

Orkney NHS Board

Minute of virtual meeting of **Finance and Performance Committee** of **Orkney NHS Board**
held on **Thursday, 27 May 2021** at **9:30**

Present: Davie Campbell, Non-Executive Director (Chair)
James Stockan, Non-Executive Director (Vice Chair) – from 10.40am
Michael Dickson, Interim Chief Executive
Mark Doyle, Director of Finance
Meghan McEwen, Board Chair
Steven Johnston, Non-Executive Director

In Attendance: Christina Bichan, Head of Assurance and Improvement
Christy Drever, Committee Support
Lauren Johnstone, Committee Support (observing)
Joanna Kenny, Non-Executive Director
David McArthur, Director of Nursing, Midwifery and Allied Health Professionals
Pat Robinson, Chief Finance Officer of the IJB
Keren Somerville, Head of Finance
Louise Wilson, Director of Public Health

F1 Apologies

Apologies were noted from Stephen Brown. The Vice Chair had advised that he would be late in joining the meeting.

F2 Declarations of Interests – agenda items

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

F3 Minutes of Meeting held on 25 March 2021

The minute of the meeting held on 25 March 2021 was accepted as an accurate record of the meeting and was approved.

F4 Matters Arising

There were no matters arising.

F5 Action Log

The action log was reviewed and updated as required.

Performance Management

F6 Integrated Emergency Planning update – FPC2122-01

The Director of Public Health presented the Integrated Emergency Planning update highlighting the following key points:

- As per the internal audit, the business continuity plans had been reviewed and completed across the organisation. Development of business continuity plans had begun for new areas including the Covid Centre.
- There were no issues to report surrounding PPE and FFP3 masks and stock levels

- had been well maintained.
- The vaccination programme continues to perform well, with continued invaluable support from the Orkney Local Emergency Co-ordination Group members and other local supporting bodies.

The Interim Chief Executive praised the hard work of all those involved in preparing and updating the business continuity plans, which had proven to work smoothly when required during recent months, both for internal situations and those out with NHS Orkney control, such as bad weather affecting vaccination clinics.

Members noted that local GP practices had completed business continuity plans, when this was not mandatory, and praised the engagement and hard work of staff involved.

Decision/Conclusion

Members noted the update and were assured of progress.

F7 Technology Enabled Care Programme Board Chairs Report – FPC2122-02

The Director of Finance presented the Technology Enabled Care Programme Board Chairs Report, highlighting the following key points:

- The group had been reinstated, with the initial meeting being held on 16 April 2021 to bring representatives together again.
- Members received the draft terms of reference for the group discussed the draft digital strategy and draft terms of reference, and comments had been fed back virtually. A final draft of both documents was due to go to the next meeting on 15 June 2021 and would be brought to the Finance and Performance Committee in future for approval.
- The Director of finance planned to advise the group to create a sub-group to take forward the digital strategy work, with representatives from across the organisation involved.
- The IT manager had provided a brief update on the IT team workload and presented a gap analysis. Since the meeting, the IT team had recruited to all vacancies, with the two newest recruitments due to begin work in June.

The Board Chair requested clarity surrounding the purpose of the Technology Enabled Care Programme Board and how this was communicated to staff. Members also sought clarity around the governance and accountability structure for the group. The Director of Finance would take these queries to the next meeting and bring clarity back to the Committee.

It was also noted that funding had been provided for a third sector Tech Peer Mentor who had recently begun work and would perhaps be of benefit to sit on the subgroup once established. The Director of finance agreed to engage with the Tech Peer Mentor to see if it was suitable for them to sit on the subgroup.

It was agreed that once the terms of reference had been agreed by the group and a subgroup had been established to take work forward, a reporting timetable would be established for updates to the Finance and Performance Committee.

Decisions/Conclusion

Members noted the updated and looked forward to an update at the next meeting, with a proposed timetable for future reporting.

F8 Performance Management Report – FPC2122-03

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:

