
Withdrawal from the EU

NHS annual audit reports 2018/19 – summary

The 2018/19 annual audit reports considered how audited bodies had prepared for EU withdrawal and how they are continuing to respond to emerging risks. This is a summary of auditors' findings across Scotland's 22 NHS boards.

Overall, auditors concluded that NHS boards had undertaken a reasonable level of activity to prepare for EU withdrawal, given the continuing level of uncertainty.

NHS boards' preparations have focused on the following areas of risk:

Workforce:

- NHS boards have undertaken work to understand the implications of EU withdrawal on their workforces. This included participation in national workforce surveys to determine the number of staff and parts of the workforce that might be most at risk from the impact of EU withdrawal.
- Workforce challenges were identified in the medium to longer term, should there be a general reduction in the availability / supply of staff working and training in the health service. Specific parts of the workforce identified as being at risk included medical and dental staff.
- Activity to mitigate workforce risks included:
 - participation in national initiatives (e.g. workforce surveys)
 - regular communication and assurance to affected staff
 - support to those affected to complete applications for the EU Settlement Scheme
 - reflecting the potential impact of EU withdrawal in wider workforce plans and considering any risks through existing governance structures.

Finance:

- Most NHS boards concluded that their budgets are unlikely to be directly affected by potential changes to existing EU funding programmes.
- The financial risks identified focussed on uncertainty resulting from EU withdrawal. The potential impact of increased costs (which are financially unquantifiable) could affect future budgets and create challenges for medium to long-term financial planning.

Regulation:

- The main risk associated with regulation is around the continuity of vital medicines and medical equipment from the EU.
- In line with guidance from National Procurement, NHS boards have not been holding increased stocks of medicines or medical equipment, as this is being managed at a UK-wide level. NHS National Services Scotland played a central role in contingency arrangements, engaging with the UK and Scottish Governments, other devolved administrations and NHS boards in Scotland. Its role includes some stockpiling of medical devices and clinical supplies on the direction of the Scottish Government. NHS National Services Scotland also acts as a liaison for NHS Scotland with UK contingency arrangements regarding any EU exit related shortages.

Wider risks:

- NHS boards also identified wider risks associated with the UK's departure from the EU. These included:
 - the wider economic impact on public finances
 - the impact on service delivery partners in the third sector
 - the impact of not being in full operational readiness on the ability of NHS boards to deliver healthcare services
 - interruption to transport networks (road, sea and air) with plans for the continued supply of vital medicine and medical equipment.

- Organisation-wide activity by NHS boards to monitor and mitigate these risks has included:
 - Ongoing monitoring of identified risks and consideration of these within wider risk management arrangements.
 - Engagement and participation with national preparations (e.g. implementing Scottish Government guidance and responding to operational readiness checklists).
 - Some NHS boards acted to strengthen their local arrangements to increase resilience. For instance, several NHS boards, with their partners, established assurance groups to coordinate preparations, address risks where possible and keep their staff and board members updated.

For more information on Audit Scotland's work in this area, please see our [e-hub](#).