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17 June 2019

Dear Colin

NHS NATIONAL SERVICES SCOTLAND: ANNUAL OPERATIONAL PLAN 2019-20

Thank you for submitting your Annual Operational Plan (AOP), setting out your operational priorities and key actions for 2019-20.

As detailed in the guidance we issued in February 2019, the AOP is intended to support NHS Boards and their partners to deliver safe, effective and accessible treatment and care, and provides the basis on which the Scottish Government will hold Boards to account for their contribution over the year to delivering the Cabinet Secretary's priorities including waiting times improvement; investment in mental health; and achieving greater progress and pace in the integration of Health and Social Care.

As the national Board responsible for delivering national infrastructure services and solutions integral to NHSScotland, it is important that you continue to focus the Board's considerable expertise in supporting these priorities.

From a finance perspective, we recognise that this is essentially a one year plan, focusing on 2019-20 at this stage. For next year, we will want to move to align the AOP with the three year planning horizon set out in the Medium Term Financial Framework to ensure that we have clear visibility of the significant change processes that are underway across the system and to ensure that AOPs fully support and reflect the service reform agenda. We will be in touch with you over the next few months to take forward this development process.

Your financial plan sets out an indicative breakeven position in each year of the three years to 2021-22, along with detail of your planning assumptions and approach. We are content to approve the plan, with the expectation that the Board delivers breakeven in 2019-20. We will use the three-year finance plan as the basis of our discussions with you throughout 2019-20 and into future years.

We expect plans for the £15 million National Boards' efficiency saving to be fully developed in collaboration with your National Board partners by the end of June 2019. This should

include any adjustment to the baseline position for 2019-20 as well as allocation of the shortfall from 2018-19. It is therefore essential that planning assumptions are aligned across National Boards and with the approach agreed by the National Boards' Directors of Finance Group.

In view of this, following the first quarter of the financial year, we will be asking for an update on the financial position, including progress in the identification and delivery of savings. We will further discuss the specifics of what is required, including timescales, with your Director of Finance.

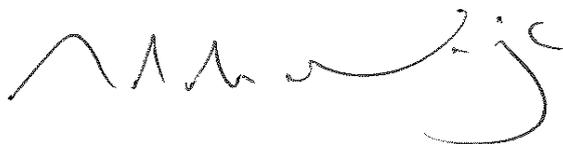
The AOP sets out a number of targets that the Board aims to achieve over the year. This includes work to ensure both the smooth and successful transition of Information Services Division and Health Protection Scotland to the new public health body, Public Health Scotland, by December 2019. It is important that you continue to work collaboratively with the other National Boards to support improvements in Scotland's health through improved quality, value and efficiency where this is best achieved through a national approach. The focus on improvement, transformation and evaluation; digitally enabled service redesign; and a sustainable workforce is key to supporting the Ministerial priority areas of addressing waiting times, mental health and health and social care integration.

These are matters that we will want to continue to discuss with you during the year, however at this stage, I am satisfied that your plan meets our requirements and am content to sign-off.

I look forward to hearing about progress in achieving the plan through the regular meetings you have with the Sponsor team.

If you have any questions about this letter, please contact Richard McCallum in his role as the Board's lead sponsor in the first instance (Richard.McCallum@gov.scot).

Yours sincerely



Malcolm Wright
Director General for Health & Social Care and Chief Executive of NHSScotland