

## Finance & Resources Committee



Minutes of a meeting of the **Finance and Resources Committee** held on Wednesday 19 June 2019 at 3pm in the Board Room, Newstead.

**Present:** Mr M Dickson, Non Executive (Chair)  
Mrs F Sandford, Non Executive  
Cllr D Parker, Non Executive

**In Attendance:** Miss I Bishop, Board Secretary  
Mrs K Hamilton, Interim Chair  
Mr R Roberts, Chief Executive  
Mrs C Gillie, Director of Finance  
Dr C Sharp, Medical Director  
Mrs N Berry, Director of Nursing, Midwifery & Acute Services  
Mrs J Smyth, Director of Strategic Change & Performance  
Miss H Fairburn, Capital Planning Manager  
Mr M Porteous, Chief Financial Officer, IJB

### 1. Apologies and Announcements

Apologies had been received from Mr Rob McCulloch-Graham, Chief Officer and Mrs Susan Swan, Deputy Director of Finance.

The Chair welcomed Mr Mike Porteous, Chief Financial Officer Integration Joint Board, who was deputising for Mr McCulloch-Graham.

The Chair welcomed Miss Hannah Fairburn, Head of Capital Planning to the meeting.

The Chair confirmed the meeting was quorate.

### 2. Declarations of Interest

The Chair sought any verbal declarations of interest pertaining to items on the agenda.

The **FINANCE & RESOURCES COMMITTEE** noted there were none.

### 3. Minutes of Previous Meeting

The minutes of the previous meeting of the Finance & Resources Committee held on 1 March 2019 were approved.

#### **4. Matters Arising**

- 4.1 Action 5:** Mr Mike Porteous advised that he would provide the answer in regard to over and underspends for SBCares and the Scheme of Integration. The Committee agreed that they did not require the documents if Mr Porteous supplied the information.
- 4.2 Action 6:** The Committee agreed to ask Mr John Cowie to supply a written update.
- 4.3 Action 7:** Mr Mike Porteous agreed to share the presentation from the IJB Dryburgh event which clearly showed the links to the reports and progress made. On that basis the Committee agreed to close Action 76.

The **FINANCE & RESOURCES COMMITTEE** noted the action tracker.

#### **5. NHS Borders Draft Annual Operational Plan 2019/20**

Mrs June Smyth provided an overview of the content of the plan. She confirmed that it was currently being updated for formal approval at the Borders NHS Board meeting the following week. She highlighted access waiting times funding and advised that the formal feedback letter from Scottish Government had been received and would be assessed over the coming weeks.

The Chair commented that the detail of the cover paper was very useful in understanding the draft plan and it had been shared with the Health & Social Care Integration Joint Board earlier that day.

Mrs Karen Hamilton asked that the approval pathway section on the cover paper be updated.

The **FINANCE & RESOURCES COMMITTEE** noted the draft NHS Borders Annual Operational Plan 2019/20.

#### **6. NHS Borders Financial Turnaround Programme – Revised Programme Governance Arrangements**

Mrs June Smyth spoke to the revised programme governance arrangements and highlighted the overall programme governance and specifically the grip and control governance arrangements. She assured the Committee that the organisation was already operating in line with the revised governance arrangements.

Mrs Karen Hamilton enquired about the role of the Clinical Alliance. Mrs Smyth advised that they were formalised meetings for clinicians with management to ensure that any large scale change would have a clinical voice. Both Mrs Nicky Berry and Dr Cliff Sharp had signed off the risk assessment proposal.

The Chair summarised that it was a welcome development and Mrs Smyth commented on the level of robustness and detail that was threaded through the programme that had not been provided before.

Mr Ralph Roberts reminded the Committee that in terms of Bold Revolutions, they were contracted until the autumn and it was imperative to ensure robust processes remained in place and were pursued once they had concluded their contract.

The **FINANCE & RESOURCES COMMITTEE** approved the revised governance arrangements for the Financial Turnaround Programme, subject to formal Board ratification.

## **7. NHS Borders Financial Turnaround Programme – Progress Report**

Mrs June Smyth provided an overview of the content of the report. She highlighted several key elements including: that pace was an on-going theme and progress had been slower than anticipated; blockages had been identified and were being addressed; it was a behavioural change programme as well as a financial change programme; ideas continued to be received; and further deconstruction sessions would be organised.

