

SHETLAND NHS BOARD

Minutes of the Finance and Performance Committee (FPC) meeting held virtually on Thursday 30 November 2023 at 13:30

PRESENT

Mr. Gary Robinson (Chair)	Mr. Colin Campbell
Mrs. Emma Macdonald	Mrs. Natasha Cornick
Mr. Joe Higgins	

IN ATTENDANCE

Mr. Colin Marsland, Executive Lead and Director of Finance	Mr. Brian Chittick, Chief Executive
Ms. Jo Robinson, Interim IJB Chief Officer	Professor Kathleen Carolan, Director of Nursing, Acute, and Specialist Services
Ms. Lucy Flaws, Planning, Performance, and Projects Officer	Mr. Lawson Bisset, Head of Estates and Sustainability Lead
Mr. Craig Chapman, Head of Information and Digital Technology	Mr. James McConnachie, Resilience and Business Continuity Officer
Ms. Michelle Hankin, Clinical Governance and Risk Team Leader	Mrs. Erin Seif, minute-taker and FPC admin support

1. Apologies for absence

Apologies were received from Chief Financial Officer Mr. Karl Williamson; Director of Human Resources and Support Services Mrs. Lorraine Hall; Chief Nurse Corporate Ms. Edna Mary Watson; Head of Information Governance, Freedom of Information Lead, and Data Protection Officer Mr. David Morgan; and Information Governance Manager and Deputy Data Protection Officer Mr. Sam Collier-Sewell.

2. Declarations of interest

There were no declarations of interest.

3. Minutes of 28 September 2023 meeting

The minutes of the 28 September 2023 meeting of the FPC were approved.

4. Matters arising

There were no matters arising.

5. Action Tracker

No matters from the Action Tracker were discussed.

6. Performance Report

Planning, Performance, and Projects Officer Ms. Lucy Flaws presented the Performance Report for Quarter Two, highlighting indicators of “potentially preventable admissions” to the Accident and Emergency (A&E) Department and A&E re-admission rates.

Regarding the former, Ms. Flaws explained in response to member questions the rate measures admissions-per-1000-people that could have been avoided with Public Health measures or treated earlier elsewhere, flagging the small numbers make the statistics liable to big swings. Director of Nursing and Acute Services Prof. Kathleen Carolan further noted this indicator encompasses highly disparate reasons for admission, from road accidents to ulcers, and the underlying data may be inconsistent in quality. Members agreed the indicator should be considered with caution and used primarily as a prompt to further exploration.

FPC again queried the value of the four-hour A&E admission target, as best practice, person-centred care, and the lack of alternative services in a rural Board often necessitates its breach.

Turning to Psychological Therapies indicators, in response to members’ questions Ms. Flaws and Interim Director of Community Health and Social Care Ms. Jo Robinson affirmed the importance of reviewing referrals for appropriateness and ensuring individuals receive support and input around self-management while waiting to access the best service for their needs. Chief Executive Mr. Brian Chittick noted the new Consultant Psychiatrist will start in February 2024, which faster turnover should reduce the performance dip seen on previous occasions.

Ms. Flaws concluded with a summary of updates against the Annual Delivery Plan, sharing Scottish Government (SG) had noted known, ongoing challenges around Dental, Mental Health services, and workforce, and commended health equality, greener theatre, custody care, progress in work around cancer, and the “Grow Your Own” approach to workforce.

The FPC noted the contents of the Performance Report.

7. Waiting Times Report

Prof. Carolan presented the Waiting Times Report, flagging ongoing financial challenges in delivering even a de minimis level of planned care with current funding and noting additional SG funds for this purpose will be accessed through individual bids. Refreshed planned-care plans are due to SG by February 2024, so an early draft will come to FPC at its 22 February meeting for review and discussion of risk-appetite. Prof. Carolan also touched on challenges with visiting services, NHS Grampian’s reduced cancer-diagnostics capacity, and audiology service gaps, but highlighted NHS Shetland has provided more treatments and assessments overall than expected, and a new audiologist will start in January 2024.

