notice has been given to the Head of Corporate Governance ten working days prior to the meeting.

12.2 The original questioner may ask a supplementary question, limited to seeking clarity on any answer given.

12.3 Questions of which notice has been given in terms of 10.1 above, and the answers thereto, shall be recorded in the minute of the meeting only if the questioner so requests, but any supplementary questions and answers shall not be recorded.

13 Time Allowed for Speaking during Formal Debate

13.1 The Chair is entitled to decide the time that members may be allowed to speak on any one issue.

13.2 As a guide, a member who is moving any motion or amendment shall not normally speak for more than five minutes. Other members shall not normally speak for more than three minutes, and the mover in exercising a right of reply shall not normally speak for more than three minutes.

14 Closure of Debate

14.1 A motion that the debate be adjourned, or that a question be put, or that the meeting now pass to the next business may be made at any stage of the debate and such motion, if seconded, shall be the subject of a vote without further debate.

14.2 No motion in terms of 11.1 above may be made during a speech.

15 Voting

15.1 The Board may reach consensus on an item of business without taking a formal vote, and this will be normally what happens where consensus has been reached

Where the Chair concludes that there is not a consensus on the Board's position on the item and/ or what it wishes to do, then the Chair will put the decision to a ~~vote. If~~vote. If at least two Board members ask for a decision to be put to a vote, then the Chair will do so. Before putting any decision to vote, the Chair will summarise the outcome of the discussion and the proposal(s) for the members to vote on

15.2 Where a vote is taken, the decision shall be determined by a majority of votes of the members present and voting on the question. In the case of an equality of votes, the Chair shall have a second or casting vote. The Chair may determine the method for taking the vote, which may be by a show of hands, or by ballot, or any other method the Chair determines

15.3 The Chair may determine the method for taking the vote, which may be by a show of hands, or by ballot, or any other method the Chair determines

16 Voting in the case of Vacancies and Appointments

16.1 In filling vacancies in the membership of any Committee and making appointments of Board Members to any other body, where more than one

candidate has been nominated and seconded, members shall be entitled to vote for up to as many candidates as there are places to be filled. Candidates shall be appointed in the order of number of votes received until all vacant places have been filled.

16.2 In the event of two or more candidates tying with the lowest number of votes to fill the last vacant place, a further vote shall be taken between or among those candidates. Each member shall have one vote.

16.3 In the event of a further tie, the appointment shall be determined by lot.

17 Adjournment and Duration of Meetings

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

17.2 A motion for adjournment has precedence over all other motions and if moved and seconded, shall be put to the meeting without discussion or amendment.

17.3 If carried, the meeting shall be adjourned until the time and place specified in the motion. Unless the time and place are specified, the adjournment shall be until the next ordinary meeting of the Board or Committee.

17.4 Where a meeting is adjourned without a time for its resumption having been fixed, it shall be resumed at a time fixed by the Chair.

17.5 When an adjourned meeting is resumed, the proceedings shall be commenced at the point at which they were interrupted by the adjournment.

17.6 In case of disorder the Chair may adjourn the meeting to a time fixed then or decided afterwards. Vacating the Chair shall indicate that the meeting is adjourned.

17.7 Every meeting of the Board or its Committees shall last no longer than four hours.

17.8 It shall, however, be competent, before the expiry of the time limit, for any Member to move that the meeting be continued for such further period as is deemed appropriate.

18 Conflict of Interest

18.1 If a Board or Committee Member, or associate of theirs, has any interest, direct or indirect, in any contract or proposed contract or other matter, they shall disclose the fact, and shall not take part in the consideration and discussion of the contract, proposed contract, or other matter or vote on any question with respect to it.

18.2 The Scottish Ministers may, subject to such conditions as they may think fit to impose, remove any disability imposed by the 2016 Amendment Regulations in any case in which it appears to them in the interests of the health service that the disability should be removed.

18.3 Remuneration, compensation, or allowances payable to a Chair or other member shall not be treated as an interest by the 2016 Amendment Regulations. (Paragraphs 4, 5 or 14 of Schedule 1 of the Act).

18.4 A member or associate of theirs shall not be treated as having an interest in any contract, proposed contract or other matter if the interest is so remote or insignificant that they cannot reasonably be regarded as likely to affect any influence in the consideration or discussion of or in voting on, any question with respect to that contract or matter.

18.5 The 2016 Amendment Regulations apply to a Committee as they apply to the Board and apply to any member of any such Committee (whether or not they are also a Member of the Board) as they apply to a Member of the Board.

18.6 For the purposes of the 2016 Amendment Regulations, the word 'associate' has the meaning given by Section 229 of the Bankruptcy (Scotland) Act 2016.

18.7 A Member ~~You~~ must consider whether they ~~you~~ have an interest to declare in relation to any matter which is to be considered as soon as possible. Members ~~You~~ should consider whether agendas for meetings raise any issue of interest. ~~Your d~~Declarations should be made as soon as practicable at a meeting where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is being discussed, you must declare the interest as soon as you realise it is necessary.

18.8 The oral declaration of interest should identify the item of business to which it relates. The declaration should begin with the words "I declare an interest". The declaration must be sufficiently informative to enable those at the meeting to understand the nature of the interest but need not give a detailed description of the interest.

19 Reception of Deputations

19.1 Every application for the reception of a deputation must be in writing, or e-mailed to the Head of Corporate Governance or Committee Support Officer at least three clear working days prior to the date of the meeting at which the deputation wished to be received. The application must state the subject and the action which it proposes the Board or Committee should take.

19.2 The deputation shall consist of not more than ten people.

19.3 No more than two members of any deputation shall be permitted to address the meeting, and they may speak in total for no more than ten minutes.

19.4 Any member may put any relevant question to the deputation but shall not express any opinion on the subject matter until the deputation has withdrawn. If the subject matter relates to an item of business on the agenda, no debate or decision shall take place until the relevant minute or other item is considered in the order of business.

20 Receipt of Petitions

20.1 Every petition shall be delivered to the Head of Corporate Governance or Committee Lead Officer at least three clear working days before the meeting at which the subject matter may be considered. The Chair will be advised and will decide whether the contents of the petition should be discussed at the meeting or not.

21 Submission of Reports

21.1 Reports shall be submitted by the Executive Members or other Senior Officers when requested or when, in the professional opinion of such an officer, a report is required to enable compliance with any statute, regulation or Ministerial Direction, or other rule of law, or where the demands of the service under their control require.

21.2 Any report to be submitted shall be provided to the Corporate Governance Team in the standard format no later than the deadline set out within the agreed timetable for the Board and Committee meetings (nine days prior to the meeting). The Director of Finance and Senior Leadership Team should be consulted on all proposals with significant financial implications. No paper with significant financial implications should be presented at a

meeting when this has not been done. Any observations by those officers on matters within their professional remit shall be incorporated into the report.

21.3 Only those reports which require a decision to be taken by the Board or Committee to discharge its business or exercise its monitoring role, will normally be included on the agenda. It shall be delegated to the ~~Corporate~~ Head of Corporate Governance or Committee lead ~~Services Manager Officer~~ in conjunction with the Chair of the Committee to make the final determination on whether or not an item of business should be included on an agenda.

21.4 All reports requiring decisions will be submitted in writing. Verbal reports will only be accepted in exceptional circumstances, and with the prior approval of the Chair of the Board or Committee.

22 Right to Attend Meetings and / or place Items on an Agenda

22.1 Any Board or Committee Member shall be entitled to attend any meeting of any Committee, and shall, with the consent of the Committee, be entitled to speak but not to propose or second any motion or to vote. Executive Members cannot attend the Remuneration Committee when matters pertaining to their terms and conditions of service are being discussed and the Audit and Risk Committee when deemed necessary by the Chair of that Committee.

22.2 A Board Member, who is not a member of a particular Committee and wishes that Committee to consider an item of business which is within its remit, shall inform in writing the Lead Officer no later than the deadline set out within the agreed timetable for the Committee prior to the meeting of the issue to be discussed. The Lead Officer shall arrange for it to be placed on the agenda of the Committee. The Member shall be entitled to attend the meeting and speak in relation to the item but shall not be entitled to propose or second any motion or to vote.

22.3 Board or Committee Members who wish to raise any item of business which is within its remit shall inform in writing the Committee Lead Officer not later than the deadline set out within the agreed timetable for that Committee prior to the meeting the issue to be discussed. The Committee Lead Officer shall arrange for it to be placed on the agenda of the Committee.

22.4 The Chief Internal Auditor and External Auditor have a right of attendance at all Committees. The Chief Internal Auditor and External Auditor shall have the right of direct access to the Chairs of the Board and all Committees.

22.6 Those in attendance at public sessions of Board meetings including co-opted members, will not routinely attend sessions held in private. Those in attendance of private sessions will normally be:

- The ~~Corporate Governance Lead~~Head of Corporate Governance or any member of the Corporate Governance Team who has been assigned to take a formal minute of the proceedings
- Named officers who have been closely involved in any items under consideration, where agreed by the Board Chair~~person~~ and Chief Executive

23 Alteration of Revocation of Previous Decision

23.1 Subject to 23.2 below, a decision shall not be altered or revoked within a period of six months from the date of such decision being taken.

23.2 Where the Chair rules that a material change of circumstances has occurred to such extent that it is appropriate for the issue to be reconsidered, a decision may be altered or revoked within six months by a subsequent decision arising from:

- A recommendation to that effect, by an Executive Member or other officer in a formal report; or
- A motion to that effect of which prior notice has been given in terms of 9.1

23.3 This does not apply to the progression of an issue on which a decision is required.

24 Suspension of Standing Orders

24.1 So far as it is consistent with any statutory provisions, any one or more of the Standing Orders may be suspended at any meeting, but only as regards the business at such meeting, provided that two-thirds of the members present and voting so decide.

25 Admission of Public and Press

25.1 Board meetings shall be held in public. Public notice of the time and place of the meeting shall be provided at least three clear days before the meeting is held. The notice and the meeting papers shall also be placed on the Board's website. The meeting papers will include the minutes of committee meetings which the relevant committee has approved. The exception is that the meeting papers will not include the minutes of the Remuneration Committee. Chairs Assurance Reports will inform the Board of Governance Committee business which has been discussed in committee meetings for which the final minutes are not yet available. For items of business which the Board will consider in private session, only the

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

25.2 The Board may exclude the public and press while considering any matter that is confidential. Exemptions included under: Freedom of Information (Scotland) Act 2002 (the Act) and Environmental Information (Scotland) Regulations 2004 (the Regulations)

A summary of the exemptions specified in the Act is contained at the end of this section at Paragraph 27 but should not be relied upon as a comprehensive application of the exemptions in restricting access to information.

For guidance on application of the Act and Regulations, please contact the Freedom of Information Officer (ORK.FOIrequests@nhs.scot).

More information can be found on NHS Orkney's website: http://www.ohb.scot.nhs.uk/about-us/freedom-information

25.3 The terms of any such resolution specifying the part of the proceedings to which it relates, and the categories of exempt information involved shall be specified in the minutes.

25.4 Members of the press admitted to meetings shall be permitted to make use of recording apparatus and use extracts from these recordings for reporting purposes.

25.5 Members of the public and press should leave when the meeting moves into reserved business (In Committee). It is at the discretion of the Chair of that meeting if NHS Orkney staff or co-opted members can remain.

26 Members' Code of Conduct

26.1 All those who are appointed or co-opted as members of the Board must comply with the Members' Code of Conduct of Devolved Public Bodies Revised Edition 2022 as incorporated into the Code of Corporate Governance and approved by the Scottish Ministers. This also applies equally to all members of Committees whether they are employed by NHS Orkney or not when undertaking Committee business.

26.2 For the purposes of monitoring compliance with the Members' Code of Conduct, the ~~Corporate Services Manager~~Head of Corporate Governance has been appointed as the designated monitoring officer.

26.3 Board and Committee Members having any doubts about the relevance of a particular interest should discuss the matter with the ~~Corporate Services Manager.~~Head of Corporate Governance.

26.4 Board and Committee Members should declare on appointment any material or relevant interest and such interests should be recorded in the Board and Committee minutes. Any changes should be declared and recorded when they occur. Interests will also be entered into a register that is available to the public, details of which will be disclosed in the Board's Annual Report. The Register will be published on the Board's website.

27 Suspension of Members from Meetings

27.1 If any Board or Committee Member disregards the authority of the Chairperson, obstructs the meeting or, in the opinion of the Chair, acts in an offensive manner at a meeting, the Chair may move that such Member be suspended for the remainder of the meeting. If seconded, such a motion shall be put to the vote immediately without discussion.

27.2 If such a motion is carried, the suspended Member shall leave the meeting room immediately. If the member fails to comply, the Chair may order the suspended member to be removed from the meeting.

27.3 A member who has been suspended in terms of this Standing Order shall not re-enter the meeting room except with the consent of the meeting.

27.4 In the event of a motion for suspension of a Member being defeated, the Chair may, if they think it appropriate to do so, adjourn the meeting as if a state of disorder had arisen.

27.5 The Scottish Ministers may by determination suspend a member from taking part in the business (including meetings) of a Board.

28 Minutes, Agendas and Papers

28.1 The ~~Corporate Services Manager~~ Head of Corporate Governance is responsible for ensuring that minutes of the proceedings of a meeting of the Board or its Committees, including any decision or resolution made at that meeting, shall be drawn up. The minutes shall be submitted to the next meeting of the Board, or relevant Committee, for approval by Members as a record of the meeting subject to any amendments proposed by Members and shall be signed by the person presiding at that meeting.

28.2 The names of Members present at a meeting of the Board or of a Committee of the Board shall be recorded in the Minute, together with the apologies for absence from any Member. The names of other persons in attendance shall also be recorded.

28.3 The Freedom of Information (Scotland) Act 2002 gives the public a general right of access to all recorded information held. Therefore, when minutes of meetings are created, it should be assumed that what is recorded will be made available to the public.

28.4 The Minute of a meeting being held where authority or approval is being given by the committee and the Minutes are intended to act as a record of the business of the meeting, then the Minute should contain:

- A summary of the Committee's discussions
- A clear and unambiguous statement of all decisions taken
- If no decision is taken, a clear and unambiguous statement of where the matter is being referred or why the decision has been deferred
- Where options are presented, a summary of why options were either accepted or rejected
- Reference to any supporting documents relied upon
- Any other relevant points which influenced the decision or recommendation; and
- Any recommendations which require approval by a higher authority

28.5 The contents of a Minute will depend upon the purpose of the meeting.

If the meeting agrees actions, they will be recorded in an action log:

- A description of the task, including any phases and reporting requirements
- The person accepting responsibility to undertake the task; and
- The time limits associated with the task, its phases and agreed reporting

28.6 The business for inclusion on the ~~Agenda~~agenda will, when necessary, be divided into two sections: Open Business, where there would be no issue about the release of information and 'In Committee', where access is restricted to Board or Committee members and where information would not be routinely released.

29 Guide to Exemptions Under the Freedom of Information (Scotland) Act 2002

29.1 All the exceptions operate in different ways, and when applying the individual exemptions, we may need to consider the following factors:

- The content of the information
- The effect that disclosure would have
- The source of the information; and
- The purpose for which the information was recorded

The Act also recognises that the disclosure of certain categories of information may, at the time of the request, be harmful to the wider public interest, for example:

- Where disclosure might be harmful to an important public interest, such as national security or international relations
- Where disclosure is prohibited by statute
- Where responding to the request might involve providing personal information; or
- Where disclosure might breach a duty of confidentiality

Because the Act strikes a balance between different and important issues, a decision to withhold or release information will require careful consideration. Access to information legislation is about providing the framework within which decisions can be made on where the balance of public interest lies on the release or withholding of information on a ~~case by case~~case-by-case basis. The Act contains several exemptions to the general right of access. The exemptions ensure that decisions to release or withhold information are taken with the interest of the public firmly to the fore.

There are two types of exemptions under the Freedom of Information (Scotland) Act 2002:

Absolute Exemptions:

If an absolute exemption applied, there is no obligation under the Act to consider the request for information further

Qualified Exemptions:

Are subject to the public interest test. Qualified exemptions do not justify withholding information unless, following a proper assessment, the balance of the public interest comes down against disclosure.

For further guidance contact the Freedom of Information Officer (ORK.FOIrequests@nhs.scot)

http://www.ohb.scot.nhs.uk/about-us/freedom-information

30 Records Management

Under the Freedom of Information (Scotland) Act 2002, NHS Orkney must have comprehensive records management systems and process in place. Separate guidance has been produced for records management in the Section 61 Code of Practice. This can be found on- 'ORK NHS Orkney Policies' Teams channel.

- Information Governance Strategy
- Information Governance Policy
- Records Management Policy

The NHS Scotland Business classification scheme gives clear guidance on time limits for the retention of records and documents.

2 Committees

1 Establishing Committees

1.1 The Board shall create such Committees as are required by statute, guidance, regulation, and Ministerial direction and as are necessary for the economical efficient and effective governance of its business.

1.2 The Board shall delegate to such Committees those matters it considers appropriate. The matters delegated shall be set out in the Purpose and Remit of those Committees detailed in Paragraph 8, Purpose and Remits.

1.3 The Board may by resolution of a simple majority of the whole number of Members of the Board, present and voting, vary the number, constitution and functions of Committees at any meeting of which due notice has been given specifying the proposed variation.

2 Membership

2.1 The Board shall appoint the membership of Committees. By virtue of their appointment the Chair of the Board is an ex officio member of all Committees except the Audit and Risk Committee.

2.2 Any Committee shall include at least one Non-Executive Member of the Board, and may include persons, who are co-opted, and may consist wholly or partly of Members of the Board.

2.3 In determining the membership of Committees, the Board shall have due regard to its purpose, role and remit, and accountability requirements. Certain members may not be appointed to serve on a particular Committee because of their positions. Specific exclusions are:

- Audit and Risk Committee – Chair of the Board together with any Executive Member or Officer
- Remuneration Committee – any Executive Member or Officer

2.4 The Board has the power to vary the membership of Committees at any time, provided that:

- In any case this is not contrary to statute, regulation, or Direction by Scottish Ministers

- Each Member of the Board is afforded proper opportunity to serve on Committees

2.5 The Board shall appoint Chairs and Vice-Chairs of Committees who shall hold office for two years. In the case of Members of the Board, this shall be dependent upon their continuing membership of the Board.

2.6 The persons appointed as Chairs of Committees shall usually be Non-Executive Members of the Board and only in exceptional circumstances shall the Board appoint a Chair of a Committee who is not a Non-Executive Member for example a co-opted member. Such circumstances are to be recorded in the Minutes of the Board meeting making the appointment.

2.7 As a consequence of the personal development appraisal and review process, the Chair of the Board will decide, with the relevant Non-Executive Members, which of the Committees they will serve on as member of as Chair or Vice Chair.

2.8 Casual vacancies occurring in any Committee shall be filled as soon as may be by the Board after the vacancy takes place.

3 Functioning

3.1 An Executive Member or another specified Lead Officer shall be appointed to support the functioning of each Committee.

3.2 Committees may seek the approval of the Board to appoint Sub-Committees for such purposes as may be necessary.

3.3 Where the functions of the Board are being carried out by Committees, the membership, including those co-opted members who are not members of the Board, is deemed to be acting on behalf of the Board.

3.4 During intervals between meetings of the Board or its Committees, the Chair of the Board or a Committee or in their absence, the Vice-Chair shall, in conjunction with the Chief Executive and the Lead Officer concerned, have powers to deal with matters of urgency which fall within the terms of reference of the Committee and require a decision which would normally be taken by the Committee. All decisions so taken should be reported to the next full meeting of the relevant Committee. It shall be for the Chair of the Committee, in consultation with the Chief Executive and Lead Officer concerned, to determine whether a matter is urgent in terms of this Standing Order.

4 Minutes

4.1 The approved minute of each Committee of the Board shall be submitted as soon as is practicable to an ordinary meeting of the Board for information, and for the consideration of any recommendations having been made by the Committee concerned.

4.2 The Minute of each Committee shall also be submitted to the next meeting for approval as a correct record and signature by the Chair.

4.3 Minutes of the proceedings at a meeting of a Special Committee shall be made but these proceedings may be reported to the Board or to any Committee of the Board either by the Minutes or in a report from the Special Committee as may be considered appropriate.

5 Frequency

5.1 The Committees of the Board shall meet no fewer than four times a year

6 Delegation

6.1 Each Committee shall have delegated authority to determine any matter within its purpose and remit, except for any specific restrictions contained in Section E, paragraph items 1.2.1 to items 1.2.20.

6.2 Committees shall conduct their business within their purpose and remit, and in exercising their authority, shall do so in accordance with the following provisions. However, in relation to any matter either not specifically referred to in the purpose and remit, or in this Standing Order, it shall be competent for the Committee, whose remit the matter most closely resembles, to consider such matter and to make any appropriate recommendations to the Board.

6.3 Committees must conduct all business in accordance with NHS Orkney policies and the Code of Corporate Governance.

6.4 The Board may deal with any matter falling within the purpose and remit of any Committee without the requirement of receiving a report or Minute of that Committee referring to that matter.

6.5 The Board may at any time vary, add to, restrict or recall any reference or delegation to any Committee. Specific direction by the Board in relation to the remit of a Committee shall take precedence over the terms of any provision in the purpose and remit.

6.6 If a matter is of common or joint interest to several Committees, and is a delegated matter, no action shall be taken until all Committees have considered the matter.

6.7 In the event of a disagreement between Committees in respect of any such proposal or recommendation which falls within the delegated authority of one Committee, the decision of that Committee shall prevail. If the matter is referred but not delegated to any Committee, a report summarising the views of the various Committees shall be prepared by the appropriate officer and shall appear as an item of business on the agenda of the next convenient meeting of the Board.

7 Committees

A Audit and Risk Committee
B Joint Clinical and Care Governance Committee
C Finance and Performance Committee
D Remuneration Committee
E Staff Governance Committee

A Audit and Risk Committee

1 Purpose

Orkney NHS Board has established the Audit and Risk Committee as a Committee of the Board to support the Board in its responsibilities for issues of risk, control and governance and associated assurance through a process of constructive challenge.

On behalf of NHS Orkney Board, The Audit and Risk Committee has a dual role of providing:

- **An Audit Function:** Assuring that the organisation operates effectively and meets statutory objectives.

- **A Risk Assurance Function:** Assuring that adequate structures are in place to undertake activities which underpin effective risk management.

2 Composition

The Audit and Risk Committee shall consist of four Non-Executive Members, including the Employee Director, but not the Chair of the Board.

The Chair and Vice-Chair of the Committee will be appointed by the NHS Board.

Ordinarily, the Audit and Risk Committee Chair cannot chair any other governance committee of the Board but can be a member of other governance committees.

Committee membership will be reviewed annually.

3 Attendance

In addition, there will be in attendance:

- Chief Executive
- Director of Finance
- Lead Executive (Medical Director)
- Head of Finance
- Head of Quality, Safety and Risk

The Chief Executive (as Accountable Officer), the Director of Finance, and the Lead Executive (Medical Director) of NHS Orkney must attend meetings of the Committee, together with other Executive Directors and senior staff as required.

The External Auditor and the Chief Internal Auditor shall also receive a standing invitation to attend.

4 Quorum

The Committee will be quorate when there are three members present, one of whom must be the chair or Vice-Chair.

It will be expected that another non-executive Board Member will deputise for a member of the Committee at any meeting when required.

5 Meetings

The Audit and Risk Committee will meet at least four times per annum.

At least once a year and when deemed necessary by the Chairperson, meetings of the Committee shall be convened and attended exclusively by members of the Committee and/or the External Auditor or Internal Auditor.

Extraordinary meetings may be called by:

- Audit and Risk Committee Chairperson
- Chief Executive
- Director of Finance
- Lead Executive

The Audit and Risk Committee shall exclude all but members from extraordinary meetings of the Committee if it so decides.

6 Remit

The Audit and Risk Committee will advise the Board and Accountable Officer on:

- The strategic process for risk, control, and governance and the Governance Statement
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, and management's letter of representation to the external auditors
- The planned activity and results of both internal and external audit
- The adequacy of management response to issues identified by audit activity, including external audit's management letter / report
- The effectiveness of the internal control environment and risk management arrangements

- Assurances relating to the corporate governance requirements for the organisation
- Proposals for tendering for internal audit services
- Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations, Vice Chair to lead on any whistle-blowing related items to mitigate any possible conflict of interest
- Assurance from the Finance and Performance Committee around Information Governance
- Links to Integration Joint Board Audit Committee around jointly commissioned audits, annual planning, etc.
- Oversight of the Board Assurance Framework
- To ensure robust arrangements are in place in relation to Business Continuity and Emergency Planning

The Audit and Risk Committee will also annually review its own effectiveness and report the results of that review to the Board.

7 Best Value

The Committee is responsible for promoting the economical, efficient and effective use of resources by the organisation, on those areas within its remit, in accordance with the principles of Best Value. These are set out in the Scottish Public Finance Manual, along with a statutory duty under the Public Finance and Accountability (Scotland) Act 2000. The Committee will provide assurance to the Chief Executive, as Accountable Officer, that NHS Orkney has systems and processes in place to secure best value in these delegated areas, and this assurance will be included as an explicit statement in the Committee's Annual Report.

8 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference, and in so doing, is authorised to seek any information it requires from any employee.

All Members and employees are directed to co-operate with any request consistent with the Terms of Reference made by the Committee.

To fulfill its remit, the Audit and Risk Committee may obtain whatever professional advice it requires and require Directors or other officers of NHS Orkney to attend meetings.

The External Auditor and Chief Internal Auditor shall have the right of direct access to the Chair of the Audit Committee.

The Audit and Risk Committee will require a statement from the Integration Joint Board on its governance and the preparedness of the Integration Joint Board accounts to allow NHS Orkney to prepare consolidated accounts.

9 Reporting Arrangements

The Audit and Risk Committee reports to Orkney NHS Board.

Following a meeting of the Audit and Risk Committee the Chair will present at the next Orkney NHS Board meeting an update from the meeting and any approved minutes.

The Audit and Risk Committee should annually and within three months of the start of the financial year provide a work plan detailing the work to be taken forward by the Audit and Risk Committee.

The Audit and Risk Committee will produce an annual report for presentation to Orkney NHS Board. The Annual Report will describe the outcomes from the Committee during the year.

The Risk Management and Clinical Quality Forum reports to the Audit and Risk Committee.

B Joint Clinical and Care Governance Committee (JCCGC)

1 Purpose

The Joint Clinical and Care Governance Committee (JCCGC) ('the Committee') provides assurance through oversight of NHS Orkney and the Integrated Joint Board. The scope of the Committee's oversight is consistent with the Healthcare Quality Strategy for NHS Scotland of safe, effective, and person-centered care

- the function of providing assurance that all necessary systems and processes are in place that ensure staff engaging in population health-related activities incorporate the key components of population health governance.
- the function of providing assurance regarding participation, patient and service users' rights, experience and feedback
- the function of the Non-Executive members of NHS Orkney and advisors providing the Board of NHS Orkney with the assurance that robust clinical governance controls and management systems

are in place and effective in NHS Orkney, in relation to delegated and non-delegated services it delivers.

- the function of providing the Integration Joint Board with assurance that robust clinical and care governance controls and management systems are in place and effective for the functions that NHS Orkney and Orkney Islands Council have delegated to it.
- the requirements set out in MEL (1998)75, MEL (2000)29 and HDL (2001)74 around the guidance on the implementation of Clinical Governance in the NHS in Scotland.

2 Composition

The Joint Clinical and Care Governance Committee shall consist of:

- Three Non-Executive Members of NHS Orkney, one of whom must be the Area Clinical Forum Chair and one of whom must be a voting member of the Integration Joint Board.
- Two Orkney Islands Council voting members of the Integration Joint Board, excluding the Chair of the IJB when this is an Orkney Islands Council appointment, in which case a substitute will be appointed.
- A public representative.
- A third sector representative.

All members shall have authority to make decisions on recommendations and all decisions must be reached by consensus. The committee will seek to reach consensus on matters under discussion on agenda, and will seek input from the NHSO Board, IJB and OIC, should the group be unable to agree a consensus position

Views and engagement from unpaid carers would be positively encouraged where appropriate, in acknowledgement that there was not currently a carer representative on the committee.

Committee membership will be reviewed annually.

3 Chair and Vice Chairs

The Chair and two Vice Chairs of the Committee will be jointly appointed by the NHS Board and the Integration Joint Board. The appointment of the Chair will be reviewed biennially in line with current legislation.

There will be two vice chairs, one from NHS Orkney and one Orkney Islands Council voting member of the Integration Joint Board.

In the absence of the Chair, either Vice Chair may Chair the meeting.

For items relating solely to non-delegated NHS functions, only the NHS Orkney Vice Chair may Chair that item.

4 Attendance

In addition, there will be in attendance:

- Director of Nursing, Midwifery, Allied Health Professions and Chief Officer Acute Services (lead officer for Joint Clinical Care and Governance)
- Medical Director (lead officer for Clinical Governance)
- Director of Public Health
- Chief Executive, NHS Orkney
- Chief Officer, Integration Joint Board (lead officer for Care Governance and Chair of the Orkney Alcohol and Drugs Partnership)
- Director of Pharmacy
- Chief Social Work Officer
- Head of Patient Safety, Quality and Risk
- Associate and Interim Clinical Directors as indicated by the agenda
- Associate Director of Allied Health Professions

The Committee shall invite others to attend, as required, for specific agenda items.

Where a core officer is unable to attend a particular meeting, a named representative shall attend in their place.

5 Quorum

Meetings of the Committee will be quorate when at least three members are present and at least two of whom should be Non-Executive Members of NHS Orkney, one of whom must be the Chair or Vice Chair, and one Orkney Island Council voting member of the Integration Joint Board.

It will be expected that another Non-Executive Board Member or Integration Joint Board proxy Member will deputise for a member of the Committee at a meeting if required.

Meetings will not take place unless at least one Clinical Executive Director of NHS Orkney and the Chief Social Work Officer, or nominated depute, is present.

For the avoidance of doubt, advisors in attendance at the meeting, shall not count towards a quorum.

6 Meetings

The Committee will meet at least quarterly.

The Chair may, at any time, convene additional meetings of the Committee.

A minimum of two development workshops/activities will be held each year. These may be attended by both members and advisors.

7 Conduct of Meetings

A calendar of Committee meetings, for each year, shall be approved by the members and distributed to members.

The agenda and supporting papers shall be sent to members at least seven days before the date of the meeting.

Notice of each meeting will confirm the venue, time and date together with an agenda and shall be made available to each member of the committee.

All JCCGC meetings shall be minuted, including the names of all those present or absent. Administrative support shall be provided by NHS Orkney.

Draft minutes shall be circulated promptly to the Chair of the JCCGC, normally within 5 days. Chair's Assurance Report will be produced by the Chair and the Executive Lead directly after the meeting.

Attendance and delegates should normally be confirmed at least 5 working days prior to the meeting.

The approved minutes of the JCCGC will be made publicly available.

A rolling work plan will be developed and maintained which will be reviewed and approved annually. The approved work plan will be submitted to NHS Orkney's Audit and Risk Committee and the Performance and Audit Committee of the Integration Joint Board.

The JCCGC shall, at least once per year, review its own performance. This shall be by means of a Self-Evaluation Form which will be sent to all members in attendance at any meeting during the relevant year.

8 Remit

In Broad terms, the remit of JCCGC is to seek assurance that our Health and Social Care services across Orkney are person-centered, safe and effective and we take account of the population as a whole, in an integrated manner. The remit spans NHS Orkney, Orkney Island Council (Integration Joint Board-delegated), independent sector and third sector services.

Population Health

To provide assurance that all necessary systems and processes are in place that ensure staff engaging in population health-related activities incorporate the key components of population health governance, namely:

- Quality and clinical/professional effectiveness.
- Public information and involvement.
- Population health research.
- Risk management.
- Addressing and reducing health inequalities.

Person-Centered

To provide assurance regarding participation, patient and service users' rights, experience and feedback:

- There are effective systems and processes in place across NHS Orkney and in the functions delegated to the Integration Joint Board to support participation with patients, service users, carers and communities, to comply with participation standards and the Patient Rights (Scotland) Act 2011 generally and specifically within the context of service redesign.
- To monitor complaints response performance on behalf of the Board of NHS Orkney and the Integration Joint Board for functions delegated and promote positive complaints handling including learning from complaints and feedback.
- To provide assurance that there are effective system and governance processes in place across all areas of patient and service user's rights, wellbeing and feedback.
- To provide assurance that there are effective system and governance processes in place across Infection, Prevention and Control.

Safe (Clinical and Care Governance and Risk Management)

To provide assurance:

- Robust clinical and care control frameworks are in place for the effective management of clinical and care governance and risk management and that they are working effectively across the whole of NHS Orkney and the functions delegated to the Integration Joint Board.
- Public protection arrangements are in place in relation to the Integration Joint Board and NHS Orkney. To achieve this the Chief Officers Group will report annually on the work of the Public Protection Committee through the Public Protection Committee annual report on child protection and the associated Improvement/ Business Plan produced by the Public Protection Committee.

- Progress on all joint public protection improvement plans are reported to each meeting of the Joint Clinical and Care Governance Committee including findings of learning reviews that have implications for health and social care delivery.
- Incident management and reporting is in place and lessons are learned from adverse events and near misses.
- Complaints are handled in accordance with national guidance and organisational procedures and lessons are learned from their investigation.
- Clinical and care standards and patient and service user safety are maintained and improved within the Board of NHS Orkney's and the Integration Joint Board annual plans and efficiency programmes.

Effective (Clinical and Care Performance and Public Health Performance and Evaluation)

To provide assurance that clinical and care effectiveness and quality improvement arrangements are in place:

- To ensure that recommendations from any inspections have appropriate action plans developed and are monitored and reported through an appropriate Committee.
- Where performance improvement is necessary within the non-delegated functions of NHS Orkney or the functions delegated to the Integration Joint Board, to seek assurance regarding the reliability of the improvement intervention.
- To ensure that clinical dashboards and other data and measurement systems underpin the delivery of care.
- To ensure that the healthcare and social care provided is informed by evidence based clinical and professional practice guidelines.
- To ensure that staff governance issues which impact on service delivery and quality of services are appropriately managed through clinical and care governance mechanisms

Social Work and Social Care

To provide assurance in respect of social work and social care governance by seeking assurance that there are adequate systems and processes in place to ensure:

- Promotion of values and standards of professional practice, including all relevant National Standards and Guidance, and ensure local adherence with the Codes of Practice issued by the Scottish Social Services Council (SSSC) for social services workers and employers.
- That all social service workers' practice is in line with the SSSC's Code of Practice and that all registered workers meet the requirements of their regulatory body.
- Maintenance and development of high standards of practice and supervision in line with relevant guidance.

- Effective governance arrangements for the management of the complex balance of need, risk and civil liberties, in accordance with professional standards.
- The promotion of continuous improvement and the identification of areas for professional development, workforce planning and quality assurance of services.
- Consideration of requirements for significant case reviews and/or serious incident reviews to be undertaken into critical incidents either resulting in – or which may have resulted in – death or serious harm.
- That only registered social workers undertake those functions reserved in legislation or are accountable for those functions described in guidance.
- The application of evidence-informed good practice, including the development of person-centered services that are focused on the needs of people who use services and carers.
- Care Home and Care at Home reporting.

9 Best Value

The Committee is responsible for reviewing those aspects of Best Value delegated to it from Orkney NHS Board and Orkney Islands Council in line with Local Government in Scotland Act 2003 Best Value: Revised Statutory Guidance 2020. The key themes are:

- Vision and leadership.
- Governance and accountability.
- Effective use of resources.
- Partnerships and collaborative working.
- Working with communities.
- Sustainability.
- Fairness.
- Equality.

The Committee will put in place arrangements which will provide assurance to the Chief Executives (of NHS Orkney and of Orkney Islands Council), as accountable officers, that NHS Orkney and the Integration Joint Board have systems and processes in place to secure best value in these delegated areas. The assurance to the Chief Executives should be included as an explicit statement in the Committee's Annual Report.

10 Authority

The Committee is authorised by the Board of NHS Orkney and the Integration Joint Board to investigate any activity within its Terms of Reference and in doing so, is authorised to seek any information it requires from any employee through appropriate staff governance standards / policies held by NHS Orkney and Orkney Island Council.

The Committee may obtain whatever professional advice it requires, and require Directors or other officers of NHS Orkney, the Chief Officer of the Integration Joint Board or officers of Orkney Islands Council (in terms of the functions that are delegated by Orkney Islands Council to the Integration Joint Board) to attend whole or part of any meetings.

The External Auditors and Chief Internal Auditors shall have the right of direct access to the Chair of the Committee for audit purposes.

Authority to require information to be provided sufficient to satisfy the functions of assurance as set out above.

11 Reporting Arrangements

The Joint Clinical and Care Governance Committee reports to Orkney NHS Board and the Integration Joint Board within their defined functions.

The Chair of each meeting will be responsible for producing a Chair's Report, to be presented, along with the approved minute, to the next Board meeting of NHS Orkney and the next meeting of the Integration Joint Board immediately following the JCCGC. The Chair of the JCCGC will be appointed as a voting member of the Integration Joint Board by the Health Board.

The Joint Clinical and Care Governance Committee should annually and within three months of the start of the financial year provide a work plan detailing the work to be taken forward by the Joint Clinical and Care Governance Committee. This will be used to set agendas and monitored throughout the year.

The Joint Clinical and Care Governance Committee will produce an annual report for presentation to Orkney NHS Board and the Integration Joint Board. The Annual Report will describe the outcomes from the committee during the year and provide assurance to the Audit and Risk Committee of Orkney NHS Board and the Performance and Audit Committee of the Integration Joint Board that the Committee has met its remit during the year.

The Committee will prepare an action log which will be monitored and updated at each meeting.

The Committee will review the Terms of Reference annually.

Groups that report to the committee are:

1.Infection Prevention Committee
2.Clinical Quality Forum Group
3. Risk Management Forum
4. Social Work and Social Care Board
5. Area Drugs and Therapeutics Committee

C Finance and Performance Committee

1 Purpose

The purpose of the Finance and Performance Committee is to review the financial and non-financial performance of the Board, to ensure that appropriate arrangements are in place to deliver against organisational performance measures, to secure economy, efficiency, and effectiveness in the use of all resources, and provide assurance that the arrangements are working effectively.

The committee will provide cross committee assurance to the Integration Joint Board in relation to performance on delegated functions.

2 Composition

The membership of the Committee shall consist of:

- Non-Executive Board Member Chairperson
- Local Authority Nominated Non-Executive Board Member
- Two other Non-Executive Board Members

Where possible, at least one non-executive Board Member should have a qualification or demonstrable experience in the fields of finance or performance management.

3 Attendance

In addition, there will be in attendance:

- NHS Orkney Chief Executive
- NHS Orkney Director of Finance – Executive Lead
- Medical Director
- Director of Nursing, Midwifery, Allied Health Professions and Chief Officer Acute Services
- Lead officer Head of Finance
- Chief Finance Officer, IJB

- Chief Officer, IJB
- Head of Planning, Performance and Information
- Head of Improvement
- Head of Improvement
- Head of Estates
- Head of Facilities and NPD
- Director of Public Health
- Director of Performance and Transformation

Deputies should attend as appropriate, to ensure that business is progressed in absence of one of the above attendees.

The Committee shall invite others to attend, as required, for specific agenda items.

4 Quorum

Members of the Committee shall be quorate when there are three members present including at least two non-executive Board Members, one of whom must be Chair or Vice-Chair, and one Executive Member.

It will be expected that another Non-Executive Board Member will deputise for a member of the Committee at any meeting when required.

5 Meetings

The Committee will meet at least bi-monthly.

Extraordinary meetings may be called by:

- The Finance and Performance Committee Chairperson
- NHS Orkney Chief Executive
- NHS Orkney Director of Finance
- NHS Orkney Board Chair

6 Remit

The Committee shall have accountability to the Board for ensuring that the financial position of the Board is soundly based, having regard to:

- Oversight of Strategic Estates
- Oversight of strategy delivery of sustainability and net-zero
- Such financial and performance monitoring and reporting arrangements as may be specified
- Compliance with statutory financial requirements and achievement of financial targets

- The impact of planned, known, or foreseeable future developments on the financial and non-financial performance of the Board and wider health planning agenda
- Oversight and monitoring of NHS Orkney's response to de-escalation
- To oversee and monitor the Board's performance against the prevailing NHS Scotland and others performance measurement regime and other local and national targets as required
- To ensure robust arrangements are in place in relation to digital transformation and cyber security providing assurance to the Board in this regard

The Committee has responsibility for:

- The development of the Board's 1–3-year Financial Plan in support of the Strategic and Operational Plans
- Recommending to the Board annual revenue and capital budgets, and financial plans consistent with statutory financial responsibilities
- The oversight of the Board's Capital Programme and the review of the Property Strategy (including the acquisition and disposal of property)
- Putting in place and scrutinising arrangements which will provide assurance to the Chief Executive as Accountable Officer that NHS Orkney has systems and processes in place to secure best value, ensuring that this assurance is included as an explicit statement in the Committee's Annual Report
- To scrutinise the Board's financial and non-financial performance and ensure that corrective actions are taken in collaboration with other Governance Committees where appropriate
- To ensure better understanding between service provision and financial impact and to allow the Board to demonstrate that it provides value for money.
- To ensure adequate risk management is employed in all areas within the remit of the Committee
- Review performance, effectiveness, and Terms of Reference of the Committee on an annual basis
- To develop an annual cycle of business
- To have oversight of Climate Change and Sustainability Governance, including the transition to a net-zero emissions service and delivery of targets against and monitor delivery of the Scottish Government targets
- To receive Digital Cyber and Information Governance Assurance –
- To progress and process documentation for budget setting and forecasting
- To review progress regarding the Improvement Programme
- Oversight of the NPD contract and any other major procurement
- Review of Standing Orders and Standard Financial Instructions
- Oversight and assurance around integrated planning

7 Best Value

The Committee is responsible for promoting the economical, efficient and effective use of resources by the organisation, on those areas within its remit, in accordance with the principles of Best Value. These are set out in the Scottish Public Finance Manual, along with a statutory duty under the Public Finance and Accountability (Scotland) Act 2000. The Committee will provide assurance to the Chief Executive, as Accountable Officer, that NHS Orkney has systems and processes in place to secure best value in these delegated areas, and this assurance will be included as an explicit statement in the Committee's Annual Report.

8 Authority

The Committee is authorised by the Board to investigate any activity within its Terms of Reference and in doing so, is authorised to seek any information it requires from any employee.

The Committee may obtain whatever professional advice it requires and require Directors or other officers of NHS Orkney to attend whole or part of any meetings.

9 Reporting Arrangements

The Finance and Performance Committee reports to Orkney NHS Board.

Following a meeting of the Finance and Performance Committee the Chair will present at the next Orkney NHS Board meeting an update from the meeting and any approved minutes.

The Finance and Performance Committee should annually and within three months of the start of the financial year provide a work plan detailing the work to be taken forward by the Committee.

The Chair of the Committee should raise any issues requiring cross committee input or assurance through the agreed reporting process.

The Finance and Performance Committee will produce an annual report for presentation to Orkney NHS Board. The Annual Report will describe the outcomes from the Committee during the year and provide assurance to the Board that the Committee has met its remit during the year.

The groups who report to the committee are:

- Improving Together Programme Board
- Digital and Information Operations Group (DIOG)
- Planned Care Programme Board
- Strategic Estates Group

D Remuneration Committee

1 Purpose

NHS Orkney is required to have a Remuneration Committee (herein referred to as the Committee) whose main function is to review the objectives and performance of executives and senior management cohorts, ensuring the application and implementation of fair and equitable pay systems on behalf of the Board as determined by Ministers and the Scottish Government.

In this regard, the Committee is a standing committee of the Board and will act with full authority in relation to the matters set out in its Role and Remit (detailed below). It will be required to provide assurance to the Board and Staff Governance Committee (see separate constitution) that systems and procedures are in place to do so, enabling the overarching staff governance responsibilities to be effectively discharged.

2 Composition

The Remuneration Committee shall consist of:

- The Chair of the Board
- Three other Non-Executive Members two of whom should, in normal circumstances, be the Employee Director and Chair of the Staff Governance Committee

Non-Executive Members cannot be members of this Committee if they are independent primary care contractors.

3 Attendance

In addition, there will be in attendance:

- Chief Executive
- Director of People and Culture

At the request of the Committee, other Senior Officers also may be invited to attend.

All members of the Remuneration Committee will require to be appropriately trained to carry out their role on the Committee.

No employee of the Board shall be present when any issue relating to their employment is being discussed.

4 Quorum

Meeting of the Remuneration Committee will be quorate when three non-executive members are present, one of whom must be the chair or vice-chair.

Any non-executive Board member, except if they are independent primary care contractors, with the agreement of the Chair may deputise for a member of the Committee at any meeting.

5 Meetings

The Committee will normally meet at least 4 times a year, with such other meetings as necessary to conduct the business of the Committee.

Remuneration issues may arise between meetings and will be brought to the attention of the Chair of the Remuneration Committee by the Chief Executive or the Director of People and Culture. The Chair may call a special meeting of the Remuneration Committee to address the issue, or these may be considered virtually if appropriate.

6 Remit

The Remuneration Committee will oversee the remuneration arrangements for Executive Directors and others under the Executive Cohort and Senior Management Pay Systems of the Board and also to discharge specific responsibilities on behalf of the Board as an employing organisation.

Ensure that arrangements are in place to comply with NHS Orkney Performance Assessment Agreement with Scottish Government direction and guidance for determining the employment, remuneration, terms, and conditions of employment for Executive Directors, in particular:

- Approving, developing, coaching and monitoring the personal objectives and development plans of all Executive Directors in the context of NHS Orkney's Annual Operational Plan, Corporate Objectives, and other local, regional, and national policy. This includes monitoring progress of annual objectives as part of the mid-year review process.
- Receiving formal reports on the operation of remuneration arrangements and the outcomes of the annual assessment of performance and remuneration for each of the Executive Directors

- Review and approve Executive Directors Job Descriptions prior to advertisement

Undertake reviews of aspects of remuneration and employment policy for Executive Directors (for example Relocation Policy) and, where necessary, other senior managers, for example special remuneration, when requested by NHS Orkney.

To have regular oversight of the personal objectives and development plans of the deputies to the Executive Directors to ensure alignment with the Corporate Strategy and objectives.

When appropriate, in accordance with procedures, consider any redundancy, early retiral or termination arrangement, including Employment Tribunal Settlements (approved by Scottish Government) in respect of all NHS Orkney Employees and, after due scrutiny, obtain a separate individual direction to make the actual payment. Other challenging cases, not involving Executive Directors, may be discussed by the Committee, with the approval of the Chair.

To oversee the arrangements for the payment of "Discretionary Points" (via a dedicated session as the Discretionary Points Committee) to locally employed consultant staff, including making final decisions on awards and subsequent payment in individual cases based upon professional advice and in accordance with current guidance issued by the Scottish Government.

7 Best Value

The Committee is responsible for promoting the economical, efficient and effective use of resources by the organisation, on those areas within its remit, in accordance with the principles of Best Value. These are set out in the Scottish Public Finance Manual, along with a statutory duty under the Public Finance and Accountability (Scotland) Act 2000. The Committee will provide assurance to the Chief Executive, as Accountable Officer, that NHS Orkney has systems and processes in place to secure best value in these delegated areas, and this assurance will be included as an explicit statement in the Committee's Annual Report.

8 Confidentiality and Committee Decisions

Decisions reached by the Committee will be by agreement and with all members agreeing to abide by such decisions (to the extent that they are in accordance with the constitution of the Committee). All Members will treat the business of the Committee as confidential. The Committee may in certain circumstances decide a voting approach is required with the Chair having a casting vote.

9 Minutes and Reports

The minutes will record a clear summary of the discussions, demonstrating challenge where relevant, and decisions reached by the Committee. The full minutes will be circulated to Committee members and an Annual Report on Committee business will be submitted to the Board.

Cross Committee assurance will be provided/sought if required, through the Chair. This will **not** include the detail of confidential employment issues: these can only be considered by Non-Executive Board Members.

10 Authority

The Remuneration Committee is authorised by the Board to investigate any activity within its terms of reference, and in doing so, is authorised to seek any information it requires about any employee.

To fulfil its remit, the Remuneration Committee may seek additional professional advice, and it may require Directors or other officers of NHS Scotland to attend meetings, as necessary.

11 Reporting Arrangements

The Remuneration Committee is required to provide assurance that systems and procedures are in place to manage the responsibilities contained within its remit.

It will do this by providing an annual report of its work to the Board and Staff Governance Committee describing the outcomes from Remuneration Committee during the year and providing an annual assurance that systems and procedures are in place to manage the appraisal and pay arrangements for all Executive Directors and others as deemed appropriate so that overarching Staff Governance responsibilities can be discharged.

The Annual Report will be prepared as close as possible to the end of the financial year but in enough time to allow it to be considered by the Board. This is to ensure that the Board is in a position in its Annual Report to provide the annual assurance that systems and procedures are in place to manage the pay arrangements for all staff employed in NHS Orkney.

The annual report will also be provided to the Staff Governance Committee for assurance that that systems and process are in place to manage the issues set out in MEL(1993)114 and subsequent amendments.

E Staff Governance Committee

1 Purpose

The role of this committee is to support and maintain a culture within the health system where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the system and is built upon partnership and collaboration. It will ensure that robust arrangements to implement the Staff Governance Standard are in place and monitored.

The NHS Reform (Scotland) Act 2004 requires the Board to put, and keep, in place arrangements for the purpose of:

(a) Improving the management of the officers employed by it
(b) Monitoring such management; and
(c) Workforce planning

It further requires all NHS Scotland employers to ensure the fair and effective management of staff.

NHS Scotland recognises the importance of Staff Governance as a feature of high performance which ensures that all staff have a positive employment experience. Standards have been agreed and set down for NHS organisations which state that staff should be:

- Well informed
- Appropriately trained and developed
- Involved in decisions which affect them
- 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 wellbeing of staff, patients and the wider community

The role of the Staff Governance Committee is to scrutinise and advise the Board on these responsibilities by:

- Ensuring scrutiny of performance against the individual elements of the Staff Governance Standards
- Ensuring compliance with national and legislative requirements in relation to workforce and people
- Ensuring compliance with the Annual Review requirements
- Ensuring effective workforce planning arrangements are in place

- Reviewing and signing off data collected during annual Staff Governance monitoring
- Reviewing and monitoring Staff Experience Engagement Index Data and improvement plans.
- Seeking assurance from data and information provided in reports to the Committee.
- Having oversight of the Staff Experience Programme (including culture change and Equality, Diversity and Inclusion)
- Overseeing the development and implementation of an Integrated Education Strategy
- Having oversight and monitoring the delivery of the People priorities in the Corporate Strategy

2 Composition

Four Non-Executive Members, including the Employee Director, plus two lay representatives from Trade Unions and professional organisations nominated by the Area Partnership Forum.

3 Attendance

In addition, there will be in attendance:

- Chief Executive
- Director of People and Culture – Executive Lead for Committee
- Director of Nursing, Midwifery, A**llied** H**ealth** P**rofessions** and Chief Officer Acute Services (lead officer)
- Health and Safety Lead
- Head of People and Culture
- Director of Medical Education
- Joint Local Negotiation committee (JLNC) Chair
- Health Care Staffing Lead
- Practice Educator

Others will also be invited to attend for specific agenda items as required.

4 Quorum

Meetings of the Committee will be quorate when two non-executive Board members, and one lay representative from union and/or professional body or deputy are present.

Meetings will not take place unless at least one Executive Director of NHS Orkney is present. For the avoidance of doubt, advisors in attendance at the meeting, shall not count towards a quorum.

It will be expected that another non-executive Board Member or lay representative will deputise for a member of the Committee at any meeting when required.

5 Meetings

The Committee will meet at least quarterly.

Extraordinary meetings may be called by:

- The Staff Governance Committee Chairperson
- NHS Orkney Chief Executive

6 Remit

The Staff Governance Committee shall have accountability to the Board for:

Governance and Assurance

- Seek assurance on the timely submission of all Staff Governance information required for providing national monitoring arrangements.
- Provide Staff Governance information for the governance statement through the Staff Governance Committee Annual Report
- Overseeing the structures and processes which ensure that delivery against the Standard is being achieved and taking assurance around implementation
- Seek assurance that the Whistle Blowing Standards have a supported infrastructure, monitoring and reporting framework is in place to ensure that staff can safely raise concerns. Ensure that the Board is complying with the legislation included in the Public Services Reform (the Scottish Public Services Ombudsman) (Healthcare Whistleblowing) Order 2020 (SSI 2220/5)

Policy and Planning

- Monitoring and evaluating strategies and implementation plans relating to people management.
- Support policy amendment, funding bids, or resource submissions to achieve the Staff Governance Standards
- Note or approve workforce policies following consultation through the Joint Staff Negotiating Committee and Area Partnership Forum
- Review and approve workforce plans and workforce projections ensuring that appropriate processes have been followed.
- Receive regular updates and seek assurance on implementation of the Health and Care (Staffing) (Scotland) Act 2019, including receiving an annual report.

Performance

- Monitor the progress of the Area Partnership Forum through joint Chair reports to each Committee and an annual Report to the Board
- Review corporate risks relating to staff and workforce issues; and seek assurance that risks are minimised/mitigated.
- Review performance, effectiveness, and Terms of Reference of the Committee on an annual basis.
- Receive assurance with regards to volunteer programmes for directly and indirectly engaged volunteers.
- To ~~monitor~~ seek assurance on all aspects of staff induction and development and received assurance that these are being appropriately managed and progressed.
- To consider significant and/or strategic matters in relation to Occupational Health, Safety and Wellbeing
- Equality and Diversity (relevant updates)
-

7 Best Value

The Committee is responsible for promoting the economical, efficient and effective use of resources by the organisation, on those areas within its remit, in accordance with the principles of Best Value. These are set out in the Scottish Public Finance Manual, along with a statutory duty under the Public Finance and Accountability (Scotland) Act 2000. The Committee will provide assurance to the Chief Executive, as Accountable Officer, that NHS Orkney has systems and processes in place to secure best value in these delegated areas, and this assurance will be included as an explicit statement in the Committee's Annual Report.

8 Authority

The Committee is authorised by the Board to investigate any activity within its terms of reference, and in so doing, is authorised to seek any information it requires from any employee.

In order to fulfill its remit, the Staff Governance Committee may obtain whatever professional advice it requires and require Directors or other officers of NHS Orkney to attend meetings.

The External Auditor and Chief Internal Auditor shall have the right of direct access to the Chair of the Staff Governance Committee.

9 Reporting Arrangements

The Staff Governance Committee reports to Orkney NHS Board. Following a meeting of the Staff Governance Committee the Chair will present at the next Orkney NHS Board meeting an update from the meeting and any approved minutes.

The Staff Governance Committee should annually and within three months of the start of the financial year provide a work plan detailing the work to be taken forward by the Staff Committee.

The Staff Governance Committee will produce an annual report for presentation to the Audit and Risk Committee and Orkney NHS Board. The Annual Report will describe the outcomes from the Committee during the year and provide an assurance to the Audit and Risk Committee that the committee has met its remit during the year.

The Staff Governance Committee will submit the Self-Assessment Monitoring Return to the Scottish Government by the required deadline.

The Chair of the Committee should raise any issues requiring cross committee input or assurance through the agreed reporting process.

The Staff Governance Committee will receive the Remuneration Committee Annual Report for assurance to enable the Committee to provide overall assurance that systems and procedures are in place to manage the issues set out in MEL (1993)114.

Groups reporting to the Staff Governance Committee are:

- Medical Education
- Area Partnership Forum
- Joint Local Negotiating Committee
- Occupational Health, Safety and Wellbeing Committee
- Operational Workforce Group

SECTION

B

Members Code of Conduct

This section is for Members of Orkney NHS Board and details how they should conduct themselves in undertaking their duties.

1 Introduction to the Code of Conduct

The Scottish public has a high expectation of those who serve on the boards of public bodies and the way in which they should conduct themselves in undertaking their duties. You must meet those expectations by ensuring that your conduct is above reproach.

The Ethical Standards in Public Life etc. (Scotland) Act 2000, "the Act", provides for Codes of Conduct for local authority councilors and members of relevant public bodies; imposes on councils and relevant public bodies a duty to help their members to comply with the relevant code; and establishes a Standards Commission for Scotland, "The Standards Commission" to oversee the new framework and deal with alleged breaches of the codes.

The Act requires the Scottish Ministers to lay before Parliament a Code of Conduct for Councilors and a Model Code for Members of Devolved Public Bodies. The Model Code for members was first introduced in 2002 and has now been revised in June 20223 following consultation and the approval of the Scottish Parliament. These revisions consider the changes which, where appropriate, are consistent with the revised Councilors' Code and highlights the need for board members to take personal responsibility for their behaviour.

As a member of Orkney NHS Board "the Board", it is your responsibility to make sure that you are familiar with, and that your actions comply with, the provisions of this Code of Conduct which has now been made by the Board.

1 Appointments to the Boards of Public Bodies

1.1 The Chair may call a meeting of the Board at any time and the Chair of a Committee may call a meeting of that Committee at any time or when required to do so by the Board.

1.2 Public bodies in Scotland are required to deliver effective services to meet the needs of an increasingly diverse population. In addition, the Scottish Government's equality outcome on public appointments is to

ensure that Ministerial appointments are more diverse than at present. To meet both aims, a board should ideally be drawn from varied backgrounds with a wide spectrum of characteristics, knowledge and experience. It is crucial to the success of public bodies that they attract the best people for the job and therefore it is essential that a board's appointments process should encourage as many suitable people to apply for positions and be free from unnecessary barriers. You should therefore be aware of the varied roles and functions of the Board on which you serve and of wider diversity and equality issues. You should also take steps to familiarise yourself with the appointment process that Orkney NHS Board will have agreed with the Scottish Government's Public Appointment Centre of Expertise.

1.3 You should also familiarise yourself with how the board's policy operates in relation to succession planning, which should ensure public bodies have a strategy to make sure they have the staff in place with the skills, knowledge and experience necessary to fulfil their role economically, efficiently and effectively.

3 Guidance on the Code of Conduct

3.1 You must observe the rules of conduct contained in this Code. It is your personal responsibility to comply with these and review regularly, and at least annually, your personal circumstances with this in mind, particularly when your circumstances change. You must not at any time advocate or encourage any action contrary to the Code of Conduct.

3.2 The Code has been developed in line with the key principles listed in Section 2 and provides additional information on how the principles should be interpreted and applied in practice. The Standards Commission may also issue guidance. No Code can provide for all circumstances and if you are uncertain about how the rules apply, you should seek advice from Orkney NHS Board. You may also choose to consult your own legal advisers and, on detailed financial and commercial matters, seek advice from other relevant professionals.

3.3 You should familiarise yourself with the Scottish Government publication "On Board: a guide for members of statutory boards - gov.scot (www.gov.scot)This publication will provide you with information to help you in your role as a member of a public body in Scotland and can be viewed on the Scottish Government website.

4 Enforcement

4.1 Part 2 of the Ethical Standards in Public Life etc. (Scotland) Act 2000 sets out the provisions for dealing with alleged breaches of this Code of Conduct and where appropriate the sanctions that will be applied if the

Standards Commission finds that there has been a breach of the Code. Those sanctions are outlined in **Annex 1**.

2 Key Principles of the Code of Conduct

The general principles upon which this Code is based should be used for guidance and interpretation only.

These general principles are:

1 Duty

1.1 You have a duty to uphold the law and act in accordance with the law and the public trust placed in you. You have a duty to act in the interests of Orkney NHS Board of which you are a member and in accordance with the core functions and duties of the board.

2 Selflessness

2.1 You have a duty to take decisions solely in terms of public interest. You must not act to gain financial or other material benefit for yourself, family, or friends.

3 Integrity

3.1 You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.

4 Objectivity

4.1 You must make decisions solely on merit and in a way that is consistent with the functions of Orkney NHS Board when carrying out public business including making appointments, awarding contracts or recommending individuals for rewards and benefits.

5 Accountability and Stewardship

5.1 You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that Orkney NHS Board uses its resources prudently and in accordance with the law.

6 Openness

6.1 You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

7 Honesty

7.1 You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

8 Leadership

8.1 You have a duty to promote and support these principles by leadership and example, and to maintain and strengthen the public's trust and confidence in the integrity of Orkney NHS Board and its members in conducting public business.

9 Respect

9.1 You must respect fellow members of the Board and employees of Orkney NHS Board and the role they play, treating them with courtesy always. Similarly, you must respect members of the public when performing duties as a member of Orkney NHS Board.

9.2 You should apply the principles of this Code to your dealings with fellow members of Orkney NHS Board, its employees, and other stakeholders. Similarly, you should also observe the principles of this Code in dealings with the public when performing duties as a member of Orkney NHS Board.

3 General Conduct

The rules of good conduct in this section must be observed in all situations where you act as a member of Orkney NHS Board.

1 Conduct at Meetings

1.1 You must respect the Chair, your colleagues, and employees of Orkney NHS Board in meetings. You must comply with rulings from the Chair in the conduct of the business of these meetings.

2 Relationship with Board Members and Employees of the Public Body (including those employed by contractors providing services)

2.1 You will treat everyone with courtesy and respect. This includes in person, in writing, at meetings, when online and when using social media

It is expected that fellow board members and employees will show you the same consideration in return. It is good practice for employers to provide examples of what is unacceptable behaviour in their organisation. Public bodies should promote a safe, healthy, and fair working environment for all. As a board member you should be familiar with the policies of Orkney NHS Board in relation to bullying and harassment in the workplace and also lead by exemplar behavior.

3 Remuneration, Allowances and Expenses

3.1 You must comply with any rules of Orkney NHS Board regarding remuneration, allowances, and expenses.

4 Gifts and Hospitality

4.1 You must not accept any offer by way of gift or hospitality which could give rise to real or substantive personal gain or a reasonable suspicion of influence on your part to show favour, or disadvantage, to any

individual or organisation. You should also consider whether there may be any reasonable perception that any gift received by your spouse or cohabitee or by any company in which you have a controlling interest, or by a partnership of which you are a partner, can or would influence your judgement. The term “gift” includes benefits such as relief from indebtedness, loan concessions or provision of services at a cost below that generally charged to members of the public.

4.2 You must never ask for or seek any gifts or hospitality.

4.3 You are personally responsible for all decisions connected with the offer or acceptance of gifts or hospitality offered to you and for avoiding the risk of damage to public confidence in Orkney NHS Board. As a general guide, it is usually appropriate to refuse offers except:

(a) Isolated gifts of a trivial character, the value of which must not exceed £50
(b) Normal hospitality associated with your duties, and which would reasonably be regarded as appropriate; or
(c) Gifts received on behalf of Orkney NHS Board

4.4 You must not accept any offer of a gift or hospitality from any individual or organisation which stands to gain or benefit from a decision Orkney NHS Board may be involved in determining, or who is seeking to do business with the Board, and which a person might reasonably consider could have a bearing on your judgement. If you are making a visit in your capacity as a member of Orkney NHS Board then, as a general rule, you should ensure that the Board pays for the cost of the visit.

4.5 You must not accept repeated hospitality or repeated gifts from the same source.

4.6 Members of Orkney NHS Board should familiarise themselves with the terms of the Bribery Act 2010 which provides for offences of bribing another person and offences relating to being bribed.

5 Confidentiality Requirements

5.1 There may be times when you will be required to treat discussions, documents or other information relating to the work of Orkney NHS Board in a confidential manner. You will often receive information of a private nature which is not yet public, or which perhaps would not be intended to be public. You must always respect the confidential nature of such information and comply with the requirement to keep such information private.

5.2 It is unacceptable to disclose any information to which you have privileged access, for example derived from a confidential document, either orally or in writing. In the case of other documents and

information, you are requested to exercise your judgement as to what should or should not be made available to outside bodies or individuals. In any event, such information should never be used for the purposes of personal or financial gain or for political purposes or used in such a way as to bring Orkney NHS Board into disrepute.

6 Use of Public Body Facilities

6.1 Members of Orkney NHS Board must not misuse facilities, equipment, stationery, telephony, computer, information technology equipment and services, or use them for party political or campaigning activities. Use of such equipment and services, etc. must be in accordance with the Board's policy and rules on their usage. Care must also be exercised when using social media networks not to compromise your position as a member of Orkney NHS Board.

7 Appointment to Partner Organisations

7.1 You may be appointed, or nominated by Orkney NHS Board, as a member of another body or organisation. If so, you are bound by the rules of conduct of these organisations and should observe the rules of this Code in carrying out the duties of that body.

7.2 Members who become director or trustee (or equivalent) of a company or a charity, will be responsible for identifying, and taking advice on, any conflicts of interest that may arise between the company or charity and my public body.

4 Registration of Interests

The following paragraphs set out the kinds of interests, financial and otherwise which you must register. These are called 'Registerable Interests'. You must, at all times, ensure that these interests are registered, when you are appointed and whenever your circumstances change in such a way as to require change or an addition to your entry in the Orkney NHS Board Register. It is your duty to ensure any changes in circumstances are reported within one month of them changing.

The Regulations[1] as amended describe the detail and timescale for registering interests. It is your personal responsibility to comply with these regulations and you should review regularly and at least once a year your personal circumstances. **Annex 2** contains key definitions and explanatory notes to help you decide what is required when registering your interests under any category. The interests which require to be registered are those set out in the following paragraphs and relate to you. It is not necessary to register the interests of your spouse or cohabite.

1 Category One: Remuneration

1.1 You have a Registerable Interest where you receive, or expect to receive, remuneration by virtue of being:

- Employed
- Self-employed
- The holder of an office
- A director of an undertaking
- A partner in a firm
- Appointed or nominated by my public body to another body; or
- engage in a trade, profession or vocation or any other work.

1.2 In relation to 1.1 above, the amount of remuneration does not require to be registered, and remuneration received as a board member of NHS Orkney does not have to be registered.

[1] SSI - The Ethical Standards in Public Life etc. (Scotland) Act 2000 (Register of Interests) Regulations 2003 Number 135, as amended.

1.3 If a position is not remunerated it does not need to be registered under this category. However, unremunerated directorships may need to be registered under category two, 'Other Roles'.

1.4 If you receive any allowances in relation to membership of any organisation, the fact that you receive such an allowance must be registered.

1.5 When registering employment as an employee you must give the full name of the employer, the nature of its business, and the nature of the post held in the organisation.

1.6 When registering self-employment, you must provide the name and give details of the nature of the business. When registering an interest in a partnership, you must give the name of the partnership and the nature of its business.

1.7 Where you undertake a trade, profession or vocation, or any other work, the detail to be given is the nature of the work and its regularity. For example, if you write for a newspaper, you must give the name of the publication, and the frequency of articles for which you are paid.

1.8 When registering a directorship, it is necessary to provide the registered name of the undertaking in which the directorship is held and the nature of its business.

1.9 Registration of a pension is not required as this falls outside the scope of the category.

2 Category Two: Other Roles

2.1 You must register any unremunerated directorships where the body in question is a subsidiary or parent of an undertaking in which you hold a remunerated directorship.

2.2 You must register the name and registered number of the subsidiary or parent company or other undertaking and the nature of its business, and its relationship to the company or other undertaking in which you are a director and from which you receive remuneration.

2.3 The situations to which the above paragraphs apply are as follows:

- You are a director of a board of an undertaking and receive remuneration declared under category one – and
- You are a director of a parent or subsidiary undertaking but do not received remuneration in that capacity.

3 Category Three: Contracts

3.1 You have a registerable interest where you (or a firm in which you are a partner, or an undertaking in which you are a director or in which you have shares of a value as described in paragraph 5.1 below) have made a contract with Orkney NHS Board of which you are a member:

(a) Under which goods or services are to be provided, or works are to be executed; and
(b) Which has not been fully discharged

3.2 You must register a description of the contract, including its duration, but excluding the value.

4 Category Four: Election Expenses

4.1 If you have been elected to a public body, you will register a description of, and statement of, any assistance towards election expenses relating to election to a public body.

5 Category Five: Houses, Land and Buildings

5.1 You have a registerable interest where you own or have any other right or interest in houses, land and buildings, which may be significant to, of relevance to, or bear upon, the work and operation of Orkney NHS Board.

5.2 The test to be applied when considering appropriateness of registration is to ask whether a member of the public acting reasonably might consider any interests in houses, land and buildings could potentially affect your responsibilities to Orkney NHS Board and to the public, or could influence your actions, speeches or decision-making.

6 Category Six: Interest in Shares and Securities:

6.1 You have a registerable interest where:

(i) you own or have an interest in more than 1% of the issued share capital of the company or other body; or
(ii) Where, at the relevant date, the market value of any shares and securities (in any one specific company or body) that you own or have an interest in is greater than £25,000

7 Category Seven: Gifts and Hospitality:

7.1 I understand the requirements regarding gifts and hospitality. As I will not accept any gifts or hospitality, other than under the limited circumstances allowed, I understand there is no longer the need to register any.

8 Category Eight: Non–Financial Interests

8.1 I may also have other interests, and I understand it is equally important that relevant interests such as membership or holding office in other public bodies, companies, clubs, societies and organisations such as trades unions and voluntary organisations, are registered and described. In this context, I understand non-financial interests are those which members of the public with knowledge of the relevant facts might reasonably think could influence my actions, speeches, votes or decision-making in my public body (this includes its committees and memberships of other organisations to which I have been appointed or nominated by my public body).

9 Category Nine: Close Family Members

9.1 I will register the interests of any close family member who has transactions with my public body or is likely to have transactions or do business with it.

5 Declaration of Interests

1 General

1.1 The key principles of the Code, especially those in relation to integrity, honesty, and openness, are given further practical effect by the requirement for you to declare certain interests in proceedings of Orkney NHS Board. Together with the rules on registration of interests, this ensures transparency of your interests which might influence, or be thought to influence, your actions.

1.2 Public bodies inevitably have dealings with a wide variety of organisations and individuals and this Code indicates the circumstances in which a business or personal interest must be declared. Public confidence in Orkney NHS Board and its members depends on it being clearly understood that decisions are taken in the public interest and not for any other reason.

1.3 In considering whether to make a declaration in any proceedings, you must consider not only whether you will be influenced but whether anybody else would think that you might be influenced by the interest. You must, however, always comply with the **objective test** ("the objective test") which is whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your discussion or decision making in your role as a member of Orkney NHS Board.

1.4 If you feel that, in the context of the matter being considered, your involvement is neither capable of being viewed as more significant than that of an ordinary member of the public, nor likely to be perceived by the public as wrong, you may continue to attend the meeting and participate in both discussion and voting. The relevant interest must however be declared. It is your responsibility to judge whether an interest is sufficiently relevant to proceedings to require a declaration, and you are advised to err on the side of caution. If a board member is unsure as to whether a conflict of interest exits, they should seek advice from the Board chair.

1.5 As a member of Orkney NHS Board, you might serve on other bodies. In relation to service on the boards and management committees of limited liability companies, public bodies, societies and other organisations, you must decide, in the circumstances surrounding any matter, whether to declare an interest. Only if you believe that, in the circumstances, the nature of the interest is so remote or without significance, should it not be declared. You must always remember the public interest points towards transparency and a possible divergence of interest between Orkney NHS Board and another body. Keep particularly in mind the advice in paragraph 3.15 of this Code about your legal responsibilities to any limited company of which you are a director.

2 Interests which Require Declaration

2.1 Interests which require to be declared if known to you may be financial or non-financial. They may or may not cover interests which are registerable under the terms of this Code. Most of the interests to be declared will be your personal interests but, on occasion, you will have to consider whether the interests of other persons require you to make a declaration. The paragraphs which follow deal with (a) your financial interests (b) your non-financial interests and (c) the interests, financial and non-financial, of other persons.

2.2 You will also have other private and personal interests and may serve, or be associated with, bodies, societies and organisations because of your private and personal interests and not because of your role as a member of Orkney NHS Board. In the context of any matter, you will need to decide whether to declare an interest. You should declare an interest unless you believe that, in the circumstances, the interest is too remote or without significance. In reaching a view on whether the objective test applies to the interest, you should consider whether your interest (whether taking the form of association or the holding of office) would be seen by a member of the public acting reasonably in a different light because it is the interest of a person who is a member of Orkney NHS Board as opposed to the interest of an ordinary member of the public.

3 Your Financial Interests

3.1 You must declare, if it is known to you, any financial interest (including any financial interest which is registerable under any of the categories prescribed in Section 4 of this Code). If, under category one (or category seven in respect of non-financial interests) of section 4 of this Code, you have registered an interest:

a) As an employee of the Board; or
b) As a Councillor or a Member of another Devolved Public Body where the council or other devolved public body has nominated or appointed you as a Member of the Board

You are not required, for that reason alone, to declare that interest.

3.2 There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

3.3 You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

4 Your Non-Financial Interests

4.1 You must declare, if it is known to you, any non-financial interest if:

(a) That interest has been registered under category seven (Non-Financial Interests) of Section 4 of the Code; or
(b) That interest would fall within the terms of the objective test.

4.2 There is no need to declare an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

4.3 You must withdraw from the meeting room until discussion of the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

5 The Financial Interests of Other Persons

5.1 You must declare if it is known to you any financial interest of:

(a) a spouse, a civil partner, or a cohabitee
(b) a close relative, close friend, or close associate
(c) an employer or a partner in a firm
(d) a body (or subsidiary or parent of a body) of which you are a remunerated member or director
(e) a person from whom you have received a registerable gift or registerable hospitality
(f) a person from whom you have received registerable expenses.

5.2 There is no need to declare an interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

5.3 You must withdraw from the meeting room until discussion of and voting on the relevant item where you have a declarable interest is concluded. There is no need to withdraw in the case of an interest which is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

5.4 This Code does not attempt the task of defining “relative” or “friend” or “associate”. Not only is such a task fraught with difficulty but is also unlikely that such definitions would reflect the intention of this part of the Code. The key principle is the need for transparency in regard to any interest which might (regardless of the precise description of relationship) be objectively regarded by a member of the public, acting reasonably, as potentially affecting your responsibilities as a member of Orkney NHS Board and, as such, would be covered by the objective test.

6 The Non-Financial Interests of Other Persons

6.1 You must declare if it is known to you any non-financial interest of:

a) a spouse, a civil partner, or a cohabitee
b) a close relative, close friend, or close associate
c) an employer or a partner in a firm
d) a body (or subsidiary or parent of a body) of which you are a remunerated member or director
e) a person from whom you have received a registerable gift or registerable hospitality
f) a person from whom you have received registerable election expenses.

6.2 There is no need to declare the interest if it is so remote or insignificant that it could not reasonably be taken to fall within the objective test.

6.3 There is only a need to withdraw from the meeting if the interest is clear and substantial.

7 Making a Declaration

7.1 You must consider at the earliest stage possible whether you have an interest to declare in relation to any matter which is to be considered. You should consider whether agendas for meetings raise any issue of declaration of interest. Your declaration of interest must be made as soon as practicable at a meeting where that interest arises. If you do identify the need for a declaration of interest only when a particular matter is being discussed, you must declare the interest as soon as you realise it is necessary.

7.2 The oral statement of declaration of interest should identify the item or items of business to which it relates. The statement should begin with the words “I declare an interest”. The statement must be sufficiently informative to enable those at the meeting to understand the nature of your interest but need not give a detailed description of the interest.

8 Frequent Declarations of Interest

8.1 Public confidence in a public body is damaged by perception that decisions taken by that body are substantially influenced by factors other than the public interest. If you would have to declare interests frequently at meetings in respect of your role as a board member you should not accept a role or appointment with that attendant consequence. If members are frequently declaring interests at meetings, then they should consider whether they can carry out their role effectively and discuss with their chair. Similarly, if any appointment or nomination to another body

would give rise to objective concern because of your existing personal involvement or affiliations, you should not accept the appointment or nomination.

9 Dispensations

9.1 In some very limited circumstances dispensations can be granted by the Standards Commission in relation to the existence of financial and non-financial interests which would otherwise prohibit you from taking part and voting on matters coming before Orkney NHS Board and its committees.

9.2 Applications for dispensations will be considered by the Standards Commission and should be made as soon as possible in order to allow proper consideration of the application in advance of meetings where dispensation is sought. You should not take part in the consideration of the matter in question until the application has been granted.

6 Lobbying and Access to Members of Public Bodies

1 Introduction

1.1 For Orkney NHS Board to fulfil its commitment to being open and accessible, it needs to encourage participation by organisations and individuals in the decision-making process. Clearly however, the desire to involve the public and other interest groups in the decision-making process must take account of the need to ensure transparency and probity in the way in which Orkney NHS Board conducts its business.

1.2 You will need to be able to consider evidence and arguments advanced by a wide range of organisations and individuals to perform your duties effectively. Some of these organisations and individuals will make their views known directly to individual members. The rules in this Code set out how you should conduct yourself in your contacts with those who would seek to influence you. They are designed to encourage proper interaction between members of public bodies, those they represent and interest groups.

2 Rules and Guidance

2.1 You must not, in relation to contact with any person or organisation who lobbies, do anything which contravenes this Code or any other relevant rule of Orkney NHS Board or any statutory provision.

2.2 You must not, in relation to contact with any person or organisation who lobbies, act in any way which could bring discredit upon Orkney NHS Board.

2.3 The public must be assured that no person or organisation will gain better access to or treatment by you because of employing a company or individual to lobby on a fee basis on their behalf. You must not, therefore, offer or accord any preferential access or treatment to those lobbying on a fee basis on behalf of clients compared with that which you accord any other person or organisation who lobbies or approaches you. Nor should those lobbying on a fee basis on behalf of clients be given to understand that preferential access or treatment, compared to that accorded to any other person or organisation, might be forthcoming from another member of Orkney NHS Board.

2.4 Before taking any action as a result of being lobbied, you should seek to satisfy yourself about the identity of the person or organisation who is lobbying and the motive for lobbying. You may choose to act in response to a person or organisation lobbying on a fee basis on behalf of clients but it is important that you know the basis on which you are being lobbied in order to ensure that any action taken in connection with the lobbyist complies with the standards set out in this Code and the Lobbying (Scotland) Act 2016.

2.5 You should not accept any paid work:

a) Which would involve you lobbying on behalf of any person or organisation or any clients of a person or organisation
b) To provide services as a strategist, adviser, or consultant, for example, advising on how to influence Orkney NHS Board and its members. This does not prohibit you from being remunerated for activity which may arise because of, or relate to, membership of Orkney NHS Board, such as journalism, or broadcasting, or involvement in representative or presentational work, such as participation in delegations, conferences or other events.

2.6 If you have concerns about the approach or methods used by any person or organisation in their contacts with you, you must seek the guidance of Orkney NHS Board.

Annex A

Sanctions Available to The Standards Commission for Breach of The Code:

The sanctions that can be imposed following a finding of a breach of the Code are as follows:

- **Censure**: A censure is a formal record of the Standards Commission's severe and public disapproval of the member concerned.
- **Suspension**: This can be a full or partial suspension (for up to one year). A full suspension means that the member is suspended from attending all meetings of the public body. Partial suspension means that the member is suspended from attending some of the meetings of the public body. The Commission can direct that any remuneration or allowance the member receives as a result of their membership of the public body be reduced or not paid during a period of suspension.
- **Disqualification**: Disqualification means that the member is removed from membership of the body and disqualified (for a period not exceeding five years), from membership of the body. Where a member is also a member of another devolved public body (as defined in the Act), the Commission may also remove or disqualify that person in respect of that membership. Full details of the sanctions are set out in section 19 of the Act.

Annex B

Definitions

A full list of definitions used in the code can be found at Annex B
Model Code of Conduct | The Standards Commission for Scotland (standardscommissionscotland.org.uk)

Annex C

Bribery Act 2010 – NHS Orkney's Aims and Objectives

The Bribery Act 2010 ("The Act") has brought further obligations on NHS Orkney, its Non-Executive Members of the Board, and its staff.

NHS Orkney does not tolerate any form of bribery, whether direct or indirect, by, or of, its staff, agents or external consultants or any persons or entities acting for it or on its behalf. This includes Non-Executive Members of the Board, and any other co-opted members of committees or sub-committees of the Board.

The Board is committed to implementing and enforcing effective systems throughout NHS Orkney to prevent, monitor and eliminate bribery within NHS Orkney, in accordance with the Bribery Act 2010, and to the rigorous investigation of any such cases.

NHS Orkney will not conduct business with service providers, agents or representatives that do not support its anti-bribery statement and it reserves the right to terminate its contractual arrangements with any third parties acting for, or on behalf of, NHS Orkney with immediate effect where there is evidence that they have committed acts of bribery.

The success of NHS Orkney's anti-bribery measures depends on all employees, Non-Executive Members of the Board and those acting for NHS Orkney, playing their part in helping to detect and eradicate bribery. ~~Therefore~~Therefore, all employees, Non-Executive Members of the Board and others acting for or on behalf of NHS Orkney are encouraged to report any suspected bribery in accordance with bribery in accordance with The Fraud Standards, Section D, of the Code of Corporate Governance.

Bribery Act 2010 (legislation.gov.uk)

SECTION

C

Standards of Business Conduct for NHS Staff

This section is for all staff to ensure they are aware of their duties in situations where there may be conflict between their private interests and their NHS duties.

1 Standards of Business Conduct for NHS Staff

1 Introduction

1.1 This section of NHS Orkney's Code of Corporate Governance provides instructions on those issues or matters which staff are most likely to encounter in carrying out their day-to-day duties. This is not exhaustive and is supplementary to (and therefore should be read in conjunction with) the Standards of Business Conduct for NHS Staff (NHS Circular MEL (1994) 48) and A Common Understanding 2012: Working Together for Patients.

1.2 The Standards of Business Conduct for NHS Staff will be incorporated into the contract of employment for each member of staff.

1.3 Guidance regarding accepted practice in NHS Orkney is detailed in these Standards; however, professionally registered staff should also ensure that they do not breach the requirements in respect of their Professional Codes of Conduct.

2 The Bribery Act 2010 - NHS Orkney's Aims and Objectives

2.1 The Bribery Act 2010 ("The Act") has brought further obligations on NHS Orkney, its Non-Executive Members and its staff.

2.2 NHS Orkney does not tolerate any form of bribery, whether direct or indirect, by, or of, its staff, agents or external consultants or any persons or entities acting for it or on its behalf. This includes Non-Executive Members, and any other co-opted members of committees or sub-committees of the Board.

2.3 The Board is committed to implementing and enforcing effective systems throughout NHS Orkney to prevent, monitor and eliminate bribery within NHS Orkney, in accordance with the Bribery Act 2010, and to the rigorous investigation of any such cases.

2.4 NHS Orkney will not conduct business with service providers, agents or representatives that do not support its anti-bribery statement and it reserves the right to terminate its contractual arrangements with any third parties acting for, or on behalf of, NHS Orkney with immediate effect where there is evidence that they have committed acts of bribery.

2.5 The success of NHS Orkney's anti-bribery measures depends on all employees, Non-Executive Members and those acting for NHS Orkney, playing their part in helping to detect and eradicate bribery. Therefore, all

employees, Non-Executive Members and others acting for or on behalf of NHS Orkney are encouraged to report any suspected bribery in accordance with bribery in accordance with The Fraud Standards, Section D, of the Code of Corporate Governance.

3 The Bribery Act 2010 – Key Points

3.1 The Bribery Act 2010 is one a strict piece of legislation and makes it a criminal offence for any individual (employee, contractor, agent) associated with NHS Orkney, to give, promise or offer a bribe, and to request, agree to receive or accept a bribe (sections 1, 2 and 6 offences). This can be punishable by imprisonment of up to ten years.

3.2 In addition, the Act introduces a corporate offence (Section 7 offence) which means that NHS Orkney can be exposed to criminal liability, punishable by an unlimited fee, if it fails to prevent bribery by not having adequate preventative procedures in place that are robust, up-to-date and effective. The corporate offence is not a stand-alone offence and will follow from a bribery/corruption offence committed by an individual associated with NHS Orkney, in the course of their work. NHS Orkney takes its legal responsibilities very seriously.

3.3 If a bribery offence is proved to have been committed by an outside body corporate with the consent or connivance of a Director or Senior Officer of NHS Orkney, under the Act, the Director or Senior Officer would be guilty of an offence (section 14 offences) as well as the body corporate which paid the bribe.

3.4 Whilst the exact definition of bribery and corruption is a statutory matter, the following working definitions are given together with some examples:

Bribery is an inducement or reward offered, promised or provided in order to gain any commercial, contractual, regulatory or personal advantage.

Corruption relates to a lack of integrity or honesty, including the misuse of trust for dishonest gain. It can be broadly defined as the offering or acceptance of inducements, gifts, favours, payments or benefits in kind which may influence the action of any person. Corruption does not always result in a loss. The corrupt person may not benefit directly; however, they may be unreasonably using their position to give some advantage to another.

Examples of bribery:

Offering a Bribe

A bribe would occur if:

- A payment was made to influence an individual who was responsible

for making decision on whether NHS Orkney should be selected as the preferred bidder for the provision of services in a procurement process.

- A member of staff conducted private meetings, other than on NHS premises, with a public contractor hoping to tender an NHS Orkney contract, each time accepting hospitality far in excess of that deemed appropriate within the Standards of Business Conduct for NHS Orkney and without guidance being sought in advance from the line manager or Head of Corporate Services or subsequently being declared.

Receiving a Bribe

A bribe would occur if:

- A patient offered a member of NHS Orkney staff a payment (or other incentive) to speed up, beyond usual timeframe, the provision of a particular aspect of their care.

- A pharmaceutical company offered a member of NHS Orkney staff a payment (or other incentive such as a generous gift or lavish hospitality) in order to influence their decision making in the selection of a pharmaceutical product to appear on NHS Orkney's drug formulary.

3.5 The success of NHS Orkney's anti-bribery measures depends on all employees, and those acting for NHS Orkney, playing their part in helping to detect and eradicate bribery. Therefore, all employees and others acting for or on behalf of NHS Orkney are encouraged to report any suspected bribery in accordance with following The Fraud Standards, Section D, of the Code of Corporate Governance.

4 Responsibilities of Staff

4.1 NHS Orkney is committed to maintaining strict ethical standards and integrity in the conduct of its business activities. All NHS Orkney staff and individuals acting on NHS Orkney's behalf, are responsible for conducting NHS Orkney's business professionally, with honesty, integrity and maintaining the organisation's reputation and free from bribery.

