

## **BOARD MEETING: 19 MAY 2017**

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### **2016/17 QUARTER 4 PERFORMANCE REPORT**

#### **Recommendation/action required:**

The Board is asked to note this report.
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Sponsoring Director:

Cath Denholm Director of Strategy
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**MAY 2017**

# NHS Health Scotland 2016/17 Quarter 4 Performance Report

## Contents

<b>Purpose</b>	<b>3</b>
<b>Summary</b>	<b>3</b>
Highlights this Quarter	3
Issues of note	3
What's coming up next Quarter?	4
<b>Health &amp; Work Update</b>	<b>6</b>
Corporate Priorities	6
Corporate Risks	8
<b>Health Equity Update</b>	<b>10</b>
Corporate Priorities	10
Corporate Risks	15
<b>Public Health Science Update</b>	<b>15</b>
Corporate Priorities	16
<b>Strategy Directorate Update</b>	<b>20</b>
Corporate Priorities	20
Corporate Risks	22
<b>Appendix 1: Workforce Statistics</b>	<b>27</b>
<b>Appendix 2: Finance Report</b>	<b>29</b>

## **Purpose**

This paper reports NHS Health Scotland's key achievements, progress against corporate priorities and risks and performance against our Delivery Plan 2016-17 in the final quarter of the business year (Q4).

## **Summary**

### **Highlights this Quarter**

The Board approved A Fairer Healthier Scotland: A Strategic Framework for Action 2017-22. Following on from our previous strategy, A Fairer Healthier Scotland, this marks a clear, strong and continued course for NHS Health Scotland, and our successor body in its health improvement function, to focus on reducing the inequalities in Scotland's health.

The Board also approved our Delivery Plan, including our refreshed corporate risk register for 2017/18 and equality outcomes for 2017-21.

We welcomed the Scottish Government's new mental health strategy, for which we have supported the development. The new strategy recognises the importance of organisations and individuals beyond the NHS and the wide range of factors that influence mental health.

We published a report considering the impact on occupation and industry on health outcomes between 2008 -11 in Scotland. It is aimed at and has been shared with policy-makers and practitioners with an interest in the Fair Work agenda in Scotland, including local and national government, trades unions and professionals working in economic development, employability, equality and human rights, public health and health, safety and wellbeing at work.

We hosted the Scottish Health and Homelessness event, which was opened by the Minister for Local Government and Housing and which brought together people from different sectors.

The Chair promoted our work and commitment to collaboration with the third sector at the Gathering, where he gave a presentation and launch, with the chair of SCVO, a collaborative learning plan.

We launched a ScotPHN report, *Foundations for Wellbeing: Reconnecting Public Health and Housing*, at an event organised by the Chartered Institute for Housing.

Following up on our written evidence, the Scottish Parliament's Health and Sport Committee invited us to contribute expertise on the social determinants and prevention of health inequalities to a Scottish Parliament Health and Sport Committee roundtable session on tackling the underlying causes of inequality.

Through ScotPHN and the Scottish Health Inequalities Impact Assessment Network, we supported Health Protection Scotland with their impact assessment on behalf of the Scottish Government of unconventional gas extraction. The impact assessment informed the independent review of the technology involved in unconventional oil and gas and the Scottish Government's decision not to include it in its energy strategy, currently out for consultation.

We developed various materials on fuel poverty to inform independent review group reporting to the Minister regarding fuel poverty in advance of the Scottish Government's review of current strategy.

We hosted the Scottish launch of the public health skills and knowledge framework. The framework describes the areas in which the public health workforce operates and provides a benchmark for employers to understand the skills and competencies they need. It was developed with Public Health England, Public Health Wales, and the Public Health Agency of Northern Ireland.

We have been contributing to planning for the new public health body:

- Informal discussions with Scottish Government about how NHS Health Scotland can contribute to the process of forming the new public body
- Liaison with other legacy bodies for the new public health body regarding communications with our staff
- Ongoing communications with staff, including a video message from the Chief Executive to all staff following the Board meeting in March
- Participation by the Chair and Chief Executive in a joint meeting of NHS and local authority representatives on public health priorities and the new public health body on 27 April
- Completion of a process-review of the functional realignment process and receipt of an internal audit report on the same, both of which will inform how we approach change and transition towards the new public health body

We have continued to contribute actively to developing proposals for shared services both across NHSScotland and among the special health boards. The workstreams are developing at different paces, with Human Resources being the furthest advanced.

We completed the office improvement project, which has seen all staff accommodated on a single floor at Meridian Court and improvements to office design, particularly better library and staff social spaces, at both sites.

## **Performance Data**

By the end of Q4, 70% of our work was fully completed as planned for the year. 30% of our work was, to some extent, postponed, delayed or changed from what had been planned at the start of the year. This is very similar to our

performance in 2015/16. While there are still aspects of planning that we can improve, overall we regard the full completion rate of 70% as showing a good balance between being ambitious and stretching our performance, while also dealing pragmatically with the changes and issues that come up through the year.

Maintaining performance at 70% reflects our ability to flex and stay focused on priorities during times of staffing vacancies alongside an ability to accommodate new requests for support from, for example, the Scottish Government.

We have made changes in planning, aimed at improving our delivery. By tracking and reporting on planned staff time during planning, we have highlighted cases of unrealistic staff time planning to managers. From the stakeholder survey results and other engagement work we have gained more insight into how our partners perceive us and where we could improve and we have to plans to build on this next year. The aim is to reduce the risk of non-delivery because of issues with our relationships with others.

The proportion of corporate priorities that were fully delivered is similar to overall delivery performance at 66%. Issues of delivery in partnership and staff capacity affected these commitments in similar ways to other commitments. There is also learning from how these corporate priorities were identified, defined and resourced that we have used to seek improvements in the strategic planning round for 2017/18.

