HIGHLAND NHS BOARD	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 www.nhshighland.scot.nhs.uk NHS Highland
MINUTE of MEETING of the FINANCE, RESOURCES AND PEFORMANCE COMMITTEE TEAMs	**29 April 2021 at 2.00pm**

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

In Attendance Ruth Daly, Board Secretary
Adrian Ennis, Improvement Director
Jane Gill, PMO Director
Louise McInnes, Risk Manager
Brian Mitchell, Board Committee Administrator
David Park, Deputy Chief Executive
Elaine Ward, Deputy Director of Finance
Alan Wilson, Director of Estates, Facilities and Capital Planning

1 WELCOME AND APOLOGIES

At the commencement of the meeting the Director of Finance Chair apologised for the late issue of the Integrated Performance and Quality Report.

Apologies were received from Sarah Compton-Bishop, Mirian Morrison, Adam Palmer and Dr B Peters.

2 DECLARATIONS OF CONFLICT OF INTEREST

There were no formal Declarations of Interest.

3 MINUTE OF THE MEETING HELD ON 25 FEBRUARY 2021

The minute of the meeting held on 30 October was **Approved**.

4 COST IMPROVEMENT PROGRAMME YEAR END REPORT 2020/2021 AND UPDATE ON PLAN FOR 2021/2022

A Ennis advised, at 2020/2021 financial year end (M12), the forecasted outturn for the programme was £15.9m, an increase of £3.25m through month 12. He emphasised that only 24% of the savings delivered had been classified as recurrent in nature, for a number of reasons including future uncertainty due to ongoing impact of the Covid pandemic, and

remarked this had the potential to increase the level of recurrent savings in the 2021/2022 financial year. The profile of savings against target was provided, noting Scottish Government funding had been provided to address the unachieved savings as part of the national support to the pandemic. The Cost Improvement analysis against target showed the performance of individual work streams against target, with strong outcomes relating to Estates & Facilities, Medical Workforce Productivity and Patient Flow. In terms of under-delivery against target two particular work streams were highlighted relating to Procurement and to Prescribing, noting there had been no national work plan relating to these areas. This had impacted across all NHS Boards in Scotland. It was reported overall, NHS Highland had performed well in terms of savings delivery and this had been recognised at national level.

J Gill went on to outline the Financial Recovery Programme for 2021/2022 and provided an analysis of the proposed Pipeline and Delivery detail. She advised 180 schemes had been included in the Pipeline, with 55 Plans already in progress (8 in Delivery Stage) and 5 due to deliver savings in Q1. All schemes now had a financial allocation attached, with the exception of that for Outpatients and this represented strong engagement to date. Overall, the unadjusted pipeline totalled £14.7m (£5.9m Adjusted) and represented 58% of the overall Cost Improvement Target for 2021/2022. It was reported that the figure ascribed to the Adult Social Care work stream was Unadjusted at this stage and therefore remained medium risk in terms of delivery.

In terms of specific risks to delivery, J Gill then took members through the individual elements and associated areas of mitigation. She advised that recruitment to PMO vacancies was ongoing and was aimed to be complete by end May 2021. There would be challenges in relation to both medical locum spend and the Prescribing workstream. J Gill went on to advise that her primary focus moving forward would be in relation to delivering sustainable financial recovery by ensuring continued PMO momentum, conducting of weekly Financial Recovery Board meetings throughout 2020/2021 and cultural underpinning.

D Garden took the opportunity to recognise the level of success evidenced to date, especially during the past year with all its respective challenges, with strong arrangements in place to take the organisation forward in 2021/2022. In response to being asked how NHS Highland had been designated a high performing Board in relation to savings achievement, it was advised there were a number of contributing elements including percentage delivery against target etc. P Dudek emphasised NHS Highland had continued with a focus on savings delivery throughout the pandemic period whereas not all NHS Boards in Scotland had been able to maintain that level of focus over the same timeframe. Early adoption of relevant systems and processes had been of real organisational benefit. G Bell referred to the current level of underlying deficit in NHS Highland, compared to other NHS Boards in Scotland and was advised each would record and manage this in a non-consistent manner, making direct comparison challenging. A Clark then referred to £31m of unfunded developments contained within the Remobilisation Plan, and sought an update on what savings would likely be increased to fund those aspects not ultimately funded by the Scottish Government. It was advised that much of the £31m was related to providing additional capacity, with aspects relating to long Covid under active consideration in terms of longer term requirements. Some additional capacity would be achieved through successful implementation of relevant efficient work around Theatre and bed usage etc. Further discussion would require to be taken forward through EDG, with other NHS Boards and at a national level before consideration would be given to increasing in-year savings targets.

