

Orkney NHS Board

Minute of virtual meeting of **Finance and Performance Committee** of **Orkney NHS Board** held on **Thursday, 25 March 2021** at **9:30**

Present: Davie Campbell, Non-Executive Director (Chair)
James Stockan, Non-Executive Director (Vice Chair)
Mark Doyle, Director of Finance
Meghan McEwen, Board Chair

In Attendance: Christina Bichan, Head of Assurance and Improvement
Malcolm Colquhoun, Head of Estates and Facilities (for item 6.2)
Christy Drever, Committee Support
Fiona MacKellar, Employee Director
Nathan Omand, HR Coordinator
Pat Robinson, Chief Finance Officer of the IJB (Deputising for Gillian Morrison)
Louise Wilson, Director of Public Health

1084 Apologies

Apologies were noted from Michael Dickson, David McArthur, Lorraine Hall, Keren Somerville

1085 Declarations of Interests – agenda items

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

1086 Minutes of Meeting held on 18 February 2021

The minute of the meeting held on 18 February 2021 was accepted as an accurate record of the meeting and was approved.

1087 Matters Arising

There were no matters arising.

1088 Action Log

The action log was reviewed and updated as required.

Performance Management

1089 Future Reporting- Update against Workforce – FPC2021-48

Members received the update report on future reporting against workforce. Key points highlighted included:

- The Chair had met with the Interim Director of HR recently to discuss future reporting, noting that much of the information would already be covered within reports to the Staff Governance Committee.
- It was felt that biannual reporting to the Finance and Performance Committee would be sufficient, with the first report coming in May.
- Reports would be presented in a dashboard format, with key data highlighted including recruitment costs, overall organisational

performance, and benchmarking against other remote and rural Boards.

Members were keen that the report be used to look closer at specific issues relating to the remit of the Committee, to allow assurances to be given to the Board and to prevent replication of work.

Members noted that waiting lists were being clinically reprioritised, enhancing the need to ensure clinical teams had capacity and staff feel informed and trained to provide services effectively. Members agreed the need to balance information received in the Performance Management Report and the Workforce Update to ensure fair comparison, monitor demand on services and enhance data received.

Decision/Conclusion

Members noted the update and were assured of progress on future reports.

1090 Balfour Hospital NPD Project Semi-Annual Operations Review – FPC2021-49

The Head of Estates and Facilities presented the Semi-Annual Operations review, advising that it had been compiled by the independent Currie & Brown advisors. Key points highlighted included:

- The contracts were being managed thoroughly by our team.
- Ongoing issues with the water supply were being managed, and a meeting to discuss this would be held soon with the Managing Director of Project Co
- Deductions were being made and management of this was taking place between the NPD Contract Manager and Head of Finance.
- Robertsons had reduced capacity at present due to staff shortages. NHS Orkney had been providing support in the interim. It was noted that staff employed by Robertsons did not require previous experience within a healthcare environment, meaning continued support would be provided by the NHS Orkney Estates team.

Members praised the thorough ongoing monitoring surrounding the contract and highlighted that the on site Robertsons staff were very helpful and hardworking,

Decisions/Conclusion

Members noted the update and were assured of progress.

1091 Performance Management Report – FPC2021-50

The Head of Assurance and Improvement presented the Performance Highlight Report which provided an update on performance with regards to the Local Delivery Plan standards. Key points highlighted were:

- Figures within the Emergency Department and delayed discharge collectively indicated patient flow issues across the system. The reasons for this were complex for each patient, however steps had been taken to manage capacity.
- Delays within Golden Jubilee continued, with 50 patients waiting to be seen. There had been a pause on acceptance of referrals to Golden

Jubilee towards the end of 2020, however a communication error had meant patients continued to be referred and waiting lists had increased. A number of complaints had been received surrounding this, however work was ongoing within NHS Orkney and Golden Jubilee to review waiting lists and ensure patients were seen as soon as possible.

- Children and Adolescent Mental Health Services data had not been submitted since September, due to a lack of capacity within their team. The Health Intelligence Team were working closely with the Community Mental Health Team to produce the data, however it was noted that there would most likely be a request to resubmit data for the full year.

Members noted that Public Health Scotland had been very understanding regarding the capacity issues within the Community mental Health Team, however they were keen that data be submitted as soon as possible.

Members agreed that the risk of the capacity within the Community Mental Health Team, and lack of data submitted, be escalated to the Board. It was important that the Board be made aware of the risks of inaccurate data, to ensure that all possible steps were being taken to minimise this risk in future.

Members raised concerns surrounding the Golden Jubilee waiting lists, as well as lack of transport available for patients to travel safely.

Members noted that reporting requirements were likely to change in future, with the focus changing to recovery, integration and quality of care, rather than purely numbers based.

Members acknowledged that despite a few issues, the overall figures presented were positive, and it was important to recognise this and avoid slipping back into old habits.

It was agreed that an update on Near Me use would be postponed to the July meeting, due to reduced capacity within the team. The Chief Finance Officer offered assistance from her team if required.

Decisions/Conclusion

Members noted the Performance Management report and were assured of progress.

