

Orkney NHS Board

Minute of meeting of **Finance and Performance Committee of Orkney NHS Board** held in the **Brodgar Room, The Balfour, Kirkwall** on **Thursday, 28 November 2019** at **09:30**

Present: Davie Campbell, Non-Executive Director (Chair)
James Stockan, Non Executive Director (Vice Chair)
Mark Doyle, Interim Director of Finance
Meghan McEwen, Non Executive Director
Gerry O'Brien, Chief Executive

In Attendance: Christina Bichan, Chief Quality Officer
Malcolm Colquhoun, Head of Hospital and Support Services
Eddie Graham, Resilience Officer (for item 573)
Ian Kinniburgh, Board Chair
Kenny Low, Value and Sustainability Lead
Christy Roy, Committee Support (minute taker)
Katie Spence, ADP Co-ordinator (for item 8.2)
Louise Wilson, Director of Public Health

561 **Apologies**

Apologies were noted from Caroline Evans, David McArthur, Pat Robinson and Sally Shaw

562 **Declarations of Interests – agenda items**

No declarations of interest were raised with regard to agenda items.

563 **Minutes of Meeting held on 17 October 2019**

The minute of the meeting held on 17 October 2019 was accepted as an accurate record of the meeting and was approved, subject to the following amendments:

- 464, Page 2 – “stateed” should read “stated”

564 **Matters Arising**

465 Laboratories – Annual update on service including workload and testing

The Head of Hospital and Support Services had met with E Keyes and agreed that this was feasible. There would be a meeting with the Interim Director of Finance to finalise issues and an update would be brought back to the next meeting in January.

Risk

M McEwen raised concerns that risk had been mentioned throughout the previous minute, and wondered if these risks were noted on the risk register. The Chief Quality Officer advised that all risks were on the register and it was regularly updated. One significant risk was highlighted within the NHS Grampian SLA, with the lack of regular, up-to-date information meaning the Board was unable to accurately project the financial position.

468 Savings Plan – Off Island Travel / SLA

The Chief Quality Officer advised that an email had been sent requesting a meeting with Jonathan Hinkles at Loganair.

565 **Action Log**

The action log was reviewed and updated as required.

Performance Management

566 **Performance Management Report – FPC1920-32**

The Chief Quality Officer presented the Performance Report which provided an update on performance with regards to the Local Delivery Plan standards. The key points highlighted included:

- The NHS Orkney Board Summary Data was emailed to Board members each week
- Improvement had been noted in access to consultant services due to the improvement plan and Annual Operational Plan (AOP) submission
- Improvement had been seen in mental health services, with access to locum nurses and a locum psychiatrist
- The Emergency Department continued to perform well
- So far NHS Orkney had not seen the significant winter pressures that had affected other Boards
- Outpatients waiting times had reduced over the period
- The NHS Highland Ophthalmology Consultant had now moved onto a new role elsewhere. While NHS Highland remained committed to delivering the visiting service, the visits might be reduced over winter whilst recruitment took place
- Within Trauma and Orthopaedics, delays were predominantly patients referred to Golden Jubilee hospital. NHS Grampian held the SLA for this service however the Board were currently reviewing waiting lists to ensure only patients who need to be on the list are waiting.
- The biggest risk to diagnosis surrounds the delays in access to scopes. This was actively managed by the surgical team.
- There had been active improvement within MSK services, however there was still a backlog to work through
- Whilst the numbers on the waiting list were significantly smaller than others, podiatry had struggled with waiting times recently
- Delayed discharges had increased, however this was still manageable.

J Stockan questioned whether the delayed discharges could have been due to a lack of care home beds or home care teams. The Chief Quality Officer advised that there had been instances where there had been a lack of beds, though these waits had not been long, and home care provision was a bigger issue.

M McEwen had queried the Board Summary data out with the meeting, including how these numbers were derived. She was advised by the Chief Quality Officer that the data sent represented only the day the data was collected.

Members agreed that mental health services would require sustained investment over the coming months, presenting a cost pressure for the Board. The Chief

Executive advised that, whilst it would be more cost effective to employ staff, the SLA with NHS Grampian cost similar to locum cover, so the Board was no worse off. It was noted that at present the Board were unaware of the impact the locum staff would have on the number of patients sent to Royal Cornhill Hospital

The Chief Quality Officer suggested that an investment into additional capacity in physiotherapy would be a way to bring the waiting times down in this service. The waiting lists were constantly monitored and cleansed, however the back log was still significantly high. Members were advised that clearing the waiting list would be a significant exercise, requiring time and monetary resources, and patients might also require repeat appointments after initial consultation

The Chief Quality Officer questioned if advising patients to go back to their GP if symptoms worsen might be increasing the burden on the waiting list as these patients are referred again and the urgency for referral had been increased. M McEwen asked if there would be any capacity with local private practitioners, however the Chief Quality Officer advised that the team had thought this wouldn't be an option.

