PUBLIC BODIES REVIEW:
REVIEW OF THE COMMON SERVICES AGENCY FOR NHSSCOTLAND

1. INTRODUCTION

The Scottish Executive's review of public bodies, *Public Bodies, Proposals for Change*, committed the Executive *to review the governance arrangements for the Common Services Agency and its constituent operating Divisions*. The primary reason for reviewing the CSA's governance was to fulfil the undertaking in *Our National Health: a plan for action, a plan for change* to ensure the work of national NHS bodies like the CSA is properly co-ordinated and aligned to national policies and priorities.

In carrying out the review, the Executive undertook that *particular emphasis will be placed on strengthening stakeholder involvement in the work of the CSA Board, and in establishing the appropriate accountability arrangements between the Agency and the Executive.*

Ministers approved the review's Terms of Reference and established a Review Board to oversee the review and to ensure the review was conducted in an open and transparent way with stakeholders played into the review appropriately. A smaller Project Team undertook the main bulk of the work, overseen by the review Board. The composition of the Review Board and the Project Team is shown in Appendix 3.

To assist in taking the review forward, consultants were appointed to assess stakeholders' views about the quality and relevance of CSA's services and about the perceived effectiveness of the current accountability and governance arrangements. Stakeholder views were collected using interviews, questionnaires and workshops.

2. TERMS OF REFERENCE AND PARAMETERS

The terms of reference of the review, approved by Ministers are as follows:

In the context of *Our National Health: a plan for action, a plan for change* and the Scottish Executive's commitment to improving the accountability and governance of public bodies, to review the responsibilities of the CSA and examine the management, decision-making and governance arrangements most appropriate for a post-devolution and post-internal market NHSScotland. In particular:

a. to review the existing and potential responsibilities of the Common Services Agency, and make recommendations about whether, by whom and how they should be discharged in future;

b. to review the relationship between the Common Services Agency and the Scottish Executive Health Department and make recommendations aimed at further improving the accountability of CSA to SEHD;

c. to review the relationship between the Common Services Agency and NHSScotland and make recommendations aimed at further improving the accountability of CSA to NHSScotland;

d. to make recommendations about the internal organisation and its CSA Divisions to enable its agreed responsibilities to be discharged effectively;

e. to review the governance arrangements for CSA and make recommendations about improving governance and accountability;

f. to examine the legal status of the Common Services Agency and make recommendations for any legislative changes.

The parameters for this and other reviews have already been set by Ministers. There should be no change for change's sake – organisational change should only be considered where practical and tangible benefits in better health and better healthcare will result. Also, flowing from the Review of Public Bodies, there should be no new Public Bodies created unless there are overwhelming arguments that a new organisation would produce tangible benefits for patients, communities and staff.

3. THE COMMON SERVICES AGENCY

The Common Services Agency for the Scottish Health Service was established as a separate legal body on 1 April 1974, and is legally constituted in terms of the National Health Service (Scotland) Act 1978. It is empowered to "provide such services and carry out such tasks for bodies associated with the Health Service as Scottish Ministers and those bodies may agree, and on such terms and conditions as may be agreed." The CSA is accountable to Scottish Ministers through a Management Committee, known as the CSA Board.

CSA support for NHSScotland has evolved over the years and it now provides 5 main functions:

- **it provides support services for the NHS**, such as legal and procurement services and administers the remuneration of family practitioners;

- **it runs some national clinical services** such as the Scottish Blood Transfusion Service and ensures the provision of high quality, effective health services through its National Services Division;

- **it provides support for the Scottish Executive** through for example the information and statistics service;

- **it runs core national strategic public health organisations and health programmes, through for example, the Scottish Centre for Infection and Environmental Health, screening programmes, and information services for health monitoring and surveillance;**

- **it supports and nurtures new organisations**, such as the Public Health Institute for Scotland, and enables them to develop and grow.

The range of functions which the CSA assumed when it was first established were prescribed in the National Health Service (Functions of the Common Services Agency) (Scotland) Order 1974 ("the principal Order") and have, from time to time, been amended by various

amendment Orders or "Statutory Instruments" of Scottish Ministers. The current operational structure has been arrived at by a mixture of both conscious decision of the CSA Board, and also the CSA Board responding to the addition of new functions from the Scottish Executive, sometimes with little discretion about the organisational arrangements. The Common Services Agency currently comprises Operational and Headquarters Divisions as follows:

Operational	Information and Statistics Division Scottish Centre for Infection and Environmental Health Practitioner Services Division Central Legal Office Scottish Healthcare Supplies National Services Division Scottish National Blood Transfusion Service Public Health Institute for Scotland Scottish Health Services Centre
Headquarters	Finance Human Resources Chief Executives Office Facilities & IT

The 3 Headquarters Directors are Executive Board Members. The other Board members are the non-Executive Chair, and 6 non-Executive Directors appointed by Scottish Executive Ministers following open competition.