# **Health & Work Update**

## **Corporate Priorities**

### **Good work: employment and employability**

#### **Action**

Develop the synergy across Scottish workplace health and wellbeing services, assisting employers to understand and implement their role in maintenance of, and return to, good work.

#### **Progress**

We continue to work closely across Healthy Working Lives, Working Health Services Scotland and the Fit For Work Scotland Service including implementing service redesign and a refresh of the latter two's marketing. Our first campaign aimed at SMEs is ready to run in Q1 2017/18. We are also well positioned within the Single Gateway pilot as the central customer contact point. We are confident of receiving news of DWP match funding to Scottish Government later in the year.

#### **Action**

Lead and coordinate a series of strategic discussions, at national and local level, to scope the development of approaches to working age people with mental health problems – supporting people stay in employment and get into employment.

#### **Progress**

This work was completed in Q3.

#### **Action**

Lead the development and promotion of the central role of the NHS in promoting the benefits of good work in creating and protecting mental health and wellbeing.

#### **Progress**

We supported the Health and Safety Executive (HSE) in their review of the stress management standards and their application to health services by contributing to planning meetings and seeking to identify a suitable NHS Board to work with in the review. This took longer than expected, but NHS Ayrshire and Arran are now working with the HSE to review their stress management. The work is now due to be completed early in 2017/18.

## **Action**

Healthy Working Lives will take a pivotal role in the coordination and co-production of a refreshed Health and Safety Action Plan for Scotland - creating an effective interface between health and safety and good work.

## **Progress**

The Scottish Plan for Action on Safety and Health (SPIASH) is complete and was officially signed off by the Partnership for Health and Safety in Scotland in September 2016. Work to deliver the actions is ongoing and will continue to drive activity in 2017/18.

Currently there are 11 live actions with an additional two actions in development and more to follow. There are 92 users of the web community to date with approximately 12 new members joining every month. A number of promotional events have taken place and others are planned including a parliamentary reception and a full day conference. The plan forms part of the Scottish Governments response to the UK strategy to Help GB Work Well.

## **Action**

Support the Fair Work convention through syntheses of evidence on active labour market policies and other briefings, ensuring that the relationship between these and children's health are explicitly referenced.

## **Progress**

In Q4 we published a report on contemporary health outcomes, behaviours and determinants, by current or most recent occupation and industry of employment, for adults aged 16–64 years in Scotland.

We also met with the Director of Scottish Centre of Employment Research and academic advisor for the Fair Work Convention to discuss next steps and the unique value NHS Health Scotland can add to the work.

## **Action**

Finalise HWL website.

## **Progress**

HWL web site is still in development. Contracting issues have caused some delays, but progress over the last quarter in particular has been good and a launch is now expected in summer 2017. The existing HWL web site has also seen tremendous growth. This year there were an increase of 40% in page views and 41% increase in unique users to the site.

# Corporate Risks

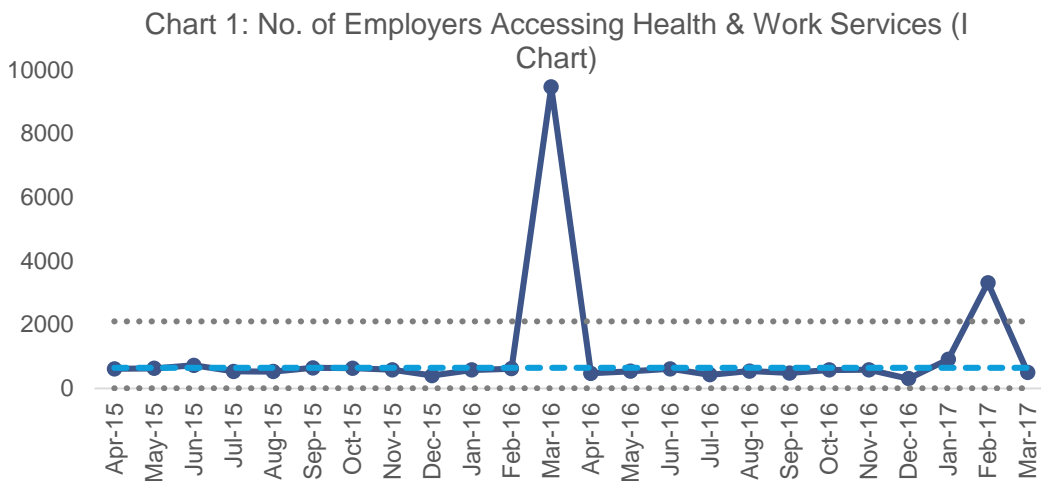
## CR16-11

As a result of financial and workforce related issues linked to the partnership-based delivery of Healthy Working Lives services, we may fail to meet the expectations of our customers in terms of the responsiveness of our services and we may not achieve the outcomes we have agreed with our stakeholders