The Board Chair queried whether those on the list had all been clinically assessed, and the Chief Quality Officer explained that some patients were referred through their GP and assessed, but others had been self referrals, meaning they might be relatively low on the waiting list after triage. Members questioned if a review of the list might reveal some patients who had been self referred, who perhaps don't actually require physiotherapy but another service.

The Chief Quality Officer advised that she had access to whether those patients given an appointment had been classed as urgent, and would include this in her next report to the committee.

The Chief Executive suggested that a change in mindset might be needed, as chasing performance at any cost was not sustainable.

J Stockan queried whether there was any hierarchy in the standards set by the Scottish Government, meaning some were more important than others. He wondered whether being good across all was better than excelling in one standard at the expense of others. It was agreed that in an ideal world all areas would be gold standard, however funding wasn't available for this, so the Board needed to find the best way to use resources efficiently to maximise performance. The Chief Executive advised that there was no set hierarchy by the Scottish Government, and all standards were equally as important, and it was up to the Board to decide how to meet them to the best of our abilities.

The Board Chair noted the good improvement in the Emergency Department performance; however he questioned whether the additional capacity provided to that department was the best use of resources, or if it might be more effectively used elsewhere. The Head of Hospital and Support Services advised that another doctor had been employed in the Emergency Department after scrutiny over the performance of the department, however this had meant an overspend on the budget. He advised that while more patients hadn't been seen they had been seen faster

M McEwen enquired if the Scottish Government was aware of the cost incurred for NHS Orkney to improve in these areas. The Chief Executive advised that they were

however the Board should review how it utilises resources in order to cover these demands.

The Board Chair questioned why NHS Grampian must bid for the Golden Jubilee SLA on our behalf, wondering whether we could bid to them directly. He was advised that this was due to NHS Grampian being our secondary care provider, they provided our trauma and orthopaedic service. Members were advised that in future this might change however for now the service would go through NHS Grampian.

The Chief Quality Officer advised that the Scottish Government call weekly for an update on treatment times for cancer referrals. If reported numbers change then the Scottish Government require assurance on how this will be rectified. Members agreed that, considering our significantly small numbers compared to other Boards, this could be a disproportionate use of time. The Board chair advised that questions such as that had been raised to the Scottish Government in the past, however the scrutiny and requirement for reporting had continued.

Decision/Conclusion

Members noted the Performance Report and welcomed a report to the next meeting highlighting issues faced.

567 Annual Operational Plan update– FPC1920-33

The Chief Quality Officer delivered the Annual Operational Plan update highlighting that, the submission date to the Scottish Government would be 13 December 2019. She recognised that a substantial amount of work was required to pull the data together, and had requested assistance from the team in NHS Grampian where appropriate as there was not capacity within the local team.

The Chief Quality Officer advised that the draft AOPs would be circulated virtually due to the time limitations for submission. She advised that the draft submission was currently in development, with sections being expanded from the last submission.

Members discussed the difficulty in sourcing some information for a small island board, as numbers were often so small that the time required to extract the data often outweighs the benefit, especially on such a tight timescale. The Board Chair questioned whether discussions could be held with the Scottish Government around requirements for smaller boards. The Chief Quality Officer advised that she had a meeting the next week in which she hoped this would be covered.

The Chief Quality Officer advised that there had been a meeting of the AOP leads, which had given her assurance that all board were at the same stage in preparation. Members agreed that the draft submission would be brought to the board for discussion after it had been submitted. This would allow the Board to make any alterations to the draft before the final submission, therefore members approved the submission of the draft, without it being sighted at a board meeting first, to allow the deadline to be met.

Members noted that the Primary Care Improvement Plan was yet to be signed off.

The Chief Executive suggested that, rather than recruiting more consultants or spending more money, we should consider what service are require to be provided, and look at ways to do this within the staff and resources available, for instance

using doctors from other departments. The Board chair agreed that we should be committed to delivering services; however within that we should prioritise to provide the best services for the finances available. Members agreed it was important to balance spending against meeting targets, without striving for perfect performance at any cost.

The Head of Hospital and Support Services suggested that looking at all staff and resources within the hospital and redeploying them where their skills were best suited, could prove very effective. The Board Chair agreed, adding that the new Hospital facility should allow for significantly more flexibility than previously.

The Chief Quality Officer advised that her report on Indicative Waiting Times, would advise how the Board plans to meet its waiting times targets in 2020/21. a mental health strategy was currently in development which would link in with this, as well as the Primary Care Improvement Plan. Members agreed that the full review being undertaken by the Head of Hospital and Support Services would work alongside this to bring improvements.

