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 AND PEFORMANCE COMMITTEE (TEAMs)	**24 June 2021 at 2.00pm**

Present Alexander Anderson, Chair
Ann Clark, Non-Executive Director, Chair of HHSC Committee
David Garden, Director of Finance
Heidi May, Board Nurse Director

In Attendance Jane Gill, PMO Director
Tracy Ligema, Head of Community Services (North and West)
Brian Mitchell, Board Committee Administrator
George Morrison, Head of Finance (Argyll and Bute)
David Park, Deputy Chief Executive
Donna Smith, Head of Planning and Performance
Katherine Sutton, Deputy Director of Operations
Elaine Ward, Deputy Director of Finance
Alan Wilson, Director of Estates, Facilities and Capital Planning

1 WELCOME AND APOLOGIES

The Chair welcomed those present to the meeting and drew attention to there being insufficient Non-Executive members for a full quorum. Any decisions taken would require to be ratified at the next meeting. After discussion, members agreed to proceed with the meeting on that basis.

Apologies were received from Fiona Davies and Louise Bussell.

2 DECLARATIONS OF CONFLICT OF INTEREST

A Clark indicated that she wished to make a declaration of non-financial interest in relation to Item 7 on the agenda insofar as her husband was Chairman of Highland and Islands Enterprise. Having considered the Objective Test, she did not feel this interest was of significant merit to preclude participation in discussion.

3 MINUTE OF THE MEETING HELD ON 29 APRIL 2021

The minute of the meeting held on 29 April 2021 was **Approved**.

The Committee agreed to consider the following Items at this point in the meeting.

4 INTEGRATED PERFORMANCE AND QUALITY REPORT

D Smith spoke to the circulated report, providing information on agreed plans with Scottish Government as part of the Remobilisation Plan and Acute Services performance. It was stated performance against the 4 hour emergency access target was behind Plan, with patient flow challenges having been experienced in all NHSH Hospitals. Daily updates were provided to Scottish Government where performance falls below 88% and a Redesigning Urgent Care Programme and Flow Navigation Centre had been established. Work had also commenced on a number of flow management initiatives. It was reported that the 12 week waiting times target for a New Outpatient (12 week target) was not being met, with prioritisation currently given to urgent and urgent suspected cancer patients. A Referral Management Centre had been developed and a Project Manager recruited. A new model had been developed in relation to the Chronic Pain Management Service. Patient TTG activity was ahead of Plan at this point, with a number of initiatives underway and £5.3m of additional resource having been received but with patient still waiting significantly over 12 weeks for treatment in a number of specialties. Activity in the first two months of 2021 was ahead of Plan. For Cancer Services (31 day waits), performance was almost on target. The Highland Urology Centre had been opened in May 2021 and a 4th Endoscopy Room opened on 1 June 2021. Strong progress was being made in relation to implementation of the SGHD Effective Cancer Management Framework. Good progress had been made in relation to Scopes, with congratulations due to the entire Team for their work to date in getting ahead of Plan. It was reported Emergency Admissions had been lower than forecast during the pandemic however were higher than planned as the country emerged from that period, presenting some real whole system challenges that were being actively considered and addressed through work on Discharge, Unscheduled care Redesign activity and bed modelling work. In summary, NHS Highland was behind Plan in some areas and ahead in others. Overall, strong progress was being made on Performance. D Park confirmed the Performance Recovery Board was actively reviewing Primary Care referral patterns as part of their remobilisation considerations

A Clark sought clarification as to the overall planned activity target for service remobilisation and was advised whilst no specific targets had been set for 2021/2022 these had been discussed with Specialties and were approximately averaging 80% of activity levels pre-Covid. In terms of community activity, strong progress was being made with L Bussell and S Steer in relation to development of an Adult Social Care/Integrated Services Performance Framework, with the first iteration expected to be complete by end July 2021 and signed off by mid-September 2021. This sign-off date would enable appropriate linkage to Version 4 of the NHSH Remobilisation Plan. A Clark requested the first iteration be shared with the Highland Health and Social Care Committee as part of a Committee Development Session.

On the point raised it was advised that after discussion with Scottish Government the submission of Annual Performance Reports had been deferred to end September 2021, the relevant dataset in relation to which should be available (internal consumption only) for end June 2021. Discussion was ongoing with IT in relation to ensuring appropriate Community Care performance data capture. K Sutton confirmed NHS Highland was not seeing an increase in demand for patient ventilation at that time although the position was being closely monitored given that NHS Highland generally tended to lag behind other areas in experiencing increased demand levels relating to Covid.