- Performance against the 4-hour emergency department standard had been very positive.
- Performance against the 12-week outpatient standards had improved, however had not met the target. Services had been slowly working through waiting lists, however social distancing rules were impacting on clinical capacity.
- Additional clinics and provision had been put in place to allow clinicians to work through the general surgery backlogs which had been generated in recent months.
- Performance against the Treatment Time Guarantee was reduced, however a significant factor in this had been patients awaiting treatment from Golden Jubilee Hospital. On the morning of the committee meeting, it had been confirmed the Golden Jubilee would reopen referrals from 1 June 2021.
- The Health Intelligence Team had made contact with all patients on the waiting list for treatment on or off island recently, to ensure they were kept up to date, and with a commitment to getting back in touch within a month with a further update.
- Performance against the 18 weeks referral to treatment standard had been positive.
- Performance against the 31-day cancer standard had been very positive, however the 62-day cancer standard had been lower. It was highlighted that this was due to 1 out of 3 patients who had been seen 3 days after the standard.
- The recent Children and Adolescent Mental Health Services (CAMHS) data was unable to be reported due to the inaccuracy of the data available. The Operational Manager of the Community Mental Health Team and Head of Health and Community Care had been focusing team efforts to provide up to date data. Public Health Scotland were aware of this.
- Much of the work to provide CAMHS data, involved both administrative time and clinical capacity to review case notes belonging to employees who had now left the Board.
- Performance against the Psychological therapy standard had not met the target; however, performance had improved.
- There had been improvement against the delayed discharges standard, due to the positive impact of working with Home First.
- It was intended to publish average waiting times on the NHS Orkney website, to keep patients and the public well informed.
- The Head of Assurance and Improvement had been working closely with the Interim Director of Acute Services, to develop a Waiting Times Improvement Plan. Initial discussions with Scottish Government had taken place, and it was hoped to bring a draft workplan to the Executive Management Team meeting in the coming weeks.

Members noted that there was a significant backlog with dementia support, with the average wait between referral and assessment of 103 days.

Members asked that the Head of Assurance and Improvement discuss a timeline for progress on data with the CAMHS team and felt it would be beneficial to receive an update

on this and the work B Wilson had undertaken as Project Lead Nurse, who had managed the Mental Health Task and Finish Group at the next meeting.

The Director of Finance advised that Service Level Agreements for visiting services were monitored over a 3-year period, and reduced visits through 2020/2021 would be taken into account when reviewing charges.

Members acknowledged that whilst waiting times had increased, in comparison to other Boards, NHS Orkney was not an outlier in performance. Members agreed it would be beneficial for this to be communicated to staff, who had been working extremely hard to keep waiting lists in line.

The Head of Assurance and Improvement advised that waiting times within ophthalmology, which had been a long-standing issue, were under review. The full benefit of the Global Citizen post had not been seen yet, due to the effect of Covid-19. The Head of Assurance and Improvement and Interim Director of Acute Services had been in discussion with NHS Highland regarding demand and capacity for the visiting service.

Members praised the hard work of staff involved in the vaccination programme and were pleased by the significant level of uptake.

Decisions/Conclusion

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

Financial Management and Control

F9 Financial Performance Management Report – FPC2122-04

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

- This was the final report for 2020/21
- Subject to Audit sign off, the Board would deliver against the three financial targets as outlined above this financial year.
- At the end of March 2021, NHS Orkney was £0.078m underspent on the Core Revenue Resource Limit utilising £0.714m of reserves.
- NHS Orkney's Capital Resource Allocation had a break-even outturn for 2020/21.
- The Board had achieved £0.730m of the £6.6m spend reduction/ savings targets identified in the Annual Operational Plan for 2020/21.
- Without the funding provided by the Scottish Government for Covid-19, the Board would have failed to meet its financial targets.
- Overspends had been noted within:
 - Ward and Theatres - £100k overspent.
 - Laboratories - £106k overspent.
 - Pharmacy and drugs - £465k overspent.
 - Estates and Facilities - £315k overspent.
- Reserve funding had been allocated to the Internally Commissioned health budgets in 2020/21 resulting in the Integration Joint Board reporting a breakeven position.
- The Grampian Acute Services SLA was the largest single element within the commissioning budget at £5.7m. Following a review with NHS Grampian it had been agreed that NHS Orkney would reflect an offsetting saving of £600k in the Covid Finance Return due to reduced activity in 2020/21.

- In addition, NHS Orkney was also reflecting an offsetting saving of £500k due to reduced activity in the Mental Health SLA.
- Significant work had been involved to put a sustainable medical model in place, to provide savings.
- Conversations had been held with Scottish Government, surrounding the financial challenges faced by NHS Orkney. Scottish Government had been advised that a minimum of 3 years would be required to bring the Board back in balance. The Scottish Government had expressed interest in detail of the costs to run essential remote and rural services, and which services could be provided in alternative ways.
- It was acknowledged that 2020/21 had been a difficult year for all NHS Boards, including NHS Orkney, with increased spend and reporting in line with the pandemic response.

The Director of Finance stressed that a plan would need to be provided to Scottish Government by the end of the first quarter to advise on the current position and plans to deliver over a 3-year period.

Members noted that the Interim Director of Acute Services was currently reviewing the provision of temporary staff taken on during the pandemic response to ensure a clear exit strategy was in place. It was not currently known how long current response capacity would require to be maintained, with concerns surrounding increasing cases of a variant of Covid-19.

Members anticipated that further discussions would be help with Scottish Government surrounding learning form the Covid-19 response and corresponding spend.

Members acknowledged the scale of the challenge faced to bring NHS Orkney into financial balance and provide savings in future. It was noted that staff within the finance team would meet regularly with budget managers and efficiency saving targets had been set for each budget. Regular training sessions were also being held, to educate budget holders to make decisions, as well as finance staff being readily available to answer and queries.

