



AI Readiness and Governed AI Adoption

Multi-Branch Pharmacy Business

Prepared for: Board / Executive Committee

Purpose: Approval of AI readiness assessment, priority AI use cases, governance model, ISO/IEC 42001-aligned controls, and phased implementation roadmap.

Recommendation status: Board-level recommendation for decision.



The highest-value and lowest-risk first use cases are:

1. **FD / Owner Confidence Dashboard**
2. **NHS Payment and Reimbursement Reconciliation**
3. **Rota and Qualification Planning**
4. **Services Yield Optimisation**
5. **Stock and Ordering Exception Management**
6. **Robot / Dosette Accountability Layer**
7. **Retail / OTC Monitoring**
8. **Internal SOP and Policy Assistant**

The recommended governance model is an **AI Management System** aligned to ISO/IEC 42001. ISO/IEC 42001 specifies requirements for establishing, implementing, maintaining, and continually improving an Artificial Intelligence Management System for organisations that provide or use AI systems. ([ISO](#))



2. Board Decisions Requested

The Board is asked to approve the following decisions:

Decision	Recommendation
AI Adoption posture	Approve a controlled decision-support strategy, not autonomous clinical automation.
Priority use cases	Approve the first five use cases: FD dashboard, NHS reconciliation, rota/qualification planning, services optimisation, and stock exception management.
Risk appetite	Approve a low-risk AI posture for clinical, patient, dispensing, and claims workflows.
Governance model	Approve an ISO/IEC 42001-aligned AI Management System.
Implementation approach	Approve a phased 90-day readiness and pilot programme.
Accountability	Appoint executive, clinical, data, technical, and operational owners for AI governance.
Compliance controls	Require DPIA screening, role-based access, audit logging, human approval, vendor due diligence, and incident reporting before deployment.



3. Strategic Recommendation

The pharmacy business should treat AI as a **governed operating control layer**, not as a replacement for clinical judgement, pharmacist accountability, or regulated dispensing processes.

The recommended AI strategy is:

- Operational intelligence first.
- Clinical automation later, only if separately justified, governed, validated, insured, and approved.

AI should initially be used to:

- consolidate fragmented data;
- identify operational exceptions;
- reconcile expected and actual financial outcomes;
- improve rota and qualification planning;
- forecast service demand;
- flag stock risk and ordering anomalies;
- support robot/dosette traceability;
- give managers and the FD confidence in branch-level performance.

AI should not initially be used to:

- diagnose patients;
- recommend medication;
- approve dispensing;
- provide autonomous patient-specific clinical advice;
- submit NHS claims without human approval;
- place orders without human approval;
- override pharmacist judgement;
- operate without audit trails.



4. Business Context

The business operates in a regulated, low-margin, operationally complex environment. Key characteristics include:

Area	Operational Complexity
NHS prescriptions	High-volume workflow with strict accuracy requirements and delayed reimbursement visibility.
Private prescriptions	Separate commercial logic, pricing, margin, and stock implications.
Ordering	Requires optimisation across cost, supplier availability, reimbursement logic, expiry, branch demand, and service demand.
Stock management	Requires separation and reconciliation across NHS, private, OTC, service-related, and robot/dosette stock.
Pharmacist role	Pharmacists remain the professional gatekeeper and accountable clinical authority.
Robot/dosette operations	One robot may support multiple branches, requiring traceability, allocation, reconciliation, and exception handling.



Area	Operational Complexity
Retail / OTC	Separate stock system, sales tracking, restricted-sale rules, expiry, margin, and shrink risk.
Services	Flu, weight-loss, blood pressure, smoking cessation, diabetes, asthma, sexual health, and related services require qualified staff, treatment-room capacity, service stock, and appropriate governance.
HR / rota	Requires the right qualified people at the right branch and time, including pharmacists, dispensers, and service-qualified staff.
Finance	Management lacks timely confidence in true branch-level and service-level profitability.