The services provided by each of the main Operational Divisions, and the organisations on whose behalf these services are shown in the following table. These are shown in more detail at Appendix 2.

Division	Services	On Behalf Of
Central Legal Office	Provision of legal services	NHS Boards∅, Scottish Executive
Scottish Healthcare Supplies	Provision of procurement and technical services	NHS Boards, some commercial customers, Scottish Executive
National Services Division	Commissioning specialised health services and screening programmes	NHS Boards, Scottish Executive
Practitioner Services Division	Arranging payment, registration and information services to Primary Care contractors	NHS Boards, Scottish Executive
Scottish Centre for Infection and Environmental Health	Provision of information and expert support on infectious and environmental hazards	NHS Boards, Scottish Executive, Food Standards Agency, SEPA, Local Authorities

Division	Services	On Behalf Of
Information and Statistics Division	Collection and dissemination of data on health and social care and development of national IM&T programmes	NHS Boards, Scottish Executive, Local Authorities
Scottish National Blood Transfusion Service	Provision of blood, blood products and services, and other human tissue	NHS Boards, Scottish Executive, some commercial customers
Public Health Institute for Scotland*	Protection and improvement of the health of the people of Scotland	NHS Boards, Local Authorities, Scottish Executive

* Ministers have already approved the merger of the Public Health Institute for Scotland with the Healt h Education Board for Scotland.
∅ Reflecting the new status and responsibilities of NHS Boards, including NHS Trusts and Primary Care Contractors

4. STAKEHOLDER CONSULTATION

The review team felt it important to gather the views of stakeholders and staff of CSA to inform the work of the review. Savage Young & Associates, a firm of Business Psychologists with considerable experience in the collection and objective evaluation of organisation data, were appointed to collect and assess stakeholders' views.

The Project Team specified areas where information was required. These were:

- **An analysis of how well the Divisions fulfil their purpose.**
  An overview for each Division of their role, their relationship with customers/stakeholders, the quality and effectiveness of services provided and activities undertaken to deliver their objectives.

- **Process and activity analysis.**
  Assessment of the relevance of services and activities; identification of responsibilities that might be carried out elsewhere; exploring whe ther there is duplication of services and activities within the CSA and/or with other organisations: additional responsibilities that should be taken on.

- **An evaluation of accountability and governance.**
  The effectiveness of current governance and accountability arrangements, the role of the CSA Board, how the CSA adds value to the work of the Divisions, the extent to which the work of Divisions is pre-planned versus reactive.

Stakeholders' views were collected using interviews, questionnaires and workshops. Each Division was invited to identify their key stakeholders, and 3 main stakeholder groups were identified:

- NHSScotland and other customers mainly independent contractors such as GPs, Dentists and Pharmacists;

- Scottish Executive Health Department; and
- CSA staff and Staff Side organisations.

Workshops

- 8 workshops were arranged and a total of 121 people attended these workshops.
- 5 workshops were for CSA customers in NHSScotland and SEHD.
- 3 workshops were for CSA staff – 2 for CSA staff, and one for CSA Staff Side representatives.

Questionnaires

- Those invited to attend workshops were asked to complete questionnaires;
- Approximately 100 questionnaires were returned; and
- 87 of these provided feedback on the CSA as an organisation as well as feedback on the work of the Divisions.

Meetings and Interviews

- There were 11 meetings and interviews with a total of 13 senior clinicians and managers from NHSScotland and SEHD.
- There was also one meeting with 3 of the 4 non-Executive Directors.

5. MAIN FINDINGS FROM STAKEHOLDER CONSULTATION

For the most part, the work of the Divisions is perceived positively in terms of the quality of products and services:

- customer service (responsiveness, helpfulness);
- management of change (communication, involvement);
- where there have been or still are problems, Divisions are seen to be improving.

The CSA as a corporate entity is not well understood:

- the Board and HQ are seen by many as not having a value-adding role;
- there is a very real lack of clarity about the purpose of the CSA;
- CSA has a low profile in NHSScotland;

- key stakeholders including many CSA staff are largely unaware of its vision, mission, strategy and objectives;

- NHSScotland and SEHD stakeholders relate to the Divisions rather than the Agency;

- the vast majority of staff do not identify with the CSA, but identify with their Division.

The role of the Board and the governance of CSA is unclear:

- governance and accountability arrangements are unclear;

- there are a significant number of people who would like to see a stronger stakeholder influence, especially from NHSScotland but also from the Independent Contractors and SEHD;

- the make-up of the Board is considered to be unrepresentative of the community the CSA serves;

- there are concerns about the lack of clinical representation on the Board;

- there are concerns about the CSA's accountability framework.

