NHS HIGHLAND BOARD	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 www.nhshighland.scot.	NHS Highland na Gàidhealtachd
MINUTE of BOARD MEETING Virtual Meeting Format (Microsoft Teams)	**26th May 2026 – 9.30am**	

Present

Sarah Compton-Bishop, Board Chair
Alexander Anderson, Non-Executive
Graham Bell, Non-Executive
Louise Bussell, Nurse Director
Garret Corner, Argyll & Bute Council stakeholder Non-Executive
Heledd Cooper, Director of Finance
Jennifer Davies, Director of Public Health
Fiona Davies, Chief Executive
Albert Donald, Non-Executive
Muriel Cockburn, Highland Council stakeholder Non-Executive
Graham Illsley, Non-Executive
Joanne McCoy, Non-Executive
Dr Boyd Peters, Medical Director
Janice Preston, Non-Executive
Gerard O'Brien, Non-Executive
Gavin Smith, Employee Director
Brian Steven, Non-Executive
Steve Walsh, Non-Executive
Neil Wright, Non-Executive

In Attendance

Nicola Bailey, Lead Physiotherapist
Evan Beswick, Chief Officer, Argyll and Bute Health and Social Care Partnership
Natalie Booth, Senior Corporate Administrator
Nicki Sturzaker, Head of Communications and Engagement
Gaye Boyd, Deputy Director of People
Paul Chapman, Team Lead, Physiotherapy
Andrew King, Governance and Corporate Records Manager
Richard MacDonald, Director of Estates
Bryan McKellar, Whole System Transformation Manager
Helen Eunson, Professional Lead Nurse, Mental Health and Learning Disabilities
Jo McBain, Director of Allied Health Professionals
Arlene Johnstone, Chief Officer, HHSCP
David Park, Deputy Chief Executive
Katy Styles, Associate Director of Planning, Strategy and Performance
Dominic Watson, Head of Corporate Governance

1.1 Welcome and Apologies

The Chair welcomed attendees to the meeting, with particular welcome to members of the public and press attending to observe proceedings. The Chair highlighted the full agenda and acknowledged the significant volume of papers circulated. Specific thanks were extended to the Director of Allied Health Professionals for their forthcoming Spotlight Session on Community Appointment Days.

It was noted for all in attendance that the meeting was being recorded for public access, and members of the

Board and attendees were reminded to use the 'raise hand' function to contribute; remain muted when not speaking; and manage camera use to support connectivity.

Apologies were received from: Gareth Adkins, Emily Austin, Karen Leach, Philip MacRae and Allyson Turnbull-Jukes.

1.2 Declarations of Interest

There were no declarations of interest.

1.3 Minutes of Previous Meetings and Action Plan

The Board **agreed** and **approved** the minutes of the previous Board Meeting on 31 March 2026 as accurate record of proceedings.

1.4 Matters Arising

There were no matters arising.

2 Chief Executive's Report

The Chief Executive welcomed attendees, thanked elected colleagues from the previous parliamentary session, and congratulated newly elected members, noting a commitment to collaborative working in the interests of the populations of Highland and Argyll and Bute.

Key updates from the Chief Executive's report were highlighted. Progress was noted on the Lochaber Redesign Programme, including submission of the Outline Business Case; subject to approval, work on the Full Business Case would commence, with construction anticipated from 2027.

Development of the NHS Highland 10-Year Strategy was reported, building on the *Together We Care* framework with a focus on improving population health and addressing health inequalities. Early engagement with staff and the public had taken place, with analysis ongoing and further engagement planned. The Board was asked to note and welcome the appointment of the Associate Director of Planning, Strategy and Performance, recognising the leadership role in progressing and implementing the strategy.

Highland Power of Attorney Month was highlighted, emphasising the importance of establishing Power of Attorney to support decision-making where capacity is impaired, reduce discharge delays, and ensure individuals' wishes are upheld.

An update was provided on recent activity, including attendance at the Sir Lewis Ritchie Oversight Meeting (Skye) and leadership of a Mental Health Development Session with Board Chief Executives, both reinforcing the importance of partnership working across statutory bodies and communities. Attendance at the Highland Community Planning Partnership Conference was also noted, where early work had commenced on the next Highland Outcome Improvement Plan. The importance of alignment across Highland and Argyll and Bute, particularly in addressing health inequalities, was emphasised. Contributions from the Board Chair and Director of Public Health at the CPP conference were acknowledged, alongside recognition of challenges raised by smaller community organisations and a commitment to ongoing collaborative support.

