

Orkney NHS Board

Minute of meeting of **Finance and Performance Committee** of **Orkney NHS Board** held on **Thursday, 22 September 2022 at 9:30 via MS Teams**

Present: Des Creasey, Non-Executive Director (Vice Chair)
Mark Doyle, Director of Finance
Steven Johnston, Non-Executive Director
Steven Heddle, Non-Executive Director

In Attendance: Louise Anderson, Waiting Times Coordinator (for Item F43)
Malcolm Colquhoun, Head of Estates and Facilities (for Items F44 and F45)
Sharon Smith, NPD Contract Manager (for Items F44 and F45)
Carrie Somerville, Programme Manager FSO
Keren Somerville, Head of Finance
Moray Watt, Authority Financial Advisor (for Item F44)
Richard Rae, IT Manager (For Item F46)
Teresa Marwick, Compliance Officer (For Item 45)
Harmony Bourn, Committee Support

F38 **Apologies**

Apologies were noted from D Campbell, M Dickson, M Henry, S Brown.

F39 **Declarations of Interests - agenda items**

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

F40 **Minutes of Meeting held on 28 July 2022**

The Minute of the meeting held on 28 July 2022 was accepted as an accurate record of the meeting, subject to the below amendment and was approved.

- Page 3 Item F25: amend "*limed*" to *limited*".

F41 **Matters Arising**

No matters arising were raised that were not already covered on the agenda.

F42 **Action Log**

There were no actions for review on the action log.

Performance Management

F43 **Performance Management Report - FPC2223-20**

The Waiting Times Coordinator highlighted the key points from the report:

- Compliance with the 4-hour Emergency Department standard was currently above 95%.
- Performance against the outpatient standard had steadily increased to 61.06%.

- Inpatients' performance was 71.02%, with 314 patients waiting for an inpatient/day case procedure. Of these, 91 had been waiting for more than 12 weeks. Most patients with longer waits were within Trauma and Orthopaedics, with patients awaiting treatment at Golden Jubilee National Hospital. However, the longest waits had either been seen or were due to be seen.
- Regarding cancer treatment, the latest unpublished data showed that 100% of patients started treatment within the 31-day standard, and 80% of patients started treatment within the 62-day standard; this was impinged by waiting times at other Boards.
- Performance in Psychological Therapy was currently 25%. However, it was noted that low performance was due to the late submission of outcomes, and figures would be adjusted accordingly in the subsequent report.
- The cancellation rate of 11.2% had been subject to staff sickness and Covid-related absences.

The Vice-Chair queried whether NHS Orkney was tracking against the new targets set out by the Cabinet Secretary on 6 July 2022. The Director of Finance clarified that NHS Scotland Chief Executives were discussing plans for the new targets nationally. It was also noted that work was underway with the Golden Jubilee around Trauma and Orthopaedic long waits.

S Johnston noted an increasing trend in A&E attendances and queried whether discussions around staffing capacity had taken place. C Sommerville agreed to discuss this further with the Medical Director.

Decision/Conclusion

Members noted the update provided.

F44 NPD Contract Update – FPC2223-21

The Head of Estates and Facilities presented the paper, introduced M Watt as the newly appointed Authority Financial Advisor, and noted that the Authority Technical Advisor had also been appointed.

The Authority Financial Advisor provided an update on the findings from the six-monthly monitoring model provided by Robertson in March 2022 and engaged with Robertson to work through various issues. It was noted that errors had been identified in the interpretation of reported information. However, the errors were not material and assurance was provided that the errors did not alter the outputs or financial consequences of the model. The Authority Financial Advisor would provide a six-monthly financial report reviewing the actual costs and forecasts compared to the Financial Close model and would undertake a review of the costs based on ProjectCo and its subcontractor's monthly reports.

In response to a query from the Director of Finance, the Authority Financial Advisor clarified that NHS Orkney could not pull back life cycle cost reserves. The Authority Advisors could assist with reviewing energy costs and savings from a financial and technical perspective. Work was underway regarding energy consumption and it was identified that the new building uses less energy than the previous Balfour sites combined.

S Smith noted that Jonathon Houston had been appointed as the Authority Technical Advisor on 1 September. As part of the Advisor's scope, financial and technical reports would be provided every six months. Both the reports would be presented to the Finance and Performance Committee in six months' time. The Authority Advisors would undertake a site visit over the coming months.

Decision/Conclusion

The Committee noted the update provided and welcomed the joint authorities report for a future meeting.

F45 Property and Asset Management Strategy Update - FPC2223-22

The Head of Estates and Facilities presented the paper and highlighted the key points from the report.

- 90% of NHS Orkney properties now had electric vehicle chargers, and funding had been secured for the remaining properties.
- Approximately 60% of NHS Orkney vehicles were electric. A programme was in place to replace the remaining fossil-fuelled vehicles by 2025 through funding from the National Infrastructure Board and capital funding.

The Head of Estates and Facilities highlighted the challenge of reducing the vehicle fleet due to increasing requests for vehicle usage. There would be collaborative work with NHS Shetland to consider a joint island transport strategy.

The Medical Director was undertaking an accommodation review to inform plans for the old Balfour site.

Decision/Conclusion

The Committee noted the update provided, welcoming the alignment of strategic priorities.

F46 Digital Roadmap Progress Update - FPC2223-23

The IT Manager presented the paper and highlighted the key points from the report.

