

Minutes of a meeting of the **Resources and Performance Committee** held on Thursday 4 March 2021 at 9.00am via MS Teams.

Present:

- Mrs K Hamilton, Chair
- Mrs F Sandford, Vice Chair
- Mr M Dickson, Non Executive
- Ms S Lam, Non Executive
- Mr B Brackenridge, Non Executive
- Mr T Taylor, Non Executive
- Mrs L O’Leary, Non Executive
- Mrs A Wilson, Non Executive
- Mr A Bone, Director of Finance
- Dr L McCallum, Medical Director
- Mrs J Smyth, Director of Strategic Change & Performance
- Mr R McCulloch-Graham, Chief Officer, Health & Social Care
- Mrs N Berry, Director of Nursing, Midwifery & Operations
- Dr T Patterson, Director of Public Health
- Mr A Carter, Director of Workforce
- Ms G Russell, Partnership Representative

In Attendance:

- Miss I Bishop, Board Secretary
- Dr A Cotton, Associate Medical Director
- Mrs C Oliver, Head of Communications
- Mrs S Paterson, Deputy Director of Finance
- Mr C Myers, General Manager Primary & Community Services

1. Apologies and Announcements

Apologies had been received from Cllr David Parker, Non Executive, Mr Ralph Roberts, Chief Executive, Mr John McLaren, Non Executive, Dr Janet Bennison, Associate Medical Director and Mrs Sarah Horan, Deputy Director of Nursing, Midwifery & AHPs.

The Chair welcomed a range of attendees to the meeting.

The Chair confirmed the meeting was quorate.

The Chair reminded the Committee that a series of questions and answers on the papers had been provided and their acceptance would be sought at each item on the agenda along with any further questions or clarifications.

2. Declarations of Interest

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

Ms Sonya Lam declared that her partner was a specialist advisor for the Scottish Government.

Mr Malcolm Dickson declared that as the Finance Report mentioned external healthcare purchasers and providers, his sister-in-law was an Executive Director on the Board of Northumberland Health Trust.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the verbal and written declarations made by Ms Sonya Lam and Mr Malcolm Dickson.

3. Minutes of Previous Meeting

The minutes of the previous meeting of the Resources and Performance Committee held on 21 January 2021 were approved.

4. Matters Arising

4.1 Action 7: Mr Andrew Bone updated the Committee in regard to the delay with the Forensic Medical Examination (FME) Suite. He advised that the design work had been commissioned and was expected to be completed within 6-8 weeks and the Scottish Government were being kept closely sighted on the local position. He assured the Committee that the project would be tracked through the Capital Investment Group which in turn would report back to the Committee. The Committee agreed to leave the action on the action tracker until a more specific completion date had been identified.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the action tracker.

5. Finance Report for the period to the end of January 2021

Mr Andrew Bone provided an overview of the content of the report and highlighted that the Board was expected to achieve its financial target of breakeven at the end of March 2021. He highlighted two issues to the Committee, firstly the chart at item 5.3 which described how the organisation achieved a breakeven given it had an underlying deficit and secondly resources to the Integration Joint Board (IJB).

Discussion focused on: messaging to the organisation around the need to continue to find future efficiencies even though breakeven would be achieved; messaging to clinical boards and clinical leadership in the organisation around efficiencies; breakeven achieved through a number of factors including accumulation of reserves for the IJB, inability to spend money due to the pandemic and uncertainty in the operating environment to protect levels of expenditure; and that messaging should be applied bottom up as well as top down.

Mr Malcolm Dickson highlighted that there were a number of vacancies in core services. Mr Bone commented that there were increased vacancies around core services, although the workforce had increased during the pandemic due to the specific nature of the workforce required and there were challenges to growing a workforce.

Mrs Nicky Berry commented that she was keen not to lose organisational memory from a medical perspective and progress had been made in recruiting and retaining medics and nurses. By 2025 it was anticipated that a number of registered nurses who would be able to retire at 55 years of age would probably do so. In February each year a recruitment campaign was launched which often secured 25 to 30 newly qualified nurses.

Mr Andy Carter commented that recruitment was challenging with some roles and he had an initiative underway, which would be a new web-based recruitment platform to sell living and

working in the Scottish Borders, as well as starting to formulate social media recruitment advertising. He also commented that the first draft of a workforce strategy was underway.

Dr Lynn McCallum commented that medical recruitment was increasingly challenging but there were plans to mitigate it with various initiatives including some new Physician Associate roles.

Mrs Alison Wilson commented that there remained concerns with pharmacist recruitment with three vacancies and only one new pharmacist being appointed in the last year.