Decision/Conclusion

The Committee noted the report and approved the submission of the draft Annual Operational Plan, with the plan to revise the submission in early 2020.

Financial Management and Control

568 Financial Management Performance Report for period ended August 2019 – FPC1920-35

The Interim Director of Finance delivered the Financial Management Performance report to the Committee. Highlighting the following key items:

- The revenue position for the 7 months to 31 October 2019 reflected an overspend of £1.293m, which was an adverse movement of £0.279m on the position reported to the end of September of £1.014m
- This overspend comprised £1.580m attributable to Health Board and underspend of £0.287m to the services commissioned by the Integration Joint Board. To deliver a balanced budget, the forecast assumes a heavily caveated balanced outturn position for Health Board.
- The single biggest risk to the delivery of a balanced outturn was the uncertainty on the extent of the overspend on Medical Staffing.
- The estimated outturn would be £2.2m

Members were advised that medical staffing continued to contribute significantly to the reported overspend.

The Chief Executive and Interim Director of Finance had attended a meeting with the Scottish Government on Tuesday 26 November 2019 where they advised that £2.5m would be handed back, with a fair value adjustment of £0.4m and a return from CRL to RRL of £2.15m. This would help NHS Orkney to breakeven however this would be on a non recurring basis. Members were advised that this was not a solution that could be relied on each year, changes would be made to ensure the Board was in a better position next year.

The Interim Director of Finance expressed concerns that next year the Board would face the same pressures including the overspend in medical staffing and recurring savings targets which had not been achieved this year.

The Chair advised that the project outturn was approximately £2.5million, with work still in process regarding the rates for the old Balfour Hospital building and Garden House, at around £15k per month.

The Chief Executive and Head of Hospital and Support Services advised that whilst the Board had received funding for medical locums previously, there was an urgent need to recruit to posts or redesign the model to better utilise the staff available and reduce the overspend.

Members agreed that innovation and change needed to be made a priority by all and discussions had been undertaken to adapt our model and look at other Boards for suggestions. The Board Chair suggested that perhaps we need to change our view on repatriation, as the Board might save more by sending patients off island, rather than repatriating and paying consultant locums. The Chief Quality Officer advised that the AOP for next year would articulate that “care closer to home” would be priority where sustainable.

Decisions/Conclusion

The Committee noted the Financial Management Performance Report and were assured of progress.

569 Integration Joint Board Expenditure and Revenue Report – FPC1920-36

Members received the Integration Joint Board (IJB) Expenditure and Revenue Report for noting.

Members noted the reported underspend and questioned the requirement for this report to be sighted at this committee. The Chair advised that he was under the impression that the IJB wished to see NHS Orkneys financial report at their committee meetings. He agreed to check if this was the case and report back to the committee.

Decisions/Conclusion

The Committee noted the report.

570 Chairs Report – Value and Sustainability Delivery Group and Minute – FPC1920-37

The Interim Director of Finance delivered the Chairs Report – Value and Sustainability Delivery Group and Minute. He advised that this group would be put on hold at present, in light of a project being undertaken by the Head of Hospital and Support Services which could provide significant savings.

The Chair praised the significant staff engagement achieved by the Value and Sustainability Delivery Group.

Members agreed that the meetings would be put on hold, with the potential to restart them again in early 2020.

Decisions/Conclusion

The Committee noted the update.

571 Annual Operational Planning Process including assumption. – FPC1920-38

The Interim Director of Finance delivered the presentation to members noting the following key points:

- The draft AOPs were due to be submitted to the Scottish Government on 13 December 2019
- A paper would be taken to the Board In-Committee meeting in December to discuss potential opportunities for saving.
- Various assumptions had been made for 2020/21 including:
 - No cost pressure funding would be available
 - Carrying forward of £750k savings which had not been achieved in 2019/20
 - Carrying forward £1.8m of medical staffing costs
 - New hospital step up costs of £700k
- Significant savings would need to be made to bring the Board back into financial balance in 2020/21

The Interim Director of Finance suggested various savings ideas, which would require more in-depth researching before progressing. He acknowledged the scale of the challenge, and that it was unlikely that the Board would deliver much change in the first year, however the Scottish Government need plans to demonstrate that the Board were working towards making savings.

Members agreed that all staff need to be willing to change, and that this willingness needs to come from Board level. The Chief Executive agreed that the conversation would be had at the next Board meeting, and all potential savings opportunities would be discussed.

The Head of Hospital and Support Services advised that nursing staff were looking for change and eager to help improve. A review of all nursing staffs' individual skills was currently being undertaken with the hope of using staff more efficiently. There would also be advanced nurse practitioners trained

The Board Chair raised concerns that reducing funding to the Integration Joint Board might create disagreements, and members agreed that if a reduction in funding was agreed by the Board for any service, it would need to be communicated well.

