# **Approved minutes**

**Finance and Performance Committee**

**Tuesday 19 November 2024, 10:00 hours**

**MS Teams Meeting**

**Members**

Stephen McAllister Non-Executive Director *(Chair)*

Callum Blackburn Non-Executive Director

Lindsay MacDonald Non-Executive Director

Jane Christie-Flight Employee Director

**Core Attendees**

Gordon James Chief Executive

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**

Catherine Sinclair Head of Research (Item 3.4)

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

Susan Douglas-Scott Board Chair

**Apologies**

Rebecca Maxwell Non-Executive Director

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 welcomed everyone to the meeting and all participated in a Wellbeing Pause.

**1.2 Apologies**

Apologies were noted as above.

**1.3 Declarations of Interest**

There were no declarations of interest to note.

**2. Updates from Meeting on 10 September 2024**

**2.1 Unapproved Minutes**

Minutes from the meeting held on 10 September 2024 were approved as an accurate record.

**2.2 Action Log**

The Action Log was reviewed and the remaining action closed.

**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 5 was 2% ahead of plan. Patient waiting times had reduced for those waiting more than 52 weeks. Focused backlog work had resulted in a reduction in Transcatheter Aortic Valve Implantation (TAVI) waiting times which achieved the 12 week waiting list target. There had been improved Day of Surgery Admissions (DoSA) rates in both Cardiac and Thoracic as a result of the Cardiac Improvement Plan. The Cardiothoracic middle grade rota had been recruited to with a delay to October 2024. Workforce challenges across small teams in Retrieval, Surgical Care Practitioners and Perfusion staff remained and had impacted on activity which was being managed through additional supporting roles.

Cardiac: Activity had been maintained at 3% over the Annual Delivery Plan (ADP) target. The inpatient waiting list had reduced to 259 after a 6 month consecutive increase. Elective priority remained the largest clinical priority for listing criteria. The inpatient cancellation rate was 18.5% (8.9% in July) mainly due to workforce associated cancellations, with emergency work displacing elective as a secondary reason. There had been only one cancellation due to Central Sterilising Processing Department (CSPD) failure.

Thoracic: Activity continued to perform 3% ahead of plan predominantly driven by demand. The 31 day Cancer target had been met with no breaches. The cancellation rate overall was 4.4% and the DoSA rate was recorded at 25.3%, an increase of 10% on the previous month.

Cardiology: TAVI implementation plan was on track with no detriment to other services. Future plans were submitted to Scottish Government for consideration. Overall activity was 1% ahead of plan with Electrophysiology (EP) reported as 2% behind plan. Planned Care funding to support weekend work had yet to commence with two weekend lists. A weekly General Anaesthetic list was now in place. The Device service was 3% 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 had been a significant improvement in the Cardiac imaging waiting list. The Ultrasound Academy continued to perform above target and supported additional weekend lists with Planned Care funding.

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

The Division finished 6% overall ahead of target in Month 5 due to the revised timeline for the opening of Phase 2. The first additional Orthopaedic theatres opened on 15 August 2024 and the Surgical Admission Unit on 23 August 2024. The CSPD equipment failure led to three days of lost activity within Orthopaedics and General Theatre but all emergency work had been covered.

Ophthalmology: A total of 965 cataract procedures were carried out against an action plan of 1,074 with year to date at August now reporting at 5% behind plan. Operator availability continued to be challenging. One full time locum would no longer commence employment at NHS GJ due to issues with General Medical Council but weekend and evening options were being explored with staff to help recover the current position. Thirty seven percent of on the day cancellations were replaced leading to an overall cancellation rate of 3%.

Endoscopy: The service was 21% behind plan with a total of 723 Endoscopy procedures carried out against a plan of 913. As predicted, Endoscopy activity was behind in month due to the delayed opening of all five Endoscopy rooms but was 16% ahead overall at the end of month 5 due to front loading activity whilst the Vanguard unit was on site.

Orthopaedics: Activity was 13% behind plan due to the delayed opening of Phase 2 and cancellation of lists due to CSPD downtime. Joints were 48 cases behind and 40 behind year to date. The Annual Delivery Plan had assumed an additional theatre opening in August. Foot and Ankle were 37% behind due to a lack of referrals. However a referral stream had been agreed with NHS Forth Valley to improve the position going forward. The percentage of four joint lists remained behind target at 68% but recorded a steady increase at 55.8%. Same day hip Arthroplasty cases had increased to 5.3% against a profile of 2.9%. The DoSA rate had increased to 73.6% against a target of 70%.

General Surgery/Colorectal: The General Surgery service was ahead of target by 15% in the month and 24% ahead year to date. The Colorectal service was 9% behind target in the month and 14% year to date. Action was being taken to explore ways to increase major colorectal referrals to recover any shortfall.

