

|  |   |   |
|--|---|---|
| <b>HIGHLAND NHS BOARD</b>  | Assynt House<br>Beechwood Park<br>Inverness IV2 3BW<br>Tel: 01463 717123<br>Fax: 01463 235189<br><a href="http://www.nhshighland.scot.nhs.uk">www.nhshighland.scot.nhs.uk</a> | <br><b>NHS</b><br>Highland<br>na Gàidhealtachd |
| <b>DRAFT MINUTE of the<br/>FINANCE, RESOURCES AND<br/>PEFORMANCE COMMITTEE<br/>TEAMS</b> | <b>05 July 2024 at 9.30 am</b>  |   |

**Present**

Alexander Anderson, Chair  
 Graham Bell, Vice Chair  
 Ann Clark, Non-Executive Director (from 10.30am)  
 Sarah Compton-Bishop, Board Chair  
 Heledd Cooper, Director of Finance  
 Garret Corner, Non-Executive Director  
 Richard MacDonald, Director of Estates, Facilities and Capital Planning  
 Gerard O'Brien, Non-Executive Director  
 David Park, Deputy Chief Executive

**In Attendance**

Natalie Booth, Committee Administrator (from 10.45am)  
 Lorraine Cowie, Head of Strategy and Transformation  
 Pamela Cremin, Chief Officer, Highland HSCP  
 Brian Mitchell, Committee Administrator  
 Andrew Nealis, Information Governance and IT Security Manager  
 Katherine Sutton, Chief Officer Acute  
 Elaine Ward, Deputy Director of Finance

## 1 **STANDING ITEMS**

### 1.1 **Welcome and Apologies**

Apologies were received from Committee members T Allison, L Bussell, and F Davies.

Apologies were also received from non-members E Beswick and I Ross.

### 1.2 **Declarations of Interest**

There were no formal Declarations of Interest.

### 1.3 **Minute of Meeting held on Friday, 14 June 2024, Rolling Action Plan and Committee Work Plan 2024/2025**

The Minute of the Meeting held on 14 June 2024 was **Approved**, subject to the Record of Attendance being amended to record Sarah Compton-Bishop had submitted her Apologies. The Committee further **Noted** the revised Rolling Action Plan and Committee Work Plan 2024/25.

## 2 NHS Highland Financial Position (Month 2) 2024/25 and Value and Efficiency Update

The Deputy Director of Finance spoke to the circulated report that detailed the NHS Highland financial position as at end Month 2, advising the Year-to-Date (YTD) Revenue over spend amounted to £17.364m, with the forecast overspend set to increase to £50.682m as at 31 March 2025. Potential brokerage had been capped at £28.4m and the year-end forecast assumed those cost reductions/improvements identified through value and efficiency workstreams would be achieved and that support would be available to balance the Adult Social Care position at the end of the financial year. The circulated report further outlined the underlying data relating to Summary Funding and Expenditure, noting Scottish Government commitment to releasing 80% of allocations by the end of Quarter 1. There had been no funding received in relation to the 2024/2025 pay award. Notification had been received as to the NHS Highland share of non-recurrent funding for New Medicines. Specific detailed updates were provided for the Highland Health and Social Care Partnership area; Adult Social Care; Acute Services; Support Services; Argyll & Bute; the Cost Reduction/Improvement activity position; Supplementary Staffing; Subjective Analysis; and Capital Spend.

The Director of Finance then shared a brief presentation in relation to the work of the Value and Efficiency Group, including relevant process development activity. Planned savings were outlined, by area and by Executive Lead, noting potential opportunities existed for further savings activity to be developed and progressed.

The circulated report proposed the Committee take **Limited** Assurance, for the reason stated.

The following matters were discussed:

- Adult Social Care Quantum and Additional Allocations. Advised current reported position had been based on a carry forward of the corresponding position at end October 2023. The overall quantum had yet to be formally agreed. Once the Highland Council funding and budget had been agreed, a potential additional sum allocation may emerge. Discussion was ongoing with Highland Council.
- Engagement with Scottish Government. Stated Delivery of credible and deliverable plans was a priority for Scottish Government. Advised quarterly reporting would be in person, with notification having been received in relation to the financial aspect of the relevant NHS Board escalation framework and process. NHS Highland was at Level Three. Scottish Government continued to promote the 15 Box Grid approach, looking at one or two specific datasets each month (i.e. Junior Doctor Compliance/Clinical Waste) and discussing these with the national Chief Executives Group through associated benchmarking activity. Further discussion to take place with Scottish Government in relation to Choices activity.
- 15 Box Grid Monitoring. Advised NHS Boards not explicitly directed to monitor although in NHS Highland associated workstreams did cover all 15 elements. Agreed to report to Committee on these on a quarterly basis.
- Overall Reported Position. View expressed the forecast year end position was optimistic, noting £22m financial gap from brokerage and a disappointing position in relation to use of Supplementary Staffing. Stated outturn position at Month 3 would be critical in terms of messaging to NHS Board and Scottish Government.
- Savings Level Across HSCP Area. Noted level of savings achieved against that in Argyll and Bute. Relevant forecast planning detail was requested, moving forward.
- Progress on Value and Efficiency/STAG/Choices Activity. A number of plans were available to be progressed. Value and Efficiency workstreams being prioritised and need for further support recognised. Advised Adult Social Care cost reduction plan developed, agreed with Highland Council, and to be presented to the Highland Health and Social Care Committee the following week. Application to be made to the Highland Council Transformation Fund in respect of Technology Enabled Care (TEC) activity. To meet with Highland Council Corporate Management Team, again the following week and would discuss cost reduction plans.

- Supplementary Staffing (Value and Efficiency). Noted a number of references to reducing spend on this area and sought further detail on associated planned activity, with a view to taking appropriate assurance. Advised activity was mostly related to rota management, aspects around staff engagement, and moving from Agency to Bank staff where possible. A number of technical aspects were under active consideration.
- Value and Efficiency. Advised opportunities within individual areas would be progressed on a risk-based approach. Much of the work related to business-as-usual activity. Clinical and managerial support involved to help drive activity forward where appropriate. Savings estimations will be updated as activity was progressed.
- Funding Assumptions. Questioned if these were built in to existing forecasts. Stated further detail on this aspect would further help members to understand the relevant risk.
- Learning Disabilities Forecast. Noting the forecast deficit position, detail of associated specific actions requested for future updates. Advised members as to a number of efficiency initiatives being developed for taking forward, including on TEC.
- Older Adults Care at Home. Noted forecast deficit position for financial year end and sought greater detail. Advised budget positions and trajectories would not reflect activity until such time as plans became better defined.
- Holding Managers to Account for Financial Budgets. Questioned if impacting on current savings plan activity. Advised Value and Efficiency Group meeting every two weeks, with relevant Executives present. Individual groups attend to present on high-risk area elements and are expected to show progress accordingly. Performance Reviews also in place.

**After discussion, the Committee:**

- **Examined** and **Considered** the implications of the Financial Position.
- **Agreed** to receive quarterly updates on workstreams and relevant 15 Box Grid elements.
- **Agreed** to take **Limited** assurance.

### **3 Capital Asset Management Updates**

The Director of Estates, Facilities and Capital Planning spoke to the circulated report and provided a brief presentation, advising half of the departmental capital budget had been released to enable procurement to commence. Progress against spend was being monitored on a monthly basis through monthly monitoring reports, monthly one to one meetings with budget holders and through the Capital Asset Management Group (CAMG). At the end of month three, a further quarter of the departmental budget would be released if adequate assurance had been provided. As at month two, the year to date spend was £709, 941 with most of the expenditure within Estates. An update was also provided on three current Capital Projects relating to ACT accommodation, Grantown Health Centre Refurbishment and EV Charger Installation. Full details of expenditure were further detailed in the report. There had also been circulated Minute of Meeting of the Capital Asset Management Group held on 22 May 2024. The circulated report proposed the Committee take **Moderate** Assurance, for the reason stated.

The following was discussed:

- Capital Asset Management Group. Reference made as to number of areas of concern discussed under AOCB Item. Advised change of process had impacted on associated reporting. Large maintenance backlog noted, with large number requests coming through. Strong governance arrangements in place, with contingency available to address urgent requests.
- Business Continuity Planning. Advised Backlog Maintenance Plan was in development and would be submitted to the Committee later in 2024. Increased risk management process now in place, with Very High and High risk items monitored on monthly basis.

