

Board meeting: 23 March 2018

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Governance transition

Recommendation/action required:

The Board is invited to:

- Note the record of the Board's comments, advice and concerns in relation to governance transition (Appendix 1) and comment on accuracy
- Comment on the actions or proposed actions to mitigate these issues
- Agree that this will adequately address the issues that have been raised and advise of any amendments or additions to the cause of action proposed.

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Chief Executive

14 March 2018

Governance transition

Purpose

1. The purpose of this paper is to:
 - Record the Board's comments, advice and concerns in relation to governance transition
 - Highlight actions or proposed actions to mitigate these issues
 - Seek agreement from the Board that this will adequately address the issues that have been raised (as we currently understand them) and invite any amendments or additions to the cause of action proposed.
2. For the purpose of this paper governance transition refers to the overarching governance issues associated with the establishment of the new public health organisation planned for 1 April 2019 and the governance of the NHS National Boards Collaborative plans and delivery.

Background

3. Health Scotland has been working on the assumption that by 31 March 2019, the Health Scotland Board will have completed a successful and proportionate governance transition to the new Public Health organisation, whilst actively contributing to the national shared services agenda in respect of ensuring:
 - the health inequalities and health improvement legacy i.e. A Fairer Healthier Scotland, priorities are embraced by the new Public Health Organisation and public health is included and aligned as part of the national shared services collaborative plan
 - that Health Scotland staff are well informed and engaged
 - that Health Scotland finances and assets are in order and the baseline budget protected
4. In order to achieve the above outcomes the following 3 areas of concern have been highlighted by the Board through Board Seminar discussions on 1 December 2017, 2 February 2018, at the Board meeting 16 February 2018, through standing committee discussions this year and in discussion during other individual meetings with non-executive members:
 - **Formation of new Public Health Organisation**
 - **National Boards Collaborative Plan**
 - **Health Scotland governance during transition is effective and proportionate**
5. The actions taken or the proposed plan of action, is recorded for each area in Appendix 1.

Finance and Resource Implications

6. The finance and resource implications for the governance of change and transition will be taken as an overview by Audit Committee. This will be reflected in this Committee's revised 2018/19 schedule of business and the connection with internal audits that will reflect the transition challenges.
7. The financial and staff resourcing of the governance transition is covered in the 2018/19 Draft Delivery Plan and will be scrutinised through Audit Committee and Staff Governance Committee.

Staff Partnership

8. The Staff Partnership, staff engagement and involvement aspects of governance transition will form a key component of the Staff Governance Committee's revised schedule of business for 2018/19.

Communication and engagement

9. Key strategic engagement opportunities to further develop the governance transition agenda and actions are highlighted within Appendix 1. The table refers to the importance of engaging purposefully with particular groups, meetings, individuals or organisations.

Corporate Risk

10. This paper has aimed to record the issues and concerns from a Board governance perspective. After considering this paper and Appendix 1, is there anything that is not reflected in the 2018/19 Risk Register paper also coming to Board on 23 March?

Issues Associated with Transition

11. This paper itself responds entirely to transition issues.

12. It should be noted that whilst governance may seek certainty and assurance, the period ahead is exceptional in that there are two main changes as highlighted in paragraph two of this paper. Whilst the plan in Appendix 1 aims to offer some responses to mitigate concerns and issues raised, the Board will inevitably need to remain adaptive and thoughtful about other challenges as they present and include some flexibility in our responses, whilst aiming to fulfil the role of effective scrutiny and good governance to achieve the outcomes outlined in paragraph 3.

Promoting Fairness

13. The values and principles of human rights and fairness are embraced within the very working of the Health Scotland Board and these values and principles have been advocated to the Public Health Reform Team and COSLA for inclusion in the new public health organisation as per 1.5 of the action plan

Sustainability and Environmental Management

14. We don't have any particular sustainability and environmental issues associated with governance transition currently. Our assumption is that the new organisation will operate from the same facilities and buildings in 2019/20.

15. We continue to apply an approach to Board and Committee business that uses electronic devices as opposed to paper copies to contribute to environmental targets

Action/ Recommendations

16. The Board is invited to:

- Note the record of the Board's comments, advice and concerns in relation to governance transition (Appendix 1) and comment on accuracy
- Comment on the actions or proposed actions to mitigate these issues
- Agree that this will adequately address the issues that have been raised and advise of any amendments or additions to the cause of action proposed.

