

SHETLAND NHS BOARD

Minutes of the Finance and Performance Committee meeting held virtually on Thursday 23 February 2023 at 14:00

PRESENT

Mr. Gary Robinson (Chair)	Ms. Jane Haswell (Member)
Mr. Colin Marsland (Executive Lead)	Mrs. Natasha Cornick (Member)
Mr. Colin Campbell (Member)	

IN ATTENDANCE

Mr. Karl Williamson, Integration Joint Board (IJB) Chief Financial Officer	Ms. Lucy Flaws, Planning, Performance and Projects Officer
Ms. Dawn Smith, Diagnostics and Elective Care Lead	Mr. David Morgan, Information Governance Manager and Data Protection Officer
Mrs. Elizabeth Robinson, Public Health and Planning Principal	Head of Information and Digital Technology, Mr. Craig Chapman
Non-Executive Board member, Mr. Joe Higgins	Mrs. Erin Seif, Minute Taker and FPC admin support

1. Apologies for absence

Apologies were received from Finance and Performance Committee (FPC) member and Chair of Staff Governance Committee Mrs. Emma Macdonald, Director of Human Resources and Support Services Mrs. Lorraine Hall, Director of Nursing and Acute Services Mrs. Kathleen Carolan, and Head of Estates and Sustainability Lead Mr. Lawson Bisset. Chief Executive Mr. Michael Dickson and IJB Chief Officer Mr. Brian Chittick were not present.

Minute taker Mrs. Erin Seif will add “declarations of interest” to future agendas, after “apologies for absence”.

ACTION: Mrs. Erin Seif

2. Minutes of 24 November 2022 meeting

The minutes of the 24 November 2022 meeting of the FPC were approved.

3. Notes from 9 January 2023 Finance and Performance Committee workshop

FPC discussed how future workshops could best be recorded, concluding that notes of discussions and decisions should be captured without attributing comments.

FPC approved the notes as an accurate record of the meeting.

Standing Items

4. Performance Report Quarter Three (Q3), October–December 2022

Planning, Performance and Projects Officer Ms. Lucy Flaws presented the Q3 Performance Report alongside Public Health and Planning Principal Mrs. Elizabeth Robinson, highlighting the points below:

- Following feedback from the 24 November 2022 FPC meeting and 9 January 2023 workshop, the Planning team have included more narrative in this report;
- Regarding Accident and Emergency Department (A&E) discharge times, following mitigation actions the challenge within the system has shifted from a Q2 blockage between interim placements and patients' final destinations, to different challenges in Q3;
- Regarding smoking cessation, this can be better measured in outcomes for service-users rather than rates of throughput, as smoking levels are low in Shetland;
- Regarding Freedom of Information (Fol), high levels of requests have diverted the resources of "enabling services" away from trying to make smart system changes;
- Regarding diagnostics, ultrasound scanning, orthodontics, and oral health services, all are experiencing ongoing workforce challenges and staff are trying to shape the service to suit Shetland and reduce waiting times;
- Regarding drug and alcohol services, this is an example of where a service is currently performing well, with a three-week waiting time for support, but likely faces impending challenges as the pandemic-period money, which has been used to pay locums, ends.

On the latter point, Ms. Flaws noted that while the Planning team can see challenges coming in the drug and alcohol services, the data won't reflect them until delays increase and the service is struggling to see people. FPC agreed it would be preferable for the Planning team to have a method of showing anticipated difficulties as well as current ones.

In response to a member's question, Mrs. Robinson agreed to include the range of times by which a target has been breached, and mentioned the Planning team's ambition to identify key strategic priorities in the upcoming longer-term Commissioning Plan from the Scottish Government. They will then continually relate performance indicators to those priorities, presenting data and commentary together in an effective overview of, say, Unscheduled Care.

