

## Approved Minutes

### Finance and Performance Committee Thursday 12 February 2026, 14:00 hours MS Teams Meeting

#### Members

Stephen McAllister	Non-Executive Director ( <i>Chair</i> )
Callum Blackburn	Non-Executive Director
David McClelland	Non-Executive Director
Lindsay Macdonald	Non-Executive Director
Rebecca Maxwell	Non-Executive Director
Steve Plummer	Non-Executive Director
Stuart Burnside	Employee Director

#### Core Attendees

Carole Anderson	Executive Director of Transformation, Strategy, Planning and Performance
Carolynne O'Connor	Chief Executive
Jonny Gamble	Executive Director of Finance
Lynne Ayton	Executive Director of Operations

#### In Attendance

Christine Nelson	Deputy Head of Corporate Governance
Susan Douglas-Scott	Board Chair
Zaid Tariq	Deputy Director of Quality, Performance, Planning and Programmes

#### Apologies

Nicki Hamer	Head of Corporate Governance and Board Secretary
Mark McGregor	Executive Medical Director
Graham Stewart	Deputy Director of Finance

#### Minutes

Jennie McLaughlin	Senior Corporate Administrator
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## 1 Opening Remarks

### 1.1 Wellbeing Pause and Chair's Introductory Remarks

The Chair opened 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. Content Agenda Items – Approval Only

### 2.1 Finance and Performance Committee Terms of Reference 2026/2027

Finance and Performance Committee approved the Terms of Reference 2026/2027.

## 3 Updates from last meeting 13 November 2025

### 3.1 Unapproved Minutes

Minutes from the meeting held on 13 November 2025 were approved as an accurate record.

Finance and Performance Committee approved the Minutes.

### 3.2 Action Log

The Committee acknowledged there was nothing to note on the Action Log.

Finance and Performance Committee approved the Action Log.

### 3.3 Matters Arising

There were no matters arising.

## 4. Operational/Financial Performance Review

### 4.1 Operational Performance - Month 8

Lynne Ayton provided an update on the Operational Performance Report and highlighted key areas within the Divisional Annual Delivery Plan (ADP). It was noted that reporting terminology would be reviewed in future reports to provide greater clarity regarding performance descriptions.

#### **Some of the successes noted:**

- Physiotherapy teams had successfully mobilised patients on ECMO within ITU, building on previous innovation in mobilising patients with intra-aortic balloon pumps.
- Cardiac MRI (CMR) waiting times were improving, with further work planned in Quarter Four to further reduce waits.
- The highest endoscopy utilisation rate this year was reported at 88.4%, with the team also receiving the Top Team Award.
- Ophthalmology Did Not Attend (DNA) rate reduced to 4.8% following recent interventions to replace cancelled appointments.
- A 10% increase in post-operative Day zero mobilisation to 62%, the highest level since July 2025, with patients now routinely managed through the Surgical Admissions and Recovery Unit.
- The second consecutive monthly increase in uni-compartmental knee patients completing the day case pathway, rising from 16% to 21%, progressing towards the 25% peer review target.
- No further incidents were reported in theatres relating to High-efficiency Particulate

Air (HEPA) filter blood contamination or reduced water pressure, with painting and floor replacement works progressed.

**Some of the challenges noted:**

- Scottish Adult Congenital Cardiology Service (SACCS) pause in service continued. The External Review report was received in mid-December 2025 and an action plan had been developed and presented to the Clinical Governance Committee.
- Laboratory Information Management (LIMS) system implementation remained behind schedule. However, extended supplier support had been secured and work was progressing towards operational readiness.
- The four joint rate remained between 57% and 65% over the last six months, impacted in part by supervised training lists.
- Orthopaedic activity had been affected by consultant unplanned leave, including sickness absence, resulting in downtime and forecast deficit against plan.

**Heart, Lung and Diagnostics**

The Committee welcomed the significant quality improvement in mobilisation of Extracorporeal Membrane Oxygenation (ECMO) patients within Intensive Treatment Unit (ITU) and commended the Physiotherapy and Critical Care teams for this development.

Cardiac Magnetic Resource Imaging (MRI) waiting times were reported as improving, with urgent waits currently between zero and three weeks. Additional focus in Quarter Four would aim to reduce these further.

The SACCS pause in service continued. Members noted that the External Review report had been received and that CMP Solutions were supporting delivery of the associated action plan.

**National Elective Services**

Endoscopy performance was reported at 88.4% utilisation, the highest this year, with continued over performance against ADP planned into Quarter Four to support the NHS Scotland backlog.

Ophthalmology performance was clarified as stable, with the previously reported deficit relating to NHS Scotland Academy activity assumptions within the ADP. The deficit had been significantly reduced through increased activity in alternative sessions, and DNA rates had improved.

