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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 |  |
| MINUTE of MEETING of the FINANCE, RESOURCES AND PERFORMANCE COMMITTEE Microsoft Teams | 31 July 2020 at 10am | |

Present

Alexander Anderson, Chair
 Ann Clark, Non-Executive Director, Chair of HHSC Committee
 Sarah Compton-Bishop, Non-Executive Director
 Paul Hawkins, Chief Executive
 David Garden, Director of Finance
 Heidi May, Nurse Director
 Boyd Peters, Medical Director
 Philip MacRae, Non-Executive Director

In Attendance

Ruth Daly, Board Secretary
 Pam Dudek, Interim Deputy Chief Executive
 Adrian Ennis, Improvement Director
 George Morrison, Head of Finance, Argyll and Bute
 Anna McInally, Board Services Assistant
 David Park, Chief Officer, Highland Health and Social Care Partnership
 Elaine Ward, Deputy Director of Finance

1 WELCOME AND APOLOGIES

2 DECLARATIONS OF CONFLICT OF INTEREST

There were no formal Declarations of Interest.

3 FINANCE, RESOURCES AND PERFORMANCE COMMITTEE TERMS OF REFERENCE

There was a detailed discussion regarding the draft Terms of Reference and the following amendments were agreed:

- Under Section 3.1, bullet point one, reference to stakeholders would be deleted.
- Under Section 3.2, Director of the PMO would be added to the list of invited attendees.

It was confirmed the minutes of the meeting were publically available through the NHS Highland Board papers.

The Committee Approved the Terms of Reference subject to the amendments outlined.

4 COST IMPROVEMENT PROGRAMME MONTH THREE REPORT

Adrian Ennis provided an overview of the financial recovery programme at month 3. The savings target agreed with the Scottish Government is £28.9m and element of this allocation to the PMO led cost improvement programme is £24.1m.

At month 3, the forecasted outturn for the programme was £6.8m and this comprised of £3m of schemes within the delivery tracker together with a risk adjusted pipeline valued at £3.8m. At month 3, the year to date delivery was £0.8m with an in-month delivery of £0.43m. Against the Annual Operating Plan (AOP), the year to date delivery was £0.817m against the AOP year to date target of £3.375m. The targets for the cost improvement programme were set prior to COVID-19 and did not take account of the temporary pause of the programme to enable staff mobilisation for coronavirus or the remobilisation activities.

Adrian Ennis also informed that good progress is being seen in month 4 and expected to see a £2m increase in the forecasted outturn of the cost improvement programme.

It was noted the key risks to the delivery of the programme was the potential of the GP prescribing schemes not achieving the full savings target, lack of capacity to deliver to savings due to competing demands, and the lack of a national procurement workplan in 2020/21 due to the impact of COVID-19 mobilisation. The risk of a second wave of COVID-19 was on the risk register and was considered on a weekly basis at the Financial Recovery Programme Board. The risk profile would be adjusted appropriately depending on the likelihood of second wave.

It was confirmed there were no immediate plans to merge the Financial Recovery Programme Board and Performance Recovery Board. The savings and performance targets were regularly reviewed in conjunction with each other but it was important the targets remained separate to ensure appropriate oversight.

David Garden highlighted to the committee the financial uncertainty facing the Board due to COVID-19 and emphasised the need for the Board to concentrate on delivering the savings through the cost improvement plan. It was confirmed pay grip and control and non-pay grip and control was due to be restarted to provide scrutiny of expenditure.

The Committee Noted the Report.

5 MONTH THREE FINANCE REPORT

It was confirmed that at month 3, the Board had overspent by £12.2m against the year to date budget. The overspend comprised of £3.3m of undelivered savings and £10.7m of COVID-19 expenditure. Government funding for COVID-19 was expected to be confirmed in August following the Government's consolidation of the returns submitted by Boards. Furthermore, NHS Highland had not received a number of in year allocations, such as, Treatment Time Guarantee and Primary Care Improvement funding. It was anticipated Boards would only receive funding for existing prior year recurring commitments.

In relation to capital expenditure, the forecasted expenditure for 2020/21 was £56m and to date £2.8m has been spent, primarily in the Skye and Badenoch hospital projects.

With regards to provider sustainable payments funding for COVID-19 expenditure, a local review panel had been established to assess funding claims, including those submitted by care homes and care at home providers, and Government had issued guidance to ensure a consistent approach across Scotland. Discussions were on-going regarding the methodology for allocating funding, with various methodologies suggested, such as, funding

based on activity or the NRAC formula but the final approved methodology was yet to be confirmed.

Adrian Ennis confirmed a costing exercise was underway to assign costs to the remobilisation plan to ensure in affordability in-year and sustainability long-term.

The Committee Noted the Report.

6 PERFORMANCE REPORT

The Performance Report had been circulated to the Committee for noting. Heidi May drew attention to the Staph Aureus Bacterium and Clostridium Difficile targets. The targets set by Healthcare Improvement Scotland had been amended to capture all healthcare acquired infections. Since April, there had been one case of healthcare acquired Staph Aureus Bacterium which was within the target. With regards to Clostridium Difficile, there has been a cluster of cases in the North and West and while there was no direct link, antibiotic prescribing and PPI prescribing were a common theme.

The Committee Noted the Report.

7 REMOBILISATION PLAN

Pam Dudek provided an overview of the circulated remobilisation plan. Health boards were asked to submit a remobilisation plan to the Scottish Government outlining how the Board intended to provide services between August 2020 and March 2021. The remobilisation plan consisted of ten individual workstreams led by a Senior Responsible Officer. The Performance Recovery Board had been established and would oversee performance against the plan, particularly in relation to the waiting list workstreams in the first instance. In preparing the plan, a number of factors were taken into account, including, social distancing and capacity, winter flu, the delivery of the flu vaccine and potentially a COVID-19 vaccine and staff wellbeing, including the implications of staff with caring responsibilities and fatigue caused by the pandemic. The next stage of the planning process was to confirm the Project Initiation Documents for each of the ten workstreams and measurable performance indicators.

In formulating the plan, there had been a significant level of engagement undertaken across the Board, both clinical and non-clinical and this had been invaluable. To continue to raise awareness of the plan, a series of Ask Me Anything Sessions were scheduled over the coming weeks to enable staff from across the organisation to ask questions on the plan.

The plan outlined the need for shifting of resources to support the methods of delivery care. At the recent Collective Sense Making Exercise in Inverness there was a discussion regarding shifting the balance of care to enable more acute care in the community and supporting patients to stay at home for as long as possible.

Ann Clark thanked all staff involved in drafting the plan for their efforts and hard work.

The Committee Noted the Plan.

8 ASSET MANGEMENT GROUP 22 JULY 2020

At the recent meeting of the Asset Management Group, the Terms of Reference was reviewed and amended to include clinical representatives from each of the operational units to ensure adequate clinical representation. Moreover, the purchase of three pieces of equipment was approved and funded from the contingency fund. Mr Garden advised the Committee there was over £1m of bids for funding for equipment to aid remobilisation and the Government had been notified.

It was agreed the minutes of the Group would be circulated following the meeting.

The Committee Noted the verbal update.

9 AOCB

9.1 Dates of Future Meetings

28 August
25 September
30 October
27 November

9 DATE OF NEXT MEETING

The next scheduled meeting of the Committee will be held on 28 August 2020 at 10am via Microsoft Teams.

The meeting closed at 12.15pm