THE STATE HOSPITALS BOARD FOR SCOTLAND

Date of Meeting:	18 June 2026
Agenda Reference No:	Item No: 17
Sponsoring Director:	Chair of Staff Governance Committee
Author(s):	Director of Workforce
Title of Report:	Staff Governance Committee Annual Report
Purpose of Report:	For Decision

1 SITUATION

The attached Staff Governance Committee Annual report outlines the key achievements and key developments overseen by the Committee during 2025/26. This also includes the Committee's Terms of Reference, Reporting Structures and Work Programme.

2 BACKGROUND

Staff Governance is defined as **'a system of corporate accountability for the fair and effective management of all staff.'**

The Staff Governance Standard (4th Edition) sets out what each NHS Scotland employer must achieve in order to improve continuously in relation to the fair and effective management of staff. Implicit in the Standard is that all legal obligations are met, and that all policies and agreements are implemented. In addition to this, the Standard specifies that staff are entitled to be:

- well informed;
- appropriately trained and developed;
- involved in decisions;
- treated fairly and consistently; with dignity and respect, in an environment where diversity is valued;
- provided with a continuously improving and safe working environment, promoting the health and wellbeing of staff, patients and the wider community.

3 ASSESSMENT

In the performance year 2025/26, The State Hospitals Board for Scotland's Staff Governance Committee has continued to refine our approach in the monitoring of activities in relation to SG standards, both in terms of assurance but also improvement and best practice.

The Committee members support the delivery of our Workforce Plan, and its key priorities around 'Prioritising Organisational Health' and 'creating a sustainable workforce'. The Workforce Plan is a clear commitment to a culture within The State Hospitals Board for Scotland in which the delivery of the staff governance standards is at the forefront of our approach, in

terms of people management, staff engagement, learning and development and partnership working.

4 RECOMMENDATION

The Board is asked to approve the Staff Governance Committee Annual Report.

MONITORING FORM

How does the proposal support current Policy / Strategy / ADP /	Reporting to demonstrate that committee has met its remit
Corporate Objectives Please note which objective is linked to this paper	Better Workforce
Workforce Implications	No specific proposal to consider
Financial Implications	None Identified
Route to Board Which groups were involved in contributing to the paper and recommendations.	Staff Governance Committee
Risk Assessment (Outline any significant risks and associated mitigation)	Not required for reporting
Assessment of Impact on Stakeholder Experience	Not required for reporting
Equality Impact Assessment	Not required for reporting
Fairer Scotland Duty (The Fairer Scotland Duty came into force in Scotland in April 2018. It places a legal responsibility on particular public bodies in Scotland to consider how they can reduce inequalities when planning what they do).	No impact identified
Data Protection Impact Assessment (DPIA) See IG 16. 1. There are no privacy implications. 2. There are privacy implications, but full DPIA not needed 3. There are privacy implications, full DPIA included Please state which option above applies (i.e. 1, 2 or 3).	**1. There are no privacy implications**

THE STATE HOSPITALS BOARD FOR SCOTLAND

STAFF GOVERNANCE COMMITTEE ANNUAL REPORT

1 April 2025 – 31 March 2026

CONTENTS

1 INTRODUCTION

Staff Governance is defined as '**a system of corporate accountability for the fair and effective management of all staff**.'

The Staff Governance Standard (4th Edition) sets out what each NHSScotland employer must achieve in order to improve continuously in relation to the fair and effective management of staff. Implicit in the Standard is that all legal obligations are met, and that all policies and agreements are implemented.

In addition to this, the Standard specifies that staff are entitled to be:

- Well informed.
- Appropriately trained and developed.
- Involved in decisions.
- Treated fairly and consistently; with dignity and respect, in an environment where diversity is valued.
- Provided with a continuously improving and safe working environment, promoting the health and wellbeing of staff, patients and the wider community.

In the performance year 2025/26, The State Hospitals Board for Scotland's Staff Governance Committee continued to focus its monitoring activities in respect of these standards.