The commercial objective is:

- Maximise profitable pharmacy services.
- Minimise avoidable cost and leakage.
- Reduce NHS reimbursement uncertainty.
- Improve operational control.
- Maintain regulatory compliance and patient safety.



5. Regulatory and Standards Basis

- The AI programme must be designed around the pharmacy's regulated obligations.
- The General Pharmaceutical Council states that pharmacy owners are responsible for providing safe and effective care, and pharmacy standards are designed to support safe and effective pharmacy services. ([Pharmacy Regulation](#))
- NHS Prescription Services calculates remuneration and reimbursement due to dispensing contractors in England, and the NHS Drug Tariff sets out what will be paid to pharmacy contractors, the dispensing rules to follow, fees and allowances, and drug and appliance prices. ([NHSBSA](#)) ([NHSBSA](#))
- Any organisation with access to NHS patient data and systems must use the NHS Data Security and Protection Toolkit to provide assurance that it is practising good data security and handling personal information correctly. ([NHS England Digital](#))
- Where AI uses personal data, the organisation must assess UK GDPR implications. The ICO requires a DPIA where processing is likely to result in high risk, and special category data increases the likelihood that DPIA controls will be required. ([Information Commissioner's Office](#)) ([Information Commissioner's Office](#))
- Any AI or software functionality that moves into clinical decision support, diagnosis, treatment recommendation, or patient-specific medical functionality may require medical-device boundary assessment. The MHRA states that many software and AI products used in health and social care are regulated as medical devices, depending on intended purpose and functionality. ([GOV.UK](#))



6. Recommended AI Adoption Principles

The Board should approve the following principles.

6.1 Human Accountability

AI must not remove professional accountability from the pharmacist, branch manager, FD, superintendent pharmacist, or business owner.

6.2 Decision Support Only

AI may recommend, reconcile, forecast, summarise, and flag exceptions. It must not autonomously approve regulated actions.

6.3 Pharmacy Rules Take Priority

Pharmacy-specific rules, qualifications, clinical sign-offs, NHS requirements, patient safety controls, and internal SOPs must override AI recommendations.

6.4 Explainability and Auditability

Every AI output used for a business or regulated decision must be traceable to source data, time, user, confidence level, and human decision.

6.5 Role-Based Access

Users should only access the information and AI functionality required for their role.



6.6 No Uncontrolled Write-Back

Initial AI deployments should be read-only or recommendation-only. Any write-back into core systems should require prior approval, testing, and change control.

6.7 ISO/IEC 42001 Alignment

AI must be governed through a management-system approach covering scope, accountability, risk assessment, operational controls, monitoring, incidents, supplier management, and continuous improvement.



7. Priority AI Use Cases

7.1 Priority Ranking

Priority	Use Case	Value	Complexity	Risk	Recommendation
1	FD / Owner Confidence Dashboard	High	Medium	Low	Start immediately
2	NHS Payment and Reimbursement Reconciliation	High	Medium	Low-Medium	Start immediately
3	Rota and Qualification Planning	High	Medium	Medium	Start in first pilot wave
4	Services Yield Optimisation	High	Medium	Medium	Start in first pilot wave
5	Stock and Ordering Exception Management	High	Medium-High	Medium	Start after data mapping



Priority	Use Case	Value	Complexity	Risk	Recommendation
6	Robot / Dosette Accountability Layer	Medium-High	High	Medium-High	Start after workflow mapping
7	Retail / OTC Monitoring	Medium	Medium	Low-Medium	Add after core data mapping
8	SOP / Policy Assistant	Medium	Low-Medium	Low	Build early as internal support
9	Clinical AI / Patient Advice	Potentially High	High	Very High	Exclude from initial scope



8. Recommended Use Case 1: FD / Owner Confidence Dashboard

Objective

Provide the FD and owner with a reliable, confidence-scored view of branch, service, stock, staffing, and reimbursement performance.

Business Problem

Management cannot make timely decisions if it cannot see accurate branch-level profitability, stock leakage, service yield, staffing cost, and expected versus actual NHS income.