Reference was made to the stated increasing numbers of cancer referrals, and the ability of NHS Highland to ensure treatment following appropriate diagnostic activity. It was stated performance in relation to the 62day target was poor and whilst the number of identified cancers was not increasing, the complexity of cases was being impacted by late presentation. K Sutton added the position was being closely monitored and advised Scottish Government had indicated the need to improve performance further against the 62 day target. Performance data in this area would be included for the next meeting.

The potential impact of North Coast 500 and wider tourist activity, on accident and emergency admissions during the summer months was raised. It was advised an initial investigation into Acute Hospital Unscheduled Care admission had shown no material increase over that seen in 2019, pre-Covid. Non-Highland resident activity continued to be monitored closely. Caithness General Hospital had dealt with a small number of incidents and, more widely an increase in activity was expected and was being planned for. The Chair stated it would be important to ensure appropriate data capture in that regard in order to adequately articulate to Scottish Government the actual overall level of impact, both on service delivery and financial resource. There remained an Unscheduled Care funding gap in Highland even without extra resource being received to reflect the increased tourist demand.

K Sutton stated there was a need to identify the underlying causes of a recent surge in Emergency Department presentations at the current time, with increased numbers of minor cases and young people being seen in particular. This additional pressure would require to be notified to Scottish Government, and T Ligema agreed there was a need to speak with Primary Care colleagues to understand what may be driving that increased attendance. She confirmed that the Unscheduled Care Programme (and Redesign of Urgent Care) was sighted on the issue at a national level, with supporting material for GP Practices etc being actively considered along with the national Primary Care Directorate. The national Strategic Advisory Group was looking to take this forward.

A Clark sought an update on the funding position in relation to Emergency Department development elements of the NHSH Remobilisation Plan, and whether this could be met from internal funds in the absence of additional resource from Scottish Government over and above that initially requested. It was stated a funding gap existed in relation to Unscheduled Care, that required further discussion with Scottish Government in light of the increased tourist activity previously discussed, and should no additional resource be received then that activity would require to be funded from existing resource. L Bussell, as Executive Lead for Unscheduled Care, would be able to give a more informed update in that regard given her direct involvement in associated discussions. D Garden indicated that if internal resource was redirected to that development activity, to meet any funding gap, the resource would require to be identified through additional savings activity elsewhere. Advising that this was an issue being considered at national level, D Park emphasised the position in Highland and elsewhere not only related to tourism as increased treatment complexity was also having a major impact on service demand. It was noted that an additional Emergency Department Consultant position had been funded from internal Acute Service resource, in the short term, recruitment to which was now underway. Extra Nursing resource had also been identified.

Action – Agreed the first iteration of the Adult Social Care/integrated Services Performance Framework be shared with Highland Health and Social Care Committee **- D Smith**
Action – Agreed an update on Cancer Services performance be provided to the next meeting – **K Sutton/D Smith**
Action – Agreed a detailed funding update in relation to Emergency Department developments be provided to the next meeting – **K Sutton**

After discussion, the Committee otherwise Noted the content of the circulated report.

D Smith left the meeting at 2.45pm.

5 COST IMPROVEMENT PROGRAMME UPDATE (MONTH 2)

J Gill provided a brief presentation for members, advising as to the position at Month 2, with the current forecasted outturn for the programme being £7.3m, leaving a significant gap of £17.8m to reach the £25.1m target. Programme priorities were the progressing of schemes from pipeline to implementation, and mitigating risk to 2021/22 planning and delivery. 38 schemes had now been approved, an increase of 8 over the previous month. The profile of

savings against target was provided, indicating the year to date delivery was behind the Plan contained within the Annual Operating Plan. It was advised that 2020/2021 year end activity and associated audit requirements had impacted on performance in Months 1 and 2. The Cost Improvement analysis against target showed the performance of individual work streams against target, noting continuous management of the risk associated with the schemes that are on the delivery tracker, while moving the 153 pipeline schemes to implementation would in turn reduce the CIP distance from target. Updates were provided on the work streams relating to Patient Flow, Theatre Productivity and Medical Workforce Productivity. In relation to Diagnostics and Procurement, it was advised a number of managed service equipment contract issues required to be addressed. In terms of specific risks to delivery, J Gill then took members through the individual elements and associated areas of mitigation. D Garden took the opportunity to highlight the pipeline Unadjusted Value at Month 2 and expressed concern as to the evident pipeline activity slowdown. He stated, through the EDG, there were moves to refresh and improve that position through particular work stream focus, relevant support and idea generation workshops etc. He went on to reference the unexpected inclusion of undelivered savings within Covid Returns for 2021/2022, advising this would need to be considered prior to the NHSH Return being made.