Finally, a recent visit from the Patient Safety Commissioner for Scotland was noted, involving constructive engagement with services and the Executive Team, with a commitment to strengthening collaboration to support patient safety improvements.

The Chair then opened the floor to any questions. During discussion, the following points were raised:

Power of Attorney:

- Board members sought clarification on the relationship between Power of Attorney (PoA) and delayed discharge, querying whether delays arose due to absence of PoA, application delays or other legal factors

impacting patient flow. The Chief Executive advised that PoA was one of several contributing factors, noting that where patients lacked legal capacity, discharge planning became more complex and could significantly prolong hospital stays. The Medical Director confirmed that PoA should be arranged in advance while individuals retained capacity, enabling nominated decision-making where capacity was lost, and highlighted that in its absence, lengthy alternative legal processes (e.g. guardianship) were required, resulting in extended hospital or care stays.

- Board members suggested strengthening public awareness and promotion of PoA, including use of media campaigns and GP waiting room displays. The Chief Executive confirmed that a coordinated "Power of Attorney Month" was underway across NHS Highland and the Highland Council, with a range of communications interventions planned, emphasising the need for repeated and sustained engagement to encourage uptake.

- Board members emphasised the importance of establishing PoA while individuals were well, noting that set-up could take over a year, and raised concerns regarding cost and accessibility. The Chief Executive acknowledged these concerns, noting that cost lay beyond organisational control and was a national policy issue, but highlighted the potential for increased PoA uptake to reduce overall system costs associated with delayed discharge.

The Chair concluded that increasing local awareness would support community understanding, encourage earlier uptake, and potentially influence wider policy discussions.

Community Engagement and Partnership Working:

- The Chair reflected on the Chief Executive's report emphasising the importance of ongoing dialogue with communities beyond one-off reviews, and the need to sustain engagement as part of routine organisational practice with recognition of strong local partnership working despite acknowledgement of challenges involved.

- The Chief Officer for Argyll and Bute reported that engagement activity in Argyll and Bute had combined broad strategic discussions with targeted consultation of specific decision and that there was a need to refine engagement approaches to reduce duplication and avoid 'consultation fatigue'. In addition, The Chief Officer for Highland noted a shift from traditional consultation towards genuine coproduction, and the need to integrate feedback from individuals, communities, and partners with note to the critical role that third and independent sector partners play in patient health.

The Board **noted** the update.

3 Spotlight Session – Community Appointment Days

The Board received a spotlight session on Community Appointment Days, delivered by Jo McBain, Director of Allied Health Professionals alongside Paul Chapman, Associate Director of AHPs for North Highland, and Nicola Bailey, Professional Lead Physiotherapist for North Highland. The presentation highlighted the delivery of two Community Appointment Days (CADs) to date in Inverness and Lochaber, led by the MSK (musculoskeletal) and physiotherapy teams in partnership with multiple agencies.

Key points highlighted were highlighted during discussion:

- It was noted that CADs provided a 'one-stop-shop' model, bringing together multi-agency support for specific cohorts (initially MSK) with a whole-person, biopsychological approach designed to help individuals navigate complex systems more effectively via holistic conversations. The model was developed in response to significant waiting list pressures, particularly in the Inverness area, where it was recognised that traditional approaches were not always meeting patient needs. The approach differed from traditional models by moving beyond single-condition pathways; supporting preventative measures, early intervention and equitable access; maximising use of shared-skills across agencies and embedding a 'what matters most' conversation in care giving.

