

NHS in Scotland 2015

Checklist for NHS non-executive directors



The following checklist is designed to help non-executive directors with their role in overseeing the performance of NHS boards and is aimed at promoting good practice, scrutiny and challenge in decision-making. It also provides a basis for discussions in NHS boards about how they can address current pressures, at the same time as delivering significant changes to shape how services will be delivered in the future.

The checklist should be read in conjunction with the report, [NHS in Scotland 2015 \[PDF\]](#), published in October 2015. This report analyses the performance of the NHS during 2014/15 and comments on its future plans.

The checklist is divided into four sections covering:

- Financial performance
- Service performance
- Workforce
- Future service delivery.

The questions should help non-executive directors seek evidence, and subsequently gain assurance, on their board's approach in dealing with ongoing pressures in each of these areas. If the answer to any question is 'no', then we would encourage non-executive directors to speak with the board's senior executive team, or, where appropriate, the Chief Executive, to discuss how improvements can be made.

Section 1: Financial performance

With ongoing pressures in public finances, NHS boards are finding it increasingly challenging to meet their annual financial targets. Many boards rely on one-off savings or require extra financial support from the Scottish Government to break even. It is important boards recognise the need to plan their finances effectively in both the short and long term. The following questions consider the importance of understanding the board's financial health and their approach to good long-term financial planning.

Financial performance	Yes/No
<p>1. Do I have a good understanding of the overall financial health of the board?</p> <ul style="list-style-type: none"> • Am I aware of the current underlying financial performance of the board against its annual revenue and capital budget limits? • Do I have sufficient assurance that both annual revenue and capital limits will be met? • Am I aware of all significant financial risks and cost pressures facing the board and their implications? • Am I satisfied that appropriate action is being taken to address potential future funding gaps? • Do I have confidence that appropriate action is being taken to help improve the financial health of the board? 	
<p>2. Does the board have a long-term financial strategy (covering five to ten years)?</p> <ul style="list-style-type: none"> • Does the financial strategy consider scenario planning to outline the best, worst and most likely scenarios of the financial position? • Where assumptions and forecasts are used, are they clearly stated? Are they reasonable? • Is the strategy underpinned by detailed financial plans that outline spending commitments over the short (one year) and medium-term (two to five years)? • Are the financial strategy and financial plans subject to scrutiny by the board and relevant committees on a regular basis? • Do plans clearly outline all cost pressures such as those arising from changes in legislation, contractual commitments, national policies and meeting performance standards? 	
<p>3. Do I have a good understanding of the current condition and future investment needs of the board's estate and other assets (such as medical equipment)?</p> <ul style="list-style-type: none"> • Am I aware of the current profile of the board's estate and other assets including age, condition and suitability? • Does the board have an appropriate plan to dispose of, or sell, surplus assets? • Where assets are held for sale, do I have sufficient assurance that the expected proceeds and the timing of sale are realistic? • Am I aware of the extent, cost and risk profile of backlog maintenance and repair within the board and is there a clear plan to manage this? • Am I aware of the long-term financial impact on future budgets of using revenue-finance (such as non-profit distribution) to pay for capital investment? 	

Financial performance (continued)	Yes/No
<p>4. Does the board have a robust savings plan in place?</p> <ul style="list-style-type: none"> • Where savings are identified, do plans demonstrate how savings will be achieved within the timescales given? • It is important that the majority of savings are recurring to ensure the sustainability of the board's financial position. Am I confident that the board has an appropriate balance between recurring and non-recurring savings to ensure the board will meet its future savings targets? • Am I confident that savings identified have been subject to a risk assessment to ensure service quality and patient safety are not affected? • Where savings are unidentified, does the board have appropriate plans to identify them within the underlying financial period? 	

Section 2: Service performance

The following questions focus on the board's service performance and quality and how it seeks to make improvements. With ongoing pressures in public finances and increasingly demanding targets and standards, the NHS will not be able to continue to provide services in the way it currently does. Therefore, these questions should be considered alongside Section 4 which covers future service delivery.