The Committee members recognised their obligations to support a culture where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the organisation and is built upon by the principles of partnership.

Members of the Staff Governance Committee are appointed annually by the NHS Board.

Membership details of the Committee during 2025/26 are detailed below.

2 COMMITTEE CHAIR, COMMITTEE MEMBERS AND ATTENDEES

Committee Chair:

- Pam Radage (Chair of Committee, Non-Executive Director).

Committee Members:

- Allan Connor (Employee Director).
- Stuart Currie (Non-Executive Director).
- Cathy Fallon (Non-Executive Director).
- Shalinay Raghavan (Non-Executive Director).

In attendance:

- Graeme Anderson (Head of Organisational Development and Learning).
- Alan Blackwood (lay member, Prison Office Association).
- Josephine Clark (Associate Director of Nursing).
- Graeme Fergusson (POA Representative).
- Sandra Dunlop (Head of Organisational Development and Learning).
- Gary Jenkins (Chief Executive).
- Leanne Keenan (Clinical Services Manager, NHS D&G).
- Monica Merson (Head of Corporate Planning and Business Support).

- Brian Moore (Board Chair).
- Anthony McFarlane (Unison Representative).
- Richard Nelson (RCN Representative).
- Laura Nisbet (Head of HR).
- Margaret Smith (Head of Corporate Governance/Board Secretary).
- Stephen Wallace (Director of Workforce).

Where required by the Chair or by other members of the Committee, appropriate members of staff were invited to be in attendance for the purpose of verbal updates, information sharing and presentations.

3 MEETINGS 1 APRIL 2025 – 31 MARCH 2026

During 2025/26 the Staff Governance Committee met on four occasions, in line with its terms of reference (Appendix 1).

Meetings were held on:

- 15 May 2025.
- 21 August 2025.
- 20 November 2025.
- 12 February 2026.

Attendance from Committee members is shown below.

Committee Member	Number of Meetings Present
Pam Radage	4
Allan Connor	4
Stuart Currie	3
Cathy Fallon	2
Shalinay Raghavan	3

4 SUMMARY OF REPORTING

The Committee received reports and monitored areas as follows:

- Workforce (HR, Learning & Wellbeing & OD) Report:
    - Maximising Attendance.
    - Recruitment.
    - Employee Relations.
    - Staffing Turnover.
    - Exit Interview Findings
    - Job Evaluation.
    - PDPR Compliance.

- iMatter.
- Workforce Planning.
- Whistleblowing.
- Statutory and Mandatory Training Compliance.
- Fitness to Practice.
- NHSScotland Staff Governance Standard Monitoring Framework.

- OD and Wellbeing Strategy.
- Occupational Health.
- Health and Care Safe Staffing.
- eRostering.
- Corporate Risk Register – Staff Governance Risks.
- Workforce Equalities.
- RWW – Reduced Working Week
- Once for Scotland.
- Nursing Practice Development.
- Non-Executive Director Walk rounds.
- Working Environment.
- Internal Audit Reporting.

4.1 Annual Reports

4.1.1 Staff Governance Monitoring (SGM) – Assurance of Compliance:

The Committee received the Staff Governance Monitoring Return. The return took the form of a streamlined core assurance mechanism and enabled members to review compliance with the Staff Governance Standard and assess progress across the organisation. Its inclusion reflected the Committee's responsibility to evaluate how effectively the organisation supports staff to be well-informed, engaged, fairly treated, appropriately trained, and provided with a safe working environment.

The Committee noted the return's role in identifying strengths, highlighting areas requiring improvement, and strengthening assurance frameworks in advance of year-end governance reviews.

4.1.2 iMatter

Members of the Committee received the iMatter Annual Report which provided a summary of organisational staff-experience performance. The report highlighted a 6% reduction in response rates, though levels remained above national averages, and confirmed that overall Employee Engagement Index (EEI) scores remained broadly stable. A key achievement reported was the marked increase in action-plan coverage, rising from 56% to 75%, demonstrating strengthened follow-through on staff feedback. Members noted the positive trajectory and emphasised continued focus on linking team-level data to targeted improvement activity.