Della Thomas, Executive and Governance Lead

14 March 2018

Appendix 1

Governance Concern/Issue	Action/Proposed Action
<p>1. Formation of new Public Health Organisation</p> <p>1.1 The Health Scotland Board is not clear on when their accountability for Health Scotland services, staff and finances will transfer and to whom and who currently is accountable for the success of the new public health organisation</p> <p>1.2 There is a risk that diversity of scrutiny is absent if accountability sits with a group of the same civil servants and executives and is not widened</p> <p>1.3 What are the implications for the Health Scotland Board of governance if the new Chair and Shadow Board are not appointed by 1 April 2019?</p>	<p>1.1 We have a broad understanding that the overall accountability for the new public health organisation lies with the Minister and COSLA Spokesperson and not with the Health Scotland Board, we should seek to formalise this in writing.</p> <p>Action Chair and CEO discussed at meeting with senior civil servants responsible for the public health reform agenda Scottish Government (SG) 12 March 2018. Update to be given at Board meeting 23 March.</p> <p>1.2 To provide governance whilst the Shadow Board is formed, the Programme Board (referred to in the governance paper from the last Public Health Oversight Board) should include independent scrutiny.</p> <p>Action Chair and CEO discussed at meeting with senior civil servants responsible for the public health reform agenda SG on 12 March 2018.</p> <p>1.3 We should seek to better understand the implications for our non-executives if the 1 April 2019 date is not possible and also the implications for the governance of the Health Scotland work</p> <p>Action Chair and CEO discussed at meeting with senior civil servants responsible for the public health reform agenda SG to seek clarity 12 March 2018. Update to be given at Board meeting 23 March.</p> <p>Action Gareth Brown and Robert Skey (SG Public Health Reform Team and Health Scotland Sponsor Division) will attend our 13 April 2018 Board Seminar to further discuss</p>

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<p>1.4 The Health Scotland Board is not entirely responsible for these aspects</p>	<p>1.4 We will seek to develop synergy between the work of the Public Health Reform Team and our SG sponsor Division Team and better understand their governance thinking and plans</p> <p>Action Chair and CEO discussed at meeting with senior civil servants responsible for the public health reform agenda SG on 12 March 2018</p> <p>Action We will discuss further with Gareth Brown and Robert Skey at the Board Seminar 13 April 2018</p> <p>Action We will seek to influence governance discussion and thinking at the next Public Health Oversight Board on 19 April 2018</p> <p>Action We will seek to include the governance component in our formal quarterly sponsor meetings with the SG sponsor team</p>
<p>1.5 New governance processes are sufficiently different and improved to offer “whole system” governance</p>	<p>1.5 Information about improvement processes Health Scotland have developed has been shared and Health Scotland makes a contribution to the development of new governance system</p> <p>Action Health Scotland Board values, principles and learning has been shared with Public Health Reform Team December 2017 and COSLA 6 February 2018.</p> <p>Action Meeting between NSS Board secretary and Health Scotland Executive and Governance Lead and Clinical Directors</p> <p>Action Continued engagement with COSLA and Public Health Reform Team</p>
<p>2. National Boards Collaborative Plan</p> <p>2.1 The overarching collaborative governance involving non-executives for the development of the national Boards</p>	<p>2.1 There is a meeting of the CEOs and Chairs, but this has not been authorised with a formal governance role. We should seek to work with others to develop dialogue and clarify the</p>

Governance Concern/Issue	Action/Proposed Action
<p data-bbox="256 237 544 304">collaborative plan is unclear</p> <p data-bbox="204 786 635 1361">2.2 It is unclear how the governance of the public health reform agenda connects with the NHS National Boards collaborative agenda and who is ensuring the public health legacy (from Health Scotland and from other national boards who will contribute to the new public health organisation), and the priorities for public health are protected, promoted and connected</p> <p data-bbox="204 1592 635 1877">2.3 It is not clear how the individual national Boards operational plans associated with the overall National Boards collaborative plan will be governed to ensure connectivity</p>	<p data-bbox="715 237 1310 304">national Boards collaborative governance arrangements</p> <p data-bbox="715 342 1374 521">Action Our Chair is conducting discussions with other National Board Chairs and establishing views, with a mandate from our Board to seek clarity and work to highlight this with the other Chairs.</p> <p data-bbox="715 562 1326 741">Action Our CEO is discussing with other National CEOs how the governance line of sight can be improved and reflected in the <i>'Changing to Deliver'</i> National Board Plan 2019-23</p> <p data-bbox="660 786 1366 965">2.2 We will seek to discuss a more “active” governance and oversight of this agenda with the SG Public Health Reform Team and any Public Health governance Programme Board that might emerge as per 1.2 above.</p> <p data-bbox="715 1003 1366 1328">Action CEOs from Health Scotland, Improvement Scotland, National Board Scotland and National Services Scotland met with SG Public Health Reform Team (6.3.18). The outcome of this meeting was that Public Health Reform Team are now much better sighted on the implications of the National Collaborative agenda in relation to public health.</p> <p data-bbox="715 1368 1366 1514">Action Chair and CEO discussed at their meeting with senior civil servants responsible for the public health reform agenda SG on 12 March 2018</p> <p data-bbox="660 1592 1385 1697">2.3 We will seek to develop our understanding and assist with the development of these processes as the work emerges</p> <p data-bbox="715 1738 1382 2022">Action Our CEO is discussing with other National CEOs how the governance line of sight can be improved in the <i>'Changing to Deliver'</i> National Board Plan 2019-23. Further work has taken place across the national boards to ensure the clear alignment of individual Boards operational plans and the collaborative plan.</p>