There followed discussion, during which it was suggested that allocating additional staff resource, internal or external, to specific work streams could help drive activity and that this could be further enhanced by offering Services an incentive to achieve greater savings by giving a percentage of that saving back for Service Improvement purposes. J Gill advised existing staff resource was focussed on specific work stream areas where required. She went on to advise two new work streams had been identified, relating to Workforce and MS365 introduction, with learning in relation to the latter being taken to inform associated internal savings ideas generation. There would be continued discussion with GPs and Service Managers with a view to ensuring a joined up approach to savings activity.

The Chair referenced increased usage of Near Me activity during the pandemic period and sought an update on identification of savings accrued as a result. He further asked if the pressure on NHS Boards to meet government targets had been factored in in the context of the extra activity this would generate and the costs associated with that. J Gill advised Near Me would have generated identifiable savings in terms of reduced staff and patient travel requirements however in relation to additional activity such as in relation to Outpatients this was being considered in terms of Service efficiency rather than financial savings. K Sutton took the opportunity to highlight the availability of national financial incentives for environmentally friendly improvements and urged this be explored further.

D Park took the opportunity to state the level and nature of discussion in this meeting demonstrated the challenges faced in achieving the relevant savings. He stated Clinical Teams were making serious strides in this regard however overall an improved level of progress was required. The pressure on associated administrative resource was significant.

J Gill then referenced the proposed Managed Service Contract for Laboratories and stated this would need to be considered by this Committee prior to being presented to the NHS Board in July 2021 for approval having received the relevant Contract Award Recommendation. There was agreement to bring this to the planned FRP Development Session currently scheduled for 22 July 2021.

The Committee otherwise:

- **Noted** the reported position.
- **Agreed** the managed Service Contract for Laboratories be taken to the July Committee Development Session.

H May left the meeting at 3.00pm and the Committee reverted to the original agenda at this point in the meeting.

6 ASSET MANAGEMENT GROUP MINUTES – 17 March, 21 April and 19 May 2021

There had been circulated associated Minutes from meetings of the Asset Management Group held on 17 March, 21 April and 19 May 2021. A Clark sought an update in relation to the newly established Sub Groups and was advised these would reduce the burden of work placed on the main Group. The Equipment Management Group would work to an Annual Plan, based on a known budget and considering relevant business cases etc. The approval of schemes of over £100k would be fed into the main Asset Management Group for ratification and final approval. The Minor Capital Management Group would seek to ensure a degree of flexibility in terms of spend, again based on a business case approach. These new Groups would ensure appropriate oversight and governance in these areas. It was confirmed new business cases would be developed on the basis of the 5 Cases Approach.

The Committee otherwise Noted the circulated Minutes.

7 ESTATES/FACILITIES STRATEGY – UPDATE AND PROGRESS

A Wilson spoke to the circulated report providing an update on the development of the Estates and Facilities Strategy that will in turn support the organisation to deliver its Clinical and Care Strategy. The 5 year Clinical and Care Strategy would include an element relating to Infrastructure which in turn the Estates/Facilities Strategy would align to. Having established the new Estates, Facilities and Capital Planning Directorate appropriate resource would be allocated to working with Services in providing support into the reshaping of future services. There was need for substantial investment in the estate during a challenging financial position, with Capital investment a critical element. A risk based approach was being taken in relation to statutory, backlog maintenance and capital investment. The Scottish Capital Investment Manual process had been initiated in relation to the Belford Hospital replacement and North Coast Service Redesign and work was ongoing in relation to scoping Community/GP service needs within the Inverness area. A similar scoping exercise would be undertaken in relation to Raigmore Hospital. Digital technology had been implemented across the organisation and in relation to facility management best practice in both Estates and Facilities. There would also be aspects of the Strategy relating to investment in workforce development, sustainability and relevant succession planning.

The Chair referenced workforce development activity and was advised the aim was to seek to upskill existing Estates/Facilities staff members on a multi-skills based approach. There would also be a degree of leadership and development activity, with many staff members having already begun that journey. All activity to date in this area had been taken forward in association with Staffside.

After discussion, the Committee otherwise Noted the reported position.