The Committee otherwise Noted the reported position.

5 INTEGRATED PERFORMANCE AND QUALITY REPORT

D Park introduced the circulated year-end report (Scheduled Care), and emphasised the impact of Covid on the organisation’s ability to meet original performance plans which had

been developed pre-Covid. In relation to the circulated report more generally, he advised cognisance would be taken of the recent NHS Board Development Session in relation to data presentation and future reporting. Elements relating to Scheduled Care would be refreshed for future reports as per the detail of the NHSH Remobilisation Plan and as the results of associated funding bids become known.

With regard to Unscheduled Care, D Park advised that the level of detail being presented to members would be refined for future reporting purposes. He stated additional project management resource had been assigned to Unscheduled Care and resultant improvements were beginning to come through in terms of delayed discharge performance, for example.

During discussion, there was reference to Orthopaedics Service performance and the receipt of recent correspondence relating to the Pain Management service. D Park acknowledged there had been underinvestment in the Pain Management service over a sustained period and advised that funding had been being sought and received from Scottish Government to enable NHS Board-wide service redesign activity. That redesign had not progressed as quickly as had been hoped and as such relevant funding had been rolled over into 2021/2022 to enable this to be carried forward. Updates on progress would be given to both the Performance Recovery Board and this Committee. K Sutton added, in terms of improved patient communication that a Contact Centre approach was to be developed and established. This had been welcomed by the wider Orthopaedics Service and GP community. Appropriate links with the Pain Management service were expected to benefit not only patients but also the associated Waiting List position more generally. A recent Consultant appointment to Belford Hospital had also provided the opportunity to canvass the professional opinion of a recognised chronic pain specialist, despite his not been employed in a direct pain management role. P Dudek emphasised the role of appropriate self-management within a service mix that also included Primary Care and the Chronic Pain Service and highlighted it was not always necessary for a patient to be brought in to a Secondary Care setting.

A Clark then sought an update in relation to the variance between North Highland and Argyll and Bute in terms of delayed discharge levels and was advised this reflected the historically lower levels in that area. Best practice learning was being taken where appropriate and D Park emphasised improved patient flow management in North Highland would be required. Improvements continued to be made in this area however maintaining those would be a challenge as Scheduled Care services came back online. An update in relation to the Scheduled Care Programme would be brought to a future meeting. P Dudek stated the new Enhanced Community model was having a noticeable and positive impact on delayed discharge numbers, with an alternative mindset being engaged and new ways of working being at the heart of improvement activity. Sustainability of improvement would be key. In seeking to maintain current improvement, D Park agreed behaviour and communication would be key, as would a concerted move toward ensuring patients are not kept in hospital for the wrong reasons, despite best intentions for that person.

Discussion moved on to the more general point of IPQR data use, and the consideration of levels of standard variation etc. D Park reminded members that the circulated IPQR represented a subset of the total dataset available and produced by NHS Highland. He stated it was key to provide the context for relevant data being presented and stated consideration should be given as to whether the use of control charts, for example were always required or whether this can be illustrated in another way. The inclusion of control limits as well as national/ local process targets should be the starting point, with up to date information of position and direction of travel etc.

The Chair highlighted data relating to New Outpatients as an example of the reporting analysis and considerations required, noting NHSH performance well behind the national target concerned, stating issues relating to associated risk and opportunity required to be considered in that same context. There was agreement that triangulation of data with

relevant patient experience information would be beneficial however the methodology for collection of the same would require detailed consideration.

Action: Scheduled Care Programme Update to future meeting – **D Park/ K Sutton**

After discussion, the Committee otherwise Noted the Service performance and financial updates provided.

The Committee Agreed to consider the following Item at this point in the meeting.

6 2020/2021 END OF YEAR FINAL OUTTURN REPORT

E Ward gave a short presentation to members and advised as to the NHS Highland financial position as at year end 2020/2021, this demonstrating a £710,000 underspend and having been delivered after utilisation of all the elements of year end flexibility available. It was reported receipt of significant allocations towards year end had been challenging to manage, without the flexibility that Integrated Joint Boards (IJBs) had in relation to putting financial balances into associated reserves. Potential issues that could affect the final position, as reported, included uncertainty in relation to Provider Sustainability Payments and awaited confirmation of aspects relating to late allocations. The position was to be reported to Scottish Government later that day. She went on to outline a summary of Income and Expenditure, reporting the Argyll and Bute IJB had achieved a balanced budget position, and advised slippage in relation to savings delivery had been met by Scottish Government, meaning there was no requirement for brokerage. In terms of the Capital Position, it was reported this had been balanced at year end, with the associated reductions in budget having been agreed with Scottish Government due to slippage in large projects as a result of the pandemic. D Garden took the opportunity to thank the wider Finance Team for their efforts in achieving a balanced financial position at year end, through a challenging time for all. The Chair echoed this statement, with G Bell further emphasising this had been achieved in the context of a budget in excess of £1bn and without the ability to place resource into Reserves.

