

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	5 May 2022 at 9.30am	

Present

Alexander Anderson, Chair
 Louise Bussell, Board Nurse Director
 Tim Allison, Director of Public Health and Policy
 Ann Clark, Non-Executive Director, NHS Board Vice Chair
 Garret Corner, Non-Executive Director
 Heledd Cooper, Director of Finance
 Pamela Dudek, Chief Executive
 Alan Wilson, Director of Estates, Facilities and Capital Planning

In Attendance

Isla Barton, Director of Midwifery
 Rhiannon Boydell, Head of Strategy & Transformation
 Kate Cochrane, Head of Resilience
 Ruth Daly, Board Secretary
 Tracey Gervaise, Head of Operations (Woman and Child Directorate)
 Brian Mitchell, Board Committee Administrator
 David Park, Deputy Chief Executive
 Alison Rodgers, Finance Manager
 Katherine Sutton, Chief Officer (Acute)

1 WELCOME AND APOLOGIES

Apologies were received from G Bell, P Cremin, G O'Brien and E Ward.

2 DECLARATIONS OF CONFLICT OF INTEREST

There were no formal Declarations of Interest.

3 MINUTE OF THE MEETING HELD ON 3 MARCH 2023

The Minute of the Meeting held on 3 March 2023 was **Approved**.

4 FINANCE

4.1 End of Financial Year 2022/2023 (M12) Update

H Cooper spoke to the circulated report and presented an outline of the NHS Highland financial position as at 31 March 2023, advising the year end position (subject to change as final adjustments were being processed as part of the year end audit process) amounted to an

overspend of £15.89m. A formal request for repayable brokerage in the sum of £16.272m, including a £382k surplus, had been made to the Scottish Government to fund the reported overspend. There had been no response at the time of this meeting. She then took members through the end of year positions relating to various budgetary elements, noting those where a break-even position had been achieved; level of savings achieved; and confirmed relevant Capital funding had been fully utilised. A small surplus achieved within the Argyll and Bute HSCP would be carried forward into existing Reserves and a break-even position had been achieved in Highland HSCP through utilisation of existing Reserves. The report proposed the Committee take **Moderate Assurance**.

The following points were then raised in discussion:

- Retention of Deferred Capital Resource. Advised it was anticipated this would be retained. A spend forecast had been prepared and issued to all those involved.
- Supplementary Spend Drivers. Advised this related to mix of aspects relating to Mental Health Services, Care Homes, Care at Home, and medical locum usage.

After discussion, the Committee:

- **Noted** the reported position.
- **Noted** detail of the 2023/2024 savings plan would be brought to the next meeting.
- **Agreed** to take **Moderate** assurance.

4.2 Draft Financial Plan 2023/2024 Update

H Cooper spoke to the circulated report advising as to the draft financial plan for 2023/2024 and advising as to relevant contributory uplifts, confirmed funding elements, and further anticipated allocations. Funding in relation to Scottish Government Policy commitments had yet to be confirmed. It was expected a formal request would be made to the Scottish Government to provide brokerage to close the residual gap of £68.672m. An indication of the three-year position summary was provided, noting savings plans of approximately 3% over that period. The forward position in relation to repayment of brokerage received was also outlined for members. A summary of the 2023/24 position by Operational area was provided, as was an indication of relevant funding uplifts, inflation pressures and assumptions, existing cost pressures, and existing business cases. The financial plan submitted to Scottish Government in March 2023 had indicated an initial budget gap of £98.172m and the proposed Cost Improvement Programme of £29.5m was outlined, noting the major component relating to staffing costs. Information was also provided on the ambitious national Sustainability and Value Programme; and Scotland-wide cost pressures. The report proposed the Committee take **Limited Assurance**.