The majority of people commenting on SNBTS believe alternative governance arrangements might be better:

- the preferred option is for SNBTS to become an independent organisation;

- the second is to merge with NHS 24 and/or the Scottish Ambulance service;

- the third is to remain in CSA but with changes around clinical and corporate governance.

Only a very few people raised the possibility of managerial support functions being taken from the CSA:

- for example, procurement delivered through three regional centres;

- the vast majority see the work of SHS, CLO, ISD and PSD as core CSA activities and

- some would like to see the role extended/strengthened.

Further work is needed to improve the interface between SEHD and the CSA:

- at corporate, business planning, financial and policy formulation levels;

- this will require changes in the way in which SEHD and the CSA work.

In conclusion, the CSA is seen to deliver good services through its Divisions and, although there are many reports suggesting improvements, there are no major faults or reports of gross customer dissatisfaction. Most recommendations are therefore targeted at corporate CSA, the Board and the structure of CSA and accountability.

6. IMPLICATIONS OF FINDINGS

From the views of stakeholders it is clear that the services provided by CSA Divisions are valued and viewed as still appropriate, and with the exception of SNBTS, there is no demand for services to be transferred out of CSA and provided by other organisations.

SNBTS

SNBTS stakeholders and SNBTS staff expressed a clear view that SNBTS should have more autonomy, and would be better placed out of CSA, which was perceived not to add value to its work but to be an inappropriate layer of bureaucracy. The preferred options for the future organisation of SNBTS, in order of preference were:

1. to become a stand-alone organisation as a separate public body;

2. to merge with NHS24 and/or the Scottish Ambulance Service to form a National Clinical Support organisation;

3. to remain as part of CSA, but with significant change at CSA corporate level.

The dissatisfaction with CSA by SNBTS staff and their stakeholders stems from a combination of:

- a close working relationship between SEHD and SNBTS during the development and implementation of the 1999 SNBTS strategy;

- for the period of its implementation, ring-fenced funding of SNBTS and development finance agreed through bilateral discussions with SEHD often without CSA involvement;

- a perception in SNBTS that the performance of the organisation is managed by the Medicines Control Agency, the Clinical Pathology Association and SNBTS Clinical User Group, and CSA Board is not qualified to manage the performance of SNBTS.

It is perhaps understandable given these factors, and in particular the first 2, that the CSA Board has struggled to provide leadership, its role has been unclear, and it has not yet developed a robust system of clinical governance. The view that the CSA Board is not qualified to provide corporate governance and performance management perhaps reflects an inadequate understanding of the role of NHS Boards across Scotland in supporting, developing and holding to account specialist services to ensure they meet the needs of the public. Whatever organisational arrangements apply, there needs to be a proper system of corporate and clinical governance, and a Board providing a focus for efficient, effective and accountable governance and strategic leadership and direction.

If SNBTS were to become a separate NHS body, it would still need to have a Board appointed by Scottish Ministers to provide that focus and role. SNBTS would still be held to account by a Board of non-Executives (with the same scope for concerns about levels of expertise and understanding), and difficult decisions about priorities, finance and value for money would still have to be taken. There would also be additional costs of the new Board organisation, and there seems little point in diverting money from patient care elsewhere if it is not going to achieve any of the desired improvements, none of which are about better patient care.

Merger with either NHS 24 and/or the Scottish Ambulance Service is not a realistic option at this point. Both organisations are involved in ambitious change programmes. NHS 24 is establishing its service and will need to expand it around the country, and the Scottish Ambulance Service is in the process of introducing priority based dispatch and rationalising the number of operations (control) rooms. Any organisational change at this point would be disruptive and dissipate the senior team and Board focus on these essential and very important developments.

Accordingly, the third preference option of SNBTS stakeholders that it remains in CSA, but with fundamental changes around clinical and corporate governance is supported by the Review Board as the most appropriate way forward. The SNBTS has gone through a process of major structural change to the way it provides services and has in so doing implemented its 1999 Strategy. The ring-fencing which has protected the funding streams to SNBTS during the past 3 years will be removed at the end of this financial year. The close working relationship with SEHD is now moving to a more normal NHS relationship and the financial regime and pressures that apply to the rest of NHSScotland now are starting to apply to SNBTS.

The Fit of Other Divisions

Other CSA Divisional activity is viewed positively, although there are suggestions for further improvements from stakeholders. There is no demand from stakeholders for other organisations to undertake the services currently being provided by CSA through its Divisions.

The Role of a Central Organisation

Although not entirely within the Review remit, the question of why have a central organisation doing these things is quite pivotal to the whole review. The rationale behind this arrangement is that there are two sorts of services that are best provided at a level above that of NHS Boards. First, there are services that are low in volume but high in expertise that cannot be effectively provided locally; and second that there are some transaction based services that although quite high in volume terms, add little in value to the delivery of the local service and through the use of ICT systems can be efficiently provided on behalf of local NHS Boards. These 2 sets of services, including health protection, clinical and support are the services that CSA currently provides on a Scotland-wide basis.