- Implementation of the model involved: delivery of events for large groups (e.g. 370 patients in Inverness) and later expanded to include wider conditions (e.g. chronic pain, falls, frailty); cross-referencing if patient waiting lists to inform service efficiency and alignment; and significant pre-event training for staff.
- The CAD events were structured into distinct zones including: 'what matters to me' conversations; clinical assessment areas; rehabilitation and live activity demonstrations; and multi-agency stakeholder areas with up to 18 partners present including NHS services and third sector organisations.
- Evaluation was undertaken post-CADs, and data was evidenced showing:

    - 99% of all attendees reported feeling listened to, valued, and that their needs were met.
    - Approximately 50% of patients were discharged on the day, indicating efficient resolution of needs.
    - Primary care contact reduced by over 40% post-CAD, with more than 50% of attendees continuing to engage with third-sector services post-event.
    - Waiting times reduced significantly (with physiotherapy waiting times reduced from 60 weeks to just 4 weeks, maintained at 6 months).

- Patient feed back was cited with an average satisfaction rating of approximately 4.75 – 4.86 out of 5 with reported improvements across physical, mental, social, family and financial wellbeing, with a marked improvement noted in patients' ability to manage their MSK conditions.
- Strong value for money was noted with other wider system benefits identified including reduced demand on primary care, improved service integration and enhanced engagement with third sector support. Significant potential for scalability and further innovation was also noted.
- Planned next steps were described including: the delivery of a Carers CAD, with targeted engagement to inform future models; further development of the model in connection with wider programmes such as the Seismic Shift Programme and Person-Centred Care Network.
- Board members expressed enthusiasm for the project this far, and it was queried whether a similar project was planned for Caithness. This was confirmed but current staff pressures were cited for the lack of movement on this so far. An engagement/advertising campaign to take place in Caithness was noted.
- Board members also questioned whether there was any socio-economic and demographic data being considered with regard to the aim of improving equitable access across the health board and uptake. It was advised that data in regard to the frequency of DNAs (Did Not Attends) during the Lochaber and Inverness CADs, and that this did correlate with some level of socioeconomic deprivation which will inform further engagement and development of the Caithness CAD.

The Chair thanked the attendees for their presentation and extended this thanks to the teams working on these CADs behind-the-scenes. The Board **noted** the update.

4 Governance and other Committee Assurance Reports

a) Finance, Resources and Performance (FRP) Committee Agreed Minutes of 13 March and 10 April 2026 and Summary of Meeting on 8 May 2026

The Committee Chair reported that the financial position for recent periods had been reviewed, with the forecast position expected to achieve the agreed target, marginally below the £40m overspend. Adult Social Care pressures remained the principal driver of financial risk, with an overspend of £20.8m identified. Ongoing discussions were noted regarding an £8m Service Level Agreement issue with NHS Greater Glasgow and Clyde, which had been partially resolved through invoicing, with further work continuing on methodology. The Committee had considered the Financial Plan 2026–2029 and noted that approval had been received from the Scottish Government, subject to conditions. These included requirements to work jointly with Highland Council to address Adult Social Care pressures, to engage with NHS Greater Glasgow and Clyde on cross-border flow arrangements, and to strengthen delivery of savings to reduce the residual deficit. An update on environmental sustainability highlighted positive progress. The Committee also noted early development of the 2026–27 Annual Delivery Plan, pending further Scottish Government guidance. Consideration of the service redesign Outline Business Case, recognising the associated recurring revenue requirement estimated at between £1.6m and £6.9m per annum was also highlighted.

The Board **took assurance** from the update provided.

b) Staff Governance Committee Agreed Minutes of 3 March 2026 and Summary of Meeting 5 May 2026

The Committee Chair reported that appraisal performance had been considered in detail, with assurance provided that this had been reviewed at the Executive Directors Group. It was noted that further reporting would be brought to a future Staff Governance Committee meeting, with ambitious targets to be developed and progress reported back to the Board. Board members were assured by positive progress within the employability agenda, with significant activity delivered over a short period and consideration being given to how this work could be further scaled. The Committee highlighted the ongoing strength of medical education, noting the high level of engagement and training undertaken by clinical staff alongside their core roles.

It was further noted that a number of actions would be progressed through future Committee meetings.
During discussion, Members highlighted ongoing concerns relating to the implementation of the Health and Care Staffing Act, specifically the rollout of safer staffing systems and the need for clearer timescales. Concerns were also raised in relation to the escalation of local risks, particularly where risks were severe or recurring. It was agreed that these matters would be incorporated into the Committee forward workplan and wider Board work on risk escalation.

c) Highland Health and Social Care Committee (HHSCC) Agreed Minutes of 4 March 2026 and Summary of Meeting 6 May 2026

The Committee Chair reported that the draft year-end financial position had been reviewed, noting that performance was in line with expectations, subject to completion of the audit process. Members welcomed the delivery of savings across the partnership, highlighting the significant proportion achieved on a recurrent basis. Progress in the development of the Integrated Performance and Quality Report (IPQR) was noted, with discussion on opportunities to enhance reporting through improved utilisation of community pharmacy data to better support system insight and delivery.