There was discussion of the following:

- Repayment of Brokerage. Advised there were examples of this having been repaid.
- Impact of Audit Report on Finance and Performance. Advised had been discussed in a Board Executive's session looking at the short, medium and longer term whilst considering support for colleagues, performance monitoring structures and strategy elements.
- Wider Political Environment. Raised matter of performance against finance considerations at national level. View expressed Committee should be considering matters relating to supplementary staffing alongside the relevant NHS Workforce Plan.
- Service Redesign. Stated future redesign activity should be based around organisational sustainability and existing staff profiles. Requirement for enhanced working with NES. Ensuring quality will drive savings activity. View expressed the wider public must be involved in informing service redesign discussions. Clinical buy-in and support crucial.
- Remote and Rural Impact. Needs of remote and rural areas, and associated challenges, need defined to help inform relevant redesign discussions etc.

After discussion, the Committee:

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

5 REVISED MATERNITY AND NEONATAL BUSINESS CASE

K Sutton spoke to the circulated Business Case document, advising it's preparation had enabled an in depth analysis of the wider Maternity and Neonatal Services across NHS Highland, in the context of the position in relation to Moray Maternity Services and the previously published Ockenden Review Report. The Business case itself related to provision of additional Neonatal Unit capacity with the key challenges and risks relating to recruitment of a sufficient number of midwifery staff. The Case had also included consideration of a range of wider associated environmental aspects associated with facility upgrades. Overall, the proposed response to the position in Moray would be the provision of a networked model approach. The Business Case would be presented to the next NHS Board for formal approval.

I Barton advised a number of workshops, discussing the business case, had been held to ensure adequate engagement of all relevant clinical and wider teams involved. There was recognition that the submission of such as Business Case represented an opportunity to improve current services both in Highland and Moray. Midwifery recruitment concerns had been recognised, with the services of an international recruitment group having been secured. Newly qualified trainees had recently indicated an interest in working within the revised service and training of existing nursing staff was being taken forward. T Gervaise added that a Best Value approach had been taken; and emphasised the importance of recognising and reflecting local population needs with a view to securing an improved TTG position in NHS Highland.

The following points were discussed:

- Phasing of Business Case Implementation to Reflect Recruitment Challenge. Emphasised importance of ensuring a continuity model of care.
- Staffing Proposal Impact on Prevention Agenda. Advised wider Integrated Children's Services Plan being developed in association with relevant Statutory partners, based on robust data and intelligence on patient needs. Emphasised importance of preventative and health inequalities elements of the Business Case, with view expressed this could be enhanced and made more explicit within the associated Plan. Advised Specialist roles within the Business Case would provide a public health leadership element on early intervention activity etc and providing continuity of carer (Midwives and Obstetricians).
- Raigmore Decant Plan. Advised appropriate Plan identified, developed and in place. This looked to take advantage of wider reconfiguration activity on-site. Emphasised the overall Plan was also dependent on moves within associated Moray facilities.

The Committee:

- **Noted** the Maternity and Neonatal Business Case document.
- **Agreed** to Endorse the Business Case for onward submission to the NHS Board.
- **Agreed** those involved in developing the Business Case be thanked for their efforts.

6 BUSINESS CONTINUITY AND RESILIENCE PLANNING

The Committee **Agreed** to **Defer** consideration of this Item to a future meeting.

7 ANNUAL DELIVERY PLAN UPDATES

7.1 Progress Against Annual Delivery Plan 2022/2023 – End of Year Update

R Boydell spoke to the circulated report advising as to the Quarter 4, year-end report relating to progress against the Annual Delivery Plan for 2022/2023 as submitted to the Scottish Government. The report indicated that in Quarter 4 there were 386 actions deliverables, 11% of which had been completed, 49% remained on track, 33% were considered “at risk” generally due to capacity or resourcing issues and 6.5% had been delayed, again due to capacity or resource pressures. The report then went on to highlight relevant successes through 2022/2023 and outlined a number of challenges encountered over the same period, relating to service sustainability; infrastructure; rural service delivery; workforce capacity and resilience; financial resource and recovery of waiting times at a time of increasing demand. It was noted the Scottish Government had also requested submission of a Quarter 5 update. The report proposed the Committee take **Moderate Assurance**.

