

HIGHLAND NHS BOARD	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 www.nhshighland.scot.nhs.uk	
MINUTE of MEETING of the FINANCE, RESOURCES PEFORMANCE COMMITTEE TEAMs	AND	3 March 2023 - 9.30am (Microsoft Teams)

Present

Alexander Anderson, Chair
Pamela Dudek, Chief Executive
Tim Allison, Director of Public Health and Policy
Graham Bell, Non-Executive Director
Ann Clark, Non-Executive Director, Chair of HHSC Committee
Gerard O'Brien, Non-Executive Director
Garret Corner, Non-Executive Director
Heledd Cooper, Director of Finance (Until 11:28)
Lorraine Cowie, Head of Operations - Acute (Until 11:44)
Boyd Peters, Board Medical Director (From 09:35 Until 10:12)
Alan Wilson, Director of Estates, Facilities and Capital Planning

In Attendance

Pamela Cremin, Chief Officer, HSCP
Brian Mitchell, Board Committee Administrator (Until 09:41)
David Park, Deputy Chief Executive
Iain Ross, Head of eHealth (Until 11:03)
Prof Boyd Robertson, Board Chair (ex officio)
Katherine Sutton, Chief Officer (Acute)
Elaine Ward, Deputy Director of Finance (Until 11:28)
Rhiannon Boydell, Head of Strategy & Transformation
Natalie Booth, Board Committee Administrator

1 WELCOME AND APOLOGIES

Apologies were received from Fiona Hogg, James Bain, Kate Patience-Quate and Alasdair Christie.

2 DECLARATIONS OF CONFLICT OF INTEREST

There were no formal Declarations of Interest.

3 MINUTE OF THE MEETING HELD ON 20 OCTOBER 2022

The Minute of the Meeting held on 20 October 2022 was **Approved**.

4 FINANCE

4.1 Financial Planning and Budgets

E Ward spoke to the circulated paper 2023/2024 Financial Plan Update, explaining NHS Highland is required to submit a detailed financial plan for the 2023/2024 financial year and a forecast position for the 2024/2025 & 2025/2026 financial years. A financial recovery plan is also required to demonstrate how the Board will deliver financial balance by the end of the three-year period (by 31 March). A draft plan covering 2023/2024 has been submitted with a further submission due by 16 March 2023. Year-one of the financial plan identified a budget gap before savings, of £105.959m. With a savings plan of £29.113m proposed this would mean that NHS Highland require brokerage of £76.746m from Scottish Government to deliver financial balance in 2023/2024. Specific detailed updates were provided in relation to new medicine being funded; Reserve allocation with Highland Council; Inflationary pressure; Pressure on prescribing costs; Service Development Pressure costs for previous years.

A Savings/Reductions programme of £29.113m (3.79% of baseline allocation) has been included with the financial plan submission to bring the gap down to £76.846m. This programme splits across North Highland, Argyll and Bute and Adult Social Care. Risks were identified for the savings plan being delivery of savings/cost reduction targets; Adult Social Care funding; Inflation; it has been assumed Pay Award will fully fund the Pay Award; Allocations may be reduced if the Scottish Governments overall position deteriorates; Ongoing reliance on agency and locum staffing. It was proposed the Committee take **Limited Assurance**.

The following points were raised in discussion:

- Scottish Government Funding. Concerns were raised in relation to future challenges that may arise within the repayment plan. Noted additional ways to access additional funding through Charity grant applications, for test of change.
- Financial Gap comparison with other Scottish Health Boards. NHS Highland is different to other Health Boards figures as this plan covers pressures within Adult Social Care and the wider Highland Health and Social Care Partnership
- Link to Annual Delivery Plan (ADP). Aspiration to link the financial plan to the ADP, but it is noted that NHS Highland are not able to do this just yet. Further progress is required to work through the actions in the ADP, with some already being business as usual and need to be contained within current budgets. It was noted that from year-two of the plan improvement may start to be noticed in certain areas.
- Transformation elements. Noted the need to align these with sustainability and value work that Scottish Government is leading and other Health Boards are also engaging in.
- National Chairs Meeting. Noted that Nationally Health Boards are considering review variation and performance by accessing benchmarking tools. Discovery and the position with the NHS Highland finance team was noted. Microsoft Office 365 and Workforce were also noted as having been topics from the recent Chairs Meeting.
- Adult Social Care position. Noted that challenges with recruitment are assumed to continue as NHS Highland have not been able to recruit to the targets set by the Scottish Government.
- Funding Allocation to close financial gap in 2022/2023. Noted that NHS Highland collaborated with the Highland Council to use funding transferred over from last year to close the financial gap. Advised the funding transferred was a mixture of slippage & allocations, inclusive of Covid funding package.