4.2 Staff must ensure that they do not place themselves in a position which risks, or appears to risk, conflict between their private interests and their NHS duties such as, for example, abusing their present position to obtain preferential rates for personal gain or to benefit family members or associates.

This primary responsibility applies to **all NHS staff** but is of particular relevance to those who commit NHS resources directly (e.g. by the

ordering of goods) or those who do so indirectly (e.g. by the prescribing of medicines).

4.3 The NHS must be impartial and honest in the conduct of its business and its employees should remain beyond suspicion.

4.4 Staff need to be aware that a breach of the provisions of the Bribery Act renders them liable to prosecution and may lead to potential disciplinary action and the loss of their employment and superannuation rights.

4.5 This Code reflects the minimum Standards of Business Conduct expected from all NHS staff. Any breaches of the Code may lead to disciplinary action.

N.B: If you are in any doubt at all as to what you can or cannot do, you should seek advice from your Line manager / Head of Department / Director of Finance or Head of Corporate Governance.

5 Key Principles of Business Conduct

5.1 The Standards of Business Conduct for NHS Staff [MEL (1994) 48] provide instructions to staff in maintaining strict ethical standards in the conduct of NHS business. All staff are therefore required to adhere to the Standards of Business Conduct for NHS Staff.

5.2 Public Service values must be at the heart of the NHS Board's activities. High standards of corporate and personal conduct, based on the recognition that patients come first, are mandatory. The NHS Board is a publicly funded body, accountable to Scottish Ministers and through them to the Scottish Parliament for the services and for the economical, efficient, and effective use of resources placed at the Board's disposal.

5.3 By staff following these principles, the Board should be able to demonstrate that it adheres to the three essential public sector values.

Accountability:

Everything done by those who work in the organisation must be able to stand these tests of parliamentary scrutiny, public judgements on propriety, and meet professional codes of conduct.

Probity:

Absolute honesty and integrity should be exercised in dealing with NHS patients, staff, assets, suppliers and customers.

Openness:

The organisation's activities should be sufficiently public and transparent to promote confidence between the organisation and its patients, staff and public.

6 Acceptance of Gifts, Hospitality and Prizes

6.1 Gifts

6.1.1 The Standards of Business Conduct state that any money, gift or consideration received by an employee in public service from a person or organisation holding or seeking to obtain a contract will be deemed by the courts to have been received corruptly unless the employee proves the contrary.

6.1.2 Staff should therefore be very cautious if faced with the offer of a gift. Casual gifts offered by contractors or others excluding patients, relatives, or carers (for example, at the festive season) may not be in any way connected with the performance of duties to constitute an offence. Such gifts should nevertheless be declined. Items of low intrinsic value e.g. boxes of biscuits, chocolates or flowers from patients, relatives, or carers can be accepted. Any gifts of money should be handled in accordance with the Endowment Fund Charter.

Where an unsolicited or inappropriate gift is received and the individual is unable to return it or the donor refuses to accept its return, they should report the circumstances to the Head of Corporate Governance who will determine if the gift can be accepted, and this should be recorded in the Register of Gifts.

Financial donations to a department fund, which are to be used for the purposes of NHS Orkney must be administered through Orkney Health Board Endowment Fund and handled in accordance with the Endowment Fund Charter.

The Head of Corporate Governance should maintain a register to record gifts reported by staff. It is the responsibility of the recipients of such gifts to report all such items received to the Head of Corporate Governance for recording who will provide the registration form. This register will be published on the NHS Orkney website.

6.2 Hospitality

6.2.1 Standards of Business Conduct state that hospitality may be acceptable provided it is normal and reasonable in the circumstances e.g. lunches during a working visit. Any hospitality accepted should be similar in scale to that which the NHS as an employer would be likely to offer and must not exceed £25. All other offers of hospitality should be declined.

6.2.2 Staff should seek guidance from their Line Manager prior to accepting any such hospitality. In cases of doubt, advice should be sought from the Head of Corporate Governance.

6.2.3 It may not always be clear whether an individual is being invited to an event involving the provision of hospitality (e.g. formal dinner) in a personal/private capacity or because of the position which they hold in NHS Orkney.

I If the invitation is the result of the individual's position with NHS Orkney, only hospitality which is modest and normal and reasonable in the circumstances should be accepted. If the nature of the event dictates a level of hospitality which exceeds this, then the individual should ensure that his/her Head of Department/Director is fully aware of the circumstances. An example of such an event might be an awards ceremony involving a formal dinner. If the Head of Department/Director grants approval to attend, the individual should declare his/her attendance for registration in the Register of Hospitality held by the Head of Corporate Governance.

II If the individual is invited to an event in a private capacity (e.g. as result of his/her qualification or membership of a professional body), they are at liberty to accept or decline the invitation without referring to his/her Line Manager. The following matters should however be considered before an invitation to an individual in a private capacity is accepted.

- The individual should not do or say anything at the event that could be construed as representing the views and/or policies of NHS Orkney
- If the body issuing the invitation has (or is likely to ~~have, or~~have or is seeking to have) commercial or other financial dealings with NHS Orkney, then it could be difficult for an individual to demonstrate that his/her attendance was in a private and not an official capacity. Attendance could create a perception that the individual's independence had been compromised, especially where the scale of hospitality is lavish. Individuals should therefore exercise caution before accepting invitations from such bodies and must seek approval from their Line Manager.

III Where suppliers of clinical products offer hospitality, it should only be accepted if it complies with the guidance in the Sponsorship Policy.

IV The ~~Corporate Services Manager~~Head of Corporate Governance should maintain a register to record hospitality reported by staff. It is the responsibility of the recipients of such hospitality to report all such items received to the ~~Corporate Services Manager~~Head of

Corporate Governance for recording in NHS Orkney's Register of Hospitality. The form in Annex 2 should be used for this purpose. This register will be published on the NHS Orkney website.

6.3 Competitions / Prizes

Individuals should not enter competitions including free draws organised by bodies who have or are seeking to have financial dealings with NHS Orkney. Potential suppliers may use this as a means of giving money or gifts to individuals with NHS Orkney to influence the outcome of business decisions. If in doubt, contact the Head of Corporate Governance.

7 Register of Staff Interests

7.1 To avoid conflicts of interest and to maintain openness and accountability, employees are required to register all interests that may have any relevance to their duties/responsibilities. These include any financial interest in a business or any other activity or pursuit that may compete for an NHS contract to supply either goods or services to the NHS or in any other way could be perceived to conflict with the interests of NHS Orkney. The test to be applied when considering appropriateness of registration of an interest is to ask whether a member of the public acting reasonably might consider the interest could potentially affect the individual's responsibilities to the organisation and/or influence their actions. If in doubt the individual should register the interest or seek further guidance from the ~~Corporate Services Manager~~Head of Corporate Governance.

7.2 Interests that it may be appropriate to register, include:

(i) Other employments including self-employment.
(ii) Directorships including Non-Executive Directorships held in private companies or public limited companies (whether remunerated or not)
(iii) Ownership of, or an interest in, private companies, partnerships, businesses, or consultancies
(iv) Shareholdings in organisations likely or possibly seeking to do business with the NHS (the value of the shareholdings need not be declared)
(v) Ownership of or interest in land or buildings which may be significant to, of relevance to, or bear upon the work of NHS Orkney.
(vi) Any position of authority held in another public body, trade union, charity or voluntary body.
(vii) Any connection with a voluntary or other body contracting for NHS services.
(viii) Any involvement in joint working arrangements with Clinical (or other)

Suppliers.

This list is not exhaustive and should not preclude the registration of other forms of interest where these may give rise to a potential conflict of interest upon the work of NHS Orkney. Any interests of spouses, partner or civil partner, close relative or associate, or persons living with the individual as part of a family unit, will also require registration if a conflict of interests exists.

7.3 The completed register of interests' form should be returned to the Board. Secretary. The Register of Staff Interests will be retained for a period of five years.

7.4 It is the responsibility of everyone to declare any relevant interest to the Chair of any Committee/decision making group of which they are a member so that the Chair is aware of any conflict which may arise.

8 Purchase of Goods and Services

8.1 NHS Orkney has a procurement function under the direction of the Director of Finance to purchase the goods and services required for the functioning of NHS Orkney. Except for staff who have delegated authority to purchase goods and services, no other member of staff is authorised to make a commitment to a third party for the purchase of goods or services. The Procurement Officer should be contacted for advice on all aspects of the purchase of goods and services.

8.2 All staff who are in contact with suppliers and contractors (including external consultants), and particularly those who are authorised to sign Purchase Orders, or place contracts for goods, materials or services are expected to adhere to Section 13 of NHS Orkney's Standing Financial Instructions (SFIs).

8.3 Fair and open competition between prospective contractors or suppliers for NHS contracts is a requirement of SFIs and of EC Directives on Public Purchasing for Works and Supplies. This means that:

- No private or public company, firm or voluntary organisation which may bid for NHS business should be given any advantage over its competitors, such as advance notice of NHS requirements. This applies to all potential contractors whether there is a relationship between them and the NHS employer, such as a long-running series of previous contracts
- Each new contract should be awarded solely on merit in accordance with the SFIs

8.4 SFIs describe the process to be followed to purchase goods and services. Key points to note are:

(i) SFIs define the limits above which competitive quotations and competitive tenders must be obtained and describe the process which should be followed to achieve fair and open competition.

(ii) No organisation should be given unfair advantage in the competitive process, e.g. by receiving advance notice of NHS Orkney's requirements.

8.5 No special favour should be shown to current or former employees or their close relatives or associates in awarding contracts to private or other businesses run by them or employing them in a senior or managerial capacity.

8.6 Contracts must be won in fair competition against other tenders and scrupulous care must be taken to ensure that the selection process is conducted impartially, and that staff who are known to have a relevant interest play no part in the selection.

8.7 All invitations to potential contractors to tender for NHS business should. include a notice warning the tenderer of the consequences of engaging in any corrupt practices involving NHS Orkney's employees and that facilitation payments are prohibited in line with the Bribery Act 2010.

9 Purchase, Sale and Lease of Property

9.1 Scottish Government have issued a strict set of rules governing all types of property transactions and these rules require that, each year, all NHS Orkney's property transactions are subject to scrutiny by the Audit Committee. The results of this scrutiny are reported to Scottish Government. Failure to comply with the rules governing property transactions could be viewed as a serious disciplinary matter.

9.2 Where it is necessary to acquire, dispose of or lease property land and/or buildings, the proposed transaction should be referred to the Head of Finance in the first instance, who is responsible for property matters, including the conduct of all property transactions.

9.3 Authority to sign off property transactions is limited to officers to whom authority has been formally and specifically delegated by Scottish Ministers. These officers are:

- Chief Executive
- Director of Finance

9.4 No other member of staff is authorised to make any commitment in respect of the acquisition or disposal of property or interest in property, e.g. leases.

10 Benefits Accruing from Official Expenditure

10.1 The underlying principle is to obtain best value from public expenditure and decisions should not be determined by private/personal benefit.

10.2 Staff should not use their official position for personal gain or to benefit their family and friends.

10.3 Employees should not seek or accept preferential rates or benefits in kind for private transactions carried out with companies with which they have had or may have official dealings on behalf of NHS Orkney. This does not apply to concessionary agreements negotiated on behalf of NHS staff.

11 Free Samples

11.1 Free samples should not be accepted.

12 Outside Interests and Secondary Employment

12.1 Outside interests include directorships, ownership, part-ownership or material shareholdings in companies, business, or consultancies likely to seek to do business with the NHS. These should be declared to the individual's line manager, as should the interests of a spouse/partner or close relative.

12.2 In principle, staff can accept additional employment out with NHS Orkney in their own time. It is also possible that a conflict of interest may arise because of an employee accepting an outside post that is with a company that does business, or is in competition with, the NHS. Where there is any doubt, the employee must seek advice from their manager before accepting any outside post. Additional employment must have no adverse effect on the work of NHS Orkney or their own performance. The resources of NHS Orkney cannot be used in external employment.

13 Acceptances of Fees

13.1 Where staff are offered fees by outside agencies, including a clinical supplier, for undertaking work or engagements (e.g. radio or TV interviews, lectures, consultancy advice, membership of an advisory board, etc.) within their normal working hours, or draw on his/her official experience, the employee's Line Manager must be informed and his/her written approval obtained before any commitment is given by the employee. Directors must obtain written approval from the Chief Executive and the Chief Executive must obtain written approval from the Chair of NHS Orkney before committing to such work.

An assurance will be required that:

(i) The individual concerned is not making use of his/her NHS employment to further his/her private interests.
(ii) Any outside work does not interfere with the performance of his/her NHS duties.
(iii) Any outside work will not damage NHS Orkney's reputation.

13.2 If the work carried out is part of the employee's normal duties, or could reasonably be regarded as falling within the normal duties of the post, then any fee due is the property of NHS Orkney and it should be NHS Orkney (and not the individual) that issues any invoice required to obtain payment. The individual must not issue requests for payment in his/her own name. The individual must pass the relevant details to the Director of Finance.

13.3 Employees should not commit to any work which attracts a fee until they have obtained the required written approval as described in paragraph 12.1. It is possible that an individual may undertake work and not expect a fee but then receive an unsolicited payment after the work in question has been completed. The principle set out in paragraph 12.2 applies where an unsolicited payment is received.

13.4 It is also possible that an individual may be offered payment in kind, e.g. book tokens. The principle is that these should be refused.

13.5 A gift offered in respect of work undertaken as part of the individual's normal duties should be declined.

14 Contact with the Media

14.1 To achieve consistency and appropriateness of sometimes sensitive public messages, only authorised staff may speak to the media. Should you be contacted by the press you should refer to the office of the Chief Executive.

14.2 Staff must not invite journalists, photographers or camera crews onto any NHS Orkney's premises without the prior agreement of the Chief Executive.

14.3 Where an individual exercises the right in a private capacity to publish an article, give an interview or otherwise participate in a media event or debate in a public forum (including the internet), they should make it clear that they are acting in a private capacity and any opinions expressed are not those of NHS Orkney. This should be agreed in principle with your line manager.

15 Conduct During Elections

15.1 General Principles

Scottish Government issue regular guidance to health bodies about their roles and conduct during election campaigns. The following general principals are set out:

(i) There should be even-handedness in meeting information requests from candidates from different political parties. Such requests should be handled in accordance with the principals laid down in the election guidance and the Freedom of Information (Scotland) Act 2002

(ii) Care should be taken over the timing of announcements of decisions made by NHS Orkney to avoid accusations of political controversy or partisanship. In some cases, it may be better to defer an announcement until after the election, but this would have to be balanced against any implication that the deferral itself could influence the outcome of the election. Each case should be considered on its merits, and any cases of doubt should be referred to Scottish Government for advice

(iii) Existing advertising campaigns should be closed and there should be a general presumption against undertaking new campaigns unless agreement has been reached in advance with Scottish Government

(iv) In carrying out day to day work and corporate activities, care should be taken to do nothing which could be construed as politically motivated or as taking a political stance.

Public resources must not be used for party political purposes.

15.2 Freedom of Information (Scotland) Act 2002

The Freedom of Information (Scotland) Act 2002, (FOISA) remains in full force during the election period. FOISA requests should continue to be dealt with in accordance with normal procedures. Scottish Government should be consulted in advance or responding to requests which are thought likely to impact on the election campaign in any way.

16 Intellectual Property Rights

If an employee invents a new technology, for instance, a device or diagnostic, or otherwise creates intellectual property (IP) as part of the normal duties of their employment, the patent rights in the invention belong to the employer (Patents Act 1977). Although legally the employee is not automatically entitled to any royalty or reward derived from such an invention, they would expect to be acknowledged as the inventor in any

patent application. The Director of Finance should see that this effected. Full guidance is available in circulars MEL (1998) 23 and MEL (2004) 9.

17 Sponsorship

17.1 Acceptance by staff of commercial sponsorship for attendance at relevant conferences and courses is acceptable but only where the employee seeks permission in advance from the relevant Director, and the employer is satisfied that the acceptance will not compromise purchasing decisions in any way.

17.2 On occasions when NHS employers consider it necessary for staff advising on the purchasing of equipment to expect to see such equipment in operation in other parts of the country (or exceptionally overseas) the employer will meet the cost to avoid putting in jeopardy the integrity of subsequent purchasing decisions.

17.3 Companies may offer to sponsor wholly or partially a post. The employer will not enter such an arrangement unless it is made abundantly clear to the company concerned that sponsorship would have no effect on the purchasing decision within NHS Orkney. Where the sponsorship is accepted, the Director of Finance will be fully involved and will establish monitoring arrangements to ensure that purchasing decisions are not being influenced by the sponsorship agreement.

17.4 Under no circumstances should any employee agree to deals where sponsorship is linked to the purchase of a particular product or to supply from sources.

18 Remedies

18.1 Managers or staff who fail to comply with the guidance detailed in this code could be subject, following full investigation, to disciplinary action up to and including dismissal. If through their actions or omissions managers or staff are found to be in contravention of either this guidance or their legal responsibilities then NHS Orkney reserves the right to take legal action, if necessary. Where staff suspect, or are aware of non-compliance with this code, they should report any such instances to their line manager or the Director of Finance.

19 Communications

19.1 This code is applicable to every NHS Orkney employee and therefore it is imperative that all staff are informed of its contents. Each manager within NHS Orkney will receive a copy of the code and will confirm their receipt

and understanding of the code in writing as well as confirming that they have a permanent record of formally informing their staff.

20 Contact for further Guidance.

20.1 The Head of Corporate Governance will provide advice and guidance on the Standards of Business Conduct for NHS staff and its interpretation.

21 Review Process

The Standards of Business Conduct for NHS Staff will be reviewed annually.

SECTION

D

The Fraud Standards

This section explains how staff must deal with suspected fraud / bribery / corruption or theft and NHS Orkney's intended response to a reported suspicion of fraud / bribery / corruption or theft.

1 Fraud Policy

1 Introduction

1.1 NHS Orkney is committed to maintaining strict ethical standards and integrity in the conduct of its business activities. All NHS Orkney staff and individuals acting on NHS Orkney's behalf are responsible for conducting NHS Orkney's business professionally, with honesty, integrity and maintaining the organisation's reputation and free from bribery.

1.2 One of the basic principles of public sector organisations is the proper use of public funds. It is therefore important that all those who work in the public sector are aware of the risk of and the means of enforcing the rules against fraud/theft and other illegal acts involving corruption, dishonesty or damage to property.

2 The Bribery Act 2010 – Key Points

2.1 The Bribery Act 2010 ("The Act") came into effect on 1 July 2011, aiming to tackle bribery and corruption in both the private and public sectors.

2.2 The Act is one of the strictest pieces of legislation on bribery and makes it a criminal offence for any individual (employee, contractor, agent) associated with NHS Orkney, to give, promise or offer a bribe, and to request, agree to receive or accept a bribe (sections 1, 2 and 6 offences), and this can be punishable for an individual by imprisonment of up to ten years.

2.3 In addition, the Act introduces a corporate offence (section 7 offence) which means that NHS Orkney can be exposed to criminal liability, punishable by an unlimited fee, if it fails to prevent bribery by not having adequate preventative procedures in place that are robust, up to date and effective. The corporate offence is not a stand-alone offence and will follow from a bribery/corruption offence committed by an individual associated with NHS Orkney, in the recourse of their work. NHS Orkney therefore takes its legal responsibilities very seriously.

2.4 If a bribery offence is proved to have been committed by an outside body corporate with the consent or connivance of a director or senior officer of NHS Orkney, under the Act, the director or senior officer would be guilty of an offence (section 14 offence) as well as the body corporate which paid the bribe.

3 The Bribery Act 2010 – NHS Orkney's Aims and Objective's

3.1 NHS Orkney welcomes the Act and is keen to ensure compliance with the Act's standards.

3.2 NHS Orkney does not tolerate any form of bribery, whether direct or indirect, by its staff, agents or external consultants or any persons or entities acting for it or on its behalf.

3.3 NHS Orkney will not conduct business with service providers, agents or representatives that do not support its anti-bribery statement and it reserves the right to terminate its contractual arrangements with any third parties acting for or on behalf of NHS Orkney with immediate effect, where there is evidence that they have committed acts of bribery.

3.4 The success of NHS Orkney's anti-bribery measures depends on all employees, and those acting for NHS Orkney, playing their part in helping to detect and eradicate bribery. Therefore, all employees and others acting for or on behalf of NHS Orkney are encouraged to report any suspected bribery for following the guidance below.

4 National Fraud Initiative

4.1 NHS Orkney is required by law to protect the public funds it administers. It may share information provided to it with other bodies responsible for auditing or administering public funds, in order to prevent and detect fraud.

5 Guidance to Staff on Fraud / Bribery / Corruption / Theft

5.1 This guidance is not intended solely for staff. It is also intended for anyone acting on the Board's behalf including Non-Executive Directors of the Board (see section B, Members Code of Conduct, paragraph 1.7) contractors, agents etc. Reference to 'staff' in this section will also mean all of these.

5.2 The Fraud Policy relates to all forms of fraud, bribery, corruption, or theft and is intended to provide guidance to employees on the action, which should be taken when any of these are suspected. Such occurrences may involve employees of NHS Orkney, suppliers/contractors or any third party. This document sets out the Board's policy and response plan for detected or suspected fraud, bribery, corruption, or theft. It is not the purpose of this document to provide direction on the prevention of fraud.

5.3 Whilst the exact definition of fraud, bribery, corruption, or theft is a statutory matter, the following working definitions are given for guidance:

- Fraud broadly covers deliberate material misstatement, falsifying records, making, or accepting improper payments or acting in a manner not in the best interest of the Board for the purposes of personal gain
- Bribery is an inducement or reward offered, promised, or provided to gain any commercial, contractual, regulatory or personal advantage

- Corruption relates to a lack of integrity or honesty, including the use of trust for dishonest gain. It can be broadly defined as the offering or acceptance of inducements, gifts, favours, and payments or benefits in kind which may influence the action of any person. Corruption does not always result in a loss. The corrupt person may not benefit directly; however, they may be unreasonably using their position to give some advantage to another
- Theft is removing property belonging to NHS Orkney, its staff or patients with the intention of permanently depriving the owner of its use, without their consent

For simplicity, this document will refer to all such offences as "fraud", except where the context indicates otherwise.

5.4 NHS Orkney already has procedures in place, which reduce the likelihood of fraud occurring. These are included within the Code of Corporate Governance (i.e. Standards of Business Conduct, Standing Orders, Standing Financial Instructions), accounting procedures, systems of internal control and a system of risk assessment. The Board has a payment verification system which concentrates on Family Health Service expenditure.

5.5 It is the responsibility of NHS Orkney and its management to maintain adequate and effective internal controls, which deter and facilitate detection of any fraud. The role of Internal Audit is to evaluate these systems of control. It is not the responsibility of Internal Audit to detect fraud, but rather to identify weaknesses in systems that could potentially give rise to error or fraud.

6 Collaborating to Combat Fraud

6.1 NHS Orkney will work closely with other organisations, including Counter Fraud Services, the Central Legal Office, Audit Scotland, the Cabinet Office, Department for Work and Pensions, the Home Office, Councils, the Police and the Procurator Fiscal/Crown Office to combat fraud.

6.2 NHS Orkney will agree formal partnership agreements with other investigative bodies e.g. Counter Fraud Services and, where appropriate, engage in joint investigations and prosecutions.

6.3 The Cabinet Office on behalf of Audit Scotland assists appointed auditors by conducting a National Fraud Initiative which is a data matching exercise. Data matching involves comparing computer records held by one body against other computer records held by the same or another body. This is usually personal information. Computerised data matching allows potentially fraudulent claims and payments to be identified. Where a match is found it indicates that there may be an inconsistency which requires further investigation. No assumption can be made as to whether there is

fraud, error or other explanation until an investigation is carried out. The exercise can also help bodies to ensure that their records are up to date.

6.4 Audit Scotland currently requires NHS Orkney to participate in a statutory data matching exercise under its powers in Part 2A of the Public Finance and Accountability (Scotland) Act 2000 to assist in the prevention and detection of fraud. We are required to provide sets of data to the Cabinet Office on behalf of Audit Scotland for matching for each exercise, and these are set out in Audit Scotland's instructions for Participants. It does not require the consent of the individuals concerned under the Data Protection Act 1998.

6.5 Data matching in Scotland is subject to a Code of Data Matching Practice, and information on Audit Scotland's legal powers and the reasons why it matches information, is provided in the full text Privacy Notice.

7 Public service values

7.1 The expectation of high standards of corporate and personal conduct, based on the recognition that patients come first, has been a requirement throughout the NHS since its inception. MEL (1994) 80, "Corporate Governance in the NHS", issued in August 1994, sets out the following public service values:

Accountability: Everything done by those who work in the organisation must be able to stand the test of parliamentary scrutiny, public judgements on propriety and professional codes of conduct.

Probity: Absolute honesty and integrity should be exercised in dealing with NHS patients, assets, staff, suppliers, and customers.

Openness: The organisation's activities should be sufficiently public and transparent to promote confidence between the organisation and its patients, staff, and the public.

7.2 All those who work in the organisation should be aware of, and act in accordance with, the above values. In addition, NHS Orkney will expect and encourage a culture of openness between NHS bodies and the sharing of information in relation to any fraud.

8 NHS Orkney policy and public interest disclosure act

8.1 NHS Orkney is committed to maintaining an honest, open and well- intentioned atmosphere within the service. It is committed to the deterrence, detection, and investigation of any fraud within NHS Orkney.

8.2 NHS Orkney encourages anyone having reasonable suspicion of fraud to report the incident. It is NHS Orkney's policy that no staff member will suffer in any way because of reporting any reasonably held suspicions. For these purposes "reasonably held suspicions" shall mean any suspicions other than those which are groundless and/or raised maliciously.

8.3 In addition, the Public Interest Disclosure Act protects workers who legitimately report wrongdoing by employers or colleagues. The disclosure must be made in good faith and workers must have reasonable grounds to believe that criminal offences such as fraud or theft have occurred or are likely to occur. The disclosure must not be made for personal gain.

9 Instructions to staff

9.1 Staff who suspect improper practices or criminal offences are occurring relating to fraud, theft, bribery or corruption, should normally report these to the Fraud Liaison Officer (FLO) via their line manager, but may report directly where the line manager or Head of Department is unavailable or where this would delay reporting. If the suspected improper practice involves the Head of Department, the report should be made to a more senior officer or the nominated officer as described in 10.4 below. Managers receiving notice of such offences must report them to the nominated officer.

9.2 It should be noted that staff who wish to raise concerns about unprofessional behaviour or decisions, where fraud, theft, bribery or corruption are not suspected, should do so by following the guidance contained in the NHS Orkney 'Whistleblowing' policy. Following investigation of the complaint if improper practices or criminal offences are suspected, the matter should be referred by the investigating officer, to the Fraud Liaison Officer. Any further action taken will follow the guidance contained within 'The Fraud Standards'.

9.3 Confidentiality must be maintained relating to the source of such reports.

9.4 Further choices for staff are:

You may use the Counter Fraud Service (CFS) Fraud Hot Line which is 0800 151628 or report your suspicions (anonymously, if desired) through the CFS Website on www.cfs.scot.nhs.uk

9.5 It should be added that under no circumstances should a member of staff speak or write to representatives of the press, TV, radio, other third parties or use blogs or twitter to publicise details about a suspected fraud/theft. Care needs to be taken that nothing is done which could give rise to an action for slander or libel.

9.6 Please be aware that time may be of the utmost importance to ensure that NHS Orkney does not continue to suffer a loss.

10 Roles and responsibilities

10.1 Responsibility for receiving information relating to suspected frauds and for co-ordinating NHS Orkney's response to the National Fraud Initiative has been delegated to the Fraud Liaison Officer (FLO). This individual is responsible for informing third parties such as Counter Fraud Services, the Cabinet Office on behalf of Audit Scotland, Internal and External Audit or the Police when appropriate. The FLO, shall inform and consult the Chief Executive, the Chair of the Board and the Audit and Risk Committee Chair in cases where the loss may be above the delegated limit or where the incident may lead to adverse publicity. The contact name and address of the FLO, is as follows:

Keren Somerville
Head of Finance
The Balfour
Foreland Road
Kirkwall
KW15 1NZ
Email: keren.somerville@nhs.scot

10.2 Where a fraud is suspected within the service, including the Family Health Services, i.e. independent contractors providing Medical, Dental, Ophthalmic or Pharmaceutical Services, the FLO will make an initial assessment and, where appropriate, advise Counter Fraud Services (CFS) at the NHS National Services Scotland.

10.3 The People and Culture Manager, or nominated deputy, shall advise those involved in the investigation on matters of employment law and other procedural matters, such as disciplinary and complaints procedures.

10.4 Where the incident is thought to be subject to either local or national controversy and publicity then the Board and the Scottish Government Health Directorates should be notified before the information is subjected to publicity.

10.5 It is the responsibility of NHS Orkney's senior officers to ensure that their staff are aware of the above requirements and that appropriate reporting arrangements are implemented.

10.6 It is the responsibility of all staff to protect the assets of NHS Orkney. Assets include information and goodwill as well as property.

10.7 It shall be necessary to categorise the irregularity prior to determining the appropriate course of action. Two main categories exist:

- Theft, burglary, and isolated opportunist offences; and
- Fraud, bribery, corruption, and other financial irregularities

The former will be dealt with directly by the Police whilst the latter may require disclosure under the SGHD NHS Circular No. HDL (2002)23 – Financial Control: Procedure where Criminal Offences are suspected.

10.8 Responsibility for ensuring that recommendations from Counter Fraud Services investigation reports and from data matching exercises conducted under the National Fraud Initiative have been implemented and steps taken to ensure full compliance, has been delegated to the Counter Fraud Champion (CFC).

The contact name and address of the CFC, is as follows:

~~Mark Doyle~~Melanie Barnes
Interim Director of Finance
The Balfour
Foreland Road
Kirkwall
KW15 1NZ
Email: melanie.barnes@nhs.scot~~mark.doyle@nhs.scot~~

11 Contact points

Relevant contact points, are as follows:

Interim Director of Finance and Deputy Fraud Liaison Officer
~~Mark Doyle~~Melanie Barnes
The Balfour
Foreland Road
Kirkwall
KW15 1NZ
Email: melanie.barnes~~m ark.doyle~~@nhs.scot

Accountable Officer for Controlled Drugs:
Wendy Lycett
Interim Director of Pharmacy
The Balfour
Foreland Road
Kirkwall
KW15 1NZ
Email: wendy.lycett2@nhs.scot

Chief Audit Executive:
David Eardley
Azets
Exchange Place 3
Semple Street
Edinburgh
EH3 8BL

Email: david.eardley@azets.co.uk

Counter Fraud Services: www.cfs.scot.nhs.uk

National Fraud Initiative: The National Fraud Initiative in Scotland 2022 | Audit Scotland (audit-scotland.gov.uk)

2 Response Plan

1 Introduction

1.1 The following sections describe NHS Orkney's intended response to a reported suspicion of fraud / bribery / corruption or theft. It is intended to provide procedures, which allow for evidence gathering and collation in a manner that will facilitate informed initial decision, while ensuring that evidence gathered will be admissible in any future criminal or civil action. Each situation is different; therefore, the guidance will need to be considered carefully in relation to the actual circumstances of each case before action is taken.

2 Reporting Fraud

2.1 A "nominated officer" will be appointed as the main point of contact for the reporting of any suspicion of fraud, corruption, bribery, or theft. For NHS Orkney, this officer is the FLO (see 11.1). In the absence of the FLO, the Deputy will deal with the issue. For incidents involving any Executive Directors, the nominated officer shall be the Board's Chair, contacted through the FLO.

2.2 The Fraud Liaison Officer shall be trained in the handling of concerns raised by staff. Any requests for anonymity shall be accepted and should not prejudice the investigation of any allegations. Confidentiality should always be observed.

2.3 All reported suspicions must be investigated as a matter of priority to prevent any further potential loss to NHS Orkney.

2.4 The Fraud Liaison Officer shall maintain a log of any reported suspicions. The log will document with reasons the decision to take further action or to take no further action. The log will also record any actions taken and conclusions reached. This log will be maintained and will be made available for review by Internal Audit.

2.5 The Fraud Liaison Officer should consider the need to inform the Orkney. NHS Board, the Chief Internal Auditor, External Audit, the Police and Counter Fraud Services, of the reported incident. In doing so, he/she should take cognisance of the following guidance:

- Inform and consult the Director of Finance and the Chief Executive at the first opportunity, in all cases where the loss may exceed the delegated limit (or such lower limit as NHS Orkney may determine) or where the incident may lead to adverse publicity
- It is the duty of the Director of Finance to notify the Chief Executive and Chair immediately of all losses where fraud/theft is suspected.

- Counter Fraud Services should normally be informed immediately in all but the most trivial cases
- If fraud, bribery, or corruption is suspected, it is essential that there is the earliest possible consultation with Counter Fraud Services. In any event, Counter Fraud Services should be contacted before any overt action is taken which may alert suspects and precipitate the destruction or removal of evidence. This includes taking action to stop a loss or tighten controls
- If a criminal act of fraud, bribery or corruption is suspected, it is essential that there is the earliest possible consultation with the Police. In any event the Police should be contacted before any overt action is taken which may alert suspects and precipitate the destruction or removal of evidence. This includes taking action to stop a loss or tighten controls
- At the stage of contacting the Police, the Fraud Liaison Officer should contact the Head of People and Culture to consider whether/when to initiate suspension of the employee pending an enquiry.

2.6 All such contact should be formally recorded in the Log.

3 Managing the investigation

3.1 The Director of Finance will appoint a manager to oversee the investigation. Normally, the manager will be an employee from Counter Fraud Services. The circumstances of each case will dictate who will be involved and when.

3.2 The manager overseeing the investigation (referred to hereafter as the "investigation manager") should initially:

- Initiate a Diary of Events to record the progress of the investigation
- If possible, determine the nature of the investigation i.e. whether fraud or another criminal offence. In practice it may not be obvious if a criminal event is believed to have occurred. If this is established the Police, External Audit and the Chief Executive should be informed if this has not already been done.

3.3 If after initial Counter Fraud Services (CFS) enquiries it is determined that there are to be no criminal proceedings, then a NHS Orkney internal investigation may be more appropriate. In this instance, all information/evidence gathered by CFS will be passed to NHS Orkney. The internal investigation will then be taken forward in line with Employment law, PIN guidelines and relevant Workforce policies such as the Management of Employee Conduct, as appropriate.

3.4 The formal internal investigation to determine and report upon the facts, should establish:

- The extent and scope of any potential loss

- If any disciplinary action is needed
- The criminal or non-criminal nature of the offence, if not yet established
- What can be done to recover losses; and
- What may need to be done to improve internal controls to prevent recurrence

3.5 This report will normally take the form of an Internal Audit Report to NHS Orkney's Audit and Risk Committee.

3.6 Where the report confirms a criminal act and notification to the Police has not yet been made, it should now be made.

3.7 Where recovery of a loss to NHS Orkney is likely to require a civil action, arising from any act (criminal or non-criminal), it will be necessary to seek legal advice through the Central Legal Office, which provides legal advice and services to NHS Scotland.

3.8 This report should form the basis of any internal disciplinary action taken. The conduct of internal disciplinary action will be assigned to the Head of People and Culture or delegated officer within the Directorate, who shall gather such evidence, as necessary.

4 Disciplinary/dismissal procedures

4.1 Consideration should be made in conjunction with CFS/CFC/FLO on whether/when to suspend the employee(s) who are subject to any investigation, pending the results of the investigation. This should be carried out in line with NHS Orkney's Employee Conduct Policy.

4.2 The disciplinary procedures of NHS Orkney must be followed in any disciplinary action taken by NHS Orkney toward an employee (including dismissal). This may involve the investigation manager recommending a disciplinary hearing to consider the facts, consideration of the results of the investigation and making further recommendations on appropriate action to the employee's line manager.

Where the fraud involves a Family Health Services Practitioner, the Board should pass the matter over to the relevant professional body for action.

5 Gathering evidence

5.1 This policy cannot cover all the complexities of gathering evidence. Each case must be treated according to the circumstances of the case taking professional advice, as necessary.

5.2 If a witness to the event is prepared to give a written statement, it is best practice for an experienced member of staff, preferably from the People and Culture Department, to take a chronological record using the witness's own words. The witness should sign the statement only if satisfied that it is a true record of his or her own words.

5.3 At all stages of the investigation, any discussions or interviews should be documented and where feasible agreed with the interviewee.

5.4 Physical evidence should be identified and gathered (impounded) in a secure place at the earliest opportunity. An inventory should be drawn up by the investigating officer and held with the evidence. Wherever possible, replacement or new document etc. should be put into use to prevent access to the evidence. If evidence consists of several items, for example several documents, each one should be tagged with a reference number corresponding to the written record.

6 Interview procedures

6.1 Interviews with suspects should be avoided until the formal disciplinary hearing. The investigating officer should, wherever possible, gather documentary and third-party evidence for the purposes of his report. If, however, an employee insists on making a statement it must be signed and dated and should include the following:

"I make this statement of my own free will; I understand that I need not say anything unless I wish to do so and that what I say may be given in evidence".

6.2 Informal contact with the Police should be made at an early stage in the investigation to ensure that no actions are taken which could prejudice any future criminal case through the admissibility of evidence, etc.

7 Disclosure of loss from fraud

7.1 Guidance on the referring of losses and special payments is provided in CEL44 (2008). A copy of the Fraud report, in an appropriate format, must be submitted to the Scottish Government Health Directorates. External Audit should be notified of any loss as part of their statutory duties. Scottish Financial Return (SFR) 18.0 on Losses and Compensation Payments, is submitted annually to the Audit Committee and will include all losses with appropriate description within the standard categories specified by the Scottish Government Health Directorates.

7.2 Management must take account of the permitted limits on writing off losses for "Category 3 Boards", as outlined in circular CEL44 (2008).

8 Police Involvement

8.1 It shall normally be the policy of NHS Orkney that, wherever a criminal act is suspected, the matter will be notified to the Police, as follows:

- During normal working hours, it will be the decision of the Director of Finance as to the stage that the Police are contacted. If the Director of Finance is unavailable, this decision will be delegated to the Fraud Liaison Officer
- Out with normal working hours, the manager on duty in the area where a criminal act is suspected, may contact the Police and is duty bound to report the matter to the Director of Finance at the earliest possible time

8.2 The Fraud Liaison Officer and investigating manager should informally notify the Police of potential criminal acts, to seek advice on the handling of each investigation at an early stage in the investigation.

8.3 Formal notification of a suspected criminal act will normally follow completion of the investigating manager's report and formal disciplinary action. It is important that the internal report is carried out in a timely manner to avoid delaying the Police investigation.

9 Press Release

9.1 To avoid potentially damaging publicity to the NHS and/or the suspect, NHS Orkney should prepare at an early stage, a Press release, giving the facts of any suspected occurrence and any actions taken to date, e.g. suspension. The Central Legal Office and the Police should agree the release where applicable.

10 Resourcing the investigation

10.1 The Director of Finance will determine the type and level of resource to be used in investigating suspected fraud. The choices available will include:

- Internal staff from within NHS Orkney
- People and Culture
- Internal Audit
- External Audit
- Counter Fraud Services (CFS)
- Specialist Consultant
- Police

10.2 In deciding, the Director of Finance, should consider independence, knowledge of the organisation, cost, availability and the need for a speedy investigation. Any decision must be shown in the Log held by the Fraud

Liaison Officer. A decision to take "No action" will not normally be an acceptable option unless exceptional circumstances apply.

10.3 In any case involving a suspected criminal act, it is anticipated that Counter Fraud Services involvement will be in addition to NHS Orkney resources. In any case involving other suspected criminal acts, it is anticipated that Police involvement will be in addition to NHS Orkney resources.

11 The law and its remedies

11.1 Criminal Law

The Board shall refer all incidences of suspected fraud/criminal acts to Counter Fraud Services or the Police for decision by the Procurator Fiscal as to any prosecution.

11.2 Civil Law

The Board shall refer all incidences of loss through proven fraud/criminal act to the Central Legal Office for opinion, as to potential recovery of loss via Civil Law action.

Annex 1 to this policy gives guidance to staff on the action which should be taken in all cases where misappropriation of medicines is suspected.

ANNEX 1

Misappropriation of Medicines

1 Background and purpose

1.1 Probity is one of the three public service values, which underpin the work of the NHS. There is a requirement for absolute honesty when dealing with the assets of the NHS. Medicines are one such asset.

Medicines are widely used throughout the NHS in the treatment of patients. Healthcare staff, who have access to medicines, are given access for the purpose of patient care in accordance with their individual professional role. Most healthcare staff discharge this responsibility without incident.

However, the opportunity to abuse this privilege is omnipresent and experience confirms that individual staff have removed medicines that belong to the NHS, or to patients, for their own personal use. While not a common occurrence, the increasing problem of drug misuse and dependence within the wider population, increases the risk of this occurring.

1.2 The purpose of this annex is to ensure that all healthcare staff understand the implications associated with the misappropriation of medicines for personal use, or for other purposes.

2 Scope

2.1 All staff including all Healthcare Practitioners employed by NHS Orkney (includes doctors, nurses, pharmacists, other healthcare staff and all support staff).

2.2 Includes all medicines:

- medicines stored in pharmacy departments
- medicines stored in wards and departments
- medicines belonging to patients
- medicines being processed for destruction

The fraudulent use of prescriptions and other controlled stationery is also covered.

2.3 While the policy does not directly apply to staff employed within the independent contracted services, the principles associated with the high level of honesty required by staff, who have access to medicines, and other NHS resources, are equally applicable.

3 Policy statement

3.1 Medicines belong to the NHS or named patients and misappropriation, for personal or other purposes, is theft.

3.2 Theft of medicines constitutes gross misconduct and will be managed according to the employee conduct policy of NHS Orkney.

3.3 Where misappropriation of medicines is proven the police and the relevant professional organisation will be informed.

3.4 Theft of medicines is a serious criminal offence under the Medicine Act 1968, the Misuse of Drugs Act 1971 and other legislation.

4 Responsibilities

4.1 The Accountable Officer for Controlled Drugs (CDs) is responsible for ensuring the safe management and use of CDs, including the assessment and investigation of concerns. The UK Health Act 2006 and the Controlled Drugs (Supervision of Management and Use) Regulations 2013 set out Accountable Officers responsibilities. In NHS Orkney, the Director of Pharmacy has been appointed as the Accountable Officer for CDs.

4.2 The Director of Pharmacy is responsible for ensuring that systems are in place to ensure the security of medicines across NHS Orkney.

4.3 The local ~~Head of~~ Pharmacy Lead is responsible for ensuring the security of medicines within a designated pharmacy department.

4.4 The Appointed Nurse in Charge is responsible for ensuring that the systems in place to ensure the security of medicines within a ward / department are followed. The Appointed Nurse in Charge may decide to delegate some of the duties, but the responsibility always remains with the Appointed Nurse in Charge.

Where there is no nurse in the area, the recognised manager will take responsibility.

4.5 The Fraud Liaison Officer (FLO) is responsible for developing links with NHS Scotland Counter Fraud Services. Working with the Director of Pharmacy, the FLO will support and review the development of systems to minimise the likelihood of fraud associated with medicines.

5 Guidance regarding misappropriation of medicines

5.1 Medicines most vulnerable to misappropriation are those with addictive properties or those with a street value.

5.2 Misappropriation is most frequently associated with opiate containing analgesics and sedatives that are not subject to the full controls defined within the Misuse of Drugs Act 1971 for example benzodiazepines

5.3 The increased security of medicines subject to the Misuse of Drugs Act 1971, (register requirements, more secure storage, and daily stock reconciliation) make the misappropriation of fully controlled drugs difficult, but not impossible.

6 Where misappropriation of medicines is suspected

6.1 Where staff suspect that medicines are being misappropriated, they should raise the matter, in confidence, with the responsible officer in their area. The responsible officer should seek advice from their senior pharmacist.

6.2 Where staff suspect the responsible officer may be involved, they should report any concerns to a more senior officer.

6.3 The Senior Pharmacist must report all cases of suspected misappropriation of controlled drugs (Schedule 1 – 5) to the Accountable Officer. The Head of Pharmacy should be notified about suspected misappropriation of all other medicines.

6.4 Where there is no dedicated senior pharmacist or where the pharmacist may be involved, staff should report concerns directly to the Accountable Officer for Controlled Drugs or Head of Pharmacy.

6.5 The Accountable Officer for Controlled Drugs/Head of Pharmacy will liaise with the FLO and agree a course of action commensurate with the circumstances presented, which may include referring the matter to Counter Fraud Services.

6.6 The Accountable Officer or Head of Pharmacy will advise other officers of the NHS Board, as appropriate.

7 Incident Review

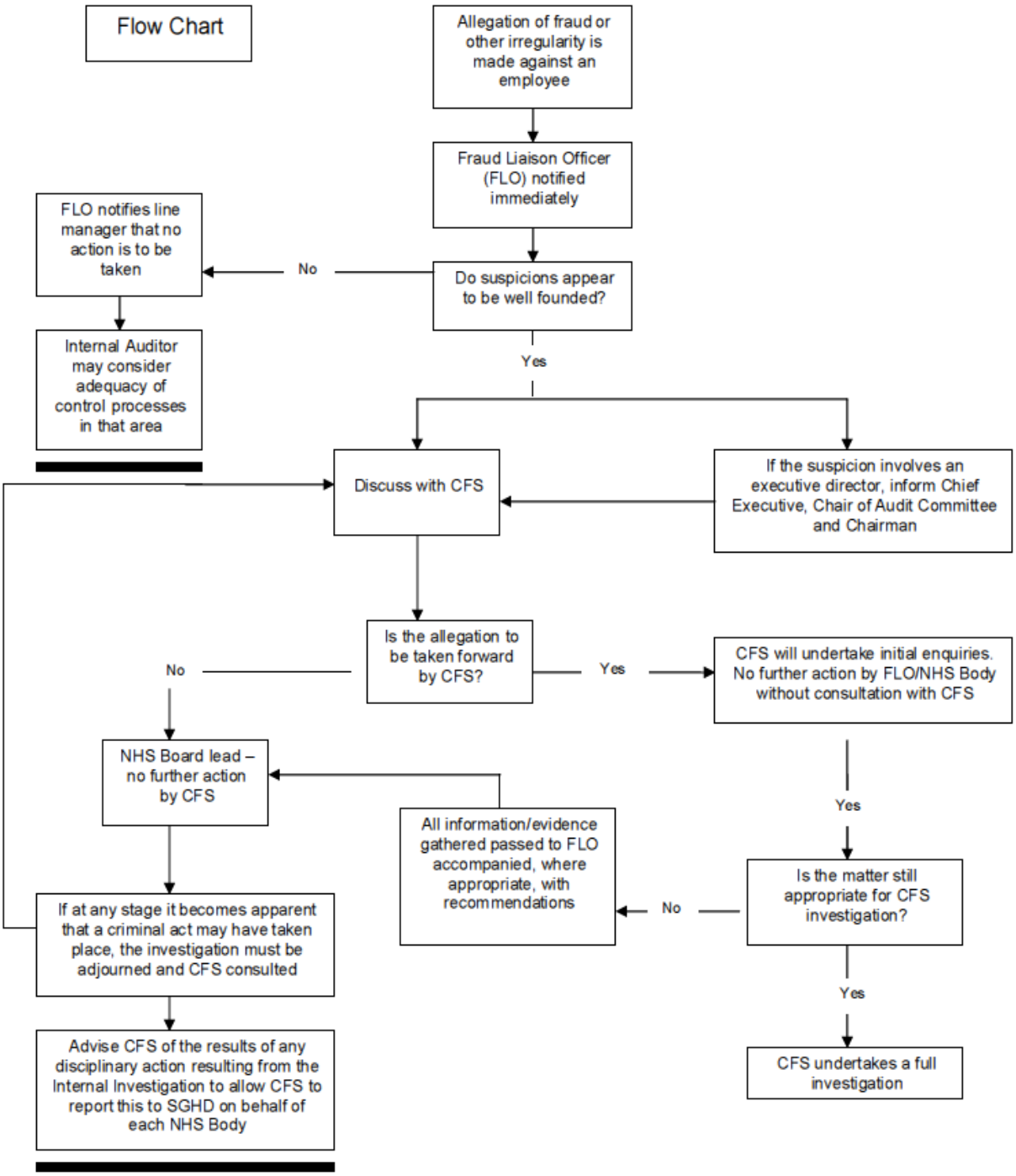
7.1 The Accountable Officer for Controlled Drugs/Head of Pharmacy and FLO will agree a course of action, which may include the setting up of an incident review panel.

7.2 Incident review panels will be small and normally comprise of a Senior Pharmacist, the Responsible Officer and a more Senior Manager in the area under consideration. Where appropriate the panel will include a nomination from People and Culture. The People and Culture representative will advise regarding staff governance and ensure that all employee conduct policies are applied fairly and equitably.

7.3 The outcome of the review panel will be documented.

ANNEX 2

Procedures for Dealing with Allegations of Fraud/Bribery/Corruption/Other Irregularities



SECTION

E

Reservation of Powers and Delegation of Authority

This section gives details and levels of delegation across all areas of our business.

1 Schedule of Matters Reserved for Board Agreement

1 Background

1.1 Under the proposals contained in the NHS Circular HDL (2003) 11 'Working Towards Single System Working', Orkney NHS Board will retain its focus as a board of governance, delivering a corporate approach to collective decision making based on the principles of partnership working and devolution of powers. Local leadership will be supported by delegating financial and management responsibility as far as is possible consistent with the Board's own responsibility for governance.

Orkney NHS Board has a corporate responsibility for ensuring that arrangements are in place for the conduct of its affairs, including compliance with applicable guidance and legislation, and ensuring that public money is safeguarded, properly accounted for, and used economically, efficiently and effectively. The Board has an ongoing responsibility to ensure that it monitors the adequacy and effectiveness of these arrangements in practice.

The Board is required to ensure that it conducts a review of its systems of internal control, including in particular its arrangements for risk management, at least annually, and to report publicly on its compliance with the principles of corporate governance codes.

2 Matters Reserved for Board Agreement

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

The following matters shall be reserved for agreement by the Board: -

a) Standing Orders
b) The establishment and terms of reference of all its committees, and appointment of committee members
c) Organisational Values
d) The strategies for all the functions that it has planning responsibility for, subject to any provisions for major service change which require Ministerial approval.
e) The Annual Operational Plan for submission to the Scottish Government for its approval. (Note: The Board should consider the draft for submission in private session. Once the

Scottish Government has approved the Annual Operational Plan, the Board should receive it at a public Board meeting.)

f) Corporate objectives or corporate plans which have been created to implement its agreed strategies.
g) Risk Management Policy.
h) Financial plan for the forthcoming year, and the opening revenue and capital budgets.
i) Standing Financial Instructions and a Scheme of Delegation.
j) Annual accounts and report. (Note: Note: This must be considered when the Board meets in private session. In order to respect Parliamentary Privilege, the Board cannot publish the annual accounts or any information drawn from it before the accounts are laid before the Scottish Parliament. Similarly the Board cannot publish the report of the external auditors of their annual accounts in this period.)
k) Any business case item that is beyond the scope of its delegated financial authority before it is presented to the Scottish Government for approval. The Board shall comply with the Scottish Capital Investment Manual.
l) The Board shall approve the content, format, and frequency of performance reporting to the Board.
m) The appointment of the Board's chief internal auditor. (Note: This applies either when the proposed chief internal auditor will be an employee of the Board, or when the chief internal auditor is engaged through a contract with an external provider. The audit committee should advise the Board on the appointment, and the Board may delegate to the audit committee oversight of the process which leads to a recommendation for appointment.)

2 Schedule of Matters Delegated to Board Executive Directors

1 Interpretation

1.1 Any reference to a statutory or other provision shall be interpreted as a reference as amended from time to time by any subsequent legislation.

Any power delegated to a Chief Officer in terms of this scheme may be exercised by such officer or officers as the chief officer may authorise.

2 Chief Executive

2.1 General Provisions

In the context of the Board's principal role to protect and improve the health of Orkney residents, the Chief Executive, as Accountable Officer, shall have delegated authority and responsibility to secure the economical, efficient and effective operation and management of NHS Orkney and to safeguard its assets in accordance with:

- The statutory requirements and responsibilities laid upon the Chief Executive as Accountable Officer for NHS Orkney
- Direction from the Scottish Government Health and Social Care Directorates
- Current policies and decisions made by the Board
- Within the limits of the resources available, subject to the approval of the Board; and
- The Code of Corporate Governance

The Chief Executive is authorised to take such measures as may be required in emergency situations, subject to consulting, where possible, with the Chair and Vice-Chair of NHS Orkney and the relevant Committee Chair. Such measures that might normally be out-with the scope of the authority delegated by the Board or its Committees shall be reported to the Board or appropriate Committee as soon as possible thereafter.

The Chief Executive is authorised to give a direction in special circumstances that any official shall not exercise a delegated function subject to reporting on the terms of the direction to the next meeting of the appropriate Committee.

2.2 Finance

Resources shall be used only for the purpose for which they are allocated, unless otherwise approved by the Chief Executive, after taking account of the advice of the Director of Finance. The Chief Executive

acting together with the Director of Finance has delegated authority to approve the transfer of funds between budget heads, including transfers from reserves and balances, up to the limit set out in the scheme of delegation. The Chief Executive shall report to the Finance and Performance Committee for formal inclusion in the minutes those instances where this authority is exercised and/or the change in use of the funds relates to matters of public interest.

The Chief Executive may, acting together with the Director of Finance, and having taken all reasonable action to pursue recovery, approve the writing-off of losses, subject to the limits laid down from time to time by the Scottish Government Health and Social Care Directorate.

2.3 **Legal Matters**

The Chief Executive is authorised to institute, defend or appear in any legal proceedings or any inquiry, including proceedings before any statutory tribunal, board or authority, and following consideration of the advice of the Central Legal Office, to appoint or consult with Counsel where it is considered expedient to do so, for the promotion or protection of the Board's interests.

In circumstances where a claim against the Board is settled by a decision of a Court, and the decision is not subject to appeal, the Chief Executive shall implement the decision of the relevant Court on behalf of the Board.

In circumstances where the advice of the Central Legal Office is to reach an out-of court settlement, the Chief Executive may, acting together with the Director of Finance, settle claims against the Board, subject to a report thereafter being submitted to the Finance and Performance Committee.

The Chief Executive, acting together with the Director of Finance, may make ex-gratia payments, subject to the limits laid down from time to time by the Scottish Government Health Directorate.

The arrangements for signing of documents in respect of matters covered by the Property Transactions Manual shall be in accordance with the direction of Scottish Ministers. The Chief Executive and the Director of Finance are currently authorised to sign such documentation on behalf of the Board and Scottish Ministers.

The Chief Executive shall have responsibility for the safe keeping of the Board's Seal, and together with the Director of Finance and the Chair or other nominated non-executive member of the Board, shall have responsibility for the application of the Seal on behalf of the Board.

2.4 Procurement

The Chief Executive shall have responsibility for nominating officers or agents to act on behalf of the Board, for specifying, and issuing documentation associated with invitations to tender, and for receiving and opening of tenders.

Where post tender negotiations are required, the Chief Executive shall nominate in writing, officers and/or agents to act on behalf of the Board.

The Chief Executive, acting together with the Director of Finance, has authority to approve on behalf of the Board the acceptance of tenders, submitted in accordance with the Board's Standing Orders, in accordance with the Board's scheme of delegation.

The Director of Finance shall maintain a listing, including specimen signatures, of those officers or agents to whom the Chief Executive has given delegated authority to sign official orders on behalf of the Board.

2.5 People and Culture

The Chief Executive may appoint staff in accordance with the Board's Scheme of Delegation for the Appointment of Staff as detailed in the Code of Corporate Governance Section E 3.

The Chief Executive may, after consultation and agreement with the Director of People and Culture, and the relevant Director, amend staffing establishments in respect of the number and grading of posts. In so doing, the Director of Finance must have been consulted, and have confirmed that the cost of the amended establishment can be contained within the relevant limit approved by the Board for the current and subsequent financial years. Any amendment must also be in accordance with the policies and arrangements relating to human resource planning, approved by the Board or Staff Governance Committee.

The Chief Executive may attend and may authorise any member of staff to attend, within the United Kingdom, conferences, courses or meetings of relevant professional bodies and associations, provided that: -

- Attendance is relevant to the duties or professional development of such member of staff; and
- Appropriate allowance has been made within approved budgets; or
- External reimbursement of costs is to be made to the Board.

The Chief Executive may, in accordance with the Board's agreed Disciplinary Procedures, take disciplinary action, in respect of members of staff, including dismissal where appropriate.

The Chief Executive shall have overall responsibility for ensuring that the Board complies with Health and Safety legislation, and for ensuring the effective implementation of the Board policies.

2.6 Patients' property

The Chief Executive has overall responsibility for ensuring that the Board complies with legislation in respect of patient's property. The term 'property' means all assets other than land and buildings (for example furniture, pictures, jewellery, bank accounts, shares, cash).

3 Director of Finance

3.1 General Provision

Authority is delegated to the Director of Finance to take the necessary measures as undernoted, to assist the Board and the Chief Executive in fulfilling their corporate responsibilities.

3.2 Accountable Officer

The Director of Finance has a general duty to assist the Chief Executive in fulfilling their responsibilities as the Accountable Officer of Orkney NHS Board.

3.3 Financial Statements

The Director of Finance is empowered to take all steps necessary to assist the Board to:

- Act within the law and ensure the regularity of transactions by putting in place systems of internal control to ensure that financial transactions are in accordance with the appropriate authority
- Maintain proper accounting records; and
- Prepare and submit for audit timeous financial statements which give a true and fair view of the financial position of the Board and its income and expenditure for the period in question

3.4 Corporate Governance and Management

The Director of Finance is authorised to put in place proper arrangements to ensure that the financial position of the Board is soundly based by ensuring that the Board, its ~~Committees~~committees, and supporting management groups receive appropriate, accurate and timely information and advice with regard to:

- The development of financial plans, budgets, and projections
- Compliance with statutory financial requirements and achievement of financial targets; and
- The impact of planned future policies and known or foreseeable developments on the Board's financial position

The Director of Finance is empowered to take steps to ensure that proper arrangements are in place for:

- Developing, promoting, and monitoring compliance with the Code of Corporate Governance
- Developing and implementing systems of internal control, including systems of financial, operational and compliance controls and risk management
- Developing and implementing strategies for the prevention and detection of fraud and irregularity; and
- Internal Audit

3.5 **Performance Management**

The Director of Finance is authorised to assist the Chief Executive to ensure that suitable arrangements are in place to secure economy, efficiency, and effectiveness in the use of resources and that they are working effectively. These arrangements include procedures:

- For planning, appraisal, authorisation and control, accountability, and evaluation of the use of resources; and
- To ensure that performance targets and required outcomes are met

3.6 **Banking**

The Director of Finance is authorised to oversee the Board's arrangements in respect of accounts held in the name of the Board with the Paymaster General's Office and the commercial bankers appointed by the Board.

The Director of Finance will maintain a panel of authorised signatories.

The Director of Finance will be responsible for ensuring that the Paymaster General's Office and the commercial bankers are advised in writing of amendments to the panel of authorised signatories.

3.7 **Patients' Property**

The Director of Finance has delegated authority to ensure that detailed operating procedures in relation to the management of the property of patients (including the opening of bank accounts where appropriate) are

compiled for use by staff involved in the management of patients' property and financial affairs.

4 Provisions Applicable to other Executive Directors of the Board

4.1 General Provisions

The other Executive Directors of the Board are:

- Medical Director
- Director of Nursing, Midwifery, Allied Health Professionsals and Acute
- Director of Public Health

Executive Directors have delegated authority and responsibility with the Chief Executive for securing the economical, efficient, and effective operation and management of their own Directorates or Departments and for safeguarding the assets of the Board.

Executive Directors are authorised to take such measures as may be required in emergency situations, subject to consulting, where possible, the Chief Executive, the Chair and Vice-Chair of the Board or relevant Committee Chair as appropriate. Such measures, that might normally be outwith the scope of the authority delegated by the Board or its Committees to the relevant Executive Director, shall be reported to the Board or appropriate Committee as soon as possible thereafter.

4.2 People and Culture

Executive Directors may appoint staff within the delegated authority and budgetary responsibility in accordance with Standing Financial Instructions.

Executive Directors may, after consultation and agreement with the Director of People and Culture, amend staffing establishments in respect of the number and grading of posts. In so doing, the Director of Finance must have been consulted, and have confirmed that the cost of the amended establishment can be contained within the relevant limit approved by the Board for the current and subsequent financial years. Any amendment must also be in accordance with the policies and arrangements relating to human resource planning, approved by the Staff Governance Committee.

Executive Directors may attend and may authorise any member of staff to attend within the United Kingdom, conferences, courses or meetings of relevant professional bodies and associations, provided that:

- Attendance is relevant to the duties or professional development of such member of staff
- Appropriate allowance must also be contained within approved budgets; or
- External reimbursement of costs is to be made to the Board

Executive Directors have overall responsibility within their Directorates/Departments for ensuring compliance with Health and Safety legislation, and for ensuring the effective implementation of the Board's policies.

3 Delegation of Powers for Appointment of Staff

1 Use of Powers

1.1 The powers delegated are to be exercised in accordance with procedures or guidance issued by the Scottish Government Health and Social Care Directorates or approved by the Board.

1.2 Procedures governing the appointment of Consultants and other medical and dental grades are contained in Statutory Instruments issued by Scottish Ministers.

1.3 Appointments will be made within the delegated authority and budgetary responsibility in accordance with Standing Financial Instructions. Schemes of delegation for appointment of staff will specify appointing officers and, where necessary, the composition of appointment panels.

2 Appointment of Staff

2.1 Canvassing of Appointing Officers or Members of the Appointment Panel directly or indirectly for any appointment shall disqualify the candidate for such appointment.

2.2 A Member of the Board shall not solicit for any person any appointment under the Board or recommend any person for appointment. This, however, shall not preclude any Member from giving a written testimonial of a candidate's suitability, experience, or character for submission to the Board.

2.3 Every Member of the Board shall disclose to the Board any known relationship to a candidate for an appointment with the Board. It shall be the duty of the Chief Executive to report to the Board any such disclosures made.

2.4 It shall be the duty of the Appointing Officer to disclose to their Line Manager any known relationship to a candidate for an appointment for which he or she is responsible.

2.5 Where a relationship of a candidate for appointment to a Member of the Board is disclosed, that Member must play no part in the appointment process.

2.6 Two people shall be deemed to be related if they are husband and wife, or partners or if either of the two, or the spouse or partner of either of them is the son or grandson, daughter or granddaughter, or brother or

sister, or nephew or niece, of the other, or of the spouse or partner of the other.

3 Authority to Appoint

Chief Executive	Board following confirmation that Ministers are content with report from the Appointment Panel.
Posts at Director level (other than Director of Public Health / Medical Director)	The appropriate Board Appointments Committee
Director of Public Health, Medical Director Consultants	The Board on the recommendation of an Advisory Appointments Committee
Other Staff	Appointment Panel or Officer specified in the Scheme of Delegation

4 Composition of Appointment Panel / Committees

The Board shall determine the individual membership of the relevant appointment committees at the beginning of the appointment process.

4.1 Chief Executive

The Board Appointments Panel shall consist of:

- Chair of the Board (and Chair of the panel)
- One non-executive member
- Chair or other member of National Performance Management Committee
- One additional Chair of another Health Board
- The Director General / Chief Executive of the NHS in Scotland

4.2 Posts at Director Level (other than Medical)

The Board Appointments Committee shall consist of:

- Chair of the Board or their nominee
- Chief Executive
- Up to two Non-Executive Members of the Board; and
- Up to two External Assessors, one of whom shall be a representative of the Scottish Government Health and Social Care Directorates or his/her nominee, the other a representative of another NHS or local authority partner organisation

4.3 **Director of Public Health, Medical Director and Consultant Posts**

The appointment is made by a Board Committee on the recommendation of an Advisory Appointments Committee, constituted in accordance with the National Health Service (Appointment of Consultants) (Scotland) Regulations 2009.

4.4 **Responsible Officer**

Each designated body must provide the responsible officer nominated or appointed for that body with sufficient funds and other resources necessary to enable the officer to discharge their responsibilities for that body under regulations The Medical Profession (Responsible Officers) Regulations 2010 (legislation.gov.uk)

4.5 **Other staff**

Appointment of other staff will be in accordance with the scheme of delegation.

5 Disciplinary Procedures

5.1 The Disciplinary Procedures regarding the Board staff are contained in the Employee Conduct Policy and Procedure. In the case of Executive Members and other Directors, such procedures shall be a matter for the full Board.

It is delegated to Chief Executive to apply the terms of the Board's disciplinary procedures.

SECTION

F

Standing Financial Instructions

This section explains how staff will control the financial affairs of NHS Orkney and ensure proper standards of financial control.

1 Introduction

Made in Terms of Regulation 4 Of The National Health Service (Financial Provisions) (Scotland) Regulations, 1974

1 Background

1.1 These Standing Financial Instructions (SFIs) are issued in accordance with financial directions issued by the Scottish Government Health and Social Care Directorates (Scottish Government) under National Health Service statutes and circulars. The SFIs are in accordance with the Scottish Public Finance Manual. Their purpose is to secure adequate measures of control of all NHS Orkney's financial transactions. They have effect as if incorporated in the Standing Orders of Orkney NHS Board (the Board). The SFIs should be used along with the Scheme of Delegation.

1.2 The purpose of such a scheme of control is:

- To ensure that NHS Orkney acts within the law and that financial transactions are in accordance with the appropriate authority
- To ensure that financial statements, give a true and fair view of the financial position of NHS Orkney expenditure and income, and are prepared in a timely manner
- To protect NHS Orkney against the risk of fraud and irregularity
- To safeguard NHS Orkney's assets
- To ensure proper standards of financial conduct
- To ensure that NHS Orkney seeks Best Value from its resources, by making arrangements to pursue continuous improvement, economy, efficiency and effectiveness in its operations
- To ensure that delegation of responsibility is accompanied by clear lines of control accountability, and reporting arrangements.

1.3 NHS Orkney will exercise financial supervision and control by:

- Approving an overarching annual financial plan
- Requiring the submission and approval of business plans and budgets
- Authorising delegated budgets
- Approving the specification of finance systems, feeder systems and procedures
- Designing, implementing and supervising systems of internal control including the separation of duties, and the need to obtain value for money and Best Value
- Defining specific responsibilities of officers

2 Compliance

2.1 All employees, individually and collectively, are responsible for the security of the Board's property, avoiding loss and for the efficiency in the use of resources. All employees must comply with the requirements of Standing Orders, Standing Financial Instructions and other financial procedures which the Director of Finance may issue

2.2 The Chief Executive is accountable to the Board, and as Accountable Officer, to the Scottish Minister, for ensuring that the Board meets its obligation to perform within the available financial resources and in line with Best Value. The Chief Executive has executive responsibility to the Chair and Board for NHS Orkney activities, the system of internal control, and ensuring that financial obligations and targets are met.

2.3 The Chief Executive shall be responsible for the implementation of the Board's financial policies and for coordinating any corrective action necessary to further these policies, taking account of advice given by the Director of Finance on all such matters. The Director of Finance shall be accountable to the Board of Directors for this advice

2.4 Director of Finance will assist the Chief Executive to ensure that SFIs are in place, up to date and observed in NHS Orkney. The responsibilities of the Director of Finance may also be carried out by the Head of Finance.

2.5 Members, officials, and agents of NHS Orkney, including, but not limited to, local authority employees working in joint health and social care projects, must comply with these SFIs. Executive Directors will ensure that the SFIs are made issued within the services for which they are responsible and ensure that they are adhered to. All employees must protect themselves and the Board from allegations of impropriety by seeking advice from their line manager, whenever there is doubt as to the interpretation of the Standing Orders, Scheme of Delegation, and SFIs. If there are any difficulties in interpretation or application of these documents, the advice of the Director of Finance should be sought.

2.6 All members of the Board and staff have a duty to disclose noncompliance with SFI's to the Director of Finance as soon as possible. Breaches will be reported as part of the Board's Incident Reporting process. Minor, isolated and unintentional noncompliance will be reviewed by the Director of Finance. For significant breaches, full details, and a justification will be reported to the Audit and Risk Committee. Failure to comply with SFIs may result in disciplinary action.

2.7 Where these SFIs place a duty upon any person, this may be delegated to another person, as documented in the Scheme of Delegation, and approved by the Director of Finance.

2.8 Employees must not:

- Abuse their official position for the personal gain or to the benefit of their family or friends
- Undertake outside employment that could compromise NHS duties
- Advantage or further their private business or interest in the course of their official duties.

2.9 Nothing in these SFIs shall override any legal requirement or Ministerial Direction placed upon NHS Orkney, its members, or officers.

3.0 Administration of Standing Financial Instructions

3.1 A register shall record the control and issue of these instructions and future amendments

3.2 SFIs should be issued to all employees whose duties fall within scope of the regulations contained within them

3.3 Wherever the title Chief Executive, Director of Finance or other nominated Officer is used in these instructions, it should be deemed to include such other Officers who have been duly authorised to represent them.

3.4 Where appropriate terms used in these instructions shall have the same meaning as ascribed in the National Health Service (Scotland) Act 1978 and the National Health Service and Community Care Act 1990.

4.0 Terminology

4.1 “Board” and “Health Board” means NHS Orkney Health Board

4.2 “Budget” means a resource expressed in financial terms proposed by the Board for the purpose of carrying out, for a specific period, any or all functions of NHS Orkney.

4.3 “Budget Holder” means the director or officer with delegated authority to manage finances (income and expenditure) for a specific area of the organisation.

4.4 “Chief Executive” means the Chief Executive Officer of NHS Orkney

4.5 “Director of Finance” means the executive financial officer of NHS Orkney

4.6 “Executive Team” means the committee of executive officers of NHS Orkney appointed by the Board to act in accordance with its remit.

4.7 Officer” means an employee of NHS Orkney or any other person holding a paid appointment officer within NHS Orkney

4.8 "SCHSCD" means the Scottish Government Health and Social Care Directorate

2 Responsibilities of The Board

1.0 The Board

1.1 The Board are accountable to the Cabinet Secretary for Health & Wellbeing through Scottish Government Health & Social Care Directorate (SGHSCD)

1.2 The key functions that the Board are accountable for are:

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

1.3 In fulfilling these functions, the Board should:

- Specify its requirements in organising and presenting financial and other information succinctly and efficiently to ensure that the Board can fully undertake its responsibilities
- Be clear what decisions and information are appropriate to the Board and draw up standing orders, a schedule of decisions reserved to the Board and standing financial instructions to reflect this
- Establish performance and quality targets that maintain the effective use of resources and provide value for money
- Ensure that management arrangements are in place to enable responsibility to be clearly delegated to senior executives for the main programme of action and for performance

- Establish audit and remuneration committees based on formally agreed terms of reference that conforms with extant Scottish Government instructions and other guidance on good practice
- Act within statutory financial and other constraints

2.0 The Chair

2.1 The Chair is responsible for leading the Board and for ensuring that it successfully discharges its overall responsibilities for the organisation as a whole. It is the Chair's role to:

- Provide leadership to the Board
- Enable all directors to make a full contribution to the Board's affairs and ensure that the Board act as a team
- Ensure that key and appropriate issues are discussed by the Board in a timely manner
- Ensure that the Board has adequate support and is provided efficiently will all the necessary data on which to base informed decisions
- Lead Non-Executive Directors through a formally appointed remuneration committee of the main Board on the appointment, appraisal and remuneration of the Chief Executive, other executive directors and other senior officials
- Appoint Non-Executive Directors to sub committees of the main Board

3.0 Non-Executive Directors

3.1 Non-Executive Directors are appointed by and on behalf of the Cabinet Secretary for Health & Wellbeing to bring independent judgement to bear on issues of strategy, performance, key appointments and accountability through the NHS Scottish Government Health and Social Care Directorate to Ministers and the Community.

3.2 They are not involved in the operational management of NHS Orkney

3.3 Non-Executive Directors will be able to contribute to Board business from a wide experience and critical detachment. They have a key role in working with the Chair in the appointment of the Chief Executive and other Board Members

3.4 Along with the Chair, nominated Non-Executive Directors comprise the remuneration committee responsible for the appraisal and remuneration decision affective executive Board members

3.5 A major role of the Non-Executive Members will be in monitoring internal control as a member of the Audit Committee

3.6 In addition, they support the Chief Executive and Executive Directors on specific functions agreed by the Board including oversight of staff relations with the general public and the media, clinical governance, participation in professional conduct and competency enquiries and staff disciplinary appeals and grievances

3 Responsibilities of Chief Executive as Accountable Officer

Under Sections 14 and 15 of the Public Finance and Accountability (Scotland) Act 2000 (the PFA Act), the Principal Accountable Officer for the Scottish Government has designated the Chief Executive of the Board as Accountable Officer.

Accountable Officers must comply with the terms of the Memorandum to Accountable Officers for Other Public Bodies, and any updates issued to them by the Principal Accountable Officer for the Scottish Government. The Memorandum was updated in March 2019.

1 General Responsibilities

1.1 The Accountable Officer is personally answerable to the Scottish Parliament for the propriety and regularity of the public finances of NHS Orkney, ensuring that resources are used economically, efficiently, and effectively. The Accountable Officer must ensure that the Board takes account of all relevant financial considerations, including any issues of propriety, regularity or value for money, in considering policy proposals relating to expenditure, or income.

1.2 It is incumbent upon the Accountable Officer to combine their duty as Accountable Officer with their duty to the Board to whom they are responsible, and from whom they derive their authority. The Board is in turn responsible to the Scottish Parliament in respect of its policies, actions and conduct.

1.3 The Accountable Officer has a personal duty to sign the Annual Accounts of the Board. Consequently, they may also have the further duty of being a witness before the Audit and Risk Committee of the Scottish Parliament, and be expected to deal with questions arising from the Accounts, or, more commonly, from reports made to Parliament by the Auditor General for Scotland.

1.4 The Accountable Officer must ensure that arrangements for delegation promote good management, and that they are supported by the necessary staff with an appropriate balance of skills. This requires careful selection and development of staff and the sufficient provision of special skills and services. They must ensure that staff are as conscientious in their approach to costs not borne directly by their component organisation (such as costs incurred by other public bodies) as they would be were such costs directly borne.

2 Specific Responsibilities

2.1 The Accountable Officer must:

- Ensure that proper financial systems are in place and applied, and that procedures and controls are reviewed from time to time to ensure their continuing relevance and reliability, especially at times of major changes

- Sign the Accounts and the associated governance statement, and in doing so accept personal responsibility for ensuring that they are prepared under the principles and in the format directed by Scottish Ministers

- Ensure that proper financial procedures are followed incorporating the principles of separation of duties and internal check and that accounting records are maintained in a form suited to the requirements of the relevant Accounting Manual, as well as in the form prescribed for published Accounts

- Ensure that the public funds for which they are responsible are properly managed and safeguarded, with independent and effective checks of cash balances in the hands of any official

- Ensure that the assets for which they are responsible, such as land, buildings or other property, including stores and equipment, are controlled and safeguarded with similar care, and with checks as appropriate

- Ensure that, in the consideration of policy proposals relating to expenditure, or income, for which they have responsibilities as Accountable Officer, all relevant financial considerations, including any issues of propriety, regularity or value for money, are taken into account, and where necessary brought to the attention of the Board

- Ensure that any delegation of authority is accompanied by clear lines of control and accountability, together with reporting arrangements

- Ensure that procurement activity is conducted in accordance with the requirements in the Procurement section of the Scottish Public Finance Manual

- Ensure that effective management systems appropriate for the achievement of the Board's objectives, including financial monitoring and control systems have been put in place

- Ensure that risks, whether to achievement of business objectives, regularity, propriety, or value for money, are identified, that their significance is assessed and that systems appropriate to the risks are in place in all areas to manage them

- Ensure that arrangements have been made to secure Best Value from resources as set out in the Scottish Public Finance Manual, by making proper arrangements to pursue continuous improvement by having regard to economy, efficiency and effectiveness and in a manner which encourages the observance of equal opportunity requirements

- Ensure that managers at all levels have a clear view of their objectives, and the means to assess and measure outputs, outcomes or performance in relation to those objectives

- Ensure managers at all levels are assigned well-defined responsibilities for making the best use of resources (both those assumed by their own commands and any made available to organisations or individuals outside NHS Orkney) including a critical scrutiny of output, outcomes and value for money

- Ensure that managers at all levels have the information (particularly about costs), training and access to the expert advice which they need to exercise their responsibilities effectively.

3 Regularity and Propriety of Expenditure

3.1 The Accountable Officer must ensure that the Board achieves high standards of regularity and propriety in the consumption of resources. Regularity involves compliance with relevant legislation, relevant guidance issued by Scottish Ministers (in particular the Scottish Public Finance Manual) and the framework document defining the key roles and responsibilities which underpin the relationship between the body and the Scottish Government. Propriety involves respecting the Parliament's intentions and conventions and adhering to values and behaviours appropriate to the public sector.

3.2 Accountable Officers have a particular responsibility for ensuring compliance with parliamentary requirements in the control of expenditure. A fundamental requirement is that funds should be expended only to the extent and for the purpose authorised by the Parliament in Budget Acts (or otherwise authorised by Section 65 of the Scotland Act 1998). Parliament's attention must be drawn to losses of special payments by appropriate notation of the Board's Accounts.

3.3 All actions must be able to stand the test of parliamentary scrutiny, public judgement on propriety and professional codes of conduct. Care must be

taken not to misuse an official position to further private interests, and to avoid actual, potential, or perceived conflicts of interest.

4 Advice to the Orkney NHS Board

4.1 In accordance with section 15(8) of the PFA Act the Accountable Officer has particular responsibility to ensure that, where they consider that any action that they are required to take is inconsistent with the proper performance of their duties as Accountable Officer, they obtain written authority from the Board and send a copy of this as soon as possible to the Auditor General. A copy of such written authority should also be sent to the Clerk to the Public Audit Committee. The Accountable Officer should ensure that appropriate advice is tendered to the Board on all matters of financial propriety and regularity and on the economic, efficient and effective use of resources. They will need to determine how and in what terms such advice should be tendered, and whether in a particular case to make specific reference to their own duty as Accountable Officer to seek written authority and notify the Auditor General and the Public Audit Committee.

4.2 The Accountable Officer has a duty to ensure that appropriate advice is tendered to the Board, the Executive Team and other decision-making bodies on all matters of financial propriety and regularity, and more broadly, as to all considerations of prudent and economical administration, efficiency, and effectiveness.

4.3 If the Accountable Officer considers that, despite their advice to the contrary, the Board is contemplating a course of action which they consider would infringe the requirements of financial regularity or propriety, or that they could not defend as representing value for money within a framework of Best Value, they should set out in writing the objection to the proposal and the reasons for this objection. If the body decides to proceed, they should seek written authority to take the action in question. In the case of a body sponsored by the Scottish Government, the sponsor unit should be made aware of any such request in order that, where considered appropriate, it can inform the relevant Portfolio Accountable Officer and Cabinet Secretary / Minister. Having received written authority, they must comply with it, but should then, without undue delay, pass copies of the request for the written authority and the written authority itself to the Auditor General and the Clerk to the Public Audit Committee.

4.4 The Accountable Officer must ensure that their responsibilities as Accountable Officer do not conflict with those as a Board member. They should vote against any action that they cannot endorse as Accountable Officer, and in the absence of a vote, ensure that their opposition as a Board member, as well as Accountable Officer is clearly recorded. It will

not be sufficient to protect their position as a Board member merely by abstaining from a decision which cannot be supported.

5 Appearance before the Public Audit and Risk Committee

5.1 Under **section 23 of the PFA Act** the Auditor General may initiate examinations into the economy, efficiency and effectiveness with which relevant bodies have used their resources in discharging their functions. The Accountable Officer may expect to be called upon to appear before the Public Audit Committee to give evidence on reports arising from any such examinations involving the Board. They will also be expected to answer the questions of the Committee concerning resources and accounts for which they are Accountable Officer and on related activities. They may be supported by other officials who may, if necessary, join in giving evidence or the Committee may agree to hear evidence from other officials in their absence.

5.2 They will be expected to furnish the Committee with explanations of any indications of weakness in the matters covered by paragraphs 2.7.1 above, to which their attention has been drawn by the Auditor General or about which they may wish to question them.

5.3 In practice, they will have delegated authority widely but cannot on that account disclaim responsibility. Nor, by convention, should they decline to answer questions where the events took place before their designation.

5.4 They must make sure that any written evidence or evidence given when called as a witness before the Public Audit and Risk Committee is accurate. They should also ensure that they are adequately and accurately briefed on matters that are likely to arise at the hearing. They may ask the Committee for leave to supply information not within their immediate knowledge by means of a later note. Should it be discovered subsequently that the evidence provided to the Committee has contained errors, they should let this be made known to the Committee at the earliest possible moment.

5.5 In a case where they were overruled by the Board on a matter of propriety or regularity, their advice would be disclosed to the Committee. In a case where they were overruled by the Board on the economic, efficient and effective use of resources they should be ready to discuss the costs, benefits and risks of options considered and explain the reasoning for the decision taken. They may also be called upon to satisfy the Committee that all relevant financial considerations were brought to the Board's attention before the decision was taken.

6 Absence of Accountable Officer

6.1 The Accountable Officer should ensure that they are generally available for consultation and that in any temporary period of unavailability due to illness or other cause, or during the normal period of annual leave, a senior officer is identified to act on their behalf if required.

6.2 In the event that the Accountable Officer would be unable to discharge their responsibilities for a period of four weeks or more, NHS Orkney will notify the Principal Accountable Officer of the Scottish Government, in order that an Accountable Officer can be appointed pending their return.

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

4 Responsibilities of the Director of Finance

1.0 The Director of Finance shall be responsible for:

- The provision of financial advice to the Board and its Officers
- The implementation of the Board's financial policies
- The design, implementation and supervision of systems of financial control, including the adoption of Standing Financial Instructions
- The preparation and maintenance of such accounts, certificates, estimates, records and reports as the Board may require for the purpose of carrying out its statutory duties
- The financial management of the Board's resources to ensure that the Board meets its financial targets. This will be carried out by means of budgetary planning and control, financial reporting and treasury management amongst other things
- Ensuring the Board discharges its responsibilities in respect of public accountability and stewardship of funds. Included in this remit is the production of statutory accounts and the provision of a sound control environment
- The detailed preparation and submission to the Scottish Government of accurate and timely financial proforma, monitoring returns, annual accounts and other information which the Scottish Government determines it requires to discharge its monitoring responsibilities
- The consideration of the bases and assumptions used in the preparation of each budget, statement, forecast or report provided

to the Board as to whether any such basis or assumption is reasonable and the monitoring of delegated budgets in order that where an unfavourable variance is shown, corrective actions may be instigated on a timely basis

1.1 The Director of Finance shall prepare, document and maintain detailed financial procedures and systems incorporating the principles of separation of duties and internal checks to supplement these instructions

1.2 The Director of Finance shall be responsible for the establishment and provision of an internal audit service which meets the audit requirements as set out in the NHS in Scotland Audit Manual

1.3 The Director of Finance shall ensure that the Board is achieving overall value for money in its operations

1.4 The Director of Finance shall require, in relation to any officer who carries out a financial function, that the form in which the officer discharges his duties shall be to the Director's satisfaction

5 Financial Strategy and Planning

1 Responsibilities

1.1 The Board is required by statutory provisions made under Section 85 of the National Health Services (Scotland) Act 1978, as amended by the Health Services Act 1980 to perform its functions within the total funds allocated by the Cabinet Secretary for Health & Wellbeing plus income generated from other sources, and all plans, financial approval systems and budgets shall be designed to meet these obligations.

The Scottish Government has set the following financial targets for all Health Boards:

- To operate within the revenue resource limit
- To operate within the capital resource limit
- To operate within the cash requirement

The Chief Executive is responsible for leading an inclusive process, involving staff and partner organisations, to compile and secure approval of the Annual Delivery Plan (ADP) for NHS Orkney by the Board. The ADP will include:

- The significant assumptions on which the plan is based
- Details of major changes in workload, delivery of services or resources required to achieve the plan
- Action points from the community planning partnership
- Health care plans covering primary and secondary services provided by NHS Orkney
- Regional dimension of healthcare and scope for sharing resources with partners.

1.2 By concisely describing the health and healthcare issues facing Orkney, setting out succinctly how these will be tackled and by whom, and by setting priorities, milestones, quantified improvements and targets, the ADP will help to secure understanding of health issues, a shared approach to taking action, and commitment to achieving results.

1.3 The Director of Finance is responsible for the annual preparation of a 3-5-year Financial Plan. In addition, the ADP and Financial Plan will be informed by and supported by a Workforce Plan. Before inclusion in the plan, all service developments must be supported by a business case typically approved by the Senior Leadership Team.

1.4 The Financial Plan will comprise both revenue and capital components and will be compiled in accordance with Scottish Government guidelines

and aligned to available resources as determined by the Revenue Resource Limit and Capital Resource Limit as notified or indicated by Scottish Government, and forecast for future years.

1.5 The ADP and the Financial Plan will be submitted to the Senior Leadership Team for detailed scrutiny and risk assessment, following which the Finance and Performance Committee will consider and recommend approval by the Board.

1.6 The Financial Plan will include the financial planning returns which the Director of Finance will prepare and submit to the Scottish Government.

2 Budget Setting

2.1 The Director of Finance shall, on behalf of the Chief Executive, and in advance of the financial year to which they refer, prepare and submit budgets within the forecast limits of available resources and planning policies to the Board of Directors for approval.

2.2 Executive Directors and Officers will provide the Director of Finance with all financial, statistical and other relevant information as necessary for the compilation of such business plans, estimates and forecasts.

2.3 These budgets will:

- Be in accordance with the aims and objectives set out in the Annual Delivery Plan
- Accord with workload and workforce aims
- Be produced following discussion with appropriate budget holders
- Be prepared within the limits of available funds
- Identify potential risks

3.0 Control

3.1 The Director of Finance will ensure that adequate financial and statistical systems are in place to monitor and control income and expenditure, and to prepare financial plans, estimates and investigations as required.

