**Approved minutes**

**Meeting: Finance and Performance (FP) Committee**

**Date: 4 March 2021**

**Venue: MS Teams Meeting**

**Members**

Stephen McAllister Non-Executive Director *(Chair)*

Rob Moore Non-Executive Director (*Vice Chair)*

Jane Christie-Flight Employee Director

Karen Kelly Non-Executive Director

Linda Semple Non-Executive Director

Anne Marie Cavanagh Director of Nursing and AHPs

Colin Neil Director of Finance

June Rogers Director of Operations

**In attendance**

Susan Douglas-Scott Board Chair

Carole Anderson Associate Director of Quality, Performance, Planning & Programmes

Liane McGrath Head of Corporate Governance

Nicki Hamer Deputy Head of Corporate Governance

**Minutes**

Lilian Russell Programme Support Officer

**Apologies**

Mark MacGregor Medical Director

Jann Gardner Chief Executive

Gareth Adkins Director of Quality, Innovation & People

**1 Opening remarks**

**1.1 Chairs introductory remarks**

Stephen McAllister opened the meeting and thanked committee members for their attendance via MS Teams.

Members were advised that discussions on the Surgical Robotics Business Case item would be held in private session due to sensitivity to the business of the Board.

Liane McGrath introduced Nicki Hamer, who has recently joined the organisation as Deputy Head of Corporate Services. It was advised that Nicki Hamer would be in attendance and deputise for Liane McGrath at the Board Committee meetings

**2 Apologies**

Apologies were noted as above.

**3 Declarations of Interest**

Previous standing declarations of interest were noted.

With regards to the Surgical Robotics Business Case Strategy item planned for discussion within the private Committee session, Linda Semple noted her Non-Executive Director role with NHS Ayrshire and Arran. Although this was unlikely to raise any conflict of interest, Linda Semple would not attend this part of the meeting.

**4 Updates from last meeting**

**4.1 Unapproved Minutes**

The minutes of the previous meeting were read and approved, subject to a minor amendment to the last paragraph in item 6.3 NHS Golden Jubilee Remobilisation Plan Update.

**4.2 Action Log**

All actions were agreed as closed.

**5 Effective – Operational / Finance Performance Review**

**5.1 Operational Performance – Integrated Performance Report February 2021**

June Rogers presented the Operational Performance position to the Committee and advised that Ophthalmology and Orthopaedics activity levels were positive. Both the inpatient and outpatient waiting lists were decreasing, in addition, the number of patients waiting over 12 weeks declined for the month of January 2021.

Stephen McAllister enquired regarding revision patients and June Rogers advised that there has been an increase in the number of Orthopaedic urgent revision patients at NHS Golden Jubilee since the start of the pandemic. It was further reported that there has been an increase in priority patients from other NHS Boards and this has displaced some routine activity. Jane Christie-Flight noted the potential impact of an increase in Priority 2 on 12 Week Treatment Time Guarantee performance. June Rogers confirmed that work was ongoing to optimise patient throughput to support the recovery of waiting times on a national basis.

Cardiac Surgery referral levels continue to decrease; work is ongoing to analyse the causes of this trend. The implementation of the extended day commenced September 2020 and there is ongoing engagement with the clinical teams to evaluate and review the patient flow and efficiency of the cardiac theatres.

The Interventional Cardiology service continues to admit patients in order of clinical priority. The repatriation of patients back to their referring Board continues to be challenging and subsequently NHS Golden Jubilee have increased bed capacity to accommodate this demand. It is anticipated that this will remain a pressure over the next few months.

Work is ongoing within the Clinical teams to address the Electrophysiology (EP) waiting list and secure admission dates for patients waiting beyond 12 weeks.

During January 2021 there was an increase in requests from NHS Scotland Boards for support with Cancer procedures. Plans have been developed with NHS Tayside and NHS Grampian to explore collaborative working to increase capacity. This would ensure maximum theatre utilisation and also reduce the clinical time for any one surgeon to be on site to provide post-operative care.

The Committee noted the Operational Performance update.

**5.2 Financial Performance – Integrated Performance Report February 2021**

Colin Neil presented the Finance report for Month 10 and highlighted the following points:

* A surplus of £225k (includes core, non- core and income) was reported.
* Income was under recovered at £17k (this excludes the Conference Hotel).
* A core expenditure (pay and non-pay) underspend of £449k was also noted and is a direct consequence of reduced activity and expenditure for the first six months of the year.
* The non-core expenditure reflects a breakeven position.

It was reported that the Capital funding of £2.691m is progressing well in line with plan, with additional funding for the Recovery Plan and Expansion Programme confirmed.

Colin Neil advised that the current income position reflects the reduced activity in services during the first half of the year and the realigning of the budget in February 2021 will take cognisance of the impact of Covid-19 and other significant factors throughout the year. Furthermore, it was noted that any surpluses at the end of this financial year will be retained by Scottish Government (SG).

The Golden Jubilee Conference Hotel income was reported and remobilisation plans continue, including the upgrading of further bedrooms in March 2021. It is anticipated that the year-end position for the Hotel remains to be forecast at breakeven.

Karen Kelly referred to the Revenue Resource Limit (RRL) allocation and Colin Neil advised that discussions are ongoing with the Scottish Government with regards to Service Level Agreements (SLA), final adjustments to marginal costs will be progressed for the March 2021 RRL allocations.