Orthopaedic performance remained impacted by unplanned Consultant leave. It was acknowledged that, as a finite resource, capacity was directly affected by staffing levels. While the orthopaedic deficit would not be fully recovered, NES overall was forecast to achieve target, which remained the ultimate performance measure.

**Theatres and Quality Improvement**

Members noted there had been no further environmental incidents in Theatres and welcomed progress with planned infrastructure works.

The Committee discussed capacity forecasting and assurance was provided that adjustments had been built into next year's ADP to reflect known staffing constraints. Further detailed discussion on the ADP would be scheduled for the next Board meeting.

Finance and Performance Committee approved the Operational Performance Report.

#### **4.2 Financial Summary Report – Month 8**

Jonny Gamble presented the Financial Summary Report and advised that at Month 8, NHS GJ reported a £1.8million surplus year to date, with confidence in achieving a breakeven position at year end.

It was noted that the 2025/26 financial plan required delivery of £8.4million in efficiency savings. At Month 8, £5.8 million had been delivered year to date, with full delivery of the £8.4million target forecast. Of this, £1.9million had been delivered on a recurrent basis, which was welcomed as a positive position in supporting future financial sustainability.

The surplus position was reported as comprising £0.73million overachievement against income and £1.1million underspend against the cost base. Members noted that delivery of savings had been supported through Board-led central finance schemes, including procurement and medicines management initiatives.

In response to questions regarding the sustainability of savings, Jonny Gamble advised that work undertaken with Executive colleagues had identified a potential 7 figure recurrent saving which would contribute to next year's recurring target. It was acknowledged that some benefit arose from vacancy management and careful use of bank and overtime in place of agency, while recognising the distinction between recurring and non-recurring savings.

The Committee welcomed the robust revenue position and noted that variances across income and expenditure were manageable.

Finance and Performance Committee approved the Financial Summary Report – Month Eight.

#### **4.3 Capital Plan 2025/26**

Jonny Gamble presented the Capital Plan update and advised that capital expenditure at Month 8 totalled £3.5million against a £19.8million allocation.

It was acknowledged that expenditure was proportionately lower than the elapsed period of the financial year. However, assurance was provided that there were clear reasons for profiling differences across individual schemes. Jonny Gamble emphasised his statutory responsibility to ensure that NHS GJ did not breach the Capital Resource Limit, while also aiming to maximise utilisation of available capital funding.

Members were advised that strengthened governance arrangements, including the reinvigoration of the Strategic Capital Programme Group, had improved oversight and scrutiny of capital commitments. This had enhanced coordination with clinical and operational colleagues to ensure equipment purchases were appropriate, deliverable and aligned to service need.

The Committee discussed the risk of capital slippage and the potential for further revenue to capital transfers. Jonny Gamble advised that it would not be possible to convert unspent capital back to revenue within the same financial year. However, discussions with Scottish Government had been positive regarding the potential for a further revenue to capital transfer in the next financial year. Plans were also in place to mitigate any risk of slippage through flexibility in capital commitments, including potential swap arrangements.

It was noted that NHS GJ's capital allocation remained proportionately low relative to revenue turnover and service growth, and that continued revenue to capital transfers may be required longer term to de-risk the capital programme.

Finance and Performance Committee noted the Capital Plan 2025/26 update.

#### **4.4 Digital Steering Group Update**

Jonny Gamble presented the first update from the Digital Steering Group and advised that the paper was for awareness. It was noted that the update would likely be presented as a consent agenda item in future.

Jonny Gamble highlighted that the purpose of the Digital Steering Group was to strengthen alignment between digital priorities and the needs of clinical, divisional and corporate colleagues. The Group membership included senior leaders from across the organisation together with senior digital representatives, ensuring a clear bridge between service requirements and digital delivery.

Members noted that the key aim of the Group was to agree shared priorities across Clinical services, Finance, HR and QI functions, alongside digital team objectives, to ensure strategic alignment which had not always been consistent historically.

It was reported that a number of subgroups would support delivery of the digital agenda. Terms of Reference and membership had been agreed for the Clinical Digital Subgroup and the Corporate Digital Subgroup, with a further subgroup in development. These groups would undertake detailed work on key programmes, including future Electronic Patient Record (EPR) development.

The Committee noted the importance of effective governance to enable closure of actions within the Digital Improvement Plan and to agree strategic approaches. It was reported that the Desktop Strategy and Print Strategy had been approved.

Reference was made to data governance arrangements, with clarification that relevant matters would also align with the Clinical Governance Committee as appropriate.

Members discussed the role of the Digital Steering Group in supporting future audit requirements. It was noted that this would be the final year of the current NIS audit model, which would transition to a more live testing approach. While the Group would not be the primary driver of audit activity, it would support good governance and digital maturity.