3.2 The Director of Finance will devise and maintain a system of budgetary control. These will include:

- Monthly financial reports to the Board in a form approved by the Board
- The issue of timely accurate and comprehensible advice and financial reports to each Budget Holder, covering the areas for which they are responsible

- Investigation and reporting of variance from financial and workforce budgets
- Monitoring of management action to correct variances
- Arrangements for authorisation of budget transfer

3.3 The Board and Senior Leadership Team will empower officers to engage staff, incur expenditure and collect income. All officers who are empowered will comply with the requirements of those systems of budgetary control.

4 Budgetary Delegation

4.1 The Board shall delegate management of the Financial Plan to the Chief Executive who may in turn, within limits approved by the Board, delegate authority for a budget or a part of a budget to an individual or group of officers to permit the performance of defined activities. The terms of delegation confers individual and group responsibilities for control of expenditure, virement of budgets, achievement of planned levels of service and regular reporting on the discharge of delegated functions to the Chief Executive. Responsibility for overall budgetary control remains with the Chief Executive.

4.2 Except where approved by the Chief Executive (taking account of advice of the Director of Finance) budgets will only be used for the purpose for which they were provided. Any budgeted funds not required for their designated purpose will revert to the control of the Chief Executive, unless covered by delegated powers of virement. The Director of Finance will issue procedural guidance on powers of virement.

4.3 Expenditure for which no provision has been made in an approved budget can only be incurred after authorisation by the Chief Executive or Director of Finance, subject to their delegated limit. Delegated authority to approve individual items of expenditure, is undernoted, provided that approval remains within Revenue and Capital Budgets:

- The Finance and Performance Committee can approve individual items up to £1,000,000 in any one instance
- The Chief Executive, can approve individual items up to £500k in any one instance
- The Director of Finance can approve individual items up to £250k in any one instance.

This includes virement between budgets, including from reserves.

4.4 The Director of Finance will keep the Chief Executive and the Board informed of the financial consequences of changes in policy, pay awards, and other events and trends affecting budgets, and will advise on the financial and economic aspects of future plans and projects.

4.5 There is a duty for the Chief Executive, and all employees not to exceed approved budgetary limits.

4.6 The Chief Executive will negotiate funding for the provision of services in accordance with the ADP and establish arrangements for cross boundary treatment of patients. The Chief Executive will take advice from the Director of Finance regarding:

- Costing and pricing of services
- Payment terms and conditions
- Arrangements for funding in respect of patients from out-with Orkney, and for the funding of the treatment of Orkney residents other than by NHS Orkney.

4.7 The Chief Executive is responsible for negotiating agreements for the provision of support services to/from other NHS bodies.

5 Reporting and Monitoring

5.1 The Chief Executive will report on material variances arising from inability to action, or delay in implementation of projects approved by the Board and will advise the Finance and Performance Committee on the use of such funds. The Committee will report as appropriate to the Board.

5.2 The Director of Finance will compile a monthly Financial Report for the Senior Leadership Team.

5.3 The Director of Finance will produce a regular Financial Report for the Finance and Performance Committee and the Board. This report will highlight significant variances from the Financial Plan, and the forecast outturn position, and will recommend proposed corrective action.

5.4 The Director of Finance has right of access to all budget holders on budgetary and financial performance matters.

5.5 Each Budget Holder is responsible for ensuring that:

- Any likely overspending or reduction of income is not incurred without the prior consent of the Director of Finance
- The amount provided in the approved budget is not used in whole or in part for any purpose other than that specifically authorised
- No permanent of temporary employees are appointed without the approval of the Director of People and Culture, and then only those provided for within budget establishment as approved by the Board

5.6 Budget Holders are responsible for identifying and implementing cost improvements and income generation initiatives in accordance with the requirements of the Annual Financial Plan and a balanced budget

5.7 The Director of Finance is responsible for ensuring that the appropriate monitoring forms are submitted to Scottish Government within the prescribed timescale. It is the responsibility of the Director of Finance to ensure that the financial information presented to the Scottish Government is consistent with financial information presented to the Board.

6 Commissioning and Provision of Healthcare Services

1 Commissioning and Provisioning of Services

1.1 The Chief Executive, with the Director of Finance, will ensure that:

- Services required or provided are covered by agreements
- Adequate funds are retained for services without agreements
- Total costs of services are affordable within the Financial Plan, and Revenue and Capital Resource Limits set by Scottish Government.

2 Service Agreements

2.1 The Chief Executive will ensure that service agreements are placed with due regard to the need to achieve Best Value. The Chief Executive, Director of Finance, Medical Director or Director of Nursing, Midwifery, Allied Health Professionals will agree service agreements for health care purchases.

2.2 The Director of Finance will establish robust financial arrangements for treatment of Orkney residents by other NHS bodies, or the private sector.

2.3 The Director of Finance will raise and pay service agreement invoices in accordance with the agreed terms, and national guidance.

2.4 All service agreements should support the agreed priorities within the ADP. The Chief Executive should take into account:

- Standards of service quality expected including patient experience
- Relevant national service framework (if any)
- Provision of reliable information on cost and volume of services
- Requirement for service agreements to be based on integrated care pathways.

3 Data Protection

3.1 The Data Protection Officer will inform and advise the organisation and its staff on their obligations under, and monitor compliance with, the Data Protection Act 2018 (legislation.gov.uk) and UK GDPR.

The Caldicott Guardian will ensure that staff and systems maintain confidentiality of patient information as set out in the Caldicott guidance and the Data Protection Act.

A Caldicott Guardian is a senior person responsible for protecting the confidentiality of people's health and care information and making sure it is used properly.

When making decisions or giving guidance, Caldicott Guardians will often refer to the Caldicott principles, which can be found in the Information Governance Review. The UKCGC has also produced A Manual for Caldicott Guardians.

7 Annual Report and Accounts

1 Requirement

1.1 NHS Orkney is required under Section 86(3) of the National Health Service (Scotland) Act 1978 to prepare and submit Annual Accounts to Scottish Ministers.

1.2 Scottish Ministers issue Accounts Directions in exercise of the powers conferred by Section 86(1).

2 Preparation of Annual Accounts

2.1 Annual Accounts will be prepared:

- In accordance with the edition of the Government Reporting Manual (FReM) issued by HM Treasury, which is in force for the year in which the statement of accounts is prepared
- In accordance with the Accounts Direction and Accounts Manual issued by Scottish Government
- In line with required format, disclosures and accounting standards.

2.2 The Director of Finance will maintain proper accounting records which allow the preparation of Accounts, in accordance with the timetable laid down by Scottish Government.

2.3 Accounts will be prepared to an acceptable professional standard, in accordance with appropriate regulatory requirements and will be supported by appropriate accounting records and working papers.

2.4 The Auditor General for Scotland will appoint the External Auditor for the statutory audit of NHS Orkney.

2.5 The Director of Finance will agree with the External Auditor a timetable for the production, audit, adoption by the Board and submission of Accounts to the Auditor General for Scotland and Scottish Government.

2.6 The Chief Executive will prepare a Governance Statement, and in so doing will seek assurances, including that of the Chief Internal Auditor, regarding the adequacy of internal control throughout NHS Orkney.

2.7 The Accounts will be reviewed by the Audit and Risk Committee, which is responsible for recommending adoption by the Board.

2.8 Following approval of the Accounts by the Board, the Accounts will be signed on behalf of the Board and submitted to the External Auditor for completion of the audit certificate.

2.9 Signed Accounts will be submitted by NHS Orkney to Scottish Government, and by the External Auditor to the Auditor General for Scotland.

2.10 Accounts must not be placed in the public domain, prior to being formally laid before Parliament.

2.11 The National Health Service (Scotland) Act 1978 prescribes that public meetings should be held to present the Accounts. The Annual Review process provides the opportunity to fulfil this requirement. NHS Orkney should make this information as publicly accessible as possible and may choose to do so through the website or other public events.

3 Annual Report

3.1 The Chief Executive will arrange for the production and circulation of an Annual Report in the form determined by the Scottish Government. The principal purpose of the Annual Report is to account to the community and to other stakeholders for key aspects of performance during the year, and to give an account of the stewardship of funds.

3.2 The Annual Report does not need to include summary financial information, provided the Annual Report refers to the Accounts. Disclosure requirements must be agreed with the External Auditor.

3.3 The Annual Report will be published no later than two months after the Annual Review.

8 Banking Arrangements

1 All arrangements with NHS Orkney's bankers and the Government Banking Service will be made under arrangements approved by the Director of Finance who is authorised to operate bank accounts, as necessary. The Director of Finance will report to the Board on the details of all accounts, including conditions on which they are operating.

2 All funds will be held in accounts in the name of NHS Orkney, or the Endowment Fund. The Director of Finance will advise the bankers in writing of the conditions under which each account will operate, including prompt notification of the cancellation of authorisation to draw on NHS Orkney accounts.

3 The Director of Finance will nominate, for each bank account, the officers authorised to release monies from each account. The Director of Finance will notify the bank promptly of any changes to the authorised signatories.

4 All cheques will be crossed with "Not Negotiable - Account Payee Only" and must be treated as controlled stationery in the charge of a designated officer controlling their issue. Two signatures are required on cheques.

5 All cheques, postal orders, cash, etc. will be banked promptly, to the main account (or, if appropriate, endowment fund deposit account - see Section 16). Disbursements must not be made from cash.

6 The Director of Finance will make arrangements for:

- Receipt and payment of monies using the Clearing Houses Automated Payment System (CHAPS) and the Bankers Automated Clearing Services (BACS)
- Payments to be made by Standing Order or Direct Debit
- The use of credit cards
- Payments to be made to foreign bank accounts.

9 Security

1 Security of Cash and Negotiable Instruments

1.1 All receipt books, tickets, agreement forms, or other means of officially acknowledging or recording amounts received or receivable will be in a form approved by the Director of Finance. Such stationery will be ordered and controlled using the same procedures as applied to cash.

1.2 All officers, whose duty it is to collect or hold cash, will be provided with a safe or a lockable cash box (which in turn must be deposited in a locked cupboard). The loss of a key must be reported immediately to the Fraud Liaison Officer. The Director of Finance will, on receipt of a satisfactory explanation, authorise release of a duplicate key. The Director of Finance will arrange for all new keys to be dispatched directly to them from the manufacturers and will maintain a register of authorised holders of safe keys.

1.3 The safe key-holder must not accept unofficial funds for depositing in the safe unless in sealed envelopes or locked containers. NHS Orkney is not liable for any loss and written indemnity must be obtained from the organisation or individual absolving NHS Orkney from responsibility.

1.4 During the absence of the holder of a safe or cash box key, the officer who acts in their place will be subject to the same controls. Transfer of responsibilities for the safe and/or cash box contents will be written and a signed copy of the document must be retained.

1.5 Cash, cheques, postal orders and other forms of payment will be counted each week by a finance officer, and will be entered in the cash collection sheet, which must then be signed. The remittance will be passed to the Cashier and signed for.

1.6 The opening of coin-operated machines and the counting and recording of the takings in the register must be undertaken by two officers and the coin-box keys will be held by a nominated officer. Takings will be passed to the Cashier and a signature will be obtained.

1.7 The Director of Finance will prescribe the system for transporting of cash and uncrossed pre-signed cheques.

1.8 All unused cheques, receipts and all other orders will be subject to the same security as applied to cash: bulk stocks of cheques will be retained by the banker and released only against authorised requisitions.

1.9 All Prescription Pads in Primary Care will be subject to the same security and controls as cash.

1.10 In all cases where officers receive cash, cheques, credit or debit card payments, empty vending or other machine coin boxes, etc. personal identity cards must be displayed prominently. Staff will be informed in writing on appointment, by their line manager, of their responsibilities and duties for the collection, and handling of cash and cheques.

1.11 Any loss or shortfall of cash, cheques, etc. must be reported immediately in accordance with the agreed procedure for reporting losses. (Section 15).

1.12 Under no circumstances should funds managed by NHS Orkney be used to cash private cheques or make loans of a personal nature.

2 Security of Physical Assets

2.1 The Chief Executive is responsible for the overall control of fixed assets. All employees have a duty of care over property of NHS Orkney. Senior staff will apply appropriate routine security practices. Persistent breach of agreed security practices must be reported to the Chief Executive.

2.2 Where practical, items of equipment will be indelibly marked as NHS Orkney property.

2.3 The Finance Department will maintain an up-to-date capital asset register. The Director of Finance will set out the approved form of asset register and method of updating (Section 22).

2.4 Items on the register will be checked at least annually, and all discrepancies will be notified in writing to the Director of Finance, who may also undertake other independent checks as necessary.

2.5 Damage to premises, vehicles and equipment, or loss of equipment or supplies must be reported (Section 15).

2.6 On the closure of any facility, a check must be carried out and the responsible officer will certify a list of items held including eventual location. The disposal of fixed assets (including donated assets) will be in accordance with Section 22.

2.7 On the closure of any facility a check must be carried out and a responsible officer will certify that all patient and other personally identifiable and commercially sensitive information has been removed from the facility under the NHS Orkney policy for Records Management.

10 Income

1 The Director of Finance will design and maintain systems for the proper recording, invoicing, and collection of money due.

2 All officers must inform the Director of Finance of money due from transactions they initiate, including contracts, leases, tenancy agreements and any other transactions. The Director of Finance will approve Service Level Agreements or contracts with financial implications in excess of £10,000. Responsibility for agreeing the level of rental for newly acquired property and for the regular review of rental and other charges rests with the Director of Finance who may take into account independent professional advice on matters of valuation.

3 The Director of Finance will take appropriate recovery action of debts and will establish procedures for the write-off of debts after all reasonable steps have been taken to secure payment. (Section 15.)

11 Payment of Accounts

1 The Director of Finance will operate a system for verification, recording and payment of all amounts payable. The system must ensure that:

- Goods have been duly received, examined, are in accordance with specification and order, are satisfactory and prices are correct
- Work done or services rendered have been satisfactorily carried out in accordance with the order
- Materials were of the requisite standard and charges are correct
- For contracts based on the measurement of time, materials or expenses, the time charged is in accordance with the time sheets, rates of labour are in accordance with the order, materials have been checked as regards quantity, quality and price, and charges for the use of vehicles, plant and machinery have been examined
- All necessary authorisations have been obtained
- The account is arithmetically correct
- The account is in order for payment
- Clinical services to patients have been carried out satisfactorily in accordance with Service Level Agreements and Unplanned Activity arrangements
- Provision is made for early submission of accounts subject to cash discounts or requiring early payment
- VAT is recovered as appropriate
- Payment for goods and services is only made once the goods and services are received other than under the terms of a specific contractual arrangement.

2 The Director of Finance will maintain a Scheme of Delegation. This will set out the officers authorised to manually or electronically certify invoices, non-invoice payments, and payroll schedules. It will include specimen signatures, and levels of authority. Electronic authorisation must be achieved through effective access control permissions approved by the Director of Finance.

3 The Director of Finance will pay accounts, invoices and contract claims in accordance with contractual terms and/or the CBI Prompt Payment Code and the Scottish Government payment target. Payment systems will be designed to avoid payments of interest arising from non-compliance with the Late Payment of Commercial Debts (Interest) Act 1998.

4 All officers must inform the Director of Finance promptly of all monies payable arising from transactions which they initiate, including contracts, leases, tenancy agreements and other transactions. To

assist financial control, a register of regular payments will be maintained.

5 All requests for payment should, wherever possible, have relevant original orders, goods received notes, invoices or contract payment vouchers attached and will be authorised by an approved officer from the Scheme of Delegation. The PECOS purchasing system, should be used to raise orders to all suppliers, unless an exemption has been agreed by Finance and Procurement. Purchase Order numbers must be stated on the invoice and should be appropriately approved on the system before spend is committed. Purchase Orders should not be raised retrospectively.

6 Where an electronic payment system has been approved the system must ensure that payment is made only for goods matched against an authorised purchase order, and goods received note.

7 Authorised signatories will ensure, before an order for goods or services is placed, that the purchase has been properly considered and forms part of the department's agreed service plans and is within known and specific funds available to the department.

8 Any grants or similar payments to local authorities and voluntary organisations or other bodies must comply with procedures laid down by the Director of Finance.

9 Authorised signatories must ensure that there is effective separation of duties between:

- The person placing the order/ certifying receipt of goods and services, and
- The person authorising the spend

In no circumstances should one person undertake both functions.

10 In the case of contracts for building or engineering works which require payment to be made on account during progress of the works, the Director of Finance will make payment on receipt of a certificate from the technical consultant or officer. Without prejudice to the responsibility of any consultant or works officer appointed to a particular building or engineering contract, where necessary, a contractor's account will be subject to financial examination and general examination by a works officer, before the person responsible for the contract issues the final certificate. To assist financial control, a contracts register will be maintained by procurement.

11 The Director of Finance will designate officers to authorise advances for patient travel expenses or staff travel expenses from a petty cash imprest. This is limited to £100for internal costs and £120 for patient travel.

12 Officers responsible for commissioning self-employed contractors must ensure that, before any assignment is agreed, evidence is obtained from the contractor which confirms their employment status. This will ensure that NHS Orkney is not held liable for Income Tax and National Insurance by HMRC. This evidence must be submitted to the Director of Finance.

13 Advance payment for supplies, equipment or services will not normally be permitted other than for subscriptions. If exceptional circumstances arise, a proposal should be submitted to the Director of Finance.

14 Advance payments to general medical practitioners and community pharmacists will comply with NHS contractor regulations.

15 Authorised signatories are responsible for ensuring that all items due under a payment in advance contract are received and must inform the Director of Finance immediately if problems are encountered.

12 Construction Industry Scheme

1 The scheme will be administered in line with guidance supplied by HMRC in booklet CIS340. Registration under the Construction Industry Scheme (CIS) is necessary where construction expenditure exceeds £1m per annum in any three-year period. Before the threshold is likely to be breached, the Director of Finance should apply for registration from HMRC.

2 The Estates Department will ensure that certificates and/or vouchers are obtained from contractors/subcontractors and supplied to the Finance Department to support payment requests.

3 In the event of doubt, the Head of Finance will determine whether a payment should be made gross or net of deduction of tax and will consult with HMRC, as necessary.

4 The Director of Finance will remit to HMRC any tax deducted from payments made to sub-contractors, and must comply with the timetable set out in CIS340.

13 Payment of Salaries and Wages

1 Staff can be engaged or re-graded only by authorised officers within their approved budget and establishment and through NHS Orkney's engagement procedures. Posts are approved as per structure via the JobTrain system prior to commencing recruitment. Successful grading appeals will be approved by People and Culture.

2 The Remuneration Committee will:

- Agree terms and conditions of Executive Directors
- Approve changes to remuneration, allowances and conditions of service of Chief Executive and Executive Directors
- Ensure arrangements are in place for the assessment of performance of Executive and senior management staff
- Consider redundancy, early retiral or termination agreements in respect of Executive Directors
- Approve other terms and conditions of service not covered by direction or regulation, e.g. Discretionary Points for Medical Staff.

3 After approval by the Remuneration Committee, and sign off approval by the National Performance Monitoring Committee (NPMC) pay for executives under Executive Managers terms and conditions may be paid in line with the Government issued circulars

4 NHS Orkney will pay allowances to the Chair~~person~~ and non-executives in accordance with instructions issued by the Scottish Minister.

5 People and Culture will ensure that each employee is issued with a contract which will comply with current employment legislation and in a form approved by NHS Orkney. People and Culture will ensure that changes to, and termination of contracts are properly processed.

6 All timesheets, staff returns, and other pay records and notifications will be in a form approved by the Director of Finance and must be certified and submitted in accordance with their instructions.

7 The Director of Finance will ensure payments and processes are supported by appropriate (contracted) terms and conditions, adequate internal controls and audit review procedures and that suitable arrangement are made for the collection of payroll deductions and payment of these to appropriate bodies.

8 Authorised managers have delegated responsibility for:

- Sending a signed copy of the engagement form and other documents necessary for the payment of staff to the Payroll Department immediately upon the employee commencing duty
- Completing time records and other notifications in accordance with the Director of Finance's instructions and in the form prescribed by the Director of Finance
- Making any necessary changes in eESS immediately the effective date of any change in employment or personal circumstances is known
- Submitting via eESS termination of employment details as required, for payment purposes, immediately upon the effective date of an employee's resignation, retirement or termination being known
- Immediately advising the Payroll Department when an employee fails to report for duty in circumstances which suggest that they have left without notice.

9 Where the People and Culture and Payroll systems are connected by an electronic interface, forms may be sent to Payroll electronically, providing that procedures for transmissions are agreed by the Director of Finance.

10 Requests for early retirement or voluntary severance, for staff other than Executive Directors, which result in additional costs being borne by the employer, will be considered by the Chief Executive and Director of Finance jointly, under the Voluntary Severance Scheme.

11 The Director of People and Culture and the Director of Finance will be jointly responsible for ensuring that rates of pay and relevant conditions of service are in accordance with current agreements. The Chief Executive will be responsible for the final determination of pay. The Director of Finance will issue instructions regarding:

- Verification of documentation or data
- Timetable for receipt and preparation of payroll data and the payment of staff
- Maintenance of records for Superannuation, Income Tax, National Insurance and other authorised deductions
- Security and confidentiality of payroll information in accordance with the Data Protection Act
- Checks to be applied to payroll before and after payment
- Methods of payment available to staff
- Procedures for payment of cheques, bank credits or cash to staff
- Procedures for unclaimed wages which should not be returned to salaries and wages staff
- Separation of duties of preparing records and handling cash
- Pay advances and their recovery
- A system for recovery from leavers of sums due by them

- A system to ensure recovery or write-off of payment of pay and allowances
- Maintenance of regular and independent reconciliation of adequate control accounts.

12 The Director of Finance will ensure salaries and wages are paid on the agreed dates but may vary these when necessary due to special circumstances. Payment to an individual will not be made in advance of normal pay, except as authorised by the Chief Executive or Director of Finance to meet special circumstances and limited to the net pay due at the time of payment.

13 All employees will be paid by bank credit transfer monthly unless agreed by the Director of Finance.

14 Travel, Subsistence and Other Allowances

1 The Director of Finance will ensure that all expense claims by employees or outside parties are reimbursed in line with regulations and Human Resources policies, and that all such claims will be supported by receipts wherever possible. Removal expenses will be limited to the amount specified by HMRC as being tax free (currently £8000), except with the express approval of the Remuneration Committee, and in accordance with NHS Orkney's Removals Policy.

2 The Director of Finance will issue guidance on submission of expense claims, specifying documentation to be used, timescales to be adhered to and required level of authorisation. All claims will be submitted to the Payroll Department duly certified in an approved form, and made up to a specified day of each month. Where this information is transmitted by electronic means, appropriate procedures will be agreed by the Director of Finance. The names of officers authorised to sign claims will be held by the Payroll Department, together with specimen signatures and will be maintained in conjunction with the overall Scheme of Delegation.

3 No officer can certify their own expenses. Hotel accommodation and taxi fares should be paid by the officer wherever possible. Exceptions to this would, in the main, be accommodation provided as part of a training course, Travel Scholarship or where specific arrangements have been agreed with the Director of Finance and arranged through the Travel Admin function. Pre-authorisation must exist for all off-island travel and expenses.

4 The Chairperson will authorise all expense claims from the Chief Executive. The Chief Executive will authorise all claims from Executive Members of the Board. The Chairperson will authorise all claims from Non-Executives. In the absence of the Chairperson, this will be undertaken by the Chief Executive or Director of Finance.

5 Certification means that the certifying officer is satisfied that the journeys were authorised, the expenses properly and necessarily incurred and evidenced, and that the allowances are properly payable.

6 Claims submitted more than three months after the expenses were incurred will be paid only if approved by the Director of Finance, who will only authorise payment where there is an appropriate justification for the delay and it is an isolated occurrence. All claims received later than six months following the month of the claim will be time barred.

15 Non-pay Expenditure – Procurement

1 Introduction

1.1 The purpose of this SFI is to set clear rules for the proper management of expenditure for the procurement of goods, works and services. The rules should ensure that NHS Orkney is fair, transparent and accountable in dealings with contractors and suppliers.

1.2 This SFI:

- Sets out thresholds above which quotations (competitive or otherwise) or formal tenders must be obtained
- Incorporates the thresholds in the Scheme of Delegation
- Provides procedural instructions and guidance incorporating the thresholds on the obtaining of goods, works and services.

2 Procurement Legislation

2.1 NHS Orkney is required to comply with public procurement legislation to ensure a fair and transparent process is followed. In addition, NHS Orkney is required to comply with the Procurement Reform (Scotland) Act 2014, where any Public Contract of £50,000 or greater and any public works contract over £2m for works.

2.2 To ensure that we meet the requirements of the legislation, Budget Holders and other key stakeholders must involve the Procurement Department as early in the process as possible.

3 Procurement Process

3.1 The Procurement team will support budget holders to complete the appropriate procurement process depending on the level of purchase.

3.2 In the first instance, Procurement will support Budget Holders to utilize an existing framework agreement. This is where a procurement has been undertaken by or on behalf of other public sector bodies to achieve best value.

3.3 Where a suitable contract doesn't exist, the first stage in the process is ensuring that we advertise all opportunities appropriately through the

Public Contracts Scotland (PCS) Portal. The Procurement team will lead on all requirements for the portal on behalf of NHS Orkney.

3.4 The procurement route to Market is based on the anticipated value of the cost over the expected whole life of the contract. The routes an values are as detailed below:

Purchase/Contract Value	Process
Goods and Services: £3,000 to £49,999 Works: £3,000 to £2,000,000	Minimum 3 quotations to be obtained (via Quick Quote)
Goods and Services: £50,000 to GPA Threshold Works: £2,000,000 to GPA Threshold	Appropriate Advertising and competitive tender through Public Contract Scotland (PCS) Portal
Goods and Services: Over GPA Threshold Works: Over GPA Threshold	

Note: The Government Procurement Agreement (GPA) thresholds are set and reviewed every two years.

3.5 Where it is decided that competitive tendering is not applicable and should be waived, an SFI waiver must be completed, detailing the reasons and submitted to the Procurement Team for review, with final approval and sign off required by the Director of Finance or Chief Executive.

3.6 Equipment and assets over £5,000 (including VAT) are funded by the Capital Resource Funding and must be approved by the Capital and Strategic Estates Group.

4 Tendering

4.1 All invites to tender on a formal competitive basis must state that no tender will be considered for acceptance unless submitted electronically through Public Contracts Scotland (PCS) Portal

4.2 .For audit purposes all Q&A responses must be directed through the Public Contracts Scotland (PCS) Portal to ensure fairness and transparency. This includes any post-tender clarifications and negotiations.

4.3 The evaluation process will be led by Procurement and all panel members must adhere to the code of governance regarding declaration of potential conflicts and interests and are required to sign a declaration of interest form.

4.4 All tender outcomes must be awarded through the Public Contracts Scotland (PCS) Portal with notification and feedback letters being issued to the non-successful bidders.

5 Contracts

5.1 NHS Orkney may only enter into contracts within their statutory powers and must comply with:

- SFIs
- National Directives and other statutory provisions
- Any relevant directions including the SCIM and guidance on the use of Management Consultants
- NHS standard contract conditions as are applicable.

5.2 Where specific contract conditions are considered necessary by the lead officer appointed by the Chief Executive or Director of Finance, advice shall be sought from suitably qualified persons. Where this advice is deemed to be legal advice, this must be sought from the Central Legal Office.

5.3 Contracts will be in the same terms and conditions of contract as was the basis on which tenders or quotations were invited.

5.4 In all contracts, members and officials will seek to obtain Best Value. The Chief Executive or Director of Finance will nominate an officer to oversee and manage each contract.

5.5 All contracts will contain standard clauses allowing NHS Orkney to:

- Cancel the contract and recover all losses in full where a company or their representative has offered, given or agreed to give, any inducement to members or officials
- Recover losses or enforce specific performance where goods or services are not delivered in line with contract terms
- Ensure that suitable terms are included to cover arrangements should dispute arise.

5.6 Members and officials must seek authority from the Chief Executive or the Director of Finance in advance of making any commitment to contracts, leases, tenancy agreements, property transactions and other commitments for which a financial liability may result but without secured funding or budget provision.

5.7 Procurement will maintain a contract's register. All contracts awarded over £50,000 will be published on the Public Contracts Scotland Portal, Contracts register. All contracts must be advised to procurement for inclusion in the contracts register.

5.8 The Director of Finance will ensure that the arrangements for financial control comply with the guidance contained within SCIM and Property Transaction Handbook. The technical audit of these contracts is the responsibility of the Chief Executive.

6 Appointment of Management Consultants

6.1 The bespoke nature of many consultancy services and the degree of interest in the amount of public money spent on this area means that additional procedures are needed for procuring consultancy services to ensure they are used sparingly, effectively and only where their use is unavoidable to deliver business objectives. Scottish Government guidance "Use of Consultancy Procedures (Professional Services)" should be followed when seeking to use consultancy services.

6.2 If it is still not clear, advice should be sought from the procurement or finance department.

6.3 A business case, establishing the need for consultancy services should be completed at the outset and sent to the Director of Finance for consideration. Business cases up to £5,000 (excluding VAT) over the life of the consultancy agreement can be approved by the relevant Executive Director. Business cases in excess of £5,000 (excluding VAT) require Senior Leadership Team approval.

6.4 Appointment of Consultants should in the first instance use National Contracts and, where this is not possible, by competitive tender. The reasons and approval for waiving the requirement to tender should be clearly documented and submitted to the Director of Finance. Procurement SFI Waiver Form

6.5 Successive assignments beyond the scope and terms of an appointment made by competitive tender should also be subject to tender arrangements. If it is expected that there may be follow-on assignments, it would be more appropriate for the tendering exercise to appoint one or more Consultants under a call-off arrangement.

6.6 Professional advisers are defined as having two characteristics. Firstly, they are engaged on work that is an extended arm of the work done in-house and secondly, they provide an independent check. Examples include professional advice on the treatment of VAT and work carried out in relation to ratings revaluations and appeals. Professional advisers' fees may also relate to capital projects such as architects, surveyors, and engineers. Such fees are not exempt from normal tendering arrangements.

6.7 The Property Transactions Manual states that all external professional advisers, including property advisers, independent valuers and other valuers or consultants, should be appointed by competitive tender unless there are convincing and justifiable reasons to the contrary.

7 Purchase Orders

7.1 Goods, services, or works may only be ordered on an official order. NHS Orkney operates a No PO No Payment policy and suppliers will be notified that they must not accept orders without an official order number.

7.2 In most case purchase orders must be raised using PECOS (the eProcurement system provided by Scottish Government). The Director of Finance will grant approval for no purchase order to be raised where the raising of a purchase order does not add to the control environment. Items currently covered by such approval are:

- Utilities
- Patient and Staff Flights
- Exceptional circumstances which are approved by the Director of Finance or Chief Executive

7.3 Electronic ordering systems shall contain controls to ensure proper segregation of duties in the ordering process. Budget Holders are responsible for the following:

- Ensuring that they advise the appropriate system administrators in the event of staff changes
- Ensuring that they have adequate budget for all items ordered
- Ensuring that purchase orders are appropriately receipted on a timely basis to pay supplier invoices within the Scottish Government target time (currently 10 days)

8 Trials and Lending

8.1 Goods, e.g. medical equipment, must not be taken on trial or loan in circumstances that could commit NHS Orkney to a future uncompetitive purchase. Any requests must come through the Procurement Department for review with an indemnity agreement signed by the Director of Finance.

9 Agencies/Locums

9.1 On the procuring of agency and locum staff, the Head of Services has the autonomy to negotiate a rate of pay within an agreed limit set by the Director of People and Culture and Director of Finance. The Head

of Services needs to keep within their overall delegated resource limit unless prior approval has been provided from the Director of Finance or Chief Executive Officer.

16 Stores

1 The Director of Finance is responsible for the systems of control, and the overall control of stores. The day-to-day control and management (except for pharmaceutical stocks) will be delegated to departmental officers for stores, subject to such delegation being entered in a record available to the Director of Finance. The day-to-day control and management of pharmaceutical stocks will be the responsibility of the Head of Pharmacy.

2 Responsibility for security arrangements and the custody of keys for all store's locations will be defined in writing by the designated officer. Wherever practicable stocks shall be marked as NHS property.

3 All stores records will be in a form approved by the Director of Finance.

4 All goods received will be checked as regards quantity and/or weight and inspected as to quality and specifications. A delivery note should, if possible, be obtained from the supplier at the time of delivery and will be signed by the person receiving the goods. Instructions will be issued to staff covering the procedure to be adopted in cases where a delivery note is not available. Details of goods received will be entered on a goods received record or input to the computer system on the day of receipt. Where goods received are unsatisfactory or short on delivery they will be accepted only on authority of the designated officer and the supplier will be notified immediately.

5 The issue of stores will be supported by an authorised requisition. Where a "topping-up" system is used, a record will be maintained in a form approved by the Director of Finance (such a form may be electronic in place of paper). Comparisons will be made of the quantities issued, and explanations recorded of significant variations.

6 Requisitions for stock or non-stock items may be transmitted electronically and not held in paper form providing that procedures are agreed by the Director of Finance.

7 All transfers and returns will be recorded on forms provided for the purpose and approved by the Director of Finance.

8 Breakages and other losses of goods in stores will be recorded as they occur, and a summary will be approved by the Director of Finance at regular intervals. Tolerance limits will be established for all stores subject to unavoidable loss, e.g. shrinkage in the case of certain foodstuffs and natural deterioration of certain goods.

9 Stocktaking arrangements and the basis for valuation will be agreed with the Director of Finance and there will be a physical check covering all items in store at least once a year. The physical check will involve at

least one other officer other than the storekeeper. The Director of Finance will have the right to attend or be represented. The stocktaking records will be numerically controlled and signed by the officers undertaking the check. Any surplus or deficiency revealed on stocktaking will be reported immediately to the Director of Finance, and he may investigate as necessary.

10 Where a complete system of stores control is not justified, alternative arrangements will require the approval of the Director of Finance.

11 The designated officer will be responsible for a system approved by the Director of Finance for a review of slow-moving and obsolete items for condemnation, disposal, and replacement of all unserviceable articles. The designated officer will report to the Chief Executive any evidence of negligence or malpractice (Section 24).

17 Losses and Special Payments

1 Any officer discovering or suspecting a loss of any kind must inform their head of department, who must immediately inform the Fraud Liaison Officer. Where a criminal offence is suspected, the Fraud Policy must be applied. Any case of suspected fraud must be reported to the Counter Fraud Service.

2 The Director of Finance will maintain a losses register in which details of all losses will be recorded as they are known. Write-off action will be recorded against each entry in the register.

3 Losses are classified according to the Annual Accounts Manual.

4 The Chief Executive, acting together with the Director of Finance, or any nominated deputy, can approve the writing off of losses within limits delegated by Scottish Government in SPFM.

5 The exercise of powers of delegation in respect of losses and special payments will be regularly reported to the Audit and Risk Committee.

6 The Board will approve any losses and special payments when adopting the Annual Accounts.

7 Special payments exceeding the delegated limits laid down must have prior approval of the Scottish Government.

8 The Director of Finance is authorised to take any necessary steps to safeguard the interests of NHS Orkney in bankruptcies and company liquidations.

9 All articles surplus to requirements or unserviceable will be condemned or otherwise disposed of by an officer authorised by the Director of Finance. The condemning officer will satisfy themself as to whether there is evidence of negligence and will report any evidence to the Chief Executive, who will take the appropriate action.

18 Endowment Funds

These SFIs apply equally to the Endowment Fund of NHS Orkney with the additional control that expenditure from Endowment Funds is restricted to the purposes of the Fund and made only with the approval of the Trustees. Guidance for Endowments administration and expenditure of funds will be issued separately as the Endowments Charter. A Treasurer will be appointed to the fund.

1 Trustees

1.1 All Members of Orkney NHS Board, appointed by Scottish Ministers, are ***"ex officiis"*** Trustees of the Endowment Fund. The Trustees have specific responsibilities including those described in Section 66 of the Charities and Trustee Investment (Scotland) Act 2005 (the 2005 Charities Act):

- To seek, in good faith, to ensure that the charity acts in a manner which is consistent with its purpose
- To act in the interests of the charity above all other things, including their own interests and the interests of the Board or any other organisation
- To act with the care and diligence that it is reasonable to expect of a person who is managing the affairs of another person.

Transactions entered into by Trustees, which although legal but outwith the charity's objectives and thus deemed to be 'ultra vires', could lead to the trustees being personally liable for any loss incurred by the Endowment Fund.

1.2 Under the 2005 Charities Act, the Trustees have a responsibility to:

- Control and manage the finances of the Endowment Fund, ensuring proper accounts are kept as required by statute, regulations and reported in a form prescribed as best practice in the Statement of Recommended Practice (SORP)
- Approve the annual statement of accounts and authorise one of their members to sign the accounts
- Provide on request an up to date annual report and set of accounts in a form consistent with requirements of the Act
- Control the investment policy and monitor the performance of the investments within that policy on a regular basis
- Submit annual returns to the Office of the Scottish Charity Regulator (OSCR).

2 Endowments Sub-committee

2.1 Trustees may appoint an Endowment Fund sub-committee to provide advice to Trustees in the exercise of their responsibilities.

3 Accounting

3.1 The Treasurer will ensure that annual accounts are:

- Prepared as soon as possible after the year end
- In accordance with the SORP
- Based on records as are necessary to record and protect all transactions on behalf of the Trustees
- Subject to audit by a properly appointed External Auditor.

3.2 All gifts, donations and proceeds of fund-raising activities which are intended for Endowment Funds must be handed immediately to the Cashier, to be banked directly into the Endowment Fund.

4 Sources of New Funds

4.1 All gifts accepted will be received and held in the name of Trustees and administered in accordance with the Endowments Charter, subject to the terms of specific Funds. NHS Orkney can accept gifts only for purposes relating to the advancement of health and staff wellbeing. Officers should, in cases of doubt, consult the Director of Finance before accepting a gift.

4.2 In respect of donations, the Director of Finance will:

- Provide guidance to officers as to how to proceed when offered funds, including clarification of the donor's intentions and, where possible, the avoidance of new complex restrictions that cannot sensibly be met (in particular for specific items of equipment, brands or suppliers)
- Provide a notification of donation process which will ensure that funds have been accepted directly into the Endowment Fund and that the donor's intentions have been noted and accepted.

4.3 The Director of Finance should be kept informed of all enquiries regarding legacies and will keep an appropriate record. After the death of a testator all correspondence concerning a legacy will be dealt with by the Director of Finance. The Director of Finance will:

- Provide guidance regarding the wording of wills, and the receipt of funds/other assets from executors
- Obtain Confirmation of Estate, where the Board is the beneficiary

- Negotiate arrangements regarding the administration of a will with executors and to discharge them from their duty
- Take legal advice, as necessary.

4.4 In respect of Fund-raising, the Director of Finance will:

- Advise the Trustees on the financial implications of any proposal for fund raising activities based on the guidance contained in MEL (2000)13
- Give approval for fund-raising based on direction of the Trustees
- Be responsible, after taking legal advice as necessary, for alerting the Trustees to any irregularities regarding the use of the Board's name or its registration numbers.

4.5 In respect of investment income, the Director of Finance will be responsible for the appropriate treatment of all dividends, interest, and other receipts from this source.

5 Investment Management

5.1 Investment policy will be determined by the Trustees, considering advice received from the Director of Finance and the investment advisers. Where the Board has delegated authority to its investment advisers to manage funds on its behalf they will be bound by any conditions imposed by the Board or its officers with regard to investment policy. All share and stock certificates and property deeds will be deposited with the investment managers.

6 Expenditure

6.1 The over-riding objective of the Endowment Fund is to support the advancement of health. All expenditure from the fund must conform to this objective. The fund must not be used to subsidise the normal running expenses of NHS Orkney or for expenditure otherwise not admissible under these SFIs.

Subject to the foregoing, expenditure is governed by the Orkney Health Board Endowment Charter.

19 Primary Care Contractors

1 The Practitioner Services Division (PSD) of the NHS National Services Scotland (NSS) is the payment agency for all Family Health Service (FHS) contractor payments:

- General Medical Services
- Prescribing/dispensing
- FHS Non-cash Limited.

2 The Head of Primary Care Services will:

- Ensure that systems are in place to deal with applications, resignations, and inspection of premises, within the appropriate contractor's terms and conditions of service
- Approve additions to, and deletions from, approved lists of contractors, considering the health needs of the local population, and the access to existing services
- Deal with all applications and resignations equitably, within time limits laid down in the contractors' terms and conditions
- Ensure that lists of all contractors, for which NHS Orkney is responsible, are maintained and kept up to date.

3 The Director of Finance will monitor the Service Level Agreement with PSD covering validation, payment, monitoring and reporting and the provision of an audit service by the NSS internal auditors. Through this process, the Director of Finance will seek evidence that NSS systems provide assurance that:

- Only contractors who are included on the Board's approved lists receive payments
- All valid contractors' claims are paid correctly, and are supported by the appropriate documentation and authorisation
- Regular independent post payment verification of claims is undertaken to confirm that:
  - rules have been correctly and consistently applied
  - overpayments are prevented wherever possible
  - if overpayments are detected, recovery measures are initiated
  - fraud is detected and instances of actual and potential fraud are followed up as per the Fraud Policy.
- Exceptionally high/low payments are brought to their attention
- Payments made on behalf of the Board by the NSS are pre-authorised.

4 The Director of Finance will ensure that:

- Payments made by NSS are reconciled with the cash draw-down reported by the Scottish Government to Health Boards.

5 Payments made to all Primary Care independent contractors and community pharmacists will comply with their appropriate contractor regulations.

20 Health and Social Care Integration

1 Integration

1.1 The Public Bodies (Joint Working) (Scotland) Act 2014 established the framework for the integration of adult health and social care services in Scotland. A single Integrated Joint Board (IJB) has been established in Orkney. The approved Integration Scheme sets out the detail of the integration arrangement, including those functions delegated by NHS Orkney to the IJB.

1.2 Each partner will agree the formal budget setting timelines and reporting periods as defined in the IJB Integration Scheme and supporting Financial Regulations:

- An initial schedule of payments will be agreed within the first 40 working days of each new financial year and may be updated.
- The format and frequency of reports will be agreed by the Chief Officer, Chief Finance Officer of the IJB in conjunction with the NHS Orkney Director of Finance and Orkney Islands Council (OIC) Section 95 Officer.

1.3 Annually, the NHS Board will evaluate the case for the integrated budget against its other priorities and will agree its contributions accordingly. The business case put forward by the IJB will be evidenced based and will detail assumptions made.

1.4 Following on from the budget process, the IJB Chief Officer and Chief Finance Officer will prepare a financial plan supporting the Strategic Commissioning Plan and once approved by the IJB, will issue Directions with defined payment levels to NHS Orkney. 'Payment' does not mean an actual cash transaction but a representative allocation for the delivery of integrated functions in accordance with the Plan.

1.5 If at the outset NHS Orkney does not believe the direction can be achieved for the payment being offered then it will notify the IJB that in line with s 28 (4) of the Public Bodies (Joint Working) (Scotland) Act 2014 additional funding is necessary to comply with the direction.

1.6 Once the payments to be made by the IJB to NHS Orkney for the delegated functions have been agreed they will form the basis of annual budgets to be issued to budget holders. Payments for the set aside budgets will be issued to the relevant NHS budget holder.

1.7 Where the Chief Officer is the budget holder they will comply with these SFIs. In further delegating budgetary authority to managers in their

structure the Chief Officer is responsible for ensuring all transactions processed by the NHS comply with these SFIs and any further detailed procedural guidance relevant to the transaction.

1.8 The Chief Officer may have a structure including joint management posts with responsibility for both health and council expenditure.

1.9 Where a manager has delegated authority for both health and council expenditure they must ensure the VAT treatment is in line with Integrated Resource Advisory Group and HMRC guidance. If in doubt they should seek advice from the Director of Finance for any expenditure from NHS budgets.

1.10 A council employee who has been given delegated authority for NHS budgets will sign a declaration that they have received and will comply with these SFIs. This should also be signed by the Chief Officer, who will pursue any breaches of the SFIs through the council line management structure if required.

1.11 The IJB Financial Regulations state that the Chief Officer is not permitted to vire between the Integrated Budget and those budgets managed by the Chief Officer, but which are outside of the scope of the strategic plan, unless agreed by those bodies. Internal virements require approval: up to £100,000 by the Chief Officer and Chief Finance Officer; over £100,000 by the IJB. Further requirements for the virement of budgets within NHS Orkney are specified in detailed guidance issued by the Director of Finance.

1.12 Notwithstanding that a budget virement lies within the Chief Officer's level of authority it can only be executed if detailed consideration of the financial impact indicates that any risks associated with it are acceptable. If there is a difference of opinion between the Chief Officer and NHS Director of Finance as to the acceptability of the risk, the Chief Officer and Director of Finance will seek to reach an acceptable solution. Failing that the Chief Executive will consider the level of risk, involving the Senior Leadership Team if necessary. Should there still not be agreement the IJB would be invited to set out how it would mitigate the stated risk.

1.13 Where there is a projected overspend against an element of the Integrated Budget, the Chief Officer, the Chief Finance Officer of the IJB and the relevant finance officer and operational manager of NHS Orkney must agree a recovery plan to balance the overspend.

1.14 Underspends on the NHS element of the Integrated Budget should be returned to the IJB and carried forward through the reserves. This will require adjustments to the allocations from the IJB to NHS Orkney for the amount of the underspend.

1.15 The Director of Finance is responsible for providing the Chief Officer (as with all budget holders) with regular financial information to allow them to manage their budgets. The Director of Finance is also responsible for providing the Chief Finance Officer of the IJB with the financial information required by the integration scheme and expanded by subsequent agreements, to meet the reporting requirement of the IJB. In advance of each year a timetable will be agreed with the IJB.

1.16 The IJB Chief Finance Officer will be responsible for the preparation of the annual financial statements as required by s39 of the Public Bodies (Joint Working) (Scotland) Act 2014 and the statutory annual accounts. Recording of financial information in respect of the IJB will be processed via the OIC ledger (though this will be reviewed in time). The Director of Finance will ensure information is supplied from the NHS as required to fulfil these obligations.

1.17 Year-end balances and transactions will be agreed timeously in order to allow completion of the Accounts in line with required timescales. This date will be agreed annually by the IJB, NHS Orkney and OIC.

1.18 Detailed Financial Regulations governing the Integration Joint Board are in place, agreed between OIC and NHS Orkney and approved by the IJB. The Director of Finance will be responsible for ensuring NHS obligations are fulfilled.

1.19 Although the Public Bodies (Joint Working) (Scotland) Act 2014 supersedes most of the previous joint working arrangements, it remains possible that there could be pooled or aligned budgets with community partners, such as for children's services, that fall outwith that. The previous standing financial instruction provisions relating to this have therefore been retained in case they should be required.

2 Aligned and Pooled Budgets

2.1 NHS Scotland organisations and Scottish Local Authorities have a statutory duty to co-operate to provide improved Community Care Services. The Community Care and Health (Scotland) Act 2002 and the Community Care (Joint Working etc.) Regulations 2002 increased the flexibility available to both organisations to improve outcomes for people using these services, together with their carers. Scottish Ministers also have power to direct NHS and LA organisations to enter into joint working arrangements, where existing performance is unsatisfactory. The Regulations specify the social care, health and housing functions covered by these enabling and intervention powers.

2.2 Part 2 of the Act enables payments to be made between NHS and LA organisations in connection with relevant functions, both Capital and Revenue, in order to move resources to deliver joint objectives. The Act provides a framework within which NHS and LA may delegate functions and pool budgets, where the host partner is best placed to manage the

day-to-day operation of a joint service. The existing responsibility and accountability of each partner for the exercise of the function remains. A Local Partnership must develop a governance framework for any service and activity delegated. The host partner is required to account for the use of the pooled resources and service performance to both partners. Jointly managed services will be managed using either aligned or pooled budgets.

2.3 Aligned Budgets are where clearly identified financial resources are contributed by each partner into a joint "pot", but the funds remain held within each partner organisation in separate and distinct budgets. This enables each partner organisation to identify and account for their contribution to the joint "pot".

2.4 Pooled budgets are where each partner contributes agreed resources to a discrete fund, which is managed as a single budget, by a separate discrete body. This body is not a separate legal entity, and for legal reasons must be linked to one of the statutory authorities, which becomes the "host" partner. The partners must agree the purpose, scope and outcomes for services within the agreement, meeting their own statutory obligations and justifying their contribution to the fund.

2.5 Partnership arrangements entered into by NHS Orkney must comply with guidance issued by Scottish Government.

2.6 A Local Partnership Agreement must be drawn up between the partner organisations. This will specify the services to be managed jointly, joint arrangements for management structures, governance and accountability, budgetary control, financial reporting and monitoring. Each organisation's Chief Officer must approve the Local Partnership Agreement which must be ratified by both organisations.

2.7 Each partner will agree the level of its contribution in advance of each financial year. Levels of contribution will take account of inflation, new developments, service pressures, capital charges and savings targets.

2.8 The Joint Management Team, as defined in the Local Partnership Agreement will have delegated authority to develop jointly managed services, through the Local Partnership Agreement. Joint Service Manager posts will be employed by one or the partners, who will be responsible for the risks and liabilities associated with that.

2.9 Each Joint Services Manager will have delegated authority for the management of budgetary resources from each partner. There will be clearly defined roles and responsibilities for the achievement of financial and service performance targets. For the management of resources and activities associated with NHS Orkney's contribution, the NHS Orkney Code of Corporate Governance will be complied with. For the management of resources and activities associated with OIC's contribution to the jointly managed services, the OIC Financial

Regulations and Contract Regulations will be complied with. Any instructions or guidance produced by the NHS Director of Finance and OIC Section 95 Officer will be complied with if it is to be applied to the appropriate budget/resources.

2.10 Where a separate body is created to manage pooled budgets, the lead officer of the partnership body will issue Financial Regulations and Standing Financial Instructions/Code of Corporate Governance, in accordance with directions issued by the Scottish Government, and agreed by the partner authorities. Such regulations and instructions will specify the arrangements for the provision of financial and service performance information to the partner authorities who remain responsible and accountable for their contribution.

2.11 The NHS Orkney Chief Executive and the OIC Section 95 Officer remain accountable to Scottish Government for the financial contribution made by their organisation.

2.12 Jointly managed services will be subject to both financial and value for money audit by both internal audit and the appointed auditors. Annual statements will be prepared for inclusion in both partners' Annual Accounts, complying with all appropriate accounting standards and Scottish Government requirements. Each partner's Director of Finance will be equally responsible for ensuring that all relevant financial information is made available to the other partner as appropriate.

21 Patients' Property

1 Responsibility

1.1 NHS Orkney has a responsibility (NHS Circular 1976 (GEN) 68) to provide safe custody, for money and other personal property (hereafter referred to as "property") handed in by patients, in the possession of unconscious or confused patients, or found in the possession of patients dying in hospital or dead on arrival. NHS Orkney will not exercise the power to manage patients' finances under the Adults with Incapacity Scotland Act 2000), this responsibility will lie with Social Services.

1.2 Patients or their guardians, as appropriate, will be informed before or at their admission that NHS Orkney will not accept responsibility or liability for patients' property unless it is handed in for safe custody and a copy of an official patient's property record is obtained as a receipt. This information will be provided through:

- Notices and booklets
- Admission documentation and property records
- Advice of staff responsible for admissions.

1.3 The Director of Finance will provide written instructions on the collection, custody, recording, safekeeping and disposal of patients' property (including instructions on the disposal of the property of deceased patients and patients transferred to other premises) for all staff whose duty it is to administer the property of the patients.

1.4 Bank accounts for patients' monies will be operated under arrangements agreed by the Director of Finance.

1.5 A patient's property record, in a form determined by the Director of Finance, will be completed by a member of staff in the presence of a second member of staff and the patient or personal representative where practicable. It will be signed by both members of staff and by the patient, except where the latter is restricted by physical or mental incapacity, when it could be signed by the patient representative on their behalf. Any alterations will be validated by the same signatory process as required for the original entry.

1.6 The Director of Finance will prepare an abstract of receipts and payments of patients' private funds in the form laid down in the Manual for Accounts. The abstract will be audited independently and presented to the Audit and Risk Committee, together with a report from the auditor.

1.7 Property which has been handed in for safe custody will be returned to the patient, as required, by the officer who has been responsible for its security. The return shall be receipted by the patient or guardian as appropriate, and witnessed by another member of staff.

1.8 The disposal of property of deceased patients is governed by GEN (1992) 33, which should be read as part of the SFIs.

1.9 All property including cash, watches, jewellery, clothing, bank books, insurance policies and all other documents which the patient had in their possession in the hospital, should, as soon as practicable after their death, be collected together, identified as being their belongings and kept in safe custody until disposal.

1.10 Staff should be informed, on appointment, by the appropriate departmental or senior manager of their responsibilities and duties for the administration of the property of patients.

2 Patient Died Intestate and Without Next of Kin

2.1 If the patient was of Scottish domicile, died intestate and without next of kin, the estate will pass to the Crown and is dealt with by the Crown Office, Regent Road, Edinburgh. The particulars of each case should be notified separately and promptly to the Crown Office. The particulars should include the last known address of the patient.

2.2 The law governing the succession to the estate of patients dying intestate and without next of kin, who were not of Scottish domicile, varies according to the country. Details should be reported to the Crown Office for investigation. All property and documents should be retained until instructions are received from the Crown Office.

3 Patient Died Intestate but Next of Kin / Beneficiaries Identified

3.1 Those items of the estate in the possession of NHS Orkney should be handed over only to the executor or executors named in the document known as the “Confirmation of the Estate”. The document should be inspected before the items are handed over. The executor ***may*** be the next of kin but need not necessarily be so. Where the total amount of the deceased’s estate is not more than £25,000, there is provision for the Confirmation document to be obtained by an expedited procedure, but nevertheless a Confirmation should still be obtained. A Confirmation of Estate document can be obtained by the executor or the next of kin from any sheriff clerk for a small fee. A signed Receipt for all the items of estate delivered to the executor should be in the form shown as Appendix B to GEN (1992) 33.

3.2 If the next of kin decides not to obtain a Confirmation, because for example, the value of the estate is too small, if possible all items of the estate should be handed over in exchange for a signed Receipt in the form shown as Appendix C of GEN (1992) 33. Staff ***must*** ensure that all the items handed over are listed on the receipt.

3.3 No payments should be made to anyone out of the estate funds other than the executor or the next of kin, as appropriate, but when handing over the items of estate, staff should provide them with known details of any sums owing and the names and addresses of creditors.

3.4 Where items are handed over to a beneficiary, the form of receipt should be as shown on Appendix D of GEN (1992) 33.

4 Cost of Burial or Cremation

4.1 NHS Orkney should not assume responsibility for arranging a burial or cremation. Section 50(i) of the National Assistance Act 1948 places a duty on Councils to arrange for the burial or cremation of the body of a deceased person where no suitable arrangements for the disposal of the body have been made or are being made. The local authority should be informed immediately, in writing, so that they can make the arrangements.

4.2 The local authority can seek to be reimbursed from the deceased's estate for the expenses incurred. Where the Crown Office has an interest, the local authority should be referred to them for payment.

4.3 Where NHS Orkney cannot trace the named executor, or any beneficiary, it may be convenient for NHS Orkney to hand over to the local authority as much of the patient's property in its possession as is sufficient to cover the burial or cremation expenses. NHS Orkney must not hand over property which is worth more than the expenses incurred, and must retain the balance for claiming by next of kin, beneficiary or named executor.

4.4 An itemised statement of the total expenses payable must be obtained from the local authority, and a receipt obtained in the form of Appendix E to GEN (1992)33.

4.5 In accordance with GEN (1992)33, NHS Orkney, to save parents the additional distress of arranging for the funeral of a baby still-born in hospital, or in the community, may offer to arrange and pay for the funeral on their behalf.

22 Audit

1 Audit and Risk Committee

1.1 The Board will establish an Audit and Risk Committee, with clearly defined terms of reference, which follows guidance contained in the Scottish Government Audit and Assurance Committee Handbook. The Audit and Risk Committee will consider:

- The strategic process for risk, control and governance and the Governance Statement
- The effectiveness of the internal control environment
- Assurances relating to the corporate governance requirements for NHS Orkney
- The accounting policies, the accounts, and the annual report of the organisation, including the process for review of the accounts prior to submission for audit, levels of error identified, and management's letter of representation to the external auditors
- The planned activity and results of both internal and external audit
- The adequacy of management response to issues identified by audit activity, including external audit's management letter / report
- Proposals for tendering for internal audit services
- Anti-fraud policies, whistle-blowing processes, and arrangements for special investigations.

1.2 Where the Audit and Risk Committee feels there is evidence of ultra vires transactions, evidence of improper acts, or other important matters that the Committee wish to raise, the Chair of the Audit and Risk Committee should refer the matter to a full meeting of the Board. Exceptionally, the matter may need to be referred to the Scottish Government.

1.3 It is the responsibility of the Audit and Risk Committee to regularly review the operational effectiveness of the internal audit service and to recommend approval of the appointment of outsourced internal auditors following the required procurement process following the required procurement process.

1.4 The Audit and Risk Committee provides a forum through which Non-Executive Board Members can secure an independent view of activity within the appointed auditor's remit. The Audit and Risk Committee has a responsibility to ensure that the Board receives a cost-effective service and that co-operation with senior managers and Internal Audit is appropriate.

2 Director of Finance

2.1 The Director of Finance is responsible for ensuring that:

- There are arrangements to review, evaluate and report on the effectiveness of internal control including the establishment of an effective internal audit function
- Internal Audit is adequate and meets the NHS mandatory audit standards
- The Chief Internal Auditor prepares the following for approval by the Audit and Risk Committee:
  - Strategic audit plan
  - A detailed operational plan for the coming year.

The decision at what stage to involve the police in cases of fraud, misappropriation, and other irregularities has been delegated to the Fraud Liaison Officer.

2.2 The Director of Finance will ensure that an annual internal audit report is prepared by the Chief Internal Auditor, in accordance with the timetable laid down by the Audit and Risk Committee, for consideration by the Audit and Risk Committee. The report must cover:

- A clear statement on the effectiveness of internal control
- Major internal control weakness discovered
- Progress on the implementation of internal audit recommendations
- Progress against plan for the year.

2.3 The Director of Finance and designated auditors are entitled without necessarily giving prior notice to require and receive:

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

3 Internal Audit

3.1 Internal auditing is an independent, objective assurance and consulting activity designed to add value and improve NHS Orkney's operations. It helps NHS Orkney accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

A professional, independent and objective internal audit service is one of the key elements of good governance, as recognised throughout the UK public sector. The Public Sector Internal Audit Standards (PSIAS) set out the framework for Internal Audit services. The Chief Internal Auditor will lead the Board's internal audit function.

The Chief Internal Auditor will ensure that the internal audit function operates in accordance with PSIAS, and will provide assurance, at least annually, to the Audit and Risk Committee that this is being achieved.

3.2 **Internal Audit Activity**

Internal Audit must assess and make appropriate recommendations for improving governance process in its accomplishment of the following objectives:

- Promoting appropriate ethics and values within the organisation
- Ensuring effective organisational performance management and accountability
- Communicating risk and control information to appropriate areas of the organisation
- Coordinating the activities of and communicating information among the board, external and internal auditors and management.

Internal audit must assess whether the information technology governance supports the organisation's strategies and objectives.

Internal audit must evaluate risk exposures relating to the organisation's governance, operations and information systems regarding the:

- Achievement of strategic objectives
- Reliability and integrity of financial and operational information
- Effectiveness and efficiency of operations and programmes
- Safeguarding of assets
- Compliance with laws, regulations, policies, procedures and contracts.

The Chief Internal Auditor will prepare a risk-based Strategic Internal Audit Plan and an Internal Audit Charter for consideration and approval by the Audit and Risk Committee before the start of the audit year.

The Chief Internal Auditor will issue a draft terms of reference for consideration by the lead executive (Audit Sponsor) and the relevant operational staff for the area under review (key contacts) before each audit. These will set out the scope, objectives, resources and timescales for the audit. The Chief Internal Auditor will give the sponsor and key contacts adequate time to consider and respond to the draft terms of reference before it is finalised. The Chief Internal Auditor will issue the final terms of reference before the start of the audit fieldwork.

The Chief Internal Auditor will issue the draft report for an audit to the audit sponsor, and the audit sponsor will have two weeks to provide a response. The sponsor, or their or her representative, should respond either in writing or during a close-out meeting with Internal Audit.

Management are responsible for ensuring that appropriate internal control systems exist within their own area (or parts thereof), and for deciding whether or not to accept and implement internal audit findings and recommendations. Where internal audit recommendations are not accepted, the audit sponsor must provide a comprehensive explanation to the Audit and Risk Committee, normally as part of the management response within the associated internal audit report.

The Chief Internal Auditor will prepare an Annual Internal Audit Report, in line with PSIAS and any relevant Scottish Government directions, and present it to the Audit and Risk Committee to inform its review of the draft Governance Statement.

Internal audit activity must evaluate the potential for the occurrence of fraud and how the organisation manages fraud risk.

The Audit and Risk Committee will normally invite the Chief Internal Auditor to attend Audit and Risk Committee meetings. The Chief Internal Auditor will have direct access to all Audit and Risk Committee members, the Chairperson, the Board and the Chief Executive. The Chief Internal Auditor has the right to meet in private with any of these individuals.

3.3 While maintaining independence, the Chief Internal Auditor is accountable to the Director of Finance. Reporting and follow-up systems for internal audit will be agreed between the Director of Finance, the Audit and Risk Committee and the Chief Internal Auditor. The agreement will be in writing and will comply with guidance on reporting contained in the PSIAS. The reporting system will be reviewed at least every 3 years.

4 External Audit

4.1 The External Auditor is concerned with providing an independent assurance of NHS Orkney's financial stewardship including value for money, probity, material accuracy, compliance with guidelines and accepted accounting practice for NHS accounts. Responsibility for securing the audit of NHS Orkney rests with Audit Scotland. The appointed External Auditor's statutory duties are contained in the PFA Act 2000.

4.2 The External Auditor has a general duty to satisfy themself that:

- NHS Orkney's accounts have been properly prepared in accordance with directions given under the PFA Act 2000
- Proper accounting practices have been observed in the preparation of the accounts
- NHS Orkney has made proper arrangements for securing economy, efficiency and effectiveness in the use of its resources.

4.3 In addition to these responsibilities, Audit Scotland's Code of Audit Practice requires the External Auditor to provide an opinion on whether the statement of accounts presents a true and fair view of the financial position of the organisation, and on the regularity of transactions.

The External Auditor will also review and report on:

- Other information published with the financial statements.
- Corporate governance arrangements including arrangements in place for the prevention and detection of fraud and corruption
- The financial position
- Arrangements to achieve Best Value
- Arrangements to manage performance.

23 Information and Management Technology

1 The Chief Executive as the Senior Information Responsible Officer (SIRO) is responsible for the accuracy and security of the financial data of NHS Orkney.

2 The Chief Executive ~~Director of Finance~~ will devise and implement procedures to protect the Board and individuals from inappropriate use or misuse of any financial or other information held on computer files for which he has responsibility and will take account of the provisions of theData Protection Act 2018 (legislation.gov.uk) .

3 The Chief Executive ~~Director of Finance~~ will satisfy themself that computer audit checks and reviews are being carried out.

4 The Director of Finance will ensure that new financial systems and amendments to current financial systems are developed in a controlled manner and thoroughly tested prior to implementation. Where this is undertaken by an organisation out with NHS Orkney, assurances of adequacy will be obtained from them prior to implementation.

5 The Chief Executive ~~Director of Finance~~ will ensure that contracts or agreements for computer services for financial applications with NHS Boards or any other agency will clearly define the responsibility of all parties for the security, privacy, accuracy, completeness, and timeliness of data during processing and storage. The contract or agreement will also ensure rights of access for audit purposes.

6 Where NHS Orkney or any other agency provides a computer service for financial applications, the Director of Finance will periodically seek assurances that adequate controls are in operation.

7 Where computer systems have an impact on corporate financial systems the Director of Finance will ensure that:

- Systems acquisition, development and maintenance are in line with corporate policies and strategies such as the IT/eHealth/ Digital Strategy
- Data produced for use with financial systems is adequate, accurate, complete and timely, and that an audit trail exists
- Finance staff have access to such data.

24 Fixed Assets

1 The Chief Executive will ensure that there is an adequate appraisal and approval process in place for determining capital expenditure priorities and the effect of each proposal on the Financial Plan for NHS Orkney.

2 The Director of Finance will ensure that every capital expenditure proposal meets the following criteria:

- Potential benefits have been evaluated and compared with known costs
- Potential purchasing authorities should be able and (as far as can be ascertained) willing to meet cost consequences of the development as reflected in prices
- Complies with guidance in the Capital Investment Manual.

3 Consideration should be given to the use of Private Finance, Non-Profit Distribution or Leases where appropriate.

4 NHS Orkney will maintain a system for assessing how leases or Private Finance Initiative / Public Private Partnership / Non-Profit Distributing contracts should be accounted for as in accordance with relevant accounting standards and any other relevant guidance and advice received.

5 For large capital schemes a system will be established for managing the scheme and authorising necessary payments up to completion (Section 9). Provision will be made for regular reporting of actual expenditure against authorised capital budgets.

6 Where capital assets are sold, scrapped, lost or otherwise disposed of, their value must be removed from the accounting records and each disposal must be validated by reference to original documents and invoices (where appropriate). Where land and property is disposed of, the Property Transactions Handbook must be followed.

7 There is a requirement to achieve Best Value when disposing of assets. Competitive tendering should be undertaken in line with the tendering procedure (Section 13).

8 Competitive tendering or quotation procedures will not apply to the disposal of:

- Any matter where a fair price can be obtained only by negotiation or sale by auction as determined (or pre-determined in a reserve) by the Chief Executive or nominated officer
- Obsolete or condemned articles and stores, which may be disposed of in accordance with the losses policy
- Items with an estimated sale value of less than £1,000

- Items arising from works of construction, demolition, or site clearance, which should be dealt with in accordance with the relevant contract
- Land or buildings concerning which Scottish Government guidance has been issued.

9 Managers must ensure that:

- The Director of Finance is consulted prior to disposal
- All assets are be disposed of in accordance with MEL(1996)7 'Sale of surplus and obsolete goods and equipment'
- All proceeds are notified to the Director of Finance.

10 The overall control of fixed assets is the responsibility of the Chief Executive.

11 NHS Orkney will maintain an asset register recording fixed assets. The minimum data set to be held within these registers shall be as specified in the Capital Accounting Manual as issued by Scottish Government.

12 Registers will be maintained by the nominated officer for:

- Donated equipment
- Equipment on loan
- Leased Equipment
- Other leases
- Non-Profit Distributing contracts
- Contents of furnished lettings.

13 The Director of Finance will approve fixed asset control procedures. These procedures will make provision for:

- Recording managerial responsibility for each asset
- Identification of additions, disposals, and transfers between departments
- Identification of all repair and maintenance expenses
- Physical security of assets
- Periodic verification of the existence of, condition of, and title to assets recorded
- Identification and reporting of all costs associated with the retention of an asset.

14 Additions to fixed asset registers must be clearly attributed to an appropriate asset holder and be validated by reference to:

- Properly authorised and approved agreements, architect's certificates, suppliers' invoices, and other documentary evidence in respect of purchases from third parties

- Stores requisitions for own materials and wages records for labour including appropriate overheads
- Lease agreements in respect of assets held under a lease and capitalised.

15 The Director of Finance will approve procedures for reconciling balances on fixed assets accounts in ledgers against balances on fixed asset registers.

16 All discrepancies revealed by verification of physical assets to the fixed asset register will be notified in writing to the Director of Finance.

17 The value of each asset will be indexed to current values in accordance with methods specified in the Capital Accounting Manual.

18 The value of each asset will be depreciated using methods and rates as specified in the Capital Accounting Manual.

19 Capital charges will be calculated as specified in the Capital Accounting Manual.

25 Management, Retention and Disposal of Administration Records

1 NHS Orkney must comply with the national guidance on record keeping as outlined in:

- Public Records (Scotland) Act 2011
- Records management guidance set out in the Code of Practice on Records Management issued under Section 61(6) of the Freedom of Information (Scotland) Act 2002
- Scottish Government Records Management
- NHSS BCS Retention Schedule which incorporates NHS (2006) 28, and provides guidance on the retention and disposal of administrative records.

2 The Board has a Records Management Plan which is the overarching framework ensuring NHS Orkney records are managed and controlled effectively. This includes the Records Management Policy and supporting policies and procedures. This can be accessed on the website. https://www.ohb.scot.nhs.uk/public-records-scotland-act

26 Risk Management and Insurance

1 The ~~Chief Executive~~ Medical Director will ensure that NHS Orkney has a programme of risk management which is approved and monitored by the Board and its committees.

The programme of risk management will include:

- A process for identifying and quantifying risks
- Engendering among all staff a positive attitude to the control of risk
- A programme of risk awareness training
- Management processes to ensure that all significant risks are addressed, including effective systems of internal control, and decisions on the acceptable level of retained risk
- All significant risks and action taken to manage the risks will be reported to the Board and its committees
- The maintenance of an organisation-wide risk register Contingency plans to offset the impact of adverse events
- Audit arrangements, including internal audit, clinical audit, health and safety review
- Arrangements to review the risk management programme.

2 The existence, integration and evaluation of the above elements will provide a basis for the Audit and Risk Committee to make a statement to the Board on the effectiveness of risk management in NHS Orkney.

3 In the case of Partnership Working with other agencies, the NHS Orkney risk management framework will be shared to identify and quantify the individual risks, particularly where responsibility cannot be assigned to an individual partner. Each partners' risk management and insurance arrangements will be taken into account when identifying and quantifying risks associated with the provision of jointly managed services and associated with the delegation of the management of a partner's financial resources. Where conflicts occur between these sets of arrangements each partner's Director of Finance will be required to agree a course of action to resolve the conflict.

4 The Director of Finance will ensure that insurance arrangements exist in accordance with the risk management programme.

27 Financial Irregularities

This section should be read in conjunction with the NHS Orkney Fraud Policy contained within the Code of Corporate Governance.

1 Guidance

1.1 Guidance on the approach to various forms of financial irregularities is contained in https://www.sehd.scot.nhs.uk/mels/HDL2005_05.pdf, which draws a clear distinction between treatment of suspected (a) theft and (b) fraud, embezzlement, corruption, and other financial irregularities (hereafter referred to as "fraud, etc"). This procedure also applies to any non-public funds.

2 Theft, Fraud, Embezzlement, Corruption and Other Financial Irregularities

2.1 The Chief Executive will designate an officer within the Board with specific responsibility for co-ordinating action where there are reasonable grounds for believing that an item of property, including cash, has been stolen – the Fraud Liaison Officer.

2.2 It is the Fraud Liaison Officer's responsibility to inform as they deem appropriate, the Police, the Counter Fraud Services (CFS), the appropriate Director, the External Auditor, and the Chief Internal Auditor that such an occurrence is suspected.

2.3 Where any officer of the Board has grounds to suspect that any of the above activities has occurred, their line manager should be notified without delay. Line managers should in turn immediately notify the Fraud Liaison Officer, who should ensure consultation with the CFS, and the Chief Internal Auditor. It is essential that preliminary enquiries are carried out in strict confidence and with as much speed as possible.

2.4 If, in exceptional circumstances, the Fraud Liaison Officer and the Chief Internal Auditor are unavailable, the line manager will report the circumstances to the Chief Executive who will be responsible for informing the CFS. As soon as possible thereafter, the Fraud Liaison Officer should be advised of the situation.

2.5 Where preliminary investigations suggest that *prima facie* grounds exist for believing that a criminal offence has been committed, the CFS will undertake the investigation, on behalf of, and in co-operation with NHS Orkney. At all stages, the Director of Finance and the Chief Internal Auditor will be kept informed of developments on such cases. All referrals to the CFS must also be copied to the External Auditor.

2.6 Any additions and suspicions of fraud, including those dismissed, will be promptly reported to the Audit and Risk Committee on a regular basis.

3 Remedial Action

3.1 As with all categories of loss, once the circumstances of a case are known, the Director of Finance will require to take immediate steps to ensure that so far as possible these do not recur. However, no such action will be taken if it would prove prejudicial to the effective prosecution of the case. It will be necessary to identify any defects in the control systems, which may have enabled the initial loss to occur, and to decide on any measures to prevent recurrence.

4 Reporting to Scottish Government

4.1 While normally there is no requirement to report individual cases to the Scottish Government there may be occasions where the nature or scale of the alleged offence or the position of the person or persons involved, could give rise to national or local controversy and publicity.

4.2 Moreover, there may be cases where the alleged fraud appears to have been particularly ingenious or where it concerns an organisation with which other health sector bodies may also have dealings. In such cases, the Scottish Government must be notified of the main circumstances of the case at the same time as the CFS.

5 Responses to Press Enquiries

5.1 Where the publicity surrounding a particular case of alleged financial irregularity attracts enquiries from the press or other media, the Chief Executive should ensure that the relevant officials are fully aware of the importance of avoiding issuing any statements, which may be regarded as prejudicial to the outcome of criminal proceedings.

5.2 The Scottish Government should also be advised of any unusual or significant incidents involving patients or endowment funds.

6 List of Financial Crime Offences

6.1 There are numerous types of financial crime that can be perpetrated, and some examples are given below:

- **Dishonest action by staff to obtain a benefit** for example working whilst on sick leave, false expenses, false overtime, embezzlement of cash or goods and procurement fraud
- **Account fraud** for example fraudulent transfer to employee account, fraudulent account transfer to third party account and fraudulent account withdrawal

- **Employment application fraud** for example false qualifications, false references or use of false identity
- **Unlawfully obtaining or disclosure of personal data** for example fraudulent use of customer/payroll data, modification of customer payment instructions and contravention of IT security policy with intent to facilitate the commission of a criminal offence
- **Unlawfully obtaining or disclosure of commercial data** for example contravention of IT security policy with intent to facilitate the commission of a criminal offence
- **Other irregularities** for example involving failure to declare gifts, breaches of NHS circulars or SFIs or other accounting irregularities.

28 Bribery

This section should be read in conjunction with the Standards of Business Conduct contained within Section C of the Code of Corporate Governance and the Fraud and Corruption Policy contained within Section D of the Code of Corporate Governance

1 The Bribery Act 2010 has brought further obligations on NHS Orkney and its staff.

2 NHS Orkney operates a zero-tolerance approach to bribery, whether direct or indirect, by, or of, its staff, agents or external consultants or any persons or entities acting for it or on its behalf. The Board is committed to implementing and enforcing effective systems throughout NHS Orkney to prevent, monitor and eliminate bribery, in accordance with the Bribery Act 2010.

3 NHS Orkney will not conduct business with service providers, agents or representatives who do not support its anti-bribery statement. We reserve the right to terminate contractual arrangements with any third parties acting for, or on behalf of, NHS Orkney with immediate effect where there is evidence that they have committed acts of bribery.

4 The success of NHS Orkney's anti-bribery measures depends on all employees, and those acting for NHS Orkney, playing their part in helping to detect and eradicate bribery. Therefore all employees and others acting for, or on behalf of NHS Orkney are encouraged to report any suspected bribery in accordance with Section D of the Code of Corporate Governance – Fraud and Corruption Policy.

5 Where there are grounds to suspect that bribery has occurred a response shall be initiated as per the Fraud and Corruption Policy.

Annex 1

Sponsorship Policy

1 Sources of Sponsorship

It is accepted that NHS Orkney may benefit from sponsorship opportunities. However, there are circumstances under which sponsorship should not be accepted:

- If a company's products have inherent health risks, i.e. manufacturers and suppliers of tobacco and alcohol products
- Where a company has a history of failing to meet legislative standards in respect of industrial relations and work conditions, human rights, animal rights or environmental issues.

2 Purpose of Sponsorship

It is NHS Orkney's duty to provide health services for its population and it is not appropriate to use sponsorship to meet the costs of what is perceived to be NHS Orkney's primary responsibilities. However, it could be used to fund what are seen as secondary activities such as:

- Materials for education, training, and health promotional events
- Educational grants
- Sponsorship for training courses
- Expenses for attendance at local or national conferences
- Research or clinical audit projects
- Printing and distribution of guidelines
- Facilitate access to research and development work elsewhere.

The principles upon which any sponsorship must be based are:

- Agreements must protect the interests of individual patients, e.g. guard against the use of any single product to the exclusion of other reputable brands on the market
- Agreements should not undermine or conflict with the ethical requirement of any health care professional including the duty of doctors to provide treatment they consider clinically appropriate
- Agreements must comply with requirements for data protection and information sharing
- Agreements must be reviewed by the Central Legal Office
- Agreements will be publicly available documents in line with NHS Orkney's accountability requirements.

3 Control Framework

Sponsorship within the framework outlined above would allow some credit to be given to the sponsors, acknowledging the fact that they have provided the funding to allow the project or event to be run.

However, the following issues must be made clear:

- Credit for the work is due to the Board and not the sponsors
- The acceptance of sponsorship is not an endorsement of a specific product or drug
- Any mention of the sponsor will be to the Company and not to any of its products
- The sponsoring company may attend any sponsored event and display samples of its products at sponsored events, but it must be clear that the Board is not endorsing or promoting the company or its products.

Companies or suppliers offering sponsorship should be sent a copy of this policy and are required to confirm in writing that they have read it and will abide by its content.

Any offers of sponsorship should be submitted to the Director of Finance. A final decision on the appropriateness of an offer of sponsorship will rest with the Chief Executive.

Annex 2

SCHEME OF DELEGATED AUTHORITY

Purchase of Goods and Services

Delegated Issue	Responsible Officer	Deputy(s)	Scope (Excl VAT)
Approval of Business Cases			
Capital Investment	Scottish Government		£3,000,000 and above (as per DEL (2019)5)
Capital Schemes – Individual Project Value	Capital and Strategic Estates Group		Up to £50,000
	Senior Leadership Team		From £50,000 to £250,000
	Board		£250,000 and above
Revenue Business Cases	Executive Director		Up to £5,000
	Senior Leadership Team		£5,000 to £100,000
	Board		£100,000 and above
Quotes and Tenders			
Process Quick Quotes	Procurement Team		£3k and above
Issuing Tenders	Director of Finance or Procurement Manager		£50,000 and above
Opening Tenders	Director of Finance or Procurement Manager		All
Post-tender negotiation	Procurement Manager		All
Approval of Tenders	Procurement Manager & Executive Director	Procurement Staff & Budget Holder	£50,000 to £100,000
	Director of Finance		Up to £500,000
	Chief Executive		Up to £1,000,000
	Board		£1,000,000 and above
Authorisation of PECOS Orders (Only those included on the approved signatories list will	Team Lead, Supervisor	All orders will be escalated upwards to the next approval level where the original approver	Up to £1,000

be added to PECOS as an approver)		is not available to complete the approval	
	Functional Manager		Up to £5,000
	Head of Service		Up to £15,000
	Executive Director		Up to £50,000
	Director of Finance		Up to £500,000
	Chief Executive		£500,000 and above
PECOS (procurement review)	Procurement Staff	Procurement Manager	Up to £50,000
	Procurement Manager	Director of Finance	£50,000 and above
Other Expenditure			
Legal Claims	Patient Experience Officer		Up to £15,000
	Medical Director		From £15,000 to £50,000
	Chief Executive	Director of Finance	£50,000 and above
Ex Gratia Payments	Chief Executive		All
Losses & Write Offs	Chief Executive or Director of Finance		See Section 17
Staff Travel	Vacancy Panel		All
Endowments	EFSC Chair & Lead Executive Director		Up to £1,000
	Endowment Fund Sub Committee (EFSC)		£1,000 to £10,000
	Board of Trustees		£10,000 and above
Provision of Services			
Approval of NHSO services to others	Executive Directors		Up to £10,000
	Director of Finance		£10,000 and above
Funding Requests			
Grant applications	Director of Finance		All
Budgets			
Budget Virements	Director of Finance		All

Other Delegated Matters

Delegated Action and Scope of Delegation	Responsible Officer	Delegated Officer(s)

Delegation of budgets and approval to spend within delegated Limits	Chief Executive	Director of Finance
Devise and maintain systems of budgetary control	Director of Finance	Head of Finance
Demonstrate best value for all services	Chief Executive	Director of Finance
Develop and monitor efficiency programmes	Director of Performance & Transformation (and Deputy CEO)	Head of Improvement
Procedures for the procurement, ordering and receipt of goods	Director of Finance	Procurement Manager
Control of Stocks	Director of Finance	Procurement Manager
Develop and implement financial policies ensuring detailed financial procedures and systems are prepared and documented	Director of Finance	Head of Finance
Operation of detailed financial matters including bank accounts and banking procedures	Director of Finance	Senior Financial Accountant
Insurance Arrangements	Director of Finance	Head of Finance
Liaison with Internal Audit Service	Director of Finance	Head of Finance
Review, appraise and report in accordance with NHS Internal Audit Manual and best practice	Chief Internal Auditor (Azets)	Head of Finance
IT systems Development	Chief Executive	Head of Improvement
IT Systems Control and Security	Chief Executive	Head of Improvement
Management of Land & Buildings	Chief Executive	Head of Estates
Preparation of Operational Plan and Performance Assessment Framework	Chief Executive	
Annual Reports and Accounts	Director of Finance	Senior Financial Accountant
Investigate and suspected cases of fraud or other irregularity	Director of Finance	Fraud Liaison Officer
Standards of business conduct for staff	Chief Executive	Director of People & Culture

Develop and implement HR policies ensuring details HR procedures and systems are prepared and documented	Director of People & Culture	Head of People & Culture
Health and Safety Policy	Director of People & Culture	Health & Safety Lead
Health and Safety Management	Director of People & Culture	Health & Safety Lead
Caldicott Guardian	Medical Director	
Information Governance including freedom of information	Chief Executive	Head of Improvement
Complaints	Medical Director	Head of Patient Safety, Quality & Risk
Educational Quality Assurance	Executive Director of NMAHP	
Health Protection	Director or Public Health	Public Health Manager
Integrated Joint Board (Orkney Health & Care)	Chief Executive	Chief Officer of the Integrated Joint Board

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Code of Corporate Governance 2025/26**
Responsible Executive/Non-Executive:	**Chief Executive/Board Chair**
Report Author:	**Debs Crohn, Head of Improvement**
	Rachel Ratter, Senior Corporate Services Officer

1 Purpose

This is presented to the NHS Orkney Board for a **Decision.**

Members are asked to:

- **Approve** the updated Code of Corporate Governance 2025/26 (Appendix 1).

This report relates to a:

- Corporate Strategy 2024-2028
- NHS Board/Integration Joint Board Strategy/Direction
- Annual Delivery Plan (ADP) 2025-2026
- Annual Financial Plan
- Financial Sustainability
- Legal requirement

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

- Safe
- Effective
- Person Centred
- Sustainability

2 Report summary

2.1 Situation

The Audit and Risk Committee at its meeting on 4 March 2025, recommended Board approval of the amendments and updates to the Code of Corporate Governance (20025/26 Version 18 in Appendix 1), noting the Standing Financial Instructions (SFIs) have remained unchanged from Version 17 (2024/25) due to a full review being underway. This work is expected to be completed by the end of Quarter 3 in 2025/26.

2.2 Background

In 2018, the Scottish Government recognised the need to ensure that the governance arrangements in NHS Scotland were fit for purpose and keeping pace with the changing policy and financial environment.

The Blueprint for Good Governance provides Health Boards with guidance on how to deliver and sustain good corporate governance. Outlined in the Blueprint is the requirement for NHS Orkney to have a Code of Corporate Governance (the Code) which sets out:

- How the business of the Orkney NHS Board and its Committees are organised
- Members' Code of Conduct
- Standard of Business Conduct for NHS staff
- Fraud Standards
- Reservation of powers and delegation of authority
- Standing Financial Instructions

The Code of Corporate Governance is reviewed on an annual basis to take account of changes in legislation and outcomes from the review of Governance Committee and Board key documentation.

The Code was last reviewed in March 2024 and approved by the Board at its April 2024 meeting.

2.3 Assessment

Following the launch of our 5-year Corporate Strategy in April 2024, the Code has been reviewed to align with the 5 Strategic Priorities. The main changes to the Code during this review are highlighted in yellow or track changes and include:

- Amendments to the Governance Committee Terms of Reference following individual Committee reviews.
- Changes to purpose and aims to reflect the Corporate Strategy's Strategic Priorities
- Minor changes to job titles, email addresses and links to reflect current arrangements.
- Phase 1 of updating the Standing Financial Instructions.

Following Board approval, the Code will be widely distributed to staff with a covering email highlighting the amendments as noted above. This is in acknowledgment of the size of the document and will enable staff to note where changes have been made.

All budget holders will be required to confirm they have received and will adhere by the Code.

The Code will also be published on The Blog, NHS Orkney Policies and Procedures Teams Channel and the NHS Orkney website.

2.3.1 Workforce

The Code applies to all staff, especially the Standards of Business Conduct for NHS Staff, which provides information to ensure that all staff are aware of their duties in situations where there may be conflict between their private interests and their NHS duties.

2.3.2 Financial

There is no direct financial impact of the amendments as proposed. The Standing Financial Instructions explain how staff will control the financial affairs of NHS Orkney and ensure proper standards of financial conduct.

2.3.3 Risk Assessment/Management

The Code of Corporate Governance is reviewed annually to ensure any amendments in legislation are incorporated and that NHS Orkney is compliant with these.

2.3.4 Route to the Meeting

Each Governance Committee of the Board has reviewed and recommended for approval the changes to the Terms of Reference relevant to the Committee. The Code of Corporate Governance (2025/26) was discussed at the Audit and Risk Committee on 4 March 2025 who recommended to the Board that the document is approved.

3. Recommendation

Members are asked to.

- **Approve** the updated Code of Corporate Governance (2025/26).

4. List of appendices

The following appendices are included with this report:

- **Appendix 1** - NHS Orkney Code of Corporate Governance (2025/26)

NHS Orkney

Meeting:	**NHS Orkney Health Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Whistleblowing Annual Report 2024/25**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight, Chief Executive**
Report Author:	**Laura Skaife-Knight, Chief Executive & Kat Jenkin, Head of Patient Safety, Quality and Risk**

1 Purpose

This is presented to the Board for:

- Decision – approval of the Whistleblowing Standards Annual Report 2024/25.