Mrs Sonya Lam suggested the workforce strategy should interlink to the clinical strategy to enable future proofing for services and the workforce.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** took significant assurance that the Board would achieve its financial target (i.e. breakeven) at March 2021.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted that the Board is reporting a breakeven position for the ten months to 31st January 2021.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the position in relation to carry-forward of ring-fenced resources expected at the end of March and work underway in relation to this position.

6. Draft Financial Plan 2021/22

Mr Andrew Bone provided a presentation to the Committee and highlighted: the key strategic issues and reflected on those in relation to the financial plan itself; performance and how that sat against the underlying deficit and how it was delivered; key expenditure building blocks; the forecast £5.4m in year deficit; and risks.

Mr Tris Taylor welcomed sight of inequality as a strategic issue for the Board.

Mr Bill Brackenridge enquired if the Committee should be approving the draft financial plan instead of noting it. Mr Bone agreed it was an oversight and the Committee should indeed approve the plan.

Mr Brackenridge voiced concern about the reduction in savings and enquired if the bar was being set too low. Mr Bone commented that there was a balance to be struck between being aspirational and what would be possible. He reminded the Committee that the turnaround programme would not be re-launched until later in the year, although some elements of it were being taken forward already. The main focus for the organisation for the next 6 months was expected to be the pandemic and remobilisation. He suggested the 50% savings target could be set higher and he anticipated challenge from the Scottish Government in that regard.

Mrs June Smyth commented that as services remained focused on the pandemic and remobilisation there had been a light touch on savings schemes. There was a Scotland wide planning assumption that next year would be a transitional year for remobilisation plans to come into effect from 2022 onwards.

Mr Taylor commented that in the context of the 50% savings, he found it helpful to see the visualisation of the underspend aligned to the expectation that the next 6 months would be focused on the pandemic. He welcomed the suggestion that there would be time to pause and reflect and see what might come out of the underspend into recurring savings.

Mr Rob McCulloch-Graham advised that in regard to the Integration Joint Board (IJB) there were likely to be some services that had been stood down that the IJB would not wish to re-commission at the same level.

Discussion then focused on: delegation of savings; IJB resources, 1.5% uplift and a review of the IJB reserve in light of the scale of it and the potential for flexibility to contribute towards bridging the non delivery of savings; the next 3 year financial plan should have the potential for a greater uplift to the IJB to support future transformational change; and risks.

In terms of capital, Mrs Susan Paterson provided an overview of the status of the capital plan. She highlighted several elements including: slippage funding to be carried forward in the region of £3.82m; identification of a schedule of commitments to be further explored; potential for a new fund around supporting best practice and helping services where there could be an investment requirement; future years of the plan would be delayed given the remobilisation plan sought 1 year revenue and capital plans; and the potential to provide business cases to the Scottish Government Capital Investment Group for additional resources or schemes.

The Chair commented that at paragraph 5.3.1 it referred to the Annual Operational Plan and Mrs Paterson confirmed that it should have referred to the Remobilisation Plan.

Mr Malcolm Dickson enquired if fire safety remained a priority. Mrs Paterson confirmed that a commitment had been made to the fire safety programme for 2021 as well as the backlog maintenance programme and Mr Brian Douglas, Head of Estates & Facilities, would bring a schedule of priorities to the local Capital Investment Group for agreement.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** approved the draft financial plan for 2021/22 and the draft capital plan for 2021/22 and indicative five year capital plan.

The **RESOURCES AND PERFORMANCE COMMITTEE** considered the issues described in the paper, including the assumptions underpinning the financial modelling of future costs.

The **RESOURCES AND PERFORMANCE COMMITTEE** approved the proposed approach to delegation of savings targets in 2021/22.

The **RESOURCES AND PERFORMANCE COMMITTEE** approved the proposed approach to agreement of IJB resources.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the risks described in relation to the plan.

7. NHS Borders Performance Briefing January 2021 – during Covid-19 Pandemic Outbreak

Mrs June Smyth provided an overview of the content of the report and highlighted: the modelling work underway to inform the trajectory for delayed discharges; reconvening the Access Board to oversee and monitor all access standards; recommencing routine surgery; planning for pre COVID-19 activity for outpatients and inpatients from October 2021; an assumption had been made that core funding would be available to support waiting times with additional funding being sought from Scottish Government; and there would be no spend over and above the allocation which would mean that the waiting times backlog would not be cleared as quickly as Scottish Government might expect.

