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| HIGHLAND NHS BOARD | Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 www.nhshighland.scot.nhs.uk |  NHS Highland na Gàidhealtachd |
| MINUTE of MEETING of the FINANCE, RESOURCES AND PEFORMANCE COMMITTEE TEAMS | 05 January 2024 at 9.30 am | |

Present

Alexander Anderson, Non-Executive Director (In the Chair)
 Tim Allison, Director of Public Health and Policy
 Graham Bell, Non-Executive Director
 Louise Bussell, Board Nurse Director
 Ann Clark, Vice Board Chair
 Heledd Cooper, Director of Finance
 Garret Corner, Non-Executive Director
 Sarah Compton-Bishop, Board Chair, Ex Officio
 Pamela Dudek, Chief Executive
 Gerry O'Brien, Non-Executive Director
 David Park, Deputy Chief Executive
 Dr Boyd Peters, Board Medical Director (to 10.20am)

In Attendance

Natalie Booth, Board Committee Administrator
 Rhiannon Boydell, Strategy and Transformation
 Lorraine Cowie, Head of Strategy and Transformation
 Ruth Daly, Board Secretary
 Eric Green, Head of Estates
 Karen Leach, Non-Executive Director, observer
 Richard MacDonald, Interim Director of Estates, Facilities and Capital Planning
 Brian Mitchell, Board Committee Administrator
 Simon Steer, Director of Adult Social Care
 Steve Walsh, Non-Executive Director, observer
 Elaine Ward, Deputy Director of Finance
 Emily Woolard, Non-Executive Director, observer

1 STANDING ITEMS

1.1 Welcome and Apologies

There were no apologies from Committee members. It was noted that P Cremin and F Davies would not be in attendance at the meeting.

1.2 Declarations of Interest

There were no formal Declarations of Interest.

1.3 Minute of Previous Meeting held on 8 December 2023, Rolling Action Plan and Committee Work Plan

The Minute of the Meeting held on 8 December 2023 was **Approved**. The Committee Rolling Action Plan and associated Work Plan would be updated after each meeting.

The Committee otherwise:

- **Approved** the draft Minute.
- **Approved** updated Committee Action and Work Plans.

2 FINANCE**2.1 NHS Highland Financial Position Report – Month 8 2023 and Update on Savings Plans**

The Director of Finance spoke to the circulated report that detailed the NHS Highland financial position as at end Month 8, advising the Year-to-Date (YTD) Revenue over spend amounted to £46.948m, with the forecast overspend set to increase to £55.975m as at 31 March 2024. The year end forecast continued to be £12.697m better than presented within the financial plan and assumed delivery of actions within the Financial Recovery Plan, including support to balance the Adult Social Care forecast overspend. The relevant key risks and associated mitigations were outlined. The circulated report further outlined the underlying data relating to Summary Funding and Expenditure. Specific detailed updates were provided for the Highland Health and Social Care Partnership area; Adult Social Care; Acute Services; Support Services; Argyll & Bute; progress against the Cost Improvement Plan Programme; 3 Horizons/Savings Tracker activity; Supplementary Staffing; subjective analysis; overall forecast position; sustainability and value; and Capital Spend. The Director proposed the Committee take Limited Assurance, for the reasons stated.

The following was discussed:

- **Scottish Government Feedback.** Advised discussion held and direction received Savings Plan had to be delivered in year. Financial controls were in place, staff communications issued and certain spend categories had been closed, with an appeal process established. Also looking to shut down administrative overspend, with a focus on non-recurrent spend.
- **Reducing Overall Spend to Meet Budget.** Stated supplementary staffing was largest variable spend area, with any action to reduce overall spend likely to involve challenging discussions and decisions. Any associated public messaging would also be challenging.
- **Cost Premium Detail of Supplementary Staffing.** Relevant detail provided to members as to spend profile against actual establishment and associated premium cost element. Noted cap established for supplementary nursing charge rates but not for medical/dental staff. Scottish Government Group established to consider this further on a national level.
- **Level of Agency/Supplementary Staffing.** Advised mostly related to existing system pressures and increased bed numbers. Number of Delayed Discharges was increasing, and sickness absence also noted as a contributory factor. Noted a number of newly qualified staff members had successfully been recruited.
- **Non-Delivery of Planned Savings.** Members provided with risk rated Cost Improvement Plan position statement as at end November 2023. Detail shared post meeting.