This report relates to a:

- Annual Operation Plan
- Government policy/directive
- Legal requirement

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

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

This is NHS Orkney's fourth annual Whistleblowing Standards Report since the national standards came into force on 1 April 2021 and covers the reporting period 1 April 2024 to 31 March 2025. NHS Orkney has had one whistleblowing concern logged during this year, relating to the Community Mental Health Team and specifically the Emergency Mental Health Transfer Room. One case that was closed in 2022/23 which had various aspects to it (Human Resources (HR), Situation Background Assessment and Recommendation (SBAR) and Whistleblowing) re-emerged as a concern in 2023/24 and resulted in a referral to the Independent National Whistleblowing Officer (INWO) which has now been closed, with all concerns upheld by the INWO which is supported by NHS Orkney. Related to this escalated concern a second concern was raised with INWO.

NHS Orkney has responded to this concern and is currently awaiting a response from the INWO.

2.2 Background

The National Whistleblowing Standards set out how the Independent National Whistleblowing Officer (INWO) expects all NHS service providers to handle concerns that are raised with them, and which meet the definition of a 'whistleblowing concern'.

These standards are underpinned by a suite of supporting documents, which provide instructions on how the INWO expects concerns to be handled. Together these documents form a framework for the delivery of the National Whistleblowing Standards. The standards set out the requirement that the NHS Orkney Board plays a critical role in ensuring the Whistleblowing Standards are adhered to, including through ensuring quarterly reporting is presented and robust challenge and interrogation of this takes place, with this Annual Report giving oversight of the full year with the challenges and actions taken to resolve these.

2.3 Assessment

The organisation has had one whistleblowing concern raised this year and two escalated concerns raised with the INWO, both relating to a whistleblowing concern raised in 2022/23. There have been a number of actions to come out of all of these and these are currently underway. To ensure that we are a learning organisation we have also listened to our workforce using several different means and have included this learning across the quarterly reports and within this Annual Report. It has demonstrated that there are areas where we must improve. We are undertaking work in the first quarter of 2025/26 to review and revise our processes to ensure that the voice of the whistleblower is at the centre of these as well as setting clear support for everyone involved in these processes from the whistleblower to the reviewers.

2.3.1 Quality/ Patient Care

For an organisation to achieve high performance and deliver quality care any opportunity for learning must be vigorously pursued. Learning from whistleblowing is essential to shaping our services and upholding the NHS Orkney values of being open and honest, respectful and kind.

2.3.2 Workforce

Anyone who delivers an NHS service should feel able and empowered to raise concerns about harm or wrongdoing. They should be trained so they are aware of the channels available to them for raising concerns, and what access to the Standards means.

All staff have access to training through Turas Learn and information to support staff in raising or dealing with a concern is available on a dedicated Whistleblowing page on the Blog. This includes signposting to internal and external sources of information and support as well as relevant Standard Operating Procedures.

2.3.3 Financial

There are no financial impacts from this report.

2.3.4 Risk Assessment/Management

Training has been completed for all three Confidential Contacts and annual refresher training in place, as well as the new quarterly meetings with the Chief Executive and Board level lead which commenced mid-2024.

2.3.5 Equality and Diversity, including health inequalities

The national Standards were subject to public consultation and equality and diversity impact assessment. Through the implementation of the standards, it is expected that a culture of openness and psychological safety where staff and those who provide services for the NHS feel able to speak up will be created, ensuring that every voice is heard.

2.3.6 Climate Change Sustainability

There are no climate change or sustainability impacts from this report.

2.3.7 Other impacts

N/A

2.3.7 Communication, involvement, engagement and consultation

There is no formal consultation requirements associated with this paper.

2.3.9 Route to the Meeting

This report has been prepared for the Board only.

2.4 Recommendation

The Board is asked to approve the Whistleblowing Standards Annual Report 2024/25.

3 List of appendices

The following appendix is included with this report:

- Appendix 1: Whistleblowing Standards Annual Report 2024/25

Whistleblowing Standards

ANNUAL REPORT 2024/25

SAFETY, QUALITY AND RISK TEAM

Table of Contents

NHS Orkney Whistleblowing Standards

Annual Report 2024/25

1. Introduction

This is NHS Orkney's fourth annual Whistleblowing Standards Report since the national standards came into force on 1 April 2021 and covers the reporting period 1 April 2024 to 31 March 2025. NHS Orkney (NHSO) has had one whistleblowing concern logged during this year. One case that was closed in 2022/23 which had various aspects to it (Human Resources (HR), Situation Background Assessment and Recommendation (SBAR) and whistleblowing) and which re-emerged as a concern in 2023/24, resulted in a referral to the Independent National Whistleblowing Officer in 2024/25, providing an important learning opportunity for the organisation.

2. Background

The National Whistleblowing Standards set out how the Independent National Whistleblowing Officer (INWO) expects all NHS service providers to handle concerns that are raised with them, and which meet the definition of a 'whistleblowing concern'.

These standards are underpinned by a suite of supporting documents, which provide instructions on how the INWO expects concerns to be handled. Together these documents form a framework for the delivery of the National Whistleblowing Standards. The standards set out the requirement that the NHS Orkney Board plays a critical role in ensuring the Whistleblowing Standards are adhered to, including through ensuring quarterly reporting is presented and robust challenge and interrogation of this takes place.

Roles and Responsibilities

The Chief Executive continued as the Executive Lead for Whistleblowing in NHS Orkney in 2024/25 whilst substantive recruitment to the Medical Director role was completed and leadership at Executive Team level was stabilised. The Chief Executive is responsible for overseeing progress, ensuring timelines and communications are maintained and that follow-up actions and learnings are progressed appropriately.

The role of Whistleblowing Champion is held by a Non-Executive Director. The purpose of this role is to monitor and support the effective delivery of the NHS

Orkney Whistleblowing Policy and it is predominantly an assurance role which helps the NHS Board to comply with their responsibilities in relation to whistleblowing. The Whistleblowing Champion is expected to raise any matters 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.

The NHS Orkney Board plays a critical role in ensuring the Standards are adhered to, with a particular focus on effective:

- Leadership - setting the tone to encourage speaking up and ensuring concerns are addressed appropriately and followed-up.
- Monitoring – ensuring quarterly reporting is presented and robustly scrutinised (in NHS Orkney's case, reporting has been via the Joint Clinical and Care Governance Committee and Staff Governance Committee on a quarterly basis).

3. Activity during 2024/25

Since the introduction of the Whistleblowing Standards in 2021, NHS Orkney has continued to strengthen its work in this important area as it has achieved leadership stability and developed a new organisational culture programme. Creating a strong speak up culture and one where staff feel comfortable speaking up knowing and having confidence that concerns will be listened to and responded to is at the heart of this new programme. In 2024/25 the work needed in the organisation to create a speak up culture became one of five key organisation-wide priorities in response to staff feedback, and this has been communicated to staff on a regular basis.

Strong relationships remain in place with other Boards recognising that as a small Health Board there are occasions that support and independence from other Boards proves incredibly helpful, including other Island Boards and mainland Scotland Boards.

NHS Orkney now has three Confidential Contacts (one clinical and two non-clinical staff).

A new quarterly 'touchpoint' meeting was introduced in 2024/25 led by the Chief Executive as the Executive Lead, and attended by our three Confidential Contacts, Whistleblowing Champion and the Head of Patient Safety, Quality and Risk. These meetings are an opportunity to share themes from recent feedback, learning and have provided a useful support mechanism for all colleagues who are involved in leading whistleblowing and speak up at NHS Orkney. These touchpoints meetings have been well-received.

Speak Up Week ran in the last week of September 2024. This provides Boards, including NHS Orkney, with opportunities to share learning, raise awareness of the whistleblowing process and the benefits of a supportive speak up culture. Locally this was led by NHS Orkney's Chief Executive and Whistleblowing Champion (see below for further details) and was supported by wider Board members and our Confidential Champions.

The areas of focus in 2024/25 for NHS Orkney have included:

- Strengthened leadership (a continued focus on visible and compassionate leadership)
- Listening and closing the loop when people raise concerns to improve trust and confidence in our processes and leadership
- Further strengthened communications relating to the culture we want to create and the ways in which we listen
- Introducing new quarterly touchpoint meetings for Confidential Contacts and those involved in speak up at NHS Orkney
- Introducing a new anonymous feedback form in response to staff feedback, which is being used across the organisation
- Improving the promotion of who our Confidential Contacts are and their role at NHS Orkney via regular promotion of the 'ways we listen' document so that staff know who and where they can turn to when they have concerns to raise, including safety concerns

As above, throughout 2024/25 there has been a continued focus on regular communications with staff on the 'ways we listen' at NHS Orkney.

Communication to staff has been supported through a range of methods and forums, including:

- All staff briefings
- Chief Executive's blogs and standalone dedicated communications
- Continuous promotion of the 'Ways we Listen' document which summarises in a simple and easy way, all in one place
- Supporting Speak Up Week (September 2024)
- Speaking Up and Whistleblowing is included in the Chief Executive's induction slot (which the Chief Executive attends monthly to welcome all new starters to NHS Orkney)

4. Whistleblowing complaints

There was one formal concern raised under the Whistleblowing Standards during 2024/25 in the first half of the year. This concern related to the Mental Health Service and some concerns previously raised by the service. It followed a concern that was raised via the Chief Executive in one of the regular listening sessions she holds for all staff and became a formal whistleblowing concern soon after with the support of the Chief Executive, recognising that the concerns raised related to patient and staff safety, experience and wellbeing, out-of-hours arrangements and expectations in relation to the Mental Health Transfer Room, as well as wider issues including digital developments and accommodation.

Work with the team to discuss the concerns and resolution of these has been undertaken and an action plan completed in conjunction with the team. This has been overseen by the Chief Officer for the Integration Joint Board (IJB) as the lead Executive Director. The action plan is partially completed and as the work has progressed the team have been kept up-to-date and will continue to be updated with developments. The Joint Clinical and Care Governance Committee continues to oversee progress against this action and improvement plan, which sits alongside the action plan for the latest Mental Welfare Commission (MWC) report (after a 2024 visit from the MWC) and the peer review commissioned by the Chief Officer for the IJB. This Board-level assurance Committee is now overseeing the integrated improvement plan for Mental Health which brings these strands of work and action plans together into a single plan.

A whistleblowing case from the reporting period 2022/23 from our Health Visitor Team was referred to the Independent National Whistleblowing Officer (INWO) for consideration in-year. The case in question was multi-stranded (HR, SBAR and whistleblowing) and encompassed issues where other due process had to be concluded. This introduced significant confusion and delay into the overall organisational response, from which NHS Orkney must and will learn from.

The concerns that were referred have been upheld, which is supported by NHS Orkney, such has been the impact on staff and this team. It should be noted that the Chief Executive and Whistleblowing Champion supported the complaint to INWO and have taken steps to improve relationships with the team, which INWO also recognised in the Decision Notice. The Chief Executive has written to the team to formally apologise for the poor handling of this case, has recognised the significant impact this has had on individuals and the team and trust and confidence in our senior leadership team and has committed to learning from this experience.

Previous learning from this case, before this INWO referral, had been shared with the team and included:

- An independent investigation of case notes – a Child Health Review (which is completed and has come through our governance routes with our learning)

- Having clearer structures between management between Orkney Health and Care (OHAC) and NHS Orkney and clarity regarding leadership arrangements within our services (line manager and professional responsibilities) and clear routes of escalation

- A review of our whistleblowing process itself to incorporate learning points in an updated process going forward, with particular emphasis (but not restricted to) the post investigation and organisational response phase

We consider the decision to uphold the referred concerns to be fair and recognise that it identifies areas of learning for us as an organisation that will enable us to further improve our processes and practices moving forward. We are taking this opportunity to reflect on this case and other whistleblowing concerns and how our processes support whistleblowers and the organisation, including having clearer lines of responsibility and support for whistleblowers and other team members. Part of this is engaging with whistleblowers to better understand their experiences and what is important to them during this process and how we can maximise support for them during and after concerns are reviewed and closed. We have already spent time reviewing and reflecting on the recommendations and have started the work to respond to these. We want to ensure that we make and can evidence meaningful and sustained change and organisational learning and therefore take this opportunity to review our entire processes.

Due to this detailed work we are doing in response to the four key recommendations, we requested an extension to the timeline for completing them (from April to June 2025) which has been agreed by the INWO office. We are engaging with our whistleblowers and feeding this into a workshop where we will review and revise our processes. As an organisation we are committed to the wellbeing of our patients and team members and will be including some work that is ongoing around this into the revised processes.

The four key recommendations from this case were:

1. An apology to the individual/team affected for the findings in the Decision Notice which included that:
   - The current Electronic Patient Record (EPR) and clinical record management arrangements produce incomplete patient records
   - The team were not told about the recommendations or the action plan following the original upheld concern
   - The action plan was not sufficiently rigorous, and didn't drive improvement
   - There were delays in starting the whistleblowing process
   - There was not enough communication with the team following the stage 2 response
2. That the Board of NHS Orkney and OHAC manage and mitigate ongoing risks relating to EPR issues

3. The Board and OHAC communicate effectively with NHS whistleblowers working in the partnership
4. Compliance with the National Whistleblowing Standards

In a related and follow-up complaint relating to this case (received February 2025), the Board was asked to explore and take a view on whether the complainants were treated unfairly because of raising a whistleblowing concern, and specifically, whether the complainants were not treated with dignity and respect in a meeting with a senior staff member and whether one of the complainants was treated unfairly during an interview process. NHS Orkney has responded in full to this follow-up complaint.

Progress against these actions will be closely monitored by our Staff Governance Committee from 2025/26 onwards (see below), as agreed as part of the Board Committee effectiveness review process that took place at the end of 2024/25 to reduce duplication of reporting.

Speak Up concerns and themes

Circa 25 staff/teams have contacted the Chief Executive directly with concerns that are always logged and followed through as appropriate in 2024/25. When staff/teams contact the Chief Executive for advice and support, the full range of options, including whistleblowing are always discussed with staff, so that appropriate next steps can be agreed and taken, based on the wishes of the staff member/teams concerned and the standards in place. The Chief Executive involves Executive Directors and other senior leaders in such conversations as appropriate and this is considered on a case-by-case basis.

People continue to choose to raise concerns directly with the Chief Executive though a number of mechanisms, including the Chief Executive's monthly listening session for staff, direct contact and via Board walkarounds (which Executive Directors and Non-Executive Directors take part in). Themes from the year can be summarised as follows:

- Concerns about the limitations of our new Long Service Recognition Programme and the omission of bank staff

ACTION: this will be addressed as part of a review of Long Service Awards for 2025/26, under the leadership of the Director of People and Culture. This has been communicated to staff

- Frustrations about the length of the time the Job Evaluation and recruitment processes take

ACTION: we had a plan to complete Job Evaluation of the 37 outstanding requests by the end of December 2024, with very strong progress made and most cases reviewed ahead of the initial deadline and all by the end of 2024/25. Improving the Job Evaluation process was one of the five People priorities that Senior Leadership Team has agreed to focus on for improvement. An end-to-end review of our recruitment processes has taken place to respond to staff experience and improvements have been built into the People and Culture workplan for the year

- Working together across the organisation to improve our discharge processes, so that our patients have a better experience and so that all staff can contribute to ideas for improvement recognising late in the day discharges, whilst sometimes unavoidable, happen all too often, impacting on our patients and various teams

ACTION: An improvement project has been stood up with multi-disciplinary team input, under the leadership of the Director of Nursing, Midwifery, Allied Health Professions (AHPs)and Chief Officer for Acute.

- A clearer 'offer' from our Corporate Services so there is more clarity on where and who you go to for support, and what this looks like in reality

ACTION: external reviews of our Digital, People and Culture and Finance Functions underway/completed with associated improvement plans in place which will be overseen by our Improvement Board.

- Concerns raised by some clinical teams

ACTION: meetings have been held with the Medical Director, Director of Nursing, Midwifery, AHPs and Chief Officer for Acute and Chief Executive with individual teams where concerns have been raised.

iMatter 2024 results – speak up and acting on concerns

In 2023, the iMatter survey included new questions on Speaking Up, which evidenced the work NHS Orkney must do in this space to improve, with NHS Orkney's scores showing the organisation was a national outlier:

- I am confident I can safely raise concerns/issues (NHS Orkney score 75 – national average 79)
- I am confident that concerns will be followed-up/responded to (NHS Orkney score 65 – national average 74)

The latest results (published June 2024) from the 2024 iMatter survey were as follows:

- I am confident I can safely raise concerns/issues (NHS Orkney score 74 – national average 79)
- I am confident that concerns will be followed-up/responded to (NHS Orkney score 66 – national average 73)

Despite the enhanced focus in 2023/24, the iMatter scores between 2023 and 2024 remain largely unchanged, evidencing the further work we need to do in this space with line managers across the organisation. Speaking up for safety, raising concerns and ensuring we act on these concerns will therefore remain a top organisational priority, as evidenced by speaking up being one of the six priorities in-year, in response to staff feedback (see above). To build on the iMatter results an organisation-wide survey was sent out to focus on some critical areas of iMatter. This identified that people wanted to be able to raise concerns anonymously as they felt safer doing this and as well as this wanted to see more feedback and change from concerns when they are raised.

Supporting Speak Up Week

The last week in September 2024 was 'Speak Up' week and this year we promoted several new initiatives as well as highlighting work and roles that are ongoing. The new initiatives worked alongside the staff wellbeing work which the People and Culture team have been undertaking. A new page on 'How We Listen/ Speak Up' was developed and made available to staff on our Wellbeing SharePoint site. This page gives information on the ways the organisation listens, including the role of our Confidential Contacts and the whistleblowing process. It also includes links to the policies and the INWO site for staff to access easily. In response to the feedback from iMatter and the extended survey a new anonymous reporting of concerns form was launched. To share the learning from concerns more widely we are including the themes and actions from these concerns as part of the quarterly whistleblowing report which presently goes to our Staff Governance Committee and Joint Clinical and Care Governance Committee and these are published on the internal blog as well as on the public website.

Reporting and Assurance

Quarterly reports on speak up and whistleblowing activity are shared via the Joint Clinical and Care Governance Committee and Staff Governance Committee and presented by the Chief Executive. A six-monthly report is also shared via each Committee.

Other developments

- We now log Confidential Contacts and whistleblowing concerns centrally – via our Head of Patient Safety, Quality and Risk (whilst giving careful thought in terms of what we want to record and maintaining confidentiality)
- We have improved resilience when our Chief Executive and Whistleblowing Champion are on annual leave via our Head of Patient Safety, Quality and Risk and team and our Confidential Contacts

5. Outcomes and performance against the whistleblowing indicators

These indicators are as follows:

1. Learning from concerns raised
2. Experience for those raising concerns
3. Staff awareness and training
4. The total number of concerns received
5. Concerns closed at each stage in the process
6. Concerns upheld, partially upheld and not upheld
7. Average times
8. Number of concerns closed at each stage with the set timescales
9. Number of cases where extension was authorised

We are not presenting these in the order above, but rather in an order that makes it easier to read, and we have included the indicator number next to the heading to make it easier to identify the indicator.

Staff awareness and training (indicator 3)

We have changed the way the data is being presented to make it easier to read. We raised awareness of the training modules during 'Speak Up' week and we have provided links to them on the Speak Up page within the Wellbeing SharePoint site. The training figures remain low, but we will continue to recommend this for new colleagues into the organisation.

Count of Learning Status				2024/25			
Course Title	Completed all time	In Progress all time	Total	Completed Q1	Completed Q2	Completed Q3	Completed Q4
Whistleblowing: an overview	108	14	122	1	0	1	0
Whistleblowing: for managers & people who receive concerns	8	2	10	0	0	1	1

Whistleblowing: for senior managers	31	7	38	0	0	0	1

Training figures have remained consistently low (<10% of staff who could have undertaken the training). A deliberate decision was made by the Chief Executive not to focus on increasing training for whistleblowing in 2024/25 consistent with previous years as increasing wider statutory and mandatory training compliance remained a priority given low rates to date and it is recognised that this must be resolved before additional and further asks can be made of staff.

Whilst whistleblowing training is not currently part of NHS Orkney mandatory suite of eLearning, managers/team leaders who potentially have to deal with concerns, should now be required to undertake the relevant training module, to ensure they have clarity around their role and responsibilities in respect of whistleblowing. This will be considered as we develop a new Managers' Programme in 2025/26.

Concerns and management of concerns (indicators 4-9)

Indicator	Performance 2024/25			
	Q1	Q2	Q3	Q4
The total number of concerns raised	0	1	0	0
Concerns closed at each stage of the process	N/A	1	N/A	N/A
Concerns upheld, partially upheld, and not upheld	N/A	1	N/A	N/A
Average times (working days)	N/A	10	N/A	N/A
Number of concerns closed at each stage within the set timescales	N/A	1	N/A	N/A
Number of cases where extension was authorised	N/A	N/A	N/A	N/A

Learning from concerns raised (indicator 1)

There has been one formal whistleblowing concerns raised and the learning from this and the significant learning from the case referred to INWO is outlined above in sections three and four. The learning from wider concerns that were raised via the

Chief Executive directly have been reviewed and acted upon as outlined in the sections four.

Experience for those raising concerns (indicator 2)

Currently we have not sought the experience of those who have raised concerns this year. We do, however, have a plan to seek this and use this feedback to form the basis of the review and revision of our whistleblowing procedures. We will be using different methods to seek feedback including an anonymous questionnaire as well as offering one to one meetings and team meetings with those who have raised concerns, should they want this.

6. Action plans and progress on upheld concerns

For an organisation to achieve high performance and deliver high quality care all, opportunities for learning must be vigorously pursued.

There has been one formal referral this year relating to our Mental Health Service, and progress against this Improvement Plan will be overseen by our Staff Governance Committee from April 2025, as it has been decided to reduce duplication of reporting between meetings.

7. Primary Care and contracted services

NHS Boards are responsible for ensuring all primary care and other contracted service providers supply the appropriate information to the Board as soon as possible after the end of each quarter (when concerns have been raised) and at the end of the year. This is an area where further exploration and discussion is needed over the coming year to ensure awareness, compliance and learning outcomes are included.

8. Conclusion

With one formal whistleblowing concern and an upheld INWO referral in 2024/25, this last year has been one of evidencing organisation-wide learning and further strengthening our approach to speak up and whistleblowing at NHS Orkney.

Continuing to listen to and act on feedback and share changes that happen as a result of doing so with staff and learning when we have fallen short as is the case with the INWO case, as well as continuous communication across the organisation regarding the ways we listen, are all helping to slowly build a culture where staff feel

safer speaking up and feeling more confident that if they do there will not be detriment that positive change will follow. That said, despite all of this work to date, it is clear that we have some way to go.

I would like to extend our sincere thanks to the staff who have taken the time and been brave enough to raise concerns over the last year, including those who escalated their concerns to INWO to allow true organisational learning and reflection to take place.

Learning from whistleblowing and all staff feedback is essential to further improving our culture, services and to living our values of being open and honest, respectful and kind.

Looking to 2025/26, a number of priorities have been identified so that we build further on the good work that has taken place over the last 12-months, notably:

- We will evidence and share our organisation-wide learning from the case that has been upheld by INWO – and ensure that the action plan resulting in it, which has deadline dates into Quarter 1 of 2025/26 is overseen by the Staff Governance Committee (see below) to ensure Board-level oversight
- In response to staff feedback and now we have substantive Medical Director, the Board-level whistleblowing lead role has from 1 April 2025 transferred back from the Chief Executive to the Medical Director
- We will regularly and proactively promote, in our communications, that we will offer other Board support/independent person to consider cases for every whistleblowing case – recognising the challenges of being a small Board can bring when it comes to whistleblowing concerns
- We will introduce annual refresher training for our Confidential Contacts
- From April 2025, reporting against the Whistleblowing Standards will continue to be via the Staff Governance Committee – with concerns that relate to care quality and safety being escalated to Joint Clinical and Care Governance Committee also (to ensure appropriate reporting and visibility of concerns, but to reduce unnecessary duplication to further streamline our governance).

Laura Skaife-Knight
Chief Executive, Executive Lead for Whistleblowing
6 April 2025

NHS Orkney

Meeting:	**Board**
Meeting date:	**24/04/2024**
Title:	**Whistleblowing Champion Assurance Statement 2024/2025**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight, Chief Executive**
Report Author:	**Jason Taylor, Non-Executive Board Member / Whistle Blowing Champion**

1 Purpose

This is presented to the Board 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

This report should be read in conjunction with the annual Whistleblowing Report, and is intended to provide an objective assessment of whether NHS Orkney complies with the National Whistleblowing Standards, and to offer assurance to the board in that respect.

2.2 Background

Whistleblowing Champion - Jason Taylor, Non-Executive

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 to ensure the organisation is responding to Whistleblowing concerns appropriately, in accordance with the Standards. The Whistleblowing Champion is also expected to raise any issues of concern with the board as appropriate, either in relation to the implementation and operation of the Standards, patterns in reporting of concerns or in relation to specific cases.

2.3 Assessment

Over the course of the year 2024/2025, executive leadership of Whistleblowing has been undertaken by the Chief Executive, with day-to-day responsibility for the management of Whistleblowing assumed by the Head of Patient Safety, Quality and Risk and the team that sits in support of that position. Whilst systems are in place to record, manage, investigate and report on Whistleblowing concerns, weaknesses have previously been evident in the areas of organisational response and communication following the investigation of concerns.

In my 2023/24 statement, following on from feedback relating to a whistleblowing case from 2022/23, I highted the areas in which NHS Orkney could improve its response to any recommendations flowing from a concern being upheld, as delays in acting upon recommendations risk undermining confidence in the process. In response, the Chief Executive committed to any future recommendations being progressed and actions minuted via both Corporate Leadership Team (Executive Team) and Senior Leadership Team meetings as required, with responsibility, accountability and agreed timeframes being allocated to relevant executives / senior managers as appropriate, including regular communications with the individual(s) who raised the concern.

The Independent National Whistleblowing Office (INWO) has recently concluded a review of that particular 2022/23 whistleblowing case, making a number of recommendations which encompass the areas highlighted above. The INWO report concluded that NHS Orkney had not taken reasonable action to address the concerns upheld by the Board's investigation, and that the Board had not handled the concern in accordance with the Standards.

Staff training completion rates remain low. To date, completion of the Whistleblowing training modules has been voluntary. Whilst I continue to concur that for the majority of staff this remains appropriate, I do consider that managers / team leaders who potentially have to deal with concerns, should now be required to undertake the relevant training module, to ensure they have clarity around their role and responsibilities in respect of Whistleblowing. Whilst this would represent a change from the previous voluntary approach, I believe the weight of evidence in relation to the weaknesses described, supports such a change. I do however recognise that NHS Orkney currently faces a number of challenges in respect of mandatory and statutory training, which need to be resolved before additional asks are made.

Despite a regular tempo of communication to the organisation, knowledge of the Whistleblowing Standards remains mixed, and it is notable that it is higher among Balfour based NHS Orkney staff compared to those delivering NHS Services out with the main hospital setting. This awareness level gap remains an ongoing challenge. However, on a positive note, all of the staff I spoke to when testing awareness, were able to articulate knowledge of a process to raise concerns and intimated confidence to do so, even when they had limited knowledge of the Whistleblowing Standards themselves.

NHS Orkney currently has 3 confidential contacts, albeit it is recognised that long term absence has reduced the effective number to 2. Over the course of the last year, and following active promotion of their role, the confidential contacts have seen engagement with staff increase, with advice and signposting provided to a number of staff. Confidential Contacts are a key foundation of the system and process, and the organisation would be well advised to consider a further round of confidential contact recruitment, to increase the number of contacts available.

As described in the annual report, staff continue to approach NHS Orkney's CEO directly to report concerns. In these cases, staff are, despite being offered the route of Whistleblowing, electing for their concerns to be dealt with as 'business as usual'. Whilst this shows a high level of confidence from staff in the Chief Executive to deal with matters of concern, the forthcoming transfer of executive leadership may result in a shift in the way such concerns are raised.

Feedback from 2023/2024 iMatter survey indicated that staff wanted the option of being able to report concerns anonymously. I articulated reservations around implementing such a process as it would conflict with the aims of the Whistleblowing Standards. Over the last 12 months this option has been available, it has been used by staff to raise a number of concerns, none of which would have met the definition of or been taken through the Whistleblowing process. As such, it appears that staff are using this method to highlight minor issues they were perhaps previously unwilling to raise (as noted in my statement last year), and so far, this method appears to be complementing rather than undermining the Whistleblowing process.

Conclusion

Notwithstanding the INWO findings, I am satisfied that NHS Orkney has systems in place to record, manage, investigate and report Whistleblowing concerns, that it has acknowledged the weaknesses identified in respect of organisational response and communications, and is working to put in place measures to address them.

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Corporate Strategy 2024/25 Quarter 4 Update**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight - Chief Executive**
Report Author:	**Debs Crohn - Head of Improvement**

1 Purpose

This paper is presented to the NHS Orkney Board for **Assurance.**

Members are asked to:

i. **Receive** the NHS Orkney Year 1 (2024/25) Quarter 4 Performance Scorecard and exception report.
ii. **Note** where Key Performance Indicators (KPIs) are off track and the improvement actions in place to bring deliverables back on track.

This report relates to a:

- Corporate Strategy 2024-2028 – Place, People, Patient Safety, Performance, Potential strategic objectives
- Integration Joint Board (IJB) Strategic Plan
- Annual Delivery Plan 2024-2025 (ADP)
- Annual Financial Plan
- Financial Sustainability

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

- Safe
- Effective
- Person Centred
- Sustainability

2 Report summary

2.1 Situation

This paper is presented to the Board for awareness of performance of the Corporate Strategy Year 1 Quarter 4 (2024/25) deliverables.

A performance scorecard has been developed for reporting on a quarterly basis through our internal governance, which aligns with our key priorities areas in the Improving Together (efficiency and savings) Programme and our Annual Delivery Plan (ADP) 2024/25.

A consolidated performance scorecard and exception report for actions rated red and amber in Quarter 4 of 2024/25 is included in Appendix 1.

Following feedback from our Senior Leadership Team (SLT) who were keen to understand where Year 1 deliverables and priorities not included in our Year 2 (2025/26) Corporate Strategy will be monitored, please see Appendix 2, for transparency.

2.2 Background

The focus in Quarter 4 of 2024/25 has remained on delivery and performance across all National and Local KPI's, including the Corporate Strategy KPIs/objectives, are now an integral part of our Performance Review Meetings (PRMs) which took place in October 2024 and January 2025.

2.3 Assessment

Quarter 4 2024/25 performance

Appendix 1 provides an update on delivery against each of the Quarter 4 2024/25 deliverables outlined in the Corporate Strategy Delivery Plan and exception reports for the deliverables rated Red and Amber along with the specific improvement actions to bring deliverables back on track.

Each of the strategic objective deliverables have been given a RAG (Red, Amber, Green) status by the Executive Leads. Table 1 provides a definition for each the Red, Amber Green Status along with the number of deliverables in each category. Table 2 provides a position statement of all deliverables at the end of Quarter 4 of 2024/25.

There are 75 deliverables in our Year 1 Corporate Strategy Delivery Plan 2024/25.

15 of the deliverables are RAG rated Red, 21 rated Amber, 33 Green with 6 actions deferred to 2025/26 following a prioritisation exercise by the Digital Information Operations Group.

Table 1 - Red, Amber Green Status definition and number of deliverables in each category

Category/Status rating	Q1	Q2	Q3	Q4
Red - Significantly delayed. • Actions not implemented. • Deliverables and improvements not achieved. • Priority will not be delivered within original timescale recurring a minimum of 2 additional quarters to achieve.	3	3	20	15
Amber - Partially delayed. • Some actions implemented. • Progress towards deliverables and improvement evidenced. • A clear plan with mitigations in place to bring the priority back in line with original timescale or delivered within one additional quarter.	5	18	17	21
Green - Remains on track. • Action implemented. • Stated deliverables and improvement evidenced.	62	49	33	33
Deferred to 2025/26	5	5	5	6
Total number of deliverables	75	75	75	75

NHS Orkney

Table 2 – Corporate Strategy 2024/25 Performance Scorecard

	Strategic Objective	Key Performance Indicator (KPI)	Due Date	Status Quarter1	Status Quarter 2	Status Quarter 3	Status Quarter 4
People	**Develop a new staff experience programme which sets out how we will listen to and act on staff feedback and measure how staff are feeling about working here throughout the year**	Develop a new staff experience programme	Jan-25	Green	Green	Red	Red
		Improve iMatter score for overall engagement score from 6.4 to >7	Apr-25	Green	Green	Green	Green
		Improve iMatter scores for employee engagement score from 74% to at least 78%	Apr-25	Green	Green	Red	Red
		Improve iMatter score for staff recommending NHS Orkney as a good place to work from 70 to at least 75	Apr-25	Green	Green	Green	Green
		Board and Executive Team development programme commissioned and phase 1 complete	Sep-25	Green	Green	Green	Red
		Development programme commissioned for the Senior Leadership Team	Apr-25	Amber	Amber	Red	Red
		>5% of staff completed Quality Improvement training, prioritising the Improvement Team and Heads of Service	Apr-25	Green	Green	Amber	Amber
		Introduce Power BI in our Data and Improvement Team	Dec-24	Green	Green	Amber	Amber
		Introduce a new Managers' Induction for new and existing line managers which covers: • Budget management • Appraisals • Sickness management • Compassionate leadership and conversations • Values and behaviours	Apr-25	Green	Green	Amber	Amber
	Prioritise improving our appraisal, mandatory training, sickness and staff experience scores – recognising these are important measures of how staff feel about working here with the aim of creating a happier workforce	>40% appraisal rates	Apr-25	Red	Red	Red	Red
		Sickness rates consistently below the national average of <6%	Sep-24	Green	Amber	Red	Red
		Further strengthen internal communications which is aligned to our strategy and values.	Dec-24	Green	Green	Green	Green
		Develop a new long-term workforce plan to support the retention and development of our people	Apr-25	Green	Green	Green	Amber

	Ensure patients have a single point of contact – wherever possible to improve communication between our community and NHS Orkney	Ensure patients have a single point of contact – wherever possible to improve communication between our community and NHS Orkney	Apr-25	**Green**	**Amber**	**Amber**	**Amber**
	Introduce a new recruitment and retention programme which sets out how we will make NHS Orkney an attractive place to work and to pursue a career	Develop an innovative recruitment campaign which positions Orkney as a great place to live and work	Nov-24	**Green**	**Green**	**Red**	**Amber**
		To work closely with schools and higher education institutions to offer career opportunities at NHS Orkney	Dec-24	**Green**	**Green**	**Amber**	**Green**
Patient Safety, Quality and Experience	**Ensure all of our patients are treated with kindness, dignity and respect**	25% of all clinical staff will complete Compassionate Conversations training	Dec-24	**Amber**	**Green**	**Red**	**Red**
		25% reduction in complaints relating to poor communication with patients and families	Apr-25	**Green**	**Green**	**Amber**	**Red**
	Maximise learning from incidents, complaints and Significant Adverse Events	Patient stories and learning at public Board meetings	Oct-24	**Green**	**Amber**	**Red**	**Amber**
		Evidence that learning from complaints and Significant Adverse Events is communicated to patients and staff	Apr-25	**Green**	**Green**	**Green**	**Green**
		A multi-disciplinary approach to learning rolled out across the Organisation	Dec-24	**Green**	**Green**	**Amber**	**Green**
	Introduce new baseline metrics for safety, quality, experience, and evidence year-on-year improvements in each domain	Integrated Performance Report in place including new and enhanced metrics for quality, safety and experience and the objective in 2024/25 is to improve in every area	Sep-24	**Green**	**Green**	**Green**	**Green**
	Introduce a clear way of listening to and responding to patient feedback and partnering with patients in decision-making about their care, improving our services by exploring multiple ways of ensuring our diverse island communities are able to shape our organisation at all levels	Put in place a structure for ensuring patient engagement and voice is heard at all levels of the organisation	Dec-24	**Green**	**Amber**	**Red**	**Green**
		Work with the isles Wellbeing Co-ordinators to ensure the voice of our ferry-linked isles' communities are heard	Apr-25	**Green**	**Amber**	**Red**	**Amber**
		New volunteer programme in place for NHS Orkney to connect with our community and third sector partners	Apr-25	**Green**	**Green**	**Red**	**Red**
	Create a culture where staff feel safe speaking up about concerns, including safety concerns, and are confident that they will be listened to and acted on	Improve iMatter score for staff feeling able to raise safety concerns from 75-80%	Apr-25	**Green**	**Amber**	**Red**	**Red**
		Improve iMatter the score for staff feeling confident concerns will be followed up when they speak up from 65 to over 70	Apr-25	**Green**	**Green**	**Red**	**Red**
		New Board Assurance Framework in place aligned to our new Corporate Strategy's strategic objectives	Dec-24	**Green**	**Amber**	**Green**	**Green**

	Further strengthen our approach to risk management, governance, and clinical engagement	Increase staff engagement in risk management processes, as measured by participation in risk awareness activities and feedback	Dec-24	**Green**	**Green**	**Amber**	**Green**
		Enhanced Board understanding and oversight of risk, including delivery of a risk workshop for Board members, the Risk Management Forum, and Extended Senior Leadership Team	Dec-24	**Green**	**Amber**	**Amber**	**Amber**
		All governance forums have Chairs, Terms of Reference and Chair's Assurance Reports feeding into Senior Leadership Team or Board Assurance Committees	Dec-24	**Red**	**Amber**	**Green**	**Green**
		Medical Director, Director of Nursing, Midwifery, AHPs and Chief Officer for Acute and the Director of Public Health will work together to improve clinical engagement, including relaunching our Clinical Advisory Groups to ensure the clinical voice is listened to	Mar-25	**Red**	**Amber**	**Amber**	**Amber**
Performance	**Further improve our waiting times for patients for:** **• Planned care (the time patients wait for outpatient appointments, operations, tests, and scans)** **• Cancer care** **• Unscheduled (urgent) care**	Improvement plans in place for each service to reduce waiting times	Sep-24	**Green**	**Green**	**Green**	**Green**
		Improve the discharge experience of patients, including those living on ferry-linked isles, via the isles Wellbeing Co-ordinators	Mar-25	**Amber**	**Amber**	**Amber**	**Amber**
		Reduction in waiting times for planned care services (Treatment Time Guarantee and outpatient standards) >10%	Apr-25	**Green**	**Green**	**Red**	**Red**
		Improve pre-noon discharges from 20% to 30%	Mar-25	**Green**	**Amber**	**Amber**	**Green**
		Reduce outpatient DNAs and cancellation rates by a minimum of 5%	Mar-25	**Green**	**Green**	**Green**	**Green**
		Further evolve our integrated performance report moving to exception reporting with a greater focus on mitigations and benchmarking	Aug-24	**Green**	**Green**	**Green**	**Green**
		Introduce quarterly Performance Review meetings for all core clinical and corporate services so that colleagues feel support and are held to account for delivery of objectives and operational and financial performance	Oct-24	**Green**	**Green**	**Green**	**Green**
	Further improve our waiting times for Cancer patients	Develop a cancer performance improvement plan	Dec-24	**Green**	**Amber**	**Amber**	**Amber**

	More transparency with our community about our waiting times for each service	Publish a simple summary of our performance each month to our community so it is easy to understand and digest, including waiting times by specialty	Jul-24	**Green**	**Green**	**Green**	**Green**
	Improve access to a number of key services, including Children's, Mental Health, Primary Care, Dentistry, Pain and Eye Services	Ensure there are clear plans to improve access to key services in these specialties which are overseen at the Joint Clinical and Care Governance Committee and Finance and Performance Committee	Dec-24	**Green**	**Red**	**Red**	**Amber**
	Deliver our financial performance and delivering our Financial Plan for 2024/25, which includes achieving our £4million savings requirement	Deliver the Board-approved Financial Plan for 2024/25	Apr-25	**Green**	**Red**	**Red**	**Amber**
	Improve theatre utilisation, efficiency and reducing cancelled operations so that patients get a better experience in our care	Reduce cancelled operations by 50%	Apr-25	**Green**	**Amber**	**Amber**	**Amber**
	Have fit for purpose Service Level Agreements (SLAs), recognising we are reliant on other Health Boards to deliver timely care for our community	Prioritise reviewing our SLAs with NHS Grampian and NHS Highland	Dec-24	**Green**	**Amber**	**Amber**	**Amber**
		All SLAs to be overseen by Procurement with operational leads and regular performance review meetings to ensure they are delivering for our patients	Oct-24	**Green**	**Green**	**Green**	**Amber**
		Improve our relationship with Loganair and in turn ensure this translates to performance improvements to minimise disruption caused by delayed/cancelled flights for our patients and staff	Mar-25	**Green**	**Green**	**Green**	**Green**
Potential	**Prioritise accelerating the digitisation of NHS Orkney – including looking at how technology and digital services can reduce patient journeys**	Digital Maturity and Network and Information System Improvement Plans in place	24-Nov	**Green**	**Green**	**Green**	**Green**
		Roll-out additional functionality for M365	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26
		Maximise the use of Near Me (virtual appointments) to reduce the need for patients to go south for treatment	Apr-25	**Green**	**Green**	**Green**	**Green**
		Implementation and reprovisioning of GP IT system	Jan-25	**Amber**	**Amber**	**Red**	Deferred to 2025/26

		Roll out new theatre scheduling tool	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26
		Introduce a new text message reminder service	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26
		Implementation of Community Electronic Patient Record (new action)	Apr-25	**Green**	**Green**	**Amber**	**Amber**
		Roll out Digital Dictation	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26
		Migrate and Upgrade c-Cube and Trakcare	Oct-24	**Green**	**Green**	**Green**	**Green**
		Upgrade Trakcare functionality	Mar-25	**Green**	**Green**	**Amber**	**Amber**
		Roll out the ability for patient-focussed booking	Deferred to 2025/26	Deferred to 2025/26	Deferred to 2025/26	Action deferred to 2025/26.	Deferred to 2025/26
	Develop a single Education Strategy which sets out our ambition for the future	Engage with all relevant professional groups and leads to develop a single Education Strategy	Jan-25	**Green**	**Green**	**Red**	**Amber**
	Introduce a new risk management framework and enhancing people's understanding of risk and management of risk at all levels of the organisation	New risk management framework in place which aligns to the Corporate Strategy and Board Assurance Framework	Dec-25	**Green**	**Green**	**Green**	**Green**
	Establish NHS Orkney as a hub for innovation and research in remote and rural healthcare through partnerships that unlock creativity within our people and communities	Bright (staff) ideas scheme – 50 ideas in 2024/25	Apr-25	**Green**	**Green**	**Green**	**Green**
		Set up a pipeline of students to undertake design or other innovation/improvement projects between NHS Orkney and our university partners and looking to source additional funding to support innovation	Apr-25	**Green**	**Green**	**Red**	**Red**
	Be a better partner by sharing information between agencies and Health Boards more freely so that our patients receive more seamless and timely care	Raise awareness of how to share information across the organisation to ensure more seamless care for patients	Apr-25	**Green**	**Green**	**Green**	**Green**

	Refresh our Clinical Strategy to ensure it is aligned to the views of our patients, community and staff, and local, regional and national policy and priorities	Launch a refreshed Clinical Strategy following engagement with patients, community, partners and staff	Apr-25	**Green**	**Green**	**Red**	**Red**
Place	**Ensure our patients receive care locally wherever possible, preventing unnecessary trips south for care and treatment**	Ensure patients only have to travel south or into The Balfour for appointments where absolutely necessary and use digital solutions wherever possible as the default – we will do this by increasing virtual appointments and Near Me use by a minimum of 5% versus 2023/24 data	Dec-24	**Green**	**Green**	**Green**	**Green**
	Be clear with our community what services we offer locally and what services are provided south so this is more clearly understood	More honest communications with our community about how we will need to work in partnership, and what NHS Orkney needs from the community re: accessing and utilising health services appropriately	Apr-25	**Green**	**Amber**	**Green**	**Green**
	Further improve health outcomes and reducing health inequalities for our community	Develop a new approach to Population Health Management and Prevention reporting – with clear KPIs and metrics so that year-on-year improvements can be measured	Mar-25	**Green**	**Green**	**Green**	**Amber**
		Clear delivery plan and KPIs in place for our Anchor Strategy setting out 2024/25 priorities	Oct-24	**Green**	**Green**	**Green**	**Green**
	Be a key voice at the Community Planning Partnership and developing strengthened place-based partnerships with other local organisations, including public and third sector partners, so we fulfil our role as an anchor institution	Play a more active role in the Community Planning Partnership with a strong focus on prevention, reducing health inequalities, reducing poverty and NHS Orkney's contribution to community wealth building	Mar-25	**Green**	**Green**	**Green**	**Green**
		Further strengthen relationships with third sector partners	Sep-24	**Green**	**Green**	**Green**	**Green**
	Increase the benefits to our community through innovative employment and procurement strategies, better use of land and assets, progressing our journey to net zero status and in doing so contributing to reducing the impact of poverty in Orkney and tackling climate change	Move forward on plans for the Old Balfour site and King Street – to ensure we maximise the use of these assets to support the delivery of our Corporate and Clinical Strategies	Mar-25	**Amber**	**Green**	**Amber**	**Amber**
		Continue to work towards achieving net zero status, and progress on renovating the remaining NHS Orkney buildings (including the GP surgeries and houses on Sanday, Westray, Stronsay and North Ronaldsay) and removing fossil fuels, replacing with renewable energy and continuing to replace fossil fuel vehicles with electric	Dec-24	**Green**	**Green**	**Green**	**Green**

	Work collaboratively with the five other Territorial Health Boards in the North of Scotland to ensure we have sustainable clinical and corporate services	Contribute via the Chair and CEO's meeting for the North of Scotland (the NHS Orkney Chair is the Chair of this group), via Executive Director/professional lead contributions in the North and via the Clinical Collaborative (where Medical Directors and Directors of Nursing in the North work together on key issues, including working together to create sustainable services)	Apr-25	**Green**	**Green**	**Green**	**Green**
	Work collaboratively with the five other Territorial Health Boards in the North of Scotland to ensure we are working together where it makes sense for our patients and staff and having a stronger 'voice' on the national stage and where relevant work more closely with the other island Health Boards (NHS Shetland and NHS Western Isles) to ensure the views are better heard and understood	Use our Corporate strategy and priorities in all of our national conversations as leaders and Board members.	Apr-25	**Green**	**Green**	**Green**	**Green**
		The Chair, CEO and Executive Directors take lead roles in national and regional spaces for certain topics that will benefit both NHS Orkney and NHS Scotland	Apr-25	**Green**	**Green**	**Green**	**Green**

Exception Reports by Strategic Objectives

The following section sets out the strategic objectives rated Red and Amber along with the improvements required to bring the deliverable back on track.

Strategic Objective – Place - Executive Director: Director of Public Health

RAG Status	KPI	Deliverable at Risk	Improvement actions taken to bring deliverable back on track	Action Carried forward to 2025/26
Amber	Move forward on plans for the Old Balfour site and King Street – to ensure we maximise the use of these assets to support the delivery of our Corporate and Clinical Strategies	Funding proposal developed and presented to the Board in June 2024.	Works progressing with North Hub to review accommodation requirements across Orkney to establish the demand and identify suitable options and appraise them against a set of prioritised objectives and provide recommendations on the sustainability of each site option.	Yes
Amber	Develop a new approach to Population Health Management and Prevention reporting – with clear KPIs and metrics so that year-on-year improvements can be measured	Review of national published population health plan for alignment and additional measures by March 2025	KPIs and metrics already agreed in IPR. Action cannot be progressed yet due to timescale of population health plan as plan not yet published.	Yes

Strategic Objective – People – Executive Director: Director of People and Culture

RAG Status	KPI	Deliverable at Risk	Improvement actions taken to bring deliverable back on track	Action Carried forward to 2025/26
Red	Improve iMatter scores for employee engagement score from 74% to at least 78%	No deliverables due in Quarter 4	Overall Key Performance Indicator remains significantly off - track at the end of Quarter 4 as the next round of iMatter data will not be available until July 2025. Action planning for 2025 has commenced, paper to SLT in April 2025.	Yes
Red	Improve iMatter score for overall engagement score from 6.4 to >7	No deliverables due in Quarter 4	As above	Yes
Red	Improve iMatter score for staff recommending NHS Orkney as a good place to work from 70 to at least 75	No deliverables due in Quarter 4	As above	Yes
Red	>40% appraisal rates	No deliverables due in Quarter 4	Appraisal rates in August 2024 were at 33% compared to 38% in February 2025. Over the year due to targeted communications and training for managers are appraisal rates are starting to increase. Appraisal rates are one of the 5 key areas of focus, with an improvement plan now in place to bring rates up to 40% on Quarter 1 of 2025/26.	Yes
Red	Sickness rates consistently below the national average of <6%	No deliverables due in Quarter 4	Up to the 31 January 2025, sickness rates across the Organisation were 6.9%. Sickness absence is one of the key priority areas in the Improving Together Workstream. Extended SLT and line manger meeting took place to re-iterate the importance of managing attendance.	Yes
Red	Development programme commissioned for the Senior Leadership Team	Use staff feedback to validate program domains aligned to global best practice and Staff Governance Standards - complete and final design work underway. Staff experience programme launched - planned for February 2025 Consider real-time feedback options based on Webropol pilot Test use of Webropol for real-time feedback (possibly with community teams)	Action carried forward to 2025/26. Action carried forward to Quarter 1 2025/26 - a proposal has been developed, and procurement will commence in May 2025 pending financial approval. SLT approval for funding will be required and following approval a full tender process will need to be launched.	
Amber	Develop an innovative recruitment campaign which positions Orkney as a great place to live and work	No deliverable due in Quarter 4	An end-to-end review of the recruitment process is now complete. Individual recruitment activity has taken place. Social Media campaign is being developed which will underpin our recruitment and retention strategy in 2025/26.	Yes

Amber	Develop a new staff experience programme	Launch January 2025 - Share with staff how they have their say throughout the year	The staff experience programme has been developed and will go to Board in April 2025 following which the programme will be launched in Quarter 1 2025/26	Yes
Amber	Introduce Power BI in our Data and Improvement Team	Power BI training rolled out to Health Intelligence and People and Culture Team by December 2024.	As a decision has not yet been made at a national level on the use of PowerBI across NHS Scotland this action will not be taken forward into 2025/26.	No
Amber	Develop a new long-term workforce plan to support the retention and development of our people	Workforce plan in place April 2025	Scottish Government no longer require a 3-year workforce plan. Following the Clinical Services Review, a medium-term workforce plan will be developed in Quarter 1 2025/26.	Yes
Amber	>5% of staff completed Quality Improvement (QI) training, prioritising the Improvement Team and Heads of Service	Develop NHS Orkney's (NHSO) QI methodology by December 2024 NHSO QI training programme in place by December 2024.	Action remains off-track as NHSO Quality Improvement training has not been launched. NHSO QI methodology now agreed. Work has commenced on developing the programme with the aim of rolling out the Programme to SLT and members of the improvement team in Quarter 3 2025/26 as part of the wider Leadership Development Programme.	Yes
Amber	Introduce a new Managers' Induction for new and existing line managers which covers: • Budget management • Appraisals • Sickness management • Compassionate leadership and conversations • Values and behaviours	No action required - deliverable off track.	Managers induction framework developed and requires SLT approval in April 2025. Once approved this will be rolled out. In the interim face-to-face module courses are available on for managers i.e. sickness delivered by HR, finance training. Conversations have taken place with an external provider; this will feed into our leadership development programme in 2025/26.	Yes
Amber	Ensure patients have a single point of contact – wherever possible to improve communication between our community and NHS Orkney	Patients clear on who their named contact is and how to contact them.	Action to be carried forward to Quarter 1 2025/26.	Yes

Strategic Objective – Patient Safety, Quality and Experience – Executive Director: Medical Director

RAG Status	KPI	Deliverable at Risk	Improvement actions taken to bring deliverable back on track	Action Carried forward to 2025/26
Red	Patient/ staff stories and learning at public Board meetings	Identify previous good practice in NHS Orkney and other island Boards Approve mechanism for identifying stories and supporting patients or relatives to present.	Action to be carried forward to 2025/26 and will form part of our staff and patient experience programme led by the Director of People and Culture. Consent and information sharing processes reviewed during Quarter 3 to inform Business as Usual in 2025/26.	Yes
Red	Put in place a structure for ensuring patient engagement and voice is heard at all levels of the organisation	Establish framework of responsibility for responding to feedback - paper to and approval by SLT	Patient Safety, Quality and Experience paper now includes feedback from patients and families. Developing a clear patient experience programme and approach to patient engagement will be a priority in Year 2 of the Corporate Strategy, with a more integrated approach to experience (patient and staff experience) overall.	Yes
Red	25% of all clinical staff will complete Compassionate Conversations training	Check of how many completions, people who re-engage with mandatory training modules	Action will not be carried forward to 2025/26 due to the Compassionate Conversation Training not being available in Scotland. Equivalent training identified. Modules signposted on TURAS.	No
Red	New volunteer programme in place for NHS Orkney to connect with our community and third sector partners	No action required - deliverable significantly off track	Action remains significantly off track. Conversations have commenced with Voluntary Action Orkney - this work will be picked up by the Spiritual Care Lead in Quarter 1 of 2025/26	Yes
Red	Improve iMatter score for staff feeling able to raise safety concerns from 75-80%	No deliverables due in Quarter 4	Overall Key Performance Indicator remains significantly off - track at the end of Quarter 4 as the next round of iMatter data will not be available until July 2025.	Yes
Red	Improve iMatter the score for staff feeling confident concerns will be followed up when they speak up from 65 to over 70	Regular communications issued to staff re Speak Up - i.e. You said we did	As above	Yes

Amber	Work with the isles Wellbeing Co-ordinators to ensure the voice of our ferry-linked isles' communities are heard.	Further work will depend on routes and resources identified.	Realistic Medicine Lead has undertaken considerable work in Westray, linking with the other Islands. Medical Director has met with the Community services in Hoy regarding patient transport. Head of Primary Care has undertaken work to secure sustainable workforce models working on the Isles.	Yes
Amber	Patient/ staff stories and learning at public Board meetings	No deliverables due in Quarter 4	Action to be carried forward to 2025/26 and will form part of our staff and patient experience programme led by the Director of People and Culture. Consent and information sharing processes reviewed during Quarter 4of 2024/25 to inform Business as Usual in 2025/26	Yes
Amber	25% reduction in complaints relating to poor communication with patients and families	No deliverables due in Quarter 4	Complaint training modules were highlighted to the organisation in Quarter 4 of 2024.25. Whilst there are no mandatory modules for complaints this has been highlighted to the Senior Charge Nurses. Measuring a reduction in complaints has been challenging, the metric will be reviewed in Quarter 1 of 2025/26.	Yes
Amber	Increase staff engagement in risk management processes, as measured by participation in risk awareness activities and feedback	Resource required dependent on recruitment in Quality and risk to exiting vacant role	The revision of the risk management processes continues. The Risk Management Group which is multi-disciplinary and covers the whole organisation is actively participating in this and currently working on an implementation plan which will look at how information is communicated across the organisation and how training will be undertaken. As part of the process organisation wide surveys have been sent out to try and gain insight into levels of knowledge and interest and what and how individuals and teams need and want.	Yes
Amber	Enhanced Board understanding and oversight of risk, including delivery of a risk workshop for Board members, the Risk Management Forum, and Extended Senior Leadership Team	No deliverables due in Quarter 4	A Board level risk workshop is planned for May 2025. Once the implementation plan for the revised risk processes has been agreed, we will start to implement the training which is organisational wide with more specific training for those who need it.	Yes
Amber	Medical Director, Director of Nursing, Midwifery, AHPs and Chief Officer for Acute and the Director of Public Health will work together to improve clinical engagement, including relaunching our Clinical Advisory Groups to ensure the clinical voice is listened to	Activities and resource dependent on discovery work in previous quarter	A discovery and define session have taken place led by the Medical Director to document the problem statement and to agree what is required in relation to clinical engagement ahead of work commencing in Quarter 1 2025/26 to refresh the Clinical Strategy.	Yes

Strategic Objective – Performance – Executive Director: Director of Nursing, Midwifery, Allied Health Professions and Chief Officer Acute

RAG Status	KPI	Deliverable at Risk	Improvement actions taken to bring deliverable back on track	Action Carried forward to 2025/26
Red	Reduction in waiting times for planned care services (Treatment Time Guarantee and outpatient standards) >10%	No deliverable in quarter 4	Action remains significantly off-track - carried forward to 2025/26.Delay in recruitment and key consultant staff leaving roles has impacted on our waiting times which reflects the brittle nature of services. All substantive consultant posts to be advertised before the end of March 2025. The Clinical Service Review objectives are to set out sustainable service models based on evidence. Within year additional clinical sessions agreed due to one off funding from Scottish Government - however these are at prime rate. Action remains off-track - Carried forward to 2025/26. The Outpatients workstream of the Improving Together Programme was re-launched in March 2025 to provide additional leadership and support to this deliverable.	Yes
Amber	Improve access to a number of key services, including Children's, Mental Health, Primary Care, Dentistry, Pain, and Eye Services	Deliver the improvement plan by 30th March 2024 Undertake lessons learned exercise by March 2024	New sessions have been established for the Community Paediatrics service through an updated SLA with NHS Grampian. Review of Mental health transfer room at the Balfour complete. New MOU drafted to support joint ways of working for our Mental Health Services.	Yes

			Additional dental sessions have been agreed utilising waiting times funding from the Scottish Government.	
Amber	Deliver our financial performance and delivering our Financial Plan for 2024/25, which includes achieving our £4million savings requirement	Deliver the Board-approved Financial Plan for 2024/25	Financial results will be known in Quarter 1 of 2025/26 but forecast showing an improved out-turn against the financial plan. Savings on track to deliver £4m.	Yes
Amber	Improve the discharge experience of patients, including those living on ferry-linked isles, via the isles Wellbeing Co-ordinators	No deliverable in quarter 4	Work in establishing constructive relationships with colleagues and service users has continued ensuring a greater understanding of patient flow. Challenges remain with some discharges to ferry linked isles and outer parishes mainly around co-ordination of available patient transport services and availability of AHP services/homecare both in and out-of-hours. Review of availability of all services both in-hours and out of hours is already underway and this will continue to be monitored by our patient flow co-ordinator and via patient feedback mechanisms.	Yes
Amber	Reduce cancelled operations by 50%	No deliverable in Quarter 4	Quarter 1 performance was at 10% and therefore the expectation in Quarter 4 is to achieve a 5% cancellation rate out Quarter 3 cancellation rate was 7.3%, which demonstrates the significant difficulty in reducing cancellation rates by 50% considering the variants attributed to having a single theatre and challenges associated with visiting consultants, poor weather and system wide bed pressures and theatre staff responding to emergency/on-call commitments. A Theatres working group has been established and theatre performance continues to be monitored by the Planned Care Programme Board.	No
Amber	Reduce outpatient DNAs and cancellation rates by a minimum of 5%	No deliverable in quarter 4	The Outpatients workstream of the Improving Together Programme was re-launched in March 2025 to provide additional leadership and support.	Yes
Amber	Develop a cancer performance improvement plan	No deliverable in Quarter 4	A joint plan with NHS Grampian is now in place, this has been included in the latest planned care submission to Scottish Government.	Yes
Amber	Prioritise reviewing our SLAs with NHS Grampian and NHS Highland	No deliverable in Quarter 4	Medical Director has met with the Interim Director of Finance regarding the SLA to move this work forward. First joint clinical Executive meeting has taken place with NHS Grampian to start the process of reviewing SLA's. Medical Director has reviewed the following SLA's. • UNPACs • National specialist services • Scottish Ambulance Service Work has commenced with NHS Highland to update the Ophthalmology SLA. The Board has provided feedback on the NHS Golden Jubilee Board Strategy at Medical Director and CEO level.	Yes

Strategic Objective – Potential – Executive Director – Chief Executive

RAG Status	KPI	Deliverable at Risk	Improvement actions taken to bring deliverable back on track	Action Carried forward to 2025/26
Red	Implementation and reprovisioning of GP IT system	50% of staff trained in using the new GP IT system. First deployment to take place first week in February 2025 with all practices live by the end of August 2025 Single cloud hosted solution (Cegedim Vision) providing new, more advanced systems supporting GP practices to deliver improved practice management and patient care live by the end of August 2025	Action deferred to 2026/27 due to challenges with national system provider.	No

Red	Set up a pipeline of students to undertake design or other innovation/improvement projects between NHS Orkney and our university partners and looking to source additional funding to support innovation	No deliverable due in Quarter 4.	In Quarter 4 we have continued to maintain relationships with Robert Gordon University and University of the Highlands and Islands (UHI) but no active movement in bringing in students at this time. Deliverable carried forward to 2025/26 as part of the development of the Education and Improvement Hub.	Yes
Red	Launch a refreshed Clinical Strategy following engagement with patients, community, partners, and staff	Engagement with staff, patients, community, and stakeholder undertaken as part of the refresh of our Clinical Strategy by end of March 2025.	Action remains significantly off-track - carried forward to 2025/26 following the outcomes of our Clinical Services Review in June 2025. Clinical Services Review will inform the development of the Clinical Strategy as discussed and agreed with Board.	Yes
Amber	Engage with all relevant professional groups and leads to develop a single Education Strategy	Draft strategy developed. Communications plan developed	Education Strategy drafted and out for consultation with Advisory groups. Final Education Strategy will go to SLT for approval in May 2025.	Yes
Amber	Implementation of Community Electronic Patient Record (new action)	Community EPR in place by March 2025	As part of the exploration of the establishment of the North of Scotland (NoS) Digital Collaboration, conversations are taking place with NHS Grampian to look at the possibility of having a single NoS contract for MORSE, this will include post implementation support and system maintenance. Action will be carried forward to Quarter 2 2025/26 as discussed and agreed with the Health and Social Care Partnership.	Yes
Amber	Upgrade Trakcare functionality	Back to referrer/advice functionality rolled out providing the ability to send a reply straight to GP (and SCI Store) from vetting screen electronically Undertake a requirement gathering exercise as part of the Excellence in Care Programme to document functionality required for Trakcare upgrade Inpatient EPR by June 2024 ED functionality.	Deliverable remains off track due to the inter dependency with NHS Grampian. Deliverable will not be taken forward to 2025/26.	No

Reporting and monitoring delivery of our Year 2 Corporate Strategy

In developing this report, the following areas have been assessed in terms of their impact on delivery of our Corporate Strategy 2024-2028.

Our long-term Corporate Strategy sets out how we will build on the improvements over the last 12-months to further improve care, services and the experience for patients and our community and the experience of working at NHS Orkney via our five strategic objectives.

2.3.1 Quality/Patient Care

Delivery of the metrics and KPIs set out in the Corporate Strategy will further improve the quality of care (and services) for patients and our community. Patient safety, quality and experience is of one of our strategic objectives. To support our commitment to quality improvement and patient centred care, the Improving Together Programme continues to focus on the following priority areas.

- Recruitment processes
- Outpatients Improvement
- Improving access to key services
- Improving population health
- Achieving Financial plan
- Risk Management
- Accelerating Digital Transformation

2.3.2 Workforce

Delivery of the metrics and KPIs set out in the Corporate Strategy will further improve people's experience of working at NHS Orkney, including staff health and wellbeing. People is one of our strategic objectives.

2.3.3 Financial

Improving our financial performance and delivering our financial plan is one of our priorities for the year, as part of the Performance strategic objective.

2.3.4 Risk Assessment/Management

Corporate strategic objectives align to the Corporate Risk Register, risk management and Board Assurance Framework. In developing the Corporate Strategy overall objectives for 2024/25, consideration was given to stress testing reasonability, current resources and investment implications.

2.3.5 Equality and Diversity, including health inequalities.

As part of extensive engagement with our community, we sought the views of those who live on our ferry-linked isles in developing our objectives and priorities for 2024/25.

Reducing health inequalities is a key priority as part of the Place strategic objective. Our Corporate Strategy takes into consideration local, regional and national policy.

2.3.6 Climate Change Sustainability

Specific metrics and objectives in relation to climate change and achieving our net zero targets are included in our strategy under the Place strategic objective.

2.3.7 Communication, involvement, engagement, and consultation

This paper has been produced for the purposes of NHS Orkney Board. The Board has performed its duties to involve and engage external stakeholders where appropriate.

2.3.8 Route to the Meeting

This paper has been developed in consultation with the Senior Leadership Team and discussed and agreed at the Senior Leadership Team meeting on 1 April 2025.

3. Recommendation (s)

The NHS Orkney Board is asked to**:**

i. **Receive** the NHS Orkney Year 1 (2024/25) Quarter 4 Performance Scorecard and exception report.
ii. **Note** where Key Performance Indicators (KPIs) are off track and the improvement actions in place to bring deliverables back on track.

4. Appendices

The following appendix is included with this report:

Appendix 1, NHS Orkney Year 1 (2024/25) Quarter 4 Performance Scorecard and exception report
Appendix 2, Status of Corporate Strategy Year 1 (2024/25) Deliverables

Appendix 2 – Status of Corporate Strategy Year 1 Deliverables

Status	Strategic Objective	Deliverable
Deliverable complete	**Place**	• Clear delivery plan and KPIs in place for our Anchor Strategy setting out 2024/25 priorities. • Play a more active role in the Community Planning Partnership with a strong focus on prevention, reducing health inequalities, reducing poverty and NHS Orkney's contribution to community wealth building. • Move forward on plans for the Old Balfour site and King Street – to ensure we maximise the use of these assets to support the delivery of our Corporate and Clinical Strategies • Continue to work towards achieving net zero status, and progress on renovating the remaining NHS Orkney buildings (including the GP surgeries and houses on Sanday, Westray, Stronsay and North

		Ronaldsay) and removing fossil fuels, replacing with renewable energy, and continuing to replace fossil fuel vehicles with electric. • Contribute via the Chair and CEO's meeting for the North of Scotland (the NHS Orkney Chair is the Chair of this group), via Executive Director/professional lead contributions in the North and via the Clinical Collaborative (where Medical Directors and Directors of Nursing in the North work together on key issues, including working together to create sustainable services) • Use our Corporate strategy and priorities in all of our national conversations as leaders and Board members. • The Chair, CEO and Executive Directors take lead roles in national and regional spaces for certain topics that will benefit both NHS Orkney and NHS Scotland
	Patient Safety, Quality and Experience	• Patient stories and learning at public Board meetings
	Performance	• Improve our relationship with Loganair and in turn ensure this translates to performance improvements to minimise disruption caused by delayed/cancelled flights for our patients and staff. • All SLAs to be overseen by Procurement with operational leads and regular performance review meetings to ensure they are delivering for our patients. • Ensure there are clear plans to improve access to key services in these specialties which are overseen at the Joint Clinical and Care Governance Committee and Finance and Performance Committee • Publish a simple summary of our performance each month to our community so it is easy to understand and digest, including waiting times by specialty. • Introduce quarterly Performance Review meetings for all core clinical and corporate services so that colleagues feel support and are held to account for delivery of objectives and operational and financial performance. • Further evolve our integrated performance report moving to exception reporting with a greater focus on mitigations and benchmarking • Improvement plans in place for each service to reduce waiting times. • All governance forums have Chairs, Terms of Reference and Chair's Assurance Reports feeding into Senior Leadership Team or Board Assurance Committees • Increase staff engagement in risk management processes, as measured by participation in risk awareness activities and feedback. • New Board Assurance Framework in place aligned to our new Corporate Strategy's strategic objectives. • Integrated Performance Report in place including new and enhanced metrics for quality, safety and experience and the objective in 2024/25 is to improve in every area
	Potential	• Raise awareness of how to share information across the organisation to ensure more seamless care for patients • New risk management framework in place which aligns to the Corporate Strategy and Board Assurance Framework • Migrate and Upgrade c-Cube and Trakcare • Digital Maturity and Network and Information System Improvement Plans in place
Carried forward from Year 1 (2024/25) to Year 2 (2025/26)	**Place**	• More honest communications with our community about how we will need to work in partnership, and what NHS Orkney needs from the community re: accessing and utilising health services appropriately.

		• Develop a new approach to Population Health Management and Prevention reporting – with clear KPIs and metrics so that year-on-year improvements can be measured. • Further strengthen relationships with third sector partners
	People	• Develop a new staff experience programme. • Improve iMatter score for overall engagement score from 6.4 to >7. • Improve iMatter scores for employee engagement score from 74% to at least 78%. • Improve iMatter score for staff recommending NHS Orkney as a good place to work from 70 to at least 75. • Board and Executive Team development programme commissioned and phase 1 complete. • Development programme commissioned for the Senior Leadership Team • >5% of staff completed Quality Improvement training, prioritising the Improvement Team and Heads of Service • Introduce a new Managers' Induction for new and existing line managers which covers: • Budget management • Appraisals • Sickness management • Compassionate leadership and conversations • Values and behaviours • >40% appraisal rates • Sickness rates consistently below the national average of <6% • Further strengthen internal communications which is aligned to our strategy and values. • Develop a new long-term workforce plan to support the retention and development of our people. • Ensure patients have a single point of contact – wherever possible to improve communication between our community and NHS Orkney • Develop an innovative recruitment campaign which positions Orkney as a great place to live and work. • Work closely with schools and higher education institutions to offer career opportunities at NHS Orkney
	Patient Safety, Quality and Experience	• 25% reduction in complaints relating to poor communication with patients and families – metric to be reviewed. • Patient stories and learning at public Board meetings. • Evidence that learning from complaints and Significant Adverse Events is communicated to patients and staff. • A multi-disciplinary approach to learning rolled out across the Organisation. • Put in place a structure for ensuring patient engagement and voice is heard at all levels of the organisation. • Work with the isles Wellbeing Co-ordinators to ensure the voice of our ferry-linked isles' communities are heard. • New volunteer programme in place for NHS Orkney to connect with our community and third sector partners. • Improve iMatter score for staff feeling able to raise safety concerns from 75-80% • Improve iMatter the score for staff feeling confident concerns will be followed up when they speak up from 65 to over 70. • Enhanced Board understanding and oversight of risk, including delivery of a risk workshop for Board members, the Risk Management Forum, and Extended Senior Leadership Team • Our Medical Director, Director of Nursing, Midwifery, AHPs and Chief Officer for Acute and the Director of Public Health will work

		together to improve clinical engagement, including relaunching our Clinical Advisory Groups to ensure the clinical voice is listened to
	Performance	• Improve the discharge experience of patients, including those living on ferry-linked isles, via the isles Wellbeing Co-ordinators • Reduction in waiting times for planned care services (Treatment Time Guarantee and outpatient standards) >10% • Improve pre-noon discharges from 20% to 30%. • Reduce outpatient DNAs and cancellation rates by a minimum of 5%. • Reduce cancelled operations by 50%. • Prioritise reviewing our SLAs with NHS Grampian and NHS Highland • Develop a cancer performance improvement plan. • Deliver the Board-approved Financial Plan for 2024/25
	Potential	• Roll out the ability for patient-focussed booking. • Maximise the use of Near Me (virtual appointments) to reduce the need for patients to go south for treatment. • Roll out new theatre scheduling tool. • Introduce a new text message reminder service. • Implementation of Community Electronic Patient Record • Engage with all relevant professional groups and leads to develop a single Education Strategy • Bright (staff) ideas scheme – 50 ideas in 2024/25 • Set up a pipeline of students to undertake design or other innovation/improvement projects between NHS Orkney and our university partners and looking to source additional funding to support innovation. • Launch a refreshed Clinical Strategy following engagement with patients, community, partners, and staff
Paused until a later date	**People**	• Introduce Power BI in our Data and Improvement Team
	Potential	• Roll-out additional functionality for M365. • Implementation and reprovisioning of GP IT system • Upgrade Trakcare functionality
No longer doing following engagement and prioritisation exercise	**Patient Safety, Quality and Experience**	• Compassionate Conversations
	Potential	• Roll-out Digital Dictation

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**NHS Orkney Board Assurance Framework Quarter 4 Update**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight – Chief Executive**
Report Author:	**Debs Crohn – Head of Improvement**

1 Purpose

This report is presented to the NHS Orkney Board for **Assurance.**

Members are asked to:

I. **Receive** the Board Assurance Framework Performance Scorecard (BAFPS) Quarter 4 2024/25 update

This report relates to a:

- Corporate Strategy 2024/2028 - Performance
- Annual Delivery Plan 2024/25
- Government policy/directive

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

- Safe
- Effective
- Person Centred
- Quality

2 Report summary

2.1 Situation

In 2018, the Scottish Government recognised the need to ensure that the governance arrangements in NHS Scotland are fit for purpose and keeping pace with the changing policy and financial environment.

In December 2024, the Board approved its Board Assurance Framework (BAF) which provides a mechanism for assurance on the delivery of its Corporate Strategy objectives to be monitored throughout the year and the risks associated with the delivery of each objective. The BAF is a process that brings together all of these areas of governance, including operational, clinical, information, financial, corporate and risk governance. This in turn informs the Board of the robust and timely connection between the formal process of assessing, documenting, reviewing and reporting on risks to the Board and the planning, approval, and implementation of actions to address and mitigate the risks to an acceptable level.

The BAF through its Board Assurance Framework Performance Scorecard (BAFPS) (see Appendix 1) provides the evidence required to support NHS Orkney's Annual Governance Statement that the Chief Executive is required to sign as the Accountable Officer for the organisation as well as providing assurance to the Board in terms of delivering its Corporate Strategy.

Following the launch of the Year 2 Corporate Strategy priorities on 31 March 2025, the BAFPS will be updated to reflect the strategic objectives and will be presented to the Audit and Risk Committee in May 2025 ahead of coming onward to the Board in June 2025.

The Board is asked to receive the Board Assurance Framework Performance Scorecard (BAFPS) Quarter 4 2024/25 update as outlined in Appendix 1.

2.2 Background

The Board Assurance Framework provides the Board with an overview of:

- The format and process for delivering NHS Orkney's strategic objectives.
- The key responsibilities for monitoring and reviewing the framework.
- A plan of action to monitor and review the risks associated with each strategic objective to assure the Board mitigations actions are in place to reduce the level of risk associated with non-delivery.

The BAF aligns to the NHS Orkney's Corporate Strategy (2024-2028), the national priorities set out by Scottish Government, the challenges faced by the North of Scotland and brings the quality, finance, and performance agendas more closely together. It also supports the people agenda, and the culture required to support effective governance processes across the organisation. Integrating these agendas more closely allows for a stronger entity, or in organisation terms, able to hold the stronger demands being made by the wider NHS and care system. It also commits to upholding the Nolan principles of public life.

The Assurance Framework (Appendix 1) outlines how we will implement the framework operationally in accordance with the requirements of Scottish Government. The Assurance Framework is a comprehensive document for the effective and focussed management of the principal risks facing the service to meet the key objectives of the Corporate Strategy.

A BAF Performance Scorecard (BAFPS) has been put in place to monitor delivery linked to our Corporate Risk Register (CRR). When updates are made to the CRR this automatically updates the BAFPS, providing real-time updates and removing the need to update both documents separately. The Medical Director, as the Executive Director Lead for risk management, has been actively involved, engaged, and continues to contribute to this work.

The BAFPS outlines the controls in place to manage risks, how we will obtain assurances that controls are in place and are operating effectively and which of our Governance Committees are responsible for monitoring delivery. Where gaps in controls or assurance are identified, action plans will be defined and allocated to appropriate lead Executive Directors, reporting progress to the relevant governance committee noting that this may be more than one committee.

The Senior Leadership Team are responsible for scrutinising and reviewing the progress against individual actions on a quarterly basis. The Audit and Risk Committee receive updates on a quarterly basis with exceptions reported to the Board on a quarterly basis and via the Senior Leadership Team Chair's Assurance Report. Support for the BAF is provided by the Corporate Governance Team with active involvement of many across the system, including the Board, to make it work effectively.

2.3 Assessment

The BAFPS outlines the controls in place to manage risks, how we will obtain assurances that controls are in place and are operating effectively. Where gaps in controls or assurance are identified, action plans will be defined and allocated to appropriate lead Executive Directors, reporting progress to the relevant governance committee noting that this may be more than one committee.

Since the last update to the Senior Leadership Team, the BAFPS has been further aligned to our Corporate Risk Register and the sources of assurance have been updated. The BAFPS can be found in Appendix 1.

2.3.1 Quality/Patient Care

Our focus on patient safety and quality remains integral to its purpose and is integrated into the operational plan and its span of activities including other key functions such as people and culture, learning and development, information technology and particularly communications.

2.3.2 Workforce

The BAF details how all monitoring, systems, procedures, and processes related to the Assurance Framework will function within the system. The primary benefit of the Assurance Framework is to encourage individuals and groups who are identified as delivery or executive leads within our Corporate Strategy to achieve their objectives in a proactive co-ordinated manner through the lens of risk management.

2.3.3 Financial

NHS Orkney was placed on level three of the NHS Scotland Support and Intervention Framework for Finance in November 2023. Having an Assurance Framework ensures risks related to finance are managed and escalated where appropriate.

2.3.4 Risk Assessment/Management

Potential principal risks to the achievement of the organisation's objectives as set out in our Corporate Strategy are identified in two ways:

- 'Top down' proactive information of risks that directly affect NHS Orkney's achievement of its principal objectives, and 'bottom up' assessment through operational risk registers. The risk appetite of the organisation is considered in light of the principal risks and their impact on the organisation's ability to meet its strategic objectives.
- Risks in the system risk registers with a current risk rating of red will be transferred to the BAFPS.

2.3.5 Communication, involvement, engagement, and consultation

Discussions have taken place with section leads, Executive Leads, Health Intelligence Team, Director of Improvement, Head of Improvement, the Medical Director and NHS Orkney's Chief Executive and Board Chair in the development of this paper. A workshop with stakeholders was held on the 12 September 2024, with feedback from this session included in the Board Assurance Framework.

2.3.6 Route to the Meeting

- Senior Leadership Team (SLT) – 22 April 2025.

3. Recommendation(s)

Assurance – The Board is asked to:

I. **Receive** the Board Assurance Framework Performance Scorecard (BAFPS) Quarter 4 2024/25 update.

2 List of appendices

The following appendix are included with this report:

Appendix 1 - Board Assurance Framework Performance Scorecard (BAFPS)

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Corporate Strategy Priorities - Year 2 (2025/26)**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight - Chief Executive**
Report Author:	**Debs Crohn - Head of Improvement**

1 Purpose

This paper is presented to the NHS Orkney Board for a **Decision:**

The Board is asked to:

- **Receive** and **approve** the Year 2 Corporate Strategy High Level Priorities and Key Performance Indicators/metrics for delivery in 2025/26.
- **Receive** and **note** the engagement activity and feedback received from our patients, community, partners, and staff that has informed the development of the Year 2 Corporate Strategy.

This report relates to a:

- Corporate Strategy 2024-2028
- Integration Joint Board Strategic Plan
- Annual Delivery Plan 2024/2025 (ADP)
- Enabling, Connecting and Empowering: Care in the Digital Age strategy (2021)
- Annual Financial Plan
- Financial Sustainability

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

- Safe
- Effective
- Person Centred
- Sustainability

2 Report summary

2.1 Situation

The purpose of this paper is to present the Board with the Corporate Strategy Year 2 (2025/26) top priorities, deliverables and performance scorecard following engagement with our patients, community, partners, and staff (see Appendix 1) and taking into account the feedback we receive from our patients and staff throughout the year. These priorities build on our progress and learning from Year 1 (2024/25) of our Corporate Strategy and are underpinned by our organisational values.

Appendix 1 sets out the top priorities outlining ‘what we will do in 2025/26’ for review (our deliverables), and approval by the Board.

2.2 Background

NHS Orkney's Corporate Strategy and its five strategic objectives (the "5 Ps": Place, People, Patient Safety, Performance and Potential) provide the building blocks to the organisation’s path to de-escalation from Level 3 of the NHS Scotland Support and Intervention Framework and create the foundations to becoming a high-performing organisation , enabling the delivery of our Promise (vision) which is to is to look after our community and provide excellent care.

The priorities for 2025/26 reflect our commitment to continuous improvement and transformative change across all areas, driving progress towards sustainable healthcare delivery tailored to the needs of Orkney's population.

They also include the helpful feedback received from the recent ‘Strategic Planning’ internal audit which whilst a largely positive audit, identified some further opportunities for improvement, including:

1. Ensuring deliverables/metrics are Specific Measurable Achievable Realistic Timebound (SMART)
2. Ensuring consistency of language across all core documents, including the Performance Management Framework, Board Assurance Framework, Integrated Performance Report and Corporate Strategy reporting scorecard
3. An overall RAG rating for each Strategic Objective in our quarterly reporting

2.3 Assessment

The Year 2 Corporate Strategy priorities are a continuation of NHS Orkney's multi-year plan to achieve long-term sustainability and excellence in care delivery. These priorities seek to integrate feedback, learning, and progress from Year 1, engagement with our community, system partners, key external stakeholders and staff while addressing key challenges in workforce, safety, performance, and sustainability.

In response to feedback from staff to reduce the amount of change taking place across the organisation, the high-level priorities in 2025/26 have been reduced from 30 to 15.

Staff have also fed back that they feel priorities are changing too much in-year and therefore once agreed, these priorities will not be changed or added to in order that we listen to and respond to feedback.

Patients and our community have also fed back to us that they want our documents and communications to be written in plain English, so they are understandable to all, and our Year 2 Corporate Strategy seeks to achieve this, to respond to this helpful feedback.

Recognising that our Corporate Strategy is critical to moving us toward and closer to achieving the organisation’s Promise, the priorities in it have acted as a framework for developing our 2025/26 Annual Delivery Plan and Medium-Term Financial Plan to ensure alignment between these key strategic documents. Appendix 1 sets out the Year 2 Corporate Strategy priorities following engagement with our patients, community, system partners and staff for 2025/26 and outlines ‘what we will do in 2025/26’ (our deliverables) and taking into account the feedback we receive from patients and staff via multiple sources throughout the year.

From May 2025, Board Committee agendas will feature the relevant Strategic Objective and the high-level priorities for each objective for 2025/26 to evidence assurance to the Board on priorities that have been delegated to each Committee for delivery and to ensure complete alignment. A template agenda, for consistency, will subsequently be shared with the Chairs and Executive Leads of all Board Committees for consistency of approach from May 2025 also.

All Board Governance Committees will be required to demonstrate through its Chair's Assurance Report assurance to the Board how it is delivering against metrics set out in our Corporate Strategy Strategic Objectives. These are as follows:

Strategic Objective	Priority	Committee	Source of Assurance (examples)
Place	Improve people's physical, mental health and wellbeing by prioritising prevention and early intervention for smoking, obesity, and wellbeing	Joint Clinical and Care Governance Committee	Progress against the Local Outcomes Improvement Plan metrics and progress reports
	Progress our ambition to become a Population Health organisation and system by putting prevention and early intervention at the core of what we do	Joint Clinical and Care Governance Committee	Anchor Plan progress updates
	Explore local reform opportunities to further improve outcomes and services for patients and our community and sustainability	Board	Anchor Plan progress updates Single Authority Model discussion outputs
People	Launch a new overarching experience programme which includes new behavioural standards to bring our values to life and ensures patient, staff and community feedback drives continuous improvement	Joint Clinical and Care Governance Committee (patient experience) Staff Governance Committee (staff experience)	Integrated Performance Report (IPR) Improved iMatter scores for staff engagement Progress reporting against the Staff Experience Programme
	Drive a step change in appraisal, mandatory training and sickness absence rates	Staff Governance Committee	Integrated Performance Report (IPR)
	Launch our new leadership development programme and approach to succession planning for the Executive Team, Senior Leadership Team, and the Board	Staff Governance Committee	Succession Planning Committee in place Risk score for leadership capability and capacity reduces

Patient Safety, Quality and Experience	Embed a consistent, proportionate approach to risk management, and further strengthen our governance	Audit and Risk Committee	Risk Management Framework and Policy
	Foster a culture of safety, learning, and openness, encouraging staff to speak up.	Staff Governance Committee	iMatter scores
	Ensure the clinical voice drives safety and improvement changes, across our hospital and community services	Area Clinical Forum	Clinician engagement
Performance	Deliver our 2025/26 financial plan and continue our path to de-escalation	Finance and Performance Committee Financial Escalation Board	Finance reports Efficiency programme updates
	Further improve our waiting times for patients by increasing the number of patients treated (inpatients and outpatients) within the national target	Finance and Performance Committee	Integrated Performance Report (IPR)
	Further improve the discharge experience for our patients particularly those living on our ferry-linked isles	Joint Clinical and Care Governance Committee	Integrated Performance Report (IPR) Patient complaints
Potential	Commence consultation with staff on future state digital service model Future state digital service model agreed by June 2025	Finance and Performance Committee	Digital Strategy delivery plan NIS Audit
	Set out a clear ambition for education, training, and improvement – underpinned by an integrated education strategy and new Education and Improvement Centre	Staff Governance Committee	iMatter scores Recruitment and retention improvements
	Revisit and refresh our Clinical Strategy which will redefine NHS Orkney, determine transformation opportunities and create more sustainable services	Board	Clinical Services Review outcome and acting on recommendations

Reporting and monitoring delivery of our Year 2 Corporate Strategy

Our Year 2 priorities and deliverables have been aligned with our 2025/26 Annual Delivery Plan (ADP), 2025/28 3-Year Financial Plan and are included in the Board's Performance Management Framework (PMF). They are also aligned to the Integration Joint Board's (IJB) Strategic Plan, which is under development and nearing completion. The patient, community and staff feedback from NHS Orkney's engagement exercise and survey has been shared in full of the IJB Chair and Chief Officer for consideration as the Strategic Plan is finalised and to inform improvement and priorities.

The Executive Leads for each Strategic Objective remain unchanged from 2024/25 (Year 1) and are as follows:

- Place – Director of Public Health
- People – Director of People and Culture
- Patient Safety – Medical Director
- Performance – Director of Nursing, Midwifery, AHPs and Chief Officer for Acute
- Potential – Chief Executive

Reporting will be via a quarterly performance scorecard and by exception only to Senior Leadership Team (SLT) and the Board for assurance.

