

30 January 2025 9:30am - 12:00pm

Attendance

Present:

Members: Mel Barnes, Debs Crohn, Issy Grieve, Joanna Kenny, Meghan McEwen, Laura Skaife-Knight, Sam Thomas, Phil Tydeman

Guests: Dr Louise Wilson (Director of Public Health), David Miller (Resilience Officer), Alan Cooper (Interim Head of Strategy)

Absent:

Members: Stephen Brown, Anna Lamont

1. Cover page

2. Welcome and Apologies

Apologies received from Keren Somerville, Ryan McLaughlin, Davie Campbell, Carrie Sommerville and Jean Stevenson

Report presenters

- David Miller (Resilience Officer) and Dr Louise Wilson (Director of Public Health) joined the meeting at 10 am for item 10.1 AZETS – Business Continuity Update
- Alan Cooper (Interim Head of Strategy) joined the meeting at 11.00 am for agenda item 12/6 Submission of draft three-year Financial Plan and Annual Delivery Plan Submission.

The Chair raised concerns regarding the lack of attendance at Committee from the IJB, noting her disappointment.

The Chair welcome Melanie Barnes (Interim Director of Finance) to Committee.

Members agreed the meeting was quorate in accordance with the Boards Code of Corporate Governance.

3. Declarations of Interest (Presenter: Chair)

There were no declarations of interest raised.

4. Minute of the meeting held 28 November 2024 (Presenter: Chair)

The Minutes of the meetings held on 28 November 2024 were accepted as an accurate record of the meeting and approved.

5. Action Log

The action log was reviewed, and corrective action agreed on outstanding issues (see action log for details). The Chair asked for assurance from the Performance Review Meetings (PRM's) regarding waiting times for Community Key Performance Indicators (KPI's) due to the lack of representation at Committee from the IJB.

Decision/Conclusion

Members took very limited assurance that plans are in place for recovery of Community KPI's.

6. Matters Arising (Presenter: Chair)

There were no matters arising from the previous minute.

7. Chairs Assurance Report from meeting held 28 November 2024 (Presenter: Chair)

The Chairs Assurance report of the Finance and Performance Committee meeting held on 28 November 2024 were noted with one amendment - Island Games Plan escalation.

Chief Executive confirmed that the final Island Games Plan will be presented at the Senior Leadership Team (SLT) in March 2025 for onward assurance to Finance and Performance Committee 27 March 2025.

Non-Executive Members and members of the Island Games Committee are invited to SLT 5 March 2025 and Finance and Performance Committee 27 March 2025 for the Island Games Plan agenda item.

The Chair recognised there are lessons learned and welcomed the opportunity to learn from these going forward.

Decision/Conclusion

Committee took assurance on progress of the Island Games and the governance in place for approval.

8. Update from National Directors of Finance Meeting (Presenters: Interim Director of Finance)

The Chair asked all report authors to be clear on the purpose of papers being presented and the ask of Committee as this was not clear in the update from National Directors of Finance Meeting.

The Interim Director of Finance presented the report highlighting:

Financial Performance 2024/25 - Reduced working week. Scottish Government are expecting an improved out turn position at month 9 recognising additional cost pressures associated with band 5 to band 6 regrades. Currently there are a small number of applications have been received.

Chair asked for assurance on what plans are in place to accommodate the reform of the Agenda for Change; Time to Lead, protected study time and reduction in working hours. The Director of Nursing, Midwifery and Allied Health Professional (DoNMAHP) and Chief Officer Acute advised, confirmation is still awaited from Scottish Government on the reduction of weekly working hours and advised that work is underway to assess the impact this will have for the Board.

The Chair asked for evidence of assurance and the risks associated with the Agenda for Change changes. Chief Executive advised that the Director of People and DoNMAHP will take a report to the Chief Executive provided an update following the Board Chief Executives Meeting held on

- All Boards have submitted Annual Delivery and 3-year Financial Plans
- Boards are to have an increased focus on efficiency and productivity
- All Executive Directors are expected to know waiting times figures on a weekly basis.