4.1.3 Occupational Health Service Annual Report 2024/25

The annual report and presentation provided to the Committee on 21 August 2025 summarised the key achievements. Members of the Committee were advised the quality of referrals from line managers had improved through targeted questions which had supported timely occupational health advice and outcomes. It was also highlighted that there had been a reduction in non-attendance at appointments. The Committee noted the report's contribution to ongoing oversight of staff wellbeing and organisational support mechanisms, reaffirming the importance of Occupational Health in maintaining a safe and healthy workforce.

4.2 Progress Updates

The Committee received regular updated reports and monitored issues relating to the following:

4.2.1 Personal Development Planning & Review (PDPR)

Across the 2025–26 reporting year, the Committee received regular updates on PDPR compliance, noting consistently strong organisational performance. It was reported that PDPR completion was at 92%, with ongoing work to address areas falling below internal thresholds. By February 2026, this position was maintained, with PDPR review compliance plateauing at 91.1%, accompanied by targeted efforts to minimise overdue reviews and strengthen local accountability. These updates provided assurance to the Committee that appraisal activity remained a clear organisational priority, closely monitored through performance structures and supported by directorate-level scrutiny.

4.2.2 Maximising Attendance

Members of the Committee have received assurance throughout the year that maximising attendance remained an organisational priority, supported by strengthened reporting and targeted managerial actions.

Members reviewed detailed analysis of sickness absence patterns and noted the scale, operational impact, and widespread nature of absence across the workforce, with over three-quarters of staff recording at least one episode. The Committee welcomed the refined reporting format and emphasised the need for consistent, confident attendance management by line managers.

Across the year, updates provided to SGC-linked governance forums reinforced that absence reduction was being driven through improved data insight, clearer management pathways, proactive escalation processes, and enhanced occupational health and well-being support. The Committee took assurance from the sustained focus at operational and leadership levels, recognising the collective effort to stabilise absence trends and embed a long-term, culture-led approach to improving attendance.

4.2.3 HR Performance – Employee Relations Activity

Members of the Committee received assurance that Employee Relations (ER) activity remained stable and well-managed, with early resolution increasingly preventing escalation into formal processes. Members were advised that the number of active ER cases remained low, reflecting constructive dialogue between managers, HR, and staff and the positive impact of early intervention approaches. Discussion highlighted that longer or more complex cases—particularly those extending beyond the 3–6-month window—can place significant psychological and operational strain on staff, underscoring the continued importance of timely progression and strong case management. The Committee welcomed HR's commitment to reviewing timelines and learning from complex cases to strengthen future practice, alongside the emphasis on prevention through high-quality conversations, coaching for managers, and a supportive organisational culture.

4.2.4 OD, Wellbeing and Learning

Across 2025–26, the Committee received regular updates on Organisational Development (OD), Learning and Wellbeing, noting continued progress in embedding a supportive, skilled and engaged workforce culture. Members welcomed strong performance in key indicators, including sustained high PDPR completion, robust mandatory training compliance, and growing utilisation of wellbeing supports such as the staff care specialist, Time for Talking service, and peer support network. These reports also highlighted the significant effort invested in improving leadership capability, strengthening team development, and advancing culture-change workstreams aligned to organisational values.

The Committee further endorsed the new OD Strategy, recognising its clear priorities—direction, leadership and working environment—and the extensive staff engagement that shaped it, providing confidence in its relevance and credibility. Taken together, the OD and wellbeing updates provided assurance that the organisation is investing meaningfully in staff support, capability, and culture, with increasingly coherent and well-governed activity evident across the Workforce Directorate.

4.3 Standard Items considered by the Committee during the year

4.3.1 Fitness to Practice

Committee members received the Fitness to Practice Annual Report. The report provided assurance on the Board's processes for monitoring and maintaining professional registration for all eligible employees, outlining the relevant professions covered and the systems in place to ensure timely checks. The Committee noted positively that there had been no lapses, concerns, or failures in professional registration during the reporting year, reflecting strong compliance and effective governance across the organisation.