2.2 2024/2025 Position

The Director of Finance, as part of the reporting in relation to the previous item, went on to advise as to the NHS Highland financial position for 2024/2025, both in terms of Revenue and Capital resource elements, as had been formally indicated by Scottish Government in December 2023. NHS Highland would be within 0.6% NRAC parity. Whilst further allocations may be expected in year, a 3% savings target had again been set centrally, as had maximum brokerage levels for all NHS Boards. It was confirmed work was ongoing in relation to development of the NHS Highland Financial Plan 2024/25-2026/27, due for submission to Scottish Government by 29 January 2024 ahead of the final submission being due on 11 March 2024. Work in relation to the Adult Social Care element of the Financial Plan was being taken forward with Highland Council. In terms of Capital, funding would allow all major projects under

construction to complete, along with support for the national ambulance and radiotherapy equipment replacement programmes. There would be a focus on backlog maintenance.

There was discussion of the following:

- Bridging the Financial Gap. Advised will involve substantial consideration of variable costs, with focus on associated impact and mitigating actions. Some aspects would be considered and taken forward on a regional basis. Discussions at very early stage.
- Capital Spend Discussions with Individual Boards. Advised to take place but yet to be scheduled. Some Capital resource moved to Revenue at national level. Maintenance backlog position likely to deteriorate. Regular conversations with Scottish Government would continue.
- High Level Specialist Expensive Clinical Interventions. Advised discussions held in late 2023 in light of growing number of cases. NHS Boards unable to absorb relevant costs.
- Highland Council Discussion on Adult Social Care 2024/25. Confirmed detailed discussions were continuing at this time, including in relation to digitisation aspects.

After discussion, the Committee:

- **Noted** the reported position.
- **Agreed** to take **Limited** assurance.

3 Major Project Summary Report

There had been circulated a report providing the Committee with an update on three major Capital construction projects, relating to the Raigmore Maternity Upgrade; and Lochaber and Caithness Redesign Projects. The updates provided an Executive Summary; project status update; project programme; key project deliverables completed; key project deliverables to be completed in next period; live project issues and escalations; key project risks; and updates on change control and expenditure elements. All projects were likely to be subject to change. It was proposed the Committee take Moderate Assurance.

The following was discussed:

- Key Project Risks for Maternity Upgrade. Advised mainly related to operational matters, with decant arrangements challenging. Construction work not at risk and remained deliverable. Decant design scope agreed but subject to change based on prevailing operational position. There had been excellent engagement by and with relevant stakeholders.
- Additional Resource Allocations. Noted national position to impact all projects not only new builds. Only four national projects proceeding. Further national discussion to be held. Advised initial discussion held in relation to Capital Receipts being returned to NHS Boards. May lead to further consideration of existing estate portfolio.
- Backlog Maintenance Allocation. Advised diminishing budget does not match existing infrastructure requirements.
- Anticipated Pressure Areas. Advised increasing Oncology demand and other service pressures to likely to require investment alongside current maintenance of Belford and Caithness General Hospitals. Noted position will also impact on digital infrastructure plans.

After discussion, the Committee:

- **Noted** the reported position.
- **Agreed** to take **Moderate** assurance.

4 Minute of Meeting of Asset Management Group on 20 December 2023

After discussion, the Committee **Noted** the circulated Minute.

5 Integrated Performance and Quality Report

L Cowie spoke to the circulated report which provided the Committee with a bi-monthly update on NHS performance and quality based on the latest available information, a summary of which would also be provided to the NHS Board. The document had had been revised to review ADP targets/trajectories as well as the national targets set by Scottish Government. This was more in line with the Blueprint for Good Governance recommendations. Moving forward relevant patient/population feedback would also be incorporated. Members were then provided with specific updates on performance relating to vaccination activity; Child and Adolescent Mental Health Services; Neurodevelopmental Assessment Service (NDAS); Emergency Department Access; Delayed Discharges; TTG; Diagnostics (Radiology and Endoscopy); Cancer Care; and Psychology Waiting Times. It was proposed the Committee take Moderate Assurance.

The following areas were discussed:

- NDAS. Questioned timescale for agreement of relevant improvement plan, and how meeting the National Specification would improve outcomes for patients. Advised plan well developed and to be made available in due course.
- Taking Learning from Areas of Improvement. Advised improvements within Radiology had been based on team building activity and agreement of relevant expectations based on actual data. Improvement in Cancer Services was more challenging given the associated whole system impact, with a Performance Oversight Board established, and similar action taken in relation to service expectations and leadership.
- Waiting Times versus Patient Numbers. Increase in Cancer referrals noted, impacting on areas such as Diagnostics. Further detail available in relation to individual services. Advised integrated service planning activity to be taken forward through January 2024.