All these services still need to be provided and if a central organisation were not to provide them, they would require to be transferred to local NHS organisations to undertake either individually or collectively, while the services provided to the Scottish Executive could become the responsibility of SEHD to provide. NHS Boards have a demanding and

challenging agenda to improve the health of their resident populations and to improve healthcare services provided to them. It makes little sense to distract them from that task by giving them extra responsibilities especially when the services are already perceived to be running well.

Equally, SEHD's role is the development and implementation of health and community care policy and providing executive leadership of NHSScotland. At a time of major reform in the NHS it makes no sense to undertake additional tasks that are already being done well by CSA and its Divisions. So the case for CSA continuing to add value to the wider NHSScotland by providing these services still stands.

Potential for Additional Responsibilities

In relation to any additional responsibilities that should be undertaken by CSA, views were mixed about whether CSA was ready to take on additional responsibilities. The most common suggestion was that CSA could provide shared support services such as finance and HR for NHSScotland. However, stakeholders observed that, at present CSA does not provide shared services for its own Divisions, and CSA therefore needs to concentrate on tackling that issue, as well as creating a more accountable, corporate organisation.

There are, however, 3 pieces of work presently underway that might impact on this further. The first is the wider Review of Management and Decision-Making in NHSScotland, the second is the Review of Health Protection, which will shortly be the subject of consultation, and the third is the development of the new General Medical Services/GP contract. All of these pieces of work may bring forward implications for the organisation and workload of CSA and its Divisions for the future.

So far as the first of the specific terms of reference is concerned:

- **The existing responsibilities of CSA are deemed still appropriate to be managed by the CSA, but may be impacted on by the Review of Management and Decision-Making in NHSScotland, by the Review of Health Protection in Scotland, or by the introduction of the new GMS contract**.

6. ROLE OF THE CSA BOARD

To enable recommendations to be made for points (b) to (e) of the Terms of Reference, the starting point is the role of the CSA Board, and consequently the CSA organisation itself.

The stakeholder assessments show that while the work of the Divisions is perceived positively, the CSA as a corporate entity is not well understood, and the Board and HQ function are not seen as having a value added role. There is a very real lack of clarity about the purpose of CSA. It has a low profile in NHSScotland and key stakeholders including many CSA staff are largely unaware of its vision, mission strategy and objectives.

There is confusion and disagreement about the role of the Agency. Different views of its role are:

- to provide central support services to the Divisions;

- to proved financial, staff and clinical stewardship of the Divisions;
- to provide leadership (vision, direction and development) to the Divisions;
- to be a NHSScotland central support organisation with a potentially broader remit

The role of the CSA Board is unclear and the CSA Board is not perceived as providing strong and visible leadership. The make-up of the Board is considered to be unrepresentative of the community the CSA serves. Governance and accountability arrangements are unclear and there are concerns about the CSA's accountability framework and about the lack of clinical representation on the Board. There are concerns that CSA needs to work better with stakeholders to plan and implement improvements and changes. There are a significant number of people who would like to see a stronger stakeholder influence with suggestions that NHSScotland and SEHD representatives should be members of a revised CSA Board to ensure its responsiveness and accountability.

The Way Forward

The confusion around the role of the CSA Board needs clarified in the same way as *Rebuilding our National Health Service* clarified the role of the 15 new unified NHS Boards established on 1 October 2001.

- **The CSA Board should be seen to have a similar purpose and function to NHS Boards in providing support to NHSScotland.**

The table below shows a similar role for the CSA Board compared to NHS Boards.

	CSA Board	**NHS Board**
Purpose	Efficient, effective and accountable governance of the CSA system	Efficient, effective and accountable governance of the NHS system
	Strategic leadership and direction	Strategic leadership and direction
Key Functions	Strategy development	Strategy development
	Resource allocation	Resource allocation
	Implementation of CSA 5 Year strategic plan	Implementation of Local Health Plan
	Performance management	Performance management
	Provide a single focus of accountability for performance of the CSA system	Provide a single focus of accountability for performance of the NHS (or local healthcare) system

	CSA Board	NHS Board
Main services	NHSScotland support services	Primary Care
	SEHD Support Services	Acute Services
	National Clinical services	Health Improvement
	National public health protection and surveillance	
	New organisation support	

As can be seen from the above table the purpose, key functions and main services of CSA fit very well into the established NHS Board model.

Board Structure

- **The CSA present board structure needs reviewed to be consistent with the established NHS Board model for both the non-executive and executive teams**.

- **At the same time as this is being done, the opportunity should be taken to appoint non-Executive members from NHSScotland to ensure these major stakeholders have influence around the Board table and CSA is seen to be accountable to its main stakeholders**.

