

SUMMARY REPORT OF GOVERNANCE COMMITTEE MEETING

Name of Committee	Finance, Resources and Performance Committee
Date of Meeting	11 September 2026
Committee Chair	Alex Anderson

KEY POINTS FROM DISCUSSION AND ESCALATION

ALERT

- Committee members expressed significant concern regarding the underlying financial trajectory. Members noted that the current expenditure run rate, particularly within Acute Services, appears inconsistent with delivery of the forecast £62.9m deficit position. Concerns were also raised regarding the pace of savings delivery and the extent to which planned efficiencies would need to accelerate during the second half of the financial year. These challenges were acknowledged, highlighting continued acute system pressures, delayed discharges, workforce constraints and the need for improved savings tracking. Members agreed that the Month 6 position would be a critical indicator of whether the organisation remains on course to achieve its financial objectives

ASSURE

- NHS Highland Financial Position (Month 4), including Cost Improvement Update (Limited)
- 15-Box Grid Update (Moderate)
- Integrated Performance and Quality Report (Moderate)
- Operational Improvement Plan 2026/27 Update (Substantial)
- Refresh of Level 1 Risks (Substantial)
- Finance Risks 2026/27 (Substantial)
- Lochaber Service Redesign Project Update (Moderate)

ADVISE

- Performance remained on track across several planned care services. However, pressures continued within unscheduled care, delayed discharges, oncology and radiotherapy.
- The Committee supported the Executive Team's decision not to proceed with additional planned activity before funding was confirmed.
- The Scottish Government requested further work on the Belford Hospital revenue model. The capital investment, building footprint, costs and programme timetable remained unchanged.
- The Committee approved revised Terms of Reference and noted the first draft of committee meeting dates through to 2030.

RISKS

- Social Care pressures and uncertainty relating to Agenda for Change reform funding.

- Delayed discharges continued to create operational and financial pressure. Workforce availability and service capacity remained constraints.
- Cancer and radiotherapy performance remained subject to capacity pressures, including reliance on support from other Boards.
- The Belford Hospital Outline Business Case required further refinement to demonstrate a more revenue-neutral service model.

ACTIONS

- A further Lochaber Service Redesign Project update to be provided to the next Committee meeting.

LEARNING

- Data-led collaboration across Boards could reduce duplication and support shared use of resources, expertise and analytical tools.
- Recent wildfire incidents reinforced the importance of effective preparedness, clear command arrangements and multi-agency working.