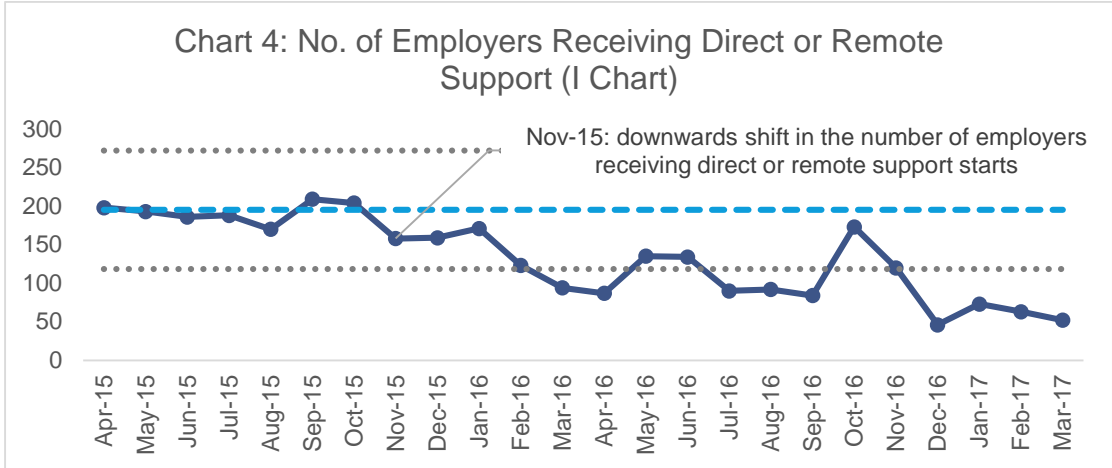
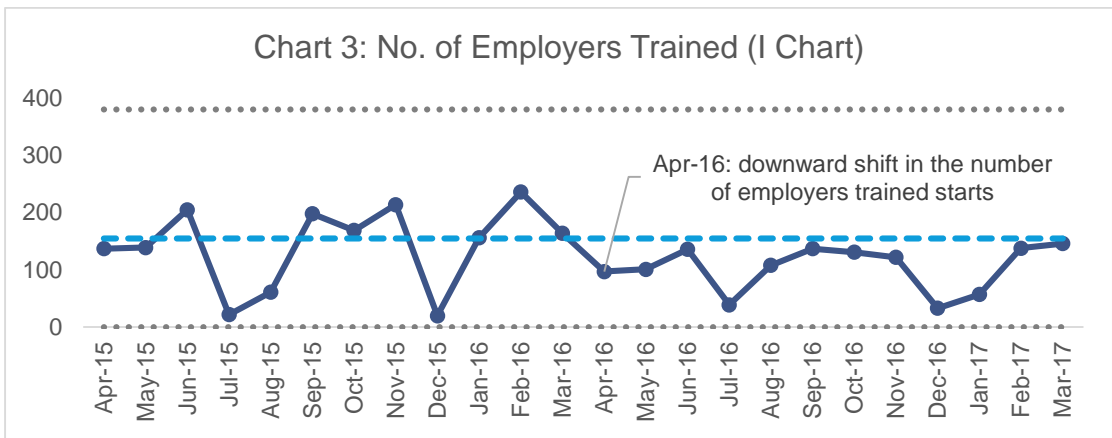
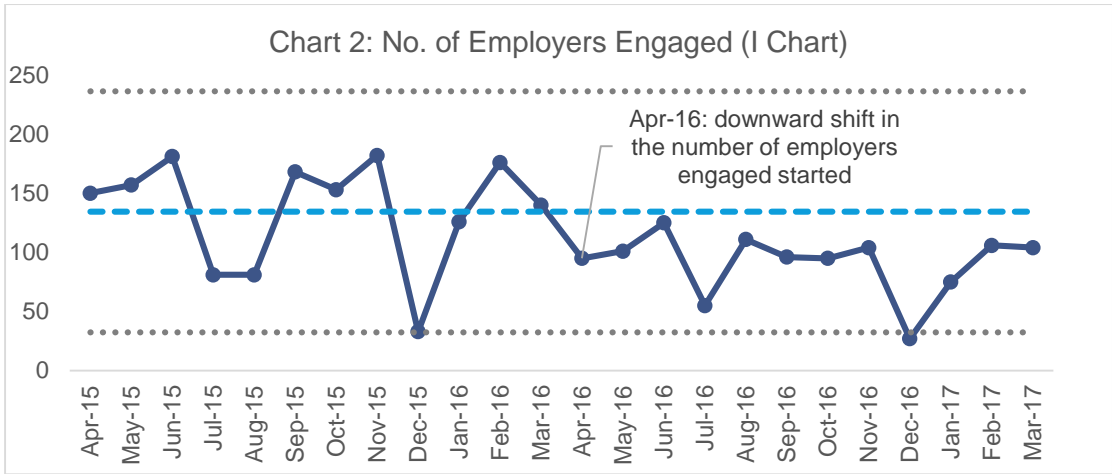
### Update

Since the last update:

- The Programme Board received a verbal update on behalf of the Implementation Group in January. Boards were due to report on the outcome of the Implementation Plan at the end of 2016/17.
- As face to face services are currently being replaced by alternative channels, the National Team continued to provide support to boards and worked towards establishing more direct contact with customers through the Adviceline and online.
- As a consequence of slippage in development of the new web site and an on-line learning module, marketing campaigns were rescheduled for February 2017. This had an impact on employers accessing services (Chart 1) to date.







# Health Equity Update

## Corporate Priorities

### Local Delivery Model

#### Action

Work with the Improvement Service, local Public Health teams, NSS and other partners to influence and contribute to local partnerships' work to address health inequalities.

#### Progress

We continued collaboration with the Improvement Service and National Services Scotland. The focus of the partnership in Q4 was evaluation; both in terms of the collaboration and the offer to Community Planning Partnerships (CPPs). A meeting of the collaborators was held in April to explore the future of partnership and agree how we work together into the new business year. Feedback from the four CPPs was mostly positive.

We continued to support the Glasgow Health Inequalities Commission. Contributions included: collating the evidence; writing and finalising the commission report; and facilitating a session with commission members and those who took part in the evidence gathering stages.

#### Action

Ensure action to address physical inactivity.

#### Progress

In quarter 4 we have:

- Agreed responsibilities and lead actions related to physical inactivity within the Health & Social Care Physical Activity Delivery Plan
- Played an advisory function on groups such as the National Walking Strategy Delivery Forum and Cycling Action Plan Scotland Group.
- Piloted recommendations for the Exemplar Physical Activity Employer programme.
- Continued improvement function delivered via the Physical Activity Health Alliance and learning and workforce development programmes
- Delivered the on-going public facing information service via Active Scotland and the new NHS Informed health improvement portal (physical activity).