Ms Sonya Lam enquired about the increase in length of stay and if that was due to an increased acuity of patients. Mrs Smyth referred to the answer to question 13 in the Board Q&A and advised there was anecdotal evidence that patients were more deconditioned (due to lockdown) when admitted to hospital and that in turn had a likely impact on length of stay.

Dr Lynn McCallum added that in the context of services having been discontinued, work had taken place on a front door of the hospital model, the discharge to assess process and dovetailing into the frailty unit. She emphasised that it was imperative to return people home as quickly as possible as staying too long in the hospital setting was not beneficial to patients. She further commented that the principles of realistic medicine needed to be reintroduced to conversations to put the patient back at the centre of the decisions made about their health and care.

Mrs Lucy O'Leary commented that there was obviously a balance of risk in regard to not overspending on waiting times. Mrs Smyth commented that the Scottish Government had been keen that all Boards return to a target level of 0 breaches. The local trajectory for waiting times was not achievable due to insufficient funding and predictions were that there would be about 100 breaches a month. Other Boards were in a similar situation and dialogue with Scottish Government on overall funding and addressing backlogs was expected.

The Chair commented that there had been a much higher standard of papers for the meeting, with numbered paragraphs and suggested it had allowed the Committee to get through a busy agenda.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the Performance Briefing for January 2021.

8. Duns Medical Group: Appointment of new GP Partnership

Mr Chris Myers provided a presentation on the process and outcome of the Duns Medical Group appointment to a new GP partnership.

The Chair congratulated the team involved with their speed and efficiency in taking the matter forward and reaching an acceptable outcome.

Mr Tris Taylor welcomed sight of the extra detail and commented that the Public Governance Committee had received updates on the matter from the outset. He was keen that the Board should hear more about primary and community services and shifting the balance of care.

Mr Taylor recalled that sometimes concerns were raised in regard to communications, engagement and workforce at perhaps what was perceived as a lack of skill readiness, and he suggested that the process followed had been productive for staff to get involved in the decision making and the pressure of the deadline had enabled those staff and services to tolerate uncertainty about an outcome with the local population.

Mr Taylor also commented that the exercise was in common with what the organisation should be aspiring to do and obliged to do in regard to public involvement. He highlighted that any risk that had been presented to the Board at the start of the process had been substantially mitigated through the process and it was clear to show the public had been involved appropriately at every step of the way. He also noted that HIS had commented that the process had been productive and well executed.

Mrs Nicky Berry commented that it had been a fair point made by Mr Taylor that the Board should hear more from primary and community services. She suggested as relationships grew between Mr

Myers, Dr McCallum and herself more information in regard to primary care and health and social care would be brought to the Board.

Ms Sonya Lam welcomed the learning points from the process and enquired if there were other GP practices in the Borders that were likely to be in a similar situation in the future.

Mr Bill Brackenridge also commented that there could potentially be other fragile GP practices and suggested the Board should be considering what its strategy for providing primary medical care in the Borders should be for the future.

Dr McCallum commented from a medical and GP perspective there was a recognition of the need for sustainability and for GP practices to be able to raise potential difficulties at an early stage. She suggested that the non medical workforce would be a significant part of future plans and support, as many roles did not specifically require doctors to carry them out, although doctors would clearly be part of the process and programme. There would be further discussions to be had in terms of culture, workforce planning, workforce development and external recruitment.

Mr Myers thanked the Committee for their thoughts and views. He also commented that the Ayrshire Medical Group had been keen to develop a more innovative model in the Borders, and that there had been a raft of learning from the whole experience. Much of that learning would be applicable to similar situations that might arise, as well as a broader public engagement approach to local communities.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the questions and answers provided.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the update, the process and the next steps.

9. Any Other Business

9.1 Remobilisation Plan: Mrs June Smyth provided a brief update on the status of the third iteration of the Remobilisation Plan and that an underpinning action plan was being drawn together to support it.

The **RESOURCES AND PERFORMANCE COMMITTEE** noted the update.

10. Date and Time of Next Meeting

The Chair confirmed that the next meeting of the Resources and Performance Committee would be held on Thursday, 6 May 2021 at 9.00am via MS Teams.

The meeting concluded at 11.04am.