The Committee received the Care Home Collaborative Annual Report and noted the positive progress achieved, including confirmation that funding had been secured on a recurrent basis, supporting longer-term sustainability. It was further noted that future work would focus on concluding outstanding care governance discussions in light of this progress.
Members welcomed an introductory report on the Perinatal and Infant Mental Health Service, recognising the quality of the update. A further update on Dental Services highlighted ongoing delivery challenges, consistent with national pressures across Scotland.

d) Clinical Governance Committee
Agreed Minutes of 6 March 2026 and Summary of Meeting 7 May 2026

The Committee reported that no items required escalation to the Board following the most recent meeting. However, the Committee noted the continued fragility of some services, with ongoing reliance on mutual aid arrangements and associated workforce impacts. A revised approach to assurance reporting had been introduced, enabling assurance levels to be reported by individual service areas rather than at an aggregate paper level. This was welcomed as a positive development, providing greater clarity and granularity in assurance. Members further noted the inclusion of escalated service reports within Committee oversight, which provided positive assurance on current service performance and would continue to be reviewed periodically.

e) Area Clinical Forum Agreed
Agreed Minutes of 6 March 2026 and Summary of Meeting 7 May 2026

The Vice Chair of the Area Clinical Forum reported continued system-wide pressures, with ongoing engagement led by clinical leadership to support risk management. Work was underway to involve professional advisory groups in identifying risks and sharing examples to inform future discussions.
Members noted operational challenges, particularly delays in recruitment processes and job description evaluation, which would be subject to further consideration through the Forum's workplan.
The Forum considered system redesign activity, including the Lochaber redesign programme, and was seeking input from advisory groups on service configuration, use of estate, and future service models to inform ongoing development. Updates were provided on emerging sub-national governance arrangements, with increased awareness and engagement across professional groups.

The Forum also noted improvements to reporting processes, with a focus on producing more concise summaries from advisory committees to support timely information sharing. In addition, progress was reported in reviewing committee constitutions, including the establishment of an Area Nursing and Midwifery Advisory Committee, with further alignment expected across other advisory groups.

f) Population Health & Planning Committee
Agreed Minutes of 11 March 2026 and Summary of Meeting 13 May 2026

The Committee Chair reported that development of the Population Health Strategy was progressing, with further work expected following the pre-election period and a draft anticipated later in the year. Members noted receipt of the Director of Public Health Annual Report, which would be considered in detail separately by the Board. The Committee also received the Joint Strategic Needs Assessment for Children and Young People, recognising it as a comprehensive and valuable source of data which would inform both the Integrated Children's Plan and wider strategic development.

Consideration was given to the Population Health maturity matrix developed by Public Health Scotland. The Committee recommended that the Board undertake a self-assessment exercise against this framework, with methodology and timing to be agreed, noting the value of the reflective questions in supporting organisational learning and development.

g) Audit Committee
Agreed Minutes of 10 March 2026 and Summary of Meeting 12 May 2026

The Committee Vice Chair reported internal audit findings which identified areas requiring substantial improvement, particularly in relation to workforce staffing levels and performance management, with a number of recommendations issued in both areas. Members noted progress in relation to previous concerns regarding resident doctors' rota arrangements.

The Committee considered the Health and Safety review programme and noted that, while progress was being made, further work remained to ensure full compliance with statutory requirements. Concerns were raised that some delivery timelines may be ambitious, and continued focus would be required to achieve compliance.
It was also noted that outstanding issues relating to health and safety and workforce staffing levels could have implications for the year-end audit opinion.

h) Argyll & Bute IJB
Minute of meeting 25 March 2026

The Committee Chair reported decisions taken at the meeting reflected the requirement to implement service changes in response to ongoing budget pressures. Members noted that some of these changes had generated concern among communities and stakeholder groups. The Board was advised that the impact of service changes, including service reductions and alternative delivery models, would be closely monitored through the establishment of a formal reporting framework. This would support ongoing oversight and ensure that impacts were understood and mitigated where possible. It was recognised that continued financial pressures would necessitate further service change, and that there was a need to strengthen organisational learning in assessing impact and developing sustainable alternative approaches to service delivery.

