# **Unapproved Minutes**

**Finance and Performance Committee**

**Tuesday 11 March 2025, 10:00 hours**

**MS Teams Meeting**

**Members**

Callum Blackburn Non-Executive Director *(Chair)*

Jane Christie-Flight Employee Director

Lindsay MacDonald Non-Executive Director

Rebecca Maxwell Non-Executive 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 4.4)

Graham Stewart Deputy Director of Finance

Kevin McMahon Head of Risk and Clinical Governance (Item 6.1)

Nicki Hamer Head of Corporate Governance and Board Secretary

Susan Douglas-Scott Board Chair

Zaid Tariq Deputy Director of Quality, Performance, Planning and Programmes (Item 5.3)

**Apologies**

Stephen McAllister Non-Executive Director

**Minutes**

Liam Hanlon Senior Corporate Administrator

**1 Opening Remarks**

**1.1 Chair’s Introductory Remarks**

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

**1.2 Apologies**

There were no apologies noted.

**1.3 Declarations of Interest**

There were no declarations of interest to note.

**2. Consent Agenda Items – Approval Only**

**2.1 FPC Terms of Reference Review**

**2.2 FPC Work Plan 2025/26**

The Chair highlighted the items under the Consent Agenda Item for approval. As no member raised any concern, these items were approved.

Finance and Performance Committee approved the Terms of Reference and Work Plan for 2025/26.

**3 Updates from last meeting 19 November 2024**

**3.1 Unapproved Minutes**

Minutes from the meeting held on 19 November 2024 were approved as an accurate record.

**3.2 Action Log – no live actions**

There were no live actions to discuss.

**3.3 Matters Arising**

There were no matters arising.

**4. Operational/Financial Performance Review**

**4.1 Operational Performance – Performance Report**

Carolynne O’ Connor explained that the Performance Report for month nine was in line with the new governance format for submitting papers. This was submitted as a paper and not a presentation in line with the new format.

**Heart Lung and Diagnostics**

Carolynne O’Connor reported that Heart, Lung and Diagnostics (HLD) Division activity was 1% behind the Annual Delivery Plan (ADP) in December. The previous quarter had seen a reduction in the number of patients who had been waiting more than fifty two weeks. This figure included Transcatheter Aortic Valve Implantation (TAVI) and Scottish Adult Congenital Cardiac Service (SACCS) patients. There had been a reduction in waiting times for Cardiac Surgery and Day of Surgery Admission (DOSA) rates had improved.

Efficiency work in HLD was on target. Significant savings were projected for the future. Funding for a third CT scanner had been approved and installation planning for this had commenced. There had been challenges regarding delivery of the TAVI target and close monitoring of this would continue and steps had been taken to improve on this with the Mobile Cath Lab coming on site during February and March 2025.

Cardiac activity was reported at 1% above target although Cardiac also carried a risk of reduced capacity due to sickness absence. The SACCS Unit had also formulated a plan on how to meet the 52 week target.

Cancer services met the 31 day cancer target. TAVI was slightly behind target although there had been a 63% reduction in waiting lists since April 2024. Electrophysiology (EP) was on plan to meet the ADP target with the Device service 2% ahead of target. Two new Consultants had been appointed which would help to improve performance.

Radiology was ahead of target by 1%. An outcome from the five over seven day working week bid to Scottish Government was awaited which would also help to increase capacity.

**National Elective Services Division**

Carolynne O’Connor reported that at month nine, National Elective Services (NES) Division was reported at 6% behind the ADP due to a delay with the opening of the new Central Sterilising and Processing Department (CSPD). In addition there had been further issues in which washers broke down and this had an effect on Endoscopy activity.

There had been an increased sickness absence rate of 8.8% within both long and short term absence, which had impacted activity. TURAS completion rate remained consistent at 75%.

Over 1000 cataract procedures were performed by Ophthalmology against a plan of 946, however this remained 7% behind plan. Discussions were ongoing with NHS Greater Glasgow and Clyde (NHS GGC) and National Groups on how to attract more Ophthalmology Consultants. Work around this was also being progressed by NHS Scotland Academy for tailored training and development. The NES Team were maximising cataract procedures per list and weekend working continues to support recovery. In addition, 78% of Band 5 Registered Nurses were now competent to work across all three areas within Eye theatres, which would help to increase throughput.

There had been 54% on the day cancellations replaced directly from clinic leading to an overall cancellation rate of 3.6%. This increase in the number of patients operated on the same day as their initial clinic appointment helps to offset the cancellation rate.