After discussion, the Committee:

- **Noted** the position in relation to reported performance areas.
- **Agreed** to take **Moderate** assurance.

6 Vaccination Activity Escalation Update

The Director of Public Health provided a performance update for Covid-19 and Flu Vaccinations. The data published in the IPQR remained relevant as there had not been a significant change in data with the program for Covid and Flu Vaccinations ending. The Boards Covid-19 Vaccination rates remained higher and Flu Vaccination rates remained lower than the Scottish National average. The circulated Vaccination Activity Escalation increased awareness of issues raised with Scottish Government on the quality-of-service provision for the Highland HSCP area.

Issues raised had included timeliness, communication, and access to the services. Concerns about the vaccination programme had resulted in an escalation of performance monitoring by Scottish Government to level 2. Monthly meetings would continue to be held with Scottish Government to increase public confidence in the vaccination programme. The service model in Highland HSCP would be reviewed and become district focused. Decision making processes and governance has been reviewed to add additional measures at operational level and communications strengthened at both operational and strategic level. Wider issues had been identified and NHS Highland would continue to work with Scottish Government to mitigate national issues.

In discussion:

- Members highlighted concerns raised about the telephone vaccine appointment booking system within Argyll and Bute as people had been sent to the incorrect vaccine centre. The Director of Public Health explained that rural geographical locations can impact accessibility to centres along with the late implementation of the vaccine transformation program. The Board Chair noted that it would be useful for the Chief Officer of Argyll and Bute to be made aware of the highlighted concerns.
- The Board Chair questioned what measurable actions would be required to deescalated and have assurance on public confidence in the vaccine program. The Director of Public Health explained that measures will be put in place and improvements made that will give the Board, Scottish Government and Public Health Scotland assurance around service delivery, increased uptake and improving areas of complaints and issues raised.
- The Chief Executive noted that a centralised delivery model did not suffice to encourage uptake of vaccinations. It is important to have the right culture and attitude for the district teams delivering the service.
- Members noted the vaccine uptake had been higher in rural areas with less DNAs than urban areas. The Director of Public Health presented a map of Highland as example of Covid-19 vaccination uptake from December 2023.
- It was noted that the level-two escalation was for the whole vaccination program and not just for Covid-19 and Flu vaccines. The Director of Public Health highlighted the importance of all vaccinations offered, especially childhood vaccinations as those provide immunity from disease throughout their life course.

The Committee:

- **noted** issues raised in the circulated paper.
- **Agreed** to take **limited assurance**.

7 Commissioning Framework (Charters etc)

The Chair confirmed that the Commissioning Framework would be deferred to the meeting in February.

After discussion, the Committee:

- **Agreed** the Commissioning Framework would be deferred to the meeting in February.

8 Risk Register – Level 1 Risks

The Head of Strategy and Transformation noted the paper was to provide assurance that the risks currently held on the overall NHS Highland Board risk register had been actively managed through the appropriate Executive Leads and Governance Committees within NHS Highland and to give an overview of the individual risks. It was noted that the due to timelines for submission of papers and dates for mitigating actions there would be a higher detailed paper given to the February meeting.

In discussion:

- The Vice Chair questioned if the registers had risks below the level in relation to capacity to deal with a major incident. The Deputy Chief Executive explained that the major incident plan was being revised and once complete would be something we can bring back to committee and share what the assessment looks like.
- Members commented on how well the multi-agency working had responded to incidents of severe weather and noted that it had not reached major incident level.

The Committee:

- **Noted** that a higher detailed paper would be presented at the February meeting.
- **Agreed** to take **substantial assurance**.

9 Remaining Meeting Schedule for 2024

9 February
1 March
12 April
3 May
14 June
5 July
9 August
6 September
11 October
1 November
13 December

After discussion, the Committee:

- **Noted** the remaining meeting schedule for 2024.

10 Committee Self-Evaluation Findings and Discussion

There were no matters discussed in relation to this Item.

11 DATE OF NEXT MEETING

The date of the next meeting of the Committee on Friday 9 February 2024 at 9.30am was **Noted**.

The meeting closed at 11.30am