Decision/Conclusion

Members noted the update

9. Corporate Risks aligned to the Finance and Performance Committee (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Corporate Risk Register aligned to the Finance and Performance Committee for clarity, oversight, and scrutiny advising that the risks presented are at a point in time and not real-time risks.

Risk Cover Paper and Risk Register

The Chair asked for feedback from members on the risk cover paper.

Mrs Isobel Grieves raised concerns regarding the closure of risks, as it is not clear in the cover paper how Committees receive assurance on risks being closed.

Mrs Joanna Kenny shared concerns regarding the format of the risk register in relation to risks being managed by the Staff Governance Committee.

The Chair advised that it is unclear what the process is for risk management process at Committees or how they take assurance that risks are being managed in line with our Risk Management Framework.

Chief Executive welcomed the top 3 risks being presented, however there is a need for the cover paper to include risk score, mitigation and impact.

The Chair advised that triangulation of risks takes place at the Audit and Risk Committee.

The Chief Executive advised that whilst a conversation has taken place at the SLT regarding 'real time' risks being presented at Committees, this has not been agreed at an operational level, therefore there will be no changes to the current process for presenting risks to Committees.

Decision/Conclusion

Members discussed the current risks and took limited assurance on the mitigation's in place.

10. PLACE

10.1.AZETS – Business Continuity Update (Presenter: Director of Public Health)

Resilience Officer presented an update on the AZETS Internal Audit on Business Continuity Planning (BCP).

Work has continued since the last meeting, there has been changes to the numbers presented in the report, these were shared with Committee for assurance.

Mrs Isobel Grieve raised concerns regarding the number of acronyms in the report, this will be raised by Head of Corporate Governance at the Senior Leadership Team meeting 5 February 2025.

The Chair asked for confirmation on Control Objective 2 and whether the action respond to the Control, asking for assurance the number of staff trained in Business Continuity Planning, noting that no response has been received from the Community Mental Health Team and Emergency Department.

Resilience Officer was asked to confirm what actions need to be undertaken to address lack of engagement from these departments given the criticality of these services. Meetings have been arranged with managers to raise awareness on Friday 31 January 2025, business continuity exercises are scheduled in these departments.

The Chair asked DoNMAHP/Chief Officer Acute Services to advise how assurance will be provided to Committee on the number of staff trained in Business Continuity. DoNMAHP/Chief Officer Acute Services advised that Business Continuity will form part of the Leadership Development Programme.

Chief Executive advised that SLT will continue to monitor progress of the Business Continuity Planning Internal Audit with assurance being brought to Finance and Performance Committee.

Decision/Conclusion

Members considered and received the update.

10.2. Chair's Assurance Report - Sustainability Steering Group (Presenters: Head of Facilities and NPD)

The Chairs Assurance report of the Sustainability Steering Group was presented by the Director of Improvement. The Chair asked if the items escalated to Finance and Performance Committee were the correct items escalated.

The Chief Executive advised that there is currently no operational governance for the Sustainability agenda. Sustainability KPI's are included in our Place Strategic Objective led by the Director of Public Health, and Rona Gold Non-Executive Director.

Director of Improvement advised that the great work is undertaken by the Board in relation to Sustainability, NHS Orkney is leading the way in Scotland and proposed that the Sustainability Steering Group be amalgamated with the Capital Planning Steering Group.

Chief Executive expressed the need to identify an Executive Lead for sustainability, this needs to be considered as we develop our Year 2 Corporate Strategy Objectives and KPI's. The Chair advised that a Clinical Executive Lead is vital in continuing to embed the sustainability agenda across the Organisation.

Decision/Conclusion

Members noted the report.

11. PATIENT SAFETY, QUALITY AND EXPERIENCE

12. PERFORMANCE

12.1. Integrated Performance Report - Quarter 4 2024/25 and from April 2025 onwards (Presenters: Interim Director of Finance and Director of Nursing, Midwifery, AHPs and Chief Officer Acute)

DoNMAHP/Chief Officer Acute Services advised that arrangements have been put in place for the Integrated Performance Report (IPR) for February 2025.

