

## Board Meeting: 28 September 2018

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### Board Governance Transition and Schedule of Board and Committee Meetings proposed for 1 April – 30 November 2019

#### Recommendation/action required:

The Board is invited to:

- Note the progress on the actions to mitigate the Board's comments, advice and concerns in relation to Board governance transition, further to the 23 March 2018 Board meeting (Appendix 1).
- Comment on the update, actions or proposed actions that have been added since the 23 March 2018 Board meeting.
- Agree that this will adequately address any further issues that have emerged since 23 March 2018 and advise of any amendments or additions to the cause of action proposed.
- Comment on the schedule of Board and Committee meetings proposed for 1 April – 30 November 2019 (Appendix 2).

Author:

Sponsoring Director:

**Della Thomas**  
**Executive and Governance Lead**

Gerry McLaughlin  
Chief Executive

21 September 2018

## Board governance Transition and schedule of Board and Committee meetings proposed for 1 April – 30 November 2019

### Purpose

1. The purpose of this paper is to:
  - Record the Board's comments, advice and concerns in relation to the governance of 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.
  - Propose the schedule of Board and Committee meetings for 1 April – 30 November 2019, recognising that flexibility may be required.
2. For the purpose of this paper Board governance transition refers to the overarching governance issues associated with the establishment of the new public health organisation planned for 2019; the governance of the NHS National Boards Collaborative plan and delivery and the governance issues associated with the NHS Health Scotland Board ceasing to exist around November 2019 (projected date).

### Background

3. Health Scotland had been working on the assumption that by 31 March 2019, the Health Scotland Board would 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 and at the Board meeting on 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**
  - **Ensuring Health Scotland governance during transition is effective and proportionate**

5. Further to the above, new information has emerged from the Public Health Oversight Board and other Public Health Reform meetings as follows:
  - The new public health organisation will be called “Public Health Scotland”.
  - Public Health Scotland will be vested by 2019 (likely to be, but not confirmed as 1 December 2019).
  - Public Health Scotland will take the legislative form of an NHS Special Health Board, but will look and behave very differently from an NHS Board.
6. This has had implications for the Board membership of NHS Health Scotland as a number of non-executives were due to complete their terms on 1 December 2018, 31 March 2019 and 31 May 2019 respectively.
7. The Board received a briefing, followed by a paper at 20 June 2018 Board entitled “Changes to process for extending NHS Health Scotland’s non-executive appointments”, which highlighted the course of action to ensure NHS Health Scotland might achieve effective governance through sufficient and experienced non-executive numbers.
8. As the period of transitional governance has been extended, the actions taken or the proposed plan of action, is recorded and updated in Appendix 1 as per the request of the Board at their meeting held 23 March 2018.
9. Since it has been agreed that the period for the vesting of Public Health Scotland has been extended, it is now necessary for the NHS Health Scotland Board to consider the sequencing of new dates for Board and Committee meetings from 1 April – 30 November 2019, (Appendix 2).
10. It should be noted that these dates have been proposed around a similar sequencing timeline to usual Board business. However as this is not business as usual, but rather proportionate governance through transition with a staged hand over of governance accountability to Public Health Scotland likely, the dates have notes to propose issues for consideration by the Board at this time.
11. All Board Committee Chairs have already been refining business to focus on governance transition. As the dates for Committee meetings for 2019 are reviewed, Committee Chairs and the Board may wish to consider if all the Board Committees will continue up until 30 November 2019; for what purpose; in what form; with whom attending and if any of the remaining elements of the Committees business might be conducted through full Board instead.
12. As the governance line of sight between NHS Health Scotland and the shadow Board of Public Health Scotland and transitional governance accountabilities and hand over timeline becomes clearer, following discussion with Public Health Reform colleagues at the future 5 October 2018 Board Seminar, the requirement and purpose of 2019 Board and Committee meetings should become clearer.