FPC and attendees discussed compliance with the A&E four-hour waiting time target, which has reduced from 95% to 91%, Q2 to Q3. Mrs. Robinson explained the target is often breached while A&E decides whether to admit a patient or refer them to another service, or while a patient waits for an Air Ambulance, which Scottish Government acknowledges is best done in A&E. Members further discussed whether Health Centres restricting access to the digital AskMyGP service, as well as patients' difficulty accessing digital prescription services, may drive patients to A&E. Director of Finance Mr. Colin Marsland flagged A&E activity peaks on Mondays, and on weekends when Health Centres are closed.

Clinical Governance Committee (CGC) Chair Ms. Jane Haswell will seek assurance to that Committee about what factors may be driving up A&E attendance.

ACTION: Ms. Jane Haswell

Turning to smoking cessation, members queried the risk appetite to shift resources elsewhere as throughput in the service is now low. Mrs. Robinson explained smoking cessation remains a government target which comes with specific related funding and must be reported on.

On Fol requests, Mr. Marsland noted NHS Shetland is publishing more information online, including responses to previous requests and how much it spends on agencies and locums, while Public Health Scotland also publishes 93 data sets, containing a lot of productivity information. NHS Shetland may be able to refer some Fol requesters to these resources.

With regard to drug and alcohol services, members mentioned a recent Public Health survey showed many people concerned about their drinking levels, and asked whether more Alcohol Brief Interventions (ABIs) might be possible. Mrs. Robinson shared that national research is currently underway to explore the effectiveness of ABIs, and NHS Shetland is awaiting its results. Meanwhile figures have come through from Health Improvement showing success in linking its weight-management programme with patient-training around alcohol.

As to dental services, members requested a status-update. Ms. Flaws acknowledged several ongoing issues around dentistry provision—including funding to cover personnel gaps, low availability of trained dentists to employ, and few private dental businesses in Shetland, which would normally work alongside NHS provision—and mentioned a recent IJB report showing dentist-to-patient ratios in Shetland are 1:3k, three times off the Scottish average of 1:1k. In mitigation, Ms. Flaws shared that the Dental Director is consulting with Scottish Government about funding uplifts to cover personnel gaps, and a pending Oral Health and Dentistry Strategy should address long-standing problems around the balance of private and NHS dental provision in Shetland.

In response to a member's question about the Service Level Agreement with NHS Grampian, Mr. Marsland explained NHS Shetland pays based on a three-year rolling average of activity, so the cost tends to appear out-of-sync to present levels. Mr. Marsland also assured FPC that NHS Grampian operates "blind" in relation to referrals, basing decisions on clinical need rather than the home-Board of the patient. However, NHS Grampian has been struggling with recruitment, causing a reliance on locums and gaps in service-provision, which Mr. Marsland and Mrs. Carolan will soon be meeting with Grampian representatives to discuss.

The FPC noted the Quarter Three Performance Report.

5. Waiting Times Report

Mrs. Natasha Cornick declared a conflict of interest in relation to this item.

Diagnostics and Elective Care Lead Ms. Dawn Smith presented the Waiting Times Report in place of Mrs. Carolan, flagging the following points:

- Performance is generally good, particularly in treatment times and new outpatient activity;
- Challenges at NHS Grampian, mentioned above under item four, are having a knock-on effect in Shetland, both in terms of patients travelling south for treatment and visiting-service provision;
- NHS Shetland will need to cover service-shortfalls at NHS Grampian by using private services in the coming year, which should be reflected in planned care for the period;
- The cancer audit at appendix five shows an increase in urgent suspected-cancer-referrals from 2019–22, with a target-exceeding 8% of referrals resulting in confirmed cancer diagnoses; and
- Additional factors affecting A&E performance than those mentioned under item four are:
 - High numbers of respiratory infections causing bed-placement issues while staff wait for lab results to confirm if patients have flu or Covid-19, and
 - Increased footfall following the closure of the Same Day Emergency Care unit.

