HIGHLAND NHS BOARD	Assynt House Beechwood Park Inverness IV2 3BW Tel: 01463 717123 Fax: 01463 235189 www.nhshighland.scot.nhs.uk
MINUTE of the FINANCE, RESOURCES AND PEFORMANCE COMMITTEE TEAMs	**11 July 2025 at 9.30am**

Present	Alexander Anderson, Chair Graham Bell, Non-Executive Director Garret Corner, Non-Executive Director Fiona Davies, Chief Executive Dr Jennifer Davies, Director of Public Health Richard MacDonald, Director of Estates, Facilities and Capital Planning Gerard O'Brien, Non-Executive Director David Park, Deputy Chief Executive Steve Walsh, Non-Executive Director (from 10.00am)
In Attendance	Kristin Gillies, Head of Strategy and Transformation Arlene Johnstone, Chief Officer (Highland HSCP) Brian Mitchell, Committee Administrator Katherine Sutton, Chief Officer (Acute) Elaine Ward, Deputy Director of Finance Nathan Ware, Governance/Corporate Records Manager Dominic Watson, Head of Corporate Governance

1 STANDING ITEMS

1.1 Welcome and Apologies

Apologies for absence were received from Committee members S Compton-Bishop, L Bussell and H Cooper.

1.2 Declarations of Interest

There were no formal Declarations of Interest.

1.3 Minutes of Previous Meetings held on Friday 11 July 2025, Associated Rolling Action Plan and Committee Work Plan 2025/26

The draft Minute of the Meeting held on 11 July 2025 was **Approved.** The Committee further **Noted** the Rolling Action Plan. With regard to the associated Committee Work Plan for 2025/26, it was **Noted** this would be refreshed ahead of the next meeting.

K Gillies advised the Integrated Performance Report being considered as part of this meeting had yet to be formally considered by the NHS Board, and reflected Q1 performance.

The Committee **Noted** a further update would be brought to the next meeting of the Committee.

2 FINANCE

2.1 NHS Highland Financial Position (Month 3) Update and Value and Efficiency Update

E Ward spoke to the circulated report detailing the NHS Highland financial position as at end Month 3, advising the Year-to-Date (YTD) Revenue over spend amounted to £17.868m, with the overspend forecasted to be £40.005m as of 31 March 2026. The forecast assumed further action would be taken to deliver a breakeven Adult Social Care (ASC) position. The circulated report further outlined planned versus actual financial performance to date as well as the underlying data relating to Summary Funding and Expenditure, noting the relevant Key Risks and Mitigations. It was noted £1, 324.906m of funding had been confirmed at end of Month 3, with continued risk in relation to further allocation detail. Specific detailed updates were also 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, including relevant financial targets; the wider position relating to Value and Efficiency activity; Supplementary Staffing; Subjective Analysis; and Capital Spend. The report proposed the Committee take **Limited** Assurance due to the gap from Scottish Government expectations.

The following was discussed:

- Reference to Non-Compliant Rotas. Questioned if position was reflective of the local or overall national position. Advised reflective of national position, with the position varying across individual NHS Boards. Monitoring periods had been established, progress was being made nationally, with an internal audit review of progress also scheduled.
- Overall Month 3 Position. Questioned if in line with expected trajectory and whether a year end position of an overspend of under £40m was potentially achievable. Advised NHSH currently ahead of target trajectory.
- Reported Argyll and Bute Position. Questioned position relating to risk assessed savings activity and projected forecast. Advised as to a more robust position relating to savings plan development activity, due in part to relevant associated IJB process arrangements.
- Acute Services Cost Pressures. Advised as to rationale regarding the addition of two additional stated cost pressures to the overall savings target for Acute Services.
- Moss Park Care Home. Noting two other Care Homes now under the control of NHS Highland had operated under the same private management prior to being taken over, questioned if similar spend issues were being discovered. Advised as to budget approach adopted in relation to appropriate staffing recruitment, challenges to that recruitment and the associated impact on supplementary staffing requirements. The initial impact on NHS budgets, and the taking of learning from recent activity was highlighted as an area to be examined as was overall cost comparison between NHS and private provision and wider market balance position.
- Adult Social Care Position. Questioned as to plan for addressing currently assigned funding gap and associated financial risk. Advised as to long term consideration of the development of an appropriate plan, recognising the challenge being faced. Further advised as to a current rapid review of the in house Care at Home service and development of a future plan, the outcome of which would be shared with the Committee.