AI Enhancement

AI should consolidate and interpret:

- NHS expected reimbursement
- NHS actual payments
- Private prescription revenue
- Services revenue
- Retail POS revenue
- Staff cost
- Stock cost
- Robot allocation
- Branch overheads
- Stock write-offs
- Service profitability



Output

- Branch P&L estimate
- Service-line P&L estimate
- Expected vs actual NHS variance
- Stock leakage indicator
- Staffing cost vs revenue yield
- Confidence score by financial line
- Exception list requiring review

Controls

Control	Requirement
Access	FD, owner, authorised finance users only
Mode	Read-only initially
AI action	Analyse, reconcile, explain, flag
Human Action	FD reviews and approves interpretation
Audit	Source records, timestamps, data transformations, user review, final decision
Restriction	No autonomous journal posting, claims submission, or system write-back

Recommendation

This should be the first AI pilot because it is commercially material, low clinical risk, and directly improves executive control.



9. Recommended Use Case 2: NHS Payment and Reimbursement Reconciliation

Objective

Reduce uncertainty in NHS payment timing, underpayment detection, reimbursement variance, and claims confidence.

Business Problem

NHS reimbursement can create significant timing and margin uncertainty. Errors or omissions may only become visible after financial impact has already occurred.

AI Enhancement

AI should compare:

- Submitted NHS claims
- Expected reimbursement
- Drug Tariff assumptions
- Actual payment received
- Endorsement requirements
- Branch source
- Item-level history
- Exception patterns



Output

- Expected vs actual payment variance
- Likely cause of variance
- Missing or anomalous items
- Underpayment risk
- Reconciliation confidence score
- Recommended human follow-up

Controls

Control	Requirement
Access	FD, claims lead, authorised pharmacy manager
Mode	Reconciliation and exception support
AI action	Required before any claim adjustment or escalation
Human Action	Item-level traceability and source-linked evidence
Audit	No autonomous NHS claim submission or amendment
Restriction	FD, claims lead, authorised pharmacy manager

Recommendation

This is a high-value finance control use case and should be implemented alongside the FD dashboard.



10. Recommended Use Case 3: Rota and Qualification Planning

Objective

Ensure each branch has the right qualified staff at the right time to operate safely, deliver services, and avoid lost revenue.

Business Problem

The business depends on pharmacists, dispensers, and service-qualified staff being available at the correct branch and time. Poor rota planning creates service loss, compliance risk, locum cost, and operational instability.

AI Enhancement

AI should identify:

- Pharmacist coverage gaps
- Dispenser coverage gaps
- Service qualification gaps
- Branch staffing risk
- Locum exposure
- Last-minute cover risk
- Service appointments blocked by staffing
- Payroll anomalies
- Overstaffing and understaffing



Required Hard Rules

Hard Constraints:

- Pharmacist required for pharmacy operation
- Qualification required for each service
- No unqualified staff assignment
- Staff availability must be confirmed
- Working time and break rules must be observed
- Rota changes require manager approval

Controls

Control	Requirement
AI action	Propose rota improvements and identify risks
Human Action	Branch manager / superintendent / owner approves
System Design	Rules-first, AI-second
Audit	Proposed change, reason, approver, final rota
Restriction	No autonomous rota publication

Recommendation

Rota and qualification planning should be an early pilot because it unlocks services revenue and reduces operational risk.



11. Recommended Use Case 4:

Services Yield Optimisation

Objective

Increase profitable service delivery by matching demand, staff qualifications, branch capacity, treatment-room availability, and service stock.

Business Problem

Services may be more profitable than routine dispensing, but only if the right qualified staff, room availability, patient demand, and stock readiness are aligned.