FPC members queried which services are now "private to supplement" Grampian provision, and whether there is any national coordination around pricing. Ms. Smith cited dermatology and ophthalmology as services which used to come from NHS Grampian but are currently entirely outsourced to external providers, and explained that while companies are vetted and put on a national framework, rates are negotiated locally by individual Boards and they are very high. Mr. Marsland added consultants are entitled to "top of the scale times three" for Waiting List Clinics, but employees under Agenda for Change terms are paid at their normal rate for waiting-list-reduction work.

FPC members expressed concern at the figures on the outpatient waiting list in appendix three, and asked how patients and the wider community are kept informed about management of waiting lists. Ms. Smith assured members that the Waiting Times Committee meets weekly to monitor the lists and despite some fluctuation, often related to the timing of visiting services, the number of outpatients waiting for an appointment generally remains fairly static at about 1.2k. In terms of patient and public-communication, Ms. Smith mentioned that Medical Secretaries and the Patient Focused Booking team regularly contact longer-waiting patients to check on their clinical condition and confirm if they wish to remain on the list.

Ms. Smith added that a new National Elective Care Coordination Unit (NECU) is being rolled out from the Centre for Sustainable Delivery. This will carry out administrative validation of waiting-lists—reaching out to patients to confirm they should be on a list, and identifying dual entries—as well as link capacity with demand across Scotland. NECU will run NHS Shetland’s whole waiting list through their system, and then focus on dermatology, ophthalmology, and orthopaedics to see if surgeons from other Boards, at NHS rates, can provide some capacity.

The FPC noted the Waiting Times Report.

6. NHSS FPC Finance Paper January 2023 Financial Position as at Month 10

Mr. Marsland presented NHS Shetland’s financial position as at month ten, 2022–23, highlighting the following points:

- NHS Shetland closed month ten with £3.7m overspent on the year’s budget;
- This overspend should not increase by year-end, subject to the following factors:
 - NHS Shetland receives expected rebates from National Services Scotland for specialist commissioning; and
 - Efficiency-saving and locum-use assumptions are realized in the final two months.

Mr. Marsland also drew members’ attention to Appendix E, which shows the staffing structure, and number of staff in-post, in Primary Care General Practitioner (GP) services, noting that:

- NHS Shetland has more GPs than posts, but almost all work part-time;
- The out-of-hours GP service has been entirely staffed by locums in 2022–23;
- The ratio of GPs and Advanced Nurse Practitioners (ANPs) to patients varies widely across Shetland; and
- An attempt to recruit an ANP for the Yell Health Centre was unsuccessful.

On Primary Care, members asked about the £10k GP “golden hello” payment referred to in the paper. Mr. Marsland described its parameters, how it relates to relocation-expense assistance and that a GP must work at least 16-hours per week for two years to receive the full amount.

For the three-year forecast appendix, members queried the assumptions about supplementary staff, noting they are significantly lower than current levels. Mr. Marsland explained Scottish Health Boards are required by Scottish Government to base their assumptions on the successful realisation of measures they’re taking to resolve current issues. Measures include:

- Departments, particularly nursing, removing locums in the time-scale they have advised;
- A mental health project, presented by Director of Community Health and Social Care Brian Chittick at a recent IJB seminar, slated to reduce the requirement for mental health staff to be on call at all times; and
- A reduction in the overall number of mental health staff.

Turning to the question of recruitment and post-advertising, members expressed concern that the recruitment strategy appeared not to have developed over the last year, while Mr. Marsland noted NHS Shetland is spending £73k per week on locums, but only £20k per year on advertising vacancies. Following discussion, FPC decided to formally refer its

concerns around the adequacy of recruitment efforts to the Staff Governance Committee to seek assurance, including a suggestion to invite Promote Shetland to join future discussions.