Members agreed that since many services were discussing redesign, they should be informed that making savings is a priority for the Board so they factor this into any plans. The Board Chair advised that a better use of staff resources within services should automatically generate a saving.

The Director of Public Health suggested that when looking at savings, clinical and financial plans should come together to provide the best outcome, looking at the services we need to provide and ensuring we use all resources efficiently to do so.

Members were advised that small changes were being looked at regarding cost control, for instance ensuring the cheapest product appears first on PECOS so staff

were more likely to order it than the expensive version. The Interim Director of Finance also advised that stock levels had been increased to cover for the potential of Brexit, and these would need to be counted and recorded at the year end.

Decisions/Conclusion

The Committee noted the update and were assured of progress.

572 Consultant Recruitment in the Balfour Hospital update – FPC1920-39

The Head of Hospital and Support Services presented the Consultant recruitment update which he advised had been lead by the Medical Director, with assistance from the Director of Nursing, Midwifery and Allied Health professionals.

Members were advised that there had been 9 applications for surgery, 5 for obstetrics and gynaecology and 2 for medicine and these would be shortlisted.

Members discussed that if a substantive consultant were to be employed, this would not immediately solve the overspend, as there were others costs incurred from their employment including covering for leave and sickness as required. It was agreed that where possible, general consultants provide flexibility and resilience.

Decisions/Conclusions

Members noted the update and welcomed the action being taken to progress.

Governance

573 Integrated Emergency Management – FPC1920-40

The Resilience Officer presented the Integrated Emergency Planning update to members, highlighting that it had been incorrectly titled as “Policy Document Business Continuity Management”.

Members were advised that integrated Emergency management training facilitated by the Scottish Resilience Development Service would be delivered on 12 and 13 February 2020 on a multi agency basis. This training would be of particular importance to those staff members who work on-call cover. The Chief Executive advised that, unless staff were on leave they should be attending this training and he and the Resilience Officer would discussing ensuring this happened out with the meeting.

Decisions/Conclusions

Members noted the update

574 Orkney ADP Annual Report 2018-19 – FPC1920-41

The ADP Co-ordinator presented the Orkney ADP Annual Report containing the financial framework and expenditure across all sources and progress and performance monitoring against the Scottish Government ministerial priorities.

Members agreed that this report would be more suited for reporting through the Clinical Care Governance Committee in future, as the Integration Joint Board were

also sighted, meaning they could review the financial figures.

The Director of Public Health queried the lack of mention of the Alcohol Brief Interventions, as she was not aware of the target being met. The ADP Co-ordinator advised that she would review this.

Post Meeting Note: It had been verified by the NHS Information Analyst, that NHS Orkney had met the target of 249 and had delivered 549. The ADP Co-ordinator advised that 246 of those had been delivered in the priority settings, meaning that the Board had also met the Local Delivery Plan (LDP) Standard of delivering 80% of the 249 target in priority settings. It had been confirmed that delivering 199 in the priority settings would reach this target.

The Board Chair raised concerns that no Data Impact Assessment had been completed nationally, as there was a great deal of personal identifiable data involved. Concerns were also raised regarding the level of clinical detail involved, and why this was required. M McEwen suggested that in such a small population area, information was more easily identifiable than in larger Boards so more care should be taken.

The ADP Co-ordinator agreed to review this and share an update with the Caldicott Guardian.

Decisions/Conclusions

Members noted the annual report with the above with concerns attached.

Post Meeting Note: The feedback from the Scottish Government response was circulated to committee members on 15 January 2020.

575 Banking Arrangements – FPC1920-42

The Interim Director of Finance presented the revised Banking Arrangements for approval. Members were advised that the new Head of Finance would be added when they join NHS Orkney in January 2020.

Decisions/Conclusions

Members approved the amended banking arrangements.

576 Issues raised from Governance Committees / Cross Committee Assurance

No issues had been raised.

577 Agree key items to be brought to Board or other Governance Committees attention

Board

- AOP updates
- Financial position
- Paper for list form MD

578 **Any Other Competent Business**

Items for information and noting only

579 **Indicative Waiting Times Improvement Plan**

The Chief Quality Officer delivered the Indicative Waiting Times Improvement Plan.

Decisions/Conclusion

Members noted the report.

580 **Schedule of Meetings 2019/20 and 2020/21**

Members noted the schedule of meetings.

581 **Record of attendance**

Members noted the record of attendance.

582 **Committee Evaluation**

The Chair praised the high level of scrutiny and hard topics covered. M McEwen was glad to see solutions being provided for the difficult problems faced by the Board.

The meeting closed at 12:05