It was noted that Divisional Teams continue to focus on efficiency savings with regular Performance Review Group (PRG) meetings in place. This process has generated improvement in identifying saving schemes and other provisional future opportunities.

Susan Douglas-Scott enquired regarding the position of Cath Lab 5 and Colin Neil advised that there are ongoing discussions with the West of Scotland (WoS) and a paper is in development to review activity in this area. The Committee will be updated in due course.

The Committee discussed the potential impact if the EU Withdrawal on building materials for the Hospital Expansion Programme and were assured that no significant impact had been experienced to date. It was further advised that contingency plans are in place to mitigate against any potential impact. Cost forecasts remain within trajectory plans; this area will continue to be closely monitored as the programme progressed.

The Committee were assured of the financial position at Month 10 and approved the Finance Report.

**5.3 NHS Golden Jubilee Remobilisation Plan (RMP)**

June Rogers provided key highlights on the continued remobilisation and recovery of NHS Golden Jubilee clinical services and the optimal use of capacity to support the wider NHS Scotland recovery.

The one-year activity plan (2021/22) includes sustaining and developing core clinical services such as cardiology, cardiothoracic, ophthalmology and orthopaedics to optimise outcomes, productivity and patient care experience.

Development of new essential services such as the provision of complex cancer surgery is included, in addition to the increase use of robotics and diagnostic capacity.

Colin Neil provided members with details on the financial funding to support remobilisation. It was advised that further iterations of the funding requirements for the RMP may be submitted to SG in response to any changes in circumstances throughout the year, which may include developments relating to the pandemic.

Carole Anderson advised that the draft NHS GJ RMP was submitted to SG on 26 February 2021 and initial feedback is awaited. The RMP will be presented to the Board for formal sign-off at the March 2021 Board meeting.

Linda Semple referred to the appendix for Centre for Sustainable Delivery (CfSD) and when this would be available to view. A response was provided that this should be concluded and submitted to the next Board meeting.

The Committee noted the NHS Golden Jubilee RMP Update.

**5.4 NHS GJ Financial Plan 2021/22**

Colin Neil delivered a presentation on the 2021/22 financial plan and the following key points were highlighted:

* Initial funding requirements for the NHS Scotland Academy have been identified.
* CfSD and Elective Treatment Centres are part of the core financial plan.
* 2021/22 pay ward - 1% uplift will be back dated to 1 December 2020.
* A high level 2021/22 Covid-19 forecast return indicates additional cost to £15.8m and the RMP will be a key element
* Current model suggests Efficiency Savings requirements will be approximately £4m.

Karen Kelly referred to previous financial plans and the requirement for Healthboards to break even over a three-year period. Colin Neil commented that for this year (2021/22), the Scottish Government are now requesting a one-year cycle for forecasting plans.

The Committee noted the Financial Plan 2021/22.

**5.5 Expansion Programme Update**

June Rogers updated members on the New Eye Centre and advised that recruitment has been accelerated to accommodate the future increase from 3.4 theatres to 6 theatres. All outstanding actions, since the building has become operational, are almost complete.

The Expansion Team have developed a draft action plan for Phase 2 based on the highlighted items through the various work stream groups.

Colin Neil added that the final HFS Assurance Review report for Phase 2 is currently being issued and will be submitted to the next Board meeting.

The Committee noted this update**.**

**6 Corporate Governance**

**6.1 Annual Review of KPIs for IPR**

Carole Anderson advised that the IPR key performance indicators are subject to annual review to ensure the ongoing alignment with the Board priorities and to promote a culture of continuous improvement.

It was noted that there are ongoing plans to produce additional dashboards, containing indicators for a range of groups, these plans will take into consideration the pandemic and the new Remobilisation plans. This may involve adjustments to trajectories or revision of targets and the inclusion of Statistical Process Charts to enable performance to be viewed over time.

The Performance Team are liaising with target leads to agree proposed changes. The proposals will be submitted to the Chair of each Board Committee for discussion before approval at the May 2021 Board Committee meeting cycle.

Members commented that an annual review of performance indicators is necessary to set progress for the year ahead.

The Committee noted the proposals.

**6.2 FPC Draft Annual Report 2020/21**

The Draft Finance and Performance Committee (FPC) Annual Report was presented, which reflected the change of title and a refresh of the Committee membership including the new FPC Chair and Vice Chair.

Linda Semple proposed that the date of when the title of the Committee was changed to be inserted into the report.

The report will be submitted to the Audit and Risk Committee in April 2021 to inform the Governance Statement within the Board Annual Report and Accounts.

Committee Members approved the FPC Annual Report.

**Action: LMcG to insert the date of the change in title into the FPC Annual Report 2020/21.**

**7 For Noting**

**7.1 Integrated Performance Report – January 2021**

The Committee noted the Integrated Performance Report for January 2021.

**8 Any Other Competent Business**

There was no other competent business to discuss.

**9 Issues for reporting to GJ Board**

Committee Members agreed a short update on the following would be taken to the March 2021 Board Meeting:

* Operational Performance
* Financial Position at the end of Month 10
* Potential impact of the EU Withdrawal on building materials for the Hospital Expansion Programme
* Draft Remobilisation Plan (RMP) and timelines for submission to the Scottish Government
* Annual Review of the KPIs for the Integrated Performance Report
* Approval of the FPC Annual Report
* Proposal for the Surgical Robotics Business Case, these discussions were held in private as they contained details sensitive to the business of the Board.

**10 Date and Time of Next Meeting**

Wednesday 12 May 2021 at 10am.