On approaches to care, Prof. Carolan, Ms. Robinson, and Mr. Chittick discussed the challenge of moving beyond a “first-appointment access” focus, created by SG targets, towards a more preventative and holistic model, recognising work related to patients in active treatment programmes and improvement programmes around each pathway. Prof. Carolan noted core financial input is still needed to provide these services at all.

In response to a member query, Prof. Carolan confirmed that despite the projected year-end overspend on elective care of £385k, the mandate from SG to provide each service persists so NHS Shetland will, by default, have to go at risk. However, if in 2024–25 there is a big shortfall between service-cost and funding provided, greater rationing will be required.

Turning to National Treatment Centres (NTCs), Prof. Carolan explained in reply to a member’s question that a Highland NTC has excess capacity for straightforward orthopaedic work, and a pathway for Shetland patients from Quarter 2 next year is being drafted. Although challenges exist around discharge-logistics and lack of telehealth provision in Highland, NTC service is “top-sliced” by SG so patient travel would be the sole cost to NHS Shetland.

The FPC noted the contents of the Waiting Times Report.

Standing Items

8. Financial Monitoring Report

Director of Finance Mr. Colin Marsland presented the Financial Monitoring Report, noting NHS Shetland remains overspent at month seven and highlighting a recent increase in efficiency-savings targets following a review.

Mr. Marsland shared SG has issued set financial directives to individual Boards and instructed they take immediate action to reduce and avoid spend, as NHS Scotland as a whole is set to overspend this year which SG cannot absorb. SG raised the lack of a plan to deliver recurring-savings as a major shortfall, as this will lead to a growing and unsustainable gap in funding. Executive and Senior Managers have been reviewing service-development plans and proposals for 2024–25 budget-setting, to determine where savings can be achieved. Workforce plans and better recruitment will be the chief means to attain sustainable services.

In response to a member query regarding the projected overspend in relation to the confirmed funding allocation, Mr. Marsland explained that though NHS Shetland begins the year with a set of budget-assumptions, shared with the Board at that time, its funding allocation comes in portions from SG through the year and remains constantly subject to change. Members and attendees discussed challenges arising from this funding model, including allocation delays.

Attendees noted the underlying contradiction in being mandated to deliver various services at safe levels of staffing without sufficient funds, but emphasised NHS Shetland was working hard to maintain a positive, constructive, solution-focused approach with SG.

The FPC noted the contents of the Financial Monitoring Report.

9. Digital Health update

Head of Information and Digital Technology Mr. Craig Chapman presented the Digital Health update, covering the new Digital Governance Group (DGG), the Digital Strategy, and the recent Network and Information Systems Regulations (NISR) Audit 2023–24.

Member questions focused on the NISR Audit 2023–24, noting the Board was down on its already poor performance the previous year, and many questions were left unanswered even where information was available. Mr. Chapman acknowledged the low score but highlighted the scale of the audit, spanning 427 different controls, and the conscious choice to use limited resources to maintain support and security business-as-usual at the expense of better audit performance. Members who attended a recent audit review meeting alongside Mr. Chapman noted the auditors' supportive, conciliatory tone, in contrast with the inflexible audit process.

Members and attendees agreed on the importance of a risk-focused approach in allocating resources, but noted it was difficult to pinpoint risks from a paper including redactions for information-security reasons. Mr. Chapman agreed he would find a way to securely convey the complete information to members so the risk could be properly discussed by FPC.

ACTION: Mr. Craig Chapman

Members were invited to email Mr. Chapman with any additional queries, copying in FPC Chair Mr. Gary Robinson and Executive Lead Mr. Marsland for information.

The FPC noted the contents of the Digital Health update.

10. Business Plan

Mr. Marsland presented the FPC business plan to the Committee for review, also noting the governance annual review process is underway and members have received feedback forms.

The FPC approved the current version of the Business Plan.

11. Strategic Risk Report

Clinical Governance and Risk Team Leader Ms. Michelle Hankin presented the Strategic Risk Report, highlighting four risks on the register, pertaining to staff completion rates for Information Governance (IG) training, access to services, the NHS Shetland estate, and the finance risk, which is in the process of being reviewed and re-written.

Ms. Hankin flagged risk register entry SR 10, on business continuity, does not currently belong to a governance committee, and proposed it should be assigned to the FPC for oversight.