- The inter-isle network had been implemented successfully, enabling Team calls for the GPs and Nurses, the Medical Device network, which allowed the portable scanner to operate on remote sites, and improvement to the management and resolutions of issues within the island sites.
- The Next Generation Cyber protection programme was underway and anticipated to take several years to complete.

S Johnston commended the work undertaken as part of the Digital Roadmap and queried whether there were any challenges. R Rae highlighted global supply chain challenges, local weather issues, organisational digital adoption challenges, and staff capacity issues. The Director of Finance further highlighted challenges with the transition from capital spending to revenue spending.

Decision/Conclusion

The Committee noted the update provided.

F47 Technology Enabled Care Board Chair Report and approved minutes from meetings held on 5 May 2022 and 12 July 2022 – FPC2223-24

The Director of Finance presented the paper and highlighted the key points and workstreams that had been taken forward.

- Order Comms had been implemented in Radiology on 22 September 2022, transitioning radiology requests from paper-based to electronic. Radiology requests are now administered on Trakcare, and imaging created on PACS. Discussions were ongoing to facilitate Order Comms within GP Practices.
- The rollout of the Electronic Patient Record (EPR) System had been paused due to issues with the Trakcare EPR system.
- Work was ongoing to transition various services from paper-based record systems to electronic record systems. IT had addressed firewall issues to enable the transition, and actions would be addressed before the next EPR meeting. Work was also ongoing to address inter-isle connectivity issues.

S Johnston commended the work being undertaken to drive the eHealth and IT programmes forward and queried whether an alternative solution was being assessed to enable GP practices to submit requests electronically. The Director of Finance assured committee members that solutions for facilitating GP practices were being considered.

S Heddle queried whether NHS Orkney and OHAC were content with the functionality of Paris once upgraded. The Director of Finance clarified that NHS Orkney and OHAC were working in partnership to create a digital road map to understand whether the Paris facilities would be fit for purpose.

Decision/Conclusion

The Committee noted the update provided.

Financial Management and Control

F48 Financial Performance Report – FPC2223-25

The Director of Finance provided the financial position for 1 April 2022 to 31 August 2022, reflecting an overspend of £1.772m and a forecast outturn of £4.260m at year-end. He would update The Board and the Scottish Government at the end of September on the forecasted overspend outturn, which assumes non-delivery of £1.9m of the anticipated savings schemes of £4.9m at year-end.

A paper was being prepared for the next Executive Management Team meeting to provide an update on Covid spending to date, ensuring appropriate decisions were made to ensure that any ongoing expenditure was critical to service delivery. It was anticipated that the Board would deliver within the Covid allocations, which would cease in 2022/23. However, the Scottish Government had intended to review the surplus Covid reserves, the balance of any IJB reserves, and any allocations on a line-by-line basis given to the Board.

Achieving savings of £3.0m against the £7.319m savings target was expected. The main areas of overspend were pharmacy and drug costs, estates and facilities, and

hospital services. There were offsetting underspends in external commissioning and support services.

It was noted that the Board completed the Evie property sale in August, and the sale's profit was requested to be retained by the Board in 2022/23. The Board continued with plans for the redevelopment of King Street and it was anticipated that the Board would deliver against its Capital Resource Limit.

The Director of Finance summarised an in-year overspend of £1.772m against the Revenue Resource Limit, with £778k attributable to Health Board budgets and £994k attributable to the Integrated Joint Board budgets and a forecasted end-year overspend of £4.260m.

Decision/Conclusion

Members reviewed the report, noted the current financial position, predicted outturn and assumptions at year-end, and the potential non-delivery of savings target. It was agreed that the position be reported to the Scottish Government at the end of September.

F49 Financial Recovery Plan Update - FPC2223-26

The Director of Finance presented the report providing an update on the actions taken by the Financial Sustainability Office (FSO) to support the delivery of the financial recovery plan during 2022/23 and beyond.

The Financial Recovery Plan had identified potential savings schemes of £4.9m for 2022/23. At month 5, efficiencies and achieved savings of £1.482m had been recognised; of this, £0.549m was recurring and £1.049m non-recurring. In addition, further savings of £1.4823 had been identified and were being tracked and achieving savings of £3.0m against the £4.9m savings schemes was expected.

Progress had been made in establishing workstreams and supporting project teams to drive efficiencies ensuring appropriate governance and reporting of the savings schemes. The Director of Finance highlighted further work and collaboration required to address some of the significant gaps in the savings targets, which had not seen any or minimal impact. These areas included Acute Services, the Integrated Joint Board, Workforce Processes, and Sustainability.

The Director of Finance clarified that NHS Orkney would report on the August financial position to the Scottish Government by the end of September, highlighting the potential £1.9m shortfall and move from £2.4m reported last month to £4.3m at year end.

Decision/Conclusion

Members noted the update provided, took assurance around progress and further work required, and agreed for the reporting position to be reported to the Scottish Government at the end of September.

Committee Assurance

F50 Cross Committee Assurance Report – Staff Governance – FPC2223-27

Members had received the Staff Governance Cross Committee Assurance Report and no further comments were provided.

F51 Agree key items to be brought to the board or other Governance Committees attention

S Johnston sought stronger cross committee assurance between the Joint Clinical and Care Governance Committee and the Finance and Performance Committee and requested for a standing agenda item titled 'Matters to raise to Joint Clinical and Care Governance Committee' to be added to the agenda going forward. Committee members agreed.

F52 Any Other Competent Business

None.

Items for information and noting only

F53 Schedule of Meetings

Members noted the schedule of meetings for 2022/23

F54 Record of attendance

Members noted the record of attendance.