Signature:
Chair

RESOURCES & PERFORMANCE COMMITTEE: 4 MARCH 2021

QUESTIONS AND ANSWERS

No	Item	Question/Observation	Answer
		DECLARATIONS OF INTEREST	
1	Declarations of Interest	Malcolm Dickson: Since the Finance Report mentions external healthcare purchasers and providers I declare that my sister-in-law is an Executive Director on the Board of Northumberland Health Trust.	Iris Bishop: Thank you Malcolm I shall formally note in the minutes of the meeting.
		MINUTES OF PREVIOUS MEETINGS	
2	Minutes of Previous Meetings		-
		MATTERS ARISING	
3	Matters Arising	Malcolm Dickson: Item 4.1 Matters Arising re Forensic Examination Unit - with info provided by the Chief Exec, on 5 Feb I updated partners on the Police, Fire and Rescue, and Community Safety Scrutiny Board on this matter. There were no comments or questions.	-
		FINANCE REPORT FOR THE PERIOD TO THE END OF JANUARY 2021	
4	Finance Report for the period to the end of January 2021 Appendix-2021-6	Malcolm Dickson: Para 3.3 – While it is good to know that we are on track to break even, should we be concerned about the “emerging level of vacancy within core services”? Or are these posts that are relatively easy to recruit for (haematology medical staff vacancies and diagnostic staff vacancies, DME, primary and community, mental health)? This is possibly a question for Andy Carter rather than Andrew Bone.	Andy Carter: The vacancies in core services that are of most concern are generally for registered nurses and some specialist medical consultant posts. For the latter in diagnostics - Haematology and Radiology are noted and we are hopeful of forthcoming recruitment but the vacancies are also recently increased in Mental Health – both MHOAS and General Adult Psychiatry have long standing consultant psychiatrist vacancies in line with national trends. Even a small number of vacancies (1 or 2 WTE) can have a disproportionate impact on services.

5	Finance Report for the period to the end of January 2021 Appendix-2021-6	Malcolm Dickson: Chart 1 at para 5.3 is very helpful, thank you, justifying the specific references to recurring deficit in the draft 21-22 Financial Plan paper and the intention to conduct a fundamental review early in 21-22.	Andrew Bone: Thank you. I am mindful of the need to both validate and explain the underlying deficit in the context of our ability to deliver a breakeven performance.
6	Finance Report for the period to the end of January 2021 Appendix-2021-6	Fiona Sandford: While it's good to see that we're on track to break even- important to recognise the pent up costs of unmet demand – Also should we be worried about the vacancy situation (3.3)	<p>Andrew Bone: I will let Andy comment on vacancies. In relation to unmet demand – the resource impact of meeting this demand is currently being assessed but it does present a significant risk moving forward. At this stage we expect that Scottish government will look to confirm additional resources to support actions to recover performance and this is likely to be subject to ongoing discussion as remobilisation plans are implemented during 2021/22. The resources required to address unmet need are likely to be constrained not only by finance but also by workforce and other resources (e.g. physical infrastructure and independent sector capacity, etc.).</p> <p>Andy Carter: Yes - vacancy rates for registered nursing have been problematic for some time but there has been some encouraging signs lately.</p> <p>Recently NHS Borders has offered fixed term contracts as Health Care Support Workers up to maximum of 15 hours per week to final year nursing and midwifery students on placement as determined as appropriate to allow for continuing study by the HEIs. We hope this will offer an opportunity to generate interest in nursing vacancies.</p>

			Final year nursing students have applied in high numbers for vacant RGN / RMN posts in advance of completion and registration. Candidates will be interviewed in advance of their completion of course of study and NMC registration rather than reapply. Adverts have been amended to include this provision that final year students are welcome to apply.
		DRAFT FINANCIAL PLAN 2021/22	
7	Draft Financial Plan 2021/22 Appendix-2021-7	Malcolm Dickson: Para 3.4 “Issues likely to impact on the planning environment over the medium term...” will presumably also include the likelihood of a continuing need to re-vaccinate our population against C19 on a recurring basis over a timescale yet to be decided? While we would expect to be funded for this additional work, it will still impact on the organisation.	Andrew Bone: Yes. Although the financial plan is a one year plan to March 2022 we are already considering the recurring impact of services established in response to the pandemic and this issue has already been highlighted as an area where it is likely that we will need to plan for long term service capacity. The Primary Care Investment Plan includes an objective to shift vaccination programmes from delivery through GP practice towards a board delivered model. I would anticipate that the future delivery of Covid vaccines will be incorporated into this service model moving forward.
8	Draft Financial Plan 2021/22 Appendix-2021-7	Malcolm Dickson: Para 5.2.4 - Innovation Fund. Fully support this development. I suggest there should be an element of spend-to-save in the intended outcomes with at least 50% of savings to be returned to overall budget rather than retained by dept/business unit concerned.	Andrew Bone: I think that is reasonable. If we agree this approach then we will look to develop a framework for investment against this fund which will cover expected payback, etc. I am keen that we consider our approach to innovation on a coordinated basis – i.e. including any other funding sources that might be available (e.g. charitable funds, grants, etc.). I am working with Lynn McCallum and Laura