Mrs Karen Hamilton enquired if there were any particular sticking points. Mr Ralph Roberts commented that within the weekly report to the Scottish Government there were a number of areas of risk highlighted including traction around demand management work and integration with the complexities of both meaning that immediate savings had been difficult to identify and extrapolate. He echoed Mrs Smyth's comment that it was not just about financial turnaround but also about behavioural change and staff would need to continue to deliver on turnaround over the longer term.

Further discussion focused on: need to achieve £12m savings by September 2019; nervousness on the deliverability of the big ticket items; concerns that pace may not be sustained; ownership of the programme by NHS Borders staff; other Health Boards in Scotland following the same model were making faster progress; created capacity to support the turnaround programme and the programme management office; challenging for staff to do both their day job and turnaround work; specific skill set required for turnaround described as project management with an edge; and make hard priorities, focus on the short term initiatives, transformation and chase the £12m savings in phase 1, overall the savings required were £30m over 3 years.

The Chair asked the Committee if it was satisfied with the format of the progress report. He suggested as the Non Executives had received a session with Bold a few weeks previously and in conjunction with the update he felt there was a degree of assurance. He suggested the Turnaround Report with the risks should be submitted to the Committee to enable it to flag to the Board in terms of providing assurance or raising issues.

Mrs Fiona Sandford suggested given other Health Boards were ahead on deliverability of the programme that the Board signal its extreme alarm at those behaviours that were slowing down delivery.

Mrs Carol Gillie advised that some of the resources in the Capital Planning department had been redeployed to the programme management office given the need of the organisation to focus on turnaround. She commented that it would have an impact on the capital plan programme of work.

Cllr David Parker enquired if the organisation was struggling with the pace and had a resources issue, how would it achieve the current savings target and then the bigger target figures for years 2 and 3.

Mr Roberts commented that part of the solution was to ensure the programme management office was in a fit state and it had improved over the past 2 weeks with a change in staffing profile and he wished to let that play out over the summer to ensure it was fit for purpose for the longer term. He further commented that Bold had been contracted for 6 months and there would be a discussion for the Board to consider if that contract should or could, given the financial situation, be extended to ensure pace was sustained post September.

The **FINANCE & RESOURCES COMMITTEE** noted the report and provided comments and advice on the level of information provided to the committee.

## **8. Process for the Development of a 3 year Financial Plan**

Mrs Carol Gillie provided an overview of the content of the report and highlighted page 4 of the report and the key milestones set out at the end of the paper.

The Chair commented that it was helpful to have that look ahead and interesting that Scottish Government had confirmed brokerage for 2019/20 ahead of having the 3 year plan confirmed.

Mrs Gillie commented that Scottish Government had asked for sight of the Quarter 1 review and progress thereafter to see if the brokerage figure for 2019/20 could be reduced.

Mr Mike Porteous enquired who would be involved in the Development sessions and suggested it might be an opportunity to widen buy in and involve partners, given some things like transport and estates might appear obvious. Mrs Gillie welcomed the suggestion to make the Development sessions joint for turnaround discussions. Mrs Smyth suggested ensuring that clinicians were also invited to ensure the clinical voice was heard.

The **FINANCE & RESOURCES COMMITTEE** agreed a plan on how a 3 year financial plan would be developed over the coming months.

## **9. Workforce Planning Process**

This item was deferred to the next meeting on 18 July 2019.

The **FINANCE & RESOURCES COMMITTEE** noted deferral of the item.

## **10. Property & Asset Management Strategy - Light**

Mrs Hannah Fairburn presented the property and asset management strategy presentation and highlighted several elements including: update on the 2018/19 submission; process and proformas; and the need to review the capital plan as a result of changes to the level of backlog maintenance and the risk profile.

The **FINANCE & RESOURCES COMMITTEE** noted the presentation.

## **11. Any Other Business**

The Chair opened a discussion on the role of the Committee and if it was heading in the right direction and the information submitted to it was appropriate.

A discussion ensued and several comments were made including: application of scrutiny; timing of Committee to ensure it dealt with the substantive items and had time to feed into the Board papers to make them more robust; ensure duplication did not occur; pay more attention to approval pathways for papers; and ensuring deep dives into financial monitoring took place at the Committee and not the Board.

## **12. Date and Time of next meeting**

The Chair confirmed that the next meeting of Finance & Resources Committee would take place on Thursday 18 July 2019 at 3.00pm in the Board Room, NHS Borders, Newstead

*The meeting concluded at 4.30pm.*

*Signature: .....*  
*Chair*