

Orkney NHS Board

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

Present: Davie Campbell, Non-Executive Director (Chair)
James Stockan, Non-Executive Director (Vice Chair) (until 10.30am)
Meghan McEwen, Board Chair (from 11.00am)
Mark Doyle, Director of Finance
Steven Johnston, Non-Executive Director
Jason Taylor, Non-Executive Director (deputising for M McEwen until 11.00am)

In Attendance: Louise Anderson, Waiting Times Co-Ordinator
Christina Bichan, Head of Assurance and Improvement
Christy Drever, Committee Support
Eddie Graham, Resilience Officer (for items F58 and F59)
Alison Hardie, Committee Support
Mark Henry, Medical Director
Richard Rae, IT Manager (for item F61)
Pat Robinson, Chief Finance Officer, IJB
Keren Somerville, Head of Finance
Louise Wilson, Director of Public Health (until 10.30am)

F53	Apologies Apologies were noted from Stephen Brown, Michael Dickson and David McArthur.
F54	Declarations of Interests – agenda items No declarations of interest were raised with regard to agenda items.
F55	Minutes of Meeting held on 23 September 2021 The minute of the meeting held on 23 September 2021 was accepted as an accurate record of the meeting and was approved, subject to the following amendments: <ul style="list-style-type: none">• Page 3 F45, second bullet point should read "Performance with the 12 week outpatients waiting times continued to progress well"
F56	Matters Arising <u>F46 - Financial Performance Management Report</u> Members noted that the Primary Care review of pharmacy and prescribing costs within GP surgeries was ongoing and this would be added to the committee action log.
F57	Action Log The action log was reviewed and updated as required.

	<u>Performance Management</u>
F58	<p>Lockdown Policy and Lockdown Plan The Balfour - FPC2122-20</p> <p>The Resilience Officer attended to present the Lockdown Policy and Lockdown Plan for The Balfour, highlighting the following key points:</p> <ul style="list-style-type: none"> • Senior managers and executives on call should all be aware of the Policy and Plan, should the hospital need to go into lockdown. • The documents provided are updated from those which were in place for the Old Balfour Hospital site, and highlighting the procedure for calling one of the four types of lockdown, including who has the authority to do so and any legal implications. • Once the policy was improved, live testing of the plan would take place, with emphasis placed on ensuring that individuals involved in declaring a lockdown or undertaking the plan understand it in its entirety. This would include estates staff in particular, who would be involved at an operational level, should a lockdown be called. <p>Members noted that should it be required, many staff were set up to work remotely and meetings could be held via Microsoft Teams.</p> <p>Decisions/Conclusion</p> <p>Members approved the Lockdown Policy and Lockdown Plan.</p>
F59	<p>Chairs Report Resilience Group - FPC2122-21</p> <p>The Resilience Officer attended to present the Chairs Report, highlighting the following key points:</p> <ul style="list-style-type: none"> • Business continuity plans were complete, with the exception of one which was in its final stages. • A number of areas had been tested, though some had requested to delay testing due to significant pressure on services during remobilisation. • Testing had been undertaken during the IT Firewall installation, ensuring that all critical areas had been successful. There had also been an opportunity to enact business continuity plans in November due to an NHS Grampian system outage which had disrupted most services throughout NHS Orkney, meaning manual processes were put in place. • The Major Incident Plan was currently undergoing a refresh. • Face fit testers had undergone training to use a new machine, which would remove any element of human error during testing, and reduce the time taken. • A national trainer had visited in November to provide Chemical Biological Radiological Nuclear Decontamination training to staff. Liaison was taking place with Scottish Ambulance Service (SAS) Scottish Fire and Rescue Service and the Coastguard to see what resources might be available to support the decontamination process both off site and at the hospital. • The Resilience Officer would be supporting the implementation and roll-out of the people safe lone working devices. These would be available for use to a range of services and departments particularly those staff members lone working in remote locations. <p>Members noted that as a rural island Board, the resources for response were smaller, which presented a risk to capacity should an event occur. The Resilience</p>

