



Orkney NHS Board

Minute of meeting of **Finance and Performance Committee** of **Orkney NHS Board** held on **Thursday, 16 February 2022 at 9:30 via MS Teams**

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

In Attendance: Carrie Sommerville, Planning, Performance and Risk Manager
Freddie Pretorius, Committee Support
Keren Somerville, Head of Finance
Michael Dickson, Interim Chief Executive

F93	Apologies Apologies were noted from Stephen Brown and Samantha Thomas.
F94	Declarations of Interests - agenda items No declarations of interest were raised regarding agenda items.
F95	Matters Arising No matters arising were raised that were not already covered on the agenda.
F96	Action Log There were no actions for review on the action log.
F97	Five Year Financial Plan – 2023/24 – FPC2223-45 The Director of Finance presented the draft five-year financial recovery plan as submitted to the Scottish Government. The paper set out the financial position based on the current forecast outturn, anticipated growth, and assumptions around additional resources. It also set out the financial recovery plan with Executive Management Team commitment to deliver the recurring financial balance over the five-year period. The Board was forecasting a year end outturn of £4.1m overspend, this was in the main made up of the unachieved savings targets identified for 2022/23 and would have a significantly impact on the opening position for 2023/24. The report set out in detail the required savings for the five-year financial planning period, incurring both recurring and non-recurring savings. There were a number of sessions planned with the Executive Management team to discuss options for short, medium, and longer term solutions to deliver transformational change and recurring savings. In year one 2023/24, some recurring savings had been identified with agreement from the Executive Management team that they will deliver a balanced budget in each of their respective areas. In addition, the IJB has been asked to



	<p>deliver recurring savings of £0.500m against their unachieved opening savings target of £2.4m. This will ultimately allow stabilisation of the position during 2023/24.</p> <p>Following stabilisation in 23/24 the Board will look at more transformational pieces</p> <p>There remained a number of inherent uncertainties and associated risks, in the plan including assumed delivery of required savings, delivery of balanced budgets and addressing of overspends, cessation of covid costs, the impact of inflation and the availability of funding.</p> <p>The plan had been submitted to the Scottish Government by the required deadline of the 9 January 2023 and feedback was awaited. If the plan were accepted there would be continuing engagement and conversations with Scottish Government Colleagues.</p> <p>The level of assurance around IJB savings was questioned and the Interim Chief Executive advised that reasonable proposals had been put forward but there were uncertainties and unknowns in many areas for both the Board and the IJB including inflationary rises.</p> <p>S Johnston queried if there is a risk that the organisation is simply underfunded and the Director of Finance responded that we undoubtedly have opportunities for further saving and it would be some time before we could draw any conclusions about the appropriateness of the level of funding..</p> <p>Decision/Conclusion</p> <p>The Committee noted the draft financial recovery plan and financial position for the five years 2023/24 – 2027/28 as submitted to the Scottish Government.</p>
F98	<p>Patient Travel Policy - FPC223-46</p> <p>The Director of Finance presented policy for approval, advising that the policy included the new rates for subsistence rates as these had not increased since 2016.</p> <p>S Johnston queried whether the environmental impact of different travel methods should be included along with the use of Near Me appointments.</p> <p>Decision/Conclusion</p> <p>Members approved the policy with the addition of the one item included above.</p>
F99	<p>Procurement Annual Report – FPC223-47</p> <p>The Director of Finance provided the annual report, highlighting NHS Orkneys purchasing activities and recording and publicising performance and achievements in delivering the procurement strategy. The report demonstrated to stakeholders that procurement spend was being used to support the Health Board corporate aims.</p> <p>Decision/Conclusion</p> <p>Members noted the report and the information it provided.</p>
F100	<p><u>Local Outcomes Improvement Plan (LOIP) – Community Planning</u></p>



	<p>The plan had been circulated to members virtually due to meeting timings and would be noted at Board through the Vice Chairs report from the Orkney Partnership Board.</p> <p>It was noted that the process for consultation and engagement could be strengthened for future iterations with the Board to have sight in advance. It was noted that the Board did not need to formally adopt the plan but to consider the plan as far as it applied to NHS Orkney. It was agreed that engagement with the delivery groups could be further considered.</p> <p>Decision/Conclusion</p> <p>The Committee noted the plan as far as it applied to the remit of the Finance and Performance aspects of NHS Orkney.</p>
F101	<p>Agree key items to be brought to the Board or other Governance Committees' attention.</p> <p>It was agreed that the following items to highlighted to the Board:</p> <ul style="list-style-type: none">• 5 Year Financial Plan – 2023/24• Patient Travel Policy• Procurement Annual Internal Audit Report• LOIP – Community Planning
F102	<p>Any Other Competent Business</p> <p>No other Competent business was raised.</p>
	<p><u>Items for information and noting only</u></p>
F103	<p>Schedule of Meetings</p> <p>Members noted the schedule of meetings for 2022/23</p>
F104	<p>Record of attendance</p> <p>Members noted the record of attendance.</p>

The meeting ended at 10:43