## **Finance and Resource Implications**

13. The finance, resource and risk implications for the governance of change and transition and strategic approach to the management of the NHS Health Scotland transition and change project will be taken as an overview by Audit Committee, on behalf of the Board. This has been reflected in this Committee's revised 2018/19 schedule of business and the connection with internal audits that will reflect the transition challenges.
14. The financial and staff resourcing of the governance transition is covered in the 2018/19 Delivery Plan and will be scrutinised through Audit Committee and Staff Governance Committee.

## **Staff Partnership**

15. The Staff Partnership, staff engagement and involvement aspects of governance transition forms key components of the Staff Governance Committee's revised schedule of business for 2018/19.

## **Communication and engagement**

16. 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**

17. This paper has aimed to record the issues and concerns from a Board governance perspective. After considering this paper and Appendix 1, the Board is asked to consider if there is there anything that is not reflected in the 2018/19 Risk Register that now should be included?

## **Issues Associated with Transition**

18. This paper itself responds to Board governance transition issues.
19. It should be noted that whilst governance should aim to seek assurance and clarity, the period ahead is exceptional in terms of transition uncertainty particularly the 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**

20. 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**

21. We do not 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.

22. 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**

23. The Board is invited to:

- Note the progress on the actions to mitigate the Board's comments, advice and concerns in relation to Board governance transition, further to the 23 March 2018 Board meeting (Appendix 1).
- Comment on the update, actions or proposed actions that have been added since the 23 March 2018 Board meeting.
- Agree that this will adequately address any further issues that have emerged since 23 March 2018 and advise of any amendments or additions to the cause of action proposed.
- Comment on the schedule of Board and Committee meetings proposed for 1 April – 30 November 2019 (Appendix 2).

**Della Thomas, Executive and Governance Lead**

**21 September 2018**

## Appendix 1

Governance Concern/Issue	Action/Proposed Action
<p><b>1. Formation of Public Health Scotland</b></p> <p>1.1 The HealthScotland Board is not clear on who currently is accountable for the success of the new public health organisation</p> <p>1.2 The Health Scotland Board is not clear on:</p> <ul style="list-style-type: none"> <li>- A confirmed date for their accountability for Health Scotland services, staff and finances to transfer and to whom</li> <li>- The implications for some non-executive Board members of the extension to November 2019 in relation to their terms of appointment</li> <li>- The line of governance sight during transition in relation to 2019 planning for delivery, finances, staff and strategic engagement</li> </ul>	<p>1.1 We have established an agreed understanding with SG that the overall accountability for the new public health organisation lies with the Minister and COSLA Spokesperson and not with the Health Scotland Board. This was recorded in the minutes of 23 March 2018 Board meeting and in a letter from the HS Chair to Andrew Scott (SG) after their meeting recording his thoughts and received confirmation was received that they were in agreement with this. <b>Action completed</b></p> <p>1.2 Our Chair is now a member of the Public Health Reform Oversight Board and is able to directly raise questions in this forum on behalf of the Board. <b>Action completed</b></p> <p>Senior members of the SG Public Health Reform attended our 13 April 2018 Board Seminar where this was further discussed. <b>Action completed</b></p> <p><b>Update</b></p> <p>We are now working on the assumption that accountability will transfer no later than 30 November 2019. There is a plan in place for extending non-executives appointments through the SSI which is currently progressing through Scottish Parliament as detailed in the 20 June 2018 Board paper, "Changes to process for extending NHS Health Scotland's non-executive appointments". The Board have been receiving recent email updates on the SSI progress.</p> <p>The Public Health Priorities have been published and the PHR Commissions are in progress. The Board have an overview of this work through the Change and Transition Report which now comes to each Board meeting. At the meeting of the</p>