- Partnership Working/Sharing Facilities. Sought update on how this was progressed when looking at individual projects. Advised high level discussions were taking place with strategic partners and this aspect had been included within the Strategic Capital Plan. Relevant Accommodation Groups (Corporate, Acute and Community) had been established to consider any proposals relating to relevant accommodation matters. A process was in place and discussion with external partners was continuing. An agreement had been reached with Highland Council to share detail of property portfolios. Highland Sector Property Group to be re-established, in association with partners. Discussion currently underway with Police Scotland with view to moving number of NHS staff.
- Raigmore Maternity and NHS Grampian Activity. Questioned if opportunities for utilising existing funding package had been considered. Advised relevant impact assessments relating to elements of the Highland Business Case (on critical path for Moray Maternity arrangements) completed, with associated Programme Board continuing to meet under the Chairmanship of Chief Officer for Acute Services. Time critical patient transfers were continuing. Physical capacity and staffing issues remained challenging, with a requirement to pause and reflect on the current position across Obstetrics and Gynaecology Services both recognised and agreed. This wider position was in the process of being re-assessed in terms of Highland priorities. Best Start activity was progressing well, with recent success in recruitment of a number of Midwives.
- Raigmore Fire Compartmentalisation Work. Advised total allocation for 2024/2025 in the sum of £750k-£800k, with work on current phase expected to be complete by calendar year end. Relevant Risk Register entry had been updated to reflect the current position.

**After further discussion, the Committee:**

- **Noted** the position on the allocation and delivery of the Capital Formula Spend delivered through NHS Highland's Asset Management Group.
- **Agreed** to provide further detail on discussions with partner agencies in relation to potential for sharing of facilities to a future meeting.
- **Agreed** to take **Moderate** assurance.

#### **4 Integrated Performance Report**

Speaking to the circulated report, the Head of Strategy and Transformation highlighted the additional areas to be added to IPQR to reflect the revisions made to the Highland Health and Social Care Partnership IPQR as follows:

- Where previously only Covid Vaccinations had been reported, this would be expanded to include Dementia Indicators and Long-term Conditions.
- Palliative and End-of-life Care would be reported annually.
- The CAMHS trajectories would be included prior to going to Board in September.
- Reporting on NDAS services would be broken down further for improved understanding as this was currently based on demand.
- Cancer activity would be broken down further.
- Additional Public Health Indicators were being scoped as currently only ABIs and Smoking were included.
- Community Services would be included as currently only reported in the Partnership.
- Primary Care would also be included at points in time for assurance and there would be a meeting the following week to discuss Dental.

Within the IPQR itself, the Executive Summary of Performance now included all areas being reported as well as the Planned Care trajectories, which had been agreed with Scottish Government, and further trajectories would be included as they were agreed. There had been an overall decrease in performance from the previous month and where ADP targets had not been met, these had been highlighted up to April 2024.

In discussion:

- Concern expressed over the downward trend of the IPQR and about confidence in the trajectory for Outpatients which now appeared flat, compared to the previously steep upward trend.
- The Head of Strategy and Transformation emphasised trajectories had been developed through integrated service planning, based on baseline resources. Although they appeared flat, performance meetings tracked fluctuations and services received weekly data to address any shortfalls promptly. Along with Jane Buckley, time had been spent with service managers to ensure understanding and to set expectations. Members were also advised referrals had stabilised considerably and work was being considered around how to decrease the long waits at the tail-end.
- The Chief Officer (Acute) discussed a strategic initiative to improve outpatient services, noting the current approach had not changed for a long time. Initial insights from Clinical Directors were being developed into a framework, with plans to engage GPs and understand patient expectations. Efforts included optimising physical capacity and diversifying the workforce. This included relocating the sexual health service to the RNI Community Hospital to create more space for Dermatology, allowing an additional 1300 patients to be seen. Also highlighted the receipt of £30 million in government funding to reduce waiting lists for various specialties, emphasising the importance of delivering results to maintain credibility/prevent programme drift, despite potential challenges like unexpected staff absences.
- It was suggested, given the Whole Family Wellbeing approach being implemented within the Partnership, it might be worth considering how the funding for Community Adult Mental Health and for Community Children's Services interacted.
- The Board Chair shared positive feedback about the use of OPEL from a recent visit to Raigmore and, regarding ED performance, advised that low staff morale gave a strong indication of the whole system being under pressure.

The Depute Chief Executive then provided an update on Vaccinations as follows:

- Following Public Health Scotland's recent supported review, the report was now available and would be shared with the Vaccination Programme Group and Clinical Governance Committee. Some of the feedback had already been incorporated into a programmed structure of change, with the Vaccination Improvement Group Programme Board having met. An action plan to improve the current model of delivery was progressing.
- A proposed Options Appraisal had been informally agreed with GP Sub-committee, LMC and BMA. A Short Life Working Group, established to move this forward, met for the first time the previous day with an estimated 6-week timeframe to submit to Government for review. It was hoped the planned target of operating a new model of delivery by October 2024 was achievable and the importance of the current improvement plans were highlighted as an essential step towards this.
- It was understood a visit from Cabinet Secretaries was planned and reporting to various other external organisations on Vaccination Compliance and Uptake was ongoing.
- In response to members' queries around the involvement of patients' views in terms of vaccinations, it was advised there were three specific areas in the Improvement Plan which looked at understanding patient experience to date; how this could be reviewed; and how it could be adopted.