Financial Management and Control

1092 Financial Performance Management Report – FPC2021-51

The Director of Finance delivered the Financial Performance Management report, detailing the current financial position of NHS Orkney. Key points included:

- The revenue position for the 10 months to 31 January reflects an overspend of £0.300m, a favourable movement of £5.803m from period 9.
- A significant movement in the month due to the full funding provided by the Scottish Government for Covid expenditure and unachieved savings in 2020/21. As a result of the funding received, we now forecast a breakeven position at year end.
- The main areas of concern included prescribing costs, Service Level

Agreement activity, potential for an increase in Covid cases, travel expenditure and the EU Exit.

- The anticipated achievement of £0.73m of the £6.6m spend reduction/savings targets identified in the Annual Operational Plans would be met during 2020/21.
- The main areas contributing to the Board's overspent operational performance at month 10 were:
 - Prescribing costs to date - £436k overspend
 - Mental Health Services - £245k overspend
 - Estates and Facilities - £140k overspend
 - Pharmacy - £422k
 - IT - £116k
 - Hospital Services - £190k overspend
- There were some offsetting underspends to date which included:
 - External Commissioning - £131k
 - Support Services - £205k
 - Pay reserve - £294k
 - Prices reserve £121k
 - Medical Staffing reserve £427k
- NHS Orkney had recorded £6.099m spend to date attributable Covid 19, of this £4.876m was attributable to Health Board spend and £1.223m to the IJB.

The Director of Finance stressed that funding had been provided by the government this year due to the Covid-19 pandemic, however the current model was unsustainable, and significant change across the whole system would be needed to provide recurring savings and breakeven in 2021/22. Members suggested that a change in vocabulary was needed surrounding the Integration Joint Board, when discussing service redesign and recurring savings going forward.

Members noted that the significant overspend in mental health services was made up predominantly of off island activity.

Decisions/Conclusion

Members noted the Financial Performance Management report and were assured of progress.

1093 Financial plan 2021/22 – FPC2021-52

The Director of Finance presented the Financial Plan for 2021/22, which built on the financial outlook presented to the Board and Finance and Performance Committee throughout 2020/21. Key points included:

- The total uplift percentage anticipated was 4.2%.
- The total recurring deficit was £2.791m
- Non-recurring pressures totalled £2.680m, mainly in respect of additional locum cover within Medical Staffing and commissioned Mental Health services.
- Total savings of £5.471m would be required in 2021/22.
- Due to disruption caused by the Covid pandemic, the Board was unable to action the majority of the 2020/21 savings and cost reduction plans. It had also been necessary to revisit these plans for 2021/22 in light of Covid.

- The Board had recently engaged two Associate Medical Directors and an Interim Director of Acute Services who would be instrumental in reviewing the current service provision and making recommendations to the Board on potential developments for a sustainable medical model and service redesign.
- A new medical model was in development to help reduce locum costs, and a review of travel needs would take place, including encouraging the use of Near Me facilities to minimise the need for off island appointments.

Members noted the significant task and cultural change needed to provide recurring savings.

Members agreed the importance of working with the Integration Joint Board on service redesign within the financial envelope and developing smoother pathways of care. It was acknowledged that reviewing the service as a whole, as well as individual areas was key for moving forward and driving savings.

Members acknowledged the difficulty in spending capital expenditure during the Covid-19 pandemic. It was noted that plans were in place to spend these funds, should they be returned to us by the Scottish Government.

The Director of Finance hoped to present a further update on the new medical model after the first quarter.

Decisions/Conclusion

Members noted the Financial plan for 2021/22.

Governance

1094 Finance and Performance Committee Annual Report 2020/21 – FPC2021-53

Members received the Finance and Performance Committee Annual Report for 2020/21. It was agreed that a slight amendment would be made to reflect the additional challenges presented by the Covid-19 pandemic.

Decisions/Conclusion

Members approved the report, subject to the above addition.

1095 Review of Terms of Reference – FPC2021-54

Members received the updated Terms of Reference. It was agreed to keep the Medical Director and Director of Nursing, Midwifery and Allied Health Professionals on the in attendance list, to ensure a clinical voice on the Committee. The Interim Director of Acute Services would be invited to attend when required for agenda items.

Decisions/Conclusion

Members approved the terms of reference, subject to the above changes.

1096 Committee Effectiveness Self Assessment Results – FPC2021-55

Members received the Committee Effectiveness Self Assessment Results. The Board Chair highlighted the need for further cross committee working, including feedback from the Board and other committees when issues were raised within chairs reports. It was highlighted that this would be discussed at the Board Development Session in May.

Decisions/Conclusion

Members noted the results.

1097 Issues raised from Governance Committees / Cross Committee Assurance

No issues had been raised.

1098 Agree key items to be brought to Board or other Governance Committees attention

Members agreed that the following items should be raised to the Board via the Chairs Report:

Assurance Given

- Future Reporting- Update against Workforce
- Balfour Hospital NPD Project Semi-Annual Operations Review

Issues Raised

- Child and Adolescent Mental Health Services (CAMHS) Performance Data

Members acknowledged the need for feedback from the Board on progress with any issues raised by the Finance and performance Committee.

1099 Any Other Competent Business

There was no other competent business.

Items for information and noting only

1100 Schedule of Meetings

Members noted that the next meeting would be held virtually at 9:30 on Thursday, 27 May 2021.

1101 Record of attendance

Members noted the record of attendance.

1102 Committee Evaluation

The Chair praised the healthy discussion including reflection and forward planning.

The meeting closed at 11.19