Endoscopy reported 8% behind plan but weekend working continued to help recover the position.

Orthopedics were 4% behind plan overall, consisting of 15% behind on joint surgery, 9% behind on Foot and Ankle but Hand and Wrist and Soft Tissue Knee remained ahead of target. The Committee noted that the Enhanced Recovery After Surgery service won first prize in a poster competition at the ERAS UK Conference for the recliner chairs audit.

General surgery reported 17% ahead of plan with Colorectal being 22% behind plan year to date.

Rebecca Maxwell asked what would happen if NHS Golden Jubilee (NHS GJ) were behind target at year end

Carolynne O’Connor advised that regular contact with Scottish Government continued and outlined a strong position throughout which highlighted a focus on Phase 2 delivery and that risks had been managed appropriately. In addition NHS GJ had supported other NHS Health Boards and it was likely this would be taken into account regarding any potential consequences, although it appeared that any consequences arising from not meeting activity targets would be limited.

Lindsay MacDonald suggested a shortlist of next year’s priority areas of focus was developed to include things such as the Annual Delivery Plan, Risk Register, CSPD, the shortage of Anaesthetists and the Phase 2 staffing plan. This could be accompanied by a plan on how to mitigate such risks.

Carolynne O’Connor suggested that a plan could be detailed within the report itself and provided an update regarding some of the aforementioned risks which included that the new CSPD service was planned to open at the end of March. Anaesthetist resource was expected to improve within the next year and Phase 2 commissioning included plans to open further theatres. There were ongoing national discussions about investigating any potential for more capacity. In addition there were challenges in nursing recruitment but those were manageable.

Gordon James highlighted there were two ongoing contingency plans in place which included mutual aid with NHS GGC and working with STERIS. The challenges in CSPD had been reported formally through the Expansion Programme Board and workforce remained a challenge in CSPD.

Anaesthetists workforce was a challenging market across the UK and advised that NHS GJ had taken pro-active steps to improve performance where possible by increasing the number of Bank Anaesthetic staff. There was also a plan in place to offer opportunities to Consultants to do additional cataract surgeries.

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| **Action No.** | **Action** | **Lead** | **Deadline** |
| FPC250311/01 | **Operational Performance – Performance Report** A section within the report to be added to include a shortlist of risks and how they would be mitigated. | Carolynne O’Connor | 13/05/2025 |

The Committee approved the Operational Performance – Performance Report.

**4.2 Financial Summary Report – Month 10**

Jonny Gamble highlighted that the financial position year to date at Month 10 was a £118,000 deficit but the breakeven forecast position at the end of the financial year remained.

Over the last two months the capital programme has seen an increase in expenditure reflecting the in-year allocations from Scottish Government.

The Achieving the Balance programme has proven to be successful with an over-delivery position achieved in 2024/2025. The primary stated goal was to breakeven with a secondary goal to achieve recurring savings. The success of Achieving the Balance has come from the combined efforts made by staff, achieving a high quality of care whilst delivering within budget. In addition, a healthy culture of identifying efficiency has been embedded.

Callum Blackburn complimented the Finance Team and the good work showcased in the report. To breakeven was a good position and the newly embedded culture would provide benefit.

Rebecca Maxwell complimented all staff for their efforts including the Executive Leadership Team. There was a discussion around the recurring and non-recurring savings, especially the non-pay expenditure and suggested this could perhaps be discussed further at a future Board Seminar.

Susan Douglas-Scott reiterated that the main highlight was the stated projection of breakeven for 2024/25. She thanked all staff for helping to produce this outcome as this was a complex goal and high quality care had been achieved throughout.

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| **Action No.** | **Action** | **Lead** | **Deadline** |
| FPC250311/02 | **Financial Summary Report – Month 10** – Consideration to be given to further discussion at Board Seminar on the 2025/26 savings plans | Jonny Gamble/Nicki Hamer | 31/07/2025 |

The Committee approved the Financial Summary Report – Month 10.

**4.3 Capital Plan Update**

Jonny Gamble reported that the Capital Programme had increased significantly in value resulting in a requirement for more robust reporting and governance. Jonny Gamble reported the importance of ensuring plans were delivered within the financial year and provided assurance that plans were in place to ensure this was achieved.

Rebecca Maxwell asked if there was any flexibility in the event of potential slippage.