After discussion, the Committee:

- **Examined** and **Considered** the content of the circulated report.
- **Agreed** to receive a further update on the staffing position and associated prior trends relating to Care Homes recently taken under the control of NHS Highland with a view to identifying potential learning.
- **Agreed** to take **Limited** assurance.

3 INTEGRATED PERFORMANCE AND QUALITY REPORT

K Gillies gave a presentation and spoke to the circulated report**,** providing a bi-monthly update on performance based on the latest information available. Specific updates were provided in relation to Emergency Department Access, Delayed Discharges, Outpatients, Treatment Time Guarantee activity, Diagnostics and Cancer Waiting Times. It was advised a report refresh had been instigated to align performance reporting to the delivery of the NHS Board's Annual Delivery Plan for 2025/26. A set of KPIs had been developed across the strategic well themes and where possible this had incorporated national targets and performance improvement trajectories to redefine the reporting of current measures. A list of the defined KPIs for each strategic theme was outlined. It was stated phase 2 of the report refresh would consider other areas of measurement required to provide assurance on performance improvement. This was being developed in line with Sector and Programme-level Key Performance Indicators (KPIs) in each area. It was anticipated this would be complete in time for reporting to the November meeting. The report proposed the Committee take **Limited** assurance.

The following was discussed:

- Inclusion of Targets for Social Care. Questioned if plans to incorporate relevant targets and trajectories. Advised relevant data detail reporting was to the Highland Health and Social Care Committee. Confirmed could be included in future reporting to this Committee.
- Social Prescribing Data. Questioned what level of data was collected. Stated this could be investigated further in terms of available data, applicable targets/metrics alongside further consideration of the future Public Health reporting detail brought to this and the other Committees across NHS Highland including the newly established Population Health and Planning Committee.
- Long Wait Position. Advised as to position relating to patients with notably long waits for treatment, and current activity relating to an improving position overall in this area. An update on Planned Care activity would be brought to the next meeting.

- **After discussion, the Committee:**

- **Noted** the circulated report content and the continued and sustained pressures facing both NHS and Commissioned Care services.
- **Noted** an update on Planned Care activity would be brought to the next meeting.
- **Agreed** to take **Limited** assurance.

4 ANNUAL DELIVERY PLAN AND OPERATIONAL IMPROVEMENT PLAN UPDATE

K Gillies spoke to the circulated report providing assurance on the reporting mechanism of the Operational Improvement Plan (OIP) through the quarterly reporting of the Annual Delivery Plan 2025/26, and ongoing performance monitoring of the OIP through the Integrated Performance and Quality Report (IPQR). The development of the OIP had followed substantial development of the NHS Board's ADP, representing wider set of objectives for all services provided by NHS Highland. The OIP focussed on key policy directions fundamental to key transformation and service improvement plans. A matching exercise had been undertaken to link the deliverables of the OIP with NHS Highland's ADP. ADP Deliverable reporting would be collated on a quarterly basis, reporting to the Executive Directors Group (EDG), with six-monthly reports to this Committee. Scottish Government would be performance monitoring areas of the OIP through Planned and Unscheduled Care functions of the Centre for Sustainable Delivery. Within NHS Highland, through the refresh of the IPQR, a suite of KPIs had been identified aligned to ADP deliverables for 2025/26. This included key areas for the OIP. The report proposed the Committee take **Substantial** assurance.

After further discussion, the Committee Noted the circulated report content and **Agreed** to take **Substantial** assurance.

5 NEW CRAIGS COMPLETION REPORT

R MacDonald advised NHS Highland took formal possession of the New Craigs site and facility as part of the associated PFI hand back on 14 July 2025. All relevant financial payment liabilities had been met. Some site remedial work was ongoing as part of the formal agreement. Overall, a successful transfer was reported. The relevant Programme Board would continue for a further three-month period after which a formal closure report, including learning aspects would be brought to the Committee.

After discussion, the Committee Noted the reported position.

6 2025/26 and 2026/27 Meeting Schedules

The committee **Noted** the dates provided as follows:

12 September 2025
3 October 2025
14 November 2025
5 December 2025
9 January 2026
6 February 2026
13 March 2026
10 April 2026
8 May 2026
5 June 2026
10 July 2026
7 August 2026
11 September 2026
2 October 2026
13 November 2026
4 December 2026
8 January 2027
5 February 2027
12 March 2027

The Committee Noted the meeting schedules for 2025/26 and 2026/27.

8 ANY OTHER COMPETENT BUSINESS

No matters were raised.

9 DATE OF NEXT MEETING

The next meeting of this committee was to be held on Friday 12 September 2025.

The meeting closed at 10.30am