The Committee approved and reflected upon the excellent operational performance within HLD and NES. The Committee noted the rationale behind the over performance year to date and the challenges due to the delayed opening of Phase 2 and CSPD equipment issues. The Committee also noted the challenges to recruitment in Ophthalmology. The Committee commended the innovation being undertaken to consider moving patients from clinics direct to operating theatres.

The Committee approved the Operational Performance Integrated Performance Report.

**3.2 Financial Performance including Capital Update**

 Jonny Gamble reported the Month 5 financial position, highlighting the key points.

 The Committee were advised as at June 2024 there had been no change to the current financial plan to provide a breakeven position with an efficiency target of £9.9m for 2024/25. The Actual year to date position at Month 5 was a deficit of -£0.973m. Jonny Gamble assured the Committee that a robust Financial Mitigation Plan was in place.

 Jonny Gamble advised that work continued on Achieving the Balance Programme with a forecast delivery of £8.0m and fortnightly meetings taking place, chaired by Chief Executive, with a focus on 15 box grid initiatives, enhanced vacancy management, medicines management, service reviews and other key initiatives.

 The Committee noted Capital Expenditure of £4.0m year to date, with a forecast of £12.2m, to be spent in the remainder of the year.

 A detailed overview of the financial position at Month 5 was provided, noting income to date of £100.5m was ahead of the year to date budget of £100.2m, resulting in a positive variance of £0.327m; expenditure to date of £101.474m was ahead of the year to date budget of £100.17m, resulting in adverse variance of -£1.31m.

The Committee approved the Financial Report for Month 5 and reflected upon the efficiencies challenges, particularly around the recurring savings target. The Committee was assured of the best case forecast for 2024/25 being a breakeven position.

The Committee approved the Financial Report for Month 5.

**3.3 Revised Key Performance Indicators for Finance and Performance Committee**

The Committee discussed the Revised Key Performance Indicators (KPIs) presented and agreed a reduced suite of primary Board KPIs be submitted to Board for formal approval.

The Committee discussed the Revised Key Performance Indicators for Finance and Performance Committee.

**3.4 Golden Jubilee Research Institute Quarter 2 Report**

Catherine Sinclair provided a detailed presentation on NHS Golden Jubilee Research Institute (GJRI) Quarter Two Report.

The Committee were informed eight projects were approved for Quarter Two in line with target at 80%. Participant recruitment for the quarter was 144 against a target of 200 (72%) with an expectation of recovery in future months. Invoiced income for the Quarter was reported at 54% above target at £580,600. Income had been generated from commercial and non-commercial research and Chief Scientist Office (CSO) income. Key Performance Indicators (KPIs) were reported as on target, above or close to target for the Quarter.

Catherine Sinclair presented a benchmarking overview of Chief Scientist Office (CSO) income allocations across NHS Health Boards and highlighted that NHS GJ had received an increased allocation for 2024/25 compared to 2023/24. The Committee acknowledged discussions were ongoing to consider opportunities to increase future project involvement.

The Committee approved the Golden Jubilee Research Institute Quarter Two Report, commended the level of income generated and the volume of commercial projects undertaken year to date.

The Committee approved the Golden Jubilee Research Institute Quarter Two Report.

**3.5 Annual Climate Emergency and Sustainability Report**

Carole Anderson presented the Annual Climate Emergency and Sustainability Report.

Carole Anderson explained that Climate Emergency and Sustainable Development was a mandatory requirement as noted within a policy for NHS Scotland on the Climate Emergency and Sustainable Development - DL (2021) and highlighted there had been significant progress to improve the quality of data collection.

The Committee received a detailed and refined report, including updated progress on total carbon emissions, key resources used over the past two years, Nitrous Oxide and Entonox Emissions, Volatile Medical Gas Emissions, Inhaler Propellant Emissions and Site Waste.

The Committee commended the progress made to eradicate or reduce emissions where possible and welcomed the improvements made.

The Committee approved the Annual Climate Emergency and Sustainability Report.

**3.6 Climate Change and Sustainability Update**

The Committee received an update on key developments in the Climate Change and Sustainability Programme.

The Energy and Waste project to reduce the volume of orange bag clinical waste and improve waste segregation had begun and savings would be allocated towards the Achieving the Balance Programme. An audit of out of hours energy use on Level 5 had identified approximately £22,000 and over 16 tonnes of carbon could be saved annually simply by switching off lights and PC monitors out of hours. The Tork paper hand towel three month trial commenced in November with aims to segregate, recycle and improve circularity of paper products. A one month trail of Elis Reusable gowns was planned.

The Committee noted that four contracts had been identified by the Sustainability Prioritisation Tool. Work was due to commence within Medical Physics and Infection Control to review reusable temperature devices. The Procurement Team were engaging with key stakeholders to clarify implementation of the proposed Salary Sacrifice Car Scheme to encourage staff to switch to hybrid and electrical vehicles.

The Biodiversity Sub Group recently opened a new biospace meadow and significant savings had been identified or achieved within Green Healthcare.