			Jones to develop a framework.
9	Draft Financial Plan 2021/22 Appendix-2021-7	Fiona Sandford: 4.3.6 future NRAC parity? Can this be forecasted / quantified?	<p>Andrew Bone: NRAC calculations are updated annually based with a three year forward look – the current iteration extends to 2022/23. Based on the current forecast we expect to see our NRAC share increase from 2.11% (20/21) to 2.15% (22/23). I do not have confirmation of when the next update will be prepared but would caution that my comments here will need to be revisited once we have update on the forecast.</p> <p>Scottish Government have previously committed that no board will fall below 1.0% parity against NRAC (currently all boards are within 0.8%). Based on 21/22 budget settlement we would be 2.0% below NRAC parity by 22/23. There may be some change to this position as a result of any recurring allocations issued during the course of 2021/22.</p> <p>Assuming no change from this position then the resource impact of a 1.0% shift (to bring us to within 1.0% of parity in 22/23) can be estimated at £2.23m.</p> <p>I would expect to incorporate this assumption within our draft three year financial plan to be prepared later this year, however we should be mindful of the overall pressure on Scottish government budget and I would anticipate that the commitment to retain board allocations within 1.0% of parity may be revisited in future planning assumptions.</p>
10	Draft Financial Plan	Fiona Sandford: 4.4.13 Would be good to hear more	Andrew Bone: I will ensure that we work with

	2021/22 Appendix-2021-7	about this (at some point not necessarily at the meeting- maybe from Alison?)	pharmacy colleagues to provide update on prescribing growth forecasts when available, incorporating any revision to assumptions within the development of a three year financial plan for mid year.
11	Draft Financial Plan 2021/22 Appendix-2021-7	Fiona Sandford: 5.2.4 I strongly support an innovation fund	Andrew Bone: see also comments in response to Malcolm's question above.
		NHS BORDERS PERFORMANCE BRIEFING JANUARY 2021 – DURING COVID-19 PANDEMIC OUTBREAK	
12	NHS Borders Performance Briefing January 2021 – during Covid-19 Pandemic Outbreak Appendix-2021-8	Malcolm Dickson: 6.3 -Covid-related staff absences rose significantly in January. Presumably this reflects the prevalence of Covid in the community and in hospitals during that month, and we will hopefully see a reduction over February and March? I presume it also reflects the fact that staff have been properly isolating on becoming aware of Covid 19 in household members or non-protected contact with others who have tested positive?	Andy Carter: The increase relates to the increase in prevalence and also the reintroduction of shielding. 17 members of staff are shielding on the advice of Scottish Government and are recorded a covid special leave absence. The rate should decrease as rates lower but the proportion relating to shielding will remain until SG advice changes for these individuals.
13	NHS Borders Performance Briefing January 2021 – during Covid-19 Pandemic Outbreak Appendix-2021-8	Malcolm Dickson: Paras 8.2-3 - In a similar vein, I presume that the increase in length of BGH stay culminating in January, despite reduced admissions, lower than normal occupancy rate, and a still proportionately high number of discharges, is almost entirely due to increases in Covid admissions which characteristically require longer lengths of stay than other patients, on average?	Nicky Berry: There is consistent anecdotal evidence that we are seeing patients who are more deconditioned (due to lockdown) arriving into hospital. This is likely playing into the increase in length of stay (LOS) as we cannot turn these patients around as quickly. The increase in LOS has been seen across both Surgery and Medicine however and so surgical prioritisation is likely impacting too. We are prioritising surgery for those with a greater clinical need and as such, routine activity which may by its nature have a lower LOS is proportionally less of our overall activity when comparing to pre-pandemic levels.

14	NHS Borders Performance Briefing January 2021 – during Covid-19 Pandemic Outbreak Appendix-2021-8	Fiona Sandford: Echo Malcolm's comments/ questions	-
		DUNS MEDICAL GROUP: APPOINTMENT OF NEW GP PARTNERSHIP	
15	Duns Medical Group: Appointment of new GP Partnership Appendix-2021-9	Malcolm Dickson: As I've already said in conveying my congratulations to Chris Meyers for the relatively rapid resolution of a difficult situation, the proof will yet be in the tasting of the pudding. Nevertheless all concerned, including those conducting the public engagement exercise, deserve credit for the work put in and the outcome.	No response necessary.
16	Duns Medical Group: Appointment of new GP Partnership Appendix-2021-9	Fiona Sandford: Good outcome!	-