**After discussion, the Committee:**

- **Noted** the level of performance across the system.
- **Noted** the continued and sustained pressures facing both NHS and Commissioned Care Services.
- **Agreed** to take **Limited** assurance.

## 5 NHS Board Risk Register – Risks Reporting to FRP Committee

Speaking to the circulated report, the Head of Strategy and Transformation highlighted an additional risk related to the financial position had been added to the risk register for FRP. Most risks remained ongoing due to their recent addition. Progress had been ongoing to review digital risks that were part of the corporate risk register. Specific mitigating actions were added for risk 1097. A new risk (numbered 1255) had been updated to align with the current year's Annual Delivery Plan, focused on value, efficiency, and integrated service planning. It had also included risks related to backlog maintenance and PFI transfer. Additionally, substantial assurance was being offered regarding the risk management process, and DATIX usage was being closely monitored.

- Members noted risk 1279, which related to social care finances, was missing from the SBAR but was showing on DATIX. The Head of Strategy and Transformation had advised further narrative would be provided to members for that particular risk.
- Members expressed concerns about the fire compartmentation risk rating and the lack of consistency in recording those through the risk register. The Director of Estates advised a recent presentation on fire management within the organisation had been presented to the Health and Safety Committee. With the establishment of a dedicated Fire Safety Group, it was anticipated there would be a reduction of fire risks, bringing them down to an acceptable level through a comprehensive fire safety plan.
- Members sought clarity on the key focus of the backlog maintenance risk. The Director of Estates advised the business continuity investment plan would highlight significant and high risks. The escalation of the risks would be overseen by the Capital Management Group, and it was anticipated progress on backlog maintenance over the next two quarters.
- The Director of Estates noted Private Finance Initiatives (PFI) were a year away from handover, but negotiations with PFI providers would continue. Progress had been made with implementing risk mitigations. There would be monthly PFI Programme Boards going forward while navigating the evolving situation regarding financial aspects of the handover.
- The Head of Strategy and Transformation advised the risk monitoring process was under review with a particular focus on risks transitioning from level one to level two risk registers. She also highlighted that the Annual Delivery Plan for 2024-25 risks had been divided into two categories: in-year deliverables and finances, and the longer-term changes needed for the system. This was to reflect strategic risks and the medium-term plan.

### After discussion, the Committee:

- **Examined** and **considered** evidence provided in the circulated report.
- **Agreed** to take **Substantial** assurance of compliance with legislation, policy, and Board objectives.

## 6 Resilience Update

The Head of Resilience spoke to the circulated report and highlighted the following:

- Paragraph 2.3 provided assurance the work on Resilience was driven and supported by significant legislation and regulations and was highly collaborative at local, regional and national levels.
- Board internal structures were working well, supported by the streamlining of governance with the Sector Resilience Groups being supported by the Resilience Committee.
- The primary ongoing work was a review of the current approach to continuity planning. A series of Service Impact Assessments and a new template structure were being rolled out to help services consider what they would do if things went seriously wrong.

- Wider work on resilience was focused on a two-year review of the Civil Contingencies Risks and a significant challenge was the difference in approaches taken by Resilience Partnerships in the North and West areas. All major incidents were being planned for.
- The biggest risk was a failure of the National Electricity Transmission Service (NETS) which involved planning for service delivery with no electricity for 7 days and interrupted supply for a further 4-5 days. Other major risks were Pandemic Flu, Vehicle Borne Devices and Severe Weather.
- Paragraphs 2.4.4 and 2.5 outlined the incidents responded to over the past 12 months and significant challenges included storms, loss of digital infrastructure and challenges with concrete.
- Paragraph 2.4.6 described Exercise Safe Hands Free, the first national test of a Major Incident Mass Casualties (MIMC) in Scotland. A debrief was being written and this would inform the new National Plan. Meanwhile, the North of Scotland Health Boards were working together to produce a Concept of Operations which was expected to be complete within the next 4 months.
- Colleagues work in responding to incidents over the past year was commended, with people working overnight and during weekends and holidays.

