# **Approved minutes**

**Finance and Performance Committee**

**Tuesday 10 September 2024, 10:00 hours**

**MS Teams Meeting**

**Members**

Stephen McAllister Non-Executive Director *(Chair)*

Callum Blackburn Non-Executive Director

Lindsay MacDonald Non-Executive Director

Rebecca Maxwell Non-Executive Director

Jane Christie-Flight Employee Director

**Core Attendees**

Carolynne O’Connor Director of Operations and Deputy Chief Executive

Carole Anderson Director of Transformation, Strategy, Planning and Performance

Jonny Gamble Director of Finance

**In Attendance**

Graham Stewart Deputy Director of Finance

Joanne McGarry Deputy Head of Research (Item 3.3)

Zaid Tariq Deputy Director of Transformation, Strategy, Planning and Performance (Item 4.1)

Joe Hands Deputy Head of Risk and Clinical Governance (Item 5.1)

Nicki Hamer Head of Corporate Governance and Board Secretary

**Apologies**

Gordon James Chief Executive

Mark MacGregor Medical Director

**Minutes**

Tracey Wark PA to Chief Executive Office

1. **Opening Remarks**

**1.1 Chair’s Introductory Remarks and Wellbeing Pause**

The Chair opened the meeting and introduced Jonny Gamble, Director of Finance who recently joined NHS GJ.

The Committee welcomed the opportunity for the Wellbeing Pause, aimed at helping to maintain connections between colleagues.

**1.2 Apologies**

Apologies were noted as above.

**1.3 Declarations of Interest**

There were no declarations of interest of note.

**2. Updates from Meeting on 11 July 2024**

**2.1 Unapproved Minutes**

Minutes from the meeting held on 11 July 2024 were approved as an accurate record.

**2.2 Action Log**

The Committee noted that there were no live actions to review.

**2.3 Matters Arising**

There were no matters arising.

**3 Operational/Finance Performance Review**

**3.1 Operational Performance – Integrated Performance Report**

Carolynne O’Connor provided a detailed presentation on the Operational Performance position.

 The salient points highlighted for Heart, Lung and Diagnostics Division (HLD) were:

* Heart and Lung: Activity at Month 3 was 5% ahead of plan. Over-performance from Cardiology through additional funding to support TAVI implementation. Cardiac and thoracic surgery were both ahead of plan. The Implementation Plan for the delivery for 461 TAVI was underway. Additional beds were opened in 2 East to support patient flow. Planned Care funding for Ultrasound was extended to full year with delivery fully underway. The new Duty Radiologist/Cardiologists roster now provided cover for 80% of the week for scanning of urgent complex inpatients for cardiac CT and MRI. The Cardiothoracic middle grade rota had been recruited to and was fully staffed from August 2024.
* Cardiac: Activity had been maintained at 6% over the Annual Delivery Plan (ADP) target. Discussions were ongoing to review the requirements versus the current position for long waiting patients in SACCS requiring complex planning with full team support across two sites. Cancellation rates reduced in June from May 2024 mainly due to workforce shortages in Perfusion and ICU Nursing.
* Thoracic: Activity was 9% ahead of plan for thoracic surgery, predominantly for cancer patients and driven by demand. Day of Surgery rate was 21% with a focus to make further improvement to maintain higher targets. The Day Zero programme had increased numbers directly from Recovery thus saving HDI beds. Further analysis would be undertaken to address capacity issues on 3 West. The 31 day Cancer target had been met.
* Cardiology: The Plan and funding had been agreed for TAVI implementation. Overall activity was 5% ahead of plan with Electrophysiology (EP) reported as 1% behind plan. Planned Care funding to support weekend work had yet to commence. All long waiters required General Anaesthetic with activity limited by Anaesthetic staff availability with work underway to address the issue. Device service was 7% ahead of target with over activity driven by urgent referrals.
* Radiology: Overall activity was ahead of SLA target by 1% driven through over-achievement across cardiac activity. Consequently, there was a significant improvement in the CMR waiting list. Planned Care supported additional CT and MRI weekend activity. The Ultrasound Academy continued to perform above target and supported additional weekly lists with Planned Care funding.
* TAVI Implementation: A mobile van was procured and had been on site since

2 June 2024 with a Locum Cardiology Consultant appointed at the end of July. Ward 2D opened as an additional Day Unit on 10 June 2024 and telemetry had been installed with rooms vacated and equipped. There was an increase in TAVI lists on Month 3 with the increased proportion of patients admitted from the Elective waiting list. The Imaging Cardiologist Consultant post was approved. The Non General Anaesthetic TAVI lists were extended.