- Ensured health improvement and inequalities remain a political and senior executive consideration of National Strategic Group and Planning Groups for Sport and PA.
- Input to the revised physical activity improvement plan, initiating inputs from over 20 partner organisations and feeding these into the Scottish Government
- Continued to support implementation of the Place Standard (see Place Standard update, below)

### **Action**

Work with Healthcare Improvement Scotland in relation to Integrated Joint boards (IJBs) to deliver outcome improvement work and that effectively brings together national and local public health capacity.

### **Progress**

Nationally, we:

- Established partnership arrangements with Healthcare Improvement Scotland (HIS) and its iHub to embed inequalities, equalities and human rights within their priority programmes of work
- Provided input to the development of the new dementia strategy (due May 2017)
- Worked with the Alliance to identify how best to influence greater engagement of the third sector in health and social care integration generally and to address health inequality more specifically
- Engaged with NHS National Services Scotland's Information Services Division and HIS to understand how our work on data, profiling and needs assessment can be integrated in ways helpful to IJBs
- Collaborated with HIS and What Works on evidence reviews, collation of effectiveness evidence and supporting Knowledge Into Action
- Influenced standards (e.g. health and social care standards incorporating human rights), guidance (e.g. post diagnostic support guidance, ACP guidance); and practice change (anticipatory care planning)

Support has included working locally with services in:

- Inverclyde health and social care partnership on inequalities – awareness, data, evaluation and preventative spend
- The Western Isles on human rights based budgeting
- Midlothian on health inequality indicators and measures to track change over time
- NHS Greater Glasgow and Clyde to progress recommendations from recent participative research around access and experience of services for homeless people in Glasgow.
- Perth and Kinross to Influence the findings from the fairness commission and working closely with the local Director of Public Health

We also reviewed the IJB strategic plans and other relevant documentation to understand the extent to which they have incorporated inequalities, understand their identified priorities and areas where we can offer support.

## **Children and Young People's Strategic Action Plan**

### **Action**

Work with education providers for undergraduate and continuous professional development programmes for health visiting, midwifery and potentially school nursing to develop competences and learning materials on child poverty and its impact on health and to provide related practice sharing events.

### **Progress**

Completed in Q3.

### **Action**

Establish a work stream focused on lone parents, and parents with young children, on low incomes in order to contribute to mitigating the impact of the economic downturn and ongoing austerity.

### **Progress**

The Lone Parent and Welfare Reform sub-group has now concluded. We presented on the work of the group at the Scottish Government Health Impact Development Group meeting in March. As a result, we were asked to produce a summary of practical actions for further sharing with Scottish Government policy leads. Given that lone parents and their families are particularly impacted by the recent tax and benefit changes, this was an appropriate focus for NHS Health Scotland. It will continue to be a key population group to be considered in the Child Poverty portfolio for 2017/18.

### **Action**

Use routine data to explore the links between work, poverty and health outcomes for parents and their children (particularly lone parents).

### **Progress**

Completed in Q3.

## **Workforce Planning & Development**

### **Action**

In partnership with Scottish Government and others, raise awareness and promote implementation of the Place Standard - ensuring its impact is distributed in a way that acts to reduce inequalities

### **Progress**

- The national governance and support infrastructure to aid implementation was in place by December 2016.
- A network of local place standard leads for each local authority has been created (28 out of 32 by March 2017).
- We promoted and generated UK and European (WHO Healthy Cities, Public Health Partners Netherlands and UNICEF) interest in using the tool in 2017/18.
- We agreed an overarching commitment to addressing inequalities in the delivery of actions.

### **Action**

Inform and evaluate new and emerging food policy in Scotland using the best available data and evidence, through working in partnership with Food Standards Scotland, and the Scottish Government

### **Progress**

We worked collaboratively to support policy development with stakeholders including Food Standards Scotland and Scottish Government by providing evidence and advice for example to the forthcoming obesity strategy and the review of the school food regulations.

### **Action**

Better community justice planning, practice and collaboration for people in custody and community, through more effective interventions, reduced impact of offending and sentencing and positive, sustainable change.

### **Progress**

NHS Health Scotland is now represented on the national Community Justice Implementation and Development Group and we are forming relationships with the new national agency. The two main outputs of our work were completed in Q3 of 2016/17 and we are currently working to ensure the outputs are communicated effectively to stakeholders.

## **Corporate Risks**

### **CR16-3**

Because the knowledge we produce and share about health inequalities is correct but sometimes not followed up with support to apply the knowledge we do not give the people who can act to reduce health inequalities what they need when they need it and so they do not act to reduce health inequalities

#### **Update**

Since the last update we have:

- Continued to progress our KIA (Knowledge into Action) improvement project. The cross organisational Improvement Team has progressed work on understanding the current situation and the problems/opportunities for improvement – a draft Driver Diagram (a visual representation of our theory about what must change and how to achieve the desired performance/outcome) has been developed and work is underway to identify specific actionable change ideas to test.
- Provided KIA consultancy to Health Scotland Projects/Programmes.