There was discussion of the following:

- “At Risk” Actions. Advised these actions had been delayed, with appropriate mitigations and actions plans in place. Examples provided included Unscheduled Care and patient flow, Day Case activity, Social Care capacity and reducing time in hospital activity.
- Patient Flow and Scheduled Care. Confirmed plan in place to take relevant actions forward in 2023/2024. This would involve increased Day Case activity resulting from impact of the National Treatment Centre. Associated Social Care capacity remained a concern, with officers looking into matters including relevant pathways and increasing hospital at home. There had been a successful trial of the Glasflow system, the model for which would be refined to reflect Highland needs.
- Impact of Current Actions on 2023/2024 Plan. Advised many of the actions being taken forward from the 2022/2023 Plan had already been factored in and would not impact overly on the overall Plan for 2023/2024. Actions would be refreshed where appropriate.
- Challenge Analysis. Advised key aspect is to identify where additional leadership and project management support may be required to ensure progress against Plan maintained.

After discussion, the Committee:

- **Noted** the reported progress against the Annual Delivery Plan 2022/2023, at year end.
- **Agreed** to take **Moderate Assurance**.

7.2 Draft Annual Delivery Plan 2023/24 Update

R Boydell spoke to the circulated report providing an update in relation to the process for development of the Annual Delivery Plan (ADP) 2023/2024 and associated Medium Term Plan 2023-2026, as commissioned by the Scottish Government. The purpose of the ADP was to strengthen a whole system approach towards a more integrated planning framework. It was noted that within Highland the ADP was also the implementation plan for delivering the longer term Together We Care Strategy starting with Basics in 2022-23 (year one) and moving through a transformation period of stages: Build, Better and Best. The Scottish Government commission was an evolving process, moving towards an integrated planning model, eventually incorporating delivery, workforce and financial planning, thereby ensuring a whole system approach and specifying how NHS Boards would meet service and policy needs while remaining within relevant capacity and resource limits. Plans would be subject to quarterly reporting to Scottish Government. Relevant Recovery and Renewal Drivers were indicated, and it was reported that against each specific action NHS Boards were required to demonstrate how that would achieve and maintain the expected levels of performance. The report proposed the Committee take **Moderate Assurance**.

There followed discussion of the following:

- Health Inequalities (Driver 6). Noting this represented a cross-cutting theme throughout Together We Care, questioned how national work could enable greater focus at local level. Advised specific approaches or strategies unknown at this time. May form the outcome from an associated specific Short Life Working Group.

After discussion, the Committee:

- **Noted** progress made on developing the Draft NHS Annual Delivery Plan 2023/24.
- **Noted** the evolving nature of the planning process would be refined as part of the Commission for the Annual Delivery Plan through 2023/2024.
- **Noted** the final ADP document would be submitted to Scottish Government in June 2023, via the Executive Director's Group.
- **Agreed** to take **Moderate** Assurance.

8 INTEGRATED PERFORMANCE REPORT

R Boydell 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. It was advised all Local Delivery Plan Standards were included in the report, excluding GP access figures. IVF Waiting times were to be reported six monthly in line with reporting timescales. Further Indicators continued to be worked on in line with Together We Care and the Annual Delivery Plan. Relevant Indicator trajectories, such as that provided for Scheduled Care activity, where appropriate, would be included within the next iteration of the circulated report. Members were then provided with specific updates on performance relating to screening activity; vaccination activity; alcohol brief interventions; smoking cessation; drug and alcohol waiting times; Maternity Services; CAMHS; NDAS/Integrated Children's Services; Urgent and Unscheduled Care performance; TTG performance; Outpatients; Diagnostics; Cancer Care; Delayed Discharges; Adult Social Care; and Psychological Therapies.