 The salient points highlighted for National Elective Services (NES) Division were:

* The Division finished 11% overall ahead of target in Month 3 due to the revised timeline for the opening of Phase 2.
* Ophthalmology: A total of 1,095 cataract procedures were carried out against an action plan of 972 during June 2024. The over-performance supported the recovery from May’s deficit resulting in the service being ahead by 1% at the end of Month 3. The Improvement Plan had focused on reducing duplication and variation with the Outpatient Clinic pathway and the Clinic Trial which aimed to implement Band 4 led clinics to release training staff for use in Theatre. Forty percent of on the day cancellations were replaced during June 2024 leading to an overall cancellation rate of 2.3%; a major positive with the Blueprint for Ophthalmology by taking patients from clinic to be treated on the day. Recruitment of Ophthalmologists remained challenging.
* Endoscopy: The service was 31% ahead of plan with a total of 750 Endoscopy procedures carried out against a plan of 571. The over-performance was achieved through weekend working and replacement of short notice cancellations to maximise theatre utilisation, which formed part of the Recovery Plan to achieve the 2024/25 Annual Delivery Plan with the delay to the opening of Phase 2.
* Orthopaedics: Activity was 8% ahead of plan. Joints were 29 cases behind but 35 ahead Year to Date. The Annual Delivery Plan had assumed a sixth theatre would have opened in June 2024. There was a steady increase in the number of patients being discharged on the day of surgery and Day 1 discharge trajectories remained above average at 15% and 47% respectively for knees and hips. The percentage of four joint lists remained low due the number of new consultants starting with lists of three and the inability to use the holding bay for Theatre 9. Improvements were expected from Month 4.
* General Surgery/Colorectal: The service was ahead of target by 20% largely due to a greater proportion of general surgery being performed during June 2024 to maximise theatre utilisation. General Surgery finished 19% ahead of plan with 139 procedures against a plan of 104. Twenty colorectal procedures were carried out against a plan of 29 during the month with the under-performance being due to consultant leave.
* Anaesthetics: Recruitment of Anaesthetists remained challenging but targeted recruitment campaigns were planned for both consultant and specialist roles.

The Committee had a robust discussion around the overall performance and noted the majority related to TAVI. Carolynne O’Connor highlighted the issues related to high demand in devices across West of Scotland and gave assurance that discussions were being held with the West of Scotland Group to ensure effective management of the demand for services.

The Committee approved and reflected upon the excellent operational performance within HLD and NES whilst noting the rationale behind the over performance and the continuing challenges around performance due to the delayed opening of Phase 2. The Committee also noted the challenges in recruitment to both Ophthalmology and Anaesthetics.

 The Committee approved the Operational Performance Integrated Performance Report.

**3.2 Financial Performance including Capital Update**

 Graham Stewart reported the Month 3 financial position, highlighting the following key points:

* As at June 2024 there was no change to the current financial gap of -£9.994m with a projected gap at Month 3 of -£2.4m and a -£560k deficit Year to Date (YTD) at the end of June 2024.
* Work continued on Achieving the Balance to determine schemes to reduce the deficit.
* Efficiency targets had been phased across Divisions.
* The revised prioritised Capital Expenditure Plan had been revised to match the confirmed Core Capital Resource Limit (CRL).
* Phase 2 Expenditure Phasing for 2024/25 and 2025/26 was being finalised with Cost Advisors.
* Expenditure to date of £60.281m was ahead of the YTD budget of £59.159m which resulted in an adverse variance of -£1.121m.
* This was offset with Income to date of £59.721m, ahead of the YTD budget of £59.159m which resulted in a positive variance of £0.651m.
* Core Funding of £168.365m was anticipated (June’s allocation letter only confirmed funding of £88.467m, 53% at this time).
* SLA income of £20.860m was ahead of planned budget of £20.542m by £318k (NWoS Cardiac and Thoracic Activity).
* Hotel and Other Income of £3.265m was above planned budget of £3.021m by £244k.
* Revenue expenditure reflected an overall adverse variance of £-1.121m, -1.90%.
* Pay costs were reported an overall overspend of -£1.121m and non pay costs at -£0.780m.
* Key areas of efficiencies workstreams with most risk to delivery were listed as Medical Staffing (£0.5m), Admin Staffing Review (£1.6m), Balance of Medicines (£0.2m), and Procurement (NES areas) (0.8m) with total potential slippage of £3.1m.
* Confirmation received of an ongoing 3% recurring efficiency target to deliver breakeven.
* Robust governance was in place within the ‘Achieving the Balance’ programme to focus on 15 box grid initiatives including Medicines Management, Digital transformation projects, Corporate Services reviews and enhanced Vacancy Management.
* Core Capital Formula had been confirmed at £2.691m along with the final element of the lift replacement. A further £1.2m of 2023/24 of slippage should be returned in 2024/25 as anticipated. The Committee noted that sustainable Capital requirements would be discussed at Month 4.

The Committee thanked Graham Stewart for a clear presentation and noted the financial position. The Committee reflected upon the efficiencies challenges particularly around the recurring savings target and welcomed the robust year end forecast work which had proceeded as part of the Month 5 review.

The Committee approved the Financial Report for Month 3.

**3.3 GJRI Quarterly Report Q1**

Joanne McGarry provided a detailed presentation on NHS Golden Jubilee Research Institute (GJRI) Quarterly Report for Quarter 1. The key highlights included:

* Ten research projects were approved for Q1 in line with target: one was commercially sponsored and funded; four eligibly/extended review projects and five were not eligibly funding (NEF) projects.
* Recruitment for Q1 was 178 over target with 378 participants recruited.
* Invoiced income for Q1 was reported at £346,471 with a projected income of £1,385,884 for the 2024/25 financial year.
* Income was generated from commercial and non-commercial research and CSO income.
* Research funding was allocated to support departments including Pharmacy, Echocardiology, Radiology and Respiratory.
* KPI’s were reported as on target or close to target for the quarter.

The Committee thanked Joanne McGarry for a detailed presentation and commended the work undertaken to date.

The Committee approved the GJRI Quarter 1 Report.

**4. Strategic Planning Update**

**4.1 Annual Delivery Plan Q1 Update**

Carole Anderson advised the Committee that Scottish Government had proposed a new approach to quarterly monitoring of progress against Annual Delivery Plans for 2024/25. The new approach to quarterly reporting was approved by Executive Leadership Team on 1 August 2024 with agreement to present a draft new template prior to implementation for Q2.

Zaid Tariq presented an overview of the delivery plan paperwork which would be submitted to Scottish Government on 11 September 2024.

Carole Anderson gave assurance that there were currently no significant areas of concern in Q1 reporting.

 The Committee discussed the Annual Delivery Plan Q1 Update.

**4.2 Climate Change Sustainability Group Update**

Callum Blackburn presented a detailed Climate Change Sustainability Group Update.

The salient points highlighted were:

* Sub Group structure: had been streamlined and included a new group, Green Healthcare Sub Group.
* Energy and Waste: there was ongoing review of clinical and non-clinical waste streams, including current bin types and locations with an aim to improve waste segregations through standardisation and signage; a survey of non-clinical areas (Level 5) had focused on lights and IT equipment left on with a potential to save £24k per annum if switched off; TORK paper hand towel trial would commence in November with the aim of segregating, recycling and improving circularity of paper products.
* Sustainable Travel and Transport: the Travel Plan was being updated to encourage a shift in travel behavior with a relaunch of LiftShare, Active Travel and Bicycle User Group and submission of planning permission to extend the current car parking area.
* Procurement: Commercial contracts were being run against Scottish Government Sustainability Prioritisation Tool; Managed Transport Service (Taxi) supplier fleet CO2 emissions were under review and a Patient Engagement App was being considered.
* Green Healthcare: a short life working group had been established to progress switching off anaesthetic gases and ventilation in theatres out of hours; a risk assessment of reusable theatre caps had been initiated and reusable gowns and other alternative products were being explored.
* Biodiversity: a new sub group had been established which planned to cease grass cutting in identified areas to create wild grass areas and assess biodiversity with support from NHS Assurance; future options would include planting of wildflowers and other seed plants to allow native flowers to bloom for bees, butterflies and protect small mammals.
* Performance Monitoring and Reporting would be implemented and link closely to Achieving the Balance.