ACTION: Mr. Gary Robinson

Members also raised an overspend totalling £435k in the Estates and Human Resources departments mentioned, but not detailed, in Appendix A. Regarding the Estates portion, Mr. Marsland noted the majority of locum rental accommodation costs, totalling around £60k, are currently charged to the Facilities budget. These expenses will be shifted to the services engaging the locums in the coming year instead.

As to the Human Resources overspend, Head of Information and Digital Technology Mr. Craig Chapman described the following contributing factors:

- The spend-profile throughout the year is uneven, despite financial accrual;
- The new phone-system for the whole Lerwick campus was a significant capital spend;
- BT has billed a lot of the outlay as revenue, which is being reviewed; and
- IT-use has increased considerably since the onset of the pandemic, but this has not been reflected in budgets.

Mr. Chapman also commented an overspend of £130k is less than 10% of the budget of the IT Department, which is relatively small given the variables it faces.

The FPC noted the January 2023 financial position paper as at month ten.

7. Finance and Performance Committee 2023–24 business plan

Mr. Marsland presented a proposed 2023–24 FPC business plan, including:

- Meeting dates and content they will cover, based on the Terms of Reference (ToR);
- Training and development opportunities for members; and
- Proposed key performance indicators:
 - 75% meeting and seminar attendance;
 - Actively progressing action points;
 - Producing an Annual Report outlining committee activity; and
 - Completing assurance and governance requirements for the Annual Accounts.

The FPC approved the business plan.

Ad-hoc Reports

8. Finance and Performance Committee draft Annual Report

FPC Chair Mr. Gary Robinson suggested he circulate a new draft for approval by email after the meeting, updated to include work introduced by Mr. Chapman. The FPC agreed.

ACTION: Mr. Gary Robinson

9. Review of Terms of Reference

Mr. Marsland presented the updated FPC ToR which were approved at the most recent Board meeting, noting the Head of Information and Digital Security will now be an expected attendee.

The FPC approved its ToR as presented.

10. Draft Finance Annual Plan 2023–24

Mr. Marsland presented the Draft Finance Annual Plan 2023–24, flagging the following points:

- The accompanying spreadsheet uses minimum-growth planning assumptions;

- Scottish Government requires a three-year plan, ideally ending at a balanced position;
 - However, even with positive assumptions around agency costs, the plan anticipates a non-recurrent overspend at the end of year three;
- Regarding energy-cost assumptions, Boards await how the fall in gas prices will flow into nationally agreed contracts; and
- Scottish Government has directed Boards to assume its proposed 6.5% pay award to Agenda for Change staff will be fully funded.

Members expressed concern that budgeting at a substantive cost-per-head rather than the current locum-heavy model sets up unrealistic savings expectations. Mr. Marsland shared that two short-term and two medium-term groups are looking at agency and locum costs in nursing and general medicine, including the following initiatives:

- All Boards commit to only engaging nurses on a locum basis within national contracts;
- Banks may be established over wider areas, to reduce intra-Board competition for nursing staff and junior doctors;
- The true gap for junior doctors in Scotland should be established, as Boards' anticipated numbers don't match those currently in the NHS Education for Scotland training scheme;
- Boards will work together towards alternative, more sustainable, staffing models; and
- New models would remove junior doctors from out of hours care, as some rotational posts go unfilled, leaving a gap which has to be plugged with locums.

The FPC noted the contents of the draft Finance Annual Plan 2023–24.

11. Digital Health

In lieu of this paper, as well as item 12 on the agenda, Mr Chapman offered two presentations which have been included under AOCB.

12. Annual report on Network and Information (NIS) audit programme 2021–22

a. Action Plan for 2022–23 report

In lieu of this paper, as well as item 11 on the agenda, Mr Chapman offered two presentations which have been included under AOCB.