Matters raised in discussion were related to the following:

- TTG Performance Trajectory. Questioned jump in activity between July and September 2022. Advised reflected position whereby more activity planned for latter three quarters in calendar year. Performance was expected to exceed the planned trajectory.
- 62 Day Cancer Target. Stated performance was a continuing concern, despite improved performance evidenced across other areas of service. Advised recent improvement in performance being evidenced however had yet to feed through into associated reporting. Capacity challenges were recognised and acknowledged.
- Wider Performance Recovery. Advised national meetings looking at overall position on Scheduled Care across NHS Boards. Relevant analytics continued to be improved to reflect local context and ensuring consistency of planning assumptions being made by individual Boards.

After discussion, the Committee:

- **Noted** the position in relation to reported performance areas.
- **Agreed** to take an Exception Report on Cancer performance at the next meeting.

9 ASSET MANAGEMENT GROUP MINUTES

There had been no Minutes circulated for this meeting. It was confirmed there had been discussion at the last meeting in relation to digital, equipment and backlog maintenance issues. A number of associated 5-year plans were currently in development.

The Committee Noted the position.

10 MAJOR PROJECTS SUMMARY REPORT

There had been 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. Individual updates were provided in relation to the Lochaber, and Caithness Redesign Projects. It was proposed the Committee take **Moderate Assurance**.

The following was discussed:

- Lochaber Redesign. Advised progress being made, with crosscheck workshops having been held. Working on the relevant issues raised. A local Open Event was to be held on 6 June 2023, with a view to informing relevant design activity.
- Caithness Redesign. Workshop to be held on 11 May 2023 regarding RGH facilities and services. No major concerns. Level of community engagement had been welcomed.
- Lessons from NTC Activity. Suggested degree of learning could be taken and applied at national level. Advised meeting scheduled between NHSH, NHS Assure and NHS Fife to ensure all appropriate learning was taken and applied moving forward. Management of this project had been very successful overall. Relevant staff to be thanked for their efforts.

The Committee otherwise:

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

11 CORPORATE RISK REGISTER UPDATE

H Cooper advised Finance, Resources and Performance related risks were generally annually based in nature. The relevant risks had yet to be updated for 2023/2024 and would be brought to the next Committee meeting. A similar approach would be applied to relevant Annual Delivery Plan risks.

The Committee Noted the position.

12 ENVIRONMENTAL SUSTAINABILITY

A Wilson spoke to the circulated letter that had been issued to NHS Boards in relation to the stated “Triple Planetary Crisis – Climate Change, Pollution and Biodiversity Loss” and reiterating the importance of meeting greenhouse gas emissions targets, adapting to climate change, and improving the effect the NHS has on the natural environment. NHS Boards were asked to ensure organisations were responding appropriately to the climate emergency and the pollution and biodiversity crises. To reflect the importance of climate and environmental action, NHS Boards had been asked to set out their planned actions in their Medium Term Plans and subsequent Annual Delivery Plans. The detail of the request had been included in the Medium-Term Planning Guidance which had been issued by the Scottish Government.

NHS Board Chairs had also been requested to consider how climate and environmental work was prioritised as part of NHS Board meetings and internal assurance processes. Within NHS Highland it was planned that reporting would be via this Committee. The NHS Board Champion was Dr G Rodger, non-Executive Board Director. It was suggested there be a Development Session toward calendar year end

After discussion, the Committee:

- **Noted** the circulated letter to NHS Boards.
- **Agreed** internal reporting be via this Committee to the NHS Board.
- **Agreed** reports to Committee be based on Exception Report format, plus regular updates providing forward planning detail relating to the Major Project Summary Update.
- **Agreed** to hold an appropriate Development Session toward year end 2023.

13 COMMITTEE FUNCTION AND ADMINISTRATION

There was no discussion in relation to this Item.

14 AOCB

There was no discussion in relation to this Item.

15 FOR INFORMATION

There was no discussion in relation to this Item.

16 2023 MEETING SCHEDULE

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

7 July

8 September

3 November

(All meetings to be held from 9.30am to 12.00pm)

17 DATE OF NEXT MEETING

The date of the next meeting of the Committee on 7 July 2023 was **Noted**.

The meeting closed at 11.40am