The Board took a break at 11:17am and the meeting resumed at 11:25am

PERFORMANCE AND ASSURANCE

5 Integrated Performance and Quality Report

The Deputy Chief Executive provided an overview of the Integrated Performance and Quality Report, noting that the report had undergone detailed scrutiny through the relevant Committees prior to presentation to the Board in consolidated format.

Upon discussion, the following points were highlighted and discussed:

- Continued improvement in Child and Adolescent Mental Health Services (CAMHS), with performance achieving the 90% target and waiting time profiles showing sustained recovery. Psychological therapies performance remained strong overall, with a slight short-term reduction noted but expected to improve.
- Emergency Department (ED) performance remained under pressure, reflecting wider system constraints rather than operational issues within ED While performance continued to compare favourably at a national level, challenges persisted due to factors including patient flow, delayed discharge, complexity of patient needs, and system capacity. Early signs of improvement were noted in reductions in long waits, including for 8 and 12-hour breaches.
- Delayed discharges had reduced slightly but continued to impact overall system flow and remained a key area of focus. The complexity of contributing factors, including care capacity, discharge processes, and patient acuity was acknowledged.
- Significant progress was reported in reducing long waiting times for outpatient and inpatient/day case treatment (TTG), with national targets for 52-week waits achieved and exceeded. This represented a notable improvement in patient access and system performance, supported by high levels of activity across services. It was noted that this improvement had been achieved through targeted focus on the longest waits, with recognition that this may impact shorter waiting time measures. Ongoing work would continue to balance demand, capacity, and equitable patient experience across specialties. There was discussion about the sustainability of performance improvements, noting that reduced availability of national funding in the forthcoming year may present challenges in maintaining current trajectories. Work was ongoing with Scottish Government and regional partners to agree future funding and explore collaborative approaches to managing long waits across sub-national arrangements.

The Board **took moderate assurance** on the Integrated Performance and Quality Report and **noted** both the areas of improvement as well as the continued system pressures. The Board were asked to submit any further questions regarding the IQPR Report not covered in the discussion today to the Head of Corporate Governance for collation.

6 Operational Improvement Plan – End of Year Progress Report

The Board received the end of year progress report on delivery of the Scottish Government Operational Improvement Plan (OIP), noting that it followed the established reporting format and reflected performance against national priorities.

It was noted that, of the 20 deliverables set for 2025/26, nine had been assessed as complete. These included progress within Planned Care and CAMHS, expansion of same day emergency care and frailty services at Raigmore, implementation of digital innovations such as theatre scheduling tools, and development of new clinical pathways and enhanced GP services.

The remaining deliverables were confirmed as ongoing and would be carried forward into 2026/27 as part of the Annual Delivery Plan and the next phase of the Operational Improvement Plan. These included major transformation programmes such as discharge to assess, Hospital at Home, urgent and unscheduled care improvements, Digital Front Door, and wider system redesign initiatives.

It was noted that many of the deliverables represented multi-year programmes rather than discrete actions, reflecting continuous service development and system transformation. Members acknowledged that progress should be considered in this context, with emphasis on trajectory and delivery milestones rather than completion within a single year.

The Board discussed capacity and prioritisation challenges associated with delivering multiple concurrent programmes, recognising the need to sequence activity, focus on greatest impact, and ensure alignment with system priorities. It was also noted that ongoing dialogue with Scottish Government would inform expectations, timelines, and funding, with recognition that delivery was subject to both national direction and local implementation capacity.

Board members highlighted the importance of refining reporting approaches to better reflect multi-year progress and avoid misinterpretation of delivery status, while maintaining transparency regarding risk and performance.

The Board **took substantial assurance** on progress against the Operational Improvement Plan, noting the positive delivery position at year end and the continuation of key programmes into the new financial year.

