

# NHS in Scotland 2016

## Checklist for NHS non-executive directors

AUDITOR GENERAL 



## 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.

The checklist should be read in conjunction with the report, NHS in Scotland 2016, published in October 2016. This report analyses the performance of the NHS during 2015/16, comments on its future plans and the extent to which public service reform is being implemented.

The checklist is divided into two sections covering:

- Financial and service performance
- Service reform.

The questions should help non-executive directors seek evidence, and subsequently gain assurance, on their board's approach in 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 and service performance

NHS boards are facing an extremely challenging financial position and many had to use short-term measures in order to break even in 2015/16. NHS boards are facing increasing costs each year and will need to make unprecedented levels of savings in 2016/17. There is a risk that some will not be able to achieve financial balance. In addition, NHS boards continue to struggle to meet key national performance targets. Overall NHS Scotland failed to meet seven out of eight key targets. The following questions consider financial health, savings and service performance.

1. Do I have a good understanding of the overall financial health of the board?	Yes/No
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?	
<p>Am I aware of all significant cost pressures facing the board and their implications? Cost pressures may include:</p> <ul style="list-style-type: none"> <li>• increased demand for services from a growing, ageing population</li> <li>• increasing staff costs, in particular spending on temporary staff</li> <li>• rising spending on drugs.</li> </ul>	
Do I know the extent to which the board is using short-term approaches / one-off measures to achieve financial balance?	
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?	
Does the board have a long-term financial strategy (covering five to ten years)?	
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)?	

2. Does the board have a robust savings plan in place?	Yes/No
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?	
Where savings are unidentified, does the board have appropriate plans to identify them within the underlying financial period?	
3. Do I have a good, overall understanding of the board's service performance and quality?	Yes/No
Do I have a good understanding of the board's performance against national waiting time targets and standards?	
Am I aware of the general short-term and long-term trends in performance against each target and standard?	
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?	
Am I made aware of any potential difficulties in meeting targets and standards in the future?	
Am I aware of staff and patients' views on the quality of service provided and actions planned to address concerns?	

## Section 2: Service reform

The NHS is undergoing significant changes in how it delivers its services. A number of wide-ranging strategies propose significant change. The following questions consider boards' progress in changing and improving services, their long-term workforce requirements and how they are working with the public to change how people access, use and receive services.

1. Is the board taking ownership of changing and improving services?	Yes/No
Am I aware of what the board is doing to change and improve services?	
Am I satisfied with the board's level of engagement with integration authorities and other relevant partner organisations to change and improve services?	
Am I satisfied that changes and improvements to services are happening fast enough?	
Am I satisfied that the board and integration authorities are working together effectively, for example in relation to: <ul style="list-style-type: none"> <li>• governance arrangements</li> <li>• reporting arrangements</li> <li>• budget-setting processes?</li> </ul>	
Am I aware of what the board is doing in line with national policy on realistic medicine in: <ul style="list-style-type: none"> <li>• working to reduce over-investigation and variation in treatment</li> <li>• ensuring patients are involved in making decisions and receive better information about potential treatments?</li> </ul>	
2. Am I confident the board is making good progress in addressing long-term workforce requirements?	Yes/No
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?	
Is the board developing a long-term workforce plan (more than five years) in partnership with integration authorities?	

**2. Am I confident the board is making good progress in addressing long-term workforce requirements? (Cont)****Yes/No**

If yes to above, does the long-term workforce plan address:

- recruitment
- retention
- succession planning?

**3. Is the board engaging with the public about the need for change in how they access, use and receive services?****Yes/No**

Am I aware of what the board is doing to engage with the public about the need for, and benefits of, changing how services are provided?

Am I aware of what the board is doing to encourage the public to take more responsibility for looking after their health and managing long-term conditions?

Do I know the extent to which the board is working with partner organisations when engaging with the public about the need for change in how services are provided?



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