Ms. Robinson suggested the “access to services” risk could be downgraded—she and Ms. Hankin will review it following the meeting. Members and attendees also discussed the staff IG training risk in relation to agenda item nine and cyber-security, hearing that the Area Partnership Forum will take forward a proposal to clarify training requirements within TURAS.

The FPC noted the contents of the Strategic Risk Report.

- i. Appendix 1—Overview of strategic risks by highest ranked**
- ii. Appendix 2—assigned risks including approved and waiting approval**

12. Capital Programme progress

Head of Estates and Sustainability Lead Mr. Lawson Bisset presented the Capital Programme progress report, sharing that NHS Shetland should complete all of its planned projects, on budget, within the approved capital programme for this financial year. Mr. Bisset noted £130k of additional, late-award SG funding has also been acquired into the capital program this financial year for medical equipment, which could set a precedent for the coming year too.

Mr. Bisset suggested SG funding will likely be for backlog, replacement, or renewal, so NHS Shetland has been reviewing its backlog with external consultants from a risk perspective.

The FPC noted the contents of the Capital Programme progress report.

13. Environmental Sustainability update

Mr. Bisset shared the Environmental Sustainability update, highlighting good progress has been made around electric-vehicle goals, while funding and planning permission have been secured for three polytunnels in two NHS locations. The latter project is partly in collaboration with local group Food for the Way, and should be completed within this financial year.

The FPC noted the contents of the Environmental Sustainability report.

Ad-hoc Reports

14. Information Governance mid-year review of annual work plan

Head of IG, Freedom of Information (Fol) Lead, and Data Protection Officer Mr. David Morgan submitted the IG mid-year review of annual work plan, but was not available to present it. Members were invited to submit questions or comments to Mr. Morgan by email.

The FPC noted the contents of the IG mid-year review of annual work plan.

15. Business Continuity Mid-Year review on annual work plan

Resilience and Business Continuity Officer Mr. James McConnachie presented the Business Continuity mid-year review of annual work plan, explaining the plan focused on the findings of a recent audit: the need for a policy and an effective business continuity management system; the implementation of business impact analysis; and the effective testing of plans.

Members expressed appreciation for the progress against these areas of work so far.

The FPC noted the contents of the Business Continuity Mid-Year review on annual work plan.

16. Financial plan 2024–25, planning principles

Mr. Marsland presented the Financial Plan planning principles 2024–25, including the 15-point action plan set by SG, an anticipated 2% inflation-uplift, a 3% efficiency-saving expectation, and a £3m minimum 2024–25 savings target. Mr. Marsland outlined various factors in how these figures were calculated, emphasised the challenge they represent, and shared ongoing efforts by senior staff to shape plans around them.

In response to a member's question on the mention of external consultants in the paper, Mr. Marsland explained this refers to the ongoing implementation of the savings plan from CGI and engagement with SG's Financial Services Unit, who prepared the 15-point action plan.

The FPC noted the contents of the Financial Plan planning principles 2024–25.

Information and noting

17. Digital meeting minutes

a. Digital Technology Group

No minutes were received from the Digital Technology Group, and the FPC noted no meetings had occurred between May and October 2023.

b. Information Governance Group

The FPC noted the contents of the IGG minutes, flagging the date at the top of the second set of minutes needs to be corrected.

c. Health Intelligence Group

No minutes were received from the Health Intelligence Group.

18. Environmental and Sustainability Group minutes

The Environmental and Sustainability Group had not met since the last FPC meeting.

19. Capital Management Group minutes

The Capital Management Group had not met since the last FPC meeting.

AOCB

20. Confirming January workshop – Information Governance

This item was not discussed. Admin support Mrs. Erin Seif will add it to the next agenda.

ACTION: Mrs. Erin Seif

21. 2024–25 FPC meeting dates

The FPC noted its draft 2024–25 meeting dates, pending Board approval.

22. AOCB

a. Change next meeting to 14:00

The FPC agreed its next meeting of 22 February 2024 will start at the later time of 14:00.

ACTION: Mrs. Erin Seif

Date of next meeting: Thursday 22 February 2024 at 14:00, via Microsoft Teams