Governance Concern/Issue	Action/Proposed Action
	<p>Health Governance Committee, held 4 July 2018, assurance was requested that NHS Health Scotland is sufficiently taking both of these aspects into account when planning future delivery.</p> <p>The PHR Team issued a new Commission on Governance and Accountability at the PHR Programme Board 29 August 2018.</p> <p>It has been confirmed that the legal framework for Public Health Scotland will be an NHS Special board. The Board received a communication from the Board Chair on 20 September outlining the process through which this decision was reached</p> <p><b>Further Actions</b></p> <p>When the SSI has completed progression through Scottish Parliament around <b>31 October 2018</b>, we will be in a position to make an approach to the Minister through our Scottish Government sponsor team for extension of non-executives terms (further to advance agreement with those non-executives to which this relates).</p> <p>We are seeking discussion with the SG PHR team to clarify Chair, CEO and Shadow Board appointment timeline and establish an understanding of the date for the vesting of Public Health Scotland, this will be discussed at the Board Seminar scheduled for <b>5 October 2018</b>.</p> <p>The <b>5 October 2018</b> Board Seminar will also discuss the implications for 2019 planning; the relationship with the Public Health Priorities, the PHR Commissions and the development of the Public Health Scotland agenda.</p> <p>The above actions connect with the objective 5 of the PHR Commission on Governance and Accountability “to identify leadership options for Public Health Scotland and consider the relationship</p>

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<p>1.3 New governance processes for Public Health Scotland are sufficiently different and improved to offer “whole system” governance</p>	<p>between the new board and the existing bodies during the transitional period, by October 2018”.</p> <p>If the Board believes further insights would be helpful into the work of the Public Health Reform Commissions (in addition to the Board report they receive at each Board meeting) this could be arranged for the <b>7 December 2019</b> Board Seminar.</p> <p>1.3 We will seek to develop synergy between the work of the Public Health Reform Team/SG Sponsor Division Team and better understand their governance thinking and plans for Public Health Scotland.</p> <p>We shared Board governance of health inequalities and staff governance views and approaches with senior members of the Public Health Reform Team at the Board Seminar on 13 April 2018. <b>Action completed</b></p> <p>Board views were also fed into the Public Health Reform Oversight Board meeting on 19 April 2018 and following discussion at the 18 May Board meeting, further views fed into the 24 May Public Health Reform Oversight Board by the HS Chair. <b>Action completed</b></p> <p>We now include the Board governance component in the formal quarterly sponsor meetings with the SG sponsor team. <b>Action completed</b></p> <p><b>Update</b></p> <p>A new “whole system” group has been established by Eibhlin McHugh in the PHR team. George Dodds is the HS representative on this group.</p> <p><b>Further Actions</b></p>



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<p>1.4 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>Further discussion on HS whole system working and views on whole system governance could be arranged for <b>7 December 2018</b> Board Seminar if this was felt to be appropriate.</p> <p>1.4 Health Scotland Board values, principles and learning has been shared with Public Health Reform Team December 2017 and COSLA 6 February 2018. <b>Action completed</b></p> <p>Meeting between NSS Board secretary and Health Scotland Executive and Governance Lead and Clinical Directors. <b>on-going</b></p> <p>Continued engagement with COSLA and Public Health Reform Team. <b>on-going</b></p>
<p><b>2. National Boards Collaborative Plan</b></p> <p>2.1 The overarching collaborative governance involving non-executives for the development of the national Boards collaborative plan is unclear</p> <p>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</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 national Boards collaborative governance arrangements.</p> <p>Our Chair has had discussions with other National Board Chairs and established other views. <b>Action completed</b></p> <p>Further to discussion at the 20 June 2018 board meeting or Chair wrote to Shirley Rogers in SG to offer suggestions for her to take to the National Programme Board for noting. <b>Action completed</b></p> <p>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 Reform Programme Board.</p> <p>CEOs from Health Scotland, Improvement Scotland, National Board Scotland and</p>

Governance Concern/Issue	Action/Proposed Action
<p>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>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. <b>Action completed</b></p> <p>Discussions are taking place with the SG PHR Team in relation to NHS collaborative financial contributions and the HS legacy resource as part of sponsor meeting 4 September 2018 and <b>on-going</b>.</p>
<p><b>3. Ensuring effective and proportionate governance of Health Scotland through transition</b></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>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) <b>on-going</b>.</p> <p>Proposals for the Health Scotland legacy work will be discussed with the Board at the <b>5 October 2018</b> Board Seminar.</p> <p>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 2018 Board for review. Committees review their schedule of business at their first meeting in the new business year <b>Action completed</b>.</p> <p>Review all Board and Committee meetings proposed for 1 April – 30 November 2019 and appraise if they are all required. <b>On-going</b></p>