### **CR16-8**

As a result of lack of capacity in the Web and Digital team, they cannot deliver in response to demand resulting in failure for the organisation to deliver on commitments

#### **Update**

Progress in Q4:

- The Band 5 Systems Support Developer is vacant following the resignation of one member of staff who returned to her previous employer. A new Band 6 Systems Developer posts is also vacant and we have been unsuccessful in recruiting to it.
- Retention of staff is now significantly improved (despite this one resignation) and the issue has been removed from the Risk Register for 2017/18.
- Recruitment is a concern because it remains challenging to attract the right calibre of candidates and the situation has not improved in Q4 (Recruitment and retention of digital staff is a national issue recognised in the SG's new Digital Strategy)
- We are constantly working with HR colleagues to seek new avenues to advertise vacancies and attract high calibre candidates

# Public Health Science Update

## Corporate Priorities

### National Position

#### Action

Provide national leadership and coordination of health equity policy and implementation as part of a public health strategy for Scotland (keeping a focus on HLA, MESAS, Tobacco and public mental health for all, as per the Annual Review letter)

#### Progress

As an overview of the whole year, we have:

- Delivered 150 new Healthyliving awards (43 of which were Plus awards) meaning there are now 826 awards holders
- Supported 161 of 172 NHSScotland-run cafes and restaurants to meet the goal set by the Chief Medical Officer in October 2015 of achieving the Plus award
- Worked with the Scottish Grocers Federation Healthy Living Programme to develop a standard similar to the healthyliving award for retailers
- Contributed to the development of the revised Mental Health Strategy by leading on the engagement activities with key stakeholders, providing text to support the Good Mental Health inequalities approach with local authorities and health and social care partnerships (and taking this forward with CoSLA and others) and highlighted the value of work with employers to improve mental health awareness and responsiveness
- Supported the Distress Brief Interventions Programme through conducting an evaluability assessment to inform future evaluation
- Analysed and interpreted the latest on alcohol sales and pricing, communicating the findings in an accessible, engaging infographics briefing that were reported in a number of national press and broadcast media outlets.
- Developed a comprehensive evaluation plan to assess the expected short, intermediate and long-term outcomes of minimum unit pricing, following the judgment on Minimum Unit Pricing by the Scottish court of Session (pending appeal)
- Led on commissioning work to identify a national brand for Scottish smoking cessation services to begin the process of unifying NHS smoking cessation services under one identity
- Contributed to the options paper submitted to Scottish Ministers and being part of national planning and implementation groups as part of our



partnership with the Scottish Prison Service to take forward planning for smoke-free prisons in Scotland

- Contributed to a working group and subsequent report submitted to the Minister on making smoking in pregnancy a priority for national action. We also worked closely with colleagues in the Maternity Collaborative to consider ways that we could facilitate the use of our new publication I-Quit with midwives.

### **Action**

Work with Scottish Government policy leads to support the introduction and evaluation of innovative policy ensuring evidence of what works and why is gathered and shared at national level through the Inequalities Action Group.

### **Progress**

Whilst work under this theme proceeds, through channels such as policy evaluation (specifically in primary care), procurement and human resources in the NHS, the Inequalities Action Group has not proven to be the right channelling mechanism and this area of work has not been actively progressed this quarter.

### **Action**

Support Scottish Government (SG) with the analysis and dissemination of the relational aspects of the fairer and healthier conversations – integrating the results of HS conversation work with the national conversations.

### **Progress**

This work completed successfully in 2016/17. We supported the Scottish Government with dedicated analytical support for the Creating a Healthier Scotland conversation and supplied the Scottish Government with narrative and visual materials to draw out the links between the Fairer and Healthier conversations in the report of the Healthier conversation. We pledged a number of key actions in the Fairer Scotland Action Plan, which have been built into the 2017/18 Delivery Plan and supported both conversations through social media and by submitting organisational responses.

### **Action**

Work with NHS Chief Executives (CEO) Group and Scottish Government to scope and deliver the application of the economic leverage of NHSScotland within localities with multiple disadvantage.

### **Progress**

As reported in Q3, a proposal for this work was drafted and discussed with the CEO and lead directors. The appetite of the CEO group for this work was not

high and an alternative approach of discussing with leads for procurement and HR was pursued. We have made some progress in raising the possibilities of this agenda, but a different approach, involving modelling of impacts, will be pursued next financial year.

### **Action**

Engage fully in the Public Health Review (PHR) and implementation of agreed recommendations

### **Progress**

Following the announcement of the Health and Social Care Delivery Plan for a new public health body for Scotland and shared public health priorities across the NHS and local authorities, we have:

- Provided advice on the frameworks for implementation of recommendations relating to health intelligence, workforce and leadership
- Offered our services and expertise in working with local authority and third sectors to the Scottish Government in forming the new organisation
- Contributed at a joint meeting of senior leaders from the NHS and local authorities to discuss public health priorities

### **Action**

Shape the national scheme for developing elements of the public health workforce.

Work in partnership with NES and employers to ensure that core PH workforce development is supported.

### **Progress**

Through the Scottish Public Health Workforce Development Group, which includes NHS Education for Scotland, NHS Health Scotland has shaped a national approach to developing elements of the core and wider public health workforce in response to the Review of Public Health.

In particular we:

- Hosted the launch in Scotland of the Public Health Skills & Knowledge Framework
- Developed support for the specialist portfolio scheme
- Developed work for national approaches to practitioner and wider workforce

## **Workforce Planning & Development**

### **Action**

Lead the collaborative development with partners and stakeholders of an evidence based approach to reduce obesity in Scotland.

### **Progress**

We continued to work with Scottish Government on the revised Diet and Obesity Strategy.

# Strategy Directorate Update

## Corporate Priorities

### National Position

#### Action

Establish health equity outcomes through the A Fairer Healthier Scotland (AFHS) stakeholder performance forum that require collaborative action across the public, private and third sectors and inform the review of the National Performance Framework Indicators.

#### Progress

This corporate priority was not advanced further this quarter. We are awaiting the refresh of the National Performance Framework in 2017 and will integrate that into our organisational performance framework.

#### Action

Demonstrate that NHS Health Scotland's knowledge and delivery plan is communicated effectively to target audiences.