The Chair raised disappointment that data was not presented and that no assurance can be provided to the Board.

Mrs Joanna Kenny raised concerns regarding the data not being available 'realtime' and is asked if this was captured on the Corporate Risk Register. Chief Executive advised that the risk in relation to performance and real time staffing data will be reviewed with an update brought to the next Committee.

Chief Executive advised that additional support has been agreed for the next 12 months to work with Executive Leads to develop Dashboards which will address the issue.

A piece of work has been commissioned to look at the end-to-end process for the Integrated Performance Report

The Chair raised concerns regarding the process for the IPR, asking if this was the reason for the report not being brought to Committee, stating it is unsatisfactory that the data was not presented to Committee.

Mrs Isobel Grieve asked if an additional meeting could be called to discuss finance and performance data when available. The Chair advised caution of additional meetings being called and this should be avoided.

The Chief Executive apologised to Committee that performance data was not presented. To avoid the situation occurring in the future, by the end of March 2025, a timeline and production schedule will be in place which sets out the following:

- when latest data is available across all domains of the IPR (at what point in the month)
- dates and deadlines for Executive Directors to provide commentary and sign-off for data
- paper deadlines
- SLT, Board Committee and Board dates

Decision/Conclusion

Members noted the process for performance reporting in Quarter 4 2024/25, however no assurance can be provided to the Board.

12.2. Months 8 and 9 Financial Results (Presenters: Interim Director of Finance)

The Interim Director of Finance advised that work is underway to review Service Level Agreement (SLA) which may result in a £91k cost pressure, advising this is not substantial enough to be added to the Corporate Risk Register.

Mrs Isobel Grieve asked for assurance on the levels of patient travel spend, how this is being monitored and what conversations have taken place with NHS Grampian. Director of Improvement advised that there is currently not budget allocated for patient travel. An analysis of outpatient appointments has been undertaken by specialty on the percentage of Near Me versus face-to-face appointments. The number of Near Me appointments has decreased from 50 percent to 38 percent over the past 12 months. The Board's Executive Directors are meeting with NHS Grampians Executive team in February, where this will be discussed.

The Chair and Mrs Isobel Grieve welcomed and commended sight of the data charts in Appendix one, particularly the ability to see the activity and spend.

Mrs Isobel Grieve asked Executive Leads if ownership of the financial position is recognised by senior leaders across the organisation. The DoNMAHP/Chief Officer Acute Services advised that the current financial situation is recognised, there is check, chase and challenge in place through the Vacancy Control Panel.

Director of Improvement advised that whilst communications continue to be issued, there is a dichotomy/mixed picture in relation to staff understanding the situation. This is evident in the recent budget setting process with business cases of over £5 million being submitted for additional staffing.

The Chair and Chief Executive recognise more work is required as the Board is not acting as a Board in Financial escalation.

Decision/Conclusion

Members took assurance on progress against the financial plan noting the risk that being in escalation becomes normalised.

12.3. Financial Year End Forecast (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the Financial Year End Forecast.

The Board submitted a financial plan for the 2024/25 financial period, forecasting a full year deficit of £5.778m against the Boards revenue resource limit. Whilst this plan was approved by the Board and submitted to Scottish Government, it remains non-compliant.

The Chair asked if the Improving Together Programme and Financial report be brought to Committee in one report.

The Director of Improvement advised that because of the work undertaken over the past 12 months by the Improving Together Delivery Group and Programme Board, the time is right for the financial report and Improving Together Programme be brought to Committee in a single report from 1 April 2025.

Members recognised the significant risk of the VAT costs associated with the NPD contract and welcomed that conversations have taken place with Scottish Government and Internal Auditors who are aware of the cost pressure.

Decision/Conclusion

Members noted the report.

12.4. Planned Care National Submission Requirements (Presenter: Medical Director)

In the absence of the Medical Director or a Deputy, the Director of Improvement advised that the Planned Care National submission is track for submission on the 21 January 2025. Conversations are taking place regarding Executive Leadership for Planned Care; this will be brought back to Committee in due course.

