

FINANCE AND RESOURCES COMMITTEE

Minutes of the meeting of the Finance and Resources Committee held at 9.30 on Wednesday 14 February 2024 via Microsoft Teams.

Present: Mr A. McCann, Non-Executive Board Member (chair); Mr P. Allenby, Non-Executive Board Member; Mr A. Fleming, Non-Executive Board Member; Mr G. Gordon, Non-Executive Board Member.

In attendance: Mr C. Campbell, Chief Executive; Ms M. Campbell, Director of Estates and Facilities; Ms D. Carmichael, Special Projects and Assurance Associate Director, Capital Planning; Ms M. Carr, Chief Officer, Acute Services; Mr J. Crombie, Deputy Chief Executive; Ms T. Gillies, Executive Medical Director; Mr I. Graham, Director of Capital Planning and Projects; Dr J. Hopton, Sustainability Programme Director, Facilities; Mr C. Marriott, Director of Finance; Mr A. McCreadie, Deputy Director of Finance; Ms B. Pillath, Committee Administrator (minutes).

Apologies: Ms J. Long, Director of Primary Care; Ms A. MacDonald, Executive Nurse Director; Mr P. Togher, Chief Officer, Edinburgh Health and Social Care Partnership.

Chair's Welcome

The Chair welcomed members to the meeting.

Members were reminded that they should declare any financial or non-financial interests they had in the items of business for consideration, identifying the relevant agenda item and the nature of their interest. No interests were declared.

Committee Business

34. Minutes and Actions from Previous Meeting (20 December 2023)

- 34.1 Members accepted the minutes from the meeting held on 20 December 2023 as a correct record.
- 34.2 The updated cumulative action note had been previously circulated. Updates discussed would be included in the action plan circulated before the next meeting.

35. Capital

35.1 Property and Asset Management Programme

- 35.1.1 Mr Graham presented the previously circulated paper. Guidance had been issued the previous day from the Scottish Government on progressing business cases now that capital funding had been frozen. Where possible staff no longer delivering projects were being used instead of external consultants where there was relevant expertise. As the project teams were being stopped, appropriate roles were being found for these staff.
- 35.1.2 The Regional Infectious Diseases unit was a significant issue now that there would be no reprovion. Contingency planning included identifying a possible alternative location within the existing site, but this would mean loss of beds in other departments. In the current situation, decisions such as this would have to be made with higher levels of risk accepted.

- 35.1.3 Mr Marriott advised that land at the Bioquarter adjacent to the Royal Infirmary site was in the process of being purchased for the Eye Pavilion reprovision before the funding for the project was stopped. It was necessary to continue with this land purchase as it would otherwise become unavailable for the future. Land purchase was not permitted unless as part of a project; the Scottish Government was looking into how this could be continued legally.
- 35.1.4 It was noted that anti-ligature works were one of the priority works. Mr Campbell and Ms Gillies agreed that this was a high-risk area which must be prioritised due to the risk of death.
- 35.1.5 Not all the priorities on the list could be completed within the budget available. At the time of the capital funding freeze the estate was fully utilised and working at capacity with facilities that needed updating. Being unable to invest in improvements increased risk with the existing estate.
- 35.1.6 Members accepted the recommendations laid out in the paper.
- 35.2 Post Project Review Learning Summary
- 35.2.1 Ms Carmichael presented the previously circulated paper. Mr Campbell advised that the major trauma ward could not move to a 24/7 service because consultant's contracts were set nationally and could not be changed and there were other Agenda for Change restrictions. The service could not meet Scottish Government targets without increasing the hours worked. The best service would be provided with the resources available. This service was already operating well and was not the highest priority for improvement given the needs of other services.
- 35.2.2 Members asked for information in future reports about how benefits of digitisation were being realized and how this was being monitored, for instance in using the 'Near Me' technology invested in during the lockdown as an alternative to face to face clinics. Reviews often focused on better outcomes, but cost savings should also be shown. Mr Marriott advised that numbers using the technology invested in during the lockdown had reduced; more needed to be done to ensure the technology available was being used to save money where appropriate. This would be different for different services and different patient pathways.
- 35.2.3 An annual Post Project Review Summary would be brought to the Committee. Any significant lessons learned would also be highlighted in the Property and Asset Management Investment Programme report to the Committee. **CM**
- 35.2.4 A review of the outcomes of the Royal Hospital for Children and Young People was underway with wider communications to the public also included, this would be complete by December 2024.
- 35.2.5 Members accepted the recommendations laid out in the paper and accepted moderate assurance.

35.3 Royal Infirmary of Edinburgh Facilities Risk (5185)

35.3.1 Ms Carr presented the previously circulated paper. Solutions for electrical resilience were being reviewed following the failure of a generator identified during a routine planned preventative maintenance (PPM) black start. The faulty component was being sent abroad for repair and there was a risk to this system while this was taking place. The component was not listed as a priority high risk asset which would have meant a spare would be in place.

35.3.2 Members accepted the recommendations laid in the paper.

36. Revenue

36.1 Financial Position and Year End Forecast

36.1.1 Mr McCreadie presented the previously circulated paper. He advised that the amount of efficiency savings made that was recurring and non recurring was being reviewed.

36.1.2 Spend on taxis had been highlighted in the press recently. There had been a new policy on taxi use the previous year and this was being implemented. There had been a reduction in number of journeys in the past year, but the unit cost had increased in the 2023 contract. This would be reviewed with the aim of reducing expenditure for 2024/25.

36.1.3 Members accepted the recommendations laid out in the paper and accepted moderate assurance that a breakeven position would be reached in 2023/24.

36.2 Financial Plan Update

36.2.1 Mr McCreadie presented the previously circulated paper. Reduction of expenditure had to be made in the business units with the aim of 3% reduction but a requirement of 7%. Plans for bigger savings and reducing services where required were being developed. Efficiency savings were overseen by the Financial Oversight Group, with any difficult decisions reviewed by the Corporate Management Team.

36.2.2 Ms Gillies noted that more constraint and challenge on drugs prescribing was needed to reduce spend, rather than proscribing use of particular drugs. Prescribers would be supported to change thresholds while ensuring risk assessments were carried out and communicated.

36.2.3 Mr McCreadie advised that Integration Joint Boards also had a role in cost reduction initiatives, but that these may also have an impact on different areas. The teams would work together on this.

36.2.4 The plan was for the ADP and Financial plan to be reviewed at the Strategic Planning and Performance Committee on 20 March and then at the Finance and Resources Committee on 27 March before going to the Board on 24 April 2024. This would give Non-Executive members input into decisions made to reduce spend. This was agreed.

36.2.5 Members accepted the recommendations laid