7 Finance Assurance Report – Month 12

The Director of Finance presented the Finance Assurance Report for Month 12 25/26, outlining the draft year-end financial position for 2025/26, subject to completion of external audit, with no significant issues identified to date.

It was highlighted that a year-end overspend of £39.9m had been reported against the revenue resource limit, which was offset by £40m of Scottish Government deficit support, resulting in a small net underspend. It was acknowledged that this position was aligned with the agreed financial plan but remained dependent on non-recurring funding and did not reflect a sustainable underlying financial balance.

Financial pressures continued to be driven predominantly by Adult Social Care, with significant overspend attributed to increasing demand, high-cost placements, and reliance on supplementary staffing. Acute services also reported a substantial overspend, reflecting similar pressures from demand and workforce costs across services. Support services showed an overall underspend, largely due to the receipt of deficit support and other non-recurring funding, which masked underlying cost pressures in areas such as eHealth and tertiary activity. Argyll and Bute reported a balanced position, albeit with ongoing risks associated with staffing costs and service demand. Progress was noted in delivery of the Value and Efficiency Programme, with a significant proportion of savings achieved on a recurrent basis, although slightly below target. The full capital plan had been delivered in-year.

It was asked that the Board also take into consideration that the planned Service Level Agreement charge from NHS Greater Glasgow and Clyde had not been applied for 2025/26, with further work ongoing to review cross-boundary activity and financial arrangements for future years.
Board members acknowledged that, while the year-end position had been delivered in line with expectations, significant underlying financial challenges remained and would require continued system-wide action.

The Board **took moderate assurance** on the Month 12 financial position and noted the content of the report.

8 Financial Plan 2026/27

The Board received the proposed financial plan for 2026/27 and the three-year financial plan to 2028/29 from the Director of Finance, noting that the plan had been reviewed through the Finance, Resources, and Performance Committee and submitted to the Scottish Government.

Members noted that the plan reflected significant cost pressures, including pay, prescribing, and increasing demand, alongside confirmed funding assumptions. It was highlighted that NHS Highland remained slightly below its NRAC share and would not receive additional uplift funding in 2026/27, with deficit support of £40m continuing at the same level as the previous year.

The financial outlook identified an opening deficit of £113.2m, with planned value and efficiency savings and non-recurring actions reducing this position, although a residual gap of approximately £27m remained prior to deficit support. The remaining deficit pressures were largely attributed to Adult Social Care demand and anticipated increases in cross-boundary costs, particularly with NHS Greater Glasgow and Clyde.
The Board noted that adult social care and partnership arrangements continued to present significant risk, alongside wider system cost pressures. A number of additional financial risks were identified and would be monitored throughout the year.

Members further noted that the Scottish Government had approved the plan subject to conditions, including continued joint working with Highland Council to address social care pressures, engagement with NHS Greater Glasgow and Clyde on service level agreements, and delivery of further savings through efficiency programmes. Monitoring would take place through regular reporting arrangements with the Scottish Government.
Discussion highlighted the scale of the financial challenge, the reliance on deficit support, and the absence of a trajectory to full financial balance within the planning period. Members acknowledged that many of the required changes would involve multi-year transformation and would require prioritisation, sequencing, and ongoing dialogue with partners and national bodies.

The Board also recognised the importance of developing a longer-term financial strategy, including consideration of sub-national collaboration and system redesign, to support sustainable financial recovery.
The Board took **Limited Assurance** on the financial plan, reflecting the scale of the challenge, delivery risks, and the level of uncertainty, and approved the overall budget approach.

9 Workforce Monitoring Report

The Board received an update on the annual Workforce Monitoring Report from the Deputy Director of People and Culture, noting that it fulfilled statutory requirements under the Public Sector Equality Duty and provided assurance on compliance with equality legislation.

The report outlined workforce composition across the nine protected characteristics, with a focus on recruitment, development and retention, and demonstrated progress in improving the quality and use of equality data. Improvements in workforce equality data collection were highlighted, supported by targeted actions including enhanced onboarding processes, communications and a focused data campaign. A reduction in gender reassignment disclosure was noted, attributed to national changes in data collection wording and wider societal factors.