	<p>Officer was working with external partners surrounding this.</p> <p>Decisions/Conclusion</p> <p>Members noted the report and were assured of progress.</p>
F60	<p>Technology Enabled Care Board Chairs Report - FPC2122-22</p> <p>The Director of Finance presented the Technology Enabled Care Board Chairs Report noting that the digital strategy had been brought to the committee for recommendation and that work was ongoing towards the Electronic Patient Record.</p> <p>Members highlighted the challenge of connectivity across the isles for patients and noted that the IT Manger was in discussion with partners to ensure all areas were working together to improve this and had highlighted that the infrastructure being put in place on the isles by NHS Orkney, would be available to support further connectivity work from partners. The Director of Finance would ensure joint working continued to progress.</p> <p>Members noted that the Electronic Patient Records System would not be in place for a significant period of time, as there was no suitable system available at present, however work was ongoing to progress this, and it remained a priority for the IT and eHealth department. The Director of Finance advised that he held regular discussions with other Executive Directors regarding this to ensure the system would be suitable for all colleagues.</p> <p>Decisions/Conclusion</p> <p>Members noted the update and were assured of progress.</p>
F61	<p>Digital Strategy 2021 – 2026 - FPC2122-23</p> <p>The IT Manager attended to present the Digital Strategy for 2021 – 2026, noting that there had been many success stories for the IT and eHealth team, as well as the organisation as a whole, over the past 18 months. Key areas of the Digital Strategy highlighted included:</p> <ul style="list-style-type: none"> • The development of a global Electronic Patient Record system which was easily accessible for all staff • The importance of staff ability to access systems and understanding how they use them. • Developing systems for patients to manage their own conditions and records more effectively. • Utilising technology to provide services in innovative ways and reduce travel needs and stress on patients. • Enhancing security as the centre point of all technology, including raising awareness in staff. • Further development of remote working systems to improve staff ability to work from home effectively <p>The IT Manager and Director of Finance stressed that this work would take time and would need appropriately resourced to tackle the challenge, however it would be well worth the effort to empower staff and patients.</p>

	<p>Members welcomed the Digital Strategy, noting that finance, innovation and patient benefit were at the centre of all plans.</p> <p>Members highlighted that the term “dental farm” would need to be explained, to allow those without prior knowledge of the term to understand its use within the document.</p> <p>It was noted that further articulation of the impact of equality was needed, highlighting any inequalities which might be created or reduced through the strategy. The IT Manager advised that equality had been an important factor when developing the strategy, however he would ensure that this was articulated clearly within the document. It was also noted that work was ongoing with GP practices to develop remote working abilities, in the hopes to reduce inequalities for those practices out with the Balfour Hospital setting.</p> <p>Members noted that Robert Gordon University were hoping to begin research on connectivity in Orkney and in future it might be valuable for NHS Orkney to link in with this.</p> <p>Decisions/Conclusion</p> <p>Members recommended the strategy for approval by the Board, subject to the addition of some minor points of clarification and articulation</p>
F62	<p>Performance Report - FPC2122-24</p> <p>The Head of Assurance and Improvement presented the Performance Management Report which provided an update on performance with regards to the Local Delivery plan standards. Key points highlighted were:</p> <ul style="list-style-type: none"> • Following a recent active governance session undertaken by Board members, work had taken place to develop a suite of information regarding training needed. • Progress continued well towards the 4-hour emergency departments standard, with any breach usually associated with bed pressures and learning always taken. • Outpatient capacity had been reduced, due to longer appointment times to allow for cleaning and distancing of patients, however progress was being made towards reducing longer waiting times, specifically in the ENT service. • Work was ongoing with Golden Jubilee to reduce significant waiting times for patients, and assurance had been given that patients would be seen within this financial year. • Cancer standards had been positive within the last reporting period, with some delays in access to treatment due to reliance on NHS Grampian. The team worked closely with the team in NHS Grampian to keep waiting time to a minimum, however there had been increased referrals compared to previous years. • Routine diagnostic waits are longer than would be ideal, work was ongoing within the theatre team to schedule additional sessions to bring these waiting times down. • Work was taking place with the Interim Director of Acute Services to reduce delayed discharges and proactively review bed capacity.