The Committee discussed the Climate Emergency and Sustainability Update and also welcomed the good initiatives and commitment to making savings as reported.

The Committee approved the Climate Emergency and Sustainability Update.

**3.7 Climate Change and Sustainability Strategic Group Update Report**

Callum Blackburn presented the Climate Change and Sustainability Strategic Group Update.

The Committee noted the activity updates from each of the Sub Groups and were assured by the level of scrutiny provided by the Climate Change and Sustainability Strategic Group.

The Committee approved the Climate Change and Sustainability Strategic Group Update Report.

**3.8 Public Bodies Climate Change Report 2024**

Carole Anderson presented a detailed overview of the Public Bodies Climate Change Report for approval.

The Committee noted the mandatory requirement to submit the Public Bodies Climate Change report to the Sustainable Scotland Network by 30 November 2024.

The Committee approved the Public Bodies Climate Change Report 2024.

**4. Strategic Planning**

**4.1 Expansion Build Programme Update**

Jonny Gamble presented an Expansion Build Programme Update.

Jonny Gamble updated that Level 2 Endoscopy Day Unit was now operational with phase one of Level 1 Central Sterilising Processing Department (CSPD) scheduled to open in December 2024 and phase two in February 2025.

The Committee noted the internal processes including weekly defect, digital and infection control meetings which were ongoing with key areas of focus. The Work Task Orders continued to progress.

The Committee commended the work to date and were assured by the revised Governance structure.

The Committee noted the very positive patient feedback received on the new Phase 2 Surgical Centre.

The Committee noted the Expansion Build Programme Update.

**4.2 Annual Delivery Plan Quarter Two 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 new draft template prior to implementation for Quarter Two. The Quarter Two update provided information on progress against deliverables at the end of September 2024, a RAG status indicator for each deliverable and had been approved by ELT on 29 October 2024.

Zaid Tariq, Deputy Director of Transformation, Strategy, Planning and Performance, provided the Committee with an overview of the 2024/25 Annual Delivery Plan Quarter Two Update which had been approved for submission to Scottish Government.

The Committee noted the Annual Delivery Plan Quarter Two Update 2024/25.

**5. Corporate Governance**

**5.1 Strategic Risk Register**

Joe Hands presented the Strategic Risk Register.

The Committee noted the Strategic Risk Register had undergone a full review by the Executive Leadership Team which resulted in an update of descriptions, controls and mitigating actions.

Jonny Gamble commended Joe Hands for his excellent work over recent months and for improving the Strategic Risk Register. The Committee noted a Risk Appetite session would be held at the next Board Seminar in January 2025.

The Committee approved the Strategic Risk Register, noted the increased Cyber Security threat and accepted the new Health and Safety risk. The Committee commended the deep dives undertaken on Waiting Times Management.

The Committee approved the Strategic Risk Register – October 2024.

**5.2 Blueprint for Good Governance Implementation Plan 2024/25 Update**

Carole Anderson presented the Blueprint for Good Governance Implementation Plan 2024/25 Update.

The Committee received a detailed action update on the key elements of the report.

The Committee discussed the Blueprint for Good Governance Implementation Plan 2024/25 Update.

**6. Issues for Update**

**6.1 Update to the Board**

The Committee approved and reflected upon the excellent operational performance within Heart, Lung and Diagnostics Division and National Elective Services. The Committee noted the rationale behind the over performance year to date and the challenges due to the delayed opening of Phase 2 and Central Sterlising Processing Department (CSPD) equipment issues. The Committee also noted the challenges to recruitment in Ophthalmology.

The Committee approved the Financial Report for Month 5 and reflected upon the efficiencies challenges, particularly around the recurring savings target. The Committee was assured of the best case forecast for 2024/25 being a break-even position.

The Committee discussed the Revised Key Performance Indicators (KPIs) presented and agreed a reduced suite of primary Board KPIs be submitted to Board for formal approval.

The Committee approved the Golden Jubilee Research Institute Quarter Two Report, commended the level of income generated and the volume of commercial projects undertaken year to date.

The Committee approved the Annual Climate Emergency and Sustainability Report, the Climate Change and Sustainability Strategic Group Update and the Public Bodies Climate Change Report 2024. The Committee also welcomed the good initiatives and commitment to making savings as reported within the Climate Change and Sustainability Update.

The Committee received an overview of the 2024/25 Annual Delivery Plan Quarter Two Update which had been approved for submission to Scottish Government.

The Committee approved the Strategic Risk Register, noted the increased Cyber Security threat and accepted the new Health and Safety risk. The Committee commended the deep dives undertaken on Waiting Times Management.

The Committee discussed the Blueprint for Good Governance Implementation Plan 2024/25 Update.

**7. Any Other Competent Business**

Jonny Gamble advised that Finance colleagues had held an awareness raising stall to support the work of Counter Fraud Services.

The Committee commended the support provided.

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

 Tuesday 19 November 2024, 10:00, MS Teams.