4.3.2 Whistleblowing Quarterly updates

No formal whistleblowing concerns were presented to the Staff Governance Committee during 2025–26, providing assurance that no issues required escalation through the national whistleblowing standards pathway

4.3.3 Corporate Risk Register – Staff Governance Risks

The Committee received assurance that staff governance-related risks within the Corporate Risk Register were actively monitored and updated throughout 2025–26, with key risks being refined, reclassified or retained as appropriate to ensure accurate oversight of emerging workforce pressures and organisational controls.

4.3.4 Health and Care Staffing and eRostering

Members of the Committee were advised on key developments relating to health and care staffing and the implementation of eRostering. The Committee also received an update on the national audit of rostering practices, noting that although the organisation had successfully implemented the eRostering system, further work was required to strengthen local compliance, eliminate manual processes, and improve the timely application of protocols for shift swaps, annual leave and time-off-in-lieu. Assurance was provided that a structured improvement programme was underway, including monthly audits by lead nurses, enhanced governance checks, and a bimonthly oversight process involving senior leadership to ensure that remedial actions were progressing and risks were being addressed. These updates affirmed that staffing challenges were being actively managed and that the eRostering programme continued to mature, with clearer controls and stronger accountability embedded across operational areas.

4.3.5 Workforce Equalities Group

Throughout 2025–26, the Committee received assurance on the ongoing work of the Workforce Equalities Group (WEG), which continued to progress the organisation's equalities priorities and shape a more inclusive culture. Updates provided through governance routes highlighted WEG's development of an Equalities Action Plan, informed by findings from the Lived Experience Survey and focused on three priority themes: senior visibility and leadership commitment, education and awareness, and zero-tolerance of discriminatory behaviours. Meeting outputs confirmed active work on leadership-endorsed communications, training programmes—including unconscious bias, bystander intervention and behavioural standards—and exploration of enhanced staff engagement methods such as video messaging and improved internal visibility

of equality work. Assurance was also provided that equality considerations were increasingly embedded across governance structures, with equalities featuring routinely in board-level agendas and reporting frameworks. Taken together, the updates demonstrated meaningful progress in strengthening organisational culture, broadening staff awareness, and laying the foundations for a robust Equalities Action Plan.

4.3.6 Once for Scotland Policies

During 2025–26, the Committee received assurance on the ongoing implementation of the Once for Scotland (OFS) workforce policies, with a formal updates presented to the SGC advising of the OFS policy programme and confirmed steady progress across the national policy phases, including the launch of Phase 2.2 in August 2025 and preparatory work for Phase 3, which introduced new policies relating to adverse weather, substance use, and other key employment matters. Most national policies will be adopted in full, with only limited local guidance retained where required for the unique operational context of the State Hospital. Together, these updates provided the Committee with assurance that national policy changes were being systematically implemented, supported by local governance, and that staff were being prepared for consistent, modernised practice aligned to NHS Scotland standards.

4.3.7 Internal Audit Report: Absence, Disciplinary and Suspension Management

Members of the Committee received the Internal Audit Report and noted the high level of compliance with policies and the reasonable assurance provided by the report.

4.3.8 Notes of Minutes and updates from other meetings

The Committee received and noted minutes/reports from the following:

- Partnership Forum.
- Clinical Governance papers (as appropriate and where related to a Staff Governance issue).
- Workforce Governance Group.

5 AREAS OF GOOD PRACTICE

Across 2025–26, the Committee noted several areas of strong practice that demonstrated positive cultural and operational progress. Members highlighted the Committee's increasingly discursive, constructive approach, recognising that meetings had become more focused, transparent, and effective in supporting continuous improvement.