The table below shows how a revised CSA Board non-Executive membership would look in comparison to a NHS Board

CSA Board Non-Executives	NHS Board Non-Executives
Chair	Chair
NHSScotland (2) -1 Chief Exec; 1 Chair	Trust Chairs (2/3 on average)
Local Authority Member (nominated by COSLA)	Local Authority Member(s)
Employee Director	Employee Director
CSA Clinical Forum Chair*	Area Clinical Forum Chair
2 Lay Members	2 Lay Members

*Clinical advisory structure and CSA Clinical Forum to be established

As can be seen from the above table, the CSA can again fit in well to the established NHS Board model. Although some question was raised about the appropriateness of Local Authority membership, it is considered appropriate because:

- the CSA provides some of its services to local authorities;

- the need for close co-operation with local Authorities around the health protection agenda;

- the E-procurement initiative is a public sector wide initiative in Scotland; and

- the potential for developing wider shared services in the future.

The Organisation and the Executive Team

The CSA has not developed a clinical advisory structure like other NHS Boards and as yet does not have a well developed Clinical Governance framework (the new Chief Executive already recognises this and has started to tackle it). The CSA runs national clinical services through SNBTS, SCIEH and NSD, and 36% of all CSA staff are clinical staff, with 83 medical and 386 nursing staff.

The aim is to enable CSA to evolve into a modern forward thinking NHS support organisation with a clear sense of purpose and proper clinical and corporate governance. At the moment CSA has 14 separate Directors/Heads of Divisions running its Divisions and HQ functions, and within a number of Divisions there are also other Directors. This is shown in Appendix 1.

The Chief Executive, Director of Finance and Director of Human Resources are members of the CSA Board. None of the operational Divisional Directors are Board members and there is no Medical or Nursing Director on the Board.

In addition, most of the Divisions are almost autonomous organisations in their own right with little shared across CSA. The normal common organisational support functions such as Finance, Human Resources, IT and Procurement which help an organisation bind together, shape culture and values, and establish an organisation-wide way of doing things are not routinely or always provided organisation wide.

- **The CSA needs to develop its clinical governance framework with a professional advisory structure and a CSA Clinical Forum.**

- **The CSA also needs to develop an Executive Team similar to that of NHS Boards.**

- **The CSA needs to re-configure to take advantage of synergies within the organisation, clarify accountabilities to the Executive Team and give weight to all governance issues; further developing its clinical, corporate and staff governance.**

- **The CSA needs to establish common organisation-wide support services in Finance, Human Resources, IT and Procurement.**

Although these last 2 recommendations are a matter for the CSA Board to decide, this should entail a grouping of functions within 3 or 4 main Directorates, of which at least one is Clinical, and only one CSA Support Directorate supplying organisation wide services. SEHD

would welcome further discussions with CSA when it has developed its detailed proposals for its Divisional structure.

The table below shows how a revised CSA Executive Board Team would look in comparison to a NHS Board.

CSA Board	NHS Board
CSA Chief Executive	NHS Board Chief Executive
Main Operational Directors (2/3)	NHS Trust Chief Executives (2/3)
Medical Director	Director of Public Health
Nurse Director	Nurse Director
Finance Director	Finance Director

Accountabilities

The aims of these changes are to bring clarity to the role, purpose and functions of CSA; to enable it to be seen as a different modern NHSScotland organisation, and to behave as other NHS Boards. However, other changes need to take place to support this and to improve CSA's accountability.

- **CSA should adopt a similar accountability framework as NHS Boards, and develop a 5 year Strategic Plan in consultation with its planning partners (CSA's version of a Local Health Plan).**

This is a key part of the accountability cycle of the CSA Board to NHSScotland, SEHD and to the public. Other features of the accountability cycle are the Corporate Agreement with SEHD, the Performance Assessment Framework, the Accountability Review and the CSA Board's Annual Report.

The process of drawing this up is important and will enable CSA to engage with NHSScotland, SEHD, staff and other stakeholders, producing a better understanding of stakeholders' needs and of CSA's services.

The aim of the strategic plan is to:

- ensure a co-ordinated approach to planning and delivering services;
- provide a sharp focus on the actions for which CSA is responsible, including national clinical services, public health protection and surveillance, NHSScotland support and SEHD support;
- achieve better informed and more rigorous planning;
- achieve more effective and more responsive services;

- support clearer accountability to NHSScotland and SEHD.

As a fundamental part of this process, and in line with the planning processes undertaken by NHS Boards, the plan should also include:

- a Financial and Resources plan, setting out a clear financial strategy demonstrating that the developments and actions proposed are affordable;

- a Change and Development Plan, showing how the capability and capacity of the organisation and staff will be developed to deliver the objectives set out in the plan;

- the first year actions and financial plan from the Strategic Plan will form the Corporate Agreement with SEHD and NHSScotland.