#### Progress

A variety of methods were used throughout 2016/17 to communicate NHS Health Scotland's knowledge and delivery plan to target audiences. This included face to face engagements with high influence, high impact stakeholders; attending, speaking at and chairing events; social media; press work; responding to consultations and calls for evidence; and providing stakeholders with bespoke briefings. Impacts of this work will be presented to the Board in June 2017.

#### Action

Complete healthscotland.scot

#### Progress

Launch of healthscotland.scot completed in Q3. Further phases of development are in train.

#### Action

Lead the further development of the Inequalities Action Group (IAG) as a collaborative endeavour between HS, SG, CoSLA, Directors of Public Health and other key partners.

## **Progress**

The IAG is no longer meeting in its current format. Other collaborative work underway with regard to public health priorities and the new public health body are likely to supersede.

## **NHS**

### **Action**

Lead the collaborative development and production of an NHSScotland strategic statement for equitable health improvement, focusing on strengthening the role of NHSScotland in achieving health equity.

### **Progress**

The statement has been completed and is in the publishing stage. It will be launched at the NHS Event in June 2017. This will be followed by a programme of engagement and support for rollout in NHS Scotland.

### **Action**

Work with NHS Education for Scotland and Healthcare Improvement Scotland to develop a health inequalities 'literacy programme' for Integrated Joint Boards' executive and non-executive directors.

### **Progress**

The work was subject to delay due to staff pressures. A pilot area has been developed on the HS VLE to provide learning resources for non-executives and content development is underway.

### **Action**

Work closely with Primary Care leaders and policy makers to ensure inequalities is a strong theme in development of the sector within Health & Social Care integration.

### **Progress**

As well establishing and maintaining good relationships with high impact stakeholders, we have continued work on the evaluation of the primary care transformation fund. We have been supporting the Scottish Government in their health inequalities impact assessment of the GP out of hours programme. We are going to prepare a primary care inequalities briefing. We will be evaluating the link worker programme which is being implemented in primary care in 'Deep End' GP practices in Glasgow and hence targets social prescribing at the most deprived groups in Scotland. The aim of the evaluation

is to determine whether and how the programme may help deprived groups to improve their health.

## **Workforce Planning & Development**

### **Action**

Refresh performance management processes to ensure staff have a clearer understanding of their contribution to the delivery of AFHS.

### **Progress**

The personal objective pilot was evaluated and recommendations for future approaches to aligning personal objective setting more closely with outputs accepted by the Partnership Forum and endorsed by the Staff Governance Committee.

### **Action**

Review the KSF Framework to ensure staff can access the training and development they need to align their work with our strategic aims.

### **Progress**

The review is complete and ongoing promotion of opportunities is in place.

## **Corporate Risks**

### **CR16-1**

As a result of ineffective organisational performance management our performance doesn't improve and we don't deliver our corporate priorities on time and on scope

### **Update**

Since the last update we have:

- Identified the leading cause of non-delivery: staff capacity planning.
- Developed an approach to tracking actual staff time, the idea being to improve staff capacity planning by providing data on how actual staff time is spent.
- Deployed the new staff time recording approach in Strategy, Health and Work, CEO and Public Health Science directorates. We continue to monitor deployment of this approach.

- Undertaken Strategic Planning and Operational Planning Reviews to prioritise delivery commitments for 2017/18

## **CR16-2**

As a result of not aligning staffing and financial resources to corporate and in year emerging priorities we do not make the best use of our resources and we have less impact than we might so our reputation is damaged

### **Update**

Since the last update we have:

- Shared improved data on actual staff time to inform planning for 2017/18
- Completed the 2017/18 planning round with information on priority and impact informing more resourcing decisions than any previous planning round
- Reviewed the planning process for 2017/18, identifying strengths and areas for improvement

## **CR16-4**

As a result of our inability to quickly respond to the new political administration and changing landscape we fail to meet expectations of our funders and stakeholders and so we lose the ability to secure our national position

### **Update**

Since the last update we have:

- Undertaken further analysis of strategic priorities based on our analysis of political manifestos and Programme for Government.
- Approved our Strategic Framework for Action 2017-22 and 2017/18 Delivery plan
- Discussed and confirmed these plans with our Scottish Government sponsor team

## **CR16-6**

As a result of not aligning and adapting our language to the prevailing public and political discourse there is a risk that we lose our ability to influence our key stakeholders and therefore fail to make an impact.

### **Update**

Since the last update we have:

- Undertaken horizon scanning in relation to the public health implications of Brexit.
- Arranged a session between Scottish Government and staff involved in policy advocacy about best practice in working with the government.



- Launched a revised Effective Influence Protocol to support staff and manage risk.

### **CR16-7**

As a result of ineffective engagement and/or decision making with regards to our next strategy we will not be effectively positioned for a national leadership position on health inequalities for the next five years

#### **Update**

Since the last update we have:

- Continued to meet with the internal steering group who have facilitated directorate level discussion and will support further engagement.
- Provided regular updates on the source and via our corporate communications.
- Approved our Strategic Framework for Action 2017-22 and 2017/18 Delivery plan

### **CR16-9**

As a result of not properly concluding the functional realignment there is a risk that we don't see the improvements we expect from it as quickly as we need

#### **Update**

Since the last update we have:

- Completed the realignment
- Completed the first phase of evaluation of process
- Made plans for the second phase of evaluation of impact

### **CR16-10**

As a result of not having structured but flexible approaches to project management there is a risk that we don't deliver on time, scope and budget resulting in not delivering on our commitments.

#### **Update**

Since the last update we have:

- Analysed performance data from 2016/17 on what we completed and did not, and the reasons for these.
- Worked with strategic priorities to identify project management requirements.

- Continued working on plans for next financial year on a 'whole product life cycle' which includes improvements to project management.

