minutes (APPROVED)

NHS NATIONAL SERVICES SCOTLAND BOARD

MINUTES OF MEETING OF THE PERFORMANCE AND FINANCE COMMITTEE HELD IN MEETING ROOM 18, GYLE SQUARE, EDINBURGH COMMENCING AT 1000HRS ON FRIDAY 23 FEBRUARY 2018

Present: Ms Kate Dunlop, Non Executive Director (in the Chair)
Mr Mark McDavid, Non Executive Director

In Attendance: Mr Martin Bell, Associate Director Planning, Performance & Service
Mr Markus Hiemann, Sustainability Lead, (Item 8 only)
Ms Carolyn Low, Director of Finance and Business Services
Mr Peter McConnell, Strategic Sourcing Director, (Item 10 only)
Ms Caroline McDermott, Planning Lead, (Items 1 – 6)
Mr Colin Sinclair, NSS Chief Executive
Ms Marion Walker, Risk Manager Lead, (Item 9 only)
Mrs Lynsey Bailey, Committee Secretary (Minutes)

Apologies: Ms Julie Burgess, Non Executive Director
Professor Elizabeth Ireland, NSS Chair

1. INTRODUCTION AND APOLOGIES FOR ABSENCE

1.1 Ms K Dunlop welcomed everyone to the meeting and noted the apologies.
Committee. Members were asked if they had any interests to declare in the context of the Agenda items to be considered. There were none.

2. MINUTES OF THE MEETING HELD ON 25 OCTOBER 2017 [paper PFC/18/02 refers]

2.1 Following a brief discussion, Members approved the minutes of the meeting held on 25 October 2017.

[Secretary's Note: the following item was brought forward]

3. ACTION SHEET [paper PFC/18/04 refers]

3.1. Members noted the updates provided on the action list, and that the majority of the outstanding actions were either being taken forward or were covered by the agenda and papers. Members received a brief update on the cleft palate service and the progress on the recruitment around it.

4. DRAFT 2018/19 OPERATIONAL DELIVERY PLAN [paper PFC/18/03 refers]

4.1 Mr M Bell spoke to paper, which summarised what had been presented and discussed at the NSS Board meeting on 2 February 2018. The risk profile was not yet finished as work was still ongoing. Members also noted that updates were being provided on some areas (e.g. JCC) which were not entirely within NSS’s control.
4.2. Members suggested the following updates:

- Page 2 - Chief Executive’s Summary did not cover business engagement. Clinical was covered well but NSS’s other work was underplayed.
- Lots of information which could be distilled to a key or “at a glance” summary up front
- Page 6, 8.0 (Tackling Inequalities) – second paragraph could be declarative and stronger.
- Page 9, Section 1.9 (Integrate health inequalities) - actions to be strengthened.
- Page 10, Section 2.2 (Single and consistent eProcurement system...”). – This had no time measure
- Page 10, Section 2.8 (Support financial sustainability...) - Mention of the £5.5m to be removed as a measure.
- IT measures to be discussed outside of the meeting
- There were gaps in information relating to PgMS, Digital and Shared Services which would need to be addressed.

4.3. Once these updates had been considered and incorporated following the meeting, Members were advised that the updated version would be sent to the sponsors at Scottish Government before a finalised version was submitted to the April 2018 NSS Board meeting for approval.

5. LOCAL DELIVERY PLAN PERFORMANCE [paper PFC/08/05 refers]

5.1. Members were pleased to note that 90% of NSS’s performance targets were reporting as on track or achieved. They also noted the updates provided on the targets showing as amber or reds. With regard to the electronic Data Research and Innovation Service (eDRIS), Members asked about what could be done to change the process and make it less reliant on staff. Mr C Sinclair gave an overview of the tools and improvements to the data infrastructure being developed for routine tasks in order to free up staff to undertake more complex analysis. Members discussed the potential for buy in elsewhere and the challenges involved. They also acknowledged that the eDRIS target was set as a stretch target so were content with NSS’s performance overall.

6. RESILIENCE UPDATE [paper PFC/18/06 refers]

6.1. Ms C McDermott spoke to paper, which updated on NSS’s resilience management arrangements. Members were pleased to note the update regarding National Information Systems Security - the work being done to incorporate the Central Notification Co-ordination Policy into NSS’s resilience processes, and the support provided to territorial Board colleagues as needed. Members were advised that the annual resilience exercise was planned for the following week and were given an overview of what the exercise would involve.