Since NHSScotland is CSA's main customer:

- **CSA should be accountable for engaging NHSScotland when developing this plan, and accountable to them for implementing the agreed actions.**

CSA will need to maintain some flexibility in this process to be responsive enough to support the Scottish Executive in its role of developing policy, and in the strategic management of NHSScotland. This should not preclude CSA from adopting a more strategic planned approach to its activities.

CSA and SEHD

SEHD senior staff who sponsor CSA activity and Divisions expressed the view that CSA needed to be more accountable to SEHD for the work it does for the Executive. There were views that SEHD representatives should be appointed as non-Executive Board members of CSA to improve the accountability of CSA to SEHD. Appointing SEHD staff to be Board members of CSA would cut across the normal convention that NHS Boards do not have Civil Servants appointed to them as a matter of course, and are held accountable through the normal accountability process. Since the issues raised were more about responsiveness, relative priorities and customer services and about communication of these to the Board, these would be better dealt with by having alternative consultation and feedback arrangements:

- **CSA should establish a Stakeholder Forum for SEHD customers that meets quarterly, the views of the Forum should be considered by CSA Board.**

CSA staff also raised concerns about the constant ad hoc requests from SEHD staff to CSA to undertake work which carried major expenditure implications for CSA, and about the need to manage this process better to avoid either significant disruption or over spending. Two other connected issues raised about work done for SEHD were - from CSA staff a wish to be more involved in the policy development work of SEHD - and from SEHD staff a wish to have more involvement in the day-to-day management of CSA's activities.

- **There needs to be a single point of commissioning of new or additional work in SEHD and CSA, and changed processes, behaviours and financial planning in both CSA and SEHD**.

7. LEGAL STATUS OF CSA

CSA is legally constituted in terms of the National Health Service (Scotland) Act 1978 (as amended). The 1978 Act was a consolidation Act of previous legislation. The CSA was set up as a separate body from 1 April 1974.

Section 10(1) states that the Agency will be called the Common Services Agency for the (Scottish) Health Service.

The Agency's remit is to provide such services and carry out such tasks for bodies associated with the Health Service as Scottish Ministers and those bodies may agree, and on such terms and conditions as may be agreed. A Functions Order was issued in respect of the functions of the Agency with effect from 1 April 1974, and subsequent Orders were issued as functions were added to or withdrawn from the Agency.

There are Regulations concerning the Membership and Procedures of the Management Committee of the Common Services Agency. These are broadly similar to those of other NHS Bodies.

Effectively, there are no real major differences in the legal status of the CSA compared to NHS Boards.

- **Accordingly, there is no need for any legislative changes in relation to the legal status of CSA.**

8. TERMS OF REFERENCE AND REVIEW BOARD RECOMMENDATIONS

The recommendations of this Review for each of the Terms of reference agreed by Ministers are as follows:

a. to review the existing and potential responsibilities of the Common Services Agency, and make recommendations about whether, by whom and how they should be discharged in future;

- ***the existing responsibilities of CSA are deemed still appropriate to be managed by the CSA, but may be impacted on by the Review of Management and Decision-Making in NHSScotland, or by the Review of Health Protection in Scotland.***

b. to review the relationship between the Common Services Agency and the Scottish Executive Health Department and make recommendations aimed at further improving the accountability of CSA to SEHD;

- ***CSA should establish a Stakeholder Forum for SEHD customers that meets quarterly, and the outcomes of these should be considered by CSA Board;***

- ***there needs to be a single point of commissioning of new or additional work in SEHD and CSA, and changed processes, behaviours and financial planning in both CSA and SEHD.***

c. to review the relationship between the Common services Agency and NHSScotland and make recommendations aimed at further improving the accountability of CSA to NHSScotland;

- ***CSA should adopt a similar accountability framework as NHS Boards, and develop a 5 year Strategic Plan in consultation with their planning partners (CSA's version of a Local Health Plan);***

- ***CSA should be accountable to NHSScotland for engaging them in developing this plan, and accountable to them for implementing the agreed actions.***

d. to make recommendations about the internal organisation and its CSA Divisions to enable its agreed responsibilities to be discharged effectively;

- ***CSA needs to re-configure to take advantage of synergies within the organisation; clarify accountabilities to the Executive Team, and give weight to all governance issues.***

e. to review the governance arrangements for CSA and make recommendations about improving governance and accountability;

- ***the CSA Board should be seen to have a similar purpose and function to NHS Boards in providing support to NHSScotland;***

- ***the CSA present Board structure needs reviewed to be consistent with the established NHS Board model for both the non-Executive and Executive Teams;***

- ***at the same time as this is being done, the opportunity should be taken to appoint non-Executive members from NHSScotland to ensure these major stakeholders have influence around the Board table and CSA is seen to be accountable to its main stakeholders;***

- ***CSA needs to develop its clinical governance framework with a professional advisory structure and a CSA Clinical Forum.***

f. to examine the legal status of the Common Services Agency and make recommendations for any legislative changes;

- ***there is no need for any legislative changes in relation to the legal status of CSA.***

9. CONCLUSION

Stakeholders value the work of the Divisions of CSA and feel that services have improved and continue to improve. There is no wish to see the majority of services provided elsewhere, apart from SNBTS, where stakeholders and staff alike feel relocation of SNBTS to another organisation is preferred.