## Appendix 1: Workforce Statistics

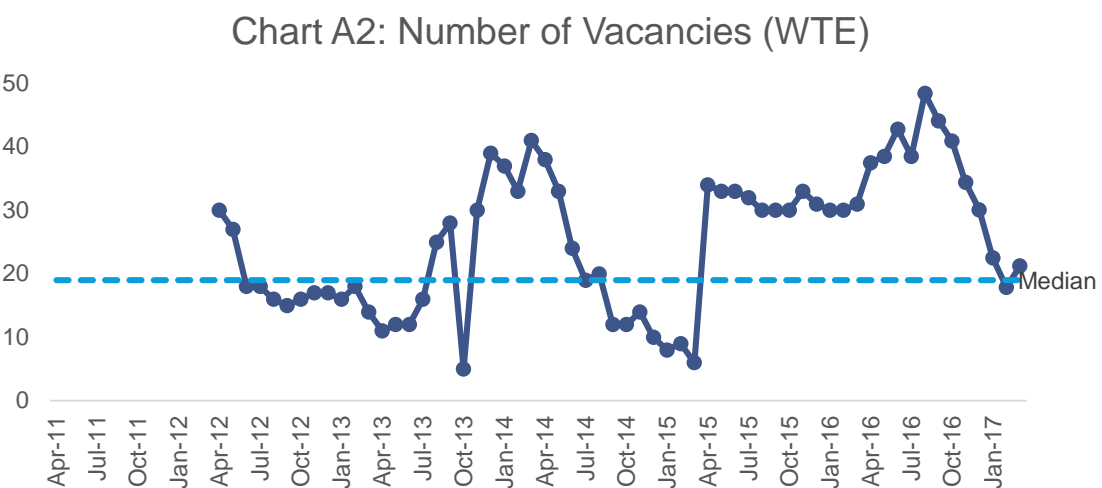
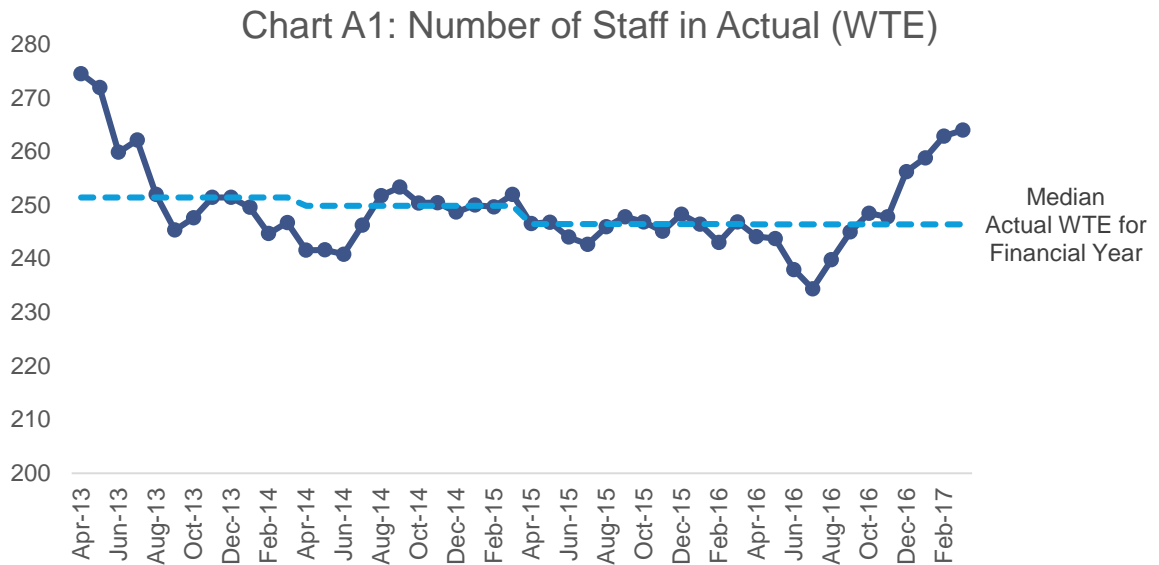


Chart A3: Vacancies by Directorate (WTE)

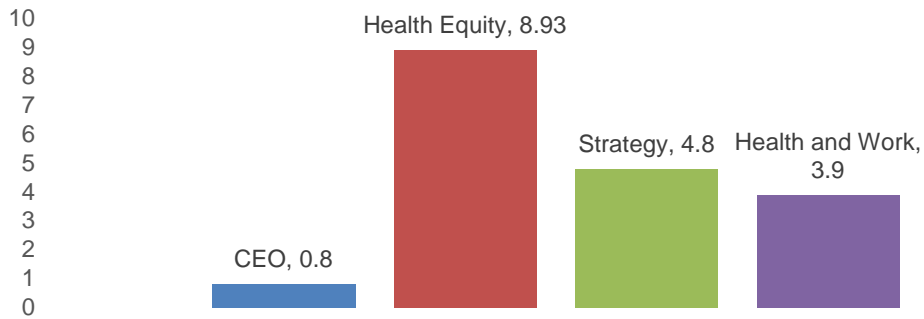
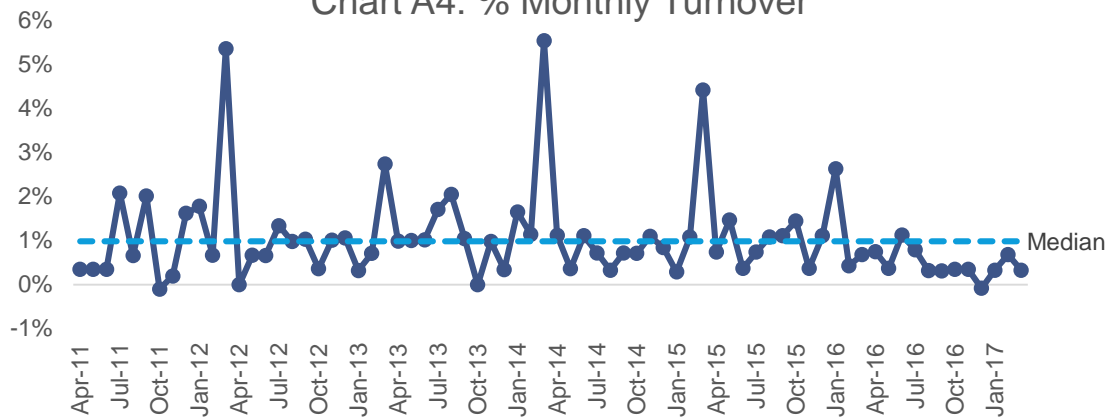