The following examples were provided throughout the year:

- The development and implementation of the OD Strategy
- The work undertaken by the HR Team in supporting PVG activity
- Non-Executive Walkaround
- The open and transparent communication, which was evidenced through Committee meeting and also Partnership Forum minutes.
- Improvements across the Occupational Health Service
- The positive approach to Maximising Attendance, in reporting and outcomes
- The response to eRostering
- Focus on Employability initiatives

6 CONCLUSION

Across the 2025–26 reporting year, the Staff Governance Committee demonstrated sustained and effective oversight of the key workforce priorities required under the Staff Governance Standards.

Throughout the year, the Committee engaged in detailed consideration of progress on maximising attendance, employee relations, OD and wellbeing, equality, workforce planning, training compliance, health and care staffing, and wider governance matters, drawing assurance from strengthened data reporting, improved managerial practice, and maturing systems of workforce oversight.

Members emphasised and recognised areas of good practice, including improved paper quality, clearer alignment to governance standards, constructive dialogue, and proactive cross-team collaboration, all of which contributed to a positive governance culture.

The Committee also acknowledged areas of challenge, responded to proactive approach to organizational learning whilst ensuring scrutiny of emerging risks relating to staffing, attendance, training and organisational sustainability and was assured that appropriate controls, escalation routes and improvement plans were in place.

From the review of performance of the activity of the Staff Governance Committee, it is clear that the Committee has met its obligations in line with the Terms of Reference and has fulfilled its remit. Based on assurances received and information presented to the Committee, adequate and effective Staff Governance arrangements were in place throughout the year.

I offer my thanks for the continuing support and encouragement of Committee members and to those members of staff who have worked on the Committee's behalf during 2025/26.

Pam Radage
STAFF GOVERNANCE COMMITTEE CHAIR
On behalf of the State Hospitals Board for Scotland Staff Governance Committee

THE STATE HOSPITALS BOARD FOR SCOTLAND

STAFF GOVERNANCE COMMITTEE

TERMS OF REFERENCE

1 PURPOSE

The Staff Governance Committee is a standing committee of the Board and shall be accountable to the Board. Its purpose is to provide the Board with the assurance that staff governance mechanisms are in place and effective within the State Hospital.

2 COMPOSITION

2.1 Membership

The Staff Governance Committee is appointed by the Board and shall be composed of the Employee Director and at least three other Non-Executive Board Members one of whom shall act as Chair.

The Committee can invite the Board Chair to be a member of the Committee for the purposes of a meeting, should it be the case that the Committee would otherwise be inquorate.

There will be three lay representatives identified by the staff side organisations and nominated by the Partnership Forum. The lay representatives will not act in an ex officio capacity.

Membership will be reviewed annually.

The Staff Governance Committee will have the authority to co-opt other attendees from outwith the Board in order to carry out its remit.

2.2 Appointment of Chair

The Chair of the Committee shall be appointed at meeting of the Board in accordance with Standing Orders.

2.3 Attendance

Members shall normally attend meetings and receive all relevant papers. All Board Members will have the right to attend meetings and have access to all papers, except where the Committee resolves otherwise.

Executive Directors of the Board are not eligible for membership of the Committee. The Accountable Officer (Chief Executive) and Director of Workforce shall be invited to attend meetings and receive all relevant papers. Other Directors and staff may also be invited by the Chair of the Committee to attend meetings as required.

3 MEETINGS

3.1 Frequency

The Staff Governance Committee will meet quarterly to fulfil its remit and shall report to the Board following each meeting.

3.2 Agenda and Papers

The agenda and supporting papers will be sent out at least three clear working days in advance of the meetings to allow time for members' due consideration of issues. All papers will clearly state the agenda reference, the author and the purpose of the paper, together with the action to be taken. The format of agendas and papers will be in line with corporate document standards. The lead Executive for co-ordinating agendas and papers is the Director of Workforce in conjunction with the Chair of the Staff Governance Committee.

3.3 Quorum

Two members of the Committee will constitute a quorum.

3.4 Minutes

Formal minutes will be kept of the proceedings and once approved, submitted at the next Board meeting. The Corporate Services Team are responsible for minute taking arrangements.