After discussion, the Committee:

- **Noted** the 2023/2024 Financial Plan.
- **Agreed** to take **Limited** assurance.

4.2 Update on Transformation Activity

L Cowie presented an update on the Transformation Programmes in NHS Highlands, outlining the focus of year-two of the Annual Delivery Plan (ADP) and reflecting on year-one that created the core foundations/basics. Noted the review of the financial and performance benefits and quality within the overall transformation programmes across the whole system. Further review of the Urgent and Unscheduled Care Programme to focus on how the high impact areas are progressing and what they need to achieve in the coming year. Scheduled Care focus on maximising benefits alongside capacity demand plans. A brief discussion was had regarding the Programme Boards. Noting that the Boards provide a proactive view of progress being made within NHS Highland but needed further time to be fully embedded across the system.

The Committee:

- **Noted** the update on the Transformation Activity.

5 Digital Health and Care Group Update and Update on Progress with NHS Highland Digital Delivery Plan 2022/2023

I Ross spoke to the circulated report and provided an update on the progress with the NHS Highland Digital Delivery Plan 2022/2023. Explaining that HEPMA the electronic prescribing medicine administration that replaces the paper-based drug cardiac system, went live on 14th February at the three Hospitals in Caithness. Implementation of the Primary Care Order comm solution is in progress throughout NHS Highland, helping to free up resources in labs and reduce costs. Core Data Networks and WIFI solutions are being upgraded to support the digital solutions rollout. There is a national directive around the implementation of Office 365. NHS Highland are working in conjunction with the Scottish Government to replace the GP Deprovisioning and Community Health Index system. Digital Maturity review will take place across all NHS Boards in April 2023. It was proposed the Committee take **Substantial Assurance**.

The following areas were then discussed:

- Argyll and Bute issues with access to health records. Expressed concerns regarding access to Health records for those who work in the community and for independent healthcare providers. Active project to enable community health workers access to digital health records. VISION software rollout is a focus for the Scottish Government. GPs have access to full health records through the care portal. Reviewing how Community Pharmacy, Dentists & Opticians can also access health records.
- Maturity Review. Explained it monitors progress of Health Boards to move towards an electrical patient record. Based on a wide range of factors. Enables a comparison of progress against other Scottish Health Boards.
- Digital Solution Benefits. Noted each Project Board has standard agenda items to reflect on record of proposed benefits and if we are achieving those. Clinical and Professional staff being involved with the projects provide good opportunity for feedback. Both HEPMA and the Primary Care Solution involved input from Clinical staff and they have been successfully implemented.

- Migration away from Windows 7. Noted there are currently 64 Windows 7 devices still being used within NHS Highland. Due to supplier issues, there has been a delay with these devices being replaced, noted this should be rectified in the upcoming period.

The Committee:

- **Noted** the position in relation to the NHS Highland Digital Delivery Plan 2022/2023.
- **Agreed** to take **Substantial** Assurance.

6 ANNUAL DELIVERY PLAN UPDATE

L Cowie gave a short presentation to the committee in relation to development of the NHS Highland Annual Delivery Plan (ADP). Outlining the key areas of the Transformation Framework; Tackling Barriers and Challenges; Future Planning Framework and Drivers of Recovery. An overview of the Celebrating Success section submitted within the ADP was provided noting the positive outcomes. Scottish Government have released guidance on a new planning approach, therefore quarterly reviews will occur for the plan and delivery performance of each ADP area. Key Dates were shared for developing the ADP further and submission date for the new plans. Process has been put in place to support NHS Highland with the next steps of the ADP through risk-based approach to decision making, cost reduction targets and capacity and demand planning.

The following points were discussed:

- ADP progress. Advised would be based on realistic expectations reflecting on priorities given financial challenges and service pressures. Each Programme Board are at different stages of the progress targets, with some Boards meeting targets through Business-as-usual.
- Implementation pace. Noted that the ADP is a plan with milestone targets to drive change in NHS Highland. Such Plan requires a change of practice and thinking to provide time for reflection, enabling further understanding of core capacity and how it is improved by the Transformation Plan.

After discussion, the Committee:

- **Noted** the position in relation to reported performance areas.

7 INTEGRATED PERFORMANCE REPORT

L Cowie referenced 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. It was proposed the Committee take **Limited Assurance**.