A 2.7% increase in overall workforce headcount was noted, with growth particularly evident in nursing and midwifery, medical and dental, and support services. The gender profile remained stable and consistent with national trends, with women comprising the majority of the workforce. It was acknowledged that ethnic diversity remained limited, reflecting the rural population profile, although some progress had been made through international recruitment in clinical roles. Recruitment activity had increased significantly, with high application volumes noted, particularly for nursing and midwifery roles. Workforce sustainability risks were highlighted in relation to age profile, with a significant proportion of staff aged over 50 and comparatively low representation of younger staff.

The Board noted that identified inequalities were largely driven by structural, occupational and geographical factors, and that the report would inform targeted actions through the Equality, Diversity and Inclusion and Employability strategies. Ongoing governance arrangements would ensure data was regularly reviewed and used to inform continuous improvement, including engagement with staff networks.

The Board took **Substantial Assurance** on the Workforce Monitoring Report and noted the content.

The Board took a break at 12:48pm and the meeting resumed at 13:21pm.

10 Lochaber Outline Business Case

The Board received a presentation from the Nurse Director and The Director of Estates, Facilities and Capital Planning outlining the progression of the Lochaber Outline Business Case (OBC), including the strategic, economic, commercial, financial and management cases, in line with the requirements of the Scottish Capital Investment Manual.

It was noted that initial agreement for the project had been approved in 2022, with the aim of delivering a modern, flexible rural general hospital for Lochaber. The proposed development had progressed to Outline Business Case stage, with submission made to the Scottish Government Capital Investment Group, subject to Board approval.

The Board heard that the preferred option (Option 4) provided a core rural general hospital model with additional intensive rehabilitation and elective activity. This model had been assessed as offering the best balance of financial and non-financial benefits, including improved same-day emergency care and enhanced patient pathways closer to home.

It was acknowledged that the estimated capital cost had increased to £202 million, reflecting changes in scope, inflationary pressures, increased floor area, and site requirements. Ongoing revenue implications were also identified, including additional staffing and facilities costs, with an acknowledged affordability challenge requiring further work at Full Business Case stage.

Upon discussion, the following points were raised:

- Board members recognised the significant progress achieved to date and the scale of partnership working across NHS Highland, Scottish Government, local stakeholders and the Lochaber community.
- Strong clinical engagement and input into the design was noted, alongside confirmation that clinical teams had signed off the proposed layout and model of care.
- Board members acknowledged risks associated with affordability, construction costs, funding phasing and workforce availability, with mitigation plans and further analysis to be developed at Full Business Case stage.
- The importance of aligning the hospital development with wider service redesign across Lochaber, including integration with community, social care and regional services was highlighted.
- A discussion was had regarding workforce sustainability, housing, transport and community infrastructure as critical enablers for successful delivery and operation of the new facility.
- There was a query raised that a helipad was not included within the hospital site, with provision instead being progressed through a community helipad model in partnership with external stakeholders.
- Board members recognised the OBC as a significant milestone and commended the extensive contribution of staff, partners and the community in progressing the project, and there was enthusiasm and support for similar progress in regard to a redesign in Caithness.

The Board took **substantial assurance** on the progress of the Lochaber OBC, recognising the milestone achieved and the robustness of the work undertaken to date, and **approved** the OBC for submission to the Scottish Government Capital Investment Group.

11 Director of Public Health Report

The Board received a report from the Director of Public Health, presenting the 25/26 Annual Report, which focused on “Best Start in Life” and the importance of early years in shaping lifelong health and wellbeing. The report was supported by a Highland Children and Young People Needs Assessment and extensive engagement activity, including capturing lived experience and the voices of children and families. It was highlighted that the report had been structured in line with the national Population Health Framework, considering social and economic factors, places and communities, equitable care, and prevention.

Key themes identified included:

- A strong and consistent evidence base demonstrating that investment in early years delivers improved long-term health outcomes and reduces inequalities.
- The impact of poverty and location on child health outcomes within Highland, including the influence of rurality and hidden deprivation.
- The importance of partnership working across agencies, recognising that health is largely created outside of the NHS.
- The value of incorporating lived experience, which aligned closely with established evidence and informed the report’s recommendations.

Board members were asked to note a series of calls to action within the report, including a strengthened focus on early intervention and prevention; tackling child poverty; embedding an equity lens in service delivery; and enhancing collaboration across partners to address the wider determinants of health.