13. Public Records Scotland RMP Action Plan - Update Report 2022–23

a. RMP Action Plan V1.5

Information Governance (IG) Manager and Data Protection Officer Mr. David Morgan presented the Records Management Plan (RMP), first sharing the following context:

- Since 2018, legislation has mandated Scottish Health Boards have RMPs;
- RMPs have a five-year life-cycle, during which Boards prepare Progress Update Reports (PURs) for the Keeper of the Records of Scotland;
- NHS Shetland did not prepare a PUR in 2020–21 due to the Covid-19 pandemic; and
- The FPC saw the 2021–22 PUR at its inaugural meeting of 24 November 2022, and requested this presentation to bring its knowledge up to date;

Mr. Morgan noted NHS Shetland has not progressed in a number of areas on the Action Plan and some of the associated work will be consolidated under wider action-planning, as discussed under item 14 and AOCB below. Therefore, Mr. Morgan advised NHS Shetland should employ a qualified Records Manager to help progress development of the RMP and deliver on records-management across the organization, particularly digitization of records.

The FPC noted the draft Public Records Scotland RMP Action Plan update report 2022–23.

14. Information Commissioner's Office (ICO) Audit Report - Information Governance

Mr. Morgan presented the Information Commissioner's Office (ICO) Audit Report. The cover paper also outlines two IG risks due to be re-assigned from the CGC to the FPC.

Regarding the ICO Audit, Mr. Morgan highlighted the following points:

- ICO conducted its audit in December 2021, returning high assurance on a focused area;
- The revised reporting structure Mr. Chapman will detail under item 17.a. should address ICO concerns about the IG governance structure of NHS Shetland;
 - This will mean an IG Group reports directly to FPC, without the intermediary step of the current Digital and Information Support Group (DISG);
- The IG Action Plan will be consolidated with that of Records Management and Network and Information Systems; and
 - This consolidated plan will be filterable by work-area, but should illustrate dependencies and overlaps.

Mr. Morgan also expressed concerns around NHS Shetland's capacity to meet deadlines set by Scottish Government and ICO with the resources currently available.

Members noted the high quality of the Final Audit Action Plan at appendix two, querying how progress against it would be reported to FPC. FPC Admin Support Mrs. Erin Seif will schedule a meeting between Mr. Morgan, Mr. Robinson, and Mr. Marsland to discuss how this reporting could most effectively be done. At members' request, this will include the report-author sharing their own assurance-level regarding their area of work.

ACTION: Mrs Erin Seif

The FPC noted the contents of the ICO Audit Report.

Turning to the IG risks currently assigned to the CGC, the FPC agreed to formally take these over. Mr. Marsland will communicate this acceptance to the Clinical Governance Department, which manages the Risk Register.

ACTION: Mr. Colin Marsland

Information and noting

15. Digital and Information Support Group minutes

The FPC noted the Digital and Information Support Group (DISG) minutes.

16. Capital Group minutes

The FPC noted the Capital Group minutes.

17. AOCB

a. Restructure of Digital and Information Support Group (DISG)

Mr. Chapman offered a presentation on the proposed restructure of the DISG, highlighting the following points:

- Recently, the nature and use of digital technologies, and governance requirements around digital security, have changed significantly;
- Change is required to ensure digital governance reporting needs—to the FPC, the Board, and regulatory bodies—are met; and
- The DISG currently meets monthly, which is too frequent to achieve actions and does not align with FPC meetings.

Mr. Chapman described the following suggested changes to the current model:

- The DISG should be split into three portfolio Groups:
 - “The IT Group”—digital infrastructure, security, and projects (DISP);
 - “The HI Group”—health intelligence and systems management (HISM); and
 - “The IG Group”—information governance and records management (IGRM);
- Existing working groups with well-established memberships and business should be aligned with these three domains;
- Calendars should be lined-up to ensure up-to-date assurance to the FPC;
- Non-project work should be delegated to sub-groups for delivery, with the expectation they will report upwards by exception;
- Overall project timelines should be summarized in the DISP workplan;
 - FPC will be able to refer to a one-page summary of what the DISP is working on and when it will be delivered;
- All three domains will report in a standardized way, summarised on a single dashboard;
- The core membership of the above three Groups will come from the Information and Digital Technology Department and the Information Governance Department;
- The wider membership will be largely based on existing DISG membership, to minimise the need for membership on multiple groups; and
- “Dotted line” links, through standardised briefing notes, should be agreed and documented between the three Groups and existing groups, such as the Hospital Management Team, the Community Health and Social Care Management Team, and the Executive Management Team.