Feedback from SLT on the Year 2 Corporate Strategy at our meeting on 6 March 2025 was as follows:

- The 'stripped back' priorities are deliverable.
- There has been a lot of engagement and input from SLT over a 3–4-month period which was welcomed.
- It is much more focused, and this sets us up for success.
- The following KPI be added to the Place Strategic Objective for the Island Games
    - *Contribute to the legacy of the Island Games, including promoting recruitment opportunities and further improving people's health and wellbeing.*

SLT fully supported the Year 2 Corporate Strategy and recommended it to the Board for approval at its meeting on 13 March 2025.

Following feedback from our SLT who were keen to understand where Year 1 deliverables and priorities not included in our Year 2 Corporate Strategy will be monitored, please see Appendix 2, for transparency.

Our Corporate Strategy Year 2 (2025/26) document was formally launched to our patients, community, partners and staff on 31 March 2025 and this document comes to the Board for formal approval and completeness in April 2025 following Board approval of the full draft document in March 2025.

2.3.1 Quality/Patient Care

Delivery of the metrics and KPIs set out in the Strategy will further improve the quality of care (and services) for patients and our community. Patient safety, quality, and experience is one of our strategic objectives.

2.3.2 Workforce

Delivery of the metrics and KPIs set out in the Strategy will further improve the experience of working at NHS Orkney, including staff health and wellbeing. People is one of our strategic objectives.

2.3.3 Financial

Improving our financial performance and delivering our financial plan is one of our priorities for the year, as part of the Performance strategic objective.

2.3.4 Risk Assessment/Management

The new strategic priorities are aligned to our risk register and Risk Management Framework.

2.3.5 Equality and Diversity, including health inequalities.

As part of extensive engagement with our community, we sought the views of those who live on our ferry-linked isles in developing our objectives and priorities for 2025/26.

Reducing health inequalities is a key priority as part of the Place strategic objective. Our Corporate Strategy takes into consideration local, regional, and national policy. Circa 20% of the responses received to our feedback were from those living on our ferry-linked isles.

2.3.6 Climate Change Sustainability

Specific metrics and objectives in relation to climate change and achieving our net zero targets are included in our strategy under the Place strategic objective.

NHS Orkney is a national leader in terms of sustainability and addressing climate change; by tactically utilising central computer processing and storage this will reduce the overall carbon footprint of NHS Scotland and NHS Orkney.

2.3.7 Communication, involvement, engagement, and consultation

A communication and engagement plan has underpinned the development of our Year 2 Corporate Strategy, and this has been used to inform the objectives and priorities. Communication campaigns and priorities in 2025/26 will be aligned to the deliverables outlined in Appendix 4.

Summary of engagement activity January- February 2025

- Regular all staff communications issued.
- Managers were asked to raise at staff team meetings.
- Presentation to the Digital Information Operations Group 27 January 2025
- Screensaver on all desktops and on TV screens in The Balfour
- 4 staff listening sessions - (2 face-to-face, 2 online)
- All staff briefing (February)
- Anonymous online and paper survey – 69 responses received.
- SLT, SLT-Board meetings, Extended SLT (January and February 2025 – included engagement opportunities)
- A social media campaign
- External communications
- Media release/interviews – including CEO column in The Orcadian
- Personal letters to all system partners/key stakeholders inviting them to meet/share feedback with the Chief Executive and Head of Improvement

- Feedback received as part of the consultation undertaken as part of our Annual Review process in November/December 2024 – which included valuable insights from: Age Scotland Orkney, Blide Trust, Orkney Housing Association

At the heart of our engagement were 3 questions:

1. What do we do well?
2. What do we need to improve/do better?
3. What should our 3 highest priorities be in the coming year?

Individuals were also invited to provide any other feedback or suggestions we should consider as we develop our Year 2 Corporate Strategy.

The main themes following community, partner, and staff engagement for 2025/26 are as follows:

Place

- Population Health and prevention driving all improvement and being integrated with mainstream business and supporting services to incorporate population health focus on top of clinical direct patient delivery.
- Emphasise prevention of ill health and empower the community to maintain their own health and wellbeing.
- Recognising that NHS Orkney is more than just The Balfour by celebrating successes and progress across the community and ferry-linked isles.

People

- Staffing - improving health and wellbeing and moral, looking at career paths to allow staff without formal qualifications to advance themselves and better serve the organisation and public.
- Develop a transparent, equitable and welcoming accommodation policy for new staff.

Patient Safety, Quality and Experience

- Hear more from clinical leaders as to how they lead, inspire, and support their staff.

Performance

- Improving waiting times and access to services i.e. dentistry, ophthalmology, physiotherapy, mental health, outpatients, pain service and self-referral to these services
- Improving planned care performance, improving clinical quality and safety (including clinical governance), and optimising / stabilising our current resources
- Outpatient clinic efficiency, pain service, long waiters
- New models of care
- Improve access to Social Care, Homecare, Residential Care.
- Working with the community to reduce travel for appointments that could be done virtually.

Potential

- Improve communication through more effective use of Digital, for example text mesasge or email appointment reminders.

Please see Appendix 3 for the detailed engagement report.

This paper has been produced for the purposes of the NHS Orkney Board following engagement with the following.

- Senior Leadership Team – 6 March 2025

The Board has performed its duties to involve and engage external stakeholders where appropriate.

2.3.8 Route to the meeting

The priorities have been developed following extensive engagement with our patients, community, system partners and staff as outlined above.

3. Recommendation(s)

Decision – The Board is asked to:

- **Receive** and **approve** the Year 2 Corporate Strategy High Level Priorities and Key Performance Indicators (deliverables)
- **Receive** and **note** the engagement activity and feedback received from our patients, community, system partners and staff that has informed the development of our Year 2 Corporate Strategy

4. Appendices

The following appendices are included with this report:

Appendix 1 - High-level Year 2 Corporate Strategy 2025/26 priorities following engagement with patients, our community, system partners and staff.
Appendix 2 - Status of Corporate Strategy Year 1 deliverables
Appendix 3 - Consultation online survey and engagement feedback
Appendix 4 - Designed Corporate Strategy which was launched internally and externally at the end of March 2025

Appendix 1 - Year 2 Corporate Strategy 2025/26 priorities following engagement with community, system partners, key external stakeholders, and staff.

Place – By 2028 we will be a key partner in leading the delivery of place-based care which improves health outcomes and reduces health inequalities for our community.

In 2025/26 we will:

- Improve people's physical, mental health and wellbeing by prioritising prevention and early intervention for smoking, obesity, and wellbeing.
- Progress our ambition to become a Population Health organisation and system by putting prevention and early intervention at the core of what we do.
- Explore local reform opportunities to further improve outcomes and services for patients and our community and sustainability.

People – By 2028 we will ensure NHS Orkney is a great place to work.

In 2025/26 we will:

- Launch a new overarching experience programme which includes new behavioural standards to bring our values to life and ensures patient, staff and community feedback drives continuous improvement.
- See a step change in appraisal, mandatory training, and sickness absence rates.
- Launch our new leadership development programme and approach to succession planning.

Patient Safety, Quality and Experience – By 2028 we will consistently deliver safe and high-quality care to our community.

In 2025/26 we will:

- Embed a consistent and proportionate approach to risk management and further strengthen our governance.
- Foster a culture of safety, learning and openness, encouraging staff to speak up.
- Ensure the clinical voice drives safety and improvement changes across our hospital and community.

Performance – By 2028 we will within our budget, ensure our patients receive timely and equitable access to care and services and use our resources effectively.

In 2025/26 we will:

- Deliver our 2025/26 financial plan and continue our path to de-escalation.

- Further improve access and reduce waiting times.
- Further improve the discharge experience for our patients, particularly those living on our ferry-linked isles

Potential – By 2028 we will ensure innovation, transformation, education, and learning are at the forefront of our continuous improvement.

In 2025/26 we will:

- Accelerate digital transformation and introduce a new model for how we deliver Digital Services for our patients, community, and our staff.
- Set out a clear ambition for education, training, and improvement – underpinned by an integrated education strategy and new Education and Improvement Centre
- Revisit and refresh our Clinical Strategy which will redefine NHS Orkney, determine transformation opportunities and create more sustainable services.

Appendix 2 – Status of Corporate Strategy Year 1 Deliverables

Status	Strategic Objective	Deliverable
Deliverable complete	**Place**	• Clear delivery plan and KPIs in place for our Anchor Strategy setting out 2024/25 priorities. • Play a more active role in the Community Planning Partnership with a strong focus on prevention, reducing health inequalities, reducing poverty and NHS Orkney's contribution to community wealth building. • Move forward on plans for the Old Balfour site and King Street – to ensure we maximise the use of these assets to support the delivery of our Corporate and Clinical Strategies • Continue to work towards achieving net zero status, and progress on renovating the remaining NHS Orkney buildings (including the GP surgeries and houses on Sanday, Westray, Stronsay and North Ronaldsay) and removing fossil fuels, replacing with renewable energy, and continuing to replace fossil fuel vehicles with electric. • Contribute via the Chair and CEO's meeting for the North of Scotland (the NHS Orkney Chair is the Chair of this group), via Executive Director/professional lead contributions in the North and via the Clinical Collaborative (where Medical Directors and Directors of Nursing in the North work together on key issues, including working together to create sustainable services) • Use our Corporate strategy and priorities in all of our national conversations as leaders and Board members. • The Chair, CEO and Executive Directors take lead roles in national and regional spaces for certain topics that will benefit both NHS Orkney and NHS Scotland
	Patient Safety, Quality and Experience	• Patient stories and learning at public Board meetings
	Performance	• Improve our relationship with Loganair and in turn ensure this translates to performance improvements to minimise disruption caused by delayed/cancelled flights for our patients and staff. • All SLAs to be overseen by Procurement with operational leads and regular performance review meetings to ensure they are delivering for our patients. • Ensure there are clear plans to improve access to key services in these specialties which are overseen at the Joint Clinical and Care Governance Committee and Finance and Performance Committee • Publish a simple summary of our performance each month to our community so it is easy to understand and digest, including waiting times by specialty. • Introduce quarterly Performance Review meetings for all core clinical and corporate services so that colleagues feel support and are held to account for delivery of objectives and operational and financial performance. • Further evolve our integrated performance report moving to exception reporting with a greater focus on mitigations and benchmarking • Improvement plans in place for each service to reduce waiting times.

		• All governance forums have Chairs, Terms of Reference and Chair's Assurance Reports feeding into Senior Leadership Team or Board Assurance Committees • Increase staff engagement in risk management processes, as measured by participation in risk awareness activities and feedback. • New Board Assurance Framework in place aligned to our new Corporate Strategy's strategic objectives. • Integrated Performance Report in place including new and enhanced metrics for quality, safety and experience and the objective in 2024/25 is to improve in every area
	Potential	• Raise awareness of how to share information across the organisation to ensure more seamless care for patients • New risk management framework in place which aligns to the Corporate Strategy and Board Assurance Framework • Migrate and Upgrade c-Cube and Trakcare • Digital Maturity and Network and Information System Improvement Plans in place
Carried forward from Year 1 (2024/25) to Year 2 (2025/26)	**Place**	• More honest communications with our community about how we will need to work in partnership, and what NHS Orkney needs from the community re: accessing and utilising health services appropriately. • Develop a new approach to Population Health Management and Prevention reporting – with clear KPIs and metrics so that year-on-year improvements can be measured. • Further strengthen relationships with third sector partners
	People	• Develop a new staff experience programme. • Improve iMatter score for overall engagement score from 6.4 to >7. • Improve iMatter scores for employee engagement score from 74% to at least 78%. • Improve iMatter score for staff recommending NHS Orkney as a good place to work from 70 to at least 75. • Board and Executive Team development programme commissioned and phase 1 complete. • Development programme commissioned for the Senior Leadership Team • >5% of staff completed Quality Improvement training, prioritising the Improvement Team and Heads of Service • Introduce a new Managers' Induction for new and existing line managers which covers: • Budget management • Appraisals • Sickness management • Compassionate leadership and conversations • Values and behaviours • >40% appraisal rates • Sickness rates consistently below the national average of <6% • Further strengthen internal communications which is aligned to our strategy and values. • Develop a new long-term workforce plan to support the retention and development of our people. • Ensure patients have a single point of contact – wherever possible to improve communication between our community and NHS Orkney • Develop an innovative recruitment campaign which positions Orkney as a great place to live and work. • Work closely with schools and higher education institutions to offer career opportunities at NHS Orkney
	Patient Safety, Quality and Experience	• 25% reduction in complaints relating to poor communication with patients and families – metric to be reviewed. • Patient stories and learning at public Board meetings. • Evidence that learning from complaints and Significant Adverse Events is communicated to patients and staff.

		• A multi-disciplinary approach to learning rolled out across the Organisation. • Put in place a structure for ensuring patient engagement and voice is heard at all levels of the organisation. • Work with the isles Wellbeing Co-ordinators to ensure the voice of our ferry-linked isles' communities are heard. • New volunteer programme in place for NHS Orkney to connect with our community and third sector partners. • Improve iMatter score for staff feeling able to raise safety concerns from 75-80% • Improve iMatter the score for staff feeling confident concerns will be followed up when they speak up from 65 to over 70. • Enhanced Board understanding and oversight of risk, including delivery of a risk workshop for Board members, the Risk Management Forum, and Extended Senior Leadership Team • Our Medical Director, Director of Nursing, Midwifery, AHPs and Chief Officer for Acute and the Director of Public Health will work together to improve clinical engagement, including relaunching our Clinical Advisory Groups to ensure the clinical voice is listened to
	Performance	• Improve the discharge experience of patients, including those living on ferry-linked isles, via the isles Wellbeing Co-ordinators • Reduction in waiting times for planned care services (Treatment Time Guarantee and outpatient standards) >10% • Improve pre-noon discharges from 20% to 30%. • Reduce outpatient DNAs and cancellation rates by a minimum of 5%. • Reduce cancelled operations by 50%. • Prioritise reviewing our SLAs with NHS Grampian and NHS Highland • Develop a cancer performance improvement plan. • Deliver the Board-approved Financial Plan for 2024/25
	Potential	• Roll out the ability for patient-focussed booking. • Maximise the use of Near Me (virtual appointments) to reduce the need for patients to go south for treatment. • Roll out new theatre scheduling tool. • Introduce a new text message reminder service. • Implementation of Community Electronic Patient Record • Engage with all relevant professional groups and leads to develop a single Education Strategy • Bright (staff) ideas scheme – 50 ideas in 2024/25 • Set up a pipeline of students to undertake design or other innovation/improvement projects between NHS Orkney and our university partners and looking to source additional funding to support innovation. • Launch a refreshed Clinical Strategy following engagement with patients, community, partners, and staff
Paused until a later date	**People**	• Introduce Power BI in our Data and Improvement Team
	Potential	• Roll-out additional functionality for M365. • Implementation and reprovisioning of GP IT system • Upgrade Trakcare functionality
No longer doing following engagement and prioritisation exercise	**Patient Safety, Quality and Experience**	• Compassionate Conversations
	Potential	• Roll out Digital Dictation

Appendix 3, Consultation online survey and engagement feedback

Delivering what matters most to our community

Our promise to is that we will look after our community and provide excellent care. We are on an improvement journey and at the heart of this is ensuring we reconnect in a meaningful way with our patients, community, partners and staff – by asking stakeholders regularly what matters to them we can make sure we are focusing and prioritising the right areas.

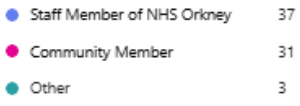
As part of the development of our Year 2 Corporate Strategy we wanted to hear from our staff and community to inform our priorities for the year ahead (2025/26) and to ensure we reflect what matters to our patients and community and focus on the areas they want us to further improve. The survey was confidential and took approximately 5 minutes to complete.

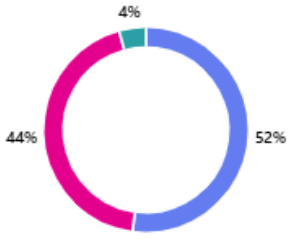
Privacy Notice

This survey is designed to gather feedback in relation to the development of our Corporate Strategy. The survey is voluntary. data provided will not be used for any other purposes beyond this. Data provided will be stored and processed as set out in NHS Orkney's Information Technology Security Framework and will be deleted when no longer required. Participants were sign-posted to our Data Protection Officer if they had any concerns or questions.

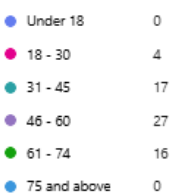
Responses received.

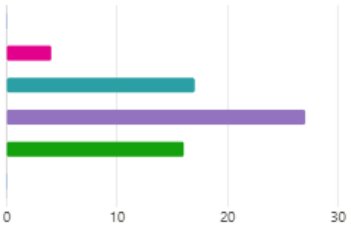
1. Are you completing this survey as a





2. (Optional) Please provide your age group.





3. Do you live on a ferry-linked isle?

4. Please tell us what we do well

- Always there for us when we need you.
- Wonderful, caring staff.
- Developing a culture of speaking
- Good access to GP services, trust in our GPs.
- Good leadership from the CEO who communicates well with staff. This is someone who listens to staff and this is recognised and appreciated by staff.
- Delivering care to patients
- Building confidence in senior management, establishing meaningful two-way communication, and simply making NHS Orkney a better place to work.
- The staff are incredibly flexible and respond to change on a daily basis, pull together to deliver high quality care.
  particularly in a crisis situation, despite insufficient numbers of suitably qualified and skilled staff across all teams / service
- Culture of care - staff really care about the patients.
- Engage with staff.
- Mostly caring and empathetic staff
- Maternity ward - top class
- Accident and Emergency care
- Friendly staff
- Patience, professionalism and ensuring the facilities are clean and safe.

- Communicate frequently - Very good at appearing to tell people what is happening, appearing open and honest.
- Great, open, and honest and regular communications
- Midwifery and Cancer care.
- Staff are hardworking and dedicated to providing the best service as possible for patients.
- Staff are caring and professional, excellent local GP service (I use Dounby surgery), vaccinations service, Balfour hospital facility.
- Clinical staff are kind, patient centred and provide quality care.
- Using digital media to reach the wider audience. Keeping the public informed on challenges and achievements.
- Patient service through planned care. Staff are committed to providing an excellent service to our community.
- Listening to the community and staff and ensuring patients are treated with respect.
- Good front of house communication and patient facing contact with professionals. Intentional positive shift in culture which is being led visibly and demonstrably by CEO and Chair. Committed staff and positive people experience.
- Promoting a culture of patient safety
- Clear and transparent efforts to manage financial situation.
- All staff are excellent WHEN you do get to be seen.
- Lovely staff
- Staff are mostly super friendly and helpful. Nurses are outstanding.
- Funding for attending appointments, maternity care - women in Orkney don't have access to epidurals.
- Friendly staff
- Deal with emergencies.

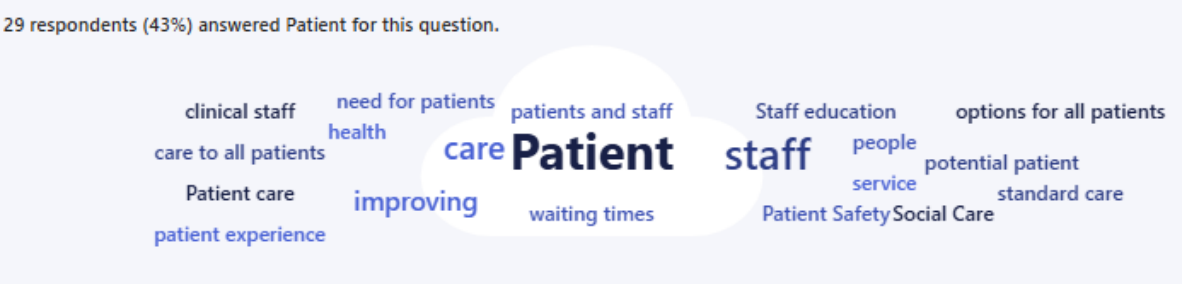
5. What do we need to improve/do better?

- Waiting times to access services, such as physiotherapy and access to dentistry
- Communication - why so paper-based appointments in this day and age is beyond belief when this is an easy money saver and would be better customer service.
- Talk more about clinical quality and safety and patient outcomes, and active monitoring of those waiting an extended period for access to healthcare.
- Recognising that NHS Orkney is more than just The Balfour - Isles workers feel detached and again there is little recognition of what staff roles are, when compared to mainland roles, covers a wider breadth of areas, and requires workers to work (often alone) to the limits of their registration. A visit from Executive Board members would be welcome.
- Social Care - poor availability has serious knock-on effects hampering the efforts of Primary and Secondary Care
- Treat isles communities with the same level of service as mainland residents
- Sort out accommodation issues for staff in order to improve retention and recruitment.

- Act on what staff are telling you.
- Exercise physical activity and wellbeing support/referrals.
- Your current priorities are good but increase in non-medicinal methods - Social prescribing.
- Be honest about the staffing situation, e.g. publish an organisational organogram, which includes vacant posts and the action plan to recruit to the vacant posts underpinned by data.
- Too many changes to quickly.
- Equality
- Listen to staff suggestion (and act). Invest in frontline staff (vs more managers).
- Take care of our staff.
- Improve the experience of recruitment.
- Reduce those waiting for dentist.
- Have less bureaucracy and red tape for GPs and Outpatient clinics. The patient is best placed to decide care based on the individual's situation with guidelines being used to help and advise them rather than give strict orders that take no account of the individual situation.
- Speak plain English. Find way of making it understandable to people not involved in organisation that maybe can't comprehend things as well but want to join in
- Fewer priorities and consistently putting people first, including prioritising patient and staff experience.
- Ambulance response time can be far too slow.
- Availability of dentistry services
- Ensure that there are enough up to date, educated clinical staff to provide safe care to all - community, mental health, and hospital.
- Mental health services. Duty of Candour
- Have visiting services come more often to reduce waiting times.
- Patient care. Focus on the clinical staff, the foundation of a hospital.
- Information sharing between teams and team members.
- Link all active with the ferry timetable i.e. discharging patients or appointment times.
- Accommodation affordability
- Dentistry
- The only thing that I would like to see improved is better control of vehicles parking at the entrance to the Balfour in the area that is clearly marked as drop-off / pick-up.
- Work collaboratively across services, teams are still working in silos and there appears to be lack of clarity of what other teams do or their role in the system, so unintended consequences of one team’s actions can have an impact elsewhere in the system.
- Help to give staff the face-to-face education they need for leadership skills and there are ways of shadowing people to ensure continuity and service demand.
- Supporting services to incorporate population health focus on top of clinical direct patient delivery - there is a role and need for both, but services have very difficult choices to make to progress both.
- Acknowledgment and support from management would be very welcome. Better line management support for team and service leads. We fulfil our obligations to our own teams but there is limited support of the same quality for us.
- Ensure that pathways are appropriate. Get the 'care' back in NHS and social care. Put the patient at the centre of decision making. Improve monitoring and care of patients being nursed in single rooms.
- Increase dental service.
- Streamline isles procedures to balance individual care with procedures.
- Access to dentists
- More availability, more use of local hospital

- Be proactive not reactive, prioritise education of existing staff and promote learning culture.
- It needs to be easier to contact GP surgery. Telephone system needs queueing, not cut off - phone back later!
- Improve on better end of life care. Hearing Marie Curie is struggling to get work but their folk in dire need of support.
- Cut waiting times.
- Funding for attending appointments, maternity care - women in Orkney don't have access to epidurals.
- Paediatric care, more family friendly support for travel to hospital
- Focus on Isles. Provide less managers and more on the floor staff.

6. What should our 3 highest priorities be in the coming year?



- New models of care, regional working
- Improving planned care performance, improving clinical quality and safety (including clinical governance), and optimising / stabilising our current resources
- Patient outcomes. Patient satisfaction. Balancing the budget
- Staffing
- Staff wellbeing
- Reduce waiting lists
- Staff recruitment needs to be a priority so less money spent on bank and agency staff, and so that all beds can be used and staffed.
- Outpatient clinic efficiency, pain service, long waiters
- Recognising and celebrating work on the Isles and reviewing models of care and services delivered
- Ensuring career pathways are in place for future leaders who have knowledge and experience of working within NHS Orkney for succession/future planning to avoid skills gaps.
- The health of staff - e.g., Healthier food in the restaurant.
- Safety for both patients and staff and demonstrate this with effective communications Work to reduce waiting times by appropriate use of finance Work to demonstrate that patient/relative/staff experiences are listened to and acted on, not just responded to with platitudes.
- Consult staff and involve staff in decision-making and ideas generation
- Look at career paths to allow staff without formal qualifications but exhibiting great potential to advance themselves and better serve the organisation and public.
- 1. Performance - operational and financial grip and control. 2. People 3. Patient Safety
- Speeding up appointment times, reducing waste, pleasant staff
- Improve Access to Social Care, Homecare, Residential Care
- Develop a transparent, equitable and welcoming accommodation policy.
- Adequate ward staffing to deliver high standard care.
- Face to face counselling and not a cooperative app that is under investigation.

- The links to physical activity and well-being. Increase benefits of physical activity and general health
- People, Patient safety, quality & experience, and Performance
- Improve waiting times, getting our finance sorted, and improve moral.
- Working with the community to reduce travel further for appts that could be done virtually. Some patients are travelling to Grampian for a consultation that is just a review with no physical examination needed.
- 1.People. Without our people, we are nothing. 2. Patient Safety 3. Place
- Waiting list times - the Ears Norse Throat (ENT) waiting list is currently 14 months.
- Equality, reducing waiting list, better communication with parties.
- Stabilise single point of failure services 2. Encourage staff participation in hard-to-reach groups e.g. ward nurses assisted to attend clinical advisory groups.
- People, Potential and patient safety
- Patient care, patient experience, reduced waiting times
- Keep people on waiting lists regularly updated as it can feel like you have been forgotten about 2. Orkney health board should sign a Memorandum of Understanding with the premier Inn in Anderson drive in Aberdeen to have rooms that could always be available for NHS patients at short notice. 3. Have more integration between Grampian and Orkney health boards, it is sometimes difficult to know who you should contact as each Health Board say it is the other's responsibility.
- See to patients, stop sending folk off to Aberdeen for appointments that could be done online, get rid of middle management.
- Alternative methods of sending appointments when post doesn't work for weeks at time.
- 1. Patients experience 2. Waiting times 3. Population Health and prevention driving all improvement and being integrated with mainstream business.
- Ambulance response time improving. Sort out staffing issues.
- Staffing for dentistry services
- Staffing levels and public transparency regarding that, holding leaders to account and ensuring when they fall short it is both noticed and dealt with to improve culture, hear more from clinical leaders as to how they lead, inspire, and support their staff.
- More diagnostic testing locally to reduce the need for patients to travel; having the proposed MRI scanner based here will help. Improve access to Mental Health services. Promote and support a speak up culture and duty of candour.
- Reduce waiting times. Employ more nurses. Have set job plans for consultants.
- Patient, clinical staff and improving care in the community.
- Clarity on procedures and where responsibilities between teams lie, standardised letters, mental health support.
- Appreciate that it’s not just about saving money, some things have to be invested in
- Improve communication through staff and management.
- Palliative care and a home death in the isles 2. Dentistry for all 3. Services to the isles
- Housing, transportation
- Dentistry, dentistry, dentistry!
- Continuing to provide and improve patient-centred care, at home wherever possible; improving communication through more effective use of digital technology, for example SMS or email appointment reminders rather than surface mail which is already highly unreliable and likely to deteriorate; improving access to NHS dentistry, optometry and ophthalmology in local settings.
- Looking at smart use of digital technology. Mental health services and psychological support.
- Patient safety, Staff education and financial stability
- Patients, Staff and Education

- Staff wellbeing - put in place meaningful support to team and service leads who have both clinical caseloads and team / service leadership responsibilities.
- Prevention rather than cure - Health improvement. Improve clinical care patients. More caring clinical skilled workers. Centralise non-clinical work where appropriate. Improve joined up working between Health and Social Care
- People, potential and performance
- Reducing costs from isles care, performance, and skills of medical staff to deal with complex needs, upskill committee skill set.
- Staffing, reducing waiting lists, do more procedures locally.
- Text or email appointments as standard, staff education, service redesign so that budget is correct.
- GPs need to see more patients like before Covid! Waiting times need to be reduced. Send TEXT messages for ALL appointments.
- Palliative care
- Reduce spend in admin - have more spend for care.
- Move away from an overly excessive organisational structure
- 1. Improving patient care not focused on government targets
- Getting people tested for ADHD and Autism a lot faster. And get apps quickly after being diagnosed ADHD so people who need medicated are getting it and not waiting months on end and hearing nothing. Cut waiting times especially for doctor appointments. 4 weeks wait is utterly ridiculous in Orkney. Mental health help for people a lot quicker
- Supporting those with poor health (especially age related) in community. Keeping isles patient's standard of care high, keeping GP services open
- Reduce wait lists, helping patients see the same health care professional each time to help build resilience, improve care, and reconsider how travel to hospital appointments and admissions are handled.
- 1. more nurses/less managers. 2. look at isles and how they work 3. look at cost savings and different ways of working.

7. Do you have any other feedback or suggestions we should consider as we develop our Year 2 Corporate strategy?

- Focus on delivering against our core / critical services such as unscheduled care and planned care and robustly assuring ourselves and the Board on how we appropriately manage clinical risk, quality, and safety. Getting our fundamentals right must be a core focus which everyone can coalesce.
- Staff development
- Focusing more on digital technologies for Outpatient appointments where possible to reduce travel costs from Isles and mainland to Balfour and Aberdeen Royal Infirmary
- Consider just how rapidly AI and robotics are going to change our lives from the point of view of delivering better healthcare, faster and more efficiently at the point of care, but also preserving the human element and the morale of individual employees who may feel threatened by these inevitable developments.

- Use the tools and legislation available to the Board to underpin delivery of the Corporate Strategy, e.g., embed the Health and Care Staffing Act general principles and duties into Business as Usual
- Don't lose sight of year 1 objectives.
- The Old hospital site should be converted to short to medium term staff accommodation to reduce the Health Board's burden on the limited rented housing in Orkney.
- Emphasise prevention of ill health and empower the community to maintain their own health and wellbeing. Increase availability of Physiotherapy and Audiology services and self-referral to these services.
- Reduce the amount of non-clinical staff and invest in clinical staff.
- Overnight accommodation for folks from the isles who have to fly to Aberdeen on a morning flight for an Outpatient appointment.
- Just need more NHS dentistry places available. NHS should pay more to dentists to encourage them to treat NHS patients.
- Utilise local hospital better.
- Give clinicians more insight into their own budgets so that we can influence spend and savings.
- Cut tiers of management and employ more at the front staff
- Follow ups would be a good idea. I got diagnosed with ADHD in October and since then no one has been in touch. I feel abandoned so I'm sure other People feel this way when diagnosed with something.
- Let the community support fundraising efforts that could improve service. For example, we would happily fundraiser for more breast pumps for the maty, for diagnostic equipment, etc.
- Remember NHS Orkney is more than Mainland. There are Isles also that have nursing and Dr staff.

Feedback from staff member following staff engagement session.

I have reflected on the various requests for suggestions about how we improve our organisation. What has stuck me for several years in Orkney, and in stark contrast to other areas where I have worked, is how poorly the various sections of our organisation work together - for example there is very little interface (professional and/or social) between secondary and primary care, between public health and primary care, between GPs, district nursing team. mental health teams and social care, between Out of Hours services and daytime primary care, between executive management and service delivery.

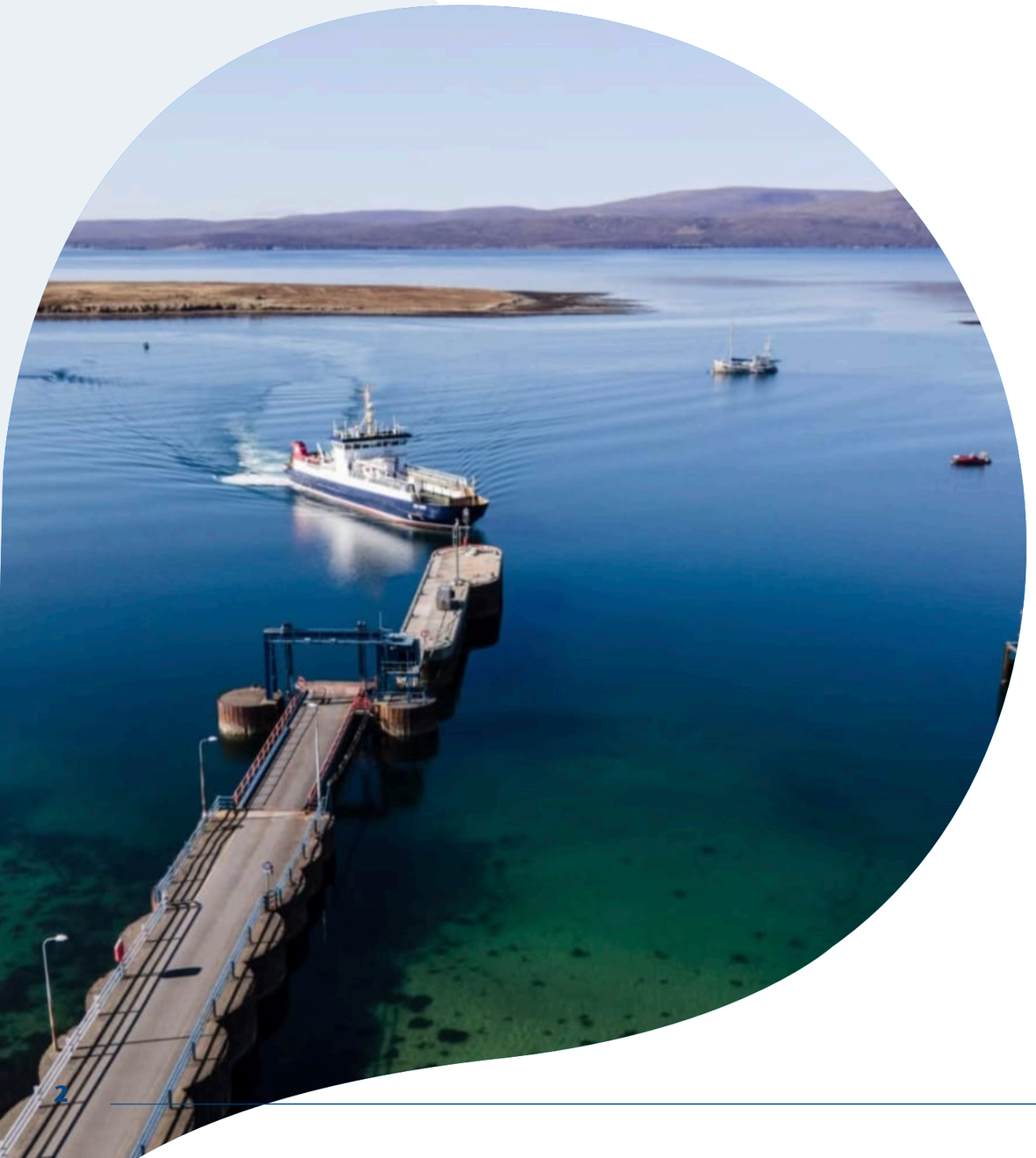
All too often it feels as though we are working separately instead of in a joint venture to provide the best possible care. I have always felt that having a better understanding of each other's difficulties, frustrations, challenges, and skills is extremely helpful and is likely to produce better care.

Failure to do that generates misunderstanding and at times even hostility. I appreciate that you are very conscious of the importance of team working, I agree completely. Multi-disciplinary teams working effectively where everyone's role is recognised, valued, and understood, delivers good care. Co-location is one way of achieving that with shared social as well as working space.

NHS Orkney

Delivering what matters to our community

Year 2 – 2025/26



Contents

Welcome from our Chief Executive Officer (CEO) and Chair

We are very proud of our dedicated staff – Team Orkney – who work hard and do their best every day to look after our community and provide excellent care and services.

Over the past 12 months we have spent considerable time and energy reconnecting with our patients, community and staff – and building meaningful relationships which are grounded in being open and honest.

We made a commitment when we launched our new Corporate Strategy in 2024 to do all we can to bring it to life in everything we do. In doing so, it has become our 'compass', it guides all of our decisions, and it is becoming embedded in everything we do.

There are many regional and national requirements and standards that determine our priorities. These can be found on pages 6, 7 and 8. However, as important as these are, our local priorities are determined by what matters most to our local community and the priorities detailed in this document achieve this, following several months of engagement with our patients, community, partners and staff.

In Year 1 (2024/25) we published how we did against the priorities we set at the end of each quarter. Our Year 2 priorities build on our progress in Year 1 and set out the highest priorities for us that will ensure we make year-on-year improvements that take us closer to achieving our promise to you - our community, and to Team Orkney, based on what is realistic and deliverable within the resources and capacity we have.

We will continue to measure our progress and publish regular updates as part of our commitment and will be consistently open and transparent in doing so, including when it comes to describing our challenges and our responses to these.

We will continue to be unrelenting in our pursuit of becoming a continuously improving and learning organisation, recognising these two features are central to our success and recognising we still have some way to go.

This is a five-year strategy (2024-2028) and 2025/26 marks Year 2 of our journey in pursuit of our goals.

We each consider it a privilege to lead this organisation and to work alongside such dedicated and committed colleagues to deliver on our promise and make NHS Orkney the great place to live and work that we know it can be.

National, regional and local context

With circa 800 staff and serving a population of over 22,000, with a further population increase anticipated in the years to come, NHS Orkney is the smallest Territorial Health Board in Scotland, made up of 70 islands of which 20 are inhabited, with approximately a third of our population living on ferry-linked isles.

Whilst the smallest Health Board, NHS Orkney has big potential to be the leading provider of remote and rural healthcare with so much going for it. We provide a comprehensive range of primary, community-based and acute services.

NHS Orkney is experiencing many of the service pressures facing the rest of the NHS in Scotland, including unacceptably long waits in planned care in many services. We also have some unique challenges, including an ageing population, our geography, transport and accommodation which we are grappling with and working proactively to find solutions to. On the flip side, Orkney also has the longest healthy lifespan of anywhere in Scotland, some of the lowest rates of heart disease and an incredible community with a spirit that is unrivalled. It is important to build on our community's strengths whilst we strive for our own improvements.

NHS Orkney, as part of NHS Scotland, is one of 14 Territorial Health Boards in Scotland.

National

The vision nationally is a Scotland where people live longer, healthier and fulfilling lives – spanning access, prevention, quality of care and people and place.

The national priorities set out by the First Minister and Cabinet Secretary, which apply to all Health Boards, including NHS Orkney are really clear and include:

1. Further reducing waiting times – including working to eliminate all waits over 52 weeks by March 2026
2. Reducing Delayed Transfers of Care, which means patients who are in hospital who are medically safe to transfer (home or to another care setting)
3. Path to financial balance and sustainability – ensuring that Boards have deliverable and credible plans which sets out over the coming three years our path to balance.
4. Further digitising and improving productivity and efficiency (reducing unwarranted variation)
5. Shifting the balance of care from hospital (acute) to community
6. Collaborative and optimal working between NHS Boards and Health and Social Care Partnerships and cross boundary working between Boards and across Scotland
7. Leadership which is system and solutions focussed and driven by hope and optimism

At the centre of responding to our challenges and priority areas is leaders working across our system to influence change and improvements and working collaboratively and across boundaries for the benefit of our patients and community we serve.

The challenges are such on health and social care that Reform is required which will be focused around five guiding principles:

- Prevention first
- People first
- Community first
- Digital first
- Planning for the population

It is our job at NHS Orkney to consider the local Reform opportunities to us, which in simple terms means how we can explore different ways of working with our spectrum of partners that will not only further deepen partnership working arrangements but consider different ways of working that could further improve health outcomes and services for our patients, efficiency and the sustainability of public services in Orkney, and ensure the very best use of our collective resources and assets.

Regional

The North of Scotland Region covers 70% of the landmass of Scotland yet is home to only 26% of the population. This creates challenges for the delivery and accessibility of services.

Whilst population changes are being experienced across Scotland, most remote and rural communities in the North have proportionally more people aged 65 and over, including Orkney, where a quarter of our population are over 65 (compared to 20% national average), and where it is predicted that half of our population will be over 65 by 2037.

An ageing population has well-known implications for health and care service demand due to higher rates of chronic and long-term conditions, including conditions such as diabetes, heart, musculo-skeletal and respiratory disease.

The five North Health Boards are: NHS Orkney, NHS Shetland, NHS Tayside, NHS Grampian and NHS Highland.

Collaboration and cross-boundary working is all the more important for the North, to ensure we maximise the use of the resources we have available to build more sustainable, value-based healthcare whilst staying connected to our unique local communities and populations we serve.

Other cross-boundary services exist within Service Level Agreements (SLAs) between island Boards, including NHS Orkney, and other specialist centres, in our case mostly at NHS Grampian, NHS Highland and Golden Jubilee. We are working hard to further strengthen relationships and governance between Boards we rely on to ensure our patients receive timely care. There is also a shift to more population-based planning in this regional space.

In addition to demographic challenges experienced in the North of Scotland, other key challenges are:

- Workforce sustainability
- Travel
- Housing
- Funding
- Capital and infrastructure
- Fragile clinical and corporate services at risk of unsustainability

Local context – disease burden and health trends

Obesity

- 75% of Orkney adults overweight/obese (65% Scotland average)
- 31.6% of Primary 1 children are at risk of being overweight/obese

Health inequalities

- 16.33% of population living in Scottish Index of Multiple Deprivation quintile 2

Mental health and wellbeing

- Rising rates of anxiety/depression – timely access to services a system priority

Dentistry

- New models of care are being explored with focus on 'grow your own' and training based in Orkney – to address recruitment challenges
- Orkney children have lowest rates of tooth decay in Scotland
- Restorative dentistry, orthodontics and oral and maxillofacial surgery – all back up running

Delayed Transfers of Care

- Often high numbers of delays, above our agreed maximum numbers, where the biggest pressure is on residential placements due to capacity challenges
- Hospital bed occupancy fluctuates between 82-95%

Fuel poverty

- 31% of the population in Orkney are in fuel poverty and 22% are in extreme fuel poverty

Orkney's challenges

- A fragile but stabilising organisation
- Our geography presents unique challenges:
  - Delays, discharge arrangements and packages of care to ferry-linked isles
  - Recruitment challenges – including our senior medical workforce (30% of senior medical workforce are locum/agency staff – impacting our financial challenge)
  - Models of delivery which are unaffordable and often disconnected
  - Limited availability of wider services, including Pharmacy & Optometry
- Planned care wait times for majority of specialties dependent on other Health Boards (NHS Grampian, NHS Highland and NHS Golden Jubilee) with strong partnerships in place
- Strong reliance on neighbouring Boards for specialist services/visiting consultants
- Limited availability of rented and new housing/ accommodation
- Increasing patient travel costs
- Nursing home capacity in Orkney
- Many single points of competence
- Achieving financial sustainability – we are escalated to Level 3 of the NHS Scotland Support and Intervention Framework for our finances. We have an organisation-wide efficiency programme called Improving Together, an Improvement Board and a Financial Escalation Board in place to ensure oversight of progress against our financial and savings plans.

Orkney's opportunities

New Hospital – focus on transformation and changing models of care to ensure we have a sustainable future

- Commissioned external clinical service review, with Scottish Government support
- Lead role in Remote, Rural and Island sustainability and future model review
- Organisation-wide transformation programme in place
- Right-sizing our workforce and agreeing our Clinical Strategy, based on what is affordable
- Service Level Agreement review - cross-boundary collaboration with other Health Boards

Integrated Governance

- Streamlining/decluttering the current landscape
- Strengthening and speeding up local-decision making
- More responsive governance arrangements to local context (Once for Scotland/central approach isn't always helpful for an Island Board when it comes to addressing local challenges and the needs of our community)

Local Reform opportunities

- Exploring opportunities to further improve outcomes and services for our community, create sustainable public sector services/ improve efficiency through different ways of working, and maximise the use of our collective resources and assets

Transport investments to improve access for our community

- Ferry replacement
- Third inter-isles plane
- Much-improved relationships with Loganair

Right-sizing the system to 'future proof'

- Options appraisal taking into account future demographics and shifts in balance of care between acute and community
- Nursing home capacity is needed
- Step-up, step-down capacity/Frailty Model to respond to the needs of our population

Island Games 2025 – Orkney is hosting

- Celebration of sports and island communities
- 24 island groups from across the world competing in 12 sports; 2,500-3,000 visitors expected
- Collaboration, recruitment and legacy opportunities

There are some other themes from feedback we receive on a regular basis that point to where further improvements are necessary, which includes:

1. How we manage demand, activity and productivity
2. Better integration of primary care and secondary care
3. Improving outpatient productivity and efficiency
4. Improving the interface of Orkney Health and Care and NHS Orkney so that those staff who work between the Council and NHS have a better experience at work and feel better supported, valued and a sense of 'belonging'
5. Closer working between clinical and corporate teams

Our journey of improvement

Our journey of improvement was kick-started in April 2023.

Over the last 2-years, many important foundations have been laid at NHS Orkney to ensure we can deliver much-needed sustainable change and continuous improvement. At the heart of this has been reconnecting with Team Orkney and our community to build trusted and strengthened relationships based on openness and transparency.

The foundations now in place which will support sustainable improvement include:

- **Improving our culture** – a strong focus on visible and compassionate leadership, staff wellbeing and value and recognition, responding to feedback and creating a strong safety and speak up culture
- **Stability of leadership** – close to a fully substantive Executive Team and acting on the recommendations in an external review report into cultural development, governance and senior leadership (December 2024)
- **Operational and financial grip and control** – clear ways in which we hold to account for delivery of performance improvements, including our Improvement Board, Senior Leadership Team, Planned Care Programme Board and Performance Review Meetings underpinned by improved data and benchmarking, including our Integrated Performance Report
- Strengthened approach to governance and risk management in the organisation

We have listened carefully to all of the feedback we received through the engagement period in recent months so we have a richer understanding of what matters most to our community and what would make the experience of working here a better one.

In this document we set out how we have listened and will act on your vital feedback in the year to come (Year 2 – 2025/26).

Our strategy – connecting with our community

Our strategy is underpinned by our commitment to delivering excellent care and services to our community.

We will do this by connecting with our community and ensuring our values are at the heart of everything we do.

Our promise to our community

Looking after our community and providing excellent care.

Values

Our values, aligned to those of NHS Scotland, are:

- **O**pen and honest
- **R**espect
- **K**indness

Underpinning these core values is 'Team Orkney' – which is our circa 800 staff who work together every day, and evidence teamwork, in the pursuit of our goals and delivery of our promise. Team Orkney are based at The Balfour, in our community and on our ferry-linked isles.

During our engagement on the development of our Year 2 priorities, we heard consistently that our staff do incredible things every single day so many examples of staff going above and beyond and delivering excellent care for our patients and community.

Strategic objectives

We have 5 strategic objectives:

1. **Place**
   By 2028 we will: be a key partner in leading the delivery of place-based care which improves health outcomes and reduces health inequalities for our community

2. **People**
   By 2028 we will: ensure NHS Orkney is a great place to work

3. **Patient safety, quality and experience**
   By 2028 we will: consistently deliver safe and high quality care to our community

4. **Performance**
   By 2028 we will: within our budget, ensure our patients receive timely and equitable access to care and services and use our resources effectively

5. **Potential**
   By 2028 we will: ensure innovation, transformation, education and learning are at the forefront of our continuous improvement

Each strategic objective has an Executive Director Lead (see page 16 onwards).

What's most important to our community

Based on the feedback we have received from our patients, community, staff and partners via multiple routes, including an online survey – these are the main areas where people want to see NHS Orkney focus and make improvements:

Place

- Population Health and prevention driving all improvement and being integrated with mainstream business
- Emphasise prevention of ill health and empower the community to maintain their own health and wellbeing
- Recognising that NHS Orkney is more than just The Balfour by celebrating the great work taking place in the community and on our ferry-linked isles

People

- Improving staff health and wellbeing and morale by looking at career paths to allow staff without formal qualifications to advance themselves and better serve the organisation and public
- Develop a transparent, equitable and welcoming accommodation policy for new staff

Patient Safety, Quality and Experience

- Hear more from clinical leaders as to how they lead, inspire and support their staff

Performance

- Improving waiting times and access to services i.e. dentistry, ophthalmology, physiotherapy, mental health, outpatients, pain service and self-referral to these services
- Improving planned care performance, improving clinical quality and safety (including clinical governance) and optimising/stabilising our current resources
- Outpatient clinic efficiency, pain service, patients experiencing long waits
- New models of care
- Improve access to Social Care, Homecare, Residential Care
- Working with our community to reduce travel for appointments that could be done virtually

Potential

- Improve communication through more effective use of digital, for example SMS or email appointment reminders

Our priorities for 2025/26 (Year 2)

Strategic objective	Executive lead	Priorities for 2025/26		What we will do in 2025/26
Place	Director of Public Health	1	Improve people's physical, mental health and wellbeing by prioritising prevention and early intervention for smoking, obesity and wellbeing	• Improve our weight management pathways and increase smoking cessation referrals by 5% from 98 in 2023/24 • Launch a new sexual health and bloodborne virus network to drive activity to improve sexual health care, reduce sexually transmitted infections and help achieve viral hepatitis and HIV transmission elimination goals • Introduce the new childhood vaccination schedule with a new routine appointment for children aged 18 months to improve protection from preventable illness
		2	Progress our ambition to become a Population Health organisation and system by putting prevention and early intervention at the core of what we do	• Work with our partners to implement the new population health framework which will help streamline and co-ordinate system-wide activity • As new models of care are identified prevention will be integrated by embedding referral pathways and social prescribing opportunities to support individuals to improve their health • Contribute to the legacy of the Island Games, including by promoting recruitment opportunities and further improving people's health and wellbeing
		3	Explore local reform opportunities to further improve services and outcomes for patients and our community and environment	• We will actively participate in Public Sector Reform • Develop a business case for the future MRI Service so that we have a long-term sustainable solution for our community
People	Director of People and Culture	4	Launch a new overarching experience programme which includes new behavioural standards to bring our values to life and ensures patient, staff and community feedback drives continuous improvement	• Develop and implement a medium-term workforce plan to support the attraction, retention and development of our people • Launch, embed and evaluate new behavioural standards following engagement with our community and staff to underpin our values • Develop a new approach to how we listen and respond to patient, community and staff feedback to inform service improvements throughout the year • Further improve our overall staff engagement score in the iMatter(staff) survey from 75-77
		5	Drive a step change in appraisal, mandatory training and sickness absence rates	• Ensure our staff sickness rates are consistently below the national NHS Scotland average of 5.5% and ensure long-term sickness is below 3% • Improve compliance with our statutory/mandatory training rates to >80% • Improve appraisal rates from 36% to >60%
		6	Launch our new leadership development programme and approach to succession planning for the Executive Team, Senior Leadership Team and the Board	• Launch new leadership and manager development programmes • 20 staff will have completed and lead a change management project following completion of Quality Improvement (QI) training
Patient Safety, Quality and Experience	Medical Director	7	Embed a consistent, proportionate approach to risk management, and further strengthen our governance	• Complete an operational governance review which reduces duplication of papers, information and attendance at meetings and ensure respecting our governance is part of our Board development programme
		8	Foster a culture of safety, learning, and openness, encouraging staff to speak up	• Improve the number of staff feeling able to raise safety concerns from 74-80% in iMatter (staff) survey • Improve the number of staff feeling confident concerns will be followed-up when they speak up from 66-70% in iMatter (staff) survey • Improve timeliness and learning from Significant Adverse Event Reviews
		9	Ensure the clinical voice drives safety and improvement changes, across our hospital and community services	• Launch and evidence the impact of our new approach to clinical engagement across the organisation • Relaunch and evaluate our Clinical Advisory Groups to ensure the clinical voice is central to improvement, patient safety and change

Our priorities for 2025/26 (Year 2) continued

Strategic objective	Executive lead	Priorities for 2025/26		What we will do in 2025/26
Performance	Director of Nursing, Midwifery, AHP's and Chief Officer Acute Services	10	Deliver our 2025/26 financial plan and continue our path to de-escalation	• Continue our path to de-escalation from level 3 of the NHS Scotland Support and Intervention Framework • Deliver our 2025/26 financial plan with a year end deficit of £5.2m • Achieve £3.5m savings target • Achieve 3% recurrent savings for the second year running
		11	Further improve access and reduce waiting times	• Act on feedback from patients to further improve access to the following services: - Mental Health - Outpatients - Dentistry - Primary Care - Neurodiversity • Explore transformational opportunities to further reduce waiting lists in the following areas: - Orthopaedics - Podiatry - Ophthalmology - Speech and Language Therapy - Pain service - Physiotherapy - Ear, Nose and Throat - Dietetics - Endoscopy - Oral Surgery • Increase the number of patients treated in our theatres by 10% • Increase virtual appointments by 5% • Achieve the Scottish Government target of zero patients waiting no longer than 52-weeks for treatment in hospital and the community
		12	Further improve the discharge experience for our patients particularly those living on our ferry-linked isles	• Further reduce complaints related to discharge experience, particularly for patients living on our ferry-linked isles • Build on the work delivered in 2024/25 to further improve the number of people who are discharged before 12-noon to more than 25%, 7-days a week • Reduce the number of Delayed Transfers of Care per week to below 6
Potential	Chief Executive	13	Accelerate digital transformation, and introduce a new model for how we deliver Digital Services for our patients, community and staff	• New model of service delivery for Digital Services • MORSE Community Electronic Patient Record rolled-out to the following community based services: - Health Visiting/School Nursing - Physiotherapy - Community Nursing • Introduce text message reminders for outpatients
		14	Set out a clear ambition for education, training and improvement – underpinned by an integrated Education Strategy and new on-site Education and Improvement Centre	• Launch a new Education Strategy for all staff groups • Open our new Education and Improvement Centre
		15	Revisit and refresh our Clinical Strategy which will redefine NHS Orkney, determine transformation opportunities and create more sustainable services	• Complete and act on the recommendations of the external clinical services review to identify opportunities to re-design and transform our clinical services


NHS
Orkney

NHS Orkney

Integrated Performance Report

April 2025

Chief Executive: **Laura Skaife-Knight**

Operational Standards (Acute and Community)
Patient Safety, Quality and Experience
Population Health | Workforce
Community | Finance

HEALTH Intelligence
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Introduction

The Integrated Performance Report (IPR) has been created to monitor overall performance at NHS Orkney across all domains. These are currently Operational Standards (Acute and Community), Population Health, Workforce, Patient Safety, Quality, and Experience, and Finance.

The IPR aims to measure key performance indicators (KPI) from each of these areas, and will identify if they are meeting their respective targets. Each KPI will be assigned a red or green classification dependent on whether they are meeting their target or not. An example of how this will be displayed throughout this report is shown below on the left.

Further to this, each metric will also be measured on its own performance, showing if the position has improved, deteriorated, or stayed the same when compared to the previous reporting period. An example of the icons used to demonstrate the change in month-by-month performance is shown below on the right.

Reporting is by exception. Where areas are Red, a page summarising recovery and improvement actions to recover performance is included.

RAG Status Values	
RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of '$\bar{x}$' are given a RAG value based on their performance against their own average.

Icon	What it shows.
↑	Performance has improved.
↓	Performance has deteriorated.
↔	Performance has remained the same.
X	Insufficient data available to allow comparison.

NHS Orkney

NHS Orkney Performance Scorecard

Key Performance Indicators Implemented

	Section	Service Area	NHS Orkney KPI's	Executive Lead	Target	Actual	Latest RAG	Position Change
1	Patient Safety, Quality, and Experience	Excellence in Care	Number of inpatient acquired pressure ulcers this month	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	0	0	Green	↑
2	Patient Safety, Quality, and Experience	Excellence in Care	Multi-Drug Resistant Organism (MDRO) screening compliance - hospital and community acquired CPE	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	90%	100%	Green	↔
3	Patient Safety, Quality, and Experience	Excellence in Care	Multi-Drug Resistant Organism (MDRO) screening compliance - hospital and community acquired MRSA	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	90%	93.3%	Green	↑
4	Patient Safety, Quality, and Experience	Excellence in Care	Inpatient falls (an event which results in a person coming to rest unintentionally on the ground or floor or other lower level)	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	0	14	Red	↓
6	Patient Safety, Quality, and Experience	Complaints	Change in number of complaints received this reporting period	Medical Director	0	8	Red	↓
7	Patient Safety, Quality, and Experience	Complaints	Complaints Received - Stage 1 5 Working Day Response Compliance	Medical Director	100%	85.71%	Red	↑
8	Patient Safety, Quality, and Experience	Complaints	Complaints Received - Stage 2 20 Working Day Response Compliance	Medical Director	100%	100%	Green	↔
9	Patient Safety, Quality, and Experience	Complaints	Complaints upheld and partially upheld by SPSO	Medical Director	0	1	Red	↑
10	Patient Safety, Quality, and Experience	Incident Reporting	Incident Reporting and 7 Working Day Review Compliance	Medical Director	100%	100%	Green	↔
11	Patient Safety, Quality, and Experience	Significant Adverse Event Reviews	Significant Adverse Event Review Compliance (closed within target date)	Medical Director	100%	0.00%	Red	↔
13	Patient Safety, Quality, and Experience	Women and Children	Maternal Early Warning Score Observations	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	100%	Green	↔
14	Patient Safety, Quality, and Experience	Women and Children	Maternal Early Warning Score Escalation	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	100%	Green	↔
15	Patient Safety, Quality, and Experience	Women and Children	Paediatric Early Warning Score (PEWs) - % Compliance with PEWS Bundle	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	87.23%	Red	↓
16	Patient Safety, Quality, and Experience	Women and Children	Paediatric Early Warning Score (PEWs) - % 'at-risk' observations identified and acted upon	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	93.18%	Red	↓
17	Operational Standards	Planned Care	100 per cent of patients to wait no longer than 12 weeks from the patient agreeing treatment with the hospital to treatment for inpatient or day case treatment (TTG)	Medical Director	100%	48.09%	Red	↓
18	Operational Standards	Planned Care	10% reduction in waiting times for Treatment Time Guarantee patients	Medical Director	-10%	6%	Red	↓
21	Operational Standards	Planned Care	90% of planned/elective patients to commence treatment within 18 weeks of referral	Medical Director	90%	79.8%	Red	↓
22	Operational Standards	Planned Care	100% of patients waiting for key endoscopy diagnostic tests and investigations should wait no longer than six weeks (42 days).	Medical Director	100%	44.37%	Red	↓
23	Operational Standards	Planned Care	100% of patients waiting for key imaging diagnostic tests and investigations should wait no longer than six weeks (42 days).	Medical Director	100%	85.92%	Red	↓
24	Operational Standards	Planned Care	100% of patients waiting for key cardiology diagnostic tests and investigations should wait no longer than six weeks (42 days).	Medical Director	100%	56.04%	Red	↓
25	Operational Standards	Cancer	90% of those referred urgently with a suspicion of cancer are to begin treatment within 62 days of receipt of referral	Medical Director	90%	66.67%	Red	↑
26	Operational Standards	Cancer	95% of all patients diagnosed with cancer to begin treatment within 31 days of decision to treat	Medical Director	95%	100%	Green	↔
29	Operational Standards	Unscheduled Care	95% of patients wait no longer than four hours from arrival to admission, discharge, or transfer for A&E treatment. Boards work towards 98%.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	95%	91.99%	Red	↑
30	Operational Standards	Unscheduled Care	Patients wait less than 12 hours to admission, discharge, or transfer from A&E	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	100%	Green	↑
31	Operational Standards	Unscheduled Care	Scottish Ambulance Service Turnaround Times - 90th percentile within 60 minutes	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	60:00	24:09	Green	↑
32	Operational Standards	Delayed Transfer of Care	Number of people experiencing a delay discharged within 2 weeks (excluding complex code 9 delays)	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	5.56%	Red	↓
33	Operational Standards	Delayed Transfer of Care	Number of people experiencing a delay of any length or reason in discharge from hospital at the monthly census point	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	4	11	Red	↓
34	Operational Standards	Delayed Transfer of Care	Number of hospital bed days associated with delayed discharges (any length or reason) in the calendar month.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	56	336	Red	↓
35	Operational Standards	Women and Children	90% of eligible patients to commence IVF treatment within 12 months of referral	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	90%	N/A	Green	↔
36	Operational Standards	Women and Children	100% of women booking in a Board allocated to a primary midwife	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	100%	100%	Green	↔
37	Operational Standards	Women and Children	50% of women receive care during the intrapartum period from the primary, buddy or member of the team who she has met.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	50%	42.9%	Red	↓
38	Operational Standards	Women and Children	75% of scheduled antenatal care delivered by the primary and no more than one other midwife.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	75%	63.1%	Red	↑
39	Operational Standards	Women and Children	75% of scheduled community based postnatal care delivered by the primary and no more than one other midwife.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	75%	0%	Red	↓
41	Community	National 4 week MSK target	At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led musculoskeletal services.	Chief Officer (Integration Joint Board)	90%	56.07%	Red	↓
42	Community	National 4 week MSK target	At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led podiatry musculoskeletal services.	Chief Officer (Integration Joint Board)	90%	9.09%	Red	↑
43	Community	National 4 week MSK target	At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led physiotherapy musculoskeletal services.	Chief Officer (Integration Joint Board)	90%	65.12%	Red	↓
44	Community	National 4 week MSK target	At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led orthotics musculoskeletal services.	Chief Officer (Integration Joint Board)	90%	30.00%	Red	↑
46	Community	Child and Adolescent Mental Health Service (CAMHS)	90% of young people to commence treatment for specialist Child and Adolescent Mental Health services within 18 weeks of referral. Compliance rate 98.5%	Chief Officer (Integration Joint Board)	90%	100%	Green	↔
47	Community	Psychological Therapies	18 Week Referral to Treatment	Chief Officer (Integration Joint Board)	90%	95%	Green	↓
48	Population Health	Promoting health and wellbeing outcomes	Increase smoking cessation services across Scotland and successful quits year on year, including during pregnancy.	Director of Public Health	18.5	20	Green	↓
49	Population Health	Promoting health and wellbeing outcomes	NHS Boards to sustain and embed successful smoking quits at 12 weeks post quit, in the 40% most deprived SIMD areas (60% in the Island Boards)	Director of Public Health	20.67	17	Red	↔
50	Population Health	Prevention of Disease	Immunisation uptake rate 6-in-1 primary Course by 12 months	Director of Public Health	95%	98.00%	Green	↑
51	Population Health	Prevention of Disease	Immunisation uptake rate MMR2 by 6 years of age	Director of Public Health	95%	96.20%	Green	↑
52	Population Health	Promoting health and wellbeing outcomes	Diabetic Retinopathy Screening - 100% of the population eligible sent at least one invitation for retinal screening (with or without a pre-booked appointment) within the Reporting Period.	Director of Public Health	40%	43.5%	Green	X
53	Population Health	Promoting health and wellbeing outcomes	Breast Screening - 80% Uptake Over Rolling 3-Year Period	Director of Public Health	80%	83.70%	Green	X
55	Population Health	Promoting health and wellbeing outcomes	Bowel Screening - 60% of eligible persons successfully completing a screening test (i.e. an outright positive or negative test result).	Director of Public Health	60%	69.90%	Green	X
56	Population Health	Promoting health and wellbeing outcomes	AAA Screening - 75% of eligible population are tested before reaching the age of 66 and 3 months	Director of Public Health	75%	91.1%	Green	X
57	Population Health	Promoting health and wellbeing outcomes	Pregnancy Screening - All eligible pregnant women are offered trisomy screening no later than 20+0 weeks gestation.	Director of Public Health	100%	100%	Green	↔
58	Population Health	Promoting health and wellbeing outcomes	Pregnancy Screening - All eligible pregnant women are offered haemoglobinopathies screening.	Director of Public Health	100%	100%	Green	↔
59	Population Health	Promoting health and wellbeing outcomes	Pregnancy Screening - All eligible pregnant women are offered infectious diseases screening	Director of Public Health	100%	100%	Green	↔
60	Population Health	Promoting health and wellbeing outcomes	Bloodspot Screening - 100% of newborn babies have bloodspot Screening completed by day 5	Director of Public Health	100%	90.9%	Red	↑
61	Population Health	Promoting health and wellbeing outcomes	Universal Newborn Hearing Screening - The proportion of babies eligible for UNHS for whom the screening process is complete by 4 weeks corrected age is ≥ 98%	Director of Public Health	98%	100%	Green	X
63	Workforce	Sickness Absence	Sickness rates consistently below the national average of <6%	Director of People and Culture	6.23%	6.05%	Green	↓
64	Workforce	Sickness Absence	Monthly comparison for previous 12 months NHS Scotland and NHS Orkney	Director of People and Culture	6.45%	6.55%	Red	↓
65	Workforce	Appraisals	Appraisal compliance rate over the previous 12 months	Director of People and Culture	85%	38.33%	Red	↑
66	Workforce	Hours Utilised	Agency	Director of People and Culture	x̄	3662.39	Green	↓
67	Workforce	Hours Utilised	Bank	Director of People and Culture	x̄	5662.32	Red	↓
68	Workforce	Hours Utilised	Overtime	Director of People and Culture	x̄	562.24	Red	↓
69	Workforce	Hours Utilised	Excess	Director of People and Culture	x̄	1001.4	Red	↑
70	Finance	Finance	Financial performance against plan - YTD.	Director of Finance	£5,393,000.00	£4,585,000.00	Green	↑
71	Finance	Finance	Financial performance against plan - Forecast.	Director of Finance	£5,778,000.00	£4,967,000.00	Green	↑
73	Finance	Finance	Efficiency performance against plan - Forecast.	Director of Finance	£4,000,000	£4,290,000.00	Green	↑
75	Finance	Finance	Capital performance against plan - YTD.	Director of Finance	£4,125,000.00	£3,623,000.00	Green	↓
76	Finance	Finance	Capital performance against plan - Forecast.	Director of Finance	£4,509,000.00	£4,509,000.00	Green	↓

Key Performance Indicators In-Progress

A number of Key Performance Indicators (KPIs) have been included in this section but are not yet fully represented in this report. The reasons behind current non-inclusion vary and can be due to current data and/or definition availability, NHS Orkney awaiting national targets to be set, or work still being required to ensure that any data being shared is compliant with the Code of Practice for Statistics. A QR code linking to the UK Statistics Authority has been added below.

Whilst they have not been featured in this edition of the Integrated Performance Report (IPR), NHS Orkney will continue to develop these KPIs and endeavour to deliver these in the next edition of the IPR scheduled for release in April 2025.

	Section	Service Area	NHS Orkney KPI's	Executive Lead	Target	Actual	Latest RAG	Position Change
27	Operational Standards	Inpatients	Ensure that acute receiving occupancy is 95% or less.	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute	95%			X
28	Operational Standards	Inpatients	Pre-noon discharges	Executive Director of Nursing, Midwifery, AHP's & Chief Officer Acute				X
40	Community	Drug and Alcohol Treatment	90% of clients will wait no longer than 3 weeks from referral received to appropriate drug or alcohol treatment that supports their recovery.	Chief Officer (Integration Joint Board)	90%			X
45	Community	Dementia Post-Diagnostic Support	People newly diagnosed with dementia will have a minimum of one years post-diagnostic support	Chief Officer (Integration Joint Board)	100%			X
54	Population Health	Promoting health and wellbeing outcomes	Cervical Screening - 80% of eligible women (aged 25 to 64) who were recorded as screened adequately	Director of Public Health	80%			X
72	Finance	Finance	Efficiency performance against plan - YTD.	Director of Finance		£3,409,000.00		X
74	Finance	Finance	Efficiency programme recurrent savings against plan.	Director of Finance		£2,394,000.00		X

NHS Orkney

Patient Safety, Quality, and Experience

Section Lead(s):
Medical Director
Executive Director of Nursing, Midwifery, Allied Health Professionals & Chief Officer Acute

What's Going Well?

The target for the number of complaints is set at zero to ensure this is consistently reported on, however the number of complaints received monthly has remained stable from at least June 2024.

Paediatric Early Warning Score (PEWS) bundle recording and actions are showing progressive improvements over time.

Issues raised that do not meet the threshold for Significant Adverse Event Review (SAER) investigations are being recommended as learning event analyses and discussion through morbidity and mortality meetings. The outstanding SAERs remain those that are cross organisational.

RAG Status Values	
RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of '$\bar{x}$' are given a RAG value based on their performance against their own average.

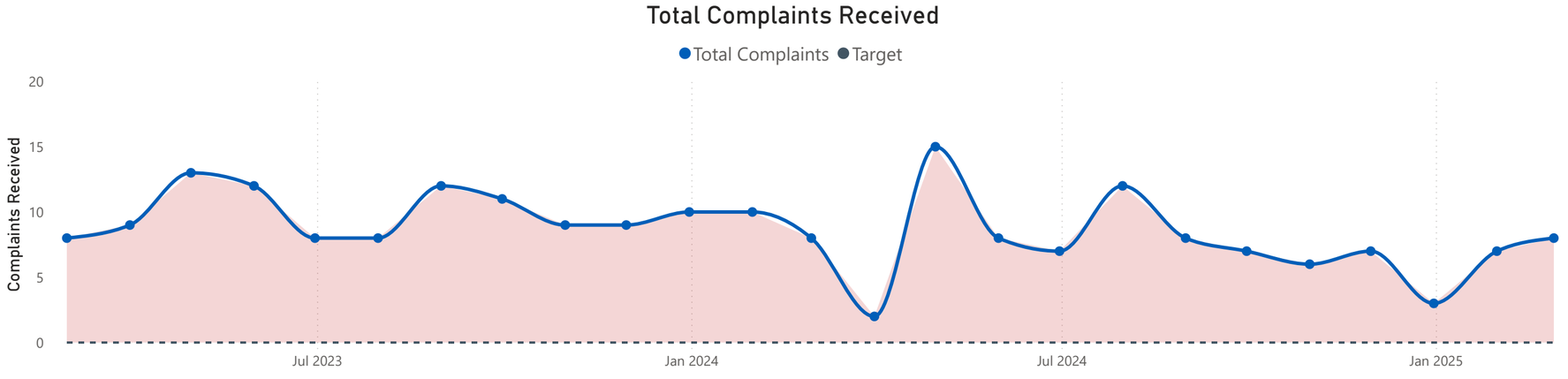
Areas of Concern

The small numbers that can be reported on monthly continue to limit the utility of reporting Key Performance Indicators (KPIs) to identify trends. However the 5 day stage one response rate should be more consistent and is an area of improvement focus for complaints.

Patient Safety, Quality, and Experience
Complaints Received

Data Source
Patient Experience Officer

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Change in number of complaints received this reporting period	0	8	Red

Actions to Improve/Recover Performance

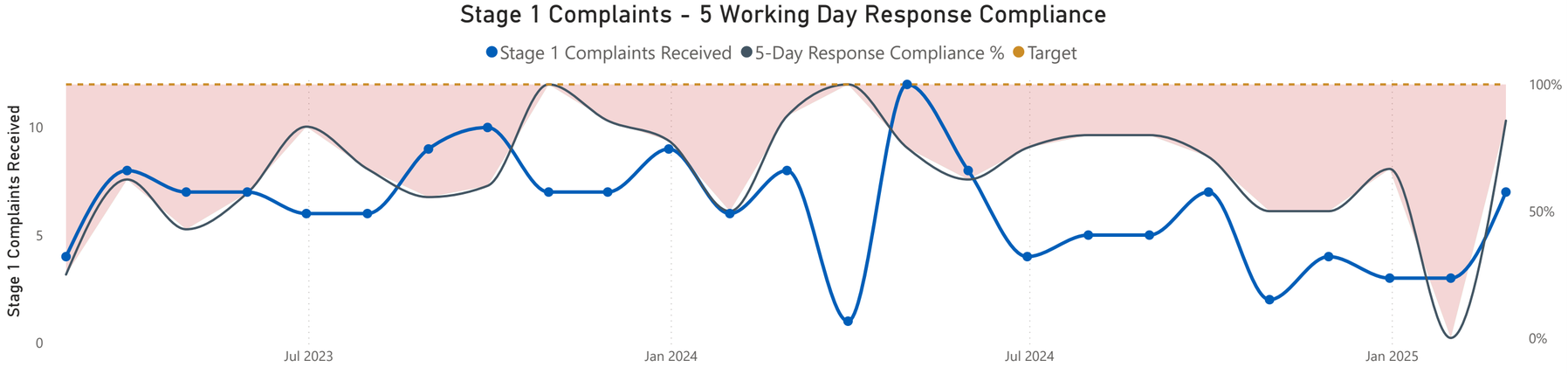
The Clinical Quality Group will be reviewing the metric for complaints received. All feedback is welcomed by the organisation as this supports development of the services we provide, setting a target of nought does not support this. The number of complaints is comparable to the numbers at this time last year.

Improvement Target Date
31/05/2025

Patient Safety, Quality, and Experience
Stage 1 Complaints

Data Source
Patient Experience Officer

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Complaints Received - Stage 1 5 Working Day Response Compliance	100%	85.71%	Red

Actions to Improve/Recover Performance

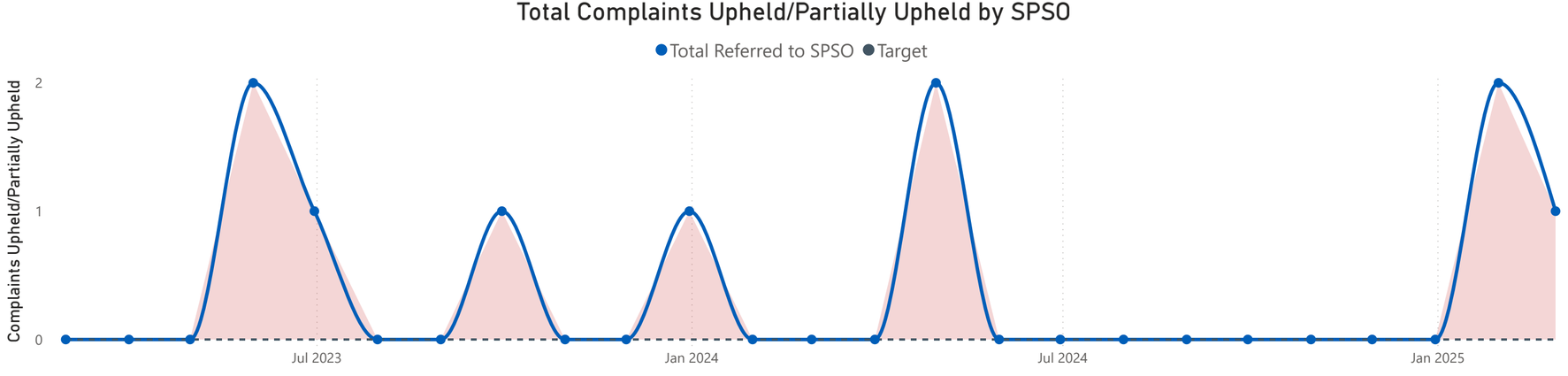
Due to the small number of complaints received one complaint has a significant effect on the percentage of compliance. The Safety, Quality and Risk Team continues to support reviewers to complete responses within a timely manner.

Improvement Target Date
30/06/2025

Patient Safety, Quality, and Experience
Complaints Upheld by Scottish Public Services Ombudsman (SPSO)

Data Source
Patient Experience Officer

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Complaints upheld and partially upheld by SPSO	0	1	Red

Actions to Improve/Recover Performance

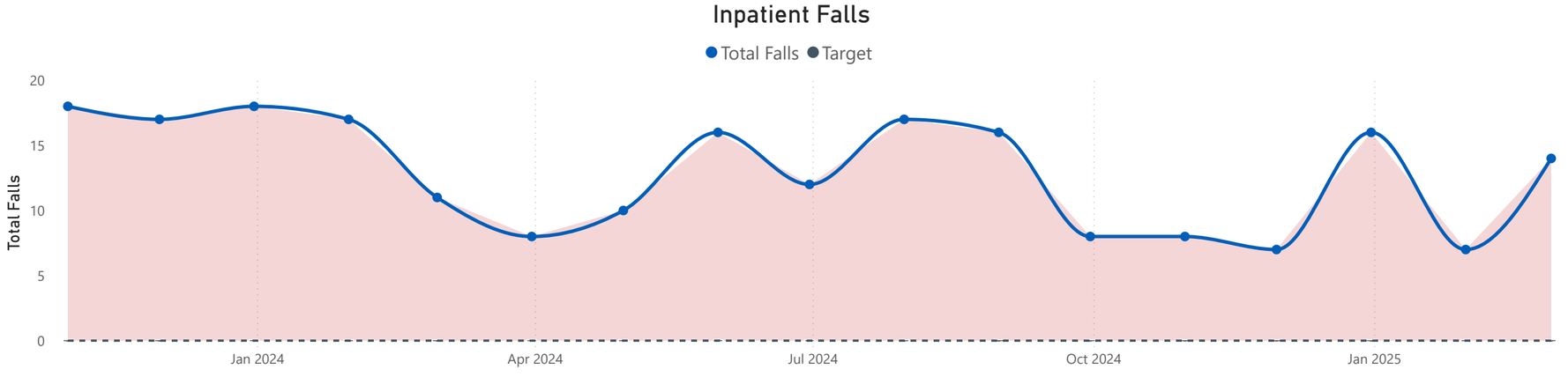
There has been one complaint that was partially upheld by the SPSO this report. The number of escalated complaints remain low.

Improvement Target Date
31/05/2025

Patient Safety, Quality, and Experience
Inpatient Falls

Data Source
Datix, Ward Documentation

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Inpatient falls (an event which results in a person coming to rest unintentionally on the ground or floor or other lower level)	0	14	Red

Actions to Improve/Recover Performance

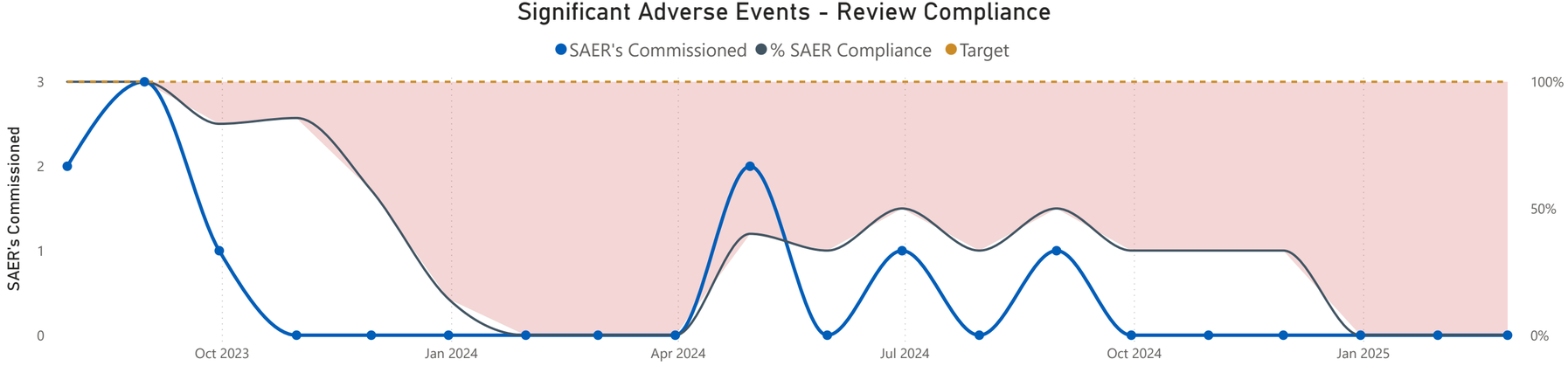
Falls in Inpatient 2 whilst remaining low have seen an increase in the last month. This is in part due to a higher patient cohort at risk of falls. Whilst Inpatient 1 saw a decrease in falls from December to January, there has been an increase in falls during February, again this is due to a higher patient cohort at risk of falls. Both inpatient areas continue with their falls improvement programme and each patient is assessed on admission as required for their risk of falls. In order to reduce preventable falls patients are grouped together on the ward and additional staff allocated to this area to carry out enhanced observations.

Improvement Target Date
30/06/2025

Patient Safety, Quality, and Experience
Significant Adverse Event Reviews (SAERs)

Data Source: Datix

Latest Data: 28/02/2025



KPI	Target	Actual	RAG Value
Significant Adverse Event Review Compliance (closed within target date)	100%	0.00%	Red

Actions to Improve/Recover Performance

There remain three overdue Significant Adverse Event Reviews (SAERs). One is close to completion, but due to a competing priority this has not been finalised but is expected to be completed in the next month. The other reviews are awaiting information from external agencies and therefore the delay is outside of our control.

Improvement Target Date

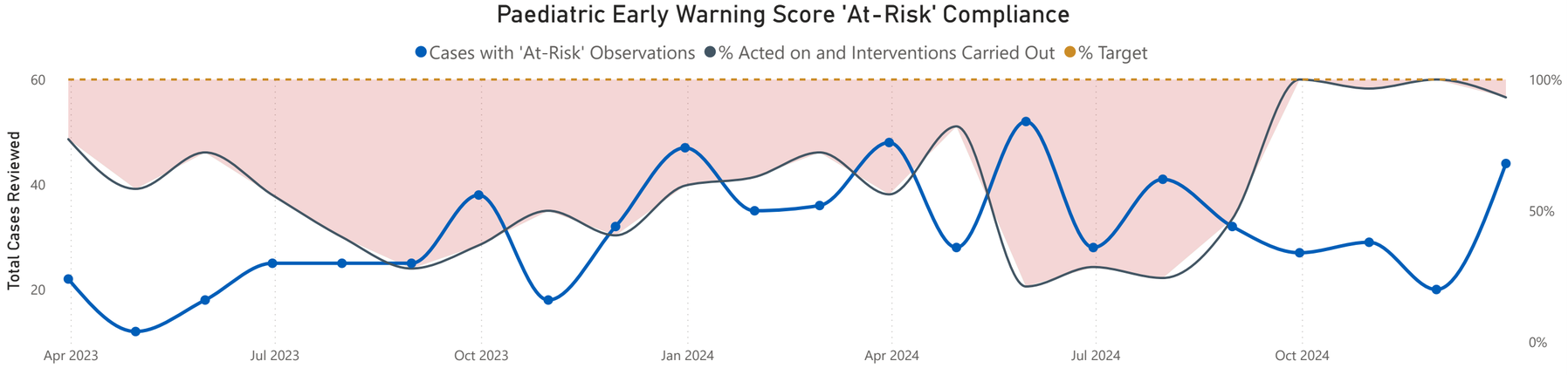
30/06/2025

Patient Safety, Quality, and Experience

Paediatric Early Warning Score (PEWS) 'At-Risk' Compliance

Data Source
Clinical Records

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
Paediatric Early Warning Score (PEWs) - % 'at-risk' observations identified and acted upon	100%	93.18%	Red

Actions to Improve/Recover Performance

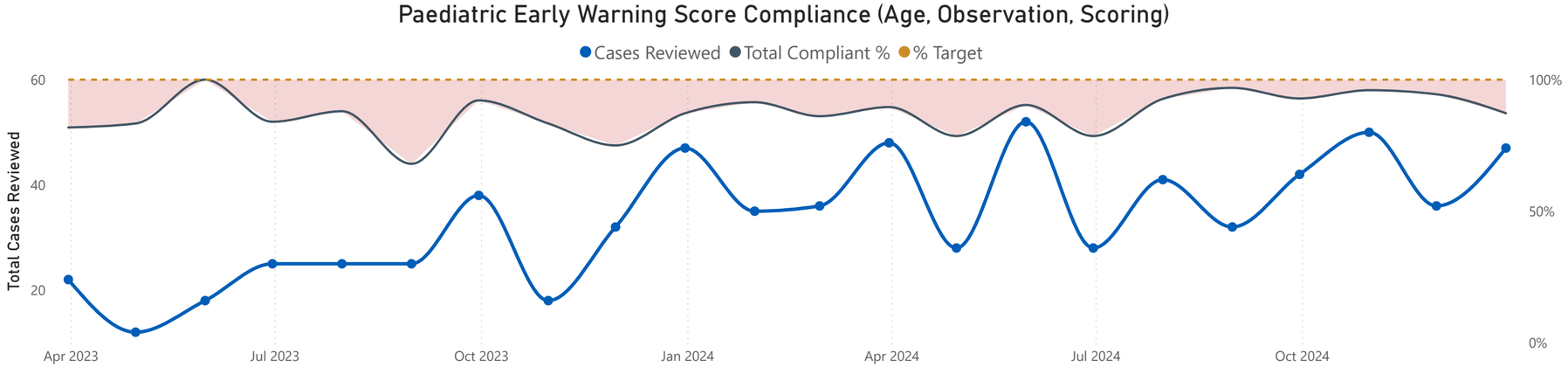
There is no set national guidance for this metric at present. Looking at the data available, we can surmise compliance is currently at 93.18% when this should be 100% for interventions. An action plan is currently being drafted with key stakeholders to address compliance.

Improvement Target Date
30/04/2025

Patient Safety, Quality, and Experience
Paediatric Early Warning Score (PEWS) Bundle Compliance

Data Source
Clinical Records

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
Paediatric Early Warning Score (PEWs) - % Compliance with PEWS Bundle	100%	87.23%	Red

Actions to Improve/Recover Performance

The compliance for PEWS remains high and all cases where the PEWS triggered were escalated as appropriate as demonstrated with the 100% compliance. There are education packs available for all staff but provided to new staff to support them in understanding the PEWS charts and the escalation process.

Improvement Target Date
30/04/2025

Operational Standards

Acute

Section Lead(s):

Medical Director

Executive Director of Nursing, Midwifery, Allied Health Professionals & Chief Officer Acute

What's Going Well?

The Planned Care Programme Board continues to provide scrutiny across key specialties. An expert peer review was conducted on 8 January with the Centre for Sustainable Delivery and NHS Highland. Quarterly reviews with the Scottish Government policy team have identified opportunities for contracting in services, with outreach made to external providers. A key development is the launch of the NHS Orkney Clinical Services Review (CSR), approved by the Senior Leadership Team (SLT) on 14 February and discussed at the February Health Board meeting. This review, funded by the Scottish Government, aims to evaluate how clinical services are delivered in hospital and community settings, ensuring sustainability and efficiency. Two experienced NHS leaders, Dr Jennifer Armstrong and Fiona McKay, are engaging with staff across acute and community services and partner health boards. The CSR will progress in two phases: mapping current services and conducting an evidence-based review of future service models, with a final report expected by summer 2025.