During discussion, the following points were raised:

- There was recognition that the report consolidated a well-established evidence base, while reinforcing the need for a more coordinated, system-wide response to achieve meaningful change.
- Emphasis was placed on the importance of working collaboratively with communities and partners, moving from a model of “doing to” towards “doing with” communities.
- The role of the report as both a strategic position statement and a catalyst for wider engagement and conversation across the system was highlighted.
- Alignment with national policy direction, including increased emphasis on prevention, community-based care and population health approaches was noted.

- Board members welcomed the inclusion of lived experience and children's voices, which strengthened the report's credibility and relevance.

The Chair proposed that, in addition to taking assurance and noting the report, the Board formally accept the strategic recommendations, as had been done in the previous year, and use these to inform development of the emerging 10-year strategy. This approach was supported by board members.

The Board **took substantial assurance** on the Director of Public Health Annual Report, **noted** the content, and **accepted** the strategic recommendations, agreeing that these would inform future strategic planning and be reflected in the development of the Board's long-term strategy.

CORPORATE GOVERNANCE

12 NHS Highland Board Risk Register

The Board received a report from David Park, Deputy Chief Executive, presenting the NHS Highland Board Risk Register and outlining the current strategic risks aligned to organisational objectives. It was noted that the Risk Register formed a key component of the Board's governance framework, providing oversight of principal strategic risks. While risk identification remained relatively stable, Members noted that risk mitigation was an active and ongoing process, with detailed scrutiny undertaken through Board sub-committees prior to escalation. The Board was asked to note ongoing work to strengthen the risk management process, including review through the Audit Committee to improve governance, escalation arrangements and assurance across all levels of the organisation.

Upon discussion, Board members recognised that significant work was underway across a number of key risk areas including: workforce, financial sustainability, and cyber security with regular monitoring via sub-committees and management forums. A concern was highlighted that despite completion of mitigation actions, risk scores in several areas had not reduced, indicating a need to review the effectiveness of these actions and approach to risk scoring. The importance of ensuring that both escalation and de-escalation of risks were actively considered was raised, with an agreement that further work was required to review the methodology and frequency of risk scoring including more regular executive oversight. Specifically, cyber security was cited as an example of a risk which was inherently dynamic, and risk was unlikely to reduce significantly in this area despite ongoing mitigation.

The Board took **substantial assurance** on compliance with legislation, policy and Board objectives as set out in the Risk Register.

13 NHS Highland Governance Committees Annual Reports 2025/26

The Board received a report from the Head of Corporate Governance, presenting the NHS Highland Governance Committees Annual Reports for 2025/26, which had been subject to the appropriate governance and assurance processes. These reports were taken as read. Members noted that the reports provided a summary of Committee activity over the reporting period, including areas of focus, scrutiny undertaken, and key themes emerging across the governance structure. No substantive issues were raised by Members, with Board assurance previously gained through governance routes and individual Committee reporting.

The Board **approved** the Governance Committees Annual Reports for 2025/26.

14 NHS Highland Governance Committee Membership List Update

The Board considered a report outlining proposed updates to Governance Committee memberships.
It was noted that changes were proposed in relation to Integration Joint Board (IJB) and Endowments Committee representation. Specifically, one member was stepping down from the IJB, with a replacement identified, alongside a reciprocal change to Endowments Committee membership to ensure continued coverage.

In discussion, the Board noted a number of other specific amendments and corrections required to ensure accuracy within the paper:

- **Joint Monitoring Committee:** A duplication had been identified whereby The Director of Public Health was listed twice under membership; this required correction to confirm the intended single listing.

- **IJB Membership Updates:** It was noted that Emily Austin would step down from the IJB Audit and Risk Committee following departure from the IJB and Brian Steven (Non-Executive) would replace her in this role.
- **Pharmacy Committee Inconsistency:** An error was identified whereby Joanne McCoy was not listed as a Pharmacy Committee member in the main section (page 3), but was incorrectly marked as a member in Appendix 2 (page 7); this inconsistency required correction.

The Board **approved** the Governance Committee Membership List subject to the above adjustments.

15 Any Other Competent Business

There was no other business to discuss.

Date and Time of Next Meeting: 28 July 2026

The meeting closed at 2:37pm