AI Enhancement

AI should optimise:

- Flu service planning
- Weight-loss clinic capacity
- Blood pressure checks
- Smoking cessation services
- Diabetes-related services
- Asthma-related services
- Sexual health services
- Qualified staff allocation
- Treatment-room utilisation
- Service stock readiness
- Seasonal demand patterns



Output

- Services to prioritise by branch
- Qualified staff gaps
- Underused room capacity
- Expected service revenue
- Missed-opportunity alerts
- Stock needed for service delivery
- Campaign timing recommendations

Controls

Control	Requirement
AI action	Capacity and yield planning
Human Action	Service lead and pharmacist approve actions
Restriction	No autonomous clinical eligibility decision
Patient-facing use	Excluded from initial scope
Audit	Recommendation, rationale, approving user, outcome

Recommendation

Services optimisation should be prioritised after rota visibility, because services revenue depends on qualified staff availability.



12. Recommended Use Case 5: Stock and Ordering Exception Management

Objective

Reduce avoidable stock loss, margin leakage, ordering errors, expiry risk, shrink, and poor supplier decisions.

Business Problem

The cheapest supplier is not always the best commercial or operational decision. Ordering must consider reimbursement, private margin, expiry, demand, branch stock, service needs, robot usage, and supply chain risk.

AI Enhancement

AI should flag:

- Supplier price anomalies
- Fast-moving stock
- Slow-moving stock
- Expiry risk
- FIFO exceptions
- Shrink indicators
- Private vs NHS stock pressure
- Service-related stock demand
- Robot/dosette stock consumption
- Branch transfer opportunities
- Unusual ordering patterns
- Suspected unauthorised or counterfeit stock risk indicators



Control Architecture

Layer 1 rules engine:

- Approved supplier list
- Approved product list
- Restricted item rules
- Stock min-max thresholds
- Expiry thresholds
- NHS private OTC separation
- Controlled item policy
- Branch authority limits

Layer 2 AI decision support:

- Recommend order
- Explain commercial logic
- Show reimbursement assumption
- Show stock and expiry impact
- Show supplier alternatives
- Assign confidence score
- Require human approval



Controls

Control	Requirement
AI action	Recommend and explain
Human Action	Pharmacist / manager approves order
Restriction	No autonomous purchase order placement initially
Audit	Recommendation, supplier options, assumptions, approver, final action
Exception handling	Mandatory escalation for restricted, unusual, or high-value items

Recommendation

Stock and ordering AI should be implemented only after the data source-of-truth review has been completed.



13. Recommended Use Case 6: Robot / Dosette Accountability Layer

Objective

Create a controlled accountability layer for robot-produced dosette boxes across multiple branches.

Business Problem

A single robot serving multiple branches creates allocation, traceability, stock, checking, and exception-management complexity. The business must retain clear accountability for every box, branch, patient allocation, stock movement, checker, and exception.

AI Enhancement

AI should support:

- Box status tracking
- Branch allocation
- Late-risk alerts
- Exception queue prioritisation
- Robot batch reconciliation
- Stock usage reconciliation
- Checker workload visibility
- Unusual failure pattern detection



14. Recommended Use Case 7: Retail / OTC Monitoring

Objective

Improve visibility over retail stock, restricted-sale patterns, sales velocity, expiry, shrink, and margin.

Business Problem

Retail/OTC stock may operate on a separate stock system and may not be reconciled cleanly against pharmacy stock, branch demand, restricted-sale rules, and service-related activity.

AI Enhancement

AI should flag:

- Unexpected OTC sales patterns
- Restricted-sale anomalies
- High-shrink products
- Dead stock
- Near-expiry stock
- Branch-level retail margin
- Service-linked product demand
- Sales velocity changes



Controls

Control	Requirement
Restricted-sale logic	Deterministic rules
AI action	Anomaly detection and explanation
Human action	Retail lead or pharmacist reviews
Restriction	AI does not decide whether restricted sale is lawful
Audit	Alert, source data, review, final action

Recommendation

Retail/OTC monitoring should be introduced after stock data mapping and access-control design.



15. Recommended Use Case 8: Internal SOP and Policy Assistant

Objective

Provide staff with a controlled internal assistant for approved processes, escalation routes, and policy guidance.

Business Problem

Staff may need fast answers on SOPs, claims exceptions, service qualification requirements, robot exceptions, escalation routes, and internal policies. Inconsistent interpretation creates operational and compliance risk.