RAG Status Values

RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of 'x̄' are given a RAG value based on their performance against their own average.

Areas of Concern

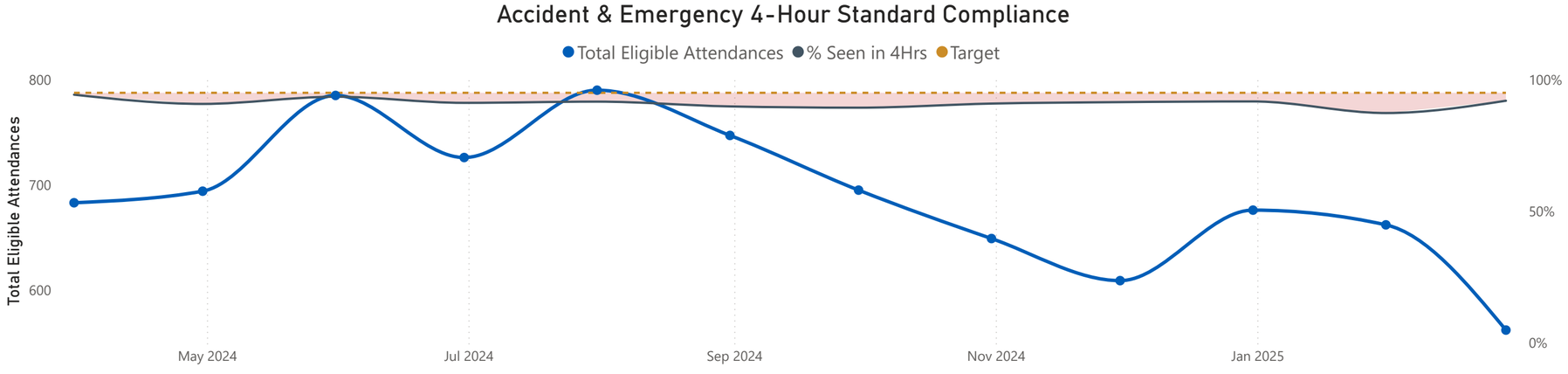
Service delivery teams must submit improvement action plans by the end of March 2025, prioritising first-appointment waiting times. However, workforce gaps continue to impact service provision. Outpatient waiting times have deteriorated due to substantive medical workforce shortages, clinic cancellations, and winter pressures. The Director of Improvement and Medical Director are engaging external providers to explore solutions.

NHS Orkney has submitted proposals for additional consultant-led sessions across several specialties, seeking targeted non-recurrent funding to clear backlogs.

Operational Standards
Accident & Emergency 4-Hour Compliance

Data Source
PHS A&E Publication

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
95% of patients wait no longer than four hours from arrival to admission, discharge, or transfer for A&E treatment. Boards work towards 98%.	95%	91.99%	Red

Actions to Improve/Recover Performance

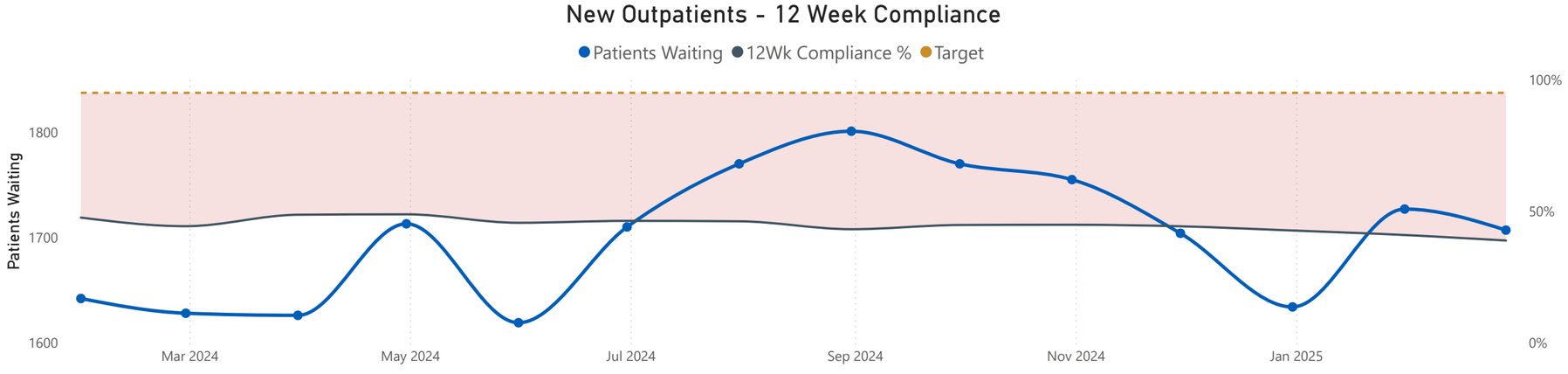
Executive lead awareness of whole system pressures impacting on Emergency Department performance in conjunction with increased presentations at the department. Whole system pressures remain a challenge at times with presentations remaining high in the department.

Improvement Target Date
31/05/2025

Operational Standards
New Outpatients (NOP) 12 Week Compliance

Data Source
OP Recovery Weekly Return

Latest Data
02/03/2025



KPI	Target	Actual	RAG Value
95 per cent of patients wait no longer than 12 weeks from referral (all sources) to a first outpatient appointment (measured on month end Census). Boards to work towards 100%	95%	38.84%	Red

Actions to Improve/Recover Performance

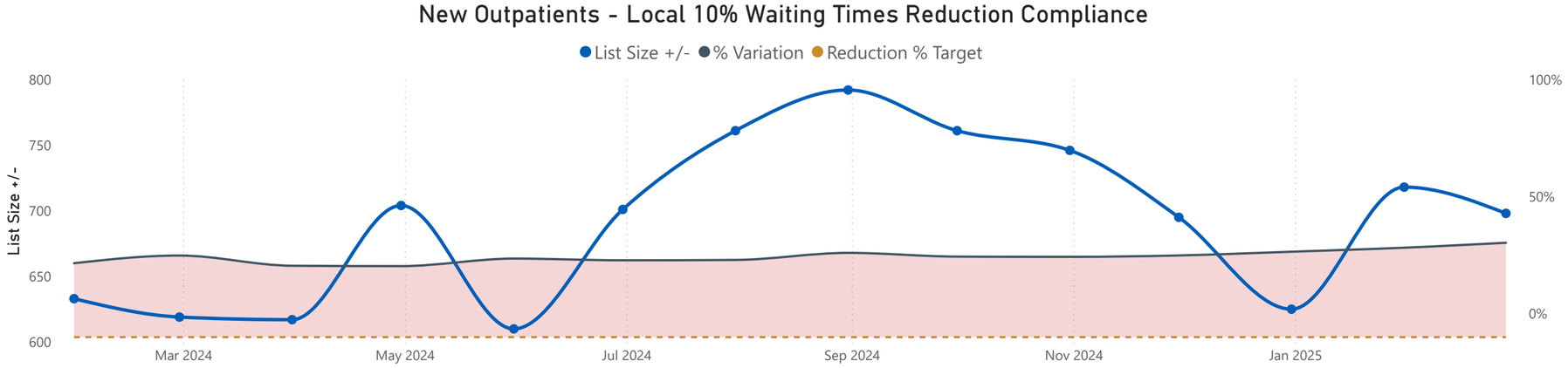
Compliance remains significantly below the 95% target, currently at 38.84%. The trend shows seasonal variation, with a worsening position in late 2024 and a slight improvement in early 2025. Limitations in visiting consultant clinics have contributed to lack of performance improvement over the last quarter. Short-term external contracts are being pursued to mitigate the backlog with additional funding and clinical sessions in year agreed.

Improvement Target Date
30/09/2025

Operational Standards
New Outpatients (NOP) Local Improvement Target

Data Source
OP Recovery Weekly Return

Latest Data
02/03/2025



KPI	Target	Actual	RAG Value
10% reduction in waiting times for New Outpatients	-10%	30.29%	Red

Actions to Improve/Recover Performance

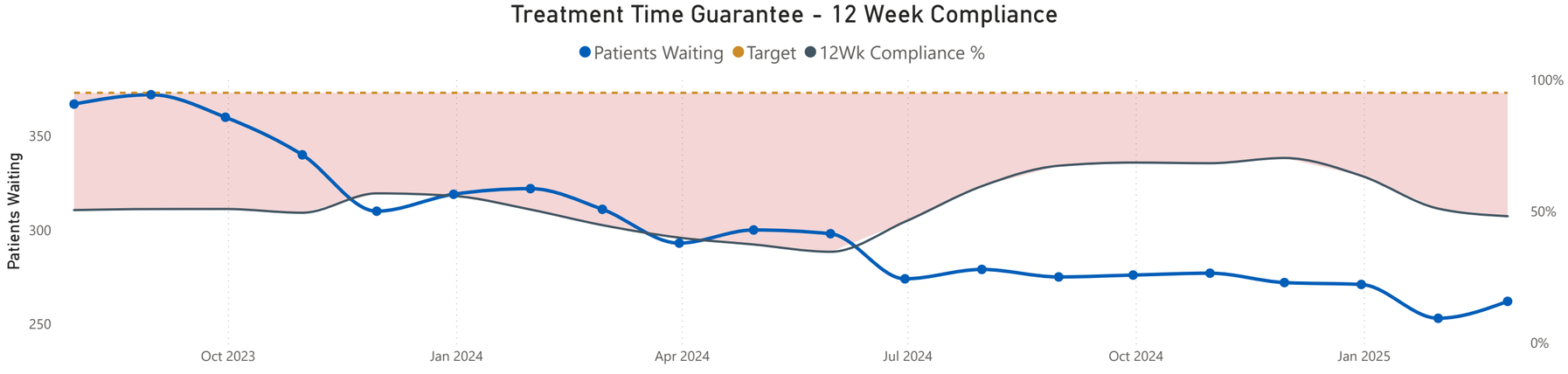
The target was a 10% reduction in waiting times; however, the actual change was +30.29%, indicating an increase rather than a decrease. The backlog has continued to grow due to persistent consultant workforce gaps, with further recruitment advertising going live at the end of March 2025. The Planned Care Board has requested improvement plans from service areas.

Improvement Target Date
30/09/2025

Operational Standards
Treatment Time Guarantee (TTG) 12 Week Compliance

Data Source
TTG Weekly Return

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
100 per cent of patients to wait no longer than 12 weeks from the patient agreeing treatment with the hospital to treatment for inpatient or day case treatment (TTG)	100%	48.09%	Red

Actions to Improve/Recover Performance

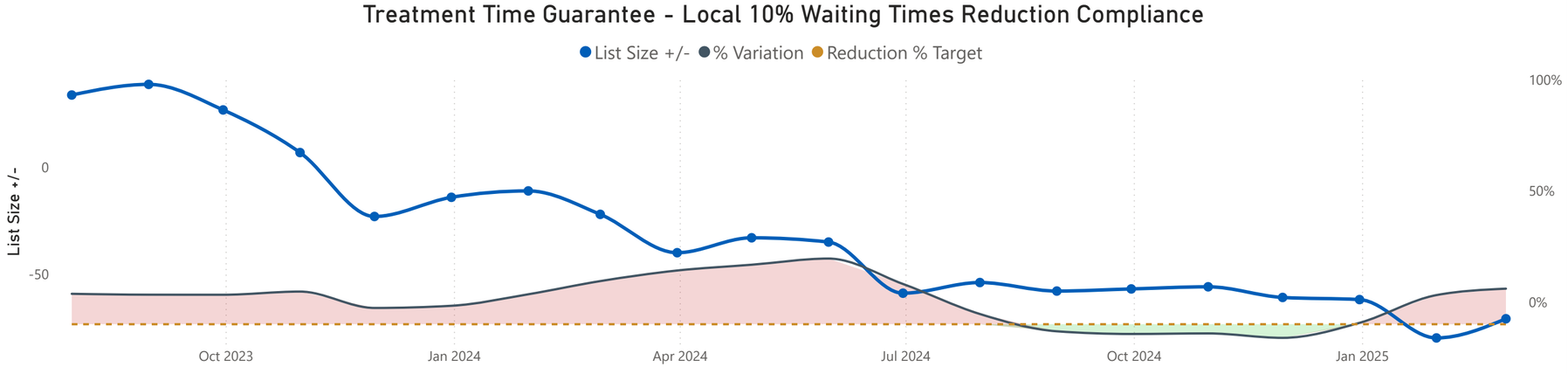
Compliance stands at 48.09%, well below the 100% target. While there was an initial improvement in mid-2024, progress has stalled due to limited access to NHS Grampian specialists and a small on-site consultant team. When fewer patients are seen in outpatients, TTG figures for number of patient waiting appear better due to fewer inpatient referrals.

Improvement Target Date
30/09/2025

Operational Standards
Treatment Time Guarantee (TTG) Local Improvement Target

Data Source
TTG Weekly Return

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
10% reduction in waiting times for Treatment Time Guarantee patients	-10%	6%	Red

Actions to Improve/Recover Performance

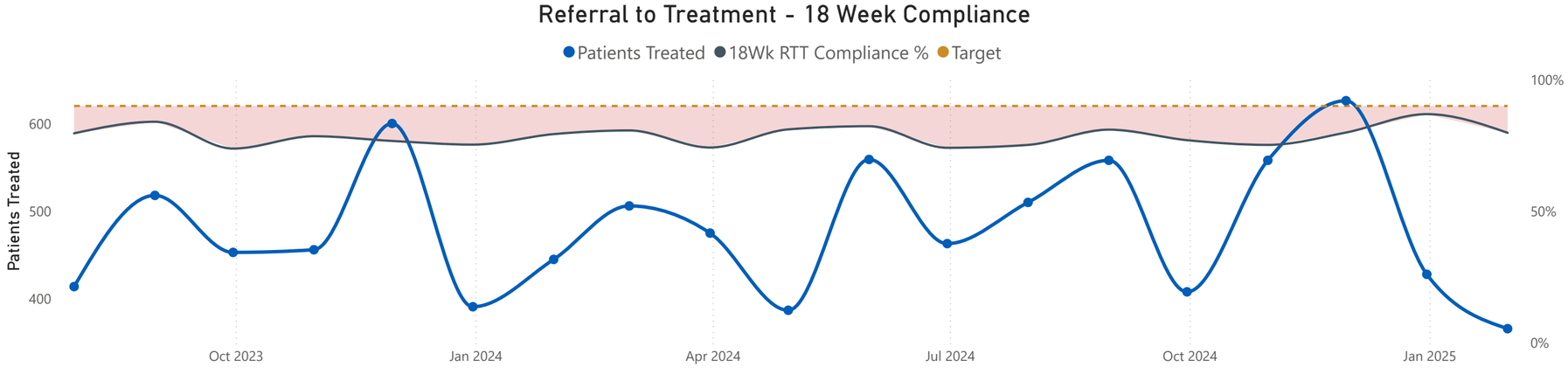
A 10% reduction was the goal, but actual performance shows a 6% increase. External recruitment and commissioned service reviews are ongoing to stabilise treatment pathways. Bids in year and for next financial year have been submitted to Scottish Government to address the backlog.

Improvement Target Date
30/09/2025

Operational Standards
Referral to Treatment (RTT) 18 Week Compliance

Data Source
18 Week RTT Monthly Return

Latest Data
31/01/2025



KPI	Target	Actual	RAG Value
90% of planned/elective patients to commence treatment within 18 weeks of referral	90%	79.8%	Red

Actions to Improve/Recover Performance

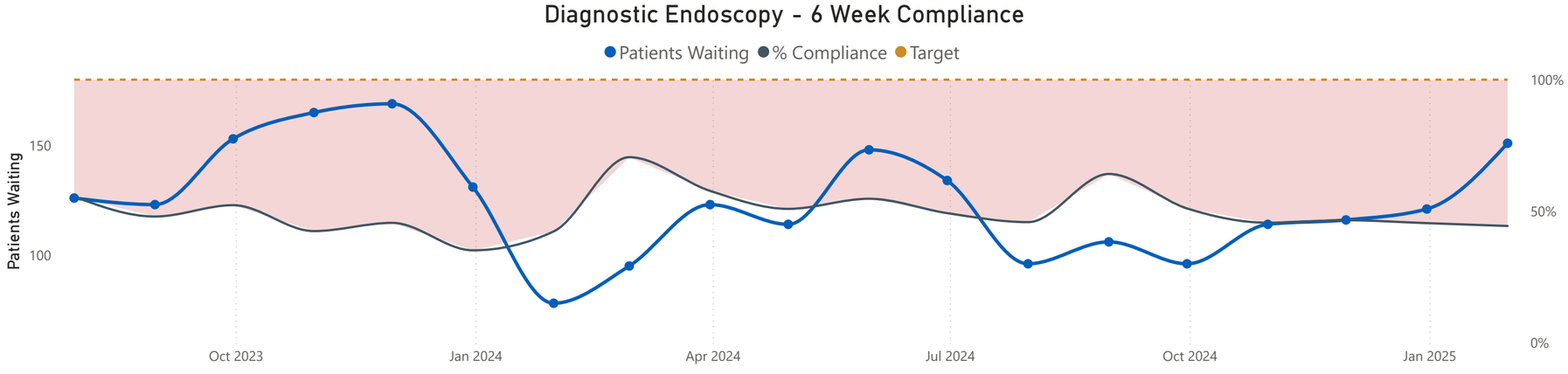
RTT compliance is at 79.8%, below the 90% target. Variations affect referral patterns of onsite clinics, with compliance following the availability of visiting consultants. Increased scrutiny is being applied through the Planned Care Programme Board, with a focus on sustainable service redesign.

Improvement Target Date
30/09/2025

Operational Standards
Diagnostic Endoscopy 6 Week Compliance

Data Source
DMMI Monthly Return

Latest Data
31/01/2025



KPI	Target	Actual	RAG Value
100% of patients waiting for key endoscopy diagnostic tests and investigations should wait no longer than six weeks (42 days).	100%	44.37%	Red

Actions to Improve/Recover Performance

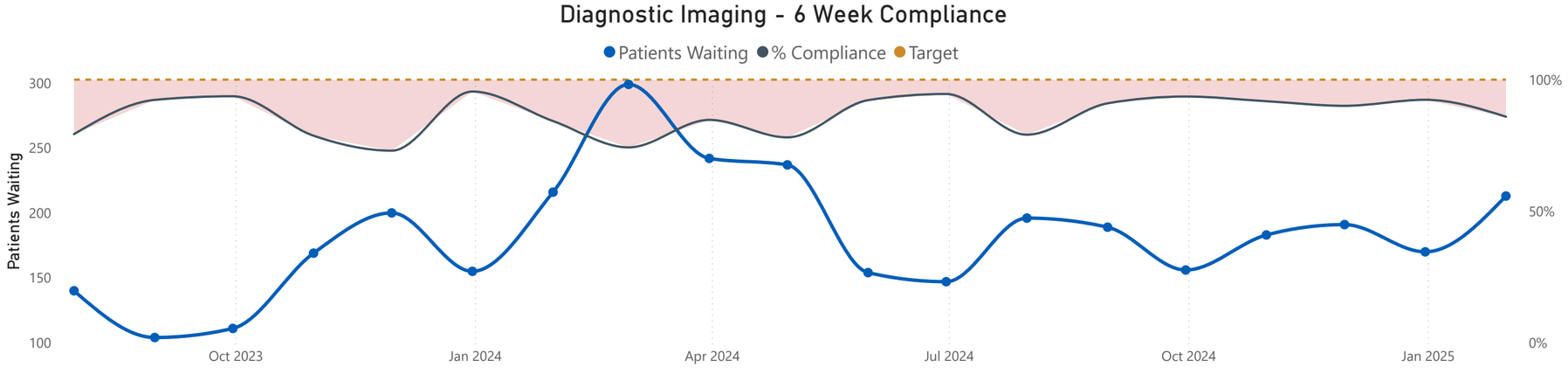
Compliance is at 44.37%, well below the 100% target. The trend has been highly variable, reflecting reliance on visiting locums and inconsistent service provision. The Scottish Government's Planned Care Team has offered support for additional contracted services. A new sponge capsule endoscopy clinic has been started and recruitment in March include consultant endoscopy staff.

Improvement Target Date
30/09/2025

Operational Standards
Diagnostic Imaging 6 Week Compliance

Data Source
DMMI Monthly Return

Latest Data
31/01/2025



KPI	Target	Actual	RAG Value
100% of patients waiting for key imaging diagnostic tests and investigations should wait no longer than six weeks (42 days).	100%	85.92%	Red

Actions to Improve/Recover Performance

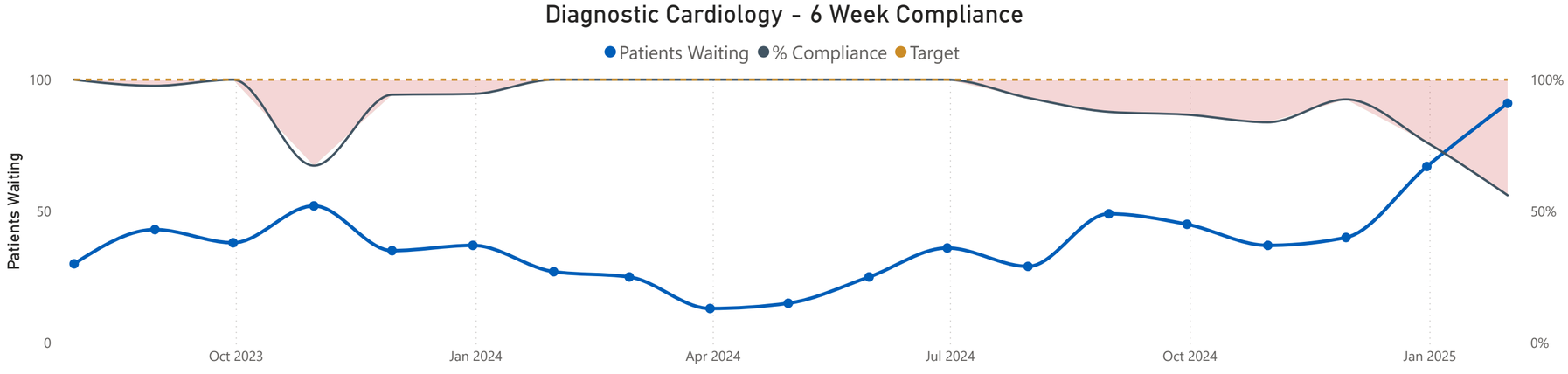
Compliance is 85.92%, below the 100% target but relatively stable. Local diagnostics remain strong, but dependency on NHS Grampian for specialist imaging results in wait time fluctuations. Variability in this standard is linked to the ability of patients to travel for appointments.

Improvement Target Date
30/09/2025

Operational Standards
Diagnostic Cardiology 6 Week Compliance

Data Source
DMMI Monthly Return

Latest Data
31/01/2025



KPI	Target	Actual	RAG Value
100% of patients waiting for key cardiology diagnostic tests and investigations should wait no longer than six weeks (42 days).	100%	56.04%	Red

Actions to Improve/Recover Performance

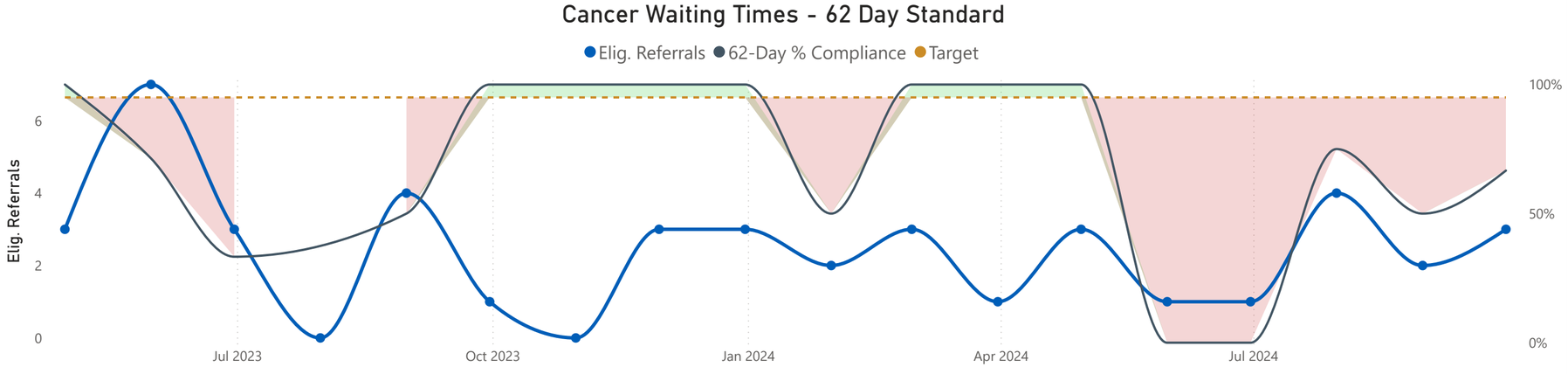
Compliance is 56.04%, reflecting challenges in service access. This service is currently only available externally, leading to delays. Local cardiology ultrasound models have been approved, but recruitment has been unsuccessful so far.

Improvement Target Date
30/09/2025

Operational Standards
Cancer Waiting Times 62-Day Standard

Data Source
Discovery

Latest Data
30/09/2024



KPI	Target	Actual	RAG Value
90% of those referred urgently with a suspicion of cancer are to begin treatment within 62 days of receipt of referral	**90%**	**66.67%**	**Red**

Actions to Improve/Recover Performance

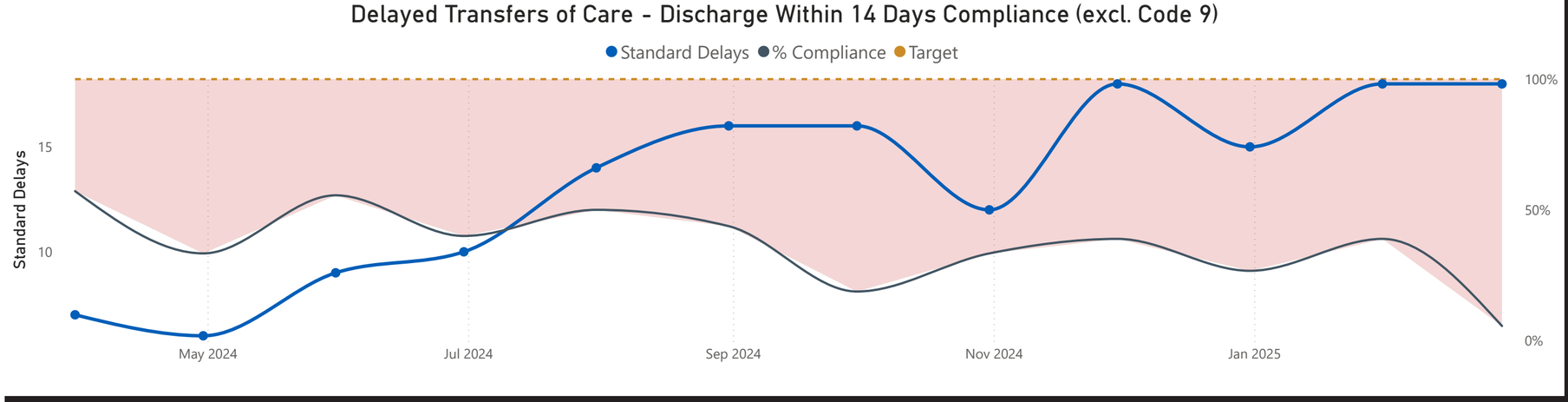
Compliance is at 66.67%, below the 90% target. Performance fluctuates due to low referral volumes and case complexity. The Medical Director and cancer tracking team continue to monitor breaches monthly and escalate concerns as needed.

Improvement Target Date
30/09/2025

Operational Standards
Delayed Transfers of Care Discharge Compliance

Data Source
Delayed Discharges Monthly Return

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Number of people experiencing a delay discharged within 2 weeks (excluding complex code 9 delays)	100%	5.56%	Red

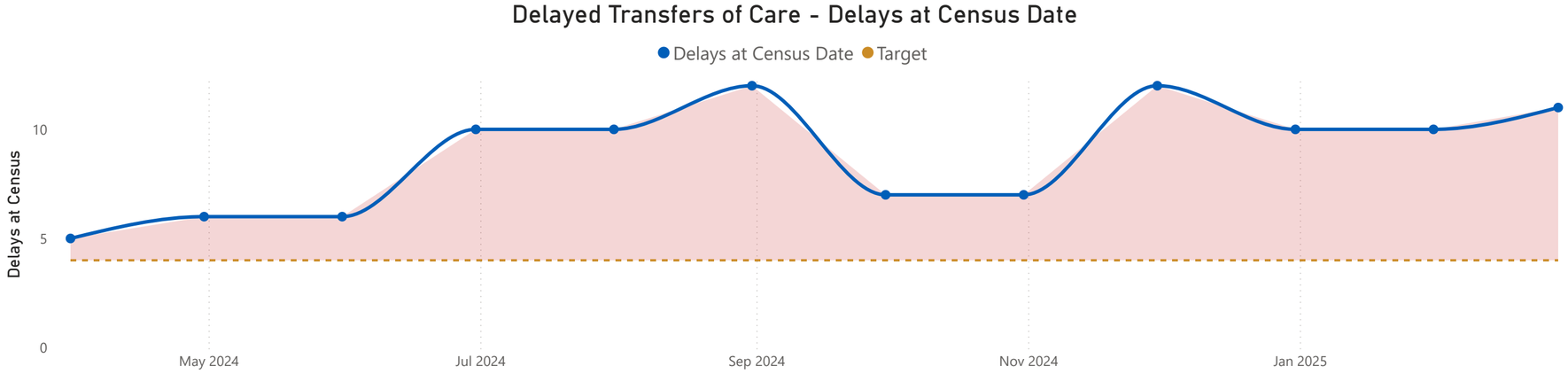
Actions to Improve/Recover Performance

Twice weekly RMM (Resource Management Meeting) continues with whole system approach to facilitate discharge. Recruitment to social care vacant posts remains challenging despite a recent campaign. Focus on planned date of discharge and discharge planning on admission through the discharge planning group will help support early conversations around discharge to home/own residence in the first instance.

Improvement Target Date
31/05/2025

Operational Standards
Delayed Transfers of Care at Census Date

Data Source	Latest Month
Delayed Discharges Monthly Return	28/02/2025



KPI	Target	Actual	RAG Value
Number of people experiencing a delay of any length or reason in discharge from hospital at the monthly census point	4	11	Red

Actions to Improve/Recover Performance

Twice weekly RMM (Resource Management Meeting) continues with whole system approach to facilitate discharge. Recruitment to social care vacant posts remains challenging despite a recent campaign. Focus on planned date of discharge and discharge planning on admission through the discharge planning group will help support early conversations around discharge to home/own residence in the first instance. Current performance update as at today is 9 delayed transfers of care. Of these 9, 5 are awaiting residential home placement.

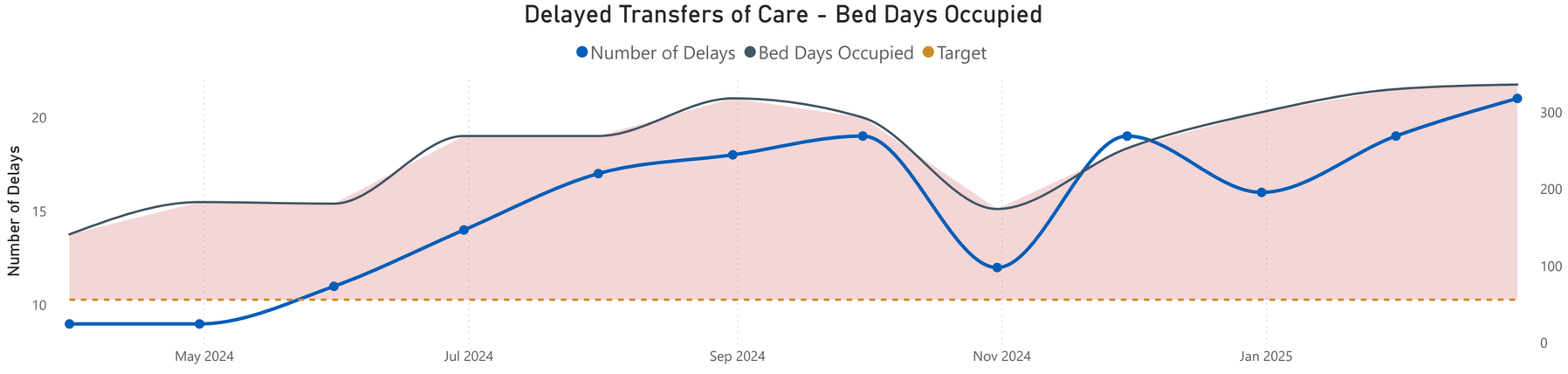
Improvement Target Date

31/05/2025

Operational Standards
Delayed Transfers of Care Bed Days Occupied

Data Source
Delayed Discharges Monthly Return

Latest Month
28/02/2025



KPI	Target	Actual	RAG Value
Number of hospital bed days associated with delayed discharges (any length or reason) in the calendar month.	56	336	Red

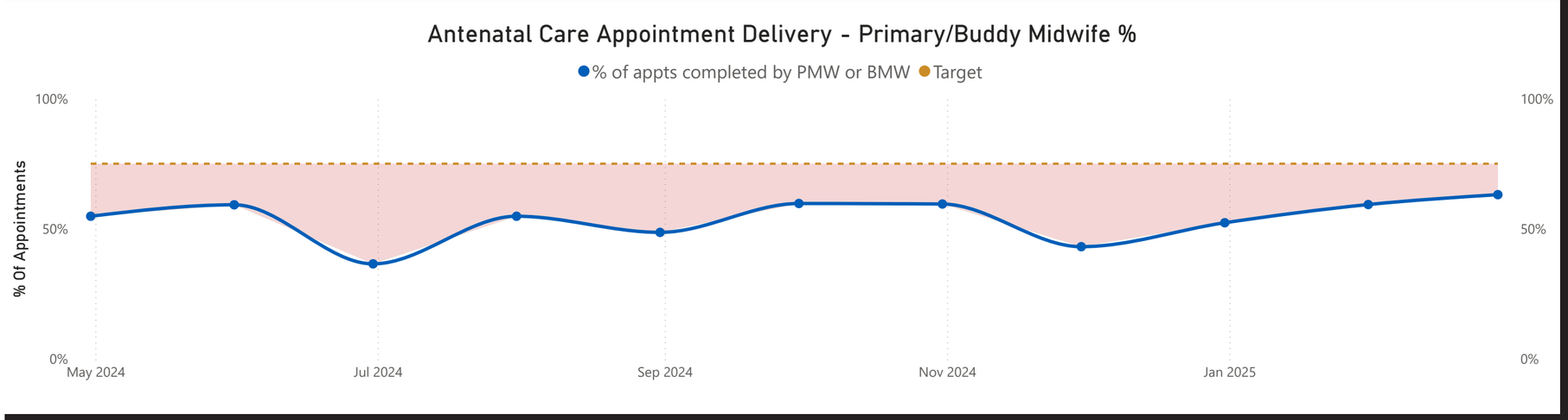
Actions to Improve/Recover Performance

Twice weekly RMM (Resource Management Meeting) continues with whole system approach to facilitate discharge. Recruitment to social care vacant posts remains challenging despite a recent campaign. Focus on planned date of discharge and discharge planning on admission through the discharge planning group will help support early conversations around discharge to home/own residence in the first instance. Current performance update as at today is 9 delayed transfers of care. Of these 9, 5 are awaiting residential home placement.

Improvement Target Date
31/05/2025

Operational Standards
Antenatal Care Appointment Delivery

Data Source	Latest Data
Badgernet	28/02/2025



KPI	Target	Actual	RAG Value
75% of scheduled antenatal care delivered by the primary and no more than one other midwife.	75%	63.1%	Red

Actions to Improve/Recover Performance

Recent updates were made to the main system used in recording maternity data to better document the data points around the team/buddy way of working. This means that some women are yet to reach the stages of intrapartum or postnatal care since these updates, and may not yet be represented accurately in terms of compliance with these metrics. We expect this to improve over the course of 2025.

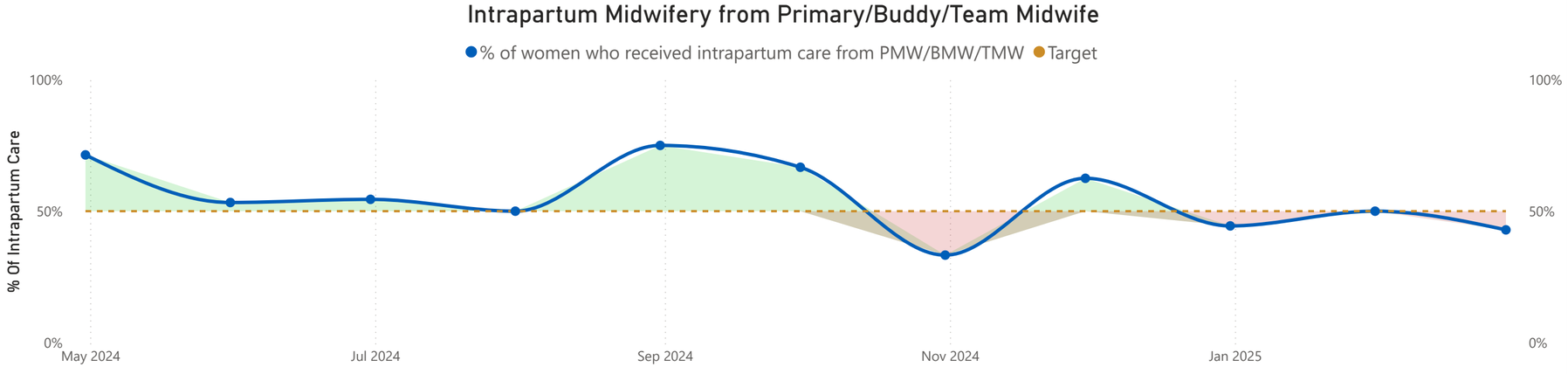
Improvement Target Date

31/12/2025

Operational Standards
Receipt of Intrapartum Midwifery From Primary/Buddy/Team Midwife

Data Source: Badgernet

Latest Data: 28/02/2025



KPI	Target	Actual	RAG Value
50% of women receive care during the intrapartum period from the primary, buddy or member of the team who she has met.	50%	42.9%	Red

Actions to Improve/Recover Performance

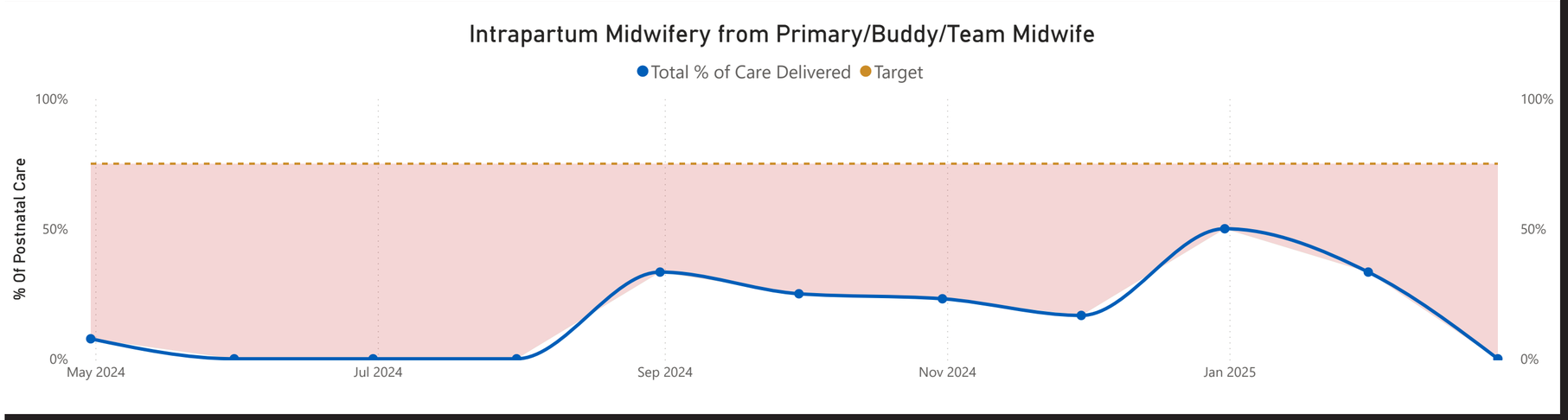
Recent updates were made to the main system used in recording maternity data to better document the data points around the team/buddy way of working. This means that some women are yet to reach the stages of intrapartum or postnatal care since these updates, and may not yet be represented accurately in terms of compliance with these metrics. We expect this to improve over the course of 2025.

Improvement Target Date

31/12/2025

Operational Standards
Postnatal Midwifery Care Delivery By Primary/Buddy Midwife

Data Source	Latest Data
Badgernet	28/02/2025



KPI	Target	Actual	RAG Value
75% of scheduled community based postnatal care delivered by the primary and no more than one other midwife.	75%	0%	Red

Actions to Improve/Recover Performance

Recent updates were made to the main system used in recording maternity data to better document the data points around the team/buddy way of working. This means that some women are yet to reach the stages of intrapartum or postnatal care since these updates, and may not yet be represented accurately in terms of compliance with these metrics. We expect this to improve over the course of 2025.

Improvement Target Date

31/12/2025

Community

Section Lead(s):
Chief Officer (Integration Joint Board)

What's Going Well?

Child and Adolescent Mental Health and Psychological Services (CAMHS) have exceeded the referral to treatment target and performance continues to be relatively strong. CAMHS are participating in a short term regional pilot for Intensive Home Treatment.

Improved engagement with independent contractors, both in terms of GPs, Dental and Optometry, enabling a more collaborative approach to improve service delivery and mitigate challenges being faced.

Despite significant staffing challenges, Care at Home, Home First, Responder and Occupational Therapy services are collectively preventing admission and re-admission whilst increasing packages of care to those who are most vulnerable.

RAG Status Values	
RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of '$\bar{x}$' are given a RAG value based on their performance against their own average.

Areas of Concern

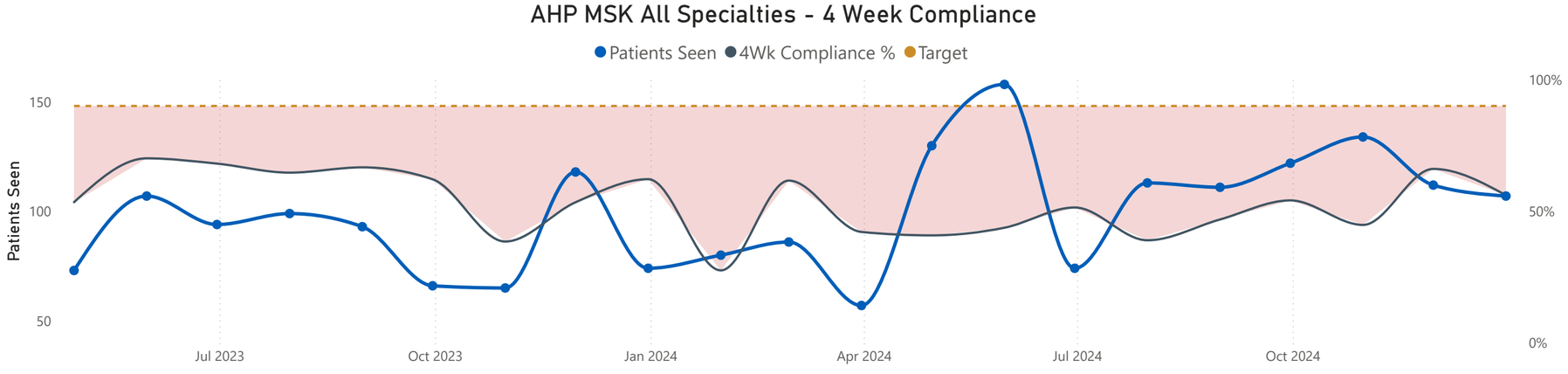
Significant vacancies/capacity issues within Mainland Community Nursing.

Capacity issues across both public and private dentistry due to a combination of level of demand, current vacancies and lack of dentists available across the country.

Community
Allied Health Professions (AHPs) MSK 4 Week Compliance - All Specialties

Data Source
MSK Quarterly Publication/TrakCare

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led musculoskeletal services.	90%	56.07%	Red

Actions to Improve/Recover Performance

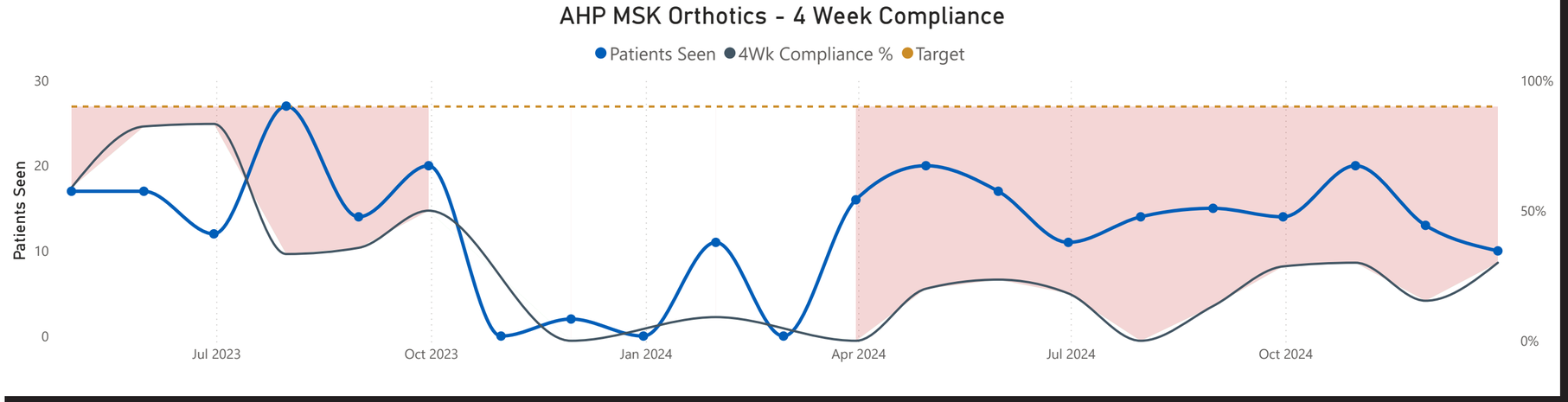
This target is an amalgam of the following three indicators and the actions are detailed by specialty in the following sections.

Improvement Target Date
31/03/2025

Community
Allied Health Professions (AHPs) MSK 4 Week Compliance - Orthotics

Data Source
MSK Quarterly Publication/TrakCare

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led orthotics musculoskeletal services.	90%	30.00%	Red

Actions to Improve/Recover Performance

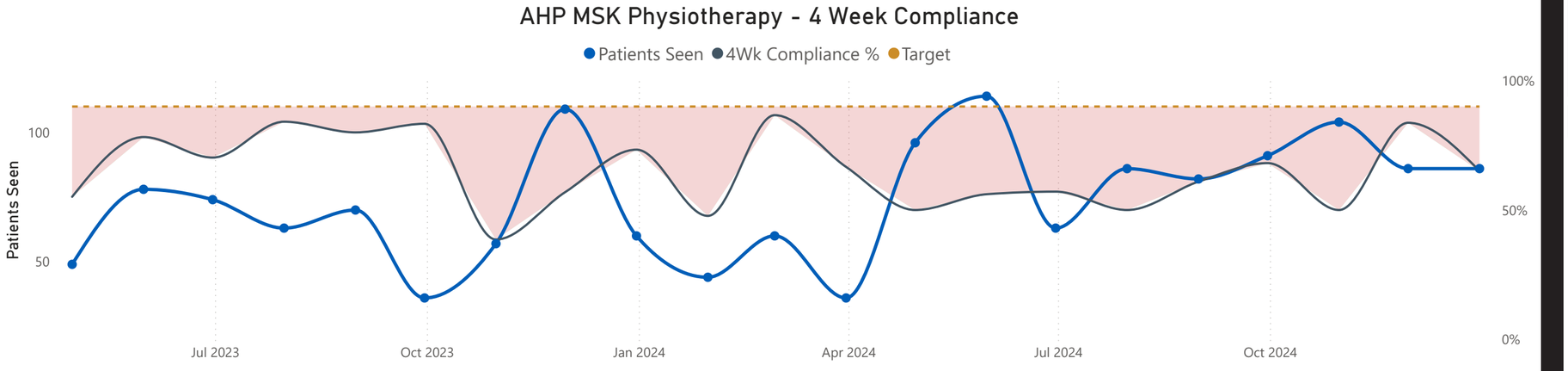
The number of new referrals per month is steady with most coming from podiatry and physiotherapy services therefore when podiatrists/physiotherapists are on annual leave new referral rates reduce. Over the last few months where the podiatrists have been able to target MSK, an increase in orthotic referrals can be seen. The orthotic service is a visiting service which operates once a month. This makes meeting the four week target unachievable without review of the Service Level Agreement and investment. However, improvements have been seen overall with the longest waits down from 12 months to eight months. Further improvement in service delivery may be achieved by reducing Did Not Attend (DNA)'s which is on average 12%. This represents a significant impact on clinical service delivery and opportunities to address this will be directed through the Outpatients Improvement Group.

Improvement Target Date
31/03/2025

Community
Allied Health Professions (AHPs) MSK 4 Week Compliance - Physiotherapy

Data Source
MSK Quarterly Publication/TrakCare

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led physiotherapy musculoskeletal services.	90%	65.12%	Red

Actions to Improve/Recover Performance

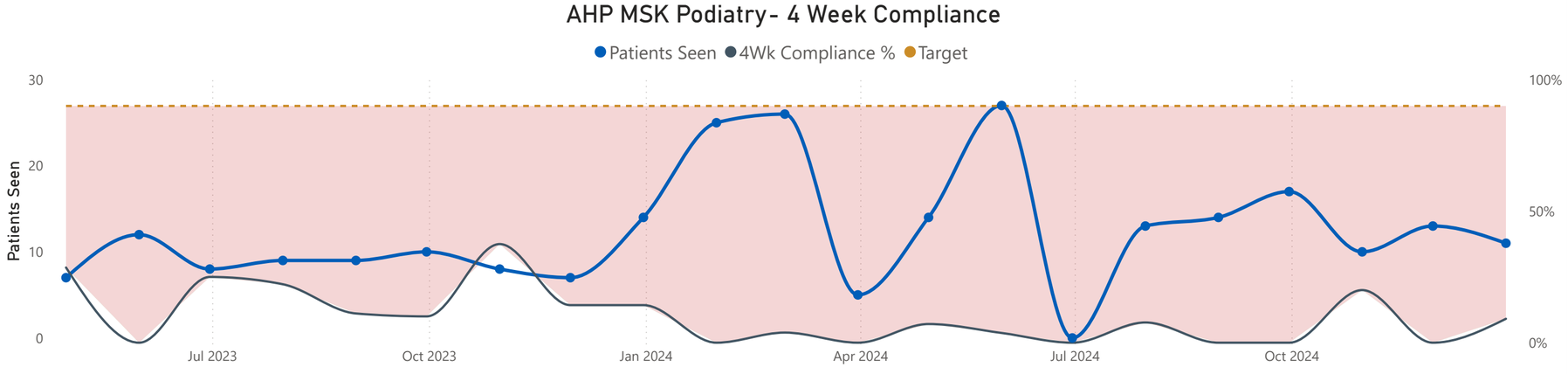
There has been a slight increase in resource to support MSK in this last quarter (0.3 WTE physiotherapy hours). This is reflected in the statistics showing a reduction in the average waiting times for patients despite an increasing waiting list. The very long waits are gradually reducing. The service has been impacted by 50 % staffing gaps (2 WTE posts) over 17 months in First Contact Practitioner (FCP) roles. The data shows that there has been a direct correlation with the vacancies and the increased numbers of patients waiting. Recruitment to try to fill these FCP vacancies is underway with interviews scheduled in the coming weeks. Roll out of PHIO (a digital health tool consisting of triage and a patient self-management app) is progressing well. Week commencing 10 March, 50 patients will be triaged and, if appropriate, referred direct to service or will self manage. This first tranche will enable the service to refine and test readiness to manage this new model of care. Thereafter 250 patients will be invited to participate. Reconfiguration of clinical space in outpatients has been completed creating three treatment cubicles which will address some of the challenges in offering treatment due to competing demands on clinical space. The combination of successful recruitment and PHIO will dramatically improve access to service and patient care.

Improvement Target Date
31/03/2025

Community
Allied Health Professions (AHPs) MSK 4 Week Compliance - Podiatry

Data Source
MSK Quarterly Publication/TrakCare

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
At least 90% of patients from receipt of referral should wait no longer than four weeks to be seen for a first outpatient appointment at allied health professional led podiatry musculoskeletal services.	90%	9.09%	Red

Actions to Improve/Recover Performance

The clinical demand of urgent and high risk patients impacts on achievement of this target. However, some additional capacity created by 0.4 WTE podiatrist is supporting the team to address MSK referrals in a more timely manner.

Improvement Target Date
31/03/2025

Population Health

Section Lead(s):
Director of Public Health

What's Going Well?

Diabetic eye screening recovery is almost complete following a recent pause in the service.

Covid-19 vaccination offer ended 31 January. Orkney was the top performing Board with 58.7% overall uptake. NHS Orkney is also the top performing Board for adult flu vaccination at 64.2%.

RAG Status Values	
RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of 'x̄' are given a RAG value based on their performance against their own average.

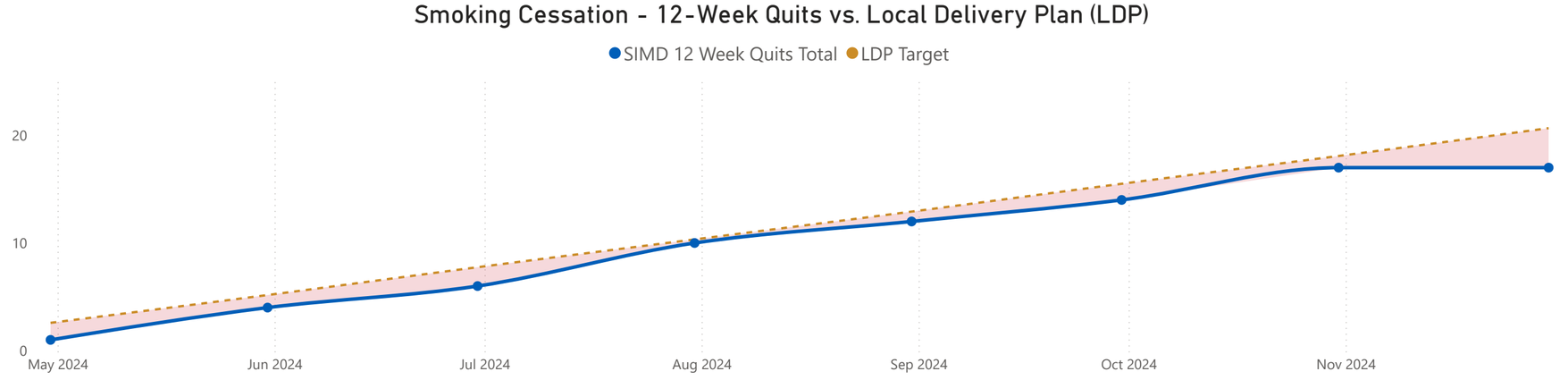
Areas of Concern

Bloodspot screening compliance has not met the 100% target in January and February. The reason for this was to adapt to the circumstances of eligible women during these months. The position is expected to recover by the end of March 2025.

Population Health
Smoking Cessation 12-Week Quits

Data Source
Public Health Team

Latest Data
30/11/2024



KPI	Target	Actual	RAG Value
NHS Boards to sustain and embed successful smoking quits at 12 weeks post quit, in the 40% most deprived SIMD areas (60% in the Island Boards)	20.67	17	Red

Actions to Improve/Recover Performance

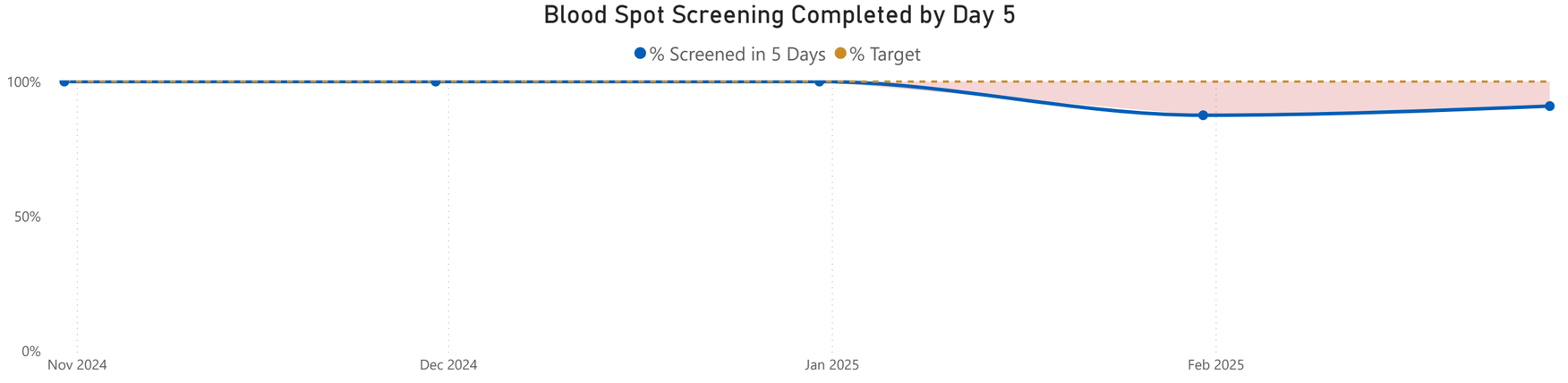
In 2023/24, only two health boards achieved their Stop Smoking Services Local Delivery Plan (LDP) target. Orkney achieved 64.5% of it's target, an increase from the previous year's achievement of 61.3%. The Public Health Team have developed a multi-agency Group to steer action relating to tobacco in Orkney which developed a tiered approach to smoking cessation services based on client need. The Quit Your Way Orkney team have continued to run a specialist stop smoking service with a localised training programme for advisors to support sustainability of the service. Very Brief Interventions training has been roles out to staff groups across Orkney to support referrals into stop smoking services. We are striving to continue improve performance against this target, as noted by our increasing improvement over the last few years.

Improvement Target Date
31/03/2026

Population Health
Blood Spot Screening Compliance

Data Source
Maternity Team

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Bloodspot Screening - 100% of newborn babies have bloodspot Screening completed by day 5	100%	90.9%	Red

Actions to Improve/Recover Performance

Bloodspot screening compliance has not met the 100% target in January and February. The reason for this was to adapt to the circumstances of eligible women during these months. The position is expected to recover by the end of March 2025.

Improvement Target Date
31/03/2025

Workforce

Section Lead(s):
Director of People and Culture

What's Going Well?

A meeting was held on 25 February 2025 for all line managers in the organisation to discuss sickness absence management, appraisals and mandatory training compliance and the support needed to see improvement in these areas. Six priority areas were identified, including Inpatient One (IP1) (+High Dependency Unit (HDU)), Inpatient Two (IP2) (+MacMillan), Emergency Department, Community Nursing, Community Mental Health, Domestics. Weekly huddles have commenced to keep pace and improvements will be reported through
the Improving Together Programme Board-Workforce Workstream. Additionally, a meeting was held with a multidisciplinary group of leaders to discuss practical solutions to releasing people's time to lead.

RAG Status Values

RED	Key performance indicator not achieved.
GREEN	Key performance indicator achieved.

RAG status values are assigned to each metric based on their compliance with national and/or locally set targets. Metrics assigned a red status will be accompanied with improvement actions, and a timeline for recovery of the position.

Metrics with a target of 'x̄' are given a RAG value based on their performance against their own average.

Areas of Concern

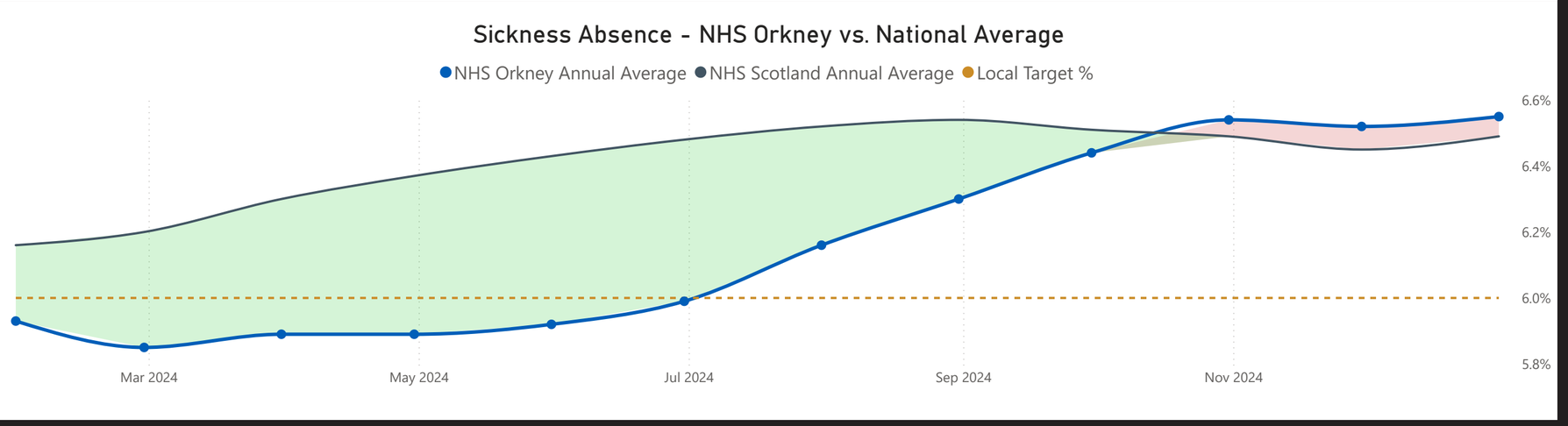
Although the sickness absence rate has decreased slightly year-to-date, it is still over the national average of 6% (currently at 6.55%) and overall we are seeing an increase in long-term sickness compared to short-term.

Compliance with statutory and mandatory training continues to be variable and this remains a risk on the Corporate Risk Register. Monthly reports are sent to Executive Directors on training compliance in their areas and a list of all non-compliant people will be pulled from Turas so that those people can be contacted directly. A training matrix is in development to make clear what training is required by job family, and at what intervals. This will also allow an opportunity to review training recertification periods. In 2025 we will pilot scheduled days of 'boxed-sets' whereby staff can be booked on to multiple mandatory training courses in the same day. As part of the Improving Together Programme Board Workforce Workstream, two of the priority areas (Inpatient One (IP1) and Emergency Department) are focussing on improving training compliance.

Workforce
NHS Orkney Annual Sickness Absence

Data Source
SSTS/eESS National

Latest Data
31/12/2024



KPI	Target	Actual	RAG Value
Monthly comparison for previous 12 months NHS Scotland and NHS Orkney	6.45%	6.55%	Red

Actions to Improve/Recover Performance

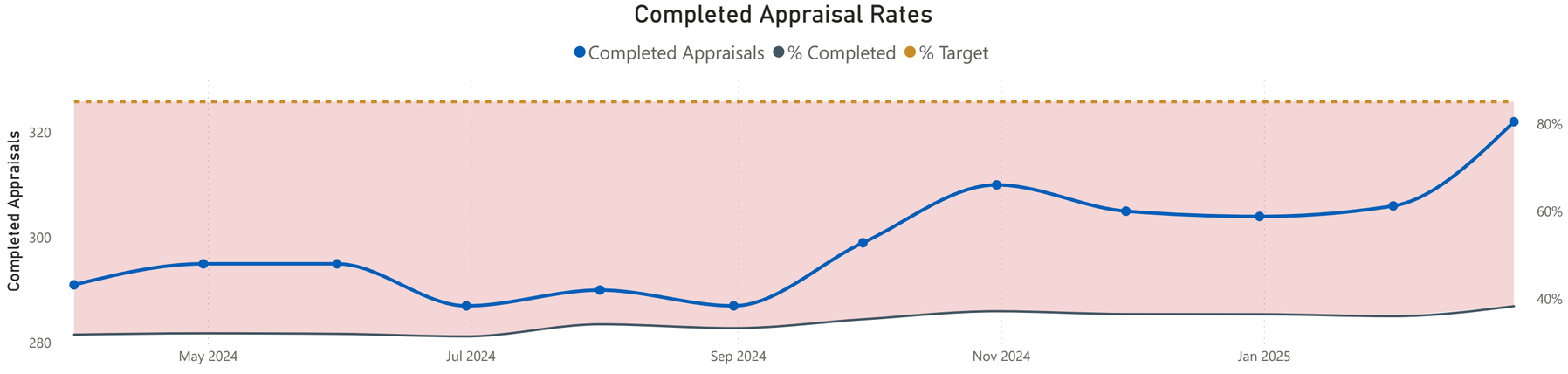
Detailed sickness absence data is reported monthly to executive directors including the reasons for absence. Monthly meetings are held between HR and Occupational Health to go through absence case by case to support return to work. Direct communications are had with managers (via email and face-to-face meetings) to highlight those people who trigger stages in the Once for Scotland Attendance Policy, and to support managers with return-to-work conversations and policy implementation. As part of the Improving Together Programme Board Workforce Workstream, two of the priority areas (IP2 and Community Mental Health) are focussing on sickness management in line with the Once for Scotland Attendance Policy.

Improvement Target Date
30/06/2025

Workforce
NHS Orkney Appraisal Rates

Data Source
Workforce Systems

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Appraisal compliance rate over the previous 12 months	85%	38.33%	Red

Actions to Improve/Recover Performance

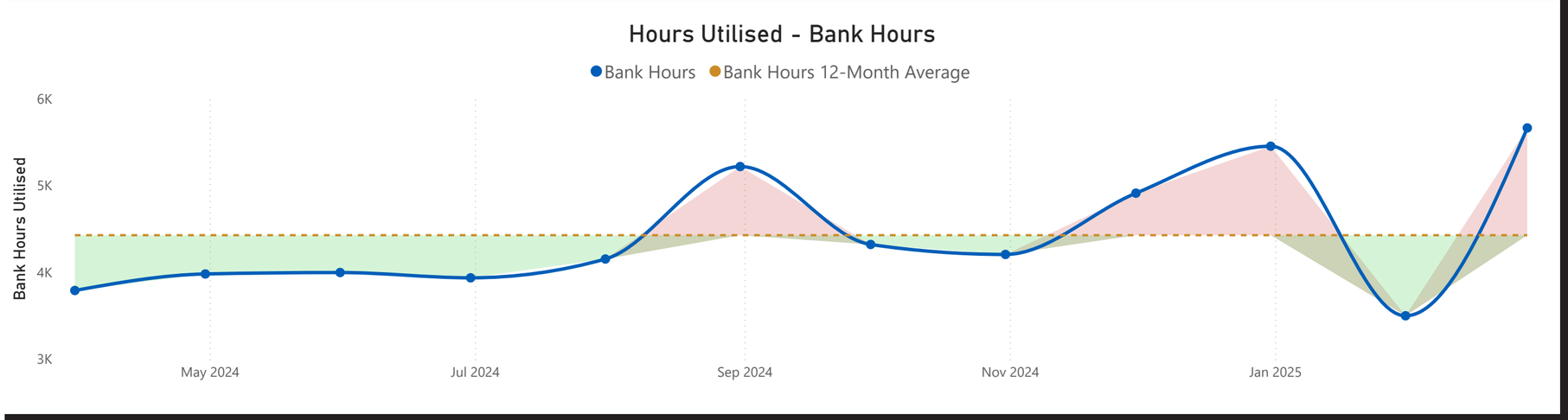
Appraisal rates have increased slightly to 38.33%. The People and Culture team continues to provide training and individual support to managers and teams. Notifications have been sent to those people whose appraisals were only partially complete outlining the actions needed to complete them. Lists of colleagues who have not yet had an appraisal are regularly shared with managers, and where structures need amending in the system, the People and Culture Team are working with those teams. Additional system functionality is available to allow paper uploads and this has been communicated to managers. Currently bank staff are included in the figures for appraisals although the intention is to remove them from the denominator once plans are in place for more coordinated management of bank workers. As part of the Improving Together Programme Board Workforce Workstream, two priority areas (Domestics and Community Nursing) are focussing on improving appraisal rates.

30/06/2025

Workforce
Bank Hours Utilised

Data Source
Workforce Systems

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Bank	x̄	5662.32	Red

Actions to Improve/Recover Performance

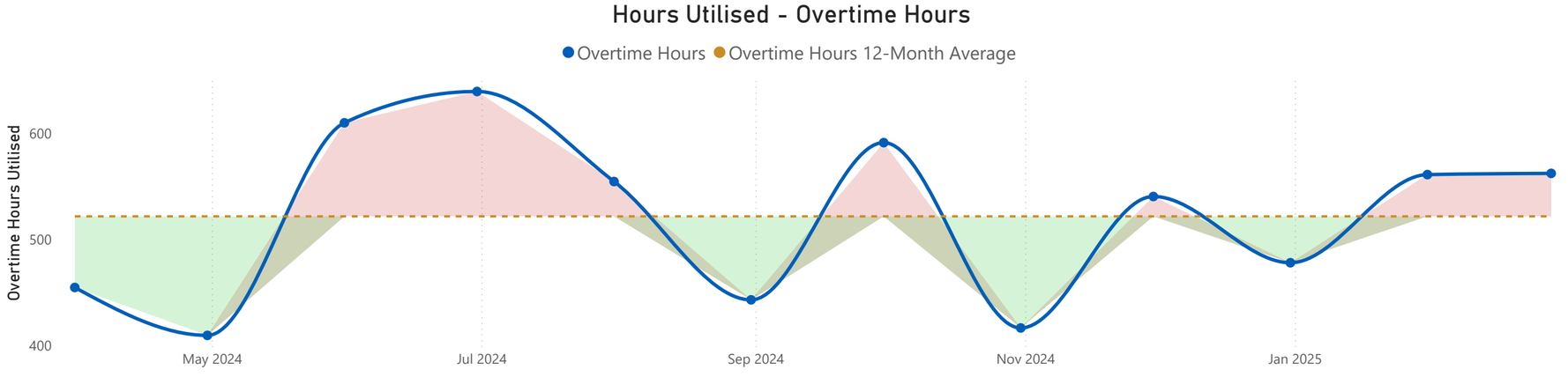
We do not have an organisational target for bank usage but have undertaken analysis to look at bank, overtime and excess hours in relation to total hours of absence. The use of additional hours should not exceed hours vacant or lost to absence.
A review of the effectiveness of the Vacancy Control Panel and its controls will be undertaken in March/April. A suggestion has been made to include all requests for bank spending in the Vacancy Control Panel Terms of Reference to support the approval process of any expenditure and this will be picked up during the review of the panel.

Improvement Target Date
30/06/2025

Workforce
Overtime Hours Utilised

Data Source
Workforce Systems

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Overtime	x̄	562.24	Red

Actions to Improve/Recover Performance

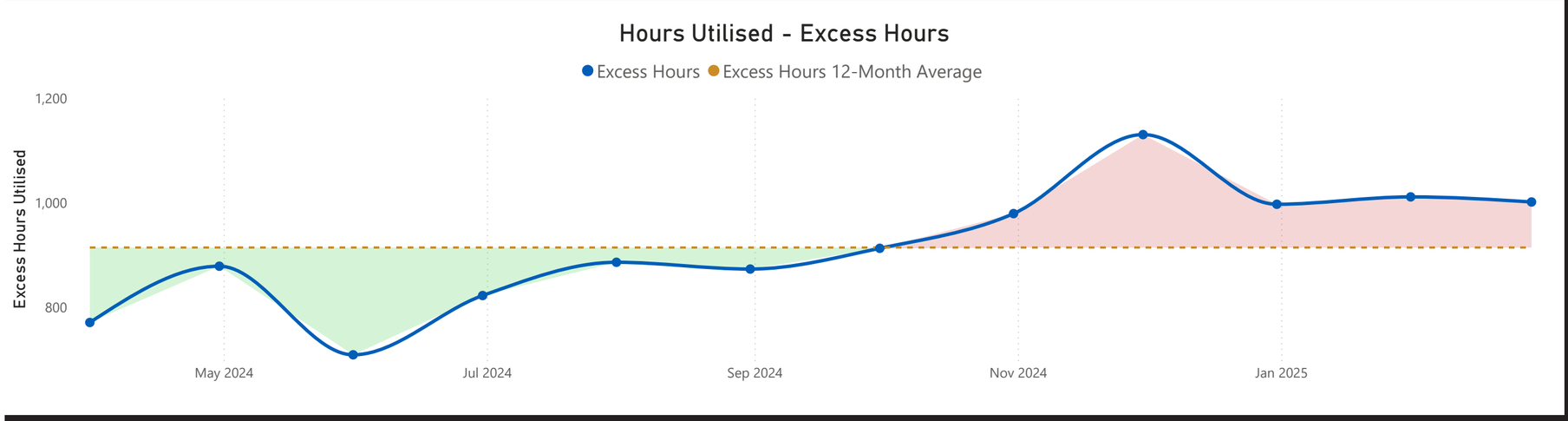
Requests for overtime in clinical areas are approved by the relevant Executive Director in accordance with the terms of reference of the Vacancy Control Panel. These approvals are recorded by the implementation hub and reported weekly to the Vacancy Control Panel for oversight. For non-clinical areas approval is required from the Vacancy Control Panel. A review of the effectiveness of the Vacancy Control Panel and its controls will be undertaken in March/April.
Work is being planned to review bank, overtime and excess hours in in relation to vacancies and service operating models to identify opportunities for improvement in priority areas. This will be built into the Improving Together Programme, Workforce Workstream.

Improvement Target Date
30/06/2025

Workforce
Excess Hours Utilised

Data Source
Workforce Systems

Latest Data
28/02/2025



KPI	Target	Actual	RAG Value
Excess	x̄	1001.4	Red

Actions to Improve/Recover Performance

Requests for excess hours in both clinical and non-clinical areas are approved by the relevant Executive Director in accordance with the terms of reference of the Vacancy Control Panel. These approvals are recorded by the implementation hub and reported weekly to the Vacancy Control Panel for oversight. A review of the effectiveness of the Vacancy Control Panel and its controls will be undertaken in March/April.
Work is being planned to review bank, overtime and excess hours in in relation to vacancies and service operating models to identify opportunities for improvement in priority areas. This will be built into the Improving Together Programme, Workforce Workstream.

Improvement Target Date
30/06/2025

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Integrated Performance Report – March 2025**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight – Chief Executive**
Report Author:	**Debs Crohn – Head of Improvement**

1 Purpose

This report is presented to the NHS Orkney Board for **Assurance.**

Members are asked to:

i. **Receive** the Integrated Performance Report (IPR) March 2025 update
ii. **Note** where Key Performance Indicators (KPIs) are off track and the improvement actions in place to bring deliverables back on track in Quarter 1 (April - June 2025).

This report relates to a:

- Corporate Strategy 2024-2028 - Performance
- Annual Delivery Plan 2024/25
- Emerging issue
- Government policy/directive

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

- Safe
- Effective
- Person Centred
- Sustainable

2 Report summary

2.1 Situation

The Integrated Performance Report (IPR) summarises NHS Orkney's performance based on national and local reporting requirements as well as those indicators which matter to our patients, local community and staff. The IPR aligns to our Corporate Strategy 2024-28, Realistic Medicine Plan, Annual Delivery Plan 2024/25, and our Improving Together (efficiency) Programme.

The IPR in Appendix 1 contains a summary against each of NHS Orkney's Key Performance Indicators (KPIs) highlighting what is going well, successes, causes for concern, challenges and planned improvements/actions being taken to bring performance back on track in Quarter 1 (April–June) 2025/26.

2.2 Background

The IPR is the mechanism by which Executive Leads provide assurance to Board Committees and the Board on how we are performing on national reportable metrics required by Scottish Government (SG).

A schedule for the production of the IPR (Appendix 2) has been produced to ensure that with effect from Quarter 1 of 2025/26, Board Committees routinely receive and scrutinise the IPR ahead of it being brought to the Board for assurance.

2.3 Assessment

The period covered by the performance data included in the IPR is up to the end of February 2025. There are several measures which have not been updated due to a data time lag of the information being published by Public Health Scotland. Those KPIs with no update since the last reporting period are as follows:

- Cancer Waiting Times – 31-day and 62-day Standards.
- IVF 52-Week Screen Compliance
- Allied Health Professional Musculo-Skeletal (MSK) 4 Week Compliance – All Specialties
- Hospital and Community Acquired Methicillin-Resistant Staphylococcus Aureus (MRSA) Screening Compliance
- Paediatric Early Warning Score 'At-Risk' Compliance
- Paediatric Early Warning Score Bundle Compliance
- Abdominal Aortic Aneurysm (AAA) Screening Compliance
- Universal Newborn Hearing Screening Compliance
- Breast Screening Programme Uptake
- Immunisation Uptake Rate Measles, Mumps, Rubella (MMR) by 6-Years of Age
- 6-in-1 Immunisation Uptake

Health Boards have been informed by Scottish Government that the 18-week Referral to Treatment (RTT) return is no longer required as information is provided in the monthly planned care submissions. It is proposed that the Board discusses what they therefore wish to see in the. PR going forward.

Areas of concerns this reporting period

- Performance in Quarter 4 of 2024/25 has significantly worsened across all areas of Planned Care with the exception of performance against the 31-day cancer standard which remains consistently at 100% versus the 95% national standard
- Performance against the 18-week Referral to Treatment (RTT) standard has reduced during January 2025 to 79.8% (against the 90% national standard) compared to 86.9% in December 2024, 79.9% in November and 75.2% in October 2024
- Performance against the cancer 62-day standard is 66.67% compared to the national standard of 90%

2.3.1 Quality/Patient Care

Whilst the process for the collection of the patient safety, quality and experience metrics is now established and provided consistently, there is still work required to expand this dataset to provide the necessary assurance to the Board as some KPIs do not have targets set against them either

locally or nationally. Whilst Scottish Government are working on national targets there is a need to ensure local KPIs are om place. These will be brought through our internal governance processes in Quarter 1 2025/26.

To note - there is no Improvement Target Date for 'Complaints Upheld by Scottish Public Services Ombudsman' as the actions have been completed by the service. However, due to latency in the data, this is showing as off-target in the IPR.

2.3.2 Workforce

Monthly sickness absence at the end of December 2024 was 6.05% compared to 6.52% at end of November 2024.

The number of staff appraisal completed increased at the end of February 2025 from 36.49% to 38.33% against a target of 85%.

Improving appraisal rates is one of the 5 priority areas agreed by the Senior Leadership Team and features as a priority in the Year 2 (2025/26) Corporate Strategy priorities.

2.3.4 Operational Standards

Whilst maternity KPI data has been added to the IPR scorecard, we are still unable to provide a visual representation of the data until we can be assured of the accuracy of the data. As many of NHS Orkney's maternity patients are treated by NHS Grampian there are challenges with the data being provided in a timely manner. Processes will be in place to gather the maternity data which will be available from Quarter 1 of 2025/26.

Four-hour emergency access standard

Four-hour emergency access standard performance at the end of February 2025 was 91.99% against the national 95% standard. NHS Orkney remains a top three performing Health Board in Scotland for this national standard.

31-and 62-day cancer standard

Performance remains consistently better the national 31-day cancer standard, at 100% (versus the 95% standard). The 62-day standard had one eligible referral in June 2024, and this patient was treated just outside of the 62-day target.

Waiting lists and backlogs

Performance against the 12-week standard in October 2024 is at 38.35% showing a decrease in performance compared to the end of September 2024 when performance was 39.65% (37.82% in August 2024).

Continued focus on areas which have the longest wait times continues with oversight from the Planned Care Programme Board, where there is a focus on improving in four specialties: Ophthalmology, Orthopaedics, Ear, Nose and Throat and Pain.

Treatment Time Guarantee (TTG)

The inpatient total wait list as of February 2025 was 262 compared to 271 at December 2024. Against the national 12-week Treatment Time Guidance (TTG) target, patients waiting in excess of the standard is 136 as at February 2025.

Operational (Community) standards

Child and Adolescent Mental Health Services (CAMHS) and Psychological Therapies

Child and Adolescent Mental Health and Psychological Services have exceeded the referral to treatment target and performance continues to be relatively strong.

Primary Care

Capacity issues across both public and private dentistry due to a combination of level of demand, current vacancies and lack of dentists available across the country remains a challenge.

Improved engagement with independent contractors (GPs, Dental and Optometry) is enabling more collaborative approach to improving service delivery and patient experience.

Population health

Several KPIs in this section are only available from an annual publication. As a result, there are no further updates in this section.

Vaccination and Immunisation programme

We are the Board with the highest vaccination uptake in Scotland for Covid-19 (46.2 %) and influenza in adults (50.8%), and the 3rd highest for influenza in children (56.8%). Uptake of the new RSV vaccination launched in August 2023 is 72.5%, which is the 2nd highest in Scotland.

2.3.6 Financial

The Board remains at level 3 of the Scottish Government's NHS Finance and Escalation Framework. Our run rate continues to demonstrate a year end overspend of £5.778m, Scottish Government has recently made it very clear that they expect the Health Board to make a substantial improvement over the course of 2025/26 to further reduce the scale of the deficit.

We remain on target to delivery our financial efficiencies savings in 2024/25.

2.3.7 Risk Assessment/Management

The following risks are captured in the Corporate Risk Register which may impact on the Board's ability to timeously deliver patient care, impacting on the patient experience:

- Risk 510 - Corporate Finance Risk
- Risk 1225 - System Capacity
- Risk 1228 - Fragile Services

2.3.8 Route to the Meeting

This paper has been produced for the purposes of the Board in April 2025 following scrutiny at the following:

- Staff Governance Committee – 19 March 2025
- Finance and Performance Committee – 27 March 2025
- Senior Leadership Team – 1 April 2025
- Joint Clinical Care Governance Committee – 2 April 2025

3. Recommendation(s)

Assurance - The NHS Orkney Board is asked to:

i. **Receive** the Integrated Performance Report March 2025 update.
ii. **Note** where Key Performance Indicators (KPIs) are off track and the improvement actions in place to bring deliverables back on track in Quarter 1 (April - June 2025).

2 List of appendices

The following appendices are included with this report:

- **Appendix 1 -** Integrated Performance Report March 2025
- **Appendix 2 -** IPR Reporting Schedule 2025/26

NHS Orkney

Meeting:	**Board Meeting**
Meeting date:	**Thursday, 24 April 2025**
Title:	**Month 11 Financial Results**
Responsible Executive/Non-Executive:	**Melanie Barnes, Interim Director of Finance**
Report Author:	**Melanie Barnes, Interim Director of Finance**

1 Purpose

This is presented to the Committee for:

- Awareness
- Discussion

This report relates to a:

- Annual Operation Plan
- Government policy
- Legal requirement

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

- Effective

2. Report Summary

2.1 Situation

It is important to continue to fully recognise that NHS Orkney currently remains escalated to stage 3 of the NHS Scotland Support and Intervention Framework for finance and to note the related increased scrutiny and risks that come with this status. The Board submitted a financial plan for the 2024/25 financial period which forecast a full year deficit of £5.778m against the Boards revenue resource limit. Whilst this plan was approved by the Board and submitted to Scottish Government, it remains non-compliant.

2.2 Background

At month 11 the reported position is a deficit of £4.585m. The reported position at month 11 is a favourable movement of £808k against the financial plan trajectory for February (£5.393m overspend). The significant favourable movement in the month is in the main due to additional funding (£1.066m) received from the Scottish Government in month to cover the cost pressure associated with Distant Island Allowance payment which has not been uplifted for several years.

Following the updated position at the end of February, a revised year end outturn of £4.967m deficit is now forecast. This remains reliant on several factors including delivery of the planned increase in the rate of Improvement plan savings in March.

The key points to note are explicit in the attached paper but include:

- The year to date (and year end forecast) are based on a run rate which continues to be dependent on a high level of vacancies in non-clinical (i.e. excl. docs and nurses) staff groups. This equates to a full year forecast of £1.681m (fav) which is helping to partially offset the overspend in predominately medical which is overspent due to agency and bank cover for vacancies and gaps in rotas (F/Y F/C variance Docs £2.617m).
- There remain a few known unknowns where we have no alternative but to use best estimates currently i.e.
    - Activity volumes delivered through the SLA's with NHS Grampian and Highland. Activity figures at quarter 3 for the NHS Grampian SLA has been reviewed and forecast for quarter 4 in order that the assumptions have been updated, this include forecast data for the final quarter that will be reviewed at year end.
    - That the funding received to cover the reduced AfC hours and band 5 to 6 exercise. A limited number of colleagues have submitted claims for the band 5 to 6 review to date. However, a number of claims are progressing, and it is anticipated these will be submitted by 31 March 2025. This is currently under review along with the year-end accounting treatment of any unpaid claims. The forecast position continues to assume the AfC reform funding in year with be fully utilised in 2024/25, once there is a clearer picture on this the assumptions will be updated.
- Volatility in certain month 11 expenditure headings as described in the table below but also including:
    - Medical agency and locum usage remains continues to fluctuate, there is also estimated costs in medical pays for backdated pay award that has not been paid yet
    - Clinical supplies spend continues to slow in the remaining month, there was a reduction in month 11 in line with expectations
    - That the run rate of various small underspends continues to partially offset the above.
    - Where year-end adjustments for stock and annual leave accrual may impact on the year end outturn, these amounts are unknown at month 11.

Full Year Forecast Position

As noted above the Board has updated the forecast outturn from the original £5.778m deficit plan for 2024/25 to £4.967m deficit, this continues to be dependent on the run rate reducing over the remainder of the year in line with the expected profile of the Boards efficiency programme.
As referenced previously, one of the main variables looking at the year-end is the level to which the SG provided funding related to AfC 5/6 and reduced hours will be utilised.