	<p>Members were advised that winter pressures had begun to effect capacity, however the full extent of this had not yet been seen.</p> <p>Members noted that NHS Orkney had actively engaged with the Vanguard service in NHS Shetland, highlighting the reducing capacity of Golden Jubilee, and the potential for repatriating some patients to Vanguard. However, it was felt that due to the timings this would provide no benefit to the waiting times for patients and would prove to be more work for staff long term. It had been agreed that patients who had not yet been referred to Golden Jubilee would be reviewed and referred to Vanguard instead where appropriate. This had been highlighted to the Scottish Government who were actively monitoring the situation. It was hoped that the treatment times guarantee figures would improve by the next reporting period. The Director of Finance raised that this would incur travel and accommodation costs, and Scottish Government would need to be approached for funding for this. The Head of Assurance and Improvement had prepared costings for this and contacted Scottish Government directly, who would review the allocation. Members noted that the future use of the Vanguard service as a long-term solution would be monitored going forward.</p> <p>Members were advised that the theatre team were prioritising urgent cancer patients and urgent diagnostics referrals and were reviewing this process weekly to ensure waiting times were managed as well as possible, whilst seeing the most urgent patients quickly. It was noted that many patients waiting for referral were routine scopes, which was due to capacity of staff, however this was being actively managed and was improving.</p> <p>It was noted that figures within psychology were up to date and the first set of data for Child and Adolescent Mental Health Services had been completed, however some more details were needed going forward. It was expected that the February figures would encompass this update.</p> <p>Decisions/Conclusion</p> <p>Members noted the update and were assured of progress</p>
	<p><u>Financial Management and Control</u></p>
F63	<p>Financial Performance Report - FPC2122-25</p> <p>The Director of Finance delivered the Financial Performance Management Report, detailing the current financial position of NHS Orkney. Key points included:</p> <ul style="list-style-type: none"> • The year-to-date position was an overspend of £2.849m with an anticipated year end outturn of £4.705m overspend. • At this stage in the reporting cycle the numbers are caveated and based on several assumptions: <ul style="list-style-type: none"> ○ The year-end position was heavily predicated on the delivery of £1.2m of identified savings. ○ It was anticipated that the Integration Joint Board would, in conjunction with NHS Orkney, deliver against its unachieved savings brought forward from 2020/21 of £0.800m. ○ Prescribing costs might be further impacted by ongoing Covid-19 concerns and EU Exit. ○ We continue discussions with other Health Boards to monitor

	<p>Service Level Agreement activity and the impact of Covid on these costs in year.</p> <ul style="list-style-type: none"> ○ Following conversations with Scottish Government colleagues, full funding for Covid 19 costs was now anticipated. ○ Achievement of £1.43m of the £5.5m savings targets identified in the Remobilisation Plans was anticipated to be met during the remainder of the year. <ul style="list-style-type: none"> • The main areas of overspend were within pharmacy, estates and facilities and hospital services. There was an offsetting underspend within support services. • NHS Orkney was on track to deliver against the Capital Allocation for 21/22. <p>Decisions/Conclusion</p> <p>Members noted the Financial Performance Management report and were assured of progress.</p>
F64	<p>Financial Recovery Plan Draft 22/23 – 24/25 - FPC2122-27</p> <p>The Director of Finance presented the Financial Recovery Plan, highlighting the following key points:</p> <ul style="list-style-type: none"> • Following production of the plan, a hugely encouraging meeting had been held with fellow executive directors. The plan would be updated in line with these conversations ahead of the Board meeting in December. • The finance team had worked together to produce the recovery plan, following a letter from Scottish Government in October 2021. • An assumed uplift of 1.5% had been factored in, however this would not be confirmed until the Scottish Budget was released on the 9th of December. • With this assumption, by the end of 22/23, it was anticipated the NHS Orkney would be 6.5m overspent, which would increase each year if no action was taken. • It was highlighted that getting locum costs under control would have a significant effect on savings. • The ongoing effect of Covid 19 was not currently known. • The recovery plan would be submitted to Scottish Government by the end of December 2021, with a further update by the end of January 2022. This would then need to be agreed by the Board and taken forward in 22/23. <p>Members noted that controls on recruitment of locums were needed to prevent financial commitments being made without the budget or clinical need. The Medical Director would take this forward and continue work on the sustainable medical model.</p> <p>Members acknowledged the spend on mental health services and the need to manage these costs more effectively each year. The Chief Finance Officer was reviewing the Service Level Agreement held with NHS Grampian to ensure a thorough understanding of the services provided within it. Work would progress to understand the funding for mental health services and how the budget for this area could be made more sustainable and manageable long term.</p> <p>Recruitment of a Consultant Psychiatrist was taking place, and it was hoped to have the vacancy filled in the near future. Members noted that it was important to understand what roles and service provision needed to be funded, to allow a</p>