There is some justification for their concerns because of the lack of a developed system of clinical governance in CSA; a lack of clarity about the role and purpose of the Board, and therefore a lack of clarity about how CSA and its component Divisions support and add value to each other's activities.

Most of the recommendations in this Review are aimed at Corporate CSA to create the organisation and conditions in which CSA is seen by all, within CSA and within NHSScotland, as a valued organisation providing national clinical services, support to NHSScotland and support to SEHD.

The proposals contained within this report, if implemented, should address the concerns of SNBTS stakeholders, without the need to move that service elsewhere.

10. IMPLEMENTATION PLAN

The actions required to take forward the recommendations in this plan, and the timescales involved are as follows:

Recommendation	Responsible	Timescale
➢ The existing responsibilities of CSA are deemed still appropriate to be managed by the CSA, but may be impacted on by the Review of Management and Decision-Making in NHSScotland, by the Review of Health Protection in Scotland or by the introduction of the new GMS contract.	SEHD	Dec 2002 following consultation
➢ The CSA Board should be seen to have a similar purpose and function to NHS Boards in providing support to NHSScotland.	SEHD	Dec 2002 following consultation
➢ The CSA present Board structure needs reviewed to be consistent with the established NHS Board model for both the non-Executive and Executive Teams.	SEHD	Dec 2002 following consultation
➢ At the same time as this is being done, the opportunity should be taken to appoint non-Executive members from NHSScotland to ensure these major stakeholders have influence around the Board table and CSA is seen to be accountable to its main stakeholders.	SEHD	01-Apr-03
➢ The CSA needs to develop its clinical governance framework with a professional advisory structure and a CSA Clinical Forum.	CSA Board	Dec-02

Recommendation	Responsible	Timescale
➢ The CSA also needs to develop an Executive Team similar to that of NHS Boards.	CSA to advise SEHD of proposed action	Dec-02
➢ The CSA needs to reconfigure to take advantage of synergies within the organisation; clarify accountabilities to the Executive team; give weight to all governance issues; further developing its clinical, corporate and staff governance.	CSA to advise SEHD of proposed action	Dec-02
➢ The CSA needs to establish common organisation wide support services in Finance, Human Resources, IT and Procurement.	CSA	Apr-03
➢ CSA should adopt a similar accountability framework as NHS Boards, and develop a 5 year Strategic Plan in consultation with its planning partners (CSA's version of a Local Health Plan).	CSA	Apr-03
➢ CSA should be accountable for engaging NHSScotland when developing this plan, and accountable to them for implementing the agreed actions.	CSA	Apr-03
➢ CSA should establish a Stakeholder Forum for SEHD customers that meets quarterly, the views of the Forum should be considered by CSA Board	CSA	Apr-03
➢ There needs to be a single point of commissioning of new or additional work in SEHD and CSA, and changed processes, behaviours and financial planning in both CSA and SEHD.	SEHD/CSA	Sep-02
➢ There is no need for any legislative changes in relation to the legal status of CSA.	SEHD	N/A

APPENDIX 1 CSA Senior Management Structure

CHIEF EXECUTIVE CSA

SNBTS National Director	**ISD Director**	**PSD Director**	**NSD Director**	**CLO Legal Adviser**	**SCIEH General Manager**	**SHS Director**	**SHSC Head of Unit**	**FINANCE Director**	**HR Director**	**CON-TRACTS & IT Director**	**FACILI-TIES Director**	**PERFORM-ANCE MANAGE-MENT Director**	**PHIS Director**
Medical & Scientific Director	Head of Group Data Quality	Assistant Director Aberdeen	Medical Director	Managing Partner	Clinical Director	Assistant Director Business Services	Manager National Committee Services	Deputy Director	Head of HR	Infozone Manager	Estates Manager	Project Team	PHIS merger with HEBS approved by Ministers
Clinical Director Dundee & Aberdeen	Head of Group Primary Care Info	Assistant Director Glasgow	Director Nursing & Quality			Assistant Director Contracting services	Conventions Manager		Head of OD	IT Security Manager	Site Services Manager		
Clinical Director Glasgow	Head of Group Acute Info	Assistant Director Edinburgh	Head of Finance & Operations			Assistant Director Equipping & technical	Library Services Manager				Health & Safety Co-ordinator		
Clinical Director Inverness	Head of Group Cancer Info	Financial Controller	National Screening Co-ordinator			Supply Chain Manager	Business Manager				Property Strategy Project Manager		
Clinical Director Edinburgh	Assistant Director Business Support	Assistant Director Dental Operation					National Appeals Secretary						
Supply Chain Director	Head of group IT	Assistant Director Pharmacy											
Director Protein Fractionation Centre Director		Head of Fraud Investigation											
Director Diagnostics Scotland		Head of IT											
Bone & Tissue Director													
Research & Development Director													
Quality Director													
Personnel Director													
Finance & Procurement Director													
Corporate Issues Director													
Estates & Capital Planning Director													