In 2024/25 the Board will has received £1.167m funding for the Agenda for Change Reforms, £200k of this has been utilised to support the impact of the Reduced Working Week on budgets. There remains considerable uncertainty on the level of funding required to support the band 5 to 6 nursing reviews. At present, there are 30 active reviews which have been logged within the national portal relating to band 5 nurses seeking a pay grade review. Of the 30 logged, four have been fully submitted. If this position does not progress by year end, the Board will accrue costs of circa £40k to cover the back-dated element for the four nurses. However, there is potential that all 30 of the active reviews are at the point of submission by 31st March 2025 and therefore impacting the Boards liability, this would increase the liability to circa £300k by year end. Following conversations internally, it is also likely that additional reviews will be sought by the end of the year, at present this is thought to be around 20 further claims that may impact on the Board liability by year end, again this would increase the liability to around £500k. The forecast position has not been updated further at month 11 to reflect any release of AfC reform funding this year due to the ongoing uncertainty in this area, however, based on the information available, it is possible that the position could improve by between £470k and £920k.

Following previous updates, there remains a risk around potential charges (penalties and interest) that may be charged in relation to the VAT error on NPD energy charges, also, who will be liable for this. There is a possibility that if penalties or interest charges are levied on the NPD provider by HMRC, that these will be passed on to the Board through the current contractual arrangements. It may also be possible that HMRC find that the Board is directly responsible for the error and place penalties/ interest charges to us directly. The financial consequences are yet unknown. As this issue is faced by many other health boards, the situation continues to be closely monitored, and updates sought wherever possible.

List of appendices

The following appendix is included with this report:

- 13.1.1- NHS Orkney Month 11 Financial Results

NHS Orkney

Financial Position – Month 11 2024/25

Introduction

NHS Orkney continues to be escalated to stage 3 of the NHS Scotland Support and Intervention Framework for Finance, resulting in a significantly increased level of Scottish Government scrutiny. Ongoing reporting to Scottish Government is required to describe and implement the key milestones that demonstrate how the Board will return to financial balance.

The Board submitted a financial plan for the 2024/25 financial period which forecast a full year deficit of £5.778m against the Board's revenue resource limit. Whilst this plan was approved by the Board and submitted to Scottish Government, it remains non-compliant.

Highlights

At month 11 the reported position is a deficit of £4.585m.

The reported position at month 11 is a favourable movement of £808k against the financial plan trajectory for February (£5.393m overspend). The significant favourable movement in the month is in the main due to additional funding (£1.066m) received from the Scottish Government in month to cover the cost pressure associated with Distant Island Allowance payment which has not been uplifted for several years. This favourable movement has been offset slightly by adverse movements in several areas including Medical and Dental Pays, updated costs for SLA activity and uplift of 6.64% applied for 2024/25 and increased cost for services from other providers. The main movements against run rate are highlighted in Appendix B.

Following the updated position at the end of February, a revised year end outturn of £4.967m deficit is now forecast. This remains reliant on a number of factors including delivery of the planned increase in the rate of Improvement plan savings in March.

As part of the increased monthly financial reporting, activity data has been included within Appendix D.

Some key points to note:

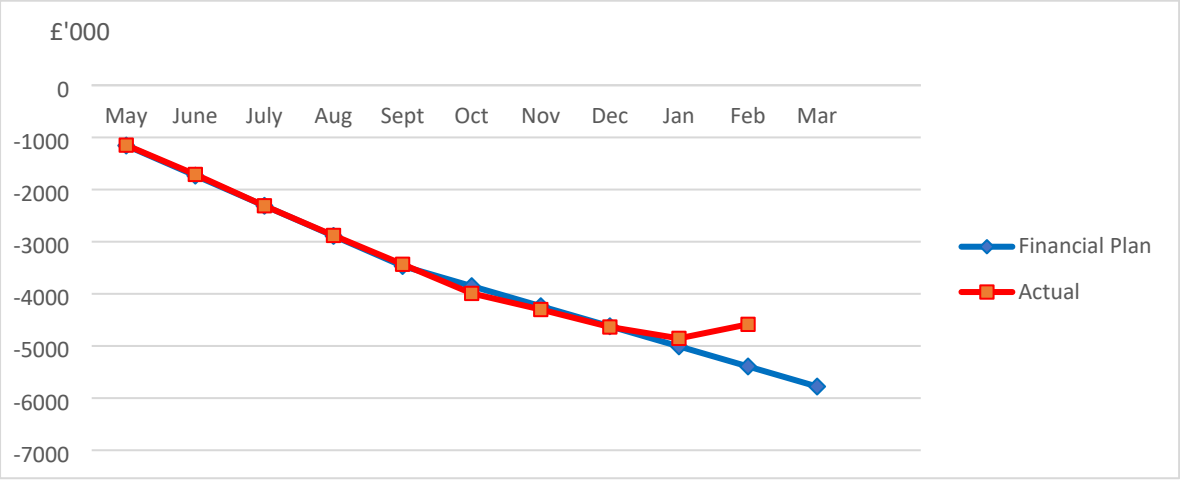
- The year to date (and year end forecast) are based on a run rate which continues to be dependent on a high level of vacancies in non-clinical (i.e. excl. docs and nurses) staff groups. This equates to a full year forecast of £1.681m (fav) which is helping to partially offset the overspend in predominately medical which is overspent due to agency and bank cover for vacancies and gaps in rotas (F/Y F/C variance Docs £2.617m).

- There remain a few known unknowns where we have no alternative but to use best estimates currently i.e.
    - Activity volumes delivered through the SLA's with NHS Grampian and Highland. Activity figures at quarter 3 for the NHS Grampian SLA has been reviewed and forecast for quarter 4 in order that the assumptions have been updated, this include forecast data for the final quarter that will be reviewed at year end.
    - That the funding received to cover the reduced AfC hours and band 5 to 6 exercise. A limited number of colleagues have submitted claims for the band 5 to 6 review to date. However, a number of claims are progressing, and it is anticipated these will be submitted by 31 March 2025. This is currently under review along with the year-end accounting treatment of any unpaid claims. The forecast position continues to assume the AfC reform funding in year with be fully utilised in 2024/25, once there is a clearer picture on this the assumptions will be updated.
- Volatility in certain month 11 expenditure headings as described in the table below but also including:
    - Medical agency and locum usage remains continues to fluctuate, there is also estimated costs in medical pays for backdated pay award that has not been paid yet
    - Clinical supplies spend continues to slow in the remaining month, there was a reduction in month 11 in line with expectations
    - That the run rate of various small underspends continues to partially offset the above.
    - Where year end adjustments for stock and annual leave accrual may impact on the year end outturn, these amounts are unknown at month 11.

Year to Date Financial Position

Graph 1 shows the financial plan trajectory vs the actual monthly results after 11 months of the 2024/25 financial year.

Graph: Year to Date Run Rate vs Planned Run Rate



At a budget /service holder level the most notable year-to-date over and under spends are noted in the table below and provided in further detail in **Annex A**

Area	Variance	Reason
Nursing and Acute Services	£2.305m	Supplementary staffing including nursing and medical agency to cover vacancies/ gaps in rotas.
Estates and Facilities	£0.491m	Unit price of energy being higher than forecast and cost pressures across staff accommodation. Continued staffing pressures across a number of areas including Portering, Domestic and Catering.
Unachieved Savings Target (Including IJB)	£8.463m	Savings includes the amount required to break even as well as the £4m of actual anticipated savings in 24/25.
Director of Human Resources	£0.440m	High level of vacancies within the Directorate
Medical Director	£0.022m	This is the main is due to underspends within Pharmacy, offset by overspends in SLAs and Unplanned Activity
Finance Director	£0.355m	Vacancies within the Directorate and underspends on contingency monies
Other	£0.009m	There are other smaller movements (see Annex A)
Reserves	£4.831m	This includes the anticipated costs for Agenda for Change Reform that still have to be quantified.
Integration Joint Board (operational areas)	£1.017m	Vacancies continuing to be higher than forecast which has reduced overall levels of expenditure, this figure excludes the IJB savings target.
Total Month 10 overspend	**£4.585m**	

Full Year Forecast Position

As noted above the Board has updated the forecast outturn from the original £5.778m deficit plan for 2024/25 to £4.967m deficit, this continues to be dependent on the run rate reducing over the remainder of the year in line with the expected profile of the Boards efficiency programme.

As referenced previously, one of the main variables looking at the year-end is the level to which the SG provided funding related to AfC 5/6 and reduced hours will be utilised.

In 2024/25 the Board will has received £1.167m funding for the Agenda for Change Reforms, £200k of this has been utilised to support the impact of the Reduced Working Week on budgets. There remains considerable uncertainty on the level of funding

required to support the band 5 to 6 nursing reviews. At present, there are 30 active reviews which have been logged within the national portal relating to band 5 nurses seeking a pay grade review. Of the 30 logged, four have been fully submitted. If this position does not progress by year end, the Board will accrue costs of circa £40k to cover the back-dated element for the four nurses. However, there is potential that all 30 of the active reviews are at the point of submission by 31st March 2025 and therefore impacting the Boards liability, this would increase the liability to circa £300k by year end. Following conversations internally, it is also likely that additional reviews will be sought by the end of the year, at present this is thought to be around 20 further claims that may impact on the Board liability by year end, again this would increase the liability to around £500k. The forecast position has not been updated further at month 11 to reflect any release of AfC reform funding this year due to the ongoing uncertainty in this area, however, based on the information available, it is possible that the position could improve by between £470k and £920k.

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Savings plans

Consistent with the Board's obligations and commitment to deliver the best year end outturn possible we have established a robust Improvement resource, Governance processes, Including QIA (Quality Assurance), Tracker and Reporting. The focus remains for NHSO to deliver substantially in excess of the national 3% improvement target and create a sound springboard for 25/26 and beyond. We are currently on track to meet this obligation. It will be achieved through a combination of delivering specific improvement schemes and by embedding a culture of continuous improvement across the organisation. NHS Orkney is required to deliver approx. £4.1m efficiency savings in 2024/25 in order to deliver the £4.987m deficit forecast.

Based on run rates and the scale of improvement required in the remainder of the financial year as described earlier the full £4.290m Improvement plan will be required to offset the impact of the last months' phasing of cost increases. As previously described, an improvement in the run rate is required in the final month of the year in order that the Board delivers against the forecast year-end outturn.

Progress to date is described below:

- As at the end of month 11 we estimate that some £3.409k of savings have been delivered or 79% of the total savings planned of £4.290m, nb at month 11 we are 91% way through the year.
- We have plans to deliver £0.837m in March with £0.044m of pipeline savings remaining at the end of month 11
- To date, approx. £2.394m of the £3.409m identified are classified as recurring while £1.015m are non-recurring (NR) and will increase the organisational challenge in 25/26.
- The N/R challenge in 2025/26 will be partly or fully offset by the full year effect of recurrent improvement schemes that were only initiated part way through the year.

We will continue to closely monitor the progress of the savings schemes over the remaining weeks to ensure the remain on track for delivery by 31 March 2025.

Capital

The formula-based capital resources spend as at month 11 is £3.623m with a full year anticipated allocation and spend of £4.509m. This is split £1.471m Lease (non Core), £1.964m Decarbonisation (ex Scot Gov) and £1.074m Formula.

Expenditure at Month 11 shows that the Board is on track to deliver its agreed Capital Resource Limit (CRL).

Position at Month 11

Department	Allocation	Spend at Month 11	Planned Spend – M12	Remaining Allocation (Slippage)
MEG	£150,000	£124,062	£26,301	-£363
IT & Digital	£420,000	£179,767	£10,041	£230,192
Estates & Primary Care	£100,000	£53,909	£44,112	-£3,421
De Carb Project Year 2 Solar	£188,000	£37,733	£45,000	£105,267
De Carb Project Year 2 SG Funded	£1,963,927	£1,870,953	£92,442	-£1
Improvement Spend	£40,000	£0	£0	£40,000
Remaining Allocation	£176,140	£8,913	£544,050	-£376,823
Leases	£1,471,000		£1,471,000	£0
New Hospital c/f		-£9,065	£0	£9,065
Sale of Assets			£0	
Total	**£4,509,067**	**£2,271,672**	**£2,233,478**	**£3,916**

- Digital and IT – Spend on track. The allocation for both areas has been combined with the Head of IT leading on both. The underspend is now sitting under the remaining allocation and has been utilised to bring forward planned expenditure for next year.

- De-Carbonisation Solar – Solar works now complete. A potential underspend is projected on the basis that contingency monies are not utilised. The slippage is in the region of £100K and these monies have been utilised by Estates to bring forward the purchase of the new car leases, captured under the remaining spend.

- De Carbonisation SG – Works are on track. Due to weather related issues, there has been delay in snagging works with the final claim due to be processed mid-March.

- Medical Equipment - Monthly meetings are now being held, chaired by the Medical Director, to ensure requests are processed promptly. The remaining allocation has now been committed. Three pieces of equipment off the replacement programme list has been purchased utilising the underspend from the other areas.

- Improvement Spend – It was agreed at the new Capital and Property Strategy Group that the costs for the King Street and Old Balfour option appraisal was not applicable to capital funding and this allocation will be repurposed into the remaining spend.

- Remaining allocation – This include a Capital to Revenue transfer of £100K which is built into the plan.

- Remaining allocation – It should be noted that the figure includes an anticipated allocation for £0.142K for Fleet works carried out in 2023/24. SG have advised that the allocation will be received by end of financial year. There is also a Capital to Revenue transfer of £100K built into the plan.

Agreement for utilising the remaining funding (anticipated slippage) has now been agreed following the proposals taken to the and agreed at the new Capital and Property Strategy Group. It was agreed to accelerate 2025/26 requirements into this financial year and support Medical Devices Group with their replacement programme.

The IFRS 16 Right of Use Asset funding requirement increased by £1.145m in November following the completion of the new Laboratory Managed Service contract, this was previously forecast to be concluded in 2025/26 but has been brought forward to 2024/25.

Forecast Range

There are a number of risks which may affect the year end outturn position. The following risks have been noted at this stage and will be updated as we progress through the year and updates on the risks/ opportunities become available.

Area	Risk / opportunity detail	Best case	Worst Case
Savings delivery	There is a risk planned delivery of savings in the final part of the year are lower than planned	£0.100m	£0.250m
IJB outturn	There is a risk the IJB positions changes over the remained of the year and requires additional funding from the NHS Board	£0.000m	£0.200m
Inflation	There is a risk inflation remains above plan, however this could fall in the 2 months	£0.050m	£0.050m
SLA costs	All SLA costs are not yet confirmed	£0.200m	£0.200m
Prescribing costs	Data is behind on primary care prescribing therefore there is still a high degree of estimation in costs	£0.100m	£0.150m
AfC Reform Funding	There is a possibility that the anticipated costs for AfC reforms (Band 5 to 6 nursing review) will not transpire this financial year, resulting in a favourable movement in the forecast outturn position	£0.920m	£0.000m
Allocations from SG	There still remains some allocations outstanding from SG and therefore a risk allocations could be lower than anticipated	£0.000m	£0.150m
Total outturn reported	***Expected outturn***	***£4.967m***	
Adjusted for variables		**£3.597m**	**£5.967m**

Brokerage

Under the NHS Scotland Support and Intervention Framework the Board is required to report its cumulative brokerage received. The Board received £5.156m of brokerage in the 2023/24 financial year which was 6.6% relative to the Boards revenue resource limit at M12 2023/24.

The Board is currently forecasting that it will require a further £4.967m of brokerage this year. If the Board were to require brokerage in excess of 6% of the revenue resource limit in 2024/25, this would be the second year in which this would be required. This would result in a score of 4 relative to the 1st criteria in the framework, as per the table below. However, if we deliver in line with the current forecast of £4.967m, this will be below the 6% threshold, also when both 23/24 and 24/25 brokerage requirements are combined we anticipate that we will be below the 2nd financial escalation criteria ie will remain below the 15% threshold over the two years.

Board Financial Position	Indicative level
10% of core RRL in year brokerage in two consecutive years AND cumulative brokerage of over 25% core RRL	5
6% of core RRL in year brokerage in two consecutive years AND cumulative brokerage of over 15% core RRL	4
4% of core RRL in year brokerage AND cumulative brokerage of over 8% core RRL	3
2% of core RRL in year brokerage OR cumulative brokerage of over 4% core RRL	2
No brokerage or below criteria above	1

It is important to note that as we move into 2025/26, the Scottish Government have indicated that there will be no brokerage available to Boards and therefore all Boards must work towards break-even. Should financial balance not be achieved, this will be shown as an overspend in the financial statements, leading to potential qualification of accounts. This is also likely to impact on the escalation status of the Board.

Conclusion and Next Steps

The year-to-date financial position reported after 11 months of the 2024/25 financial year is favourable (£808K) to plan at this stage, it is now anticipated that the Board will deliver a year-end position of £4.967m deficit an improvement against the planned outturn of £5.778m deficit per the financial plan, assuming improvements are delivered in the final month as detailed in this report including full delivery of additional savings schemes and improvement work as noted.

A reconciliation between month 10 and month 11 variances is included in Appendix B.

This report will continue to be developed as we work on new reports designed to provide greater insights.

The Board continues to focus on progressing the efficiency programme and pipeline opportunities to further reduce the run rate into the final 2 months of the financial year to ensure delivery of the overall annual financial plan and will strive to achieve a financial and savings position that is favourable to the initial plan submitted to Scottish Government to reduce the reliance on brokerage support.

Appendix A: Month 11 financial position detail

Previous Month Variance M10		Annual Budget	Budget YTD	Spend YTD	Variance YTD
£000	**Core RRL**	**£000**	**£000**	**£000**	**£000**
(2,116)	Nursing & Acute Services	17,773	16,309	18,614	(2,305)
364	Medical Director	17,742	16,267	16,246	22
1,022	Integration Joint Board	31,750	29,063	28,046	1,017
363	Finance Directorate	1,432	1,310	955	355
(427)	Estates, Facilities & NPD Contracts	9,532	8,793	9,284	(491)

(46)	Chief Executive	5,225	4,870	4,897	(27)
31	Public Health	1,047	960	923	36
384	Director of Human Resources	2,737	2,509	2,069	440
3,219	Reserves	6,669	6,038	1,207	4,831
(6,148)	**Savings Targets (Board)**	**(7,378)**	*(6,763)*	*0*	(6,763)
(0)	*Savings Achieved (Board)*	**(0)**	**(0)**		(0)
(2,000)	**Savings Targets (IJB)**	*(2,400)*	*(2,200)*	*0*	(2,200)
500	*Savings Achieved (IJB)*	*500*	*500*		500
(4,854)	**Total Core RRL**	**84,628**	**77,656**	**82,240**	**(4,585)**
	Non Cash Limited				
(0)	Dental NCL	768	717	717	(0)
0	Ophthalmic Services NCL	310	281	281	(0)
0	Dental and Pharmacy NCL - IJB	912	837	837	(0)
(0)	**Total Non Cash Ltd**	**1,990**	**1,835**	**1,835**	**(0)**
	Non-Core				
0	Capital Grants	(1,964)	(1,746)	(1,746)	0
0	Non-cash Del	0	0	0	0
0	Annually Managed Expenditure	1	1	1	(0)
0	Donated Assets Income	0	0	0	0
(0)	Capital Charges	3,307	2,888	2,888	0
0	**Total Non-Core**	**1,344**	**1,143**	**1,143**	**0**
(4,854)	**Total for Board**	**87,962**	**80,633**	**85,218**	**(4,585)**

Nursing and Acute Services - £2.305m overspend

- *Hospital Medical Staff, £1.684m overspend*

Spend within Hospital Medical Staffing remains high, in the main this is due to locum and agency spend to cover vacant posts in anaesthesia, obstetrics, medicine and surgery. This remains an area of focus for the Improvement team

- *Ambulatory Nurse Manager, £0.064m overspend*

Dialysis has the highest overspend in this area with a £61k overspend at month 11, in the main this is due to overspends on surgical sundries and transport charges for patients.

- *Clinical Nurse Manager, £671k overspend*

Inpatients 1 (£412k overspend), Inpatients 2 (£7k overspend), Macmillan Specialist Nursing (£165k overspend) and the Emergency Department (£359k overspend) are all reporting significant overspends at month 11 which are being offset by an underspend in HDU (£288k underspend). The main areas of overspend within these areas are registered nursing including substantive staff, and the use of bank nursing to cover vacancies and gaps in rotas. Recent recruitment to substantive vacancies has been positive. It was previously anticipated that last agency worker would leave the organisation at the end of January, however, due to ongoing pressures within the

system it is likely this will continue with two additional agency worker required for the remainder of the financial year.

- *Laboratories, £185k overspend*

Laboratories are reporting a significant overspend at month 11 due to agency usage and consumables spend. Reagent spend continues to be significantly over budget in this area. The new managed service contract prices commence 1 January 2025, increased spend is therefore anticipated in this area for the final quarter. There was a reduction in month 11 on non-pay spend due to amounts invoiced being lower than anticipated and reduction of accrued amounts.

Medical Director - £0.022m underspend

- *Pharmacy, £766k underspend*

The Acute Pharmacy budgets are currently overspent but New Medicines is underspent due to additional funding this year from Scottish Government for 24/25. Pharmacy are also carrying a number of vacancies which are impacting their overall position for 2024/25, both as a non-recurring in year saving, but also limits their ability to deliver on strategic savings in primary care.

- *External Commissioning, £324k overspend*

External Commissioning including SLAs and visiting specialist has a combination of over and underspending areas. The Grampian Acute Services SLA is the largest single element within the commissioning budget at £6.8m. There has been a significant movement in this area due to the SLA uplift of 6.64% being applied and activity figures for both NHS Grampian Acute SLA and NHS Lothian SLA being updated and reviewed and assumptions amended as necessary.

- *Unplanned Activity £78k underspend*

Unplanned Activity is underspent to month 11 but it's variable by nature and is subject to significant potential movement throughout the year and at year end.

- *Patient Travel, £487k overspend*

Patient travel out with Orkney continues to overspend, spend relating to patients travelling to Aberdeen has seen an increase in recent months.

IJB – Delegated Services - £0.683m overspend

The Delegated Services budgets report a net overspend of £0.683m (including £1.700m of unachieved savings and £1.017m operational underspend).

- *Children's Services, £268k underspend*

The underspend in Children's services is in the main related to high levels of vacancies in Health Visiting, School Nurses, Speech and Language Therapy and Occupational Therapists.

- *Primary Care, £39k underspend*

Primary Care General Medical Services is currently overspending (£204k overspend at month 11) due in the main to locum and agency spend within this area. There are offsetting underspends in Primary Care Administration (£220k underspend), Community Nurses (£20k) and Specialist Nurses (£3k underspend).

- *Primary Care – Dental £361k underspend*

The dental underspends relate in the main to Senior Dental and Dental Nursing, the underspend slowed slightly in quarter 3 due to locum cover charges.

- *Health and Community Care, £242k underspend*

There are both over and underspending services in Health and Community Care however Community Nursing is currently underspent by £209k due to significant vacancies and the inability to attract agency staff. Mental Health Services are reporting an underspend of £11k at month end, this in the main is due to vacancies within this area.

- *Primary Care Prescribing, £58k underspend*

The Prescribing Unified budget is currently showing an underspend of £179k which is an favourable movement on the month 10 position. Updated cost information has impacted this position. This volatile cost area will continue to be closely monitored along with the accrual assumptions which are based on payments made 2-months in arrears. Vaccination and Immunisation budget is currently overspent (£129k at month 11).

Finance Directorate - £0.355m underspend

The Finance Directorate is currently reporting an underspend of £355k, it is anticipated the Finance Directorate budget will be underspent at year-end.

Estates and Facilities - £0.491m overspend

This Directorate is reporting an overspend of £491k to date, unit price of electricity has shown a significant increase. There has also been an impact in year due to VAT charges being applicable to utility charges via our NPD provider. There are significant overspends across the directorate in particular, Estates reports, non-pay pressures within general services reporting an overspend on building maintenance £29k, Balfour energy overspend £258k and pay pressures within portering £51k overspend at month 11. There are some areas reporting underspends at month 11 including CSSD £70k underspend, Estates £39k underspend and Engineering £7k underspend.

There are also overspends within Facilities at month 11 with domestics reporting an overspend of £160k and staff houses/ flats an overspend of £85k. However, these are

partially offset by underspends within other areas including catering (including staff cafeteria) of £51k.

The teams continue to work closely with the improvement team to drive efficiencies.

Chief Executive - £0.027m overspend

The month 10 position includes the Board Members pay award increase applied in month 9 (£45k cost pressure in 2024/25).

Public Health - £0.036m underspend

Currently reporting an underspend of £36k. There are various over and underspending services in this area.

Human Resources - £0.440m underspend

There are a number of underspending areas within the Directorate impacting on the overall underspend, this includes vacancies across a number of areas.

Appendix B: Month 10 to Month 11 Reconciliation

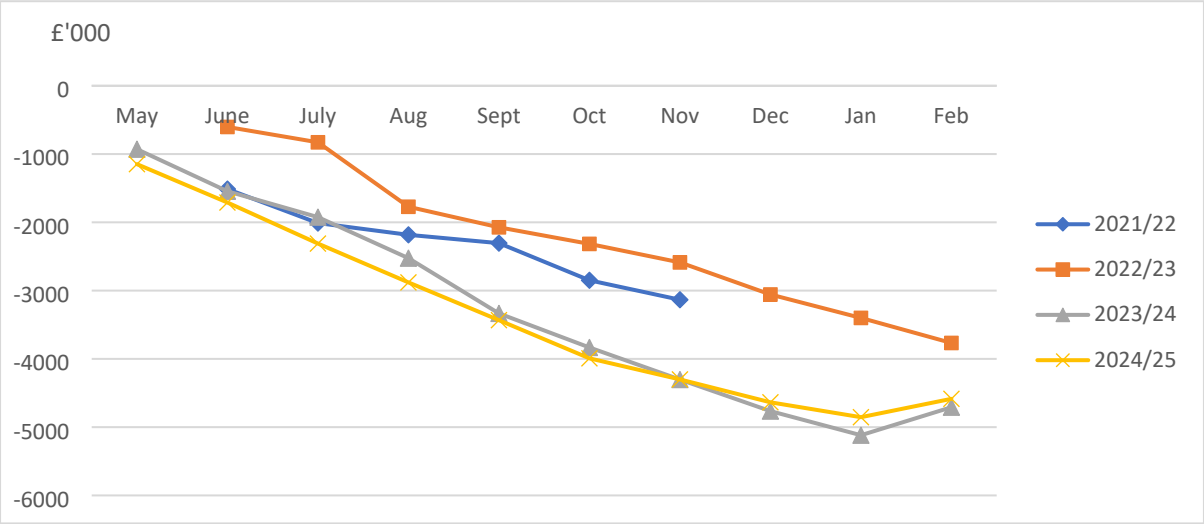
Expenditure Analysis	Mth 10 Variance £000s	Mth 10 Pro-Rated Variance £000s	Mth 11 Variance £000s	M10 Pro Rated to M11 Movement£000s	Comments
Pay					
Medical & Dental	(2,081)	(2,289)	(2,399)	(110)	Waiting times initiative increase, Surgical month 10 accrual low, GP Locum costs increased m11
Nursing & Midwifery	(37)	(41)	(57)	(16)	INOC GP Practices increase nursing m11
Other	1,421	1,563	1,541	(22)	Emergency Dept, OD&L and Clinical Governance Admin & Cler increases, Budget correction
Sub-total	**(697)**	**(767)**	**(915)**	**(148)**	
Non Pay - Territorial Boards					
Independent Primary Care Services:					
General Medical Services	156	172	159	(13)	
Pharmaceutical Services	(30)	(33)	(32)	1	
General Dental Services	5	6	0	(6)	
General Ophthalmic Services	0	0	0	0	
Sub-total	**131**	**145**	**127**	**(18)**	
Drugs and medical supplies:					
Prescribed drugs Primary Care	40	44	161	117	Prescribing costs lower than anticipated
Prescribed drugs Secondary Care	312	343	326	(17)	Emergency Dept and Outpatient Drugs increase m11
Medical Supplies	(444)	(488)	(410)	78	Spend varies, costs down month 11, Labs consumables spend lower than anticipated, accrual reduced in line with ytd spend
Sub-total	**(92)**	**(101)**	**77**	**178**	
Other health care expenditure:					
Contribution to Integration Joint Boards	0	0	0	0	
Goods and services from other NHSScotland bodies	5	6	(335)	(341)	SLA uplift applied 6.64% plus updated activity data received NHS Grampian SLA and NHS Lothian SLA, UNPACS accrual increased

Goods and services from other providers	30	33	(26)	(59)	Autism assessments invoices accrued
Goods and services from voluntary organisations	(5)	(6)	(3)	3	
Resource Transfer	58	64	61	(3)	
Loss on disposal of assets	0	0	0	0	
Other operating expenses	(4,698)	(5,168)	(3,986)	1,182	Distant Island Allowance additional funding received, Labs accrual reduced inline with invoices received
External Auditor - statutory audit fee & other services	(23)	(25)	(34)	(9)	
Sub-total	**(4,633)**	**(5,096)**	**(4,323)**	**773**	
Total Non Pay - Territorial Boards	***(4,594)***	***(5,052)***	***(4,119)***	***933***	
Income Analysis	**Variance £000s**	**Variance £000s**	**Variance £000s**		
Income from other NHS Scotland bodies	136	150	135	(15)	Coding error previous month adjusted
Income from NHS non-Scottish bodies	(106)	(117)	(113)	4	
Patient charges for primary care	(103)	(113)	(115)	(2)	
Profit on disposal of assets	1	1	1	0	
Non NHS:					
Overseas patients (non-reciprocal)	193	212	199	(13)	Overseas patient income down
Other	316	348	342	(6)	
Total Income	**437**	**481**	**449**	**(32)**	
Net Total Expenditure - Reported	**(4,854)**	**(5,338)**	**(4,585)**	**753**	
Reserve Adjustment		**0**		**0**	**Net adjustments**
Net Total Expenditure	**(4,854)**	**(5,338)**	**(4,585)**	**753**	**Favourable movement**

The table above highlights where there are variances between the pro-rated year to date month 10 variance and the actual year to date month 11 variance, comments have been added where there has been a noted movement/ decline.

Appendix C: Financial Trajectory – Comparison – 2021/22 to 2024/25

YTD Variance



The chart above shows the reported year to date variances for years 2021/22 to 2024/25 for comparison. Some points to note

- The year-on-year reported deficits have worsened, in the main this is a result of the Boards inability to deliver recurring savings each year along with adverse impact of increased inflation and reduced funding uplift.
- If the Board was not delivering against the savings and improved efficiencies, the 2024/25 position would be significantly worse
- Previous years' deficits are unadjusted for inflation etc, if the reported figures were adjusted year on year for this, the prior year figures would be worse resulting in perhaps a noticeable improvement in 2024/25
- 2021/22 data has been removed from December 2021 onwards due to the allocation of covid/ unachieved savings funding which skews the information.

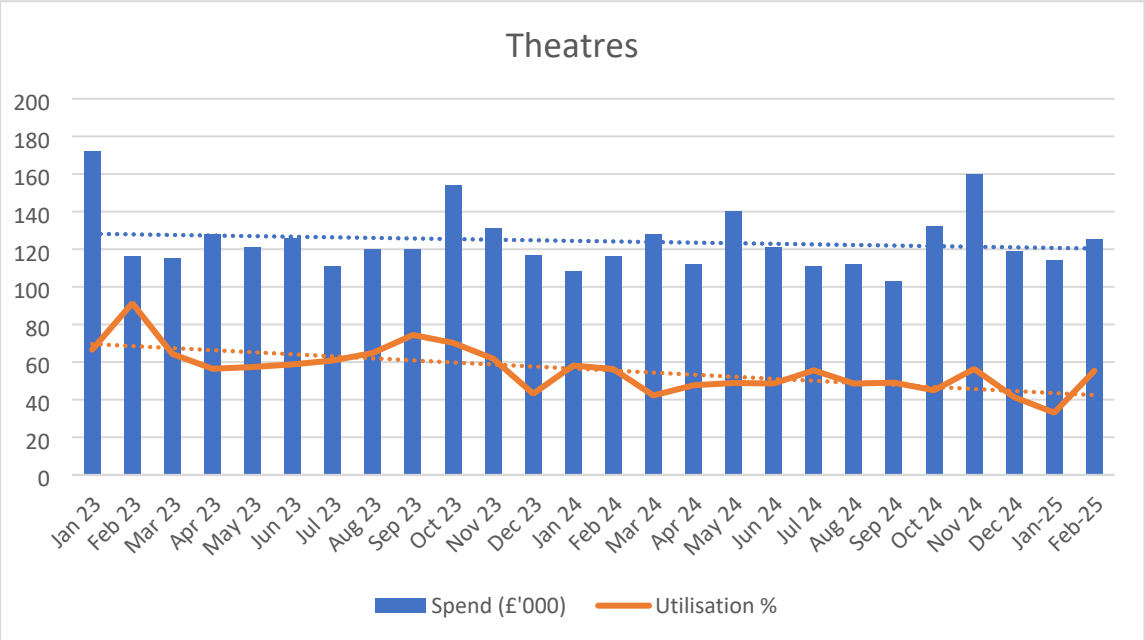
Appendix D: Acute Spend Vs Activity Data

The graphs below highlight spend data against activity data for the period from January 2023 to January 2025. This information is intended to help identify where trends in either spending and/ or activity data exists.

Some points to note that impact on the in month spend data:

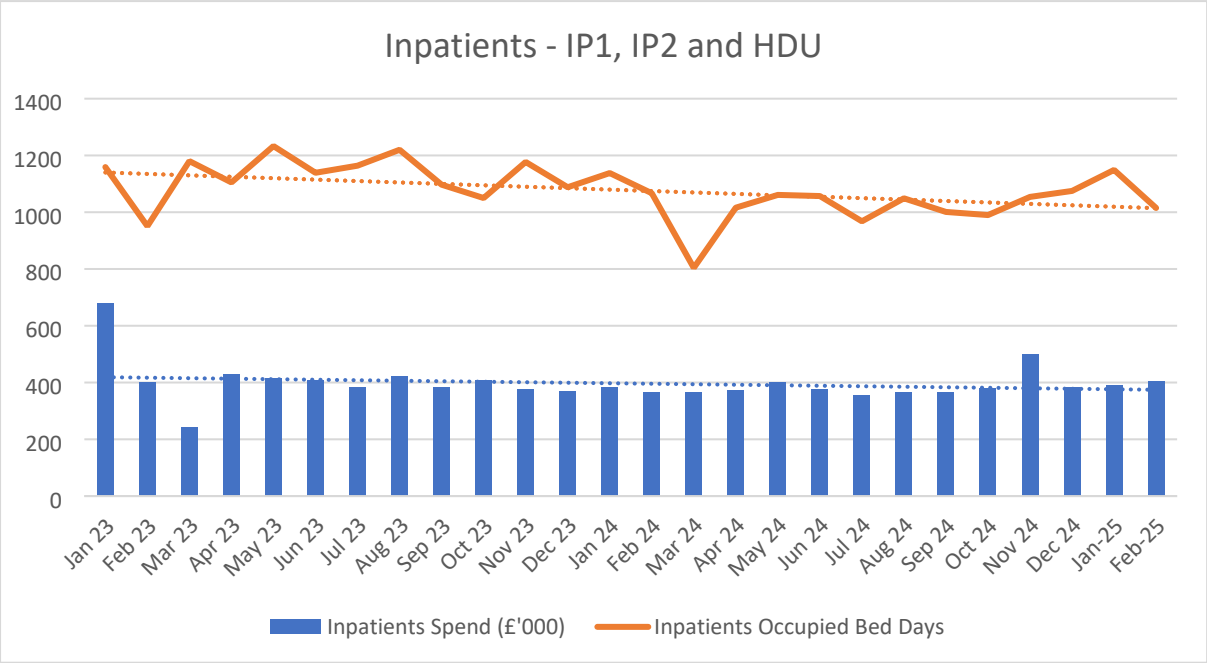
- In January 2023, AfC pay award arrears were paid
- In April 2023, Band 2 to Band 3 AfC review arrears were paid
- In November 2024, AfC pay award arrears were paid

Graph 1 – Theatre – Spend vs Theatre Utilisation



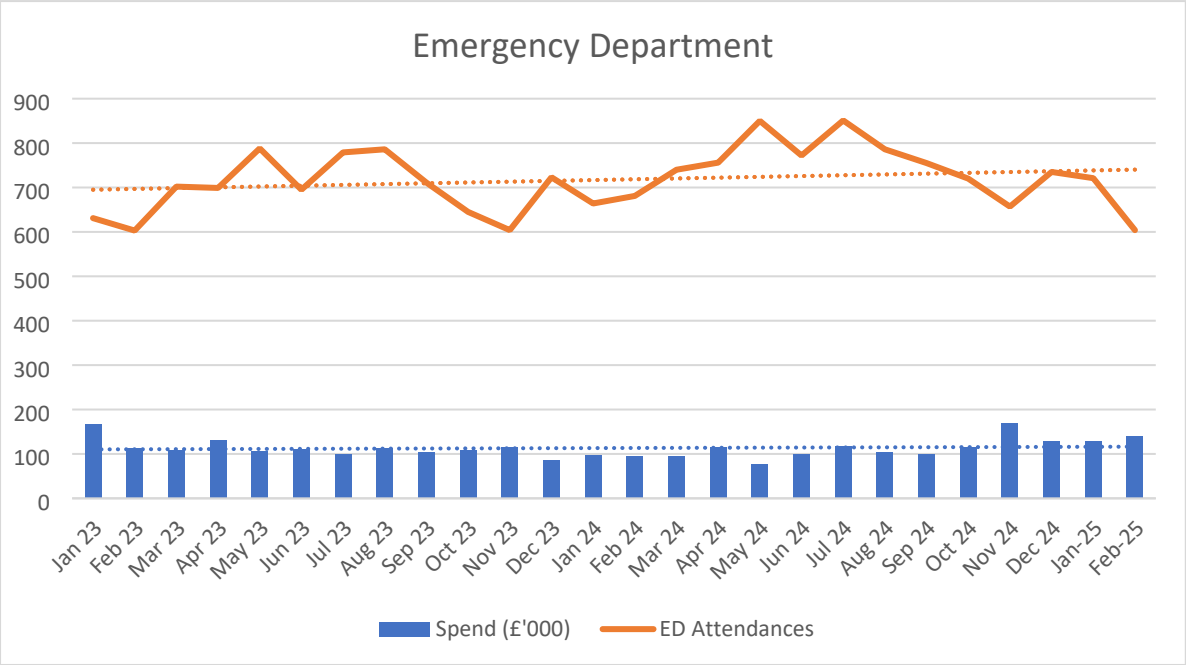
- Across the period highlighted, theatre utilisation has shown on average a decrease (see orange dotted trendline)
- The period with the highest utilisation is February 2023 (91.31%) and the lowest is January 2025 (33.08%)
- Spend tends to fluctuate in this area from around £111k to £121k per month, however, overall the costs have seen a decrease over the period (see blue dotted trendline)
- Reduction in agency usage over this period will have impacted spend in this area whilst AfC pay award will see some offsets

Graph 2 – Inpatient (IP1, IP2 and HDU) – Spend vs Occupied Bed Days



- Across period detailed, occupied bed days has shown on average a decrease (see orange dotted trendline), although this does fluctuate
- The period with the highest occupied bed days is May 2023 (1233) and the lowest is March 2024 (804)
- Spend again tends to fluctuate in this area from around £365k to £415k per month, however, overall the costs have seen a decrease over the period (see blue dotted trendline)
- Reduction in agency usage over this period will have impacted spend in this area whilst AfC pay award will see some offsets

Graph 3 – Emergency Department – Spend vs Number of ED Attendances



- Across the period shown, Emergency Department attendances have increased on average (see orange dotted trendline), although this does fluctuate
- The period with the highest Emergency Department attendances is May 2024 (850) and the lowest is February 2024 (603)
- Spend again tends to fluctuate in this area from around £85k to £115k per month, however, overall the costs have remained at a similar level over the period (see blue dotted trendline)
- Reduction in agency usage over this period will have impacted spend in this area whilst AfC pay award will see some offsets

NHS Orkney

Meeting:	**NHS Orkney Board**
Meeting date:	**Thursday, 24 April 2025**
Title:	**First draft Improving Together Programme Plan 2025/26**
Responsible Executive/Non-Executive:	**Laura Skaife-Knight, Chief Executive**
Report Author:	**Phil Tydeman, Director of Improvement**

1.0 Purpose

This is presented to the NHS Orkney Board to:

Receive and **note:** This paper provides an update on development of the 2025-26 financial efficiency programme.

This report relates to:

- Corporate Strategy 2024 – 2028 – Potential, Performance, People, Patient Safety, Quality and Experience, Place
- Annual Financial Plan
- Financial Sustainability

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

- Effective
- Person-centred

2.0 Situation

NHS Orkney has set itself an ambitious financial savings target for 2025-26 of £3.5m in-year (4.5%) with a £2.5m (72%) recurrent contribution. Work continues to identify savings with £2.6m now identified with a good pipeline of opportunities to close the remaining gap and further build mitigation resilience.

This paper is a draft version of the final plan and is in itself 'in-development.' A final plan will be brought through Finance and Performance Committee with the completed plan re-submitted to the NHS Orkney Board at the end of Quarter 1 2025/26.

NHS Orkney Board is asked to:

(a) note the progress of the programme and the contents of this draft plan to provide assurance both internally and externally that NHS Orkney have a well-structured programme embedded and a strong focus from the executive to continue to identify and deliver efficiency and productivity opportunities.

(b) be aware of the remaining gap to target and the resource being dedicated to ensuring confirmed and written schemes to at least £3.5m in-year are in place by the end of June 2025.

(c) acknowledge the delay in publishing the final plan to the original timescale of mid-April due to the complexities in engaging with staff in a meaningful way to determine transformational savings aligned to workforce redesign and operational productivity (outpatients) and on-going work around budget setting.

3.0 Background

NHS Orkney is currently at Level 3 of the NHS Scotland Support and Intervention Framework and delivering financial efficiencies is a required component of de-escalation. The Board recognise their responsibility to establish a timetable and pathway to achieve financial balance and move toward long-term financial sustainability.

4.0 Assessment

The 2025/26 Efficiency Programme

The attached report sets out the one-year financial efficiency plan to enhance quality of care, patient safety and experience and improve operational performance leading to an improvement in NHS Orkney's financial position. The plan sets out confirmed and indicative savings for 2025-2026 based on work currently underway. A final plan will be presented to Finance and Performance Committee in June and to the NHS Orkney Board.

The report (please refer to Appendix 1) is broken down into eight sections and provides a full accounting of the programme as of 17 April 2025 and includes:

- Key Messages
- Background
- Financial Baseline
- Cost Improvement Plan (CIP)
- Efficiency Plan Governance
- Next Steps
- Key Messages
- Appendices
  - Workstream Summaries
  - Glossary

Key messages for highlighting to members:

- We have worked up 84 schemes across 12 workstreams totalling £2.559m as signed off and pending or approved by the Quality Impact Assessment (QIA) Panel.

- Against the £5.559m, we have risk assessed this amount with £2,060m (81%) rated as green for delivery and £499k (19%) rated as amber rated for delivery.

- In scenario planning, and considering risk, we have set a downside scenario of £2,309m and an upside scenario of £3,558m.

- There are a range of pipeline schemes currently being worked through, totalling a minimum of £628k to bridge the gap to £3.5m although we expect this number to increase as schemes are finalised through Q1 2025/26.

Quality/Patient Care

Successful transformation delivers multiple benefits, from improved clinical outcomes and patient/service user experience, through to financial savings. The benefits of having a safe and effective Improvement function will be realised at an individual, Board, and whole system level.

Substantial medium to long-term benefits can only be achieved and sustained with organisational change that goes beyond quick fixes and technology upgrades.

Risk Assessment/Management

The Improvement programme's risk register reconciles to departmental and corporate risk registers. This will be regularly updated throughout the course of the programme. The key risks identified at this stage include:

- Financial capacity and understanding around validating opportunities and evidencing delivery will delay scheme implementation and lead to underperformance against the planned savings profile.
- There is a risk without the appropriate resources in place for the Improvement Hub, we will be unable to implement the necessary changes to support our Improvement Plan and achieve the efficiencies required by the Scottish Government.
- There is a risk that lack of robust activity data will hinder decision making.
- There is a risk that failure to cost-up efficiency projects and schemes will hinder prioritisation of deliverable milestones.

Equality and Diversity, including health inequalities

Central to our work is developing a culture of continuous improvement which has fairness and equity at its heart. Evidence that satisfies each of the six elements regarding Diversity and Inclusion as listed in the QIA guidance document:

- Alignment with The National Plan for Scotland's Islands 2019 and Islands (Scotland) Act 2018

Climate Change Sustainability

Incorporated in the Efficiency Improvement Programme, are schemes to review the number of journeys both to and from the Island for both patients and staff. An additional scheme, The Green Theatres Programme enables environmentally sustainable care by reducing the environmental impact in Theatres and contributing towards Scotland's net zero target.

- Consideration has been given to the NHS Scotland Climate Emergency and Sustainability Strategy

Route to the Meeting

Due to timing, this paper has not been shared in full at any other meetings although component parts have been shared at Improving Together Delivery Group and Improving Together Programme Board.

5.0 Recommendation

NHS Orkney Board is asked to:

(a) note the progress of the programme and the contents of this draft plan to provide assurance both internally and externally that NHS Orkney have a well-structured programme embedded and a strong focus from the executive to continue to identify and deliver efficiency and productivity opportunities.

(b) be aware of the remaining gap to target and the resource being dedicated to ensuring confirmed and written schemes to at least £3.5m in-year are in place by the end of June 2025.

(c) acknowledge the delay in publishing the final plan to the original timescale of mid-April due to the complexities in engaging with staff in a meaningful way to determine transformational savings aligned to workforce redesign and operational productivity (outpatients) and on-going work around budget setting.

6.0 Appendices

Appendix 1: First draft Improving Together Programme Plan 2025-26

Team Orkney
Improving Together

NHS
Orkney

Improving Together Programme Efficiency Plan

Draft Version

Table of contents

Key Messages

Our Commitment

- This is a one-year financial efficiency plan to enhance quality of care, patient safety and experience and improve operational performance leading to an improvement in NHS Orkney's financial position. The plan sets out confirmed and indicative savings for 2025-2026 based on work currently underway; and a set of sound and rationale assumptions. A final plan will be presented to Finance and Performance Committee in June and then to the NHS Orkney Board.

- This is an ambitious and realistic plan which, at its heart, is developed with and agreed by clinical, operational and corporate teams across the organisation and with the endorsement of the NHS Orkney Board. Through this plan, the organisation reaffirms it commitment to offering high quality clinical care in line with its 5-year corporate strategy 2024- 2028.

- The Board accepts any return to financial balance requires a mix of driving short-term internal efficiencies (transactional change) and longer-term benefits (transformational change) through a reconfiguration of the local health economy, embracing digital improvements and an optimisation of the current estate. These changes are reliant on working with external partners including Scottish Government and partner health boards to realise sustainable whole system benefits through improved productivity and the adoption of new and innovative ways of working.

- Our staff are key to the delivery of the plan and their collaboration, engagement and buy-in has been a cornerstone of the plan's development. NHS Orkney has a well embedded communications strategy to continue to optimise engagement and a well-embedded governance framework to monitor and assure delivery. These are critical precursors to delivery.

- This plan represents a shift from transaction to transformation as part of the Board's three-year financial plan to move closer towards financial balance.

- The 2024/25 financial plan was to deliver a deficit position of £5.778m which has been achieved and we expect to improve this position as we finalise additional benefits derived from changes in national funding related to distant island allowance and with Agenda for Change (AfC).

- NHS Orkney will be retained at Level 3 of the NHS Scotland Support and Intervention Framework for 2025/26 and will continue to receive support from Scottish Government as it reaffirms it full commitment to moving towards a financially balanced position in the near to medium term. Our current forecast will see us reduce our deficit to £1.628m by 31 March 2028.

- NHS Orkney has put in place a well-defined programme structure to monitor, report and assure the 12 workstreams and deliver the associated quality and efficiency benefits set out in the plan.

Background

Summary

- Established in 1927, the Old Balfour hospital was replaced by the new Balfour hospital in June 2019. Located in the heart of Kirkwall, it provides a comprehensive range of primary, community-based, and acute services to a population of over 22,000, spread across twenty inhabited islands. The hospital employs circa 800 staff.
- NHS Orkney is the smallest territorial health hoard in Scotland, covering 70 islands, 20 of which are inhabited. Around a third of the population lives on ferry-linked isles. Despite its size, NHS Orkney has the potential to lead the way in delivering high-quality remote and rural healthcare, offering a comprehensive range of primary, community-based and acute services.
- In 2024/25 there were:
  - 8,948 A&E attendances
  - 1,847 inpatient admissions
  - 3,259 day cases
  - 35,522 outpatient attendances
- The Board operates predominantly from The Balfour, where most acute services are delivered. Additional services are provided in several community settings across the Orkney mainland and isles.
- The organisations vision is to be an outstanding organisation, looking after our community and providing excellent care and is driven by the values of open and honest, respect and kindness.
- NHS Orkney operates with expenditure of c£85m and successfully delivered against the forecast deficit of £5.778m as set out in the 2024/25 financial plan.
- The three-year financial plan reflects the Board's commitment to continue to provide high quality care for patients and improve the resilience and sustainability of services within a challenging financial envelope both locally and nationally.
- This one-year efficiency plan has been developed with executive and operational and clinical staff and the final plan will be signed-off by the Board of Directors in June in accordance with internal governance processes.
- Delivery of this plan and its component 12 workstreams will require a Board-wide effort and an engagement strategy to support implementation is being developed to ensure continued visibility of and buy-in to this programme – one of the Board's key strategic priorities.
- The Board has set a savings target of £3.5m for 2025/26 to achieve its agreed deficit control position of £3.1m. The development of the plan has been on sustainable improvement with 72% to be identified as recurrent. The savings to date can be described as 'transactional' in nature. However, significant work is underway to deliver system-wide transformational savings through 2025/26.

Background

Approach to developing and delivering the efficiency programme

- NHS Orkney is currently at Level 3 of the NHS Scotland Support and Intervention Framework and delivering financial efficiencies is a required component of de-escalation. The Board recognise their responsibility to establish a timetable and pathway to achieve financial balance and move toward long-term financial sustainability. To this end, a continuation of the Improving Together programme is underway with the development of a plan for 2025/26.

- At this stage, we have worked up 84 schemes across 12 workstreams totalling £2.559m as signed-off and pending or approved by the Quality Impact Assessment (QIA) Panel. There are a range of pipeline schemes currently being worked through, totalling a minimum of £628k to bridge the gap to £3.5m. The Board has a continual cycle of ideas development as teams aim to meet their individual saving targets.

- With a strong track record of savings delivery in 2024/25, the Board recognises that continued delivery becomes more challenging and system-wide transformation is required to unlock significant efficiencies over the next three-year period.

- Each workstream has a named Senior Responsible Officer, Delivery Lead, Clinical Lead, Finance Lead, and People Lead. They are required to deliver a full, robust, and credible plan supported by detailed milestones and subject to quality impact assessments. A named Project Manager from the Improvement Team has been assigned to each workstream.

- We will continue to investigate the key efficiency metrics in to determine the extent to which we can deliver increased efficiencies – in particular in medical agency expenditure where we know substantive staff provide greater continuity of care to our patients and enable better staff satisfaction and morale. will replicate these to measure our progress on an ongoing basis.

- All workstreams will be subject to a quality impact assessment where there is a change to clinical service provision or a change to workforce. Performance indicators for each QIA will be monitored by the Joint Clinical and Care Governance Committee to assure that patient safety and quality of care are not reduced.

- A rigorous and transparent governance framework has been put in place to monitor, report and assure delivery of the efficiency programme against the plan.

- Maintaining momentum for the programme over multiple years is vital to continuous staff engagement and ownership as well as engendering confidence with Scottish Government in NHS Orkney's capability to deliver similar savings in each year over the next three-year period. Success in 2024/25 has positioned the organisation well on both fronts and it is incumbent on the senior leadership team to retain strong financial stewardship and control to realise this agreed priority, as set out in the Corporate Strategy 2024 – 2028

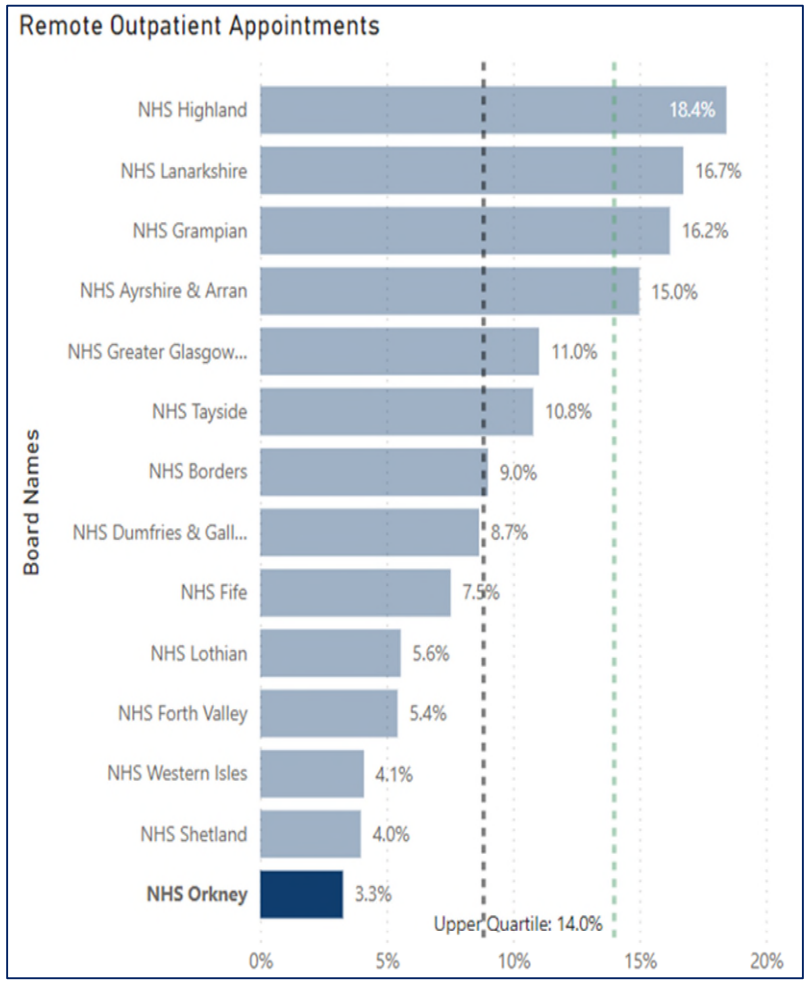
Background

Opportunity Analysis

- The Board recognise that a return to financial balance will be reliant on both driving internal efficiencies as well as real system transformation to how care is offered and provided across the whole health system.
- In the development of this plan, we have worked with the Scottish Government Financial Delivery Unit (SG-FDU) to review a mix of NHS benchmarking to national comparators, regional island health boards with select peers of NHS Shetland and NHS Western Isles and NHS best practice standards to identify the gap to top quartile or better performance.
- Central to our analysis has been the national 15-box grid which we report quarterly to Scottish Government and has been instrumental in informing where NHS Orkney excels (pharmacy, procurement, off-framework nurse agency compliance) and where there is a strong evidence base for improvement (administrative staff (table below), medical agency spend and increase virtual outpatient appointments both for Orkney residents at NHS Orkney (see graph overleaf) and with visiting partner health boards.

Sum of 31 December 2023	Administrative Services	Support Services	Admin & Support Services
Row Labels	Vs. Total WTE	VS. Total WTE	Total
NHS Greater Glasgow & Clyde	15%	9%	23%
NHS Lothian	16%	9%	26%
NHS Grampian	16%	11%	27%
NHS Lanarkshire	17%	7%	24%
NHS Tayside	17%	10%	27%
NHS Ayrshire & Arran	16%	9%	25%
NHS Highland	19%	10%	29%
NHS Fife	17%	9%	26%
NHS Forth Valley	17%	3%	20%
NHS Dumfries & Galloway	17%	9%	26%
NHS Borders	20%	11%	31%
National Waiting Times Centre	21%	11%	32%
NHS Western Isles	21%	13%	34%
NHS Shetland	26%	10%	36%
NHS Orkney	**25%**	**12%**	**37%**

- Benchmarking has been shared with workstreams and local analysis is underway to have a succinct narrative to either substantiate the pay variance to norm or to develop plans to bring NHS Orkney in line with good practice.



Background

The Leadership Team

- NHS Orkney has materially strengthened its executive team under the leadership of Laura Skaife-Knight, Chief Executive Officer, appointed in April 2023. The combined executive bring considered experience recently bolstered by the appointment of a Director of Performance and Transformation (and Deputy CEO) to commence from May 2025 and an interim Director of Finance.

- NHS Orkney has benefitted from external resource over the previous 18-months as part of its inclusion in the NHS Scotland Support and Intervention Framework and this was pivotal in delivering productivity efficiencies to achieve its financial plan in 2024/25. The external resource will cease from May 2025 as the Board continues to embrace and drive its own path to sustainability.

- A new governance framework was introduced across the health board in 2024 with improvements made in how all levels conduct business and receive assurance. This included the establishment of an integrated performance report (IPR) and Performance Review Meetings (PRMs) that focus on holding clinical and operational colleagues to account for performance against national and local key performance indicators and act as a barometer for the overall health of healthcare provision in Orkney.

- The new corporate strategy 2024-28 was also launched with good progress in meeting Year 1 objectives and a review and launch of Year 2 objectives has taken place with a continued focus on delivery.

- All Board members undertook a leadership development programme with a similar programme proposed in 2025/26 for senior leaders across the organisation. Quality Improvement (QI) training will be offered from September reflecting investing in our staff to deliver transformational change is imperative to building a sustainable future for the patients, families and communities we serve.

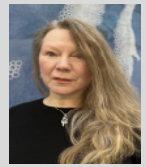
Chair and Chief Executive

Meghan McEwen
Chair

Laura Skaife-Knight
Chief Executive

Non-Executive Directors

Davie Campbell



Joanna Kenny

Jean Stevenson

Izzy Grieve

Jason Taylor

Rona Gold

Executive Directors

Tammy Sharp
Director of Performance & Transformation (& Deputy CEO)
From May 2025

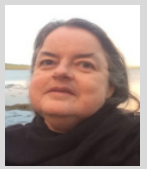
Anna Lamont
Medical Director

Samantha Thomas
Director of Nursing, Midwifery, AHPs & Chief Officer Acute

Melanie Barnes
Interim Director of Finance

Jarrard O'Brien
Director of People and Culture

Stephen Brown
Chief Officer IJB



Louise Wilson
Director of Public Health

Background

Communication and Engagement Plan

- The level of organisational change required to deliver the Improving Together Programme will not materialise without clear communication and engagement across all areas of the organisation. NHS Orkney has a well-developed approach to communicating with all staff through a variety of means including:
  - CEO briefings (monthly) – presented by the CEO to all staff on the financial position and other key strategic issues
  - CEO Fortnightly Blog for all staff (fortnightly) – email to share key messages with all staff.
  - NHS Orkney internal staff bulletin (weekly) – email to all staff with key information.
  - NHS Orkney website & social media – provides news and access to information to the public on all aspects of the Health Board.
- The Bright Ideas Campaign, which launched in 2024 is continuing and provides opportunities for all staff to submit ideas to increase productivity, drive efficiency and improve the work environment.
- Updates to other forums take place through the programme regularly featuring on meeting agendas including Senior Leadership (SLT) and Extended Senior Leadership Team (ESLT), Area Partnership Forum and Hospital sub-committee.

Financial Baseline

Financial Performance to 31 March 2025

2024/25 Summary

- NHS Orkney is currently in Level 3 of the NHS Scotland Support and Intervention Framework, with brokerage of £5.156m required in 2023/24.
- For 2024/25, NHS Orkney is on track to deliver an improved position against the forecast deficit of £5.778m as set out in the financial plan due to additional funding received in year for Distant Island Allowance cost pressure and Agenda for Change Reform.
- The forecast deficit of £5.778m was the highest percentage of core resource revenue limit (RRL) at 6% across NHS Scotland.
- If the full amount of brokerage is required in 2024/25, total cumulative amount of repayable brokerage will be £11.0m which will need to be repaid once the Board returns to financial balance.
- The Board is on track to deliver £4m efficiency savings in 2024/25 as set out in the financial plan.
- Maintaining and stabilising the financial position in 2024/25 has been achieved through a more singular focus on transactional opportunities and a reliance on grip and control measures across all elements of substantive and supplementary pay, and non-pay.
- The predominant divers of the Board's underlying deficit relate to an increased establishment (£3.2m) and ongoing reliance on clinical agency (£3.1m), as well as historic non-recurrent efficiency savings delivery.

Financial Baseline

2025/26 Financial Plan & Overview

2025/26 Plan

- The final draft of the 3-year Financial Plan forecasts a deficit of £3.106m for 2025/26 reducing to £1.7m in 2027/28.
- Delivery of the plan will reduce the deficit to around 4% of the resource revenue limit (RRL) in 2025/26.
- The Financial Plan assumes no payment of brokerage over the 3-year period outlined.

The Financial Plan aims to:

- Significantly reduce the underlying deficit and return to a recurring financial balance in as short a timescale as possible whilst ensuring that the improvements required to deliver are sustainable.
- Reduce the dependence on non-recurring efficiency savings to reduce the in-year deficit.
- Develop and implement a clinical transformation programme that will review the current models of care and how they are being delivered and redesign services, taking account of the balance between activity and financial performance

Summary RRL Position	2025/26	2026/27	2027/28
	£m	£m	£m
Deficit brought forward	5.800	3.106	2.964
Add: Non-Recurring Savings	1.199	1.000	1.000
Pressures – Pay	1.400	1.442	1.485
Pressures – non-pay	3.457	2.757	2.869
Baseline Funding Uplift	(2.181)	(2.312)	(2.382)
Additional Non-Recurring Funding	(3.269)	1.221	
Net Gap	6.406	7.214	5.936
CIPs - Recurring	(2.500)	(3.250)	(3.250)
CIPs – Non-recurring	(1.000)	(1.000)	(1.000)
Net Deficit after CIPs	2.906	2.964	1.686
Service Development Commitments	0.200	0.000	0.000
Total deficit including service development commitments	**3.106**	**2.964**	**1.686**

Cost Improvement Plan

Scenario planning

- Each of the workstreams will undergo a rigorous planning process from the identification of the initial opportunity supported by benchmarked data, bottom-up analysis; and where applicable, clinical review and sign-off.

Upside scenario

- The Improvement Team has reviewed potential upside opportunities and assumed additional savings of £1m based on its current assessment and informed by:

  - Increased number of patients receiving diagnostic tests in Orkney and a reduction in travel
  - Improved medical recruitment trajectory of the current 6.3 WTE consultant vacancies now out for recruitment.
  - Procurement savings more reflective of 2024/25 performance.
  - Additional contributions from the IJB budget review process.
  - Delivery of the full workforce savings programme

Downside scenario

- A similar assessment was conducted to inform the downside scenario with sensitivities applied totalling £0.25m and informed by:

  - Inability to realise workforce redesign savings at pace due to lower than anticipated vacancy rates.

- Continued efforts to identify additional schemes will form a core part of the on-going engagement strategy and Bright Ideas Campaign. The Improvement Team remain focused on converting those schemes in the 'pipeline' to close the remaining gap to target and build in mitigation resilience.

Workstream	Downside Scenario	Base Case Scenario	Upside Scenario
Corporate	125	176	176
Diagnostics	375	405	450
Estates	34	34	34
Facilities	35	48	48
Medical Recruitment	175	273	375
Outpatient Productivity	TBC	TBC	TBC
Pharmacy	139	139	180
Procurement	300	300	350
Social Care & Community (IJB)	300	358	425
Theatre Utilisation	0	0	50
Workforce	826	826	1,500
Clinical Service Review	0	0	0
Total	**2,309**	**2,559**	**3,588**

Indicative forecasts as of 17 April with further development of schemes to be completed through Q1 2025/26

Cost Improvement Plan

Scheme Breakdown

- The profile of savings for 2025/26 is weighted towards pay and non pay with only 8% through income schemes of agreed and transacted and in-development schemes.
- Given the majority of expenditure is across pay, the Board recognises the need to right-size its workforce with 48% of savings currently attributed to pay schemes.
- Non-pay savings currently represent 44% of the total savings.
- The table presents provides a breakdown of the 12 workstreams, categorised by pay, non-pay, and income for 2025/26.
- Total recurrent savings amount to £1.94m, with a further £618k classified as non-recurrent although we expect all future savings to be mostly recurrent.

Workstream	Income	Non-Pay	Pay	Total
Corporate	176	0	0	176
Diagnostics	0	405	0	405
Estates	17	17	0	34
Facilities	17	0	31	48
Medical Recruitment	0	0	273	273
Outpatient Productivity	0	0	0	0
Pharmacy	0	139	0	139
Procurement	0	300	0	300
Social Care & Community (IJB)	0	200	158	358
Theatre Utilisation	0	0	0	0
Workforce	0	53	773	826
Clinical Service Review	0	0	0	0
Total	**210**	**1,114**	**1,235**	**2,559**
Percentage of total	**8%**	**44%**	**48%**	

Cost Improvement Plan

Workstream phasing by month – near-confirmed

- The table below sets out the monthly phasing of the workstreams across the 2025/26 financial year. The appendix to this report contains a summary plan for each of these workstreams. Detailed plans have also been developed and are available through the Improvement Team.

Workstream	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Corporate	£0	£0	£0	£0	£0	£0	£0	£0	£176,000	£0	£0	£0	**£176,000**
Diagnostics	£0	£0	£8,750	£8,750	£8,750	£114,750	£8,750	£8,750	£114,750	£8,750	£8,750	£114,750	**£405,500**
Estates	£0	£5,000	£1,500	£0	£5,000	£14,500	£0	£0	£1,500	£5,000	£0	£1,500	**£34,000**
Facilities	£2,593	£2,593	£3,693	£4,360	£4,360	£4,360	£4,360	£4,360	£4,360	£4,360	£4,360	£4,360	**£48,119**
Medical Recruitment	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£43,617	£43,617	£43,617	£43,617	£43,616	£43,616	**£273,400**
Outpatient Productivity	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£0**
Pharmacy	£5,792	£5,792	£5,792	£10,903	£10,903	£10,903	£14,853	£14,853	£14,853	£14,853	£14,853	£14,853	**£139,200**
Procurement	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	£25,000	**£300,000**
Social Care & Community (IJB)	£20,667	£20,667	£20,667	£27,333	£77,333	£27,333	£27,333	£27,333	£27,333	£27,333	£27,333	£27,333	**£358,000**
Theatre Utilisation	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£0**
Workforce	£56,059	£56,059	£64,059	£64,392	£64,392	£64,392	£76,059	£76,059	£76,059	£76,059	£76,059	£76,059	**£825,710**
Clinical Service Review	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£0**
Total	£112,061	£117,061	£131,411	£142,689	£197,689	£263,189	£199,972	£199,972	£483,472	£204,972	£199,971	£307,471	**£2,559,929**

Cost Improvement Plan

Closing the Gap

- As this plan is still in draft format, work is on-going to identify additional opportunities. This table sets out the material opportunities that are being assessed and developed with the clear expectation confirmed savings and approved plans are in place for June 2025.

Workstream	Material pipeline opportunities	Description	Recurrent / Non-recurrent	Delivery RAG Rating	Indicative Value (£'000)
Clinical Service Review	Transformation of clinical services following the Clinical Service Review	A review of opportunities to transform and innovate how services are currently delivered across Orkney.	Recurrent	**Amber**	TBC
Diagnostics	Repatriation of echocardiogram service	Potential for savings in agency reduction and patient travel attributed to service repatriation.	Recurrent	**Green**	50
Outpatients Productivity	Waiting Times Initiative Funding	Bid for £400k of Scottish Government funding. Potential to offset NHSO wait time monies.	Non-recurrent	**Amber**	TBC
Outpatients Productivity	Near-Me Virtual Appointments	Increase the uptake of Near-Me virtual appointments and enhance patient experience by reducing the need for patient travel.	Recurrent	**Amber**	200
Social Care & Community (IJB)	Benefits from budget review process	Pending review by Chief Officer and Interim Director of Finance	Recurrent	**Amber**	TBC
Theatre Productivity	Increased through put and reduced cancellations	To identify opportunities to improve theatre utilisation and increase overall productivity.	Recurrent	**Amber**	50
Workforce	Sickness Absence	Improve long-term sickness absence across the organisation	Recurrent	**Amber**	203
Workforce	Wider workforce redesign opportunities	Review of benchmarking and new ways of working across clinical and non-clinical teams	Recurrent	**Amber**	TBC
Workforce	Additional grip and control measures	On-going review of supplementary pay and non-pay.	Recurrent	**Amber**	125
INDICATIVE TOTAL VALUE (£,000)					**628**

Cost Improvement Plan

Confidence in delivery

- We expect to complete analysis and develop the remaining schemes through Quarter 1 and therefore will see an increase in savings through the second half of the year. This is customary when organisations implement redesign opportunities as the time to engage staff and see benefits realised take time and careful planning.

- A delivery risk assessment has been completed by the Improvement Team for all schemes with a view that 81% is rated green for delivery with confidence the full savings amount will be achieved, 19% is rated amber with some risk to delivery (around estate disposal and medical recruitment given historic challenge to address agency reliance. 0% has been rated red for delivery although we forecast this will change as we look to map the remaining gap to target from additional workforce savings and outpatient productivity as well as other clinical and non-clinical transformational schemes.

Overall Programme	Green	Amber	Red
Assessment at 17 April 2025	2,060	499	0
Percentage of total	81%	19%	0%

Efficiency Plan Governance

Introduction

- NHS Orkney has taken steps to strengthen existing governance arrangements to support delivery of the efficiency programme. A dedicated Improvement Team of 4.0 WTE has been re-established to support its delivery.

- The establishment of the Improvement Team reinforces the Board's commitment to deliver transformational programmes and support its working with external partners across the wider health economy.

- The governance arrangements reflect a matrix management approach with dedicated workstream leads in the more transformational change workstreams of workforce, medical productivity, pharmacy and procurement. This ensures leaders are accountable for implementing the changes at a local level, while the workstream lead is responsible for overall implementation

.

- Significant steps have been taken to strengthen accountability of the programme within the corporate leadership team. Increased clinical engagement and ownership form a core part of the development of the plan, including clinical sign-off by each workstreams respective clinical lead, where relevant.

- Reporting progress against plans continues through the monthly Improving Together Delivery Group (Chaired by the Head of Finance); and monthly Improving Together Programme Board (Chaired by the Chief Executive). Updates to the Senior Leadership Team, Finance and Performance Committee, and the NHS Orkney Board ensure Executive and Board oversight to maintain focus and ensure cost improvement is championed as one of the Board's key priorities.

- This approach ensures it remains part of the Board's usual business rhythm.

- The Improvement Team will ensure a continued focus on embedding a robust reporting and assurance framework for the whole programme.

The remit of the Improvement Team is to:

- Provide and co-ordinate dedicated resource to support delivery of the turnaround programme, underpinning workstream teams.
- Begin to embed in the organisation a strong programme management culture and an accountability and governance framework to assure delivery of the programme
- Provide independent challenge and support workstream leads to manage execution and delivery risk
- Monitor the delivery of individual plans, manage programme level risks and interdependencies through standardised reporting tools and escalate issues that hinder delivery through a structured reporting framework
- Be the central repository in the organisation and co-ordinating function for all its recovery and turnaround plan documentation
- Engage the organisation in the generation of new ideas through engagement events and other forums to solicit ideas across the whole organisation
- Provide timely evidenced based assurance of progress and variance against plan to the Board

Efficiency Plan Governance

Resourcing and Ownership

- Individuals have been identified to deliver each work stream. Defined role descriptions set up expectations for each of the work stream lead, clinical lead and senior responsible officer roles. Lead clinicians have been engaged through-out the programme and are responsible for sign-off of plans in their respective areas, and accountable for delivery. NHS Orkney recognises the importance of strong clinical engagement though the implementation phase and has taken steps to ensure this continuity from the development phase of the plan.

Core Workstreams

Workstream	SRO	Delivery Lead/s	Clinical Lead/s	Finance Lead	HR Lead	Improvement Team Lead	Staff Side Rep
Corporate	Laura-Skaife Knight	Phil Tydeman	N/A	Mareeya Montero	Steven Phillips	Harmony Bourn	Karen Spence
Diagnostics	Dr Anna Lamont	Nick Crohn	Lorna Wilson	Andrew Grassom	Steven Phillips	Harmony Bourn	N/A
Estates	Laura Skaife-Knight	Alan Scott	Nick Crohn	Mareeya Montero	Steven Phillips	Harmony Bourn	James Robertson
Facilities	Laura Skaife-Knight	Sharon Keyes	Sarah Walker	Mareeya Montero	Steven Phillips	Lauren Johnstone	James Robertson
Pharmacy	Dr Anna Lamont	Wendy Lycett	Lyndsay Steel / Russell Mackay	Mareeya Montero	Steven Phillips	Harmony Bourn	N/A
Procurement	Melanie Barnes	Kirsty Francis	Various	Mareeya Montero	Steven Phillips	Lauren Johnstone	N/A
Social Care & Community (IJB)	Stephen Brown	John Daniels	AHP Leads	Bruce Young	Steven Phillips	Harmony Bourn	N/A
Workforce	Jarrard O'Brien	Steven Phillips	Sam Thomas / Dr Anna Lamont	Mareeya Montero	Steven Phillips	Phil Tydeman / Lauren Johnston	Ryan McLaughlin

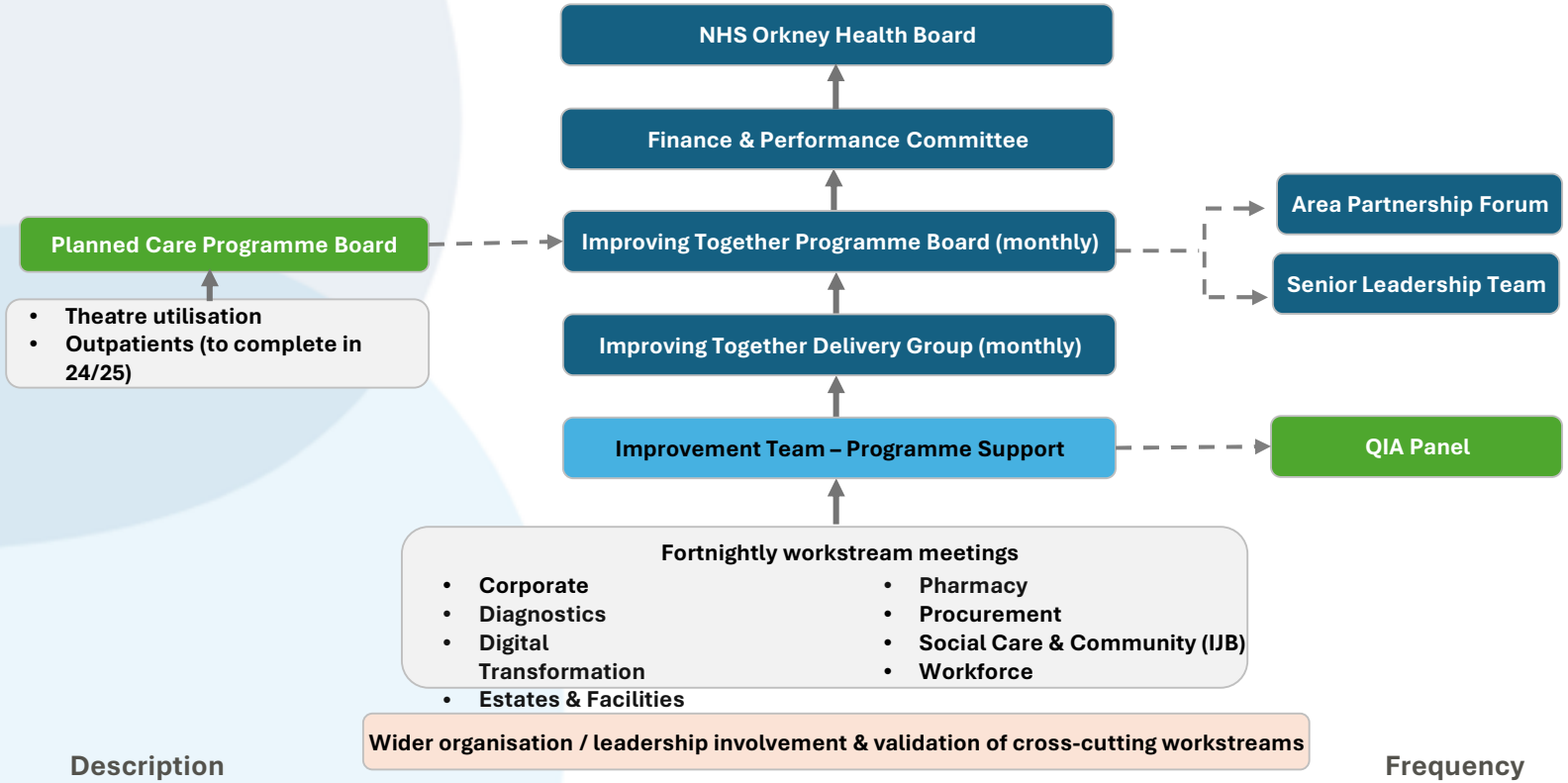
Transformation Workstreams

Workstream	SRO	Delivery Lead/s	Clinical Lead/s	Finance Lead	HR Lead	Improvement Team Lead	Staff Side Rep
Theatre Utilisation	Samantha Thomas	Nancy Faulkner	Specialty Leads	Andrew Grassom	N/A	Phil Tydeman / Lauren Johnstone	N/A
Outpatient Productivity	Dr Anna Lamont	John Daniels	Ellen Kesterton	Andrew Grassom	N/A	Lauren Johnstone	Amanda Manson / Fiona MacKellar
Medical Recruitment	Dr Anna Lamont	TBC	Specialty Leads	Andrew Grassom	Hannah Kerr	Lauren Johnstone	N/A
Clinical Service Review	Anna Lamont	Jennifer Armstrong / Fiona Mackay	Speciality Leads	Bruce Young	Steven Phillips	Harmony Bourn	Ryan McLaughlin

Efficiency Plan Governance

Reporting Structure and Accountability

- The Improvement Team provide reports into the relevant committees to meet good governance standards The key point to note is the fortnightly workstream meetings and the monthly Delivery Group and Programme Board meetings support an effective rhythm of pace and focus. This diagram depicts the governance and accountability arrangements for the efficiency programme. The standardised reporting framework introduced in 2024/25 will continue to further embed good practice.



Meeting	Description	Frequency	Chair
Programme Board	Accountable for development and delivery of overall programme, resource and risk management.	Monthly	Chief Executive Officer
Delivery Group	Responsible for operational development of ideas into robust, credible plans.	Monthly	Head of Finance
QIA Panel	To assess the impact of schemes against the six domains set by the Scottish Government to safeguard clinical outcomes, patient care and staff well-being.	Ad hoc	Medical Director / Executive Director of Nursing, Midwifery, AHPs & Chief Officer Acute
Workstreams	Clinical and operational leads with wider staff engagement to identify opportunities and to define and agree opportunities for improvement.	Monthly	As defined by workstream

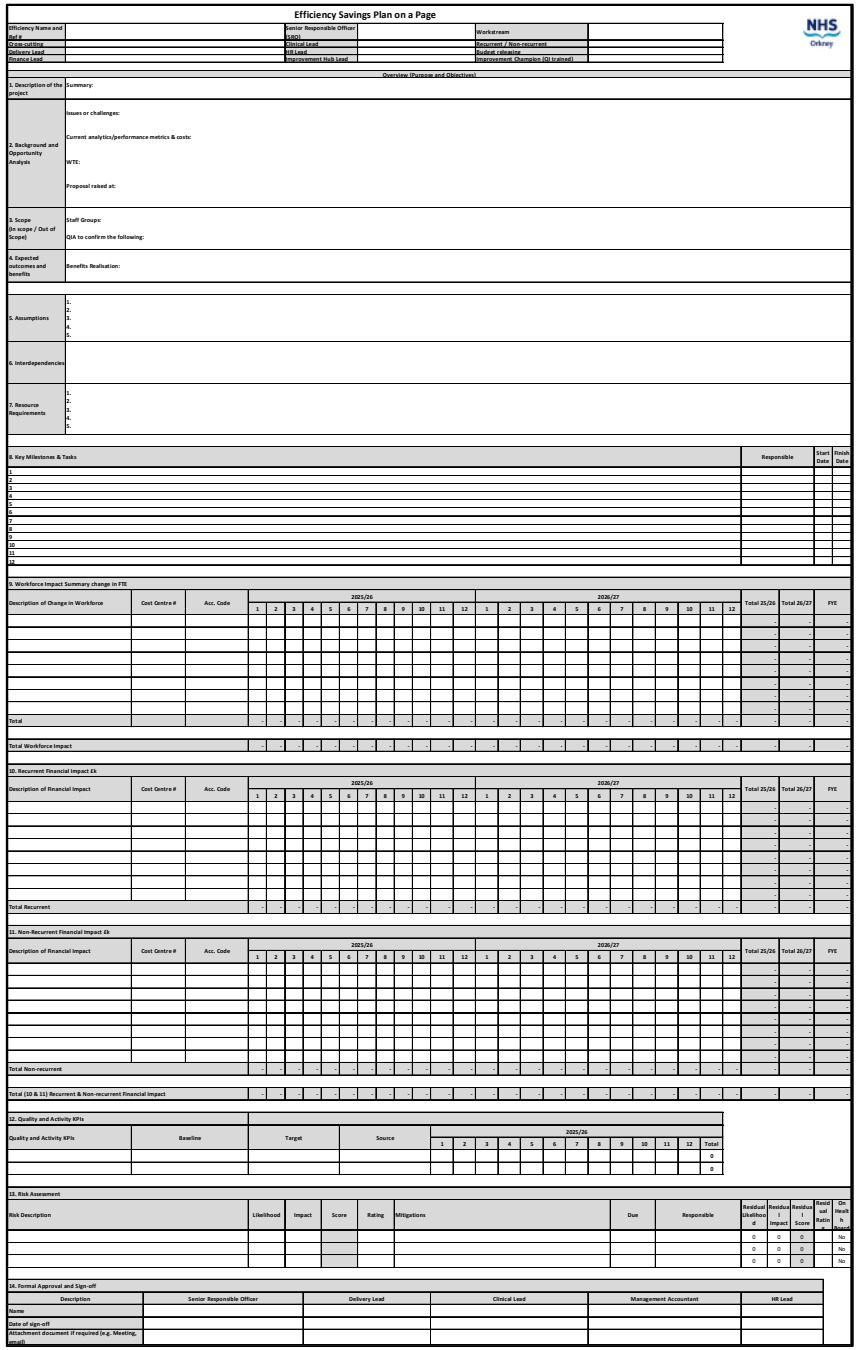
Efficiency Plan Governance

Reporting Documentation

- A suite of standardised documents has been refreshed to support effective monitoring of the programme. These include:
  - CIP documentation (Plan on a Page / Quality Impact Assessment)
  - Programme risk register
  - Efficiency programme tracker
  - Monthly reporting documents for committees and bords.

- Standardised CIP documentation for each scheme ‘in implementation’ will capture all necessary information through a Plan on a Page and Quality Impact Assessment to support a robust narrative and evidence based for all identified savings.
- A programme risk register has been established to capture current and new risks within the programme. Monitoring of risks occur as part of the Improving Together Delivery and Improving Together Programme Board.

- Individual scheme risks are captured within the Plan on a Page and Quality Impact Assessment.
- An efficiency programme tracker has been established to track and monitor savings. Reporting against performance and milestones for each workstream will take place monthly through the Improving Together Delivery Group and Improving Together Programme Board. Early detection of failed milestones or KPIs will ensure swift action to put mitigating actions in place and return delayed schemes back to original plan, or a revised and approved new trajectory.



Efficiency Savings Plan on a Page

NHS Orkney

Efficiency Name and Ref #		Senior Responsible Officer (SRO)		Workstream	
Cross-cutting		Clinical Lead		Recurrent / Non-recurrent	
Delivery Lead		MH Lead		Pocket rule/area	
Finance Lead		Improvement Hub Lead		Improvement Champion (QI trained)	

Overview (Purpose and Objectives)

1. Description of the project	Summary:
2. Background and Opportunity Analysis	Issues or challenges: Current analytics/performance metrics & costs: WTE: Proposal raised at:
3. Scope (in scope / Out of Scope)	Staff Groups: QIA to confirm the following:
4. Expected outcomes and benefits	Benefits Realisation:
5. Assumptions	1. 2. 3. 4. 5.
6. Interdependencies	
7. Resource Requirements	1. 2. 3. 4. 5.

8. Key Milestones & Tasks

	Responsible	Start Date	Finish Date
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			
11			
12			

9. Workforce Impact Summary change in FTE

Description of Change in Workforce	Cost Centre #	Acc. Code	2025/26 1	2	3	4	5	6	7	8	9	10	11	12	2026/27 1	2	3	4	5	6	7	8	9	10	11	12	Total 25/26	Total 26/27	FYE
Total			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Workforce Impact			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

10. Recurrent Financial Impact £k

Description of Financial Impact	Cost Centre #	Acc. Code	2025/26 1	2	3	4	5	6	7	8	9	10	11	12	2026/27 1	2	3	4	5	6	7	8	9	10	11	12	Total 25/26	Total 26/27	FYE
Total Recurrent			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

11. Non-Recurrent Financial Impact £k

Description of Financial Impact	Cost Centre #	Acc. Code	2025/26 1	2	3	4	5	6	7	8	9	10	11	12	2026/27 1	2	3	4	5	6	7	8	9	10	11	12	Total 25/26	Total 26/27	FYE
Total Non-recurrent			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total (10 & 11) Recurrent & Non-recurrent Financial Impact			-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

12. Quality and Activity KPIs

Quality and Activity KPIs	Baseline	Target	Source	2025/26 1	2	3	4	5	6	7	8	9	10	11	12	Total
																0
																0

13. Risk Assessment

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Due	Responsible	Residual Likelihood	Residual Impact	Residual Score	Residual Ratio	On Health Board
								0	0	0		No
								0	0	0		No
								0	0	0		No

14. Formal Approval and Sign-off

Description	Senior Responsible Officer	Delivery Lead	Clinical Lead	Management Accountant	HR Lead
Name					
Date of sign-off					
Attachment document if required (e.g. Meeting, email)					

Efficiency Plan Governance

Quality Impact Assessments

- Maintaining the safety and quality of services alongside the delivery of cost improvement plans (CIPs) is a core requirement of the programme.