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	<p>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." <b>Action completed</b></p> <p>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". <b>Action completed</b></p> <p>Minutes of Board and Committees will ensure Board questions and decisions and issues associated with transition are recorded. <b>On-going</b></p> <p>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 with our sponsor division. <b>Action completed</b></p> <p>Date to involve Minister in 2005-31 March 2019 legacy review yet to be agreed <b>On-going.</b></p> <p>Publish 2017/18 annual report components on website - no requirement for separate annual report. Agreed with sponsor division December 2017 <b>on-going.</b></p> <p>There is no requirement for NHS Health Scotland Board development Self-assessment process during 2018/19 Agreed with sponsor Division December 2017 <b>Action completed.</b></p>

Governance Concern/Issue	Action/Proposed Action
<p>3.2 We are planning for the Health Scotland Board to be no longer in place from 30 November 2019, it will be necessary to agree where the Health Scotland Q3, Q4 and final reports, annual accounts and end of year report (2019) will be scrutinised and approved</p>	<p>Agreement with sponsor division that no annual review or self-assessment will be required from Health Scotland in 2019.  <b>Action completed</b></p> <p>3.2 We will develop understanding of this together with PHR Team and Public Health Scotland Shadow Board <b>on-going</b></p>

## Appendix 2

### Proposed Board and Committee meeting dates during transition period

1 April – 30 November 2019

<b>April 2019</b>		
<b>Proposed date &amp; time</b>	<b>Meeting</b>	<b>Provisional Business Issues/Proposals</b>
12 April 10:30 a.m.	Board Seminar	Proposed joint session with Public Health Scotland Shadow Board
26 April 10:30 a.m.	Audit	
<b>May 2019</b>		
23 May 10.30 a.m.	Health Governance	Health Governance <b>may</b> have completed business by this point any further emerging business of relevance could be dealt with by full Board at a meeting or Seminar. HGC will review schedule and business at their meeting 29 November 2018 meeting and make recommendations to the Board
10 May 10.30 a.m.	Staff Governance	
17 May 10.30 a.m.	Board Part 3	
17 May 11.00 a.m.	Board	
17 May 1.30 p.m.	Remuneration	Directors appraisal – sign off from 2018/19
<b>June 2019</b>		
07 June 10.30 a.m.	Audit	
07 June 1.00 p.m.	Remuneration	Sign off Directors objectives (CEO of PHS should be in place by then – line of sight may be required)
21 June 09:30 a.m.	Audit	Unlikely to require this meeting based on external auditors advise from June 2018
21 June 10.00 a.m.	Board Part II (Adoption of Annual Accounts)	

21 June 10.30 a.m.	Board	Plan to bring legacy impact report to this meeting as opposed to annual impact report <i>Could consider inviting the Minister</i>
<b>July 2019</b>		

<b>August 2019</b>		
16 August 10.30 a.m.	Staff Governance	Review of Staff Governance role and planning for handover of the governance of staff to Public Health Scotland. How will HS SGC know they have achieved their aim of overseeing the transition of a well-motivated and ready workforce?
<b>September 2019</b>		
06 September 10:30 a.m.	Audit	
12 September 10:30 a.m.	Health Governance	
27 September 10:30 a.m.	Board	
<b>October 2019</b>		
04 October 10:30 a.m.	Board Seminar	Will this Board Seminar be required?
18 October 10:30 a.m.	Staff Governance	Use to hand over to new Public Health Scotland Staff Governance Committee?
<b>November 2019</b>		
15 November 10:30 a.m.	Audit	Rep from PHS in attendance? Balanced books to hand over to Public Health Scotland. Arrangement in place for signing of final accounts June 2020.
22 November 10:30 a.m.	Board Part 3	Will this be required?
22 November 11.00am	Board	Normally Q2 performance report would come to Nov Board. Could also

		bring final assurance statements from Audit, Staff Governance and Remuneration Committees
22 November 1:30 p.m.	Remuneration with PHS Remuneration rep?	Final handover?
28 November 10:30 a.m.	Health Governance	