7. DRAFT FINANCE AND WORKFORCE PLAN [paper PFC/18/07 refers]

7.1. Members were advised that NSS was in a good position in this financial year but there would be challenges further down the line, particularly in respect of the pay uplift following the removal of the pay cap. Members were given an overview of a recent presentation to the NHS Directors of Finance group regarding the pay award settlement and noted that the modelling within the paper was based on the minimum expected uplift.
7.2. Members discussed NSS’s £5.5m contribution to the £15m collaborative savings by the National Boards, noting that this was higher than a purely pro-rata share. Members were provided with an overview of the challenges for future years and were reassured that the Directors of Finance were developing a framework to help with this. Members expressed concerns about the level of understanding and disparate planning styles between the Boards, and the risk that there would continue to be disproportionate shares required from the “non patient-facing” National Boards. This led to discussion about how the collaborative savings had been intended as a driver for changes in behaviour and working, how to engender the right approach and how to work this into the National Boards’ plan. Members were assured that NSS was doing what it could to influence in this direction and work around any potential resistance.

7.3. It was anticipated that the focus on digital transformation and the formation of the Public Health Body would help drive shared service. Members noted the overview of what was in place to be delivered this year and how NSS could position itself to be sustainable. Members stated that they were conscious of the opportunities available and very supportive of the work being done.

8. SUSTAINABILITY UPDATE

8.1 Mr M Hiemann provided Members with an overview of the current year’s achievements, noting that the reduction of CO2 emissions was on target and recognising the importance of staff engagement to maintain that momentum. Members were pleased to note NSS was in a positive position but recognised the need to keep the pressure on and not become complacent. The biggest obstacles arose from looking at the information being reported. This tended to create more work to analyse it further and, in turn, challenges in terms of prioritisation and finding the time to do it. Education and visibility would also be key. Mr M Hiemann went on to provide an overview of the wider work being done around sustainability (i.e. beyond waste and emissions reduction), highlighting its importance as NSS moved from the traditional focus on environmental management to a more holistic view of value add through sustainability.

9. REVIEW OF BUSINESS RISKS ON NSS REGISTER [paper PFC/18/08 refers]

9.1 Members noted that, since the last meeting, there were no new red risks, two new amber risks, and one risk had been closed. Following some discussion, Members were assured by the mitigations in place for the highlighted risks.

[Secretary’s Note: the following item was brought forward]

10. NATIONAL PROCUREMENT CONTRACT SCHEDULE [paper PFC/18/10 refers]

10.1 Members noted the contents of the paper, which highlighted IT procurement GPIT managed Services. Heartened that it was being done. Members were also pleased to note a projected £81.7m in savings being achieved against a target of £35m but acknowledged the unpredictability of the pharmacy procurement contribution on a year by year basis.

10.2 Members discussed the strategic recommendations in respect of Temporary Agency Nursing & Operating Department Practitioner costs, and the temporary agency nursing strategy was highlighted. Members were content that a 10% decrease in costs year on year was moving in the right direction.
10.3. Moving onto the strategic reviews in respect of the contracts for the provision of Multi-Functional Devices and the High Risk HPV (hr-HPV) Managed Service, Members agreed they were content with the recommended options, although suggested a review of the logistics part of the process for the hr-HPV Managed Service.

11. NSS FINANCIAL PERFORMANCE [paper PFC/18/09 refers]

11.1 Members were pleased to note the small surplus which was projected to be achieved by the financial year-end. Members were also pleased to note NSS had successfully delivered against its Cash Releasing Efficiency Savings targets, achieved more within existing budgets and performance overall at the SBU level had been strong. Members were also provided with an overview of the capital position and assured regarding the measures taken to manage the financial impact of the Jack Copland Centre delays. In response to concerns raised about suppliers that were heavily dependent on government contracts, Members were advised that assurances had been sought and received from Capita in respect of the Scottish Wide Area Network (SWAN).

12. OCCURRENCES WHERE STANDING FINANCIAL INSTRUCTIONS HAVE NOT BEEN FOLLOWED

12.1. Ms C Low advised Members that, since the last meeting, there had been no reported instances of NSS’s Standing Financial Instructions being breached.

13. FEEDBACK ON RELEVANT ISSUES FROM OTHER NSS SUB-COMMITTEES

13.1 Members were given a high level overview of the update from the NSS (dis)Ability Network at the NSS Staff Governance Committee. A full briefing on this would be part of the upcoming Board Development Session scheduled for 2 March 2018.

14. TERMS OF REFERENCE [paper PFC/18/11 refers]

14.1 Following a brief discussion, Members were content with the Terms of Reference subject to some minor updates to the terminology

15. SUB-COMMITTEE HIGHLIGHTS REPORT FOR THE NSS BOARD

15.1. Members agreed the key points for the Sub-Committee Highlights report to the next formal NSS Board meeting on Friday, 6 April 2018. Mrs L Bailey agreed to send a draft of the report to Mrs K Dunlop as soon as possible.

16. ANY OTHER BUSINESS

16.1. There was no other business raised.

17. DATE OF NEXT MEETING

17.1 Wednesday 23 May 2018 at 0930hrs, Gyle Square, Edinburgh

18. For Information

18.1 Performance and Finance Committee Forward Programme 2018 [paper PFC/18/12 refers]

There being no further business, the meeting finished at 1245hrs.