Decisions/Conclusion

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

F10 Pharmacy and Prescribing, Drugs Budget and Spend – FPC2122-05

The Director of Finance presented the report on Pharmacy and Prescribing, Drugs Budget and Spend which provided a more in depth review of pharmacy and prescribing costs. Key points highlighted were:

- The Head of Finance and Principal Pharmacist had worked together with their teams to gain greater understanding of the significant cost inflation of drugs.
- The Head of Finance regularly attended the National Family Health Service Group on behalf of NHS Orkney.
- A large stock of drugs and medical gases had been stored up during the pandemic response, which remain on the balance sheet. Discussions were ongoing with Scottish Government to determine if the stock could be returned to National Procurement.
- Work would take place to ensure that the lowest priced drugs show at the top on

- the formulary, to encourage clinicians to prescribe these if suitable.
- By comparison, NHS Orkneys GP prescribing
- The full effect of Brexit on prescribing and pharmacy costs was not currently known.
- Biannual reports would come to the committee, with updates included in the Financial Performance Management Reports to Scottish Government along with the Finance and Performance Committee and the Board meetings.

Members suggested that a summary of the report should be shared with the Integration Joint Board and NHS Orkney Board

Members queried the future environmental factors affecting use of medical gases and alternatives. It was highlighted that the Finance team had worked closely with Pharmacy department surrounding a strategy covering 3-5 years which would take environmental factors into account. The Director of Public Health had discussed the wider sustainability issues surrounding climate change with the Interim Director of Pharmacy and would highlight this at the NHS Orkney Sustainability meetings.

The Director of Public Health highlighted that the breast screening service, which came on island every 3 years was visiting this year. It was likely that there would be some increase in specialist drug prescribing in connection with this.

Members noted that the Pharmacy team were supporting practices to manage variations in dispensing practices.

Decisions/Conclusion

Members noted the report and looked forward to future updates.

F11 Code of Corporate Governance – Standing Financial Instructions Review – FPC2122-06

The Director of Finance presented the Standing Financial Instructions Review.

S Johnston had highlighted the following out with the meeting:

- Section 2 – Director of Nursing should have full job title of Director of Nursing, Midwifery and Allied Health Professionals
- Section 12 – There should be a statement surrounding the Travel Scholarship to enhance clarity.
- Section 16.4 – It was stated that sources of funds should only be relating to the advancement of health, however clarity was needed surrounding funding which had been received for staff wellbeing during the pandemic.
- Section 21 – Clarity was required on the terminology around the Digital Strategy and eHealth strategy.

Members noted that the Code of Corporate Governance and Standing Financial Instructions should be read and understood by all Board members when they joined the Board.

Decisions/Conclusion

Members noted the update and amendments suggested.

F12 Procurement Annual Report – FPC2122-07

The Director of Finance presented the Procurement Annual Report, highlighting the following key points:

- The Service Level Agreement which NHS Orkney previously had with National Services Scotland (NSS) to provide certain procurement services and catalogue management had now ceased.
- The Service Level Agreement had been put in place to cover whilst the Procurement Officer had managed the procurement for the new hospital, however this work had been completed.

Members noted that where possible local suppliers were engaged when small pieces of work became available and were encouraged to be part of the framework through National Procurement for larger contracts. During the pandemic response, the need to engage with local suppliers had increased as it had been difficult to source contractors elsewhere.

Decisions/Conclusion

Members noted the report.

F13 Banking Arrangements – FPC2122-08

The Director of Finance presented the update banking arrangements, highlighting the following two amendments:

- Removal of the Medical Director
- Addition of the Director of Finance

Decisions/Conclusion

Members noted the update.

Governance

F14 Issues raised from Governance Committees / Cross Committee Assurance

No issues had been raised.

F15 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

- Technology Enabled Care Programme Board Chairs Report
- Pharmacy and Prescribing, Drugs Budget and Spend
- Code of Corporate Governance – Standing Financial Instructions Review
- Procurement Annual Report

Issues Raised

- Children and Adolescent Mental Health Services Record Keeping

Members agreed that the following items should be raised to the Joint Clinical and Care Governance Committee via the Chairs Report:

Issues Raised

- Children and Adolescent Mental Health Services Record Keeping

F16 Any Other Competent Business

There was no other competent business.

Items for information and noting only

F17 Schedule of Meetings

Members noted that the next meeting would be held virtually at 9:30 on Thursday, 22 July 2021.

F18 Record of attendance

Members noted the record of attendance.

F19 Committee Evaluation

The Chair praised the repeated high-level of scrutiny and discussion of papers. He noted the benefit of the report on pharmacy spend, which had allowed a more in-depth level of scrutiny of this area going forward. He also highlighted the value of the cross-committee report to Clinical and Care Governance surrounding mental health services.

The meeting closed at 10.53