The Chair raised concerns regarding our inability to produce planned care data, the lack of ownership and control of planned care data and the impact that may have on our patients and community.

The Interim Head of Strategy advised that the planned care national submission has been included in the Annual Delivery Plan submission and advised that relationships with NHS Grampian are in place.

Decision/Conclusion

Members noted the report.

12.5. Planned Care Programme Board - Chair's Assurance Report (Presenter: Director of Improvement)

The Director of Improvement presented the Planned Care Programme Board Chairs Assurance Report.

Areas of escalation

National Elective Co-ordination Unit (NECU) has paused all data validation exercises; however, work continues Ophthalmology and Endoscopy as presented previously. Director of improvement to bring a paper to the March Committee meeting on people waiting 52 weeks and over, Ears Nose and Throat, Orthopedics, Pain Service and Ophthalmology.

The Chair raised concerns that we have 100 patients waiting 52 weeks, recognising this is unacceptable. Director of Improvement advised that recovery plans are in place to address the current situation, these are discussed at the weekly waiting times meeting.

The Chief Executive shared concerns that we remain in the discovery phase for waiting times due to the lack of operational support and clinical leadership for the Planned Care Programme Board. There is a need for a comprehensive understanding of where we are with planned care waiting times and a plan for when external support exits in March 2025.

Mrs Isobel Grieve asked that planned care waiting times be escalated to the Board.

Decision/Conclusion

The Chairs Assurance report of the Planned Care Programme Board was noted.

12.6. Submission of draft three-year Financial Plan and Annual Delivery Plan Submission (Presenter: Interim Director of Finance , Interim Head of Strategy)

Interim Director of Finance advised that a draft achievable and realistic three-year financial plan was submitted Monday 27 January 2025 to Scottish Government.

All non-costs pressures have been included in the plan, starting with a deficit of 8.9 million with a plan in place to bring that down to 2025/26. A full savings plan will be presented to Board in March 2025 for approval.

Interim Head of Strategy outlined the work underway on the Annual Delivery Plan, raising the risk around the national priorities considering the financial situation. Work continues with Executive Leads and Heads of Service; the plan will change once feedback is received from Scottish Government 4 February 2025.

Mrs Isobel Grieves asked the Chief Executive for assurance on how credible and realistic the deliverables in the ADP are. The Chief Executive raised concerns that despite conversations taking place across the Organisation, no deliverables have been taken off the table therefore the plan is not realistic or credible.

The Chair asked for assurance on delivery of the draft plan. Chief Executive advised that the risk of non-delivery is low, this will be raised with Scottish Government at the ADP feedback session 4 February 2025 and the Quarter 3 Financial Review Meeting.

The Chair recognised and welcomed the approach taken to this year's Annual Delivery Planning, noting that track changes should be removed from reports before being submitted to Committee.

Decision/Conclusion

Members noted the reported and commended the leadership shown by Melanie Barnes and Alan Cooper around this work.

12.7. Follow up actions from the cause of the deficit workshop 12 December 2024 next steps in relation to de-escalation (Presenter: Interim Director of Finance)

Next steps following the cause of the deficit workshop held with the Board on the 12 December 2024 have been included in the financial plan, with regular reporting being brought to Committee.

The Chair asked for clarity on how Committee will take assurance on delivery of the actions. Interim Director of Finance advised actions have been locked into our Improving Together Programme. Actions taken since the workshop will be presented at the Board In-Committee meeting in February 2025.

The Chief Executive outlined that the causes of the deficits slide deck was shared and discussed with Extended Senior Leadership Team 20 January 2025.

Given the criticality of the Improving Together Workforce, it was proposed that the Director of People and Culture be invited to bring a regular update to the Finance and Performance Committee.

Decision/Conclusion

Members noted the update and approved next steps. It was proposed that a meeting with the Board Chair, Chief Executive, Finance and Performance Committee Chair, and Interim DoF take place to review the role and urgency of the Committee.

12.8. Update on Corporate Governance refresh of Standing Financial Instructions and Scheme of Delegation (Presenter: Interim Director of Finance)

Standing Financial Instructions are being revised and will be brought through the appropriate governance committees.