The Committee discussed the growing role of Artificial Intelligence (AI) within health and governance. It was noted that national policy frameworks were in place, including Scotland-wide digital health and data strategies, and that approved tools such as Microsoft Copilot had been aligned to national guidance. Members acknowledged that AI was already embedded across a range of clinical and operational systems and emphasised the importance of ethical use, clear governance and alignment with national policy.

It was agreed that a future Board seminar may provide an opportunity to explore AI and digital governance in greater depth to support Non-Executive understanding and oversight.

Finance and Performance Committee noted the Digital Steering Group update.

## **5 Strategic Planning Update**

### **5.1 Annual Delivery Plan 2025/2026 Template Quarter 3; including Operational Improvement Plan 2025/26 Quarter Three 3**

Carole Anderson presented the Strategic Planning Update, including the ADP and Operational Improvement Plan (OIP), and introduced Zaid Tariq to take the Committee through the presentation.

Zaid Tariq reported that at the end of Quarter Three, 12 ADP deliverables were rated which included 8 green, three amber, and one red. The red-rated deliverable related to the planned care profile for CT3, which remained under profile despite improvements and ongoing booking process changes. Delivery depended on allocations from territorial health boards, and the red rating was expected to continue into quarter four.

The three amber ADP deliverables concerned reducing waits over 52 weeks for interventional cardiology and improving cardiac imaging, delivery of the ophthalmology ADP affected by cataract faculty recruitment, and development of the three-year Workforce Plan. The remaining ADP deliverables were rated green, including e-rostering, which had improved from amber.

For the OIP, one deliverable was green and four amber. Two had moved from green to amber due to cataract activity shortfalls and the Radiology backlog, with remaining amber deliverables focused on reducing waits over one year and increasing procedural capacity.

Quarter four projections indicated no change to the ADP RAG profile, with two OIP deliverables expected to improve from amber to green, including reducing one-year waits and the radiology backlog, supported by additional Electrophysiology, Cardiac



MRI sessions, extended working, and CT sessions. Other OIP deliverables were projected to remain amber.

The Committee noted that the Quarter Three position had been considered by the Executive Leadership Team and would be submitted to the Board.

## **6. Corporate Governance**

### **6.1 Strategic Risk Register**

Jonny Gamble presented the Strategic Risk Register for approval, outlining key risks including capital spending, cybersecurity, engagement, national planning, the expansion programme, overall financial risk for 2025/26, and the site master plan.

Jonny Gamble highlighted the value of including risk scores, likelihood, and impact alongside RAG ratings to provide greater assurance for Committees. Lindsay Macdonald raised that the capital risk should reflect available capital to meet NHS GJ's investment needs over the next five years, rather than being confined to a single year. Jonny Gamble agreed, noting that the capital spending risk was long-term, while other financial risks were more immediate and acknowledged a minor timing issue in updating the register due to leave over the Christmas period.

Susan Douglas-Scott confirmed that long-term capital planning was constrained by Scottish Government requirements, with a three-year planning horizon being the maximum currently achievable, although internal planning could consider longer periods. Jonny Gamble advised that national and Scottish planning cycles also limited longer-term visibility, but existing mitigations, including revenue-to-capital transfers, were helping to manage the risks.

Finance and Performance Committee approved the Strategic Risk Register.

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

There were no Consent Agenda Items presented for awareness.

## **8 Update to the Board**

The Committee noted performance was slightly behind plan in Operations and Cardiology, with Radiology ahead of plan and Orthopaedics marginally behind due to staff absence. Assurance was provided that overall performance remained on trajectory.

The Committee welcomed confirmation that the Aortic Team was now in place and noted the continued development of the ECMO service, including improvements in Physiotherapy support and mobile ICU protocols. The Committee was pleased to note the highest endoscopy utilisation rate recorded this year and commended the team on receiving the Top Team Award.

The Committee received assurance that the Capital Plan remained on track for full utilisation within the financial year and noted confidence in achieving a break-even

position. The Committee discussed the use of vacancy management to deliver recurring savings and noted further work was underway to clarify substantive vacancies versus posts no longer required, and the associated recurring savings.

The Committee noted the first update from the Digital Steering Group and welcomed the initial paper, which had prompted wider discussion including the future use of digital innovation and AI. The Committee looked forward to receiving further updates in due course.

The Committee approved the FPC Terms of Reference 2026/2027.

The Committee approved the Operational Performance Update – 2025/2026 Month 8.

The Committee approved the Financial Summary Report - 2025/2026 Month 8.

The Committee approved the Strategic Risk Register.

**9. Any Other Competent Business**

None.

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

Thursday 14 May 2026, 14:00-16:00, MS Teams.