Matters raised in discussion were related to the following:

- Updates to the report. Noted that the data and formatting within the Integrated Performance Report (IPQR) will be updated. The proposed changes to the IPQR will be presented through the Committee and Board governance cycle.
- Vaccination Rates. Advised NHS Highland numbers remained ahead of the Scottish average, following a decline nationally in the vaccination rates. Younger population cohort has the lowest vaccination numbers. NHS Highland figures are above the national average for Care Home residents and staff.

The Committee otherwise:

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

8 ASSET MANAGEMENT GROUP MINUTE

There had been no Minutes circulated for this meeting.

9 MAJOR PROJECTS – SUMMARY REPORT

A Wilson spoke to the circulated a report providing the Committee with an update on all major Capital construction projects, in relation to both financial and programme management performance. The report provided a progress summary, an outline of key risks, an indication of upcoming activities and a cost update. The National Treatment Centre (NTC) remained on course to open and prepare for the first influx of patients. Results are due soon to highlight any issues with the water supply and the Theatre Validation. There are ongoing discussions for the Raigmore Maternity Redesign Project as the is design is being finessed and changes made to scope of work. The Rural General Service work is near completion, interviews for the Lochaber and Caithness PSCP have taken place and new appointments have been made. This work is to establish the details of services in both Hospitals and levels of each service and there is a cross checking workshop planned for March 2023. It was proposed the Committee take **Moderate Assurance**.

Points raised in discussion were as follows:

- National Treatment Centre. Noted that Scottish Government have provided funding to recruit staff members to assist with the maintenance of the building. There will be a latent defect period granted in the contract to provide opportunity to find and resolve any defects.
- Lochaber and Caithness. Advised workforce issues with recruitment for clinical staff positions, currently being assisted by independent staff in the interim. Expressed concerns relating to vacant staffing positions were recognised. Action is being taken to monitor and promote recruitment to keep the resources available.
- Argyll and Bute. Advised that a new appointment to lead estates team within Argyll and Bute. Noted that both a strategic plan and a transformation plan need to be established and presented through a governance procedure for assurance allowing collaborative working.

The Committee otherwise:

- **Noted** the progress of the Major Capital Project Plan.
- **Agreed** to take **Moderate** assurance.

10 REVISED MATERNITY AND NEONATAL BUSINESS CASE

K Sutton gave a verbal update to the committee to explain there is further work to be done on the business case to ensure it provides a clear explanation as to how the service will be delivered. Scottish Government have announced that they are likely to release the funds early after a request was submitted by NHS Highland and NHS Grampian.

Discussion points included the following:

- Scottish Government Funding. Noted the need of a confirmation letter for the allocation and recurring funds. The diligence around the business case needs to be strong and provide clear justification of what the funding is needed for. Going to be a holistic model aiming to have high performance CMUs that should change the footprint in the Acute Hospital equally. There is a lot to monitor to ensure that when we recruiting it is for the right amount staff management.
- Clinical Risk Management. Advised the distance between a CMU and the main Hospital location affects the level of safety and risk decisions. Rural CMUs have lower patient and delivery numbers because of the increased risk. Consultants make the prospective parent aware of these risks then they would be more likely to attend a CMU closer to the main Hospital. To enable the CMU to have greater numbers of delivery then it will need to be close to the Raigmore site to transfer time is short enough that the risk is acceptable and the decision at the booking stage can be around the delivery location.
- The Committee **agreed** that they would meet on the 20th of March to discuss the Business Case before it goes to the Board for approval to ensure due diligence.

The Committee Noted the update.
The Committee Agreed to meet on 20th March 2023 to discuss the Business Case before it goes to the Board for approval.

11 COMMITTEE FUNCTION AND ADMINISTRATION

11.1 Draft Committee Annual Report 2022/2023

The Committee **Noted** and **Approved** the Committee Annual Report 2022/2023.

11.2 Committee Annual Work Plan 2023/2024

The Committee **Noted** and **Approved** the Committee Annual Work Plan 2023/2024.

12 AOCB

- Mid-year ministerial review had been postponed until 18th May 2023.
- The new Head of Environmental Sustainability has now been appointed and entering a crossover period into their new role. A Wilson will provide an update on sustainability at the next Board meeting.

13 FOR INFORMATION

There was no discussion in relation to this Item.

11 2023 MEETING SCHEDULE

The Committee **Noted** the remaining meeting schedule for 2023 as follows:

**5 May
7 July
8 September
3 November
(All meetings to be held from 9.30am to 11.30am)**

12 DATE OF NEXT MEETING

The date of the next meeting of the Committee is 5 May 2023.

The meeting closed at 12:01pm