8 RELOCATION OF GP PREMISES/SERVICES INTO COWAL COMMUNITY HOSPITAL

A Wilson spoke to the circulated report, relating to the potential for relocating GP Services into Cowal Community Hospital in Dunoon. It was stated that a solution to staffing of medical services in Dunoon had been an issue for many years, with an over-reliance on expensive locum provision. The circulated proposal reflected a change in interest in providing relevant medical services, with new GPs becoming involved in the delivery of Primary care services in Dunoon who also would be willing to take a broader perspective on the delivery of medical services in the area. These incoming GPs had indicated an interest in taking on responsibility for services provided in Cowal Community Hospital. It was reported that this approach, if agreed, would accrue a series of benefits for both parties, as indicated.

In order to achieve all the stated potential benefits, two GP Practices had formally written to express their wish to be located within the Hospital building, which at the present time included a number of unutilised areas that could be upgraded to enable the GP Practices to be relocated. To enable this to proceed, there would be a requirement for £2.95m of capital investment, in turn realising recurrent revenue saving of £0.5m per annum. G Morrison confirmed associated locum expenditure would reduce considerably. The NHS Board had carried out its required duties in terms of involvement and engagement of external stakeholders where appropriate, with a public announcement of the proposal in March 2021 having received positive community feedback. The Committee was asked to support the Business Case for relocation of GP premises and services into Cowal Community Hospital and approve its submission to Scottish Government for relevant Capital funding.

During discussion, and in response to points raised by A Clark, A Wilson advised the Exclusions contained within the Financial Case were not unusual and had been discussed and agreed. The Project would not compete for funding with any NHS Highland projects, the issue of funding having been discussed with Scottish Government. The sustainability and environmental aspects of the Business Case would be taken forward by Hubco and the associated Procurement Timetable would be updated to reflect the actual current position.

The Committee Agreed to Support the Business Case, subject to update, and the submission to Scottish Government for capital funding, subject to further ratification.

9 MAJOR PROJECT SUMMARY REPORT

A Wilson spoke to the circulated report providing an update on all major capital construction projects, in relevance to performance to both financial and programme management. In relation to the National Treatment Centre he advised that the monitoring of expected benefits accruing from joint working and co-location arrangements would continue to be undertaken, given the collaborative aspects of the project.

In terms of Key Risks, and in relation to the new build on Skye in particular, the stated lack of eHealth input into supporting the redesign work was being addressed. Associated issues relating to staff availability had been escalated and innovative work was ongoing in relation to recruitment activity and looking to secure local accommodation. These issues continued to be designated as Key Risks on the Programme Board Risk Register. On the matter of governance oversight relating to workforce matters, D Park advised he considered this to be an issue for the Highland Health and Social Care Committee and confirmed that L Bussell was working closely with the relevant Programme Team. Referring to the earlier point raised in relation to eHealth and wider project support planning and prioritisation, he added this was an issue that had been recognised and was being actively considered as part of current Remobilisation Plan discussions by the Performance Review Board. Members welcomed this approach.

The Chair welcomed the appointment of relevant Commissioning Engineers. It was confirmed they would be working across NHS Highland hospital sites, with internal staff members continuing their respective professional development activity with a view to assuming that commissioning role into the future. Those staff members had been across recent commissioning activity in a shadow capacity. Issues relating to the sourcing of quality building material at this time were raised. A Wilson advised this had been less of an issue than maybe could have been expected during a pandemic period and confirmed resolutions had been found where issues had been encountered. Levels of required product quality were being maintained.

After discussion, the Committee Noted the progress of the Major Capital Project Plan.

10 AOCB

The Chair sought the views of members on the current timings of Committee meetings, in terms of timely report submission etc and whether these should be moved to the first week of the month for NHS Board meetings. D Park stated he would reflect on the current position with other senior officers and whether there were practical alternatives to moving meetings dates, such as the submission of individual IPQR reports to relevant Governance Committees.

11 FOR INFORMATION

12 DATES OF FUTURE MEETINGS

12.1 Committee Meeting Schedule

The Committee **Noted** the remaining 2021 Committee schedule as follows:

26 August
21 October
December date to be confirmed

Meetings would commence at 2pm.

12.2 Date of Next Development Session

The Chair advised that a date had yet to be set for the next Development Session, due to be held in July 2021 and sought the views of members in relation to the same. The agenda would likely include items relating to consideration of the results of the Committee self-evaluation exercise, and consideration of the proposed Managed Service Contract for Laboratories. Consideration of outcomes emerging from the recent Active Governance Workshop would be deferred to a future Development Session.

After discussion, the Committee Agreed a date of 22 July.

13 DATE OF NEXT MEETING

The next scheduled meeting of the Committee will be held on 26 August 2021 at 2pm via Microsoft Teams.

The meeting closed at 4.00pm