After discussion, the Committee otherwise Noted the end of year final outturn report for 2020/2021.

The Committee reverted to the original agenda at this point in the meeting.

7 ASSET MANAGEMENT GROUP – MINUTE OF MEETING HELD ON 17 FEBRUARY 2021

There had been circulated Minute of Meeting held on 17 February 2021, the content of which was noted as having suitably reflected the challenging year end position faced in relation to asset management. D Garden took the opportunity to advise members that A Wilson would assume the Chairmanship of this Group moving forward.

A Wilson advised that the operation of the Management Group would continue to be reviewed during the coming year, as capacity allowed and with the intention of making asset management a more streamlined process. There was to be established a new Equipment Management Group and Minor Capital Group, both of which would report in to the parent Asset Management Group. He advised changes had been made in relation to the paperwork required for associated Business Cases, to make this more streamlined, and should allow for a more efficient process in 20121/2022 and beyond. One of the key aims would be to achieve a more balanced work profile position throughout the financial year.

After discussion, the Committee otherwise Noted the circulated Minute.

8 Major Project Summary Report

A Wilson spoke to the circulated report, providing the Committee with an update on all major Capital construction projects, in relation to both financial and programme management performance. An update on each of the current major capital schemes had been provided.

During discussion, A Clark sought clarification as to what constituted a "major" project and was advised this would relate to any scheme "Outwith the normal allocation and for which there would be a requirement to approach the Scottish Government for additional funding". It was stated NHS Highland managed a number of building projects per year, with A Wilson stating the number can fluctuate, with a requirement to ensure pipeline of projects which could proceed at pace in the event of additional capital allocation(s) being received. On this point, and in addition to the stated projects, it was felt the Raigmore Masterplan should also be further progressed at this time, placing an extra burden on current team capacity. He advised team resource and capacity was being actively considered at that time, in terms of both the skillsets available and associated activity being undertaken. The aim was to ensure more efficient working where appropriate. There was an avoidance of Programme Managers being involved in multiple major projects, where possible. Much of the current activity level was related to Business Case development and writing.

With regard to North Coast Redesign activity, A Wilson confirmed he was to visit Caithness the following week to meet with various interested parties and hoped to make progress. With regard to ensuring a pipeline of projects, and meeting the relevant forward development costs it was advised much of the work required in that area would be delivered in-house, with some associated capital resource being ring-fenced where appropriate. The majority of capital costs arise at the contractual stage, where appropriate management is then required.

The Chair sought an update in relation to engineering commissioning activity, and how that was monitored with a view to ensuring relevant requirements were delivered. A Wilson advised that whilst the employment of an external advisor would be one way to achieve this, he favoured the development of in-house resource to deliver the same. Two NHS Highland engineers (mechanical and electrical) had been trained to fulfil the role of Commissioning Managers, working with Clerks of Works and Commissioning Engineers. The development of NHS Assure would also provide additional speciality resource to NHS Boards. On the question raised as to the role of NHS Assure, it was advised this would primarily be advisory in nature, as part of National Services Scotland.

The Committee otherwise Noted the progress of the Major Capital Project Plan.

9 FINANCE, RESOURCES AND PERFORMANCE RISK REGISTER

L McInnes spoke to the circulated report providing an update on the progress with embedding the Board Risk Assurance Framework across NHS Highland, and to specifically update in relation to progress with those risks related to finance, resources and performance. She advised there had been no change to the stated Risks since the last meeting and that there had been held two EDG Development sessions to consider the Strategic Risk Register. The Strategic Risk Register was to be updated and revised to align with the Annual Operating Plan and NHS Highland Board Objectives. There would be a series of discussions with senior officers to inform associated revisions, with consideration of aspects relating to Risk Appetite and Tolerance as part of that process. It was anticipated the revised Strategic Risk Register would be submitted for approval by the NHS Board in late Summer 2021.