Budget training for managers has been scheduled for March 2025.

Head of Improvement advised that the Standing Financial Instructions and Scheme of Delegation are required for inclusion in the Corporate Code of Governance which will be presented to Board in March 2025.

Decision/Conclusion

Members noted the update and approved next steps.

12.9. Improving Together Programme 2024-26 update. (Presenter: Director of Improvement)

Director of Improvement presented the report. A commission has been agreed by the 3 Clinical Directors to lead a 12-week review of our current services to identify what our models of care are available based on best practice.

The Chair asked for clarity in how clinicians will be asked for input into the commission. Director of Improvement advised that the commission will be shared and discussed with the Area Clinical Forum and the Joint Clinical Care Governance Committee.

Decision/Conclusion

Members noted the update.

12.10. Finance Improvement and Finance Team Objectives Report (Response to Viridian Report) (Presenter: Interim Director of Finance)

The Interim Director of Finance presented the finance improvement team objectives improvement plan. A Short Life Working Group has been established to oversee the review of Service Level Agreements.

A full project plan to be brought to Finance and Performance Committee in March 2025.

Decision/Conclusion

Members noted the update and took assurance on progress to date.

12.11. NDP Contract Financial Advisor Report (Presenter: Director of Improvement)

Chief Executive advised that a Board member development session be arranged on the NDP Contract. A review is underway by the Chief Executive to identify a Board Executive Lead for the NDP contract.

Decision/Conclusion

Members noted the update.

13. PEOPLE

14. POTENTIAL

14.1. Chair's Assurance Report - Digital and Information Operational Group (DIOG) (Presenter: Head of Improvement)

The Chairs Assurance report of the Digital Information Operation Group held on the 2 December 2024 was noted and approved noting the escalation of concerns regarding the Picture Archiving Communications (PACs) s re-provisioning and GP IT re-provisioning noting that these are national programmes, the Board has now control over timescales and delivery of the projects.

Issue around staffing resources for the move to the Laboratory Information National System (LIMS) to be discussed by the DoNMAHP/Chief Officer Acute Service and Head of Improvement, with a mitigation plan to be brought back to the next Committee meeting.

Decision/Conclusion

Members noted the report. with a mitigation plan to be brought back to the next Committee meeting.

14.2. Quarter 3 Digital Delivery Plan Update (Presenter: Head of Improvement)

Head of Improvement presented the Quarter 3 Digital Delivery Plan update.

Decision/Conclusion

Members noted the report.

14.3. Chair's Assurance Report - Improving Together Programme Board (Presenter: CEO)

The Chief Executive presented the report as read noting progress made to date.

Decision/Conclusion

Members noted the report and items escalated.

15. Items approved at Board.

No items approved at Board.

16. Agree Items for Chairs Assurance Report to Board (Presenter: Chair)

Members agreed the following items for escalation to the Board

17. AOCB (Presenter: Chair)

None raised.

18. Key Items for Noting (Presenter: chair)

The Chair asked if the Committee is assured the Board is doing enough to improve our financial sustainability. Director of Improvement advised that the assessment is a point in time and that the improvement plan for the finance team be aligned to the HFMA response in December 2024.

The Chair asked for assurance that the Annual Accounts timelines are achieved. Interim Director of Finance provided assurance that the timelines are achievable providing information is provided in a timely manner with early escalation should this be required.

Members noted the

- MRI scanner confirmation of funding,
- Improving NHS Financial Sustainability
- NHS Orkney response to HFMA Dec 2024, 2024-25
- NHS Orkney - Financial Position and Brokerage Response Letter,
- NHS Orkney - Brokerage cap letter from CEO,
- NHS Orkney - Quarter Two review response from CEO,
- Annual Accounts Timetable Cover Paper and Accounts Timetable

18.1. Attendance record 2024/25 (Presenter: Chair)

Members noted the attendance record 2024/25.

18.2. Meeting Schedule 2025/26 (Presenter: Chair)

Members noted the meeting schedule 2025/26.