Service performance	Yes/No
<p>5. Do I have a good, overall understanding of the quality of service provided by the board, through a combination of both qualitative and quantitative information?</p> <ul style="list-style-type: none"> Am I aware of staff and patients' views on the quality of service provided and actions planned to address concerns? 	
<p>6. Do I have a good understanding of the board's performance against national waiting time targets and standards?</p> <ul style="list-style-type: none"> Am I aware of the general short-term and long-term trends in performance against each target and standard? Where performance is declining, do I know if this is a shift in performance or a short-term issue? Am I satisfied that appropriate action is being taken to improve both short-term and long-term performance? Am I aware of the costs involved in trying to improve performance? Where performance is improving, do I understand the reasons why and can lessons from this be applied to other areas where performance is not as strong? Do I receive regular and sufficient information in relation to the board's activity, demand and capacity levels and how these affect service performance? Am I made aware of any potential difficulties in meeting targets and standards in the future? Am I aware of where actions to improve performance in one area may impact on the performance in another? Am I aware of how the board is performing when compared to other boards and the overall national performance against targets and standards? 	
<p>7. Is there an appropriate balance between actions taken to meet performance targets and actions required to deliver longer-term aims such as implementing the 2020 vision?</p> <ul style="list-style-type: none"> Am I confident that short-term actions do not conflict with longer-term plans? 	

Section 3: Workforce

The ability to attract, recruit and retain professionals across Scotland, with the right skills to deliver the services required, is one of the biggest challenges facing the NHS. Boards are hiring more temporary staff to help keep services running and meet performance targets but this approach is increasingly expensive and provides only a short-term solution. The following questions focus on both the short-term and long-term approaches to addressing workforce needs.

Workforce	Yes/No
<p>8. Do I have a good overall understanding of the current workforce pressures facing the board?</p> <ul style="list-style-type: none"> Do I receive sufficient information on workforce issues within the board such as the: <ul style="list-style-type: none"> number and type of vacancies? reasons why vacancies may take longer to fill? reasons for the level of sickness absence? variation of sickness absence within the board and how this compares to the national standard of four per cent? Am I aware of the use and cost of temporary staff employed by the board (such as bank and agency nurses and doctors)? Am I satisfied with the reasons why temporary staff are employed? Am I fully aware of the board's approach to hiring agency staff and the costs involved? Am I confident the board is taking appropriate action to address current workforce issues? 	
<p>9. Am I confident the board is making good progress in addressing long-term workforce requirements?</p> <ul style="list-style-type: none"> Does the board have a good understanding of its long-term workforce requirements such as the number and types of jobs needed, including skills required, roles and responsibilities? Are the views of staff (ie, from staff surveys) used to inform changes to workforce requirements? Is the board using demographic data and demand trends to make predictions about future workforce requirements? Is the board working closely with other boards and the Scottish Government to address workforce requirements? Is the board confident that current training schemes and recruitment plans will enable the right numbers, skills-mix and grades of staff to be available to meet long-term requirements? Is the board making workforce predictions based on delivering long-term models of healthcare including achieving the 2020 vision? 	

Section 4: Future service delivery

In 2011, the Scottish Government set out an ambitious vision for health and social care to enable everyone to live longer, healthier lives at home or in a homely setting by 2020. Although slow progress has been made so far, the Scottish Government plans to continue working towards the vision as part of an overall, longer-term plan for healthcare over the next 10-15 years. The plan extends the 2020 vision to include a greater focus on prevention and addressing health inequalities. The following questions consider boards' progress towards achieving longer-term aims and objectives and what it means for their finances, workforce, assets and ongoing plans and initiatives.

Future service delivery	Yes/No
<p>10. Am I aware of the board's progress towards achieving the 2020 vision of changing the balance of care to more homely and community-based settings?</p> <ul style="list-style-type: none"> • Am I confident the board fully understands what actions are required to achieve the 2020 vision? • Am I confident that actions proposed are achievable and measurable given both financial and time constraints? • Do I receive sufficient information to help me understand the board's progress towards meeting the vision in terms of milestones and indicators? • Am I aware of what the plans for achieving the 2020 vision will mean for the board in relation to its workforce? • Am I aware of what the plans for achieving the 2020 vision mean for the board in relation to its assets (including equipment, land and buildings)? • Does the board clearly outline the financial impact of changes including initial investment, funding options and payback periods? • Am I aware of ongoing developments with the Scottish Government's proposed 10-15 year plan and do I understand what the implications are for the board and how it affects current plans and initiatives? • Are plans and initiatives subject to regular assessments against the board's corporate objectives and strategic priorities as well as national ambitions? • Am I satisfied with the board's level of engagement with other public bodies such as integration authorities, community planning partners, councils, the Scottish Government and other health boards over future service delivery options? • Am I clear about the governance and accountability implications for the board arising from the integration of health and social care? • Am I satisfied with the board's level of support in helping to establish the new health and social care integration arrangements, including agreeing budgets for the new integration authorities? 	