In discussion:

- Members commended the work undertaken on this and particular praise was given for the good relationships built with partners and external organisations in its facilitation.
- In terms of Continuity Plans completion, whilst there was a gap, the process of getting these in place was ongoing. Assurance was given that when things go wrong, teams did respond.
- Nuclear risk was briefly discussed, and upcoming exercises were noted as: Exercise, Evening Star at Faslane, and Exercise Highport at Poolewe which would take place on 22 August and 19 September 2024. While highlighted as more of a perceived risk than an actual risk, the Head of Resilience agreed to bring a report to the next meeting from the workshops currently being held with the military.

#### **The Committee:**

- **Noted** the circulated report.
- **Agreed** to take **Substantial** assurance.

## **7 Digital Health and Care Strategy Update**

Speaking to the circulated NHS Highland Digital Delivery Plan 2024/25, the Head of e-Health highlighted the following:

- National requests had been received to support the roll-out of e-mail addresses to Community Optometrists.
- Finalisation of the Digital Delivery Plan 2024-25 was progressing, encompassing the Annual Delivery Plan, Value & Efficiency workstreams, and Together We Care Strategy.
- A focus of the plan was to deliver digital solutions for the electronic patient record (EPR), along with the necessary support programmes to ensure a successful implementation across primary, community, secondary or hospital, and social care sectors.
- In Primary Care, 91 General Practices would be upgraded to the latest version of Vision as part of a national programme. This upgrade would include a document management system and would establish a unified approach for GPs to deliver services from a digital perspective across Scotland.
- In Community Care, implementation of the Eclipse and Morse systems were underway in Argyll and Bute, and North Highland to enable all community staff to access a digital solution, facilitating cross-sector data sharing through the care portal.

- For Secondary Care, the national contract plans to expand the existing TrakCare system and implement the electronic patient record functionality to all hospitals in the Board area.
- E-health were supporting the procurement of a new social care digital system in the Highland Council area.
- Support would be available to upskill staff to ensure they have the knowledge and skills to work comfortably within a digital clinical environment.
- Upgrades to the Scottish Wide Area Network (SWAN) were planned, to support the implementation of digital solutions. NHS Highland would need to be upgraded to SWAN2.
- Other core activities within the plan had included the replacement of the national Picture Archiving Communication System (PACS) with a new national provider that will be cloud hosted. The upgrading of the chemotherapy solution (Chemocare) would continue to deliver a new cloud hosted regional chemotherapy solution and the introduction of MS365, which was being coordinated through the national programme.
- Work was ongoing with the Strategy and Transformation Team to establish a prioritisation process to create a balanced delivery programme schedule that would have flexibility to accommodate new tasks from a national perspective. The report within appendix two provided a high-level overview of the three priority areas.

In discussion,

- Members noted national aims to embed digital solution and sought clarity on whether the financial disparities between different health boards and the potential gap in digital advancement. The Head of e-Health highlighted national conversation had occurred that noted the lack of funding to support the extensive digital agenda. He had observed a gap between Health Boards and their digital advancements, but most Health Boards needed to upgrade their networks, using allocated capital to progress with national programmes.
- Members noted the growing reliance on regional and national support for service delivery and questioned the existence of solutions to facilitate inter-board clinician communication.
- The Head of e-Health advised most Scottish Health Boards host their EPR programme on the same digital system. He noted challenges to facilitate an inter-board clinician communication had included delays in the national programme and varying levels of implementation among health boards. National discussions were ongoing to find resolutions and gradually move towards a more consolidated approach to EPR.
- Members noted e-Health had collaborated with the Strategy and Transformation team to ensure the EPR programmes would be centred around transformation, involving changes in practice and standard operating procedures. Stage four – review and evaluation would enable benefits of the programme to be identified.
- The Head of e-Health highlighted that North Highland, and Argyll and Bute, use different configurations as it was approached from two separate positions. He noted the future aim was to achieve standardisation which was an option because the Eclipse and Morse systems could be linked through the care portal.
- Members noted the explanation provided by the Head of e-Health as to the Boards infrastructure connection through SWAN and how risks were mitigated. It was highlighted there were processes in place to ensure server infrastructure resilience, including failover systems for major systems and regular checks to ensure their readiness.

**After discussion, the Committee:**

- **Noted** the circulated report.
- **Agreed** to take **substantial assurance**.

## **8 Any Other Competent Business**

There was no discussion in relation to this Item.



## **9 Remaining Meeting Schedule for 2024**

The Committee **Noted** the remaining meeting schedule for 2024 as follows:

**9 August**  
**6 September**  
**11 October**  
**1 November**  
**13 December**

### **The Committee:**

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

## **10 DATE OF NEXT MEETING**

Friday 9 August 2024 at 9.30 am.

**The meeting closed at 12.00pm**