	<p>review of where the funding could come from to take place.</p> <p>The Medical Director felt that in future a full review of the medical models across the organisation would be needed to assess the health needs and provisions available.</p> <p>The Director of Finance advised that a plan was being developed to have various workstreams to sit underneath the Financial Recovery Plan, which would report into the Finance and Performance Committee.</p> <p>Members acknowledged the need to have collective conversations with the Integration Joint Board, and to work together both operationally and strategically, to achieve financial balance.</p> <p>Members highlighted the need to ensure that financial recovery was in line with clinical governance and patient centred care going forward, and that the Board was sighted on all aspects of risk in a timely manner. It must be communicated clearly that changes are made with our community and service needs at the centre, rather than only for financial reasons.</p> <p>Members highlighted that the recovery plan would require an organisational wide effort, rather than being the sole responsibility of financial staff.</p> <p>Decisions/Conclusion</p> <p>Members noted the update and were assured of progress.</p>
F65	<p>2021/22 Capital Plan - FPC2122-28</p> <p>The Director of Finance presented the updated Capital Plan for 2021/22, highlighting the following key points:</p> <ul style="list-style-type: none"> • The Scottish Government provided NHS Orkney with a Capital Resource Limit of £.978m • This was broken down across Estates, IT, Medical Equipment and any spend already committed. • The Board would discuss a proposed capital to revenue transfer of £250k with the Scottish Government. • Discussion had taken place with the Estates team surrounding utilising unspent capital resource which had been allocated to Medical Equipment, and plans were in place to spend this. • Discussions were taking place with the Scottish Government regarding surplus funds from the sale of local properties, being utilised on island rather than returned to Scottish Government. • It was hoped that a decision could be made regarding disposal of the old Balfour site in 2022/23 <p>Decisions/Conclusion</p> <p>Members noted the updated Capital Plan for 2021/22</p>
F66	<p>Risk Register – Finance - FPC2122-29</p> <p>The Director of Finance presented the report on the Finance Risk Register noting that a number of risks were combined under one heading to highlight the major risks associated with achieving the Board’s three financial targets:</p>

	<ul style="list-style-type: none"> • Revenue Resource Limit (RRL) • Capital Resource Limit (CRL) • Cash Requirement <p>Members highlighted the risk associated with properties which had not yet been disposed of, as they had significant financial implication for the Board. It was noted that this risk was part of the daily management of the finances, and therefore did not form a part of the corporate risk register. Disposal of some properties was in progress, and it was hoped to continue this during the coming year.</p> <p>The Board Chair asked that performance-based risks were incorporated within this report in future.</p> <p>Members discussed the assurance routes for the Integration Joint Board and the need to ensure appropriate reporting between both partners to allow assurance to be taken.</p> <p>Decisions/Conclusion</p> <p>Members noted the updated risk register and were assured of progress.</p>
	<u>Governance</u>
F67	<p>Issues raised from Governance Committees / Cross Committee Assurance</p> <p>No issues had been raised.</p>
F68	<p>Agree key items to be brought to Board or other Governance Committees attention</p> <p>Members agreed that the following items should be raised to the <u>Board</u> via the Chairs Report for assurance:</p> <ul style="list-style-type: none"> • Lockdown Policy and Lockdown Plan • Digital Strategy • Financial Performance Report • Financial Recovery Plan • Capital Plan
F69	<p>Any Other Competent Business</p> <p>There was no other competent business.</p>
	<u>Items for information and noting only</u>
F70	<p>Schedule of Meetings</p> <p>Members noted that the next meeting would be held virtually at 9:30 on Thursday, 27 January 2021.</p>
F71	<p>Record of attendance</p> <p>Members noted the record of attendance.</p>

F72	Committee Evaluation The Chair praised the effective level of scrutiny of a wide variety of topics covered, with positive outcomes anticipated from the financial recovery plan.

The meeting closed at 12.03