During discussion, and on the point raised in relation to development of Operational Risk Registers, it was advised awareness sessions had been held with respective Senior Leadership Teams and training provided to Clinical Leads etc. L McInnes stated there was a need to ensure improved evidencing of risk management activity at Operational level,

confirming that they had been provided with minimum requirements in relation to new Risk identification, and Risk escalation and closure. Operational Risk Registers remained a work in progress, with financial risk element discussion also to be fed in. A Clark referred to the number Risk reviews annotated as overdue and was advised this was a significant issue in terms of process administration and ensuring Datix detail reflected the actual risk mitigation activity being undertaken, thereby improving monitoring arrangements. P Dudek further advised consideration was being given as to additional quarterly sector performance reporting sessions that would help to embed the need to manage all aspects.

The Chair asked how NHS Board Risk Appetite would be effectively communicated down to Operational level to ensure consistency in this area. It was advised this point did require further discussion at EDG. There had been some detailed discussion of risk Appetite with senior managers to date and it was considered this process would be a strong model to adopt across the organisation. She emphasised that control and monitoring of Risk was key, adding much of the activity required was likely being undertaken on a day to day basis but not adequately recorded at the time. P Dudek emphasised the sometimes esoteric nature of Risk Appetite discussion, and highlighted the need for a shared understanding of what "tolerance" actually represented and meant in day to day operation.

After further discussion, the Committee otherwise Noted the circulated report and Board Risk Assurance Framework.

10 NHS HIGHLAND REMOBILISATION PLAN

D Park spoke to the circulated report and draft NHS Highland Remobilisation Plan, the detail of which had been the subject of much discussion and consultation with relevant Committees and groups. The document itself was not yet in the public domain and Specialty level discussion continued in relation to the further updated submission required to Scottish Government in September 2021.

A Clark referenced the associated SBAR element relating to an Equalities Impact Assessment and sought an update on how the existing process for that could be enhanced across all reporting areas within NHS Highland. P Dudek, in acknowledging the requirement for such assessments as part of any Plan that is being developed, advised she wanted to avoid the position where this was undertaken merely to tick the relevant box and ensure this was embedded activity. Greater consideration was required as to how best this could be done in a more effective manner and on this point D Park emphasised the need for an impact assessment of each of the component elements of any Plan being developed. He stated such assessment was informally embedded activity at service level although not specifically recorded in that manner. G Bell stated most Highland residents would only be interested in how any Plan directly impacted upon them, and the safety of their local service, and as such the local level impact assessment as outlined was key in ensuring equity of access across services etc. P Dudek went on to highlight the importance of community engagement as part of that wider discussion, as service redesign activity etc can have the unfortunate habit of sub-consciously prioritising what best for the service and not the wider patient community.

A Clark went on to reference the earlier NHS Board Development Session where the matter of Quality Improvement (QI) had been raised and advised the Health and Social Care Committee had received a presentation in relation to End of Life Care as part of a recent Development Session. It was stated the presentation had included reference to both efficient utilisation of relevant resource but also how clinicians were then actively engaged in the discussion. She sought to share the detail of that Committee discussion with members and suggested, as NHSH was obliged to demonstrate how Best Value was being ensured, the QI discussion model would help further encourage that clinical engagement. She then referenced those staff members who had previously been Lean Accredited as part of the Highland Quality Approach and sought an update on the level and location of that formally

trained resource currently available within the organisation. It had been suggested the Covid Response Team, when ultimately stood down, could take on a QI role although how that would be achieved and what activity could be undertaken was unclear. D Park, in acknowledging a number of staff members had been formally trained but never utilised that training, stated it would be beneficial to keep a register of the available trained resource in that regard. He stated a Coordinator role was being developed and emphasised a degree of Senior Management sponsorship would also assist in this area. The level of expertise available within the organisation required to be appropriately mapped however it was emphasised the relevant skills did exist and were being utilised on a daily basis. It was stated the PMO would be at the centre of all this activity.

The Chair took the opportunity to highlight, within the Plan document, that some associated target and performance figures were inconsistent in terms of their respective format. D Park confirmed he would seek to address this point where appropriate.

The Committee:

- **Noted** the content of the NHS Highland Remobilisation Plan.
- **Noted** detail of a recent End of Life presentation be shared with members.

11 AOCB

There were no matters raised in relation to Item.

12 FOR INFORMATION

12.1 Dates of Future Meetings

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

24 June
26 August
21 October
December date to be confirmed

Meetings would commence at 2pm.

13 DATE OF NEXT MEETING

The next scheduled meeting of the Committee will be held on 24 June 2021 at 2pm via Microsoft Teams.

The meeting closed at 4.10pm