APPENDIX 1 CSA Senior Management Structure

APPENDIX 2

OVERVIEW OF THE WORK OF THE CSA

The Common Services Agency plays an active role in NHSScotland by providing support and advice for Scotland's health and patient care.

The Agency has eight operating Divisions located across Scotland:

The **Scottish National Blood Transfusion Service** (SNBTS) is the 24-hour specialist service for the provision of blood, plasma, blood-typing re-agents, tissue and bone products and clinical advice on transfusion medicine for the benefit of patients throughout Scotland. To provide this service, SNBTS employs an annual budget of some £55m and some 1,100 staff including donor attendants, clinical consultants, nurses, executive management, clinical scientists and pharmaceutical professionals.

The **Scottish Centre for Infection and Environmental Health** (SCIEH) provides surveillance programmes, supporting the work of Health Boards, Trusts and local authorities, supplies education and training to practitioners in the field, and undertakes research. It has links with the Food Standards Agency, the Scottish Food Co-ordinating Committee and academic institutions including the University of Highlands and Islands.

The **Information and Statistics Division** (ISD) is responsible for the collection, validation, interpretation and dissemination of information within NHSScotland. They help provide information which combines high quality data, consistency, national coverage and the ability to link data to allow patient based analysis.

Practitioner Services Division (PSD) is responsible for making payments, on behalf of Island Health Boards and Primary Care Trusts, to the four family health service (FHS) contractor groups - general medical practitioners, general dental practitioners, community pharmacists and optometrists - and for maintaining the registration of related information on the Community Health Index (CHI) and the dental index.

Scottish Healthcare Supplies (SHS) manages national contracts for the complex and exacting supply needs of NHSScotland. SHS has knowledge of the marketplace that spans virtually any product or service in a field where advancing technology produces innovations virtually everyday. SHS is committed to understanding customers' needs and as a result, when a contract is put in place, it represents the best all-round combination of specification, quality and price.

The **Central Legal Office** (CLO) provides a highly specialised service in all fields of NHS law. Over the last year, the work of CLO has expanded into a wide variety of projects in support of Our National Health - a plan for action, a plan for change, including involvement in the creation of NHS24; a series of employment HR seminars and work on the introduction of the Human Rights Act.

The **National Services Division** (NSD) ensures the provision of high quality, effective specialist health and screening services to meet the needs of the population of Scotland. NSD work closely with NHSScotland colleagues and the public in commissioning and reviewing their services. Currently, NSD are developing a range of neonatal and antenatal screening

programmes including neonatal screening for PKU, hypothyroidism, pilot universal neonatal hearing screening and antenatal screening for Down's syndrome and neural tube defects.

The **Public Health Institute for Scotland** (PHIS) Merger of the Health Education Board for Scotland and PHIS has already been approved by Scottish Ministers. In addition to these operating Divisions, the CSA has a **corporate headquarters** comprising Chief Executive's Office, Finance, Facilities/Estates, Human Resources, Corporate IT and the Scottish Health Services Centre (SHSC).

APPENDIX 1 CSA Senior Management Structure

APPENDIX 3

REVIEW OF COMMON SERVICES AGENCY

1. CSA Review Board Membership

Mark Butler, Director of Human Resources, SEHD (Chair)
John Aldridge, Director of Performance Management and Finance, SEHD
Graeme Miller, Chair, CSA Board
Stuart Bain, Chief Executive, CSA
Adrian Lucas, Chief Executive, Scottish Ambulance Service
Robert Calderwood, Chief Executive, South Glasgow University Hospitals NHS Trust

2. Review Board Role

The Review Board's role is to:

- oversee the review of CSA;
- agree the work programme of the project team;
- ensure stakeholders are engaged appropriately;
- ensure appropriate expertise is played in;
- agree the final recommendations prior to submission the Health Department Board.

3. Review Team Membership and Role

Dick Manson, Projects Director, SEHD (Project Leader)
Ian Williamson, Branch Head, Performance Management Division, SEHD
Deirdre Evans, Director, National Services Division, CSA
Miles Moorehouse, Director, Scottish Healthcare Supplies, CSA
Scott Haldane, Finance Director, CSA