Jonny Gamble advised this was something which would require to be discussed with Scottish Government and provided assurance that he and his team were in regular contact with SG to keep them up to date and seek advice should this situation occur.

Callum Blackburn highlighted the potential challenge to staff of equipment being received quickly and added that as Sustainability Champion, it was pleasing to see the investment in Carbon reduction initiatives such as LED lighting

The Committee approved the Capital Plan update.

**4.4 Golden Jubilee Research Institute – Quarter 3 Report**

Catherine Sinclair reported that work within the Golden Jubilee Research Institute (GJRI) had been going very well with a number of approved projects progressing on target and the number of projects having increased. There had recently been a minor dip in progress while the new Deputy Head of Research was bedding into the role. The number of departments with ongoing projects had increased overall. A Research Administrator had been appointed which would help to progress projects. In addition, having a new Deputy Head of Research would support an increase in the number of projects which could be approved.

Catherine Sinclair advised there had been a number of new additions to the team including Band 5 Administrator roles with further plans to recruit to a Clinical Trials Assistant and a Research Nurse Manager.

Callum Blackburn complimented Catherine Sinclair on the good work outlined in the report.

The Committee approved the Golden Jubilee Research Institute – Quarter 3 Report.

**5. Strategic Planning Update**

**5.1 Annual Delivery Plan Quarter Three Report**

Zaid Tariq presented the ADP Quarter Three report for October to December 2024 which also included a projection for Quarter Four.

Zaid Tariq provided an overview of the five key areas within the twelve deliverables. Five had amber status and the remaining 7 were on track. There were no deliverables with a red status.

There had been no change in status of deliverables to date within Quarter Four nor any requiring escalation. Moving forward the expanding workforce plans would help to improve some of the deliverables marked as amber.

Susan Douglas-Scott commented that it was good to see the progress made and added it was reasonable to have some actions sitting as amber.

The Committee noted the Annual Delivery Plan Quarter Three Report.

**5.2 Financial Plan 2025/26**

Jonny Gamble highlighted that there were two key upcoming dates regarding the submission of the Financial Plan for 2025/26. A draft submission to NHS GJ Board on 27 March 2025 and a final submission to SG on 17 March 2025. As the submission date to SG was prior to the NHS GJ Board meeting date, approval was sought by the Committee, subject to final approval by NHS GJ Board on 27 March 2025.

Jonny Gamble reported that in summary, the Plan outlined a breakeven position, noting the ongoing Expansion Plan and included assumptions for fully funded pay awards and the increase in National Insurance. Overall there was an efficiency challenge of around 3% of expenditure but this was deemed manageable. The Achieving the Balance approach and the culture of identifying efficiency will help deliver the programme.

In summary the key points behind the plan were that inflation was lower than the last few years (It had been projected that there would be a reduction in energy costs in the coming year based on the latest SG guidelines). The costs to deliver the increased activity are planned at £8.8 million.

Jonny Gamble continued that core NES funding will be received up front and had been increased as an assumption regarding inflation. The pay awards, the reduced working week and the rise in National Insurance are assumed to be fully funded. The true inflation figure could potentially impact the savings projection for 2025/26. The goal had been set at breakeven, which was deemed an achievable goal.

There will be less flexibility in the capital plans for 2025/26 with a lower projected spend and a subsequent gap in the five year plan in core funding.

Rebecca Maxwell highlighted the complexity of some assumptions, especially the price of energy and the efficiency gap.

Jonny Gamble clarified that Phase two energy costs were included within Phase 2 funding and provided assurance there was flexibility that a loss or gain of a few hundred thousand pounds in inflation was tolerable.

Lindsay MacDonald asked what the outcome would be if the price of energy did not reduce and how recurring funding and depreciation of assets could affect plans.

Jonny Gamble advised the Plan was based upon robust forecasting. The plan for expansion was appropriate as Capital funding was underfunded in Scotland nationally and some of NHS GJ’s current equipment was at the end of its advised lifespan. It was advisable for the Executive Leadership Team to have some ready-made business cases for required purchases should additional funding become available from SG.

Gordon James agreed that it would be beneficial for Executives to provide a portfolio based upon what staff had highlighted as equipment or improvements they would find beneficial. This would allow NHS GJ to provide SG with options should an increase in capital spending become available. NHS GJ had benefitted from this approach previously.

Rebecca Maxwell asked if NHS GJ were in a unique position regarding the gap in core capital allowance and non-recurring depreciation. Jonny Gamble explained that NHS GJ had a higher funding gap in this regard due to the growth of the organisation over the last 10 years.