The minutes and action list of the Staff Governance Committee will be presented to the next Staff Governance Committee meeting to ensure actions have been followed up.

3.5 Other

In order to fulfil its remit, the Staff Governance Committee may obtain whatever professional advice it requires and invite, if necessary, external experts and relevant members of hospital staff to attend meetings.

If necessary, meetings of the Committee shall be convened and attended exclusively by members of the Committee.

4 REMIT

4.1 Objectives

The main objectives of the Staff Governance Committee are to provide the Board with the assurance that staff governance mechanisms are in place and effective within the State Hospital; and that the principles of the national Staff Governance Standards are applied equitably and fairly to all staff.

Existence and effective operation of this Committee will be demonstrated in continuous improvement and compliance with staff governance standards, in delivery of improved working arrangements for staff, and ultimately in achievement of outcome targets as evidenced through the staff related key performance indicators reported in the Local Delivery Plan.

4.2 Systems and accountability

To ensure that appropriate staff governance mechanisms are in place throughout the hospital in line with national standards.

To ensure that people management risks are managed in accordance with the corporate risk management strategy, policies and procedures.
To ensure that staff governance issues which impact on service delivery and quality of service are appropriately managed.

To review the Staff Governance Action Plan and ensure that the Partnership Forum is performance managing the action plan.

4.3 People management

To provide assurance to the Board in respect of people management arrangements, that:

- Culture is maintained within the hospital where the delivery of the highest possible standard of staff management is understood to be the responsibility of everyone working within the hospital and is built upon partnership and collaboration.
- Structures are in place to monitor the outcome of strategies and implementation plans relating to people management.
- Structures are in place to monitor the outcome of strategies and implementation plans relating to knowledge management.
- Propose policy amendment, funding or resource submission to achieve the Staff Governance Standards.
- Support is given for any policy amendment, funding or resource submission to achieve the Staff Governance Standards.
- There is timely submission of all staff governance data required by the Scottish Government Health Department and in respect of the Local Delivery Plan.
- Pay modernisation processes are monitored and that the Boards Pay Benefits Realisation Plans are signed off.
- Workforce planning and development is monitored and to sign off the Boards Workforce Plan and the Boards Development Plan and ensure they support the Local Delivery Plan.
- Policies and procedures are developed, implemented and reviewed.

4.4 Controls assurance

To ensure that:

- The information governance framework provides appropriate mechanisms for Codes of Practice on Data Protection and Freedom of Information to be applied to all staff.
- The planning and delivery of services has fully involved partnership working.
- Systems are in place to measure and monitor performance to foster a culture of quality and continuous improvement.
- Staff governance information is provided to support the statement of internal control.

5 AUTHORITY

The Committee is authorised by the Board to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee and all employees are directed to co-operate with any request made by the Committee.

The Committee is authorised to establish a Remuneration Committee to cover staff under executive and senior manager pay arrangements and to validate the work of that Committee. The Remuneration Committee must include, as a minimum, three Non-Executive Directors of the Board. The Remuneration Committee will be a closed Committee and shall sign off its own minutes. The Staff Governance Committee will require to be provided with assurance that systems and procedures are in place to appropriately manage the pay of this group of staff. This will not include detailed confidential employment issues that are considered by the Remuneration Committee: these can only be considered by Non-Executive Directors of the Board.

6 PERFORMANCE OF THE COMMITTEE

The Committee shall annually review and report on:

- Its own performance and effectiveness in meeting the terms of reference; including its running costs, and level of input of members relative to the added value achieved
- Proposed changes, if any, to the terms of reference.

7 REPORTING FORMAT AND FREQUENCY

The Chair of the Committee will report to the Board following each meeting of the Staff Governance Committee.

The Chair of the Committee shall submit an Annual Report on the work of the Committee to the Board.

8 COMMUNICATION AND LINKS

The Chair of the Committee will be available to the Board as required to answer questions about its work.

The Chair of the Committee will ensure arrangements are in place to provide information to the Scottish Government as required to meet their reporting requirements.

Reviewed June 2024