AI Enhancement

The assistant should answer questions such as:

- What is the escalation path for a dispensing exception?
- Who can perform a blood pressure service?
- What should be done if robot output does not match stock?
- How should an NHS payment variance be escalated?
- Which policy applies to restricted OTC sales?
- What is the process for stock write-off?



Controls

Control	Requirement
Source	Approved SOPs, policies, training documents only
Citation	Every answer must link to source material
Version control	Stale document warnings required
Patient-specific use	Excluded
Clinical advice	Excluded
Review cycle	Monthly or upon policy update

Recommendation

This can be an early internal deployment because it is low-risk if source-bound, non-clinical, and properly version-controlled.



16. Priority AI Use Cases

The following should be excluded from the initial AI programme:

Use Case	Reason for Exclusion
Autonomous clinical advice	High patient safety and medical-device boundary risk
Diagnosis or treatment recommendation	Requires separate clinical safety, regulatory, and insurance assessment
Medication selection	Professional pharmacist accountability must remain intact
Final dispensing approval	Must remain a human clinical/professional decision
Autonomous NHS claims submission	Financial and regulatory risk
Autonomous purchase ordering	Commercial and stock-risk exposure
Autonomous rota publication	Operational and employment-risk exposure
Direct patient-facing AI assistant	Privacy, clinical safety, and governance risk



17. AI Risk Classification

The Board should approve the following classification model:

Green: Approved for Early Deployment

- Read-only dashboards
- Finance reconciliation
- Management reporting
- Stock anomaly detection
- Services capacity planning
- Rota gap detection
- SOP retrieval
- Audit summaries

Required controls:

- Read-only
- Source-linked
- Human-reviewed
- Role-based access
- No patient-facing output
- No autonomous write-back

Amber: Controlled Pilot Only

- Ordering recommendations
- Rota optimisation
- Services scheduling recommendations
- Robot exception prioritisation
- Reimbursement dispute drafting

**Required controls:**

- Human approval
- Rules-first design
- Confidence scores
- Audit trail
- Restricted permissions
- Change control
- Fallback process

Red: Excluded Unless Separately Approved

- Clinical diagnosis
- Patient-specific clinical advice
- Medication selection
- Dispensing approval
- Autonomous NHS claims
- Autonomous ordering
- Autonomous rota publication

Required controls if later reconsidered:

- Clinical safety case
- DPIA
- Medical-device boundary assessment
- Insurance review
- Named pharmacist accountability
- Board approval
- Formal validation
- Supplier assurance
- Incident process



18. ISO/IEC 42001-Aligned AI Governance Model

The Board should approve the following classification model:

18.1 AIMS Scope

Initial AIMS scope should include:

Included:

- FD owner confidence dashboard
- NHS reimbursement reconciliation
- Rota qualification planner
- Services yield optimiser
- Stock ordering exception radar
- Robot dosette accountability layer
- Retail OTC monitoring
- SOP policy assistant

Excluded initially:

- Autonomous clinical advice
- Autonomous patient triage
- Medication recommendation
- Final dispensing approval
- Autonomous NHS claim submission
- Autonomous purchase ordering
- Autonomous rota publication



18.2 Accountable Roles

Role	Accountability
Executive Sponsor	Owns business case, funding, priorities, and Board reporting
Clinical Owner	Owns pharmacist accountability, clinical safety boundaries, and service rules
AI System Owner	Owns AI use-case register, implementation, controls, and monitoring
Data Owner / DPO	Owns data protection, DPIA, lawful basis, access control, and records
Technical Owner	Owns systems integration, security, vendor controls, and change management
Operational Owner	Owns workflow adoption, training, and performance impact
Risk / Compliance Owner	Owns risk register, incidents, internal audit, and evidence pack



18.3 Mandatory Governance Artefacts

Mandatory artefacts:

- AI policy
- A use case register
- AI system inventory
- AI risk and impact assessments
- Intended use statements
- Prohibited use register
- Data source register
- Data flow maps
- DPIA screening records
- Access control matrix
- Human approval matrix
- Audit log specification
- Supplier due diligence records
- Change control process
- Incident response process
- Monitoring and performance review
- Staff training records
- Insurance review notes
- Board approval records