Chart A4: % Monthly Turnover



## Appendix 2: Finance Report

### NHS HEALTH SCOTLAND 2016/17 FINANCIAL POSITION: 12 MONTH REPORT–PREAUDIT- Directors 9 May

Health Scotland's updated draft financial position for the 12 month period ending 31 March 2017 is set out on the enclosed spreadsheet. This is the second draft of our year end accounts due into the Scottish Government by Tuesday 2 May.

With regard to the revenue resource limit (RRL), at 31 March there was an underspend of £145k (0.75%) against the budget of £19,631k. Graphs of key financial information comparing the last 3 years are also attached to this report.

Matters to be noted at this stage are as follows.

- The Board's 2016/17 RRL as advised in the 3 April allocation letter from the Scottish Govt was £19,631k which includes a non-recurring allocation of £1,402k.
- The £145k underspend against the phased budget consists of 3 elements; an unallocated budget of £157k, and an underspend of £135k on projects offset by an overspend of £147k on staffing
- Staffing: In order to manage in year pressures the balance of budgets between staffing and projects was slightly changed increasing the staff resource by some fixed term staffing and reducing the project budgets as noted in our y/e forecast updates over the last few months.
- Projects: y/e variances are close to budget overall with only two variances over £25k, Finance (small underspends on a number of costs) at £31k and Estates at £75k. Both of these areas were forecast to underspend at the y/e. See further analysis at 6 below.
- The CMT at their June meeting allocated £68k (£136k FYE) from the unallocated budget to fund additional permanent staffing to help manage pressure points in the organisation. This element is expected to cost £72k in 2016/17.
- Impairment adjustment of £130k, being our write-down of the net book value of assets remaining on the 6<sup>th</sup> floor at Meridian Court which we have vacated. As our use and the NHS is variable going forward the assets will remain on our books but have a zero net book value. This adjustment was approved by the Directors and then was approved by the Scottish Government in January. This impairment provision will be processed in period 12.
- We already have a 99% spend so are on our y/e target at the closure of our accounts

Efficiency savings for 2016/17 reported to the Scottish Government are £911k (5%) on core funding which has been recycled, and £61k on certain non-core efficiency savings (10%) on a non-recurring cash releasing basis so a one-off for this year.

The core savings are from service re-provision in Health and Work of £600k, and estates savings on the floor reduction in Meridian Court of £225k, which together with some smaller savings of £86k provides us with £911k of recyclable savings.

The non-core saving of £61k was cash releasing and due to come from certain non-recurring allocations. The actual cash releasing saving was £29k as mental health has received a significant cut in funding for 2016/17 and hence is no longer in the efficiency savings.

We have delivered both the recycled savings of £911k and the non-core efficiency savings of £29k for the year

**Directorate Analysis: YTD staff cost variance by Directorate –**

Dir	Var (£k)	Comments > +/- £25k variance
CEO	(102)	Vacancies not sufficient to meet vacancy target
H&W	98	Planned vacancies during realignment with savings made in order to help fund non-recurring posts later in the year
Strategy	30	
HE	(124)	Vacancies high at £365k, but temp/secondees/consultant costs of £491k (temps £383k, secondees & consultant £108k) more than offsets vacancy savings over the year
PHS	(49)	Vacancies not sufficient to meet vacancy target
Total	(147)	

## Directorate Analysis: YTD project cost variance by Directorate by project

Dir	Var > +/- £25k	Comments > +/- £25k variance
CEO: Finance	31	Small savings across a number of categories (eg Intranet £10k, Legal £9k) which were forecast to give a small saving at the year-end.
H&W	-	
Strategy: Estates	75	Facilities at £39k saving on its £125k budget due to small savings over a number of categories and a £28k saving on Meridian Court costs on its £650k budget as property costs lower than expected. A £40k underspend was expected.
HE:	-	
PHS:	-	
ALL	28	Project variances across all Directorates <=/ £25k
Total	135	

Our year end forecast was previously advised at £175k, being an overspend on salaries/temps of £75k, an unallocated budget of £152k and project underspends of £98k. Our pre-audit actual outturn is £144k with the component split being salaries/temps overspend at £147k, unallocated budget at £159k and project underspend at £134k. Salaries are overspent on forecast by £72k and projects are further underspent by £36k but overall are within the tolerances of £175k +/-£50k.

The 2016/17 capital resource limit (CRL) as allocated by the Scottish Government has been reduced to £250k. We submitted in our LDP a capital resource of £350k, being originally split between IT costs at £150k (renewal £50k and new developments £100k) and office improvements at £200k. On review any new IT developments were unlikely and hence as part of the office improvements project we offered to reduce our capital allocation to £250k which was accepted by the Scottish Government.

Our expenditure on office improvements at Meridian Court was £107k and at the Gyle was £64k, with Furniture at £49k being £220k in total against a budget of £250k, so we are underspent by £30k. There may be a small carry forward spend into 2017/18.

Our cash requirement was revised to £19m for 2016/17 partly due to the impairment adjustment, being revised down from our initial requirement of £20m. We drew £19m for the year, so hitting our revised target.