Mr. Chapman further proposed a “general thinking” group, outside of the governance structure, with the following remit:

- An open membership, where anyone who has an idea relating to digital practices or possibilities can attend a single meeting, or long-term;
- An aim of seeing “what the possible is”, with no decision-making;
- Outcome-focused, rather than solution-focused; and
- With clinical inclusion, which would necessitate finding a way to backfill gaps.

Finally, Mr. Chapman suggested that if FPC approves the above re-structure, he will send three draft ToR to DISG for professional input and then to FPC. If approved, these ToR would be reviewed every twelve months.

ACTION: Mr. Craig Chapman

The FPC approved the re-structure of the DISG as presented above.

b. Network and Information Systems Regulations

Mr. Chapman informed FPC the three-year plan relating to Network and Information Systems Regulations (NISR) will come to the Committee in summary-format, due to its sensitivity.

Referring to the 24 November 2022 meeting of the FPC, Mr. Chapman acknowledged members and attendees had expressed serious concerns around the external 2022 Cyber Security Network and Information Systems Audit report (FPC 22/09). However, Mr. Chapman noted during the three years NHS Shetland has been under obligation of law to deliver on NISR, its scores have been 40%, 50%, and 55%, which is a slow upward trend and placed in the upper-half of the six North of Scotland Boards.

Regarding audits, Mr. Chapman highlighted the following points:

- Audits operate on a three-year cycle—one full followed by two change—and the second full audit falls in 2023–24;

- NHS Shetland’s high-level objective is to meet or mitigate controls currently classified as black (significant risk) or red (high risk); and
- NHS Shetland needs to establish an achievable programme of work with sustainable resourcing, which is challenging as the area is ever-increasing.

Turning to governance, Mr. Chapman advised the DISP will oversee NISR, providing FPC with progress-summaries to avoid getting into secure details. Legally, accountability rests with the Board as the data owner and controller.

Mr. Chapman described the following challenges around NISR:

- There are around 400 NISR controls, which are “one size fits all”;
- The technology and threat landscape changes quickly;
- There is a national shortage of suitably skilled staff who need to be developed and recruited; and
- NHS Shetland transacts with around 100 external suppliers and it is hard to ensure they maintain their security to the same level of accountability.

Looking ahead, Mr. Chapman summarised how NHS Shetland can continue to operate a secure digital environment, meet its NISR obligations as well as Scottish Government targets:

- Develop the NHS work-plan to move from a list of risk-assessed controls to an achievable, realistic plan with a cycle aligned with the three-yearly audits;
- Work with other Boards to share documents, knowledge, and technical procedures;
- Work with the newly-established National Services Scotland Cybersecurity Centre of Excellence to leverage skills, resource, and external monitoring, including of anti-virus software and penetration testing; and
- Ensure special Boards are performing their functions, such as National Procurement Services managing suppliers centrally.

Mr. Chapman will bring a summary report of the metrics to the next FPC meeting, scheduled for 25 May 2023, which will:

- Provide a baseline against which improvements can be measured at subsequent meetings; and
- Provide assurance NHS Shetland is working towards anticipated Scottish Government targets of 90% against red and black risks, and 80% against amber risks.

ACTION: Mr. Craig Chapman

The FPC agreed it was assured the above information addressed the concerns expressed at its previous meeting.

Date of next meeting: Thursday 25 May 2023 at 14:00, via Microsoft Teams