19. Required AI Control Framework

19.1 Core Controls

Control	Requirement
Intended use statement	Every AI use case must have a documented intended use.
Prohibited use statement	Every AI use case must identify what it must not be used for.
Human approval	Required for all operational, financial, clinical, stock, and rota actions.
Role-based access	Users only see data and functionality relevant to their role.
Source traceability	AI outputs must identify relevant source data or policy basis.
Audit logging	AI prompt, output, user, data source, timestamp, approval, and final action must be logged.
Confidence scoring	AI outputs used in decisions must carry confidence or reliability indicators.
Exception workflow	High-risk, low-confidence, or anomalous outputs must escalate to a named human owner.



Control	Requirement
Change control	Model, prompt, data, integration, and workflow changes require approval.
Performance monitoring	Accuracy, usefulness, false positives, false negatives, adoption, and incidents must be tracked.
Incident management	AI-related errors, near misses, data breaches, and unsafe recommendations must be reportable.

19.2 Core Controls

AI Output	Required Approver
Branch P&L interpretation	FD / owner
NHS reimbursement variance escalation	FD / claims lead
Rota recommendation	Branch manager / superintendent / owner
Services campaign recommendation	Services lead / pharmacist



AI Output	Required Approver
Stock reorder recommendation	Pharmacist / manager
Robot exception escalation	Robot lead / pharmacist
OTC anomaly	Retail lead / pharmacist
SOP interpretation	Process owner / policy owner for updates



20. Data Readiness Requirements

Before AI deployment, the business should complete a source-of-truth review.

20.1 Data Sources to Map

- NHS claims and payment data
- PMR / dispensing system
- Private prescription records
- Drug Tariff assumptions
- Supplier pricing and purchasing records
- Branch stock systems
- Robot/dosette logs
- Retail POS system
- Services booking and delivery records
- HR, qualifications, rota, payroll
- Finance and management accounts
- SOP and policy documents
- Incident and near-miss records

19.2 Core Controls

Each source should be scored from 0–5 across:

Dimension	Assessment Question
Ownership	Who owns the data?



Dimension	Assessment Question
Source of truth	Is this the authoritative record?
Completeness	Is the data complete enough for decisions?
Accuracy	Is the data reliable?
Timeliness	How current is the data?
Export/API access	Can data be securely extracted or integrated?
Sensitivity	Does it contain patient, staff, or commercially sensitive data?
Auditability	Can data lineage be proven?
AI suitability	Can it safely support AI outputs?
Control readiness	Are permissions, logging, and retention defined?



21. Privacy, Security, and Insurance Requirements

The AI programme should include a privacy and assurance workstream before production deployment.

21.1 Privacy Requirements

- DPIA screening for every use case
- DPIA completion where high-risk processing is identified
- Lawful basis assessment
- Special category data assessment
- Data minimisation design
- Purpose limitation controls
- Retention and deletion rules
- Subject access and rights handling
- Processor/sub-processor register

21.2 Security Requirements

- Role-based access control
- Multi-factor authentication
- Encryption in transit
- Encryption at rest
- Secure audit logs
- Least-privilege integration design
- Vendor security review
- Backup and recovery procedures
- Incident response process
- NHS DSPT alignment where NHS patient data or systems are in scope



21.3 Insurance Requirements

The business should ask insurers to confirm coverage for:

- AI-assisted operational decisions
- AI-generated financial recommendations
- AI-supported stock or ordering recommendations
- AI-assisted rota decisions
- Data breach involving AI systems
- Professional indemnity implications
- Pharmacist accountability implications
- Cyber incident involving AI supplier or model provider
- Clinical boundary exclusions



22. Target Operating Model

22.1 Current-State Issue

The business has multiple workflows, systems, staff roles, and branch-level decision points. The absence of a unified operational control layer creates avoidable uncertainty.