Governance Concern/Issue	Action/Proposed Action
	<p>Action The <i>Draft 'Changing to Deliver'</i> National Board Plan 2019-23 and the connecting, Health Scotland operational plan, will come to Health Scotland Board on 23 March.</p> <p>Action The overarching governance arrangements and accountability relationships will be described by the CEO at the 23 March Board meeting.</p>
<p>3. Effective and proportionate governance of Health Scotland through transition</p> <p>3.1 Schedules of business and Board and Committee papers need to take due regard of transition issues</p>	<p>To ensure that legacy priorities, staff and finances are in the best possible place to transition</p> <p>3.1 We will seek to ensure our internal governance processes pay due regard to the change and transition processes and work is proportionate</p> <p>Action Record all statutory and regulatory functions and ensure these are all taken through Board, Committee or other governance processes effectively in transition year. Where this may not be possible seek alternatives (for example see section 3.2 below)</p> <p>Action Determine and record Board legacy and handover intentions for particular work priorities. This could connect closely with the work the Health Governance Committee does on behalf of the Board in reviewing the progress against the strategic priorities for 2018/19 and scrutinising proposals for legacy going forward and aspects of work to leave behind or hand over.</p> <p>Action Review all Board and Committee meetings set for 2018/19 and appraise if they are all required. Board schedule of business comes to March 23 Board for review. Committees review their schedule of business at their first meeting in the new business year</p>

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	<p>Action Revise schedules of business according to requirements for governing through transition. Maintain an overview of ToRs for Committees and Board Standing Orders as noted in the review of all ToRs "Recognising that 2018/19 is a transition year for Health Scotland, the Committee's agenda and schedule of business will pay due regard to the establishment of the new public health body for Scotland and the National Boards Collaborative Delivery Plan."</p> <p>Action From 1 March 2018 all Board, Committee, Corporate Management Team and Partnership Forum papers will have a new heading included for the reporting and recording of "Issues Associated with transition"</p> <p>Action Minutes of Board and Committees will ensure Board questions and decisions and issues associated with transition are recorded.</p> <p>Action Agreement with sponsor division that no annual review is required for 2017/18. Instead the Board will review our self-assessment of our 2017/18 performance at 23 November 2018 Board meeting and see this against the backdrop of 15 years activity as a Board. We have invited the Minister and Director General to attend.</p> <p>Action Publish 2017/18 annual report components on website - no requirement for separate annual report. Agreed with sponsor division December 2017</p> <p>Action There is no requirement for NHS Health Scotland Board development Self-assessment process during 2018/19 Agreed with sponsor Division December 2017.</p>

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<p>3.2 If the Health Scotland Board is no longer in place from 1 April 2019, it will be necessary to agree where the Health Scotland Q4 report, annual accounts and end of year report (2018/19) will be scrutinised and approved</p>	<p>3.2 We will seek to develop contingency plans for this benchmarked against other organisations in similar positions</p> <p>Action Further to discussion with Audit Scotland, two options have emerged. The outgoing accountable officer could return to sign the accounts and impact report. The accountable officer is a personal appointment and has personal responsibility so technically this is preferable to demonstrate they have fulfilled their duties. However in some cases the new accountable officer has signed. We will discuss options further with the Public Health Reform Team and sponsor division</p> <p>Action Consider where the new delivery plan for Health Scotland work for 2019/20 would be approved. Would this be an appropriate role for the Health Scotland Board?</p> <p>Action We will keep this area under review whilst we await confirmation from SG of the dates for the Health Scotland Board to complete its duties as a Board.</p>