Gordon James further clarified that SG were duty bound to cover depreciation and NHS GJ’s bottom line funding would not be impacted from this.

The Committee approved the Financial Plan 2025/26 as a final draft subject to final approval by NHS GJ Board.

**5.3 Annual Delivery Plan 2025/26**

Carole Anderson provided an update on the Draft ADP which was due to go to NHS GJ Board for approval on 27 March 2025 and submitted to SG on 17 March 2025.

Carole Anderson reported that the ADP contained expectations set out by SG regarding performance against themes such as national priorities, SG reforms, Ministerial Plans and the expected role of NHS GJ. All of the objectives and activity plans developed by NHS GJ were set out within the appendices and included the key risks such as workforce and core services.

Carole Anderson provided an overview of some of the key activities which included:

* Bids for Planned Care and a 5 over 7 day working week in Radiology.
* Collaboration – working with other Health Boards on improved efficiencies.
* Expanding access to Heart and Lung care.
* An aim to provide 460 TAVI procedures. Discussions with SG were ongoing around this.
* An aim to reduce waits for Non-ST Segment Elevation Myocardial Infarction (NSTEMI) procedures to comply with the 72 hour target.
* Strengthen Cancer care.
* Agreement to escalate risks where necessary.
* Workforce improvements aligned to the future Workforce Plan.
* Finance of Digital improvements
* CfSD plans to streamline care and pathways.
* Anchor work – to work with local business providers especially on green projects and the NHS Scotland Academy.

The Committee approved the Annual Delivery Plan 2025/26.

**6 Corporate Governance**

**6.1 Strategic Risk Register – March 2025**

Jonny Gamble explained that the main risks were detailed on page three within the report. Since the last update, the picture had remained static with no new risks added in Quarter Three.

Jonny Gamble suggested further discussion at a Board Seminar on risk tolerance and appetite would be beneficial and highlighted that Kevin McMahon, the new Head of Risk and Clinical Governance, would progress to include more detail on definition of terms.

Kevin McMahon added that the attached meeting paper outlined the Strategic Risk Summary and highlighted recent challenges with capacity and reporting, although provided assurance that Risks had been managed appropriately.

Rebecca Maxwell highlighted a risk regarding infrastructure of CSPD and EDU categorised as red. Kevin McMahon provided assurance that there was an upcoming meeting to progress this risk.

The Committee approved of the Strategic Risk Register – March 2025.

**6.2 Blueprint for Good Governance Implementation Plan**

Carole Anderson informed the Committee that the end of year report had been provided with a view to closing the Blueprint for Good Governance Implementation Plan 2024/25 actions for the Clinical Governance Committee.

Carole Anderson advised of the following:

* Progress reports would be provided at the end of each year.
* Review of Key Performance Indicators (KPIs) was now a standing item within the Performance Report
* The Debrief agenda item was now fully embedded on all agendas
* Benchmarking was routinely used in Integrated Performance Reports (IPR) and would be part of the future Board Performance Report.

The Committee approved the Blueprint for Good Corporate Governance Implementation Plan.

**7 Consent Agenda Items – For Awareness Only**

There were no Consent Agenda Items for Awareness presented.

**8 Update to the Board**

* The Committee approved and reflected upon the excellent operational performance within HLD and NES for Month 9. The Committee noted the reduction in waiting times and the improved DOSA rates. The Committee also noted that a third CT scanner had been approved and implementation has started.
* The Committee approved of the Financial Summary Report for Month 10 and noted the forecast of a breakeven position. The Committee noted the work of Achieving the Balance has helped to embed a new healthy culture and approach in finance.
* The Committee approved of the Capital Plan Update noting the financial year end challenges and the mitigations to address these.
* The Committee approved the Golden Jubilee Research Institute – Quarter 3 Report, noting most projects were on target. A new Deputy Head of Research has helped to increase the number of projects which are approved.
* The Committee approved the Annual Delivery Plan Q3 Report.
* The Committee discussed the assumptions and risks relating to a three year break even plan and approved the “Final Draft” Financial Plan 2025/26 to 2027/28 to be submitted to Scottish Government with the Final Plan going to Board on 27 March 2025.
* The Committee approved the Draft ADP for 2025/2026

**9. Any Other Competent Business**

None.

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

Tuesday 13 May 2025, 14:00, MS Teams.