- Ultimately the Board must determine how to deploy its resources and is responsible for preparing a plan which is deliverable and not detrimental to the quality of patient care.

- The QIA process follows a three-stage approach:

Stage 1 – QIA Screening Tool: An initial assessment (stage 1) to quantify potential impacts (positive or negative) on quality from any proposal to change the way services are commissioned and/or delivered. If all quality measures have a low impact score the initial assessment can be approved and no further action is required

Stage 2 – Full QIA: Where there is moderate or higher potential impact on quality in any area a full QIA must be completed and considered against six domains:

(a) safe
(b) effective
(c) person-centred
(d) the NHS Scotland Realistic Medicine principles
(e) the NHS Scotland Climate Emergency and Sustainability Strategy
(f) the National Plan for Scotland's Islands 2019 and Islands (Scotland) Act 2018

Stage 3 – Review and Approval: Once the QIA has been approved by the Clinical Lead and Executive Sponsor they will be passed to the Clinical Panel for formal review and approval. At this stage they can be either Approved, Recommend Amendments or Rejected.

- No scheme can be moved into implementation without the approval of the QIA clinical panel to ensure patient safety, quality of care and staff well-being are effectively safeguarded.

Monitoring

- The monitoring of the quality impact of the schemes will be maintained throughout the year as part of the general quality performance framework. The impact of schemes will be reviewed bi-annually by the Joint Clinical and Care Governance Committee.

- A final paper will be written by the panel for presentation to the Joint Clinical and Care Governance Committee in June with quarterly updates on the impact of implementation on a quarterly basis.

Efficiency Plan Governance

Resourcing

- NHS Orkney are clear that to deliver the change required in 2025/26 and beyond, dedicated resource will be required both in terms of direct delivery of the cross-cutting operational workstreams and infrastructure support through corporate divisions. Inclusive of the Programme Management Office, a total of 4.2 WTE are being deployed to support direct delivery of this programme. This does not include workstream team resource as set out on slide **XX.**

2025/26 Direct Programme Support	WTE
Improvement Team	3.0
Workforce workstream Lead	0.5
Service Level Agreements	0.2
Head of Finance	0.5
Total	**4.2**

Indirect Programme Support	Resource
Operational and Clinical Teams	To develop ideas and drive implementation of workstream opportunities through their respective remits.
Information and Performance	To provide analytical support to validate new schemes and confirm delivery of existing schemes against operational KPI's
People & Culture	To support delivery of workforce redesign, pay controls, skill mix changes
Finance	To provide financial monitoring of the programme
Communications Team	To facilitate communication of the programme to stakeholders

Efficiency Plan Governance

Key risks in 2025/26 and mitigations

- Key risks to each of the work streams have been identified in the individual plans and will be monitored on a regular basis. Mitigating actions are also clearly defined in the plans. The key themes emerging are presented in the table below. These will be monitored and managed by the Improvement Team reporting through the relevant committees up to the Improving Together Programme Board.

ID#	Risk	Mitigation
1.1	There is a risk that NHS Orkney will not realise the £3.5m savings nor achieve £2.5m recurrent savings which could impact financial sustainability and the delivery of the 3-year financial plan.	Strong governance in place through weekly or fortnightly workstream meetings. Early identification of shortfall through monthly delivery group and programme board. Strong awareness of grip and control measures to mitigate any shortfall. More proactive approach to review of annual planning investments. Dedicated resource in place within the People & Culture Team and Improvement Team.
1.2	There is a risk that the requirement to reduce workforce costs is overly ambitious and cannot be achieved within year leading to a failure to realise savings or to a destabilised clinical and non-clinical workforce and impact on service delivery.	Director of People and Culture leading work. Scope of work already agreed. Indicative plan on track to be completed by end of Quarter 1. Clear workstreams and additional 0.5 WTE resource added to progress work at pace. Good support from executive team and senior leadership team to collectively identify mitigations to under delivery. Vacancy Panel established and embedded in practice.
1.3	There is a risk that limited capacity in workforce, health intelligence, and finance - due to conflicting organisational priorities - may hinder the progress and delivery of the efficiency programme and provision of key data.	Development of clear 'ask' plans for each team to then prioritise which work is taken forward in order. High-value opportunities to be prioritised first. Much of the data work already forms part of existing data.
1.4	Lack of awareness among wider staff in organisation leads to disengagement in cost improvement programme.	Communications strategy to be rolled out across the organisation through existing forums to ensure staff are informed of plan and progress, as well as how to actively participate. Programme on all SLT, APF and other key meeting agenda items. This plan document will be used as a key communications aid to inform staff of the individual CIP plans and anticipated changes.

Efficiency Plan Governance

Key risks in 2025/26 and mitigations

- Key risks to each of the work streams have been identified in the individual plans and will be monitored on a regular basis. Mitigating actions are also clearly defined in the plans. The key themes emerging are presented in the table below. These will be monitored and managed by the Improvement Team reporting through the relevant committees up to the Improving Together Programme Board.

ID#	Risk	Mitigation
1.5	Patient safety and quality indicators are not maintained leading to an increase in complaints and clinical incidents	Quality Impact Assessment completed on all schemes. Panel led by Clinical Executive to assess likely impact prior to implementation phase. Associated key performance indicators (KPI's) to be monitored quarterly at Joint Clinical and Care Governance Committee to assure quality and safety is protected.

Next Steps

Continuing our commitment to delivery of the efficiency plan

NHS Orkney is clear this efficiency plan represents a continuation of its journey to enhance quality of care, patient safety and experience and improve overall operational performance. A series of further actions have been identified to move to a sustainable improvement in the Health Boards financial positon.

- Progress at pace the development and implementation of ‘pipeline’ and ‘in development’ schemes to at least achieve the Board’s efficiency target of £3.5m in-year savings.
- Focus on continued enforcement of existing pay and non-pay controls to manage the organisations wider financial position.
- Final authorisation of the quality impact assessment (QIA) for outstanding schemes and on-going monitoring through the Joint Clinical Care Governance Committee.
- Continue development of the communications and engagement effort including on-going promotion of the Bright Ideas Campaign.
- Receive feedback on this draft plan in readiness for the final plan to be submitted to the Board in June 2025.
- Review and management of risk to take account of the changes reflected in this efficiency plan and the move to clinical and non-clinical transformation.

Key Messages

Our Commitment

- This is a one-year financial efficiency plan to enhance quality of care, patient safety and experience and improve operational performance leading to an improvement in NHS Orkney's financial position. The plan sets out confirmed and indicative savings for 2025-2026 based on work currently underway; and a set of sound and rationale assumptions. A final plan will be presented to Finance and Performance Committee in June and then to the NHS Orkney Board.

- This is an ambitious and realistic plan which, at its heart, is developed with and agreed by clinical, operational and corporate teams across the organisation and with the endorsement of the NHS Orkney Board. Through this plan, the organisation reaffirms it commitment to offering high quality clinical care in line with its 5-year corporate strategy 2024- 2028.

- The Board accepts any return to financial balance requires a mix of driving short-term internal efficiencies (transactional change) and longer-term benefits (transformational change) through a reconfiguration of the local health economy, embracing digital improvements and an optimisation of the current estate. These changes are reliant on working with external partners including Scottish Government and partner health boards to realise sustainable whole system benefits through improved productivity and the adoption of new and innovative ways of working.

- Our staff are key to the delivery of the plan and their collaboration, engagement and buy-in has been a cornerstone of the plan's development. NHS Orkney has a well embedded communications strategy to continue to optimise engagement and a well-embedded governance framework to monitor and assure delivery. These are critical precursors to delivery.

- This plan represents a shift from transaction to transformation as part of the Board's three-year financial plan to move closer towards financial balance.

- The 2024/25 financial plan was to deliver a deficit position of £5.778m which has been achieved and we expect to improve this position as we finalise additional benefits derived from changes in national funding related to distant island allowance and with Agenda for Change (AfC).

- NHS Orkney will be retained at Level 3 of the NHS Scotland Support and Intervention Framework for 2025/26 and will continue to receive support from Scottish Government as it reaffirms it full commitment to moving towards a financially balanced position in the near to medium term. Our current forecast will see us reduce our deficit to £1.628m by 31 March 2028.

- NHS Orkney has put in place a well-defined programme structure to monitor, report and assure the 12 workstreams and deliver the associated quality and efficiency benefits set out in the plan.

Corporate Workstream

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Laura-Skaife Knight	Phil Tydeman	N/A	Mareeya Montero	Steven Phillips	Harmony Bourn	Karen Spence

Scheme	Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Sale of King Street	Sale of King Street Old Dental Practice	£0	£0	£0	£0	£0	£0	£0	£0	£175,000	£0	£0	£0	£175,000
	Total	**£0**	**£0**	**£0**	**£0**	**£0**	**£0**	**£0**	**£0**	**£175,000**	**£0**	**£0**	**£0**	**£175,000**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
The net benefits from this scheme are lower than expected thereby requiring additional savings to be sought from elsewhere	2	2	4	Green	Valuation report has set £176k as a reasonable sale price.	2

Diagnostics

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Dr Anna Lamont	Nick Crohn	Lorna Wilson	Andrew Grassom	Steven Phillips	Harmony Bourn	N/A

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Repatriation of MRI patients and other MRI services	Repatriation of MRI patients, savings on travel / increase of mobile unit on site	£0	£0	£0	£0	£0	£106,000	£0	£0	£106,000	£0	£0	£106,000	**£318,000**
Repatriation of Elastography Service	Repatriation of Elastography & Ultrasound	£0	£0	£4,250	£4,250	£4,250	£4,250	£4,250	£4,250	£4,250	£4,250	£4,250	£4,250	**£42,500**
Nurse-led Capsule Sponge Endoscopy Service	Introduce a nurse-led capsule sponge endoscopy service to reduce reliance on medically led OGD service	£0	£0	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	£4,500	**£45,000**
	Total	**£0**	**£0**	**£8,750**	**£8,750**	**£8,750**	**£114,750**	**£8,750**	**£8,750**	**£114,750**	**£8,750**	**£8,750**	**£114,750**	**£405,500**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
MRI Repatriation: ▪ Patient travel spend may increase in 2026/27 as funding may not be allocated from the Scottish Government on a recurring basis.	3	3	9	Amber	Savings will be monitored regularly, and a business case will be considered throughout the year to support the establishment of a permanent on-island service if it proves to be cost-effective.	2
MRI Repatriation: ▪ Patients may expect to receive the MRI scanning service on an ongoing basis and patient expectations therefore need to be managed.	3	3	9	Amber	Comms and engagement will be undertaken to ensure that patients and staff understand the MRI scanning service will be in place for 10 months only during 2025/26.	2

Clinical Services Review – underway to conclude from June 2025

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Dr Anna Lamont	Jennifer Armstrong and Fiona Mackay	Speciality Leads	Bruce Young	Steven Phillips	Harmony Bourn	Ryan McLaughlin

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score

Estates

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Laura-Skaife Knight	Alan Scott	Nick Crohn	Mareeya Montero	Steven Phillips	Harmony Bourn	James Robertson

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Fleet Cars Review	Review of Leased / Owned Vehicles, incl. usage, servicing & vehicle recalls for all primary & secondary care cars	£0	£0	£0	£0	£5,000	£0	£0	£0	£0	£5,000	£0	£0	**£10,000**
Waste Collection	Charge external providers/private companies for waste collection	£0	£0	£1,500	£0	£0	£1,500	£0	£0	£1,500	£0	£0	£1,500	**£6,000**
Grass cutting (grounds and garden)	Cease the grass cutting external contract for the Balfour. Porters to take on grass cutting duties	£0	£5,000	£0	£0	£0	£0	£0	£0	£0	£0	£0	£0	**£5,000**
Primary Care Equipment Maintenance SLA	Charge primary care GP practices for equipment maintenance. Skerryvore Practice to be piloted first	£0	£0	£0	£0	£0	£1,000	£0	£0	£0	£0	£0	£0	**£1,000**
Invest in Engineer Training (To be compliant with SHTM0101)	Invest in Engineer Training (To be compliant with SHTM0101)	£0	£0	£0	£0	£0	£12,000	£0	£0	£0	£0	£0	£0	**£12,000**
	Total	**£0**	**£5,000**	**£1,500**	**£0**	**£5,000**	**£14,500**	**£0**	**£0**	**£1,500**	**£5,000**	**£0**	**£1,500**	**£34,000**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
There are no material risks associated with these schemes and a high level of achievability is expected.	2	1	2	Green	Not applicable	2

Facilities

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Laura-Skaife Knight	Sharon Keyes	Sarah Walker	Mareeya Montero	Steven Phillips	Lauren Johnstone	James Robertson

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Electric Vehicle Charges Review - Income	Generate income from the public car charging points	£0	£0	£0	£667	£667	£667	£667	£667	£667	£667	£667	£667	**£6,000**
Internal Staffing Review (Backfill of Facilities Support Officer)	Internal Staffing Review (Backfill of Facilities Support Officer)	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	£2,593	**£31,119**
Catering Food Increase 5%	Increase canteen food prices by 5%	£0	£0	£1,100	£1,100	£1,100	£1,100	£1,100	£1,100	£1,100	£1,100	£1,100	£1,100	**£11,000**
	Total	**£2,593**	**£2,593**	**£3,693**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£4,360**	**£48,119**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
The savings from the electric vehicle will be less than expected if the assumptions in the business case around usage are higher than actuals	2	3	6	Amber	Monitoring of savings will occur from implementation.	4
Internal staffing review determines resource must be re-instated to maintain core service delivery resulting in savings not being realised	2	3	6	Amber	Minimal risk as modelling of workforce has taken place. Management confident in ability to deliver core functions.	4

Medical Recruitment

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Dr Anna Lamont	TBC	Speciality Leads	Andrew Grassom	Hannah Ker	Lauren Johnstone	N/A

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Renegotiated Medical Rates	Renegotiating medical rates for agency doctors	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	£1,950	**£23,400**
Sustainable Medical Model and Agency Reduction & Recruitment (Recruitment to 1WTE current agency post)	Move towards a more sustainable medical model by recruitment substantive staff and replacing agency	£0	£0	£0	£0	£0	£0	£20,833	£20,833	£20,833	£20,833	£20,833	£20,833	**£125,000**
Sustainable Medical Model and Agency Reduction & Recruitment (Recruitment to 1WTE current agency post)	Move towards a more sustainable medical model by recruitment substantive staff and replacing agency	£0	£0	£0	£0	£0	£0	£20,833	£20,833	£20,833	£20,833	£20,833	£20,833	**£125,000**
	Total	**£1,950**	**£1,950**	**£1,950**	**£1,950**	**£1,950**	**£1,950**	**£43,617**	**£43,617**	**£43,617**	**£43,617**	**£43,616**	**£43,616**	**£273,400**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
There is a risk that we will not be able to successfully recruit to the posts advertised in March and that we will not be able to meet the recruitment trajectories set thereby delaying the savings set out from this scheme and continuing our reliance on high-cost agency.	3	3	9	Amber	Strengthened recruitment efforts. Retain current agency solution to secure service delivery.	6
Additional vacancies occur resulting in an increase in overall medical expenditure.	2	3	6	Amber	Awareness of expected leavers to inform rapid approach to job description and early recruitment efforts	4

Outpatients Productivity – underway to conclude from June 2025

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Dr Anna Lamont	John Daniels	Ellen Kesterton	Andrew Grassom	N/A	Lauren Johnstone	Amanda Manson / Fiona Mackellar

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Increase uptake of Near Me	Increase uptake of Near Me on the outer-isles and in NHS Grampian / Golden Jubilee	£0	£0	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	£20,000	**£200,000**
	Total	**£0**	**£0**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£20,000**	**£200,000**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score

Pharmacy

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Dr Anna Lamont	Wendy Lycett	Lyndsay Steel / Russell Mackay	Mareeya Montero	Steven Phillips	Harmony Bourn	N/A

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Polypharmacy Review	Increase number of Polypharmacy reviews to 7 per week for 42 weeks of the year	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	£2,458	**£29,500**
ScriptSwitch	Ensure scriptswitch up-take is maximised and remains above 40% acceptance rate	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	£3,333	**£40,000**
Medicines of low and limited clinical value	Minimise prescribing of MLCV to appropriate indications only and discontinue prescribing of medicines which are deemed to be of no clinical value	£0	£0	£0	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	£2,500	**£22,500**
Medicine switch (proprietary to generic) - Abitarone	Procurement of new generic	£0	£0	£0	£778	£778	£778	£778	£778	£778	£778	£778	£778	**£7,000**
Medicine switch (proprietary to generic) - Cytokine Modulators	Proprietary to Generic	£0	£0	£0	£0	£0	£0	£450	£450	£450	£450	£450	£450	**£2,700**
Medicine switch - Immunoglobin and Albumin	National contract switch	£0	£0	£0	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	£1,000	**£9,000**
Medicine switch - Ustekinumab	Remaining switch to Biosimilar	£0	£0	£0	£833	£833	£833	£833	£833	£833	£833	£833	£833	**£7,500**
Medicine switch - Omalizumab	Switch to Biosimilar	£0	£0	£0	£0	£0	£0	£3,500	£3,500	£3,500	£3,500	£3,500	£3,500	**£21,000**
	Total	**£5,792**	**£5,792**	**£5,792**	**£10,903**	**£10,903**	**£10,903**	**£14,853**	**£14,853**	**£14,853**	**£14,853**	**£14,853**	**£14,853**	**£139,200**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
There is a risk associated with Non-recurring funding element of New Medicines Fund continues	2	5	10	Amber	Maintain regular communication and updates with the Scottish Government	4
Recruitment delays resulted in a significant under spend in the staff budget for 2024(25) which off-set medicines costs. These posts are now being filled; While the staff budget for pharmacy will not incur an overspend for 2025(26), the under-spend will not continue into 2025(26)	2	4	8	Amber		4

Procurement

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Melanie Barnes	Kirsty Francis	Various	Mareeya Montero	Steven Phillips	Lauren Johnstone	N/A

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
Standardisation and rationalisation of supplies	Standardisation and rationalisation of supplies	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	**£50,000**
Budget Checker	Reducing stock levels by introducing the budget checker in PECOS	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	**£50,000**
No Pay No PO	No PO no Pay savings will be supported through communications from the interim Director of Finance. The communications around this is currently being developed and will be added as a supporting evidence tab to this document when finalised and produced.	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	**£25,000**
Buyers Guide	The Buyers Guide will be informed through advice received from Scottish Government as is current practice.	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	£2,083	**£25,000**
Review of procurement contracts	The scope of contracts, leases and SLAs are set out in the tabs 'Full contract list'; 'Full leases list' and 'Full SLA list'.	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	**£150,000**
	Total	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£25,000**	**£300,000**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
There is a risk that orders will be approved and the target savings attributed to PECOS will not be achieved due to a sufficient lack of opportunity or scrutiny.	2	2	4	Green	Strong engagement and well-established team with clear processes in place.	2
There is a risk that the savings attributed to contract review is unachievable.	2	2	4	Green	Buy in from the clinical nurse managers, executive team and budget holders through highlight report risks.	2

Social Care & IJB

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Stephen Brown	John Daniels	AHP Leads	Bruce Young	Steven Phillips	Harmony Bourn	N/A

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
IJB Agency Spend Reduction	Replace agency staff with substantive and reduce agency spend	£0	£0	£0	£6,667	£6,667	£6,667	£6,667	£6,667	£6,667	£6,667	£6,667	£6,667	**£60,000**
Allocations and Contributions	Non-recurrent allocations and contributions	£0	£0	£0	£0	£50,000	£0	£0	£0	£0	£0	£0	£0	**£50,000**
Review of Head of Strategic Planning & Performance vacant post	Remove the Head of Strategic Planning & Performance vacant post from the system on a permanent recurring basis	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	£8,167	**£98,000**
Connect Autism		£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	£12,500	**£150,000**
	Total	**£20,667**	**£20,667**	**£20,667**	**£27,333**	**£77,333**	**£27,333**	**£27,333**	**£27,333**	**£27,333**	**£27,333**	**£27,333**	**£27,333**	**£358,000**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
The reduction of agency staff for nursing cannot be achieved due to lack of recruitment. Nurse agency spend has been a chronic challenge for the IJB.	3	3	9	Amber	On-going recruitment efforts supported by the People & Culture Team.	6
The savings associated with the Autism contract cannot be realised as the new model cannot be implemented due to recruitment challenges.	3	3	9	Amber	Close monitoring by management. Improved access criteria.	6

Theatre Utilisation – underway to conclude from June 2025

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Laura-Skaife Knight	Phil Tydeman	N/A	Mareeya Montero	Steven Phillips	Harmony Bourn	Karen Spence

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score

Workforce

Senior Responsible Officer	Delivery Lead	Clinical Lead	Finance Lead	People Lead	Improvement Lead	Staff Side Rep
Jarrard O'Brien	Steven Phillips	Sam Thomas / Dr Anna Lamont	Mareeya Montero	Steven Phillips	Lauren Johnstone	Ryan McLaughlin

Scheme	Scheme Description	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25	Jan-26	Feb-26	Mar-26	Total
e-Payslips	Implement e-Payslips across the organisation and move away from paper payslips	£0	£0	£0	£333	£333	£333	£333	£333	£333	£333	£333	£333	£3,000
Staff Travel Reduction	Reduce staff travel spend through vacancy control panel	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£4,167	£50,000
Non-medical Agency Reduction - Acute Healthcare Science	Agency reduction savings in Healthcare Science	£0	£0	£0	£0	£0	£0	£11,667	£11,667	£11,667	£11,667	£11,667	£11,667	£70,000
Non-medical Agency Reduction - Acute Nursing	Agency reduction savings in Acute Nursing	£0	£0	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000	£8,000	£80,000
Excess Hours and Overtime Reduction	Reduce excess hours and overtime through vacancy control panel	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£8,333	£100,000
Reform of Band 7 and above posts	Review of Band 7 and above posts	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£43,599	£523,190
	Total	**£56,099**	**£56,099**	**£64,099**	**£64,432**	**£64,432**	**£64,432**	**£76,099**	**£76,099**	**£76,099**	**£76,099**	**£76,099**	**£76,099**	**£826,190**

Risk Description	Likelihood	Impact	Score	Rating	Mitigations	Residual Score
The removal of posts and changes to workforce lead to the need to review and reinstate some posts to safeguard patient care and staff well-being	3	3	9	Amber	QIA panel to review all post changes. On-going discussions with line managers to understand local impact. Pre-implementation assessment to ensure all risks considered.	6
Agency savings cannot be achieved due to a lack of suitable candidates or a lack of candidates applying.	3	3	9	Amber	People and Culture developing recruitment efforts to support. Nursing recruitment as a good exemplar approach.	6

Glossary

Acronym	Meaning
APF	Area Partnership Forum
AfC	Agenda for Change
CEO	Chief Executive Officer
CIP	Cost Improvement Plan
ESLT	Extended Senior Leadership Team
FY	Full Year
IJB	Integration Joint Board
IPR	Integrated Performance Report
IY	In Year
KPI	Key Performance Indicator
MRI	Magnetic Resonance Imaging
NHS	National Health Service
NHSO	NHS Orkney
PRM	Performance Review Meeting

Acronym	Meaning
QI	Quality Improvement
QIA	Quality Impact Assessment
RAG	Red Amber Green (rating)
RRL	Revenue Resource Limit
SG-FDU	Scottish Government -Financial Delivery Unit
SLT	Senior Leadership Team
WTE	Whole Time Equivalent

Joint Clinical and Care Governance Committee - 4 February 2025 Minutes

NHS Orkney
04/02/2025 14:00GMT

Attendance

Present:
Members: Stephen Brown, Kirsty Cole, Debs Crohn, Rona Gold, Issy Grieve, Kat Jenkin, Anna Lamont, Wendy Lycett, Darren Morrow, Rachel Ratter, Laura Skaife-Knight, Jean Stevenson, Sam Thomas, Louise Wilson
Guests: Ivan Taylor

Absent:
Members: Morven Gemmill, Meghan McEwen, Ryan McLaughlin, Jarrard O'Brien

1. Apologies (Presenters: Chair)

   Apologies were received from S Brown, L Hall and M McEwen.

2. Declarations of Interests – Agenda Items (Presenters: Chair)

   No declarations of interest were noted with regard to agenda items.

3. Minute of Meeting held on 2 December 2024 (Presenters: Chair)

   The minute of the Joint Clinical and Care Governance meeting held on 2 December 2024 were accepted as an accurate record of the meeting. It was noted K Cole had provide apologies.

4. Action Log (Presenters: Chair)

   The action log was discussed with corrective action taken and providing updates where required.

5. Chairs Assurance Report

   Members noted the report.

6. CHAIRS ASSURANCE REPORTS

   6.1. Area Drugs and Therapeutics Committee Chair's Assurance Report (Presenters: Medical Director)

   Members noted the paper.
   J Stevenson queried why the Stroke Pathway Consolidation would form part of the new orthogeriatric workstream. The Medical Director advised the TIA primarily focused around assessment of risks regarding frailty.
   The Chief Officer noted the issue relating to Out-of-Hours Antiviral Availability. Members were advised that clarification had been sought and an update had been issued. Members noted the movement in progress as well as the progress on Nitrous Oxide Decommissioning in A&E.
   The Chair noted the collaborative engagement at the meeting and raised a query regarding the funding risks for High-Cost Medicines and what actions had been taken to manage the potential

risk and where the tracking was evidenced. The Medical Director advised it was a standing risk around high cost medicine and was tracked through the Pharmacy Improvement Workstream. The Medical Director highlighted there was agreement to formally approve formulary items locally to ensure clinical governance approval and validity in NHS Orkney.

Decision / Conclusion

The Committee reviewed the report and took assurance on the information provided.

6.2. Infection, Prevention Control Committee Chair's Assurance Report - no paper see below (Presenters: DoNMAHP)

There had been no meeting since the last time the Chairs Assurance was presented.

6.3. Social Work and Social Care Governance Board (SWSCGB) Chairs Assurance Report - No paper see below (Presenters: Chief Social Work Officer)

There had been no SWSCGB meeting's since the last time the Chairs Assurance was presented.

6.4. Clinical Governance Group Chair's Assurance Report - No paper submitted (Presenters: Medical Director)

December meeting deferred and re-scheduled for March 2025.

7. JCCGC Business Cycle and Workplan 2025/26 - verbal (Presenters: DoNMAHP)

Members discussed the approved JCCGC Business Cycle and Workplan for 2025/26 and agreed that reporting

Members discussed the reporting timeframes to ensure up to date data was captured and presented. The Chief Executive agreed that this included the Integrated Performance Report and an end-to-end review was taking place. A discussion would be held by the Chief Executive and report back to the Chair as an action.

D Morrow emphasised that in additional to the Annual Chief Social Work Officer report, up to date and relevant social work and social care strengths and areas for development would be provided to JCCGC through the Social Work and Social Care Governance Chair's Assurance Report.

The Chief Executive emphasised patient experience required further attention and an improved approach with developed patient experience programmes which would focus as a priority of the Corporate Strategy within quarter two. Patient and Public Engagement also required a clearer and strengthened approach from April 2025.

Decision / Conclusion

Members approved the addition of Integrated Performance Report (IPR) being added to each meeting.

8. PATIENT SAFETY, QUALITY & EXPERIENCE

8.1. Corporate Risks aligned to the Joint Clinical and Care Governance Committee (Presenters: DoNMAHP)

The Committee noted the report which provided an update and overview of the management of risks related to the committee. The top three lists were a new feature of the report and five risks had been added.

K Cole queried why clinical services were altogether under the Fragile Clinical Services risk and why there was no individual risk level assigned. The Medical Director advised it was not a risk about individual services, it was around fragile services and the circumstances that lead to the fragility. Individual risks were tracked at the Planned Care Programme Board. It was agreed the description would be made clearer. Outputs of the four specialities would be presented to the

Finance and Performance Committee through the Planned Care Programme Board Chair's assurance report.
K Cole asked for clarity around the impact description for the risk in relation to Capacity within Mental Health Services whereby it described the impact on patients on a specific service rather than other services within the rest of system. Therefore, there were clear impacts on the mental health team capacity and effect on the emergency department and primary care services not captured as an impact of capacity of the mental health team. The Medical Director advised risks were specific on the impact being scored which formed part of the risk description.
K Cole asked what progress had been made in relation to the risk Organisational Clinical Policies and Procedures. The Director of Public Health advised an update was not due however the Clinical Policies and Procedures Oversight Group had met and included both clinical and non-clinical staff, a workplan had been developed which included engagement with workgroups.
The Chief Executive advised there was a short life working group that focused on overdue policies, a progress report would be presented to SLT and the Board in February 2025.
The Director of Public Health highlighted that the committee was a joint committee with the IJB therefore should the committee require oversight of risks and mitigations on the health and social care side. The Chief Officer, IJB advised there was an IJB risk register which was presented to the Performance and Audit Committee.

Decision / Conclusion

The Committee noted the report and discussed the risks aligned to the Committee and took assurance on the progress on the risk register.

8.2. Public Protection Improvement Programme Update - No paper submitted (Presenters: Public Protection Lead)

No paper was received.

8.3. Quality, Safety and Experience Quarter 3 Report (Presenters: Medical Director)

The Medical Director presented the report advising it continued to develop as it matured the aim was to be able to provide much richer information around quality improvement in relation to incidents and themes and trends, as well as work around Excellence in Care (EiC) and the Scottish Patient Safety Programme (SPSP).
J Stevenson requested assurance that the learning possibilities had been actioned following the downgrade of the SAE Review in relation to an urgent GI endoscopy. Members were advised there was an action for the team to construct an endoscopy pathway as part of the action plan monitored by the Clinical and Quality Group.
I Grieve welcomed progress made under complaints.
The Director of Public Health raised a query around expected training figures for Complaints and Feedback and Investigation Skills. Members were advised that the training was only required to be completed once and previous figures were lost during the transfer to Turas from LearnPro and were made aware of who should be completing the training.
K Cole noted the reference to an independent General Practice that had not reported contractor complaints during quarter 2 or 3 and if that had been followed up. Members were advised it had been followed up.
The Chair queried a reference within the cover paper stating there was no identified impact within the report in relation to equality and diversity including health inequalities and whether patient experience was measuring equality and diversity including health inequalities. The Medical Director advised it was captured as part of Care Opinion where data was not accessed/shared.
The Chair queried whether the suggestion in relation to supporting the process of referral whereby GPs would have direct access to endoscopy services, reducing the workload in surgical outpatient clinics and the delay in diagnosis had been actioned. The Medical Director advised

there was no direct route into the actual endoscopy however work had been developed to on a direct access route for sponge capsule endoscopy.
The Chair requested clarity regarding the action in place around waiting times and accessing services concerns. Members were advised concerns differed from complaints therefore the concern was raised to individual services.

Decision / Conclusion

Limited assurance was provided due to the report being in a draft format to allow time for response and investigation time limits to be met. For incidents and stage two complaints, this was 20 working days.

8.4. Whistleblowing Quarter 3 Report (Presenters: Chief Executive)

The Chief Executive presented the report advising there were no whistleblowing concerns raised during Quarter Three of 2024/25. The whistleblowing case reported in 2022/23 referred to the Independent National Whistleblowing Officer in the first quarter for further consideration, was now in the review stage and was awaiting the outcome of the review. Decision had since been withheld.
The report summarised responses to the anonymous form for reporting concerns which was launched in the previous quarter.
The Chair thanked the Chief Executive for leading on the whistleblowing reporting and it was noted from April 2025 it would be reported to Staff Governance Committee with exceptions to JCCGC.

Decision / Conclusion

The Whistleblowing Quarter 3 report was noted and the transition of the Executive Lead from Chief Executive Officer to the Medical Director form 1 April 2025.

8.5. Water Safety Research Project (Presenters: Infection Prevention Manager)

The Infection Prevention Manager presented the report advising work was ongoing to remove 20 clinical hand wash stations within the inpatient areas, the funding had been set to include removal of all parts including the pipework and to make good with new IPS panels. The funding was currently being held by NHS ASSURE for this work and research project where staff and patient surveys were being completed to gather baseline perception data. The work was supported by the Water Safety Group and had been discussed at the Occupational Health & safety Committee and Infection Control Committee.
Following discussion members were advised the project would not proceed without assurance that there would not be additional costs in relation to the NPD contract.

Decision / Conclusion

Members noted the work underway on the Water Safety Research Project in conjunction with NHS ASSURE to review the clinical handwash basins within 20 of the inpatient's rooms only at The Balfour, with a plan for removal of these sinks supported by NHS ASSURE funding, and works would not progress without external funding.

9. PEOPLE

9.1. The United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 Update (Presenters: Director of Public Health)

The Director of Public Health presented the report advising a local multiagency group chaired through the Education department at Orkney Islands Council had been set up and NHS Orkney participated in the group. This enabled shared learning at the local level and an understanding of activity across the system. The Improvement Service had a suite of supporting information on United Nations Convention on the Rights of the Child (UNCRC), and the plan was for services

to undertake a self assessment of where they were in relation to UNCRC. This would start with the children's services which would then guide further activity.
The Chief Executive highlighted the requirement for details around actions that would be taken forward within detailed timescales.
I Grieve queried whether awareness training would be available on TURAS and was advised whilst not mandatory, staff were encouraged to undertake the training.
The Head of Children's Services and Community Justice suggested that three core areas of the legislation was advocacy, child friendly complaints processes and independent legal advice. It was suggested that the sub committee under the Children Services Strategic Planning group would develop a partnership wide implementation plan. Thereafter mandatory training should be put in place. This was an agreed action and an update on the governance structure would be presented at the next meeting.

Decision / Conclusion

Limited assurance was taken on the United Nations Convention on the Rights of the Child (Incorporation) (Scotland) Act 2024 update. Director of Public Health, Chief Officer IJB and Head of Children's Services & Criminal Justice to meet to discuss an approach to developing an action plan that is partnership wide, with possible governance through the Children's Services Strategic Planning sub- committee on UNCRC. An update would be provided.

10. PERFORMANCE

10.1. Four Hour Emergency Access Standard Expert Working Group Recommendations Report (Presenters: DoNMAHP)

The Director of Nursing, Allied Health Professionals, Chief Officer Acute Services presented a report from the National Four Hour Emergency Access Standard Expert Working Group on the new national 4 hour standard, advising that greater consistency in reporting of A&E performance across Scotland, was required.
Members noted that this required the current definition being amended to include all acute, medical, surgical and mental health emergencies bringing the definition more in line with current frameworks in other parts of the UK.
Local data had been assessed to understand any impact of the upcoming changes. Data suggested that the changes would not severely impact NHS Orkney's compliance (circa 0.03%), and patients currently not being held to the 4-hour standard have a similar equity of care to those held to the standard when considered in the context of the revised guidance.

Decision/Conclusion

Members noted the new guidance for adoption of the national 4 hour standard from December 2024.

10.2. Integrated Performance Report - Quarter 4 2024 25 and from April 2025 onwards (Presenters: Medical Director)

The Chief Executive apologised for there being no report and explained further work was required to understand the position.

10.3. Centre for Sustainable Delivery (CfSD) - Endoscopy Report - No paper submitted (Presenters: Medical Director)

No report received

11. POTENTIAL

11.1. Realistic Medicine 6 month update report (Presenters: Medical Director)

The Medical Director presented the report providing the Realistic Medicine (RM) 6-month update highlighting achievements against the NHS Orkney RM Action Plan, key challenges, and planned next steps. Feedback from the recent meeting with the national RM policy team had been highly positive, with specific commendations on NHS Orkney's leadership and innovative practices.
The RM Clinical Lead had actively engaged staff through quality improvement training, raising awareness of RM principles and their practical application. However, sustaining momentum remained a challenge given funding uncertainties and limited capacity.
Scottish Government commended what had been done as exemplar.
Decision/Conclusion
Members received the 6-month update.

12. PLACE

13. Emerging issues and Key National Updates (Presenters: Chair)

The Chief Officer, IJB advised members that the National Care Services Part 1 had been dropped from the Bill which posed significant implications.
Members of the IJB had been updated on the on-going issues at St Rognvald's House whereby a large scale investigation went live in December 2024. The home had been closed to new admissions due to level of concerns around quality of care.

14. Agree items to be included in Chair's Assurance Report to Board (Presenters: Chair)

15. AOCB (Presenters: Chair)

16. Items for Information and Noting Only

Members noted information for noting.

16.1. Schedule of Meetings 2024/25 - 2025/26 (Presenters: Chair)

Members noted dates of future meetings.

16.2. Record of Attendance (Presenters: Chair)

Members noted attendance records.

Audit and Risk Committee - 4 March 2025

Minutes

NHS Orkney
04/03/2025 09:30GMT

Attendance

Present:

Members: David Eardley (Azets), Mel Barnes (Interim Director of Finance), Debs Crohn (Head of Improvement) , Suzanne Gray (Senior Financial Accountant), Kat Jenkin (Head of Patient Safety, Quality and Risk), Joanna Kenny (Non-Executive Board Member), Rashpal Khangura (KPMG), Anna Lamont (Medical Director), Ryan McLaughlin (Employee Director), Rachel Ratter (Committee Support), Laura Skaife-Knight (Chief Executive), Keren Somerville (Head of Finance), Jason Taylor (Chair), Phil Tydeman(Director of Improvement)
Guests: Taimoor Alam, KPMG

Absent:

Members: Rachel King (Azets), Jean Stevenson (Non-Executive Board Member)

1. Cover page

2. Apologies (Presenters: Chair)

   Apologies received from J Stevenson (J Kenny - deputy)

3. Declaration of Interest (Presenters: Chair)

   There were no declarations of interest raised.

4. Minute of meeting held on 10 December 2024 (Presenters: Chair)

   The minute of the Audit and Risk Committee meeting held on 10 December 2024 was approved as an accurate record of the meeting.

   4.1. Chairs Assurance Report from meeting on 10 December 2024 (Presenters: Chair)

   The Chair's Assurance report of the Audit and Risk Committee meeting held on 10 December 2025 was approved as an accurate record of the meeting.

5. Action Log (Presenters: Chair)

   The action log was reviewed, and corrective action agreed on outstanding issues (see action log for details).

6. Risks escalated from other Governance Committees (Presenters: Chair)

   Format of the Corporate Risk Register cover paper for / timings of updates
   Risk workshop
   Contact Management Procurement

7. Corporate Risk Register ARC2425 - 75 (Presenters: Medical Director)

The MD presented the report which provided an overview and update on risk management across NHS Orkney. There were 2 risks aligned to the Audit and Risk Committee.
The Chair acknowledged and appreciated the 3 month review cycle for medium risks and 12 months for low risks however queried the alignment with committee meetings to ensure relevant data was presented. The Chief Executive identified the concern as a theme across governance committees and proposed a full Board discussion around risk.

Decision / Conclusion

The committee reviewed and discussed the risks aligned to the committee, and agreed the concern should be discussed in the forthcoming risk workshop.

8. SLT Chair's Assurance Reports ARC2425 -74

The Chief Executive presented the SLT Chair's Assurance Reports from the meetings held on 16 December 2024, 8 January, 5 and 14 February 2024 highlighting:

- 5 new risks were approved to be added to the Corporate Risk Register
- Closure of outdated version of C-Cube risk agreed – target risk score had been met and mitigations are complete
- Risk updates: Urgent Cancer waiting times risk had been reduced due to additional work undertaken by the Clinical Governance team. The MRI Scanner risk had been reduced due to confirmation of funding from Scottish Government

The Chair requested that SLT minutes are included at further meetings under the items for noting section.

Decision / Conclusion

The committee welcomed and noted the reports

9. Risk Management Group Chairs Assurance Report and minutes ARC2425 -76

The Head of Patient Safety, Quality and Risk joined the meeting to present the Risk Management Group (RMG) Chair's assurance reports from the meeting held on 12 February 2025 highlighting:

- There had been good attendance with excellent in depth discussions
- The implementation plan for the revised risk management processes continues with a workshop being completed on 6 February. This was well attended with four areas of focus – Education, Communication, Practical Implementation and What Haven't We Thought Of?
- A draft Health and Care Staffing Act Escalation Standard Operating Procedure (SOP) was presented. The SOP was well received but there were some suggestions to make this shorter and more of a 'grab' document for staff. There were meetings about this happening between meetings with the hope to bring this to the next RMG
- The risk jotter presented – Management of Staff Absence, was returned to the author for clarification required
- Robust scrutiny is being applied to risk jotters and discussion of risk, with members actively using the risk matrices to support these discussions. Attendance to meetings continues to be high with active engagement across all attendees. Support with the implementation plan had been high and allowed for sharing of good ideas and different ways of working to be included in the approach

It was agreed that the Director of People and Culture would include detailed information and clarification around risk and risk processes within the managers induction programme.

Decision / Conclusion

The committee welcomed the in-depth discussions held at the RMG and took assurance from the reports.

The Head of Patient Safety, Quality and Risk left the meeting.

10. People

11. PATIENT

12. PERFORMANCE

12.1. SFI Waiver Report ARC2425 -77 (Presenters: Interim Director of Finance)

The Interim Director of Finance presented the report providing members with an oversight of all SFI waivers that had been approved from April 2023 to March 2025.
There had been none received since July 2024.
Decision/Conclusion
Members noted and approved the report.

13. Governance Committee Workplans 2025/26

13.1. Joint Clinical and Care Governance Committee, Finance and Performance Committee, Remuneration Committee, Staff Governance Committee ARC2425 -78 (Presenters: Chair)

The Chair advised that all Governance Committees of the Board review their core documents and Workplans annually to ensure that they were up to date, relevant and meeting current legislation.
Individual Committee Development sessions were held in the last quarter of 2024 where documentation was reviewed, and agreement reached on any changes to the Workplans for 2025/26. These were provided to the committee for assurance that remits were accurately reflected, prior to presentation to the Board for final approval as required in the Model Standing Orders.

- Joint Clinical and Care Governance Committee (JCCGC)
- Finance and Performance Committee (F&P)
- Remuneration Committee
- Staff Governance Committee

Members agreed that the formatting of dates would be tidied up within the F&P Workplan and the two Executive Leads for both the F&P and Audit and Risk Committee would discuss elements that fell under both business cycles to ensure clarity around roles.
Decision / Conclusion
The Audit and Risk Committee endorsed the Governance Workplans for 2025/26 subject to the above caveats.

14. Code of Corporate Governance for Recommendation of Board approval - ARC2425 -79 (Presenters: Head of Improvement)

The Head of Improvement presented the refreshed Code of Corporate Governance for Recommendation of Board approval approval of the amendments and updates to the Code of Corporate Governance 20025/26, noting the Standing Financial Instructions have remained unchanged from Version 17 (2024/25) due to a full review being underway. This work is expected to be completed by the end of Quarter 3 2025/26.

The main changes to the Code during this review have included:

- Amendments to the Governance Committee Terms of Reference following individual Committee reviews
- Changes to purpose and aims to reflect the Corporate Strategy 2024-2028 Strategic Priorities
- Minor changes to job titles, emails addresses and links to reflect current arrangements

The Medical Director highlighted that it was helpful to see the track changes and requested this across all such documents presented to committee / board as appropriate (Action: Head of Improvement)

Decision/Conclusion

The Committee recommended Board approval of the Code of Corporate Governance subject to minor formatting amendments.

15. POTENTIAL

15.1.1. Internal Audit progress report - 81- ARC2425 -80

D Eardley presented the report which provided a summary of internal audit activity since the last meeting, confirming the reviews planned for the next quarter and identifying changes to the annual plan. Three reviews had been completed since the previous Audit and Risk Committee in December 2024.

It was proposed that the Risk Management workshop be deferred to May 2025 following confirmation from management that it would not be able to take place during 2024/25.

15.1.2. Internal Audit Reports

15.1.2.1. Financial Controls - Income and Expenditure ARC2425 -82

D Eardley presented the report which summarised a review of the policies and procedures for income and expenditure and found that while there there were Standing Financial Instructions in place, there was a lack of supporting policies and procedures across both income and expenditure. Basic finance training had been provided to staff with finance responsibilities as part of induction, but this did not include training on certain, important areas such as budget management.

Ten improvement actions were raised to support management, both in the work which had been initiated and in those areas where focus was needed. Further information was included in the management action plan.

Azets suggested and it was subsequently agreed that the conclusion would be updated to reflect discussions held with the Director of Improvement to clarify the second sentence, to reflect there had been a mix of staff changes and unavailability which had impacted the teams availability over the last 12-18 months. It was acknowledged that management had worked hard to get more robust and responsible over the period and found solutions towards challenges.

Areas of good practice were detailed within the report and a number of areas for improvement were identified which, if addressed, would strengthen NHS Orkney's control framework.

The Chair observed that it could be evidenced that contract procurement management had been looked into and improvement actions were in place which would be fed back to other Governance Committees (in response to items escalated from other committees).

Decision / Conclusion

The Committee reviewed the report and accepted the recommendations and amendment to the conclusion.

15.1.2.2. Strategic Planning ARC2425 -83

D Eardley presented the report which reviewed the controls and processes put in place with regards to strategy to ensure there was a clear direction and robust method for implementation of this strategy in the coming years. It was acknowledged that NHS Orkney was operating in a challenging environment with both internal and external factors placing significant pressure on the health board.

While the controls and processes followed were generally robust, there were some areas for improvement which NHS Orkney should work to implement such as SMART specificity of KPIs. This would ensure continued improvement and a more robust process to stand up against a very challenging operating environment.

Areas of good practice was summarised including regular engagement between NHS Orkney and the IJB. This was reflected in the alignment of both their strategic plans and as the Chief Officer for IJB was a member of NHS Orkney's Senior Leadership Team.

Decision / Conclusion

The Committee reviewed the report and accepted the recommendations

15.1.2.3. NHS Orkney Internal Audit Sustainability Follow Up Review

D Eardley presented the report advising in accordance with the 2024/25 Internal Audit Plan, a focussed review of eight historical internal audit actions had been carried out. These were selected by the Director of improvement in discussion with the Corporate Leadership Team and approved by the Senior Leadership Team (SLT) in August 2024, recognising these reflected known areas of challenge for the Health Board. The review had included liaising with action owners to determine the extent to which the actions had in fact been fully implemented and confirming if currently embedded in NHS Orkney processes.

Overall it was found that some controls were in place and/or had been further developed, such as the creation of a new Clinical Governance reporting structure and monitoring arrangements for the shared strategic objectives between NHS Orkney and the IJB.

There were a number of areas in which actions had not been completed. This included the creation of a SMART action plan for the priorities contained within the clinical strategy, work to approve and implement a new treatment time guarantee breach letter, the development of a set of key metrics to be used to

monitor and report against SLA progress, consistent reporting on Adult Support Protection performance statistics and a lack of consensus between the NHS Orkney Board and the Integration Joint Board (IJB) as to what constitutes a significant variance that should be escalated to the Board.

Members agreed that it would be beneficial to include the Sustainability Follow Up Review within the Internal Audit 3 year cycle plan.

Decision / Conclusion

The Committee reviewed the report and accepted the recommendations

15.2. Internal Audit Recommendations

15.2.1. Internal Audit Recommendations ARC2425 -85 (Presenters: Director of Improvement)

The Director of Improvement presented the report advising there were a number of areas in which actions had not been completed. This included the creation of a SMART action plan for the priorities contained within the clinical strategy, work to approve and implement a new treatment time guarantee breach letter, the development of a set of key metrics to be used to monitor and report against SLA progress, consistent reporting on Adult Support Protection performance statistics and a lack of consensus between the NHS Orkney Board and the Integration Joint Board (IJB) as to what constitutes a significant variance that should be escalated to the Board.

Members were advised of 13 management actions had been closed and 10 with agreed revised dates for completion from 2023/24, and the closure of 9 management actions in line with original timescales from 2024/25.

Members were advised of a new approach to the 2025/26 audit planning cycle, comprising a reduction to five audits with enhanced executive input, greater specificity of ask, and an expectation of best practice comparators.

It was requested and agreed that the 2023/24 tracker and full 2024/25 would be provided as an appendix at the next meeting.

Decision / Conclusion

The Audit and Risk Committee noted the update and approved the extension to the timelines as requested.

15.2.2. Draft Internal Audit Plan 2025/26- 81- ARC2425 -8//0

Members received the internal audit plan, highlighting specifically the 2025/26 proposed programme based on risk and audit needs assessment as at December 2024. In response to a management request the plan would undertake a deeper dive into a focused range of areas.

The plan had also been cross-referenced to the NHS Orkney risk register as at September 2024.

The Medical Director requested that the Caldicott Guardian was included within the Information Governance section of the plan.

The Chair noted the importance of agreeing a timeframe for the risk management workshop and requested follow up with the Medical Director, Head of Improvement and the Board Chair.

It was also requested that the scope of audits was presented and approved to the committee prior to the commencement of the audits. It was agreed a further discussion would be held regarding best practice regarding how the committee would receive the scope to ensure it would not caused a pause in the progress of delivery of the programme.

Decision / Conclusion

The Audit and Risk Committee received the progress report and endorsed the proposal suggested to defer the Risk Management report to 2025/26 and approved the draft Internal Audit Plan 2025/26 with the above caveats. It was agreed that the Internal Audit Sustainability Follow Up Review would be built into the plan's 3 year cycle.

Final National Information Security (NIS) Audit Report ARC2425 -87 (Presenters: Head of Improvement)

The Head of Improvement presented the report, summarising that as a result of the increased focus of the Short Life Working Group and work completed to date in 2024, NHS Orkney met an additional 13% of controls, increasing the compliance rate to 50%, in line with the target set in the Corporate Strategy delivery plan for 2024/25.
Auditors recognised significant improvements had been made since the last audit and there was a clear development plan in place for improvements, with a clear vision and plan for the future to ensure continuous, year-on-year improvements could be made.
Members were advised whilst there was much to be proud of, there was still a way to go to ensure full compliance with the NIS regulations as 4 areas remain rated red.
The Committee recognised and congratulated the great progress made and were assured mechanisms would be put in place to ensure progress continued.
The Chief Executive described the work as exemplar due to good planning and prioritisation, integration, good governance and strong leadership and how it could be used throughout the organisation as best practice.
Responding to comments in the report that highlighted resource concerns, the Chief Executive and Head of Improvement both articulated their view that the digital team were not an under resourced team and evidence, resource and engagement was required from the organisation as a whole.

Decision / Conclusion

Members noted the update and welcomed hard work and progress and future steps to increase level of compliance.

15.2.3. Annual Accounts – Key Estimates and Judgements (Presenters: Interim Director of Finance)

The Senior Financial Accountant presented the report seeking approval of the key estimates and judgements used for the 24/25 annual accounts.
Two new elements were added to the estimates, assumptions and judgements that have a significant risk of a causing material adjustment to the carrying amounts of assets and liabilities within the financial statements within the next financial year.

These were Band 5 to 6 Nurses Review and NPD Contract Irrecoverable VAT on Utilities Accrual.

Decision / Conclusion

Members approved the report.

15.2.4. Counter Fraud Services (CFS) Quarter 3 Report ARC2425 -89 (Presenters: Interim Director of Finance)

Members had received the Counter Fraud Services quarterly report up to December 2024, dealing with areas of prevention, detection, and investigation of fraud.

The report outlined the number of cases by Board; NHS Orkney had reported 0 case in the period.

Following a conversation with Audit Scotland it was confirmed there was no alternative system to record freedom of request enquiries (as per action log) but it was agreed this would be reviewed in the future.

The Chief Executive queried whether NHS Orkney had been issued the Employee Awareness Survey as the Board was not featured on the table of survey responses to Board. An action was raised to query with CFS.

Decision / Conclusion

Members noted the quarterly report.

15.2.5. External Audit Recommendations ARC2425 -86 (Presenters: Interim Director of Finance)

The Interim Director of Finance presented the report.

The external audit recommendations were reviewed, and updates included in the report.

Members were advised there had been a delay in the implementation of journal segregation recommendation and there remained 2 outstanding actions from 2022/23.

Decision / Conclusion

The Audit and Risk Committee noted the update and welcomed the clarity of the tracker.

15.2.6. External Audit

15.2.7. Draft External Annual Audit Plan 2024/25 - 84

Annual Audit Plan 2023/24 ARC2324-62

KPMG colleagues presented the report which provided the initial considerations of the audit for the year ending 31 March 2025.

KPMG had commenced their audit planning and risk assessment procedures and had identified the following risks on which they would focus on:

- Valuation of land and buildings
- Fraud risk - expenditure recognition
- Fraud risk - revenue recognition rebuttal
- Management override of controls

The wider-scope areas were briefly defined and the areas of focus and current position with the Risk Assessment work.

Decision / Conclusion

The Audit and Risk Committee noted the workplan for 2025/26.

16. PLACE

16.1. No items at this meeting

17. Items to be included on the Chairs Assurance Report (Presenters: All)

Corporate Risk Cover Paper/ Development Session
SFI Waiver approved
assurance from committee work plans
recommendation of approval to Board of CCG
Updates re internal/external recs - refreshed approach to internal audit
received audit report
received external audit plan

18. Any Other Competent Business (Presenters: All)

19. Items for Information and Noting Only

19.1. Audit Scotland Reports

19.2. Reporting Timetable for 2025/26

19.3. Record of Attendance

Orkney NHS Board

Minute of meeting of **Area Clinical Forum of Orkney NHS Board** held virtually on 4th April **2025 12:15pm.**

Present:
Kirsty Cole, GP Sub Committee – Chair
Rona Harcus, TRADAC
Ellen Kesterton - NAMAC
Gina McMahon – TRADAC
Kirsti Jones – NAMAC
Lyndsay Steel - APC

In Attendance:
Anna Lamont - Medical Director
Sam Thomas – DoNMAP&COA
Louise Brewer – Infant Feeding Specialist

1 **Apologies**

No Apologies noted

2 **Declaration of interest – Agenda items**

No interests were declared in relation to agenda items.

3 **Minute of meeting held on February 2025**

The minute from the meeting held on the February 2025 was accepted as an accurate record of the meeting and was approved.

4 **Matters Arising**

There were no matters arising that were not covered on the agenda.

5 **Area Clinical Forum Action Log**

The Action Log was reviewed, noting that there was one outstanding item 01-202/25

6 **Escalation Log**

The Escalation Log was updated

7 **Chairs Reports**

7.1 **Board Update – ACF CAR**

Members noted the Chairs Assurance Report submitted to Board.

7.2 **National ACF Chairs meeting**

The last meeting was cancelled therefore no update

7.3 **CHAIRS ASSURANCE REPORTS**

7.3.1 **GP Sub Committee**

Community Mental Health Team vacancies causing significant risk to team, John Daniels committed to speaking to Lynda Bradford about this. Clarity on ADHD Medications and on how these prescriptions are made availability to patients. Waiting lists data, not reflecting experiences of patients or clinicians, request for consistency and honesty.

Decision/Conclusion

Public Protection Lead nurse agreed that GP's should be invited to Child Protection conferences and receive minutes for this. Clarity sought on agreements between NHSO and OIC to ensure information relating to child protection can be shared where relevant.

7.3.2 **Nursing and Midwifery Advisory Committee – NAMAC**

Ongoing recruitment issues, statutory and mandatory training, continued issues with staffing tools and international recruits.

Decision/Conclusion

Members agreed to invite Director of People and Culture to the next meeting to provide update around the reduced working week.

7.3.3 **Therapy, Rehabilitation, Assessment and Diagnostic Advisory Committee – TRADAC**

Student Accommodation, AHP involvement in discussions surrounding Hospital Discharge & Patient flow, vacancy Panel delays impacting on SALT & lead AHP's roles and vacancies in Corporate services impacting advisory groups.

Decision/Conclusion

Approval TRADAC reporting timetable and committee to write to Associate Director AHP regarding AHP contribution to Hospital discharge and patient Flow

7.3.4 **Area Pharmaceutical Committee – APC**

There has been no recent meeting and therefore no CAR.

Decision/Conclusion

None made.

8 Governance

8.1 **2024-2025 Annual Report**

The annual report was reviewed and approved subject to minor formatting changes

9 Business Items

9.1 **PREVENT**

The Resilience Officer presented the Counter Terrorism Strategy to the group. The policy has been revised and approved by SLT in February 2025. The presentation provided an update and expectations of staff, employer and health care settings. Turas's module is compulsory and everyone encouraged to undertake this.

9.2 **Student accommodation**

SBAR Presented by AHP Practice Education Lead – Significant issues around student accommodation. Expectation to take students, however not affordable accommodation available, Graham House is usually booked by medical students well in advance, leaving little options for others.
Request to link in with the Director of Improvement as there is work going on around this. The issues around accommodation are not just for students but affects locums and visiting consultants ect. Other issues highlighted around doors being lockable within shared properties.

9.3 **Tongue Tie Guidance**

The Infant Feeding Improvement Specialist presented the Management of Tongue Tie guidance to the committee. Congratulations and thanks given for the work that went into this guidance. A question was raised around 4.4 and the referral process and aim to see parents within 7 days or to be seen by NHS Grampian. Some areas to be tightened up as work continues, clarity on inadequate feeding and breast / bottle feeding. Pending additional of inclusive language changes and the group recommend this is sent to governance group for approval following scrutiny from the group.

10 Development Sessions

10.1 **Development Session**

May 2025 – Frailty Pathways

11 **Any Other Competent Business**

There was no other competent business noted

12 **Chair's Assurance report to Board**

Members agreed on the content of the Chairs Assurance Report to Board.

13 **Items to be Communicated with the Wider Clinical Community**

None noted.

14 For Information and Noting

14.1 **Correspondence**

No correspondence had been received.

14.2 **Schedule of Meetings 2024/25**

Members noted the schedule of meetings for 2024/25.

14.3 **Record of Attendance**

Members noted the record of attendance.

Finance and Performance Committee 27 March 2025 Minutes.

Attendance

Present:
Melanie Barnes (Interim Director of Finance), Davie Campbell (Chair - Non-Executive Director) Debs Crohn (Head of Improvement – minute-taker), Meghan McEwen (Board Chair – Non-Executive Director), Laura Skaife-Knight (CEO, Jean Stevenson (Non-Executive Director), Samantha Thomas (Director of Nursing, Midwifery, Allied Health Professionals and Chief Officer Acute Services), Phil Tydeman (Director of Improvement), Lynda Bradford (Head of Community Services on behalf of Stephen Brown)

Guests: Jarrod O'Brien (Director of People and Culture)

1. Cover page

2. Welcome and Apologies

The Chair (Davie Campbell) opened the meeting at 09.30 am.

Apologies received from Issie Grieve (Non-Executive Director) and Stephen Brown (Chief Officer – Integration Joint Board).

Jarrod O Brien (Director of People and Culture) attended Committee for item 14 - Workforce Workstream Update March 25

Members agreed the meeting was quorate in accordance with the Boards Code of Corporate Governance.

3. Declarations of Interest (Presenter: Chair)

There were no declarations of interest raised.

4. Minute of the meeting held 30 January 2025 (Presenter: Chair)

The Minutes of the meetings held on 20 January 2025 were accepted as an accurate record of the meeting and approved.

5. Action Log (Presenter: Chair)

The action log was reviewed, no outstanding issues (see action log for details).

6. Matters Arising (Presenters: Chair)

The Board Chair acknowledged that a conversation had taken place regarding the presentation of risks. at the last meeting but this was not recorded in the minute. Committee Chair advised that there were some questions raised in relation to risks, that these will be picked up at the Board Seminar on risk taking place in May 2025.

7. Chairs Assurance Report Finance and Performance Committee held 30 January 2025 (Presenter: Chair)

Committee Chair presented the Chairs Assurance report of the Finance and Performance Committee meeting held on 30 January 2025.

Decision/Conclusion
Committee noted the report and discussed items escalated to the committee.

8. Update from National Directors of Finance Meeting FPC2425-110 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the update from the National Directors of Finance meeting held on the 3 February 2025. Points to note as follows:

- All Boards have now submitted their 3-year-financial plans. These will be discussed at the next Directors of Finance meeting on the 27 March 2025
- The Board was commended for the quality of our 3-year-financial plan, Scottish Government stated that it is the one of the best submissions receive.
- The Board is 1 of 4 Boards who met the 3 Scottish Government expectations set out in the planning guidance.

J Stevenson noted the report mentioned plans to refresh the TURAS platform and asked that progress updates be shared with Committee.

The Board Chair asked if the TURAS re-fresh will incur any additional cost pressures, and asked for clarity on how these are being monitored by Board Directors of Finance.

Interim Director of Finance confirmed this is on the radar for the Directors of Finance Community, regular updates on progress will be provided to Committee.

The Board Chair thanked the Interim Director of Finance for the update, this approach should be used as an exemplar for all national meeting updates at Board Committees.

Decision/Conclusion
Members noted the update.

9. Corporate Risks aligned to the Finance and Performance Committee FPC2425-111 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Corporate Risks aligned to the Finance and Performance Committee recognising that more work is required.

There is one high-risk on the Corporate Risk Register.
ter in relation to the Board being escalated to Level which will result in a section 22 notice. Due to the significant work undertaken within the Digital Services, Committee noted the reduction in scoring for the digital maturity risk.

Board Chair raised a concern regarding risk 1211 acknowledging that substantial work has been undertaken to mitigate the risk, however the narrative does not reflect the work undertaken. Risk to be reviewed by the Head of Improvement and Chief Executive/

Board Chair noted that the risk in relation to Delayed Transfers of Care is not currently on the risk register. DoNMAHP advised that the delayed transfers of care risks sit with the Joint Clinical Care Governance Committee (JCCGC) due to the patient journey aspect of the risk. This was discussed in agenda item 12.8.

Chief Executive reflected that there is a disconnect between what is presented in the risk register and the reality of what is happening.

Decision/Conclusion
Committee took assurance on the progress and mitigations presented on the latest Corporate Risk Register

10. PLACE

10.1. Chair's Assurance Report - Sustainability Steering Group FPC2425-112 (Presenter: Head of Facilities and NPD)

No meeting has taken place since the last Committee - next meeting scheduled to take place 27 March 2025.

Decision/Conclusion
Members noted the next meeting is scheduled to take place on the 27 March 2025.

10.2. Business Continuity Plan FPC2425-113 - No paper received (Guests: Resilience Manager)

No paper received.

Committee Chair expressed disappointment that the Business Continuity Plan Update was not received, this was shared by the Chief Executive.

The Chief Executive. raised concerns regarding capacity within the Boards Resilience team and advised that the paper will be brought to Senior Leadership Team 22 April 2025, Finance and Performance Committee 22 May 2025 and escalated to the Board as an area of concern.

Board Chair raised concerns regarding lack of visibility of the BC audit and the live planning scenario which is scheduled in light of the Island Games. DoNMAHP advised that a live planning scenario is planned for April 2025.

The Chief Executive committed to reviewing Executive Leadership for the resilience portfolio going forward and will pick up the concerns raised at Committee.

Decision/conclusion
Committee noted no paper was received; Chief Executive will take away the actions listed above.

10.3. Island Games 2025 Final Plan (including Communication Plan, Medical Plan and Delivery Plan) FPC2425-114

The Director of Nursing. Midwifery, Allied Health Professionals and Chief Officer Acute Services (DoNMAHP) presented the Island games 2025 final plan.

DoNMAHP advised that whilst the plan is 80% complete, we are still not in a position to approve the Island Games 2025 final plan due to outstanding actions not being finalised by the Island Games Committee. The Island Games Committee Chair attended Senior Leadership in March 2025 to provide assurance.

Chair raised concerns regarding the risks associated with the Island Games and the pressure this will place on our services. DoNMAHP advised that the Board has confirmed there is orthopedic and Emergency Department (ED) staff available throughout the duration of the Island Games, and a business continuity exercise will be undertaken in April 2025.

Board Chair asked for clarity on who could declare a major incident and what the process would be if a critical or major incident was declared and if additional on-call resources would be available in the event of a major incident for Orkney residents.

DoNMAHP advised that middle grade cover will be available throughout the Island Games. The process for accessing healthcare during the Island Games has been shared with all Countries participating. Additional support is available via Sutherland's Pharmacy. In the event of a major incident the Board process would be invoked. Emergency links will be in place with the Island Games Operations Group based at the Town Hall.

Chief Executive asked if any additional costs have been calculated in relation to the Island Games. Interim Director of Finance advised that this work is underway and will be brought to Committee once the work is finalised.

Board Chair raised concerns regarding additional costs to the Board and asked if there is a risk that this may result in additional cost pressure to the Board which are

not re-reimbursed by the Island Games Committee. Interim Director of Finance advised that whilst there may be additional costs they should be minimal.

J Stevenson asked for confirmation that staff are aware that no additional annual leave will be authorised during the Island Games. DONMAHP advised that this has been communicated via People and Culture and in staff communication, staff briefing sessions to be scheduled over the next 3 months.

J Stevenson asked if there had been any decisions made regarding cruise ships not attending during the Island games. DoNMAHP advised that there will be 2 cruise ships with approve 1,000 patients visiting Orkney during the Island Games. Final number will be confirmed ahead of the event.

Decision/conclusion
Members reviewed and scrutinised the Island Games 2025 plan, the final plan following the business continuity exercise will be discussed by the Senior Leadership Team and brought to Committee for approval and assurance 22 May 2025.

11. PATIENT SAFETY, QUALITY AND EXPERIENCE

Chair raised a concern regarding no patient safety, quality and experience papers being presented to Committee.

DoNMAHP advised that Quality Impact Assessments (QIA's) are brought to Committee, however no QIA Panels have taken place since the last meeting.

Decision/conclusion
Chief Executive to review.

12. PERFORMANCE

12.1. Finance and Performance Committee Annual Report and committee evaluation outcomes FPC2425-130 (Presenters: Chair)

The Committee Chair presented the Finance and Performance Committee Annual Report 2024/25 and Committee self-evaluation outcomes.

Board Chair asked that the poor response rate from Committee members (2 members) be noted in the annual report and asked that work be undertaken to identify how the process could be approved for the next round of annual reports.

Chief Executive asked for the following amendments to the annual report.

- It be made clearer that the Chief Financial Officer (CFO is the CFO for the Integration Joint Board (IJB) be made clearer.
- Medical Director be removed from the list of attendees and the Director of Improvement be added.

Committee Chair agreed that additional narrative should be included the Chairs Conclusion outlining the significant improvements in the Digital Services in 2024/25.

Decision/conclusion
Committee approved the annual report for submission to the Audit and Risk Committee 6 M ay 2025, following the amendments listed above being added to the report.

12.2. Month 11 Financial Results FPC2425-115 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Month 11 Financial Results.

The Board is now progressing with the work on Service Level Agreements to insure this is cognisant of cost increases.

Board Efficiency Scheme remains on track to deliver the predicted £4 million in year savings.
Capital programme remains on track for delivery this financial year.

Decision/conclusion
Committee received the Month 11 report and took assurance on progress against the financial plan, noting the increase in costs in some areas.

12.3. Financial Year End Forecast FPC2425-116 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Financial Year End Forecast noting the risks which exists for prescribing costs in January and February, and Service Level Agreements financial data.

Agenda for Change finance is still to be confirmed, noting that number of Band 5 to Band 6 submission remains at 4.

Committee Chair raised concerns regarding the number of business cases raised despite clear communications to staff of our financial escalation status as this remains a key risk to our financial sustainability.

Chief Executive was clear that the reduction in headcount is not an NHS Orkney decision it is an essential mandate from Scottish Government to bring the Board back to balance as set out in our 3-year-financial plan. Director of People and Culture and Chief Executive continue One to One conversation with Executive Directors in relation

to reducing headcount are underway and regular communications are issued to staff to ensure clear and consistent messages are shared.

Board Chair reminded Committee that the external culture, governance and senior leadership review raised concerns regarding the perception that staff are busy and asked if the workforce bench marking data had been produced. Interim Director of Finance advised that this work is underway.

Director of Improvement confirmed that bench marking is available for Band 6 and below roles, this will be analysed as part of the improving together workforce workstream.

Chief Executive expressed disappointment that the Agenda for Change (AfC) paper was not brought to Committee and asked that a deep dive on the implications for the Board on AfC be brought to Committee 22 May 2025.

Board Chair raised concerns regarding the presentation of the agency and locum costs presented as there appeared a disconnect. Interim Director of Finance advised that the costs pressures in medical and nursing departments are due to the substantial number of locums. The DoNMAHP advised that whilst costs are still high, compared to this time last year there has been a 42% reduction, there are very few agency staff being used in nursing service. All requests for locums and agency staff are subject to approval via the vacancy control panel, a recruitment campaign for medical staffing commenced at the end of March 2025 for 6.3 WTE.

Director of Improvement advised that substantial work has been undertaken to reduce the number of agency staff in nursing thanks to the leadership of the DoNMAHP, this continues to be monitored through the Improving Together Programme Board and Vacancy Control Panel (VCP).

J Stevenson asked for clarity on when and how posts will be reduced for clinical and administration staff. DoNMAHP confirmed that the Band 6 review will look at options - and was discussed in more detail in item 174on the agenda, The DoNMAHP advised that we have 4 international recruited joining the Board over the next 2 months which will remove the need for agency staff.

J Stevenson asked if there was an opportunity for clinical staff who are in administrative roles to move back into a clinical role. DoNMAHP advised that this may be an opportunity and will be considered as part of the workforce workstream.

Board Chair raised concerns regarding workforce savings identified for the Integration Joint Board (IJB). Interim Director of Finance advised that a deep dive is underway to ascertain the current position with IJB funding, this will be brought back to Committee 22 May 2025.

Decision/conclusion

Committee received the Financial Year End Forecast and took assurance on progress against the financial plan.

12.4. Scottish Government Quarter 3 Finance Meeting FPC2425-117 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Scottish Government Quarter 3 Finance Meeting report. Scottish Government were content with the Boards Quarter 3 position, however, continue to challenge the Board to do more to reduce the deficit position. Chief Executive confirmed that the meeting was positive, and the Board need to continue focusing on the asks of Scottish Government for support.

Decision/conclusion
Committee noted the Scottish Government Quarter 3 Finance Meeting update.

12.5. Financial Sustainability – Scottish Government offer to NHS Orkney. (Presenter: Chief Executive)

The Chief Executive presented the draft financial sustainability offer to NHS Orkney from Scottish Government.

The proposal has been made by Scottish Government as a result of the level of detail submitted in our 3-year financial plan and the assurance this provided. Scottish Government have assurance in the Boards Leadership Team however recognise the need for the Board to reduce headcount, improve productivity and efficiency, deliver transformational change and our financial plans if the Board is to achieve financial balance by 2028/29.

The Chief Executive advised that the letter shared with Committee is a draft, final letter from Scottish Government will come forward to Board in April 2025 for discussion.

Committee Chair asked for clarity on how the additional non-recurring funding will be used to deliver the biggest impact and how will it be monitored. The Interim Director of Finance confirmed the governance route is via the Financial Escalation Board, Finance and Performance Committee for onward assurance to the Board.

Board Chair acknowledged that the proposal from Scottish Government whilst a success story, also presents a cultural risk and an opportunity particularly transforming collaborative shared services across the North of Scotland and Orkney.

Chief Executive raised concerns regarding the removal of external support with Scottish Government, this will be reviewed and confirmed in the final letter from Scottish Government.

Decision/conclusion
Committee discussed and recommended the funding proposal from Scottish Government be approved by the Board.

12.6. Planned Care Programme Board - Chair's Assurance Report FPC2425-118 (Presenter: Director of Improvement)

The Director of Improvement presented the Planned Care Programme Board Chair's Assurance Report and advised that escalations raised have been addressed.

Board Chair thanked the Director of Improvement for the work undertaken and asked for clarity of the position with the pain service. Conversations have taken place regarding transition of the service back to NHS Grampian, this is one of the areas the Clinical Services Review is looking at.

Chief Executive reminded Committee of the requirement the Board has around Planning with People and how important it is that this must be factored into any service re-design. Director of Improvement advised that engagement is being picked up by the Clinical Services Review Oversight Group.
Director of Improvement confirmed that NHS Orkney is one of the first Board to undertake an audit of patients waiting over 40 weeks by the National Elective Co-Ordination Unit (NECU), outcomes are being monitored by the Planned Care Programme Board.

Decision/conclusion
Committee noted the report and discussed items escalated to the committee.

12.7. Improving Together Programme update. FPC2425-123 (Presenter: Director of Improvement)

The Director of Improvement presented the Improving Together Programme Update, advising the Board is in a much better position than this time last year. The Improving Together Plan for 2025/26 will be brought to Board 24 April 2025, to ensure alignment with the Clinical Services Review.

Board Chair thanked the Director of Improvement for their support over the past 12 months acknowledging the significant impact they have made on the Boards efficiency programme.

Decision/conclusion
Committee discussed and noted the update.

12.8. Integrated Performance Report - Finance and Performance Chapters (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Finance, Operational Standards and Community Chapters of the Integrated Performance Report (IPR) ahead of it going onward to the Senior Leadership Team and Public Board Meetings in April 2025.

Board Chair welcomed the performance data but raised concerns regarding the level of assurance that could be taken based on the data being presented.

Committee Chair raised concerns regarding the lack of information and narrative presented as it does not provide the assurance required by the Committee.

J Stevenson asked for clarity on when additional resources would be required to support endoscopy and cardiology. Director of Improvement advised that the first Cytosponge diagnostic clinic has taken place, 8 patients have been seen. DoNMAHP advised that the echo-cardiologist vacancy was not filled and is being covered by agency staff to ensure continuity of service for our patients on Island.

DoNMAHP advised that system pressures continue to impact our Delayed Transfers of Care (DToCs), Head of Community Services advised that the closure of St Rognvalds Care Home continues to impact on our DToCs performance. Chief Executive advised that a deep dive on DTOC's is now required, an agenda item has been requested at the next IJB, this will be brought to Board for further discussion. Board Chair asked for confirmation on why the ophthalmology waiting times data was not included in the IPR.

Chief Executive confirmed that the full chapters of the IPR are presented to Committees for visibility and recognised that the quality of narrative requires additional work, this will be discussed by the Corporate Leadership Team.

Decision/conclusion
Committee took limited assurance on the operational data presented.

12.9. Update on Corporate Governance refresh of Standing Financial Instructions and Scheme of Delegation (Phase 1) FPC2425-121 (Presenter: Interim Director of Finance)

The Interim Director of Finance provided an update on Phase 1 of refreshing the Standing Financial Instructions and Scheme of Delegation. 6 Chapters are to be reviewed. A new chapter has been added on the responsibilities of the Board, Chair and Non-Executive Directors, Director of Finance.
Minor changes to the Accountable Officer section.

Significant changes to the procurement process, budget holder responsibilities, and scheme of delegation.

Board Chair welcomed the methodology used and the ease of reading.

Board Chair asked that the section on Non-Executive Directors and remuneration committee be reviewed.

Decision/conclusion
Committee welcomed the changes, discussed the update and approved the next steps.

12.10. NHS Orkney Procurement Annual Report 2023/24 FPC2425-122 (Guests: Procurement Manager)

Committee noted the timing of the NHS Orkney Procurement Annual Report. Committee Chair asked that appropriate assurance be put in place to ensure the brought is brought to Committee earlier going forward.

Board Chair asked for clarity around the launch of the Community Benefits portal and what benefits have been delivered through the portal. Interim Director of Finance was asked to provide an update on benefits delivered,

Interim Director of Finance advised that a contracts register is now in place, and this will be presented at all Finance and Performance Committee.

Chief Executive asked that this works aligns with the Anchor Strategy and the Boards Procurement Strategy.

Decision/conclusion
Committee noted the NHS Orkney Procurement Annual report 2023/24.

13. PEOPLE

14. Workforce Workstream Update March 25 FPC2425-124 (Presenter: Director of People and Culutre)

The Director of People and Culture presented an update on the Workforce Workstream of the Improving Together Programme and the work currently underway in the following areas.

- **Vacancy Control Panel** - A review of the Vacancy Control Panel which will be complete by the end of March 2025.
- **Excess hours and bank** - A review is underway in areas where we are using excess and bank hours. Detailed analysis will be undertaken to look at how we reduce the need for excess hours, starting with high-use areas.
- **Review of agenda for Change Band 7 and above and Band 6 and below roles** - all roles are being reviewed by Executive Directors to identify if roles become vacant, would they be replaced like-for-like in terms of band and hours.

- **Reviewing current vacancies** – Executive Directors were reviewing opportunities to remove current vacancies recognising the need to remove around 40 Whole Time Equivalents (WTE) posts from the organisation.
- **Appraisals, statutory and mandatory training, sickness management** - dedicated leads have been identified to support the following areas where performance improvements are required, these being: IP1 (including HDU), IP2 (including MacMillan), ED, Domestics, Community Mental Health and Community Nursing
- **Workforce investments** - this includes looking at the £5.6 million requests for additional resources through the recent business cases process and identifying what was actually requests for new posts.

The work listed above constitutes a substantial amount of our efficiency programme for 2025/26 (around 28%).

DoNMAPH thanked the People and Culture team for their support and advised that the work that is missing from the report is the Agenda for Change implications and actions. Director of People and Culture advised that this will be included within the Improving Together Programme Workstream.

Chief Executive recognised the areas where progress is being achieved and requested that a deep dive on Agenda for Change be brought to Committee 22 May 2025.

Committee Chair asked for assurance that the conversations have moved from discussions to actions. Director of People and Culture confirmed there will be outcomes from the conversations with Executive Directors.
Chief Executive asked for clarity on what has been stopped to enable the people and culture team to support the required improvements. Director of People and Culture to confirm.

Decision/conclusion
Committee received and noted the workforce re-design plan.

15. Finance Improvement Implementation plan (Response to Viridian Report) FPC2425-125 (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Finance Improvement Implementation plan (Response to Viridian Report) update and the key recommendations from several reviews. The improvement plan is a live document, as areas of improvement are identified, they will be added to the improvement plan.

There are 3 overdue actions from external audit, work is underway to close the actions within the next month,
Zero budgeting action has been removed from the Viridian improvement plan.

Committee Chair thanked the approach taken to bringing several reports together.

Board Chair asked for clarity on the term 'Star Chamber' and its governance. The Interim Director of Finance advised the Star Chamber was set up last year for confirm and challenge, outputs of the Star Chamber were taken to the Senior Leadership Team.

Decision/conclusion
Committee received the update and took assurance on the plan.

16. POTENTIAL

16.1. Chair's Assurance Report January and February 2025 - Digital and Information Operational Group (DIOG) FPC2425-126 (Presenter: Head of Improvement)

Head of Improvement presented the Chair's Assurance Reports from the Digital Information Operational Group meetings in January and February 2025

There was one item escalated to the Committee in relation to the national GP IT re-provisioning programme which is currently RAG rated Red. This is a national programme, and the Board have no control over delivery of the programme. A National Incident Management Team has been stood up by National Services Scotland to bring the programme back on track. No change in the current situation – all migrations were placed on hold and subject to individual Boards. There is no immediate risk for NHS Orkney at this time. Finance and Performance Committee will be kept informed of progress.

Positive assurance provided to Committee in the following areas.

- Work is well underway on implementing MORSE in the Mental Health team, focus has been on processes and Standard Operating Procedures and looking at delivery of the system in collaboration with NHS Grampian
- Risk C-2024-02 (Digital Maturity) likelihood score has been reduced from 3 to 2 (overall risk score of 10)

Decision/conclusion
Committee noted the report and discussed items escalated to the committee, taking. assurance of the positive work underway to accelerate digital transformation across the Organisation.

16.2. Digital and Information Operational Delivery plan 202425 update and priorities 2025 26 FPC2425-127 (Presenter: Head of Improvement)

The Head of Improvement provided an update on the Digital and Information Operational Delivery Plan 2024/25 and the priorities for 2025/26.

The proposed focus for Digital Services in 2025/26 is as follows.

- Accelerating digital transformation through our year 2 digital priorities outlined in Table 1

- Increasing the uptake of Near Me reducing the need for people to travel for appointments where clinically safe to do so
- Patient Focused booking including text message reminder service.
- Agreeing a model of service delivery for our Digital Services
- Further strengthening clinical leadership in this space
- Theatre scheduling tool will be rolled out in December 2025 as tehe Board are reliant on NHS Grampian

Decision/conclusion
Committee received, noted, and agreed that the digital priorities for 2025/26 align with our Corporate Strategy 2024-28 Year 2 priorities.

16.3. Laboratory Information Management System -mitigation plan FPC2425-128 (Presenter: Executive Director Nursing, Midwifery, Allied Health Professionals and Chief Officer Acute Services)

The DoNMAHP presented the Laboratory Information Management System (LIMs) mitigation plan as requested by Committee at its meeting on the 30 January 2025.

The paper was presented to the DOG on the 24 March 2025, who supported the recommendation to develop a Business Case for an additional Band 6 post and the risk to patient care if additional resources are not brought in to support the clinical service delivery.

Board Chair thanked report authors but acknowledged that no mitigation was provided in the paper.
Chief Executive asked where the risk is being managed and where the requests for new posts are made, it was agreed that the DoNMAHP bring a business case to Senior Leadership Team for consideration.

Decision/Conclusion
Committee received and noted the report.

16.4. Chair's Assurance Report - Improving Together Programme Board FPC2425-129 (Presenter: CEO)

The Chief Executive Officer presented the Chair's Assurance Report from the Improving Together Programme Board.

Decision/conclusion
Committee discussed the items escalated to the Committee.

17. Items approved at Board.

- Committee Annual Report 2024/25 approved for onward submission to the Audit and Risk Committee.

- Refresh of Standing Financial Instructions and Scheme of Delegation (Phase 1) approved.

18. Agree Items for Chairs Assurance Report to Board (Presenter: Chair)

- Business Continuity Plan update not received.
- Island Games 2025 plan
- Month 11 report
- Funding proposal from Scottish Government be approved by the Board noting the risks associated with the conditions outlined in the proposal.
- Limited assurance on the operational data presented in the March 2025 Integrated Performance Plan.
- Agenda for Change
- GP IT re-provisioning programme

19. AOCB (Presenter: Chair)

Board Chair thanked the Director of Improvement for their support and wished them all the best.

20. KEY ITEMS FOR NOTING

20.1. Key Documentation for noting

Committee noted the following key documentation.

- Level 1 Annual Health Board Climate and Sustainability Report 2023/24
- Planned Care Submission 31 January 2025
- Golden Jubilee core funding letter - February 2025
- Board Chief Executives Meeting- 2025-03-11 Finance Update March 2025
- NHS Scotland 15 Box Grid Financial Improvement Expectations Letter
- NHS Orkney - realignment of £30m underspend - March 2025
- NHS Orkney Allocation Letter 2025/26

20.2. Finance and Performance Committee Timetable for Papers 2025/26

Committee noted the Finance and Performance Committee Timetable for Papers 2025/26.

20.3. Record of Attendance 2024/25

Committee noted the Record of Attendance 2024/25.

NHS Orkney Governance Meetings 2025/26.

Board	**10:00am**
24 April 2025	
26 June 2025 (Annual Accounts)	
28 August 2025	
30 October 2025	
11 December 2025	
26 February 2026	

Remuneration Committee	**2:00pm**
6 May 2025	
5 August 2025	
6 November 2025	
9 October 2025 (Annual Review)	
3 February 2026	
12 March 2026 (Development Session)	
(+Ad hoc as required)	

Audit and Risk Committee	**09:30am**
6 May 2025	
27 May 2025	
26 June 2025 (Annual Accounts)	
2 September 2025	
7 October 2025 (Annual Review)	
2 December 2025	
3 March 2026	
17 March 2026 (Development Session)	

Board Development Sessions	**9:30am**
29 May 2025	
24 July 2025	
24 September 2025	
27 November 2025	
29 January 2026	
19 March 2026	

Finance and Performance Committee	**9:30am**
22 May 2025	
31 July 2025	
23 September 2025	
21 October 2025 (Annual Review)	
20 November 2025	
22 January 2026	
5 March 2026 (Development Session)	
26 March 2026	

Endowment Fund Subcommittee	**9:30am**
8 May 2025	
7 August 2025	
6 November 2025	
5 February 2026	

Endowment Trustees	**9:30am**
5 June 2025	
4 December 2025	

Joint Clinical and Care Governance Committee	**2:00pm**
2 April 2025	
3 July 2025	
1 October 2025	
4 November 2025 (Annual Review)	
4 February 2026	
25 March 2026 (Development Session)	

Integration Joint Board	**9:30am**
30 April 2025	
2 July 2025	
3 September 2025	
5 November 2025	

Staff Governance Committee	**9.30am**
15 May 2025	
13 August 2025	
16 October 2025 (Annual Review)	
13 November 2025	
12 February 2026	
18 March 2026 (Development Session)	

Senior Leadership Team
- **Patient Safety Quality & Experience**
- **Performance**
- **Place**

1:30pm

1 April 2025
1 May 2025
3 June 2025
10 July 2025
5 August 2025
11 September 2025
7 October 2025
14 November 2025
8 December 2026 (joint session)
7 January 2026
13 February 2026
13 March 2026

Senior Leadership Team
- **Potential**
- **People**

9:30am

22 April 2025
20 May 2025
24 June 2025
29 July 2025
26 August 2025
30 September 2025
28 October 2025
25 November 2025
8 December 2025 (joint session)
27 January 2026
24 February 2026
31 March 2026

Extended SLT Meeting — **1:30pm**

15 April 2025
17 July 2025
14 October 2025
12 January 2026

Joint Board and SLT Meeting — **9:30am**

13 February 2025
14 August 2025
3 February 2026

Area Partnership Forum

15 April 2025
20 May 2025 (Development Session)
17 June 2025
15 July 2025
19 August 2025 (Development Session)
16 September 2025
21 October 2025
18 November 2025 (Development Session)
16 December 2025
20 January 2026
17 February 2026 (Development Session)
17 March 2026

Area Clinical Forum

4 April 2025
1 May 2025 (Development session)
3 June 2025
1 July 2025 (Development session)
1 August 2025
4 September 2025 (Development session)
7 October 2025
4 November 2025 (Development session)
5 December 2025
3 February 2026
4 March 2026 (Development session)