The Committee thanked Callum Blackburn for his presentation.

The Committee welcomed the good initiatives and commitment to making savings within this space.

The Committee noted the Climate Change Sustainability Group Update.

**5. Corporate Governance**

**5.1 Strategic Risk Register**

Joe Hands advised the Committee on the key points of the Strategic Risk Register and highlighted there were five risks within the remit of the Finance and Performance Committee due to the Recovery Plan Risk merging with the Waiting Times Management Risk.

The Committee noted the two emerging risks around Capital Planning requirements which were in excess of current anticipated funding and Vulnerability of Procurement Services. There were no significant changes to any risk and one risk had been added around Staffing and Recruitment of Procurement Services.

Graham Stewart reassured the Committee that there were mitigations in place and outlined an SLA with NHS Greater Glasgow and Clyde was being developed for the provision of senior management leadership to NHS Golden Jubilee’s Procurement department for a 12 month period. The Committee acknowledged the reduced risk and anticipated cost savings provided.

The Committee approved the Strategic Risk Register and noted the risk around Procurement which has now been mitigated through joint working with NHS Greater Glasgow and Clyde. The Committee noted the emerging Capital risk and requested that this be added to the Strategic Risk Register.

The Committee approved the Strategic Risk Register – September 2024.

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| **Action No.** | **Action**  | **Lead** | **Date for completion** |
| FPC240910/01 | **Capital Risk** - emerging Capital risk to be added to Strategic Risk Register. | Jonny GambleJoe Hands | 10 September 2024 |

**5.2 Corporate Objectives for 2024/25**

Carolynne O’Connor presented the Corporate Objectives for 2024/25 for consideration and approval as agreed by the Executive Leadership Team.

The Committee noted the Corporate Objectives for 2024/25 were cross-referenced with the Board’s Strategic Risk Register. The Executive Leadership Team’s personal objectives were aligned with the Corporate Objectives and would be shared with the Senior Leadership Team so they could be incorporated into departmental and team planning and objective setting prior to being cascaded to staff across the organisation.

The Committee noted the Corporate Objectives for 2024/25 would be presented to the Governance Committees for approval prior to final approval at the Board meeting on 26 September 2024.

The Committee approved the Corporate Objectives for 2024/25.

**6. Issues for Update**

**6.1 Update to the Board**

The Committee approved and reflected upon the excellent operational performance within HLD and NES whilst noting the rationale behind the over performance and the continuing challenges around performance due to the delayed opening of Phase 2. The Committee also noted the challenges in recruitment to both Ophthalmology and Anaesthetics.

The Committee approved the Financial Report for Month 3 and reflected upon the efficiencies challenges particularly around the recurring savings target.

The Committee approved the GJRI Quarter 1 Report.

The Committee discussed the Annual Delivery Plan Q1 Update.

The Committee received a presentation from the Climate Change and Sustainable Strategic Group and welcomed the good initiatives and commitment to making savings within this space.

The Committee approved the Strategic Risk Register and noted the risk around Procurement which has now been mitigated through joint working with NHS Greater Glasgow and Clyde. The Committee noted the emerging Capital risk and requested that this be added to the Strategic Risk Register.

The Committee approved the Corporate Objectives for 2024/25.

**7. Any Other Competent Business**

There was no other competent business.

**8. Date and Time of Next Meeting**

 Tuesday 19 November 2024, 10:00-12:30, MS Teams.