22.2 Target-State Model

Data sources



Controlled data layer



Rules and pharmacy constraints



AI decision-support layer



Role-specific dashboards and alerts



Human approval



Logged operational action



Performance monitoring and continuous improvement



22.3 Role-Specific AI Outputs

Role	AI Output
Owner / Board	Risk, margin, service growth, investment case, performance dashboard
FD	Reconciled P&L, reimbursement variance, cashflow confidence, branch profitability
Superintendent / Clinical Lead	Clinical boundary compliance, pharmacist accountability, service qualification controls
Branch Manager	Daily operational dashboard, staffing, stock, service capacity, exceptions
Pharmacist	Exceptions requiring professional review, service readiness, stock issues
Services Lead	Service capacity, demand, qualified staff, branch yield
Retail Lead	OTC sales, expiry, shrink, restricted-sale anomalies
Robot Lead	Dosette status, batch traceability, branch allocation, exception queue
HR / Rota Lead	Qualification gaps, cover risk, payroll anomalies



23. 90-Day Implementation Roadmap

Phase 1: Days 0–30 — Readiness and Control Design

Workstream	Deliverable
Business process mapping	Workflow maps for NHS, private, stock, services, robot, retail, HR, finance
Data mapping	Source-of-truth register and data quality score
Governance setup	AI policy, use-case register, risk classification, accountable owners
Privacy screening	DPIA screening for each use case
Security review	Access model, integration review, audit-log requirements
Pilot design	Detailed pilot scope for FD dashboard and NHS reconciliation



Phase 2: Days 31–60 — First Controlled Pilots

Workstream	Deliverable
FD dashboard	Read-only dashboard prototype
NHS reconciliation	Expected vs actual reimbursement exception report
Rota planning	Qualification and coverage risk dashboard
Services optimisation	Branch service yield and capacity dashboard
Governance	Human approval workflows and audit logs
Training	Initial staff and manager training

Phase 3: Days 61–90 — Operational Expansion

Workstream	Deliverable
Stock exception radar	Expiry, supplier, shrink, and reorder anomaly alerts
Robot accountability	Dosette traceability and exception queue prototype



Workstream	Deliverable
Retail monitoring	OTC anomaly and expiry reporting
SOP assistant	Source-bound internal policy assistant
Board reporting	KPI report, risk report, adoption report, incident report
Scale decision	Board decision on controlled rollout



24. 12-Month Roadmap

Period	Focus	Outcome
Months 0–3	Readiness, governance, first pilots	Controlled evidence base
Months 3–6	Expand operational AI	Improved financial, rota, service, and stock control
Months 6–9	Multi-branch rollout	Standardised dashboards and governance
Months 9–12	Optimisation and certification readiness	ISO/IEC 42001-aligned operating model, audit-ready evidence pack



25. Key Performance Indicators

25.1 Commercial KPIs

- Branch-level P&L confidence score
- Service revenue growth
- Service-room utilisation
- Services delivered per qualified staff hour
- Stock write-off reduction
- Supplier variance reduction
- NHS payment variance reduction
- Cashflow forecast accuracy
- Gross margin improvement

25.2 Operational KPIs

- Rota coverage risk
- Locum cost reduction
- Qualification gap reduction
- Stock exception closure time
- Robot exception closure time
- Branch manager action completion
- Time to produce management reporting

25.3 Risk and Governance KPIs

- AI recommendations requiring correction
- False positive alert rate



25.3 Risk and Governance KPIs (continued)

- False negative exception rate
- Human approval compliance
- Audit log completeness
- DPIA completion status
- AI incident count
- Policy assistant source-citation rate
- Unauthorised access incidents
- Staff training completion



26. Board Risk Register

Risk	Impact	Likelihood	Mitigation
AI used beyond intended scope	High	Medium	Intended-use controls, prohibited-use register, training, audit
Patient data exposure	High	Medium	DPIA, access controls, encryption, vendor review, DSPT alignment
Clinical over-reliance	High	Medium	No clinical AI in initial scope, pharmacist accountability, hard exclusions
Poor data quality	Medium-High	High	Source-of-truth review, confidence scoring, reconciliation controls
Incorrect stock recommendation	Medium	Medium	Rules-first ordering, human approval, supplier/product constraints



Risk	Impact	Likelihood	Mitigation
Rota recommendation creates service risk	Medium	Medium	Qualification rules, manager approval, audit trail
NHS reconciliation false variance	Medium	Medium	FD review, source-linked evidence, confidence scoring
Staff resistance	Medium	Medium	Training, role-based dashboards, phased adoption
Supplier lock-in	Medium	Medium	Vendor due diligence, exit clauses, data portability
ISO 42001 implementation becomes documentation-only	Medium	Medium	Board reporting, measurable controls, internal audit



27. Investment Case

27.1 Strategic Value

The programme is expected to improve:

- Profitability visibility
- Cashflow confidence
- NHS reimbursement control
- Staff utilisation
- Services revenue
- Stock efficiency
- Branch accountability
- Risk management
- Board oversight

27.2 Cost Categories

- AI readiness assessment
- Data mapping and integration
- Dashboard design
- AI governance framework
- Privacy and security review
- Pilot build
- Staff training
- Supplier/vendor assurance
- Ongoing monitoring and support



27.3 Benefits Case

The business case should be assessed against:

- Reduced management reporting time
- Improved service revenue
- Reduced rota failure
- Reduced locum exposure
- Reduced stock write-off
- Reduced reimbursement variance
- Reduced operational exceptions
- Improved branch-level decision quality
- Improved Board confidence in performance data



28. Recommended Board Resolution

The Board should approve the following resolution:

- The Board approves the initiation of a 90-day AI readiness and controlled pilot programme for the pharmacy business. The programme shall focus on operational decision support, financial reconciliation, rota and qualification planning, services optimisation, stock exception management, robot/dosette accountability, retail monitoring, and internal SOP support.
- The Board confirms that AI shall not be deployed for autonomous clinical advice, diagnosis, medication selection, final dispensing approval, autonomous NHS claims submission, or autonomous purchasing without separate Board approval, clinical governance review, DPIA completion, insurance review, and regulatory assessment.
- The Board further approves the establishment of an ISO/IEC 42001-aligned AI Management System, including accountable owners, use-case register, risk assessments, data-flow mapping, role-based access controls, audit logging, human approval workflows, incident reporting, supplier due diligence, and periodic Board reporting.



29. Immediate Next Steps

Timeframe	Action	Owner
Week 1	Confirm executive sponsor, clinical owner, AI system owner, data owner, and technical owner	Board / CEO
Week 1	Approve AI risk appetite and excluded-use list	Board
Weeks 1–2	Complete process and data mapping	AI readiness team
Weeks 2–3	Complete DPIA screening and security review	DPO / technical owner
Weeks 3–4	Define FD dashboard and NHS reconciliation pilot	FD / AI system owner
Weeks 4–6	Build read-only pilot dashboards	Technical team
Weeks 6–8	Add rota, qualification, and services dashboards	Operations / clinical lead



Timeframe	Action	Owner
Weeks 8–10	Add stock and robot exception prototypes	Operations / technical team
Weeks 10–12	Report pilot outcomes and scale recommendation to Board	Executive sponsor



30. Final Recommendation

The Board should proceed with a controlled AI readiness and pilot programme.

The business is not currently positioned for broad AI automation. It is, however, well positioned for **high-value, low-risk AI decision support** across finance, reimbursement, staffing, services, stock, robot accountability, retail operations, and internal policy support.

The recommended adoption model is:

- Start with management control.
- Add operational decision support.
- Preserve pharmacist accountability.
- Use rules and human approval for regulated actions.
- Align governance to ISO/IEC 42001.
- Build an evidence base before scaling.

This approach provides the best balance of commercial value, operational improvement, regulatory control, Board assurance, and long-term AI readiness.



**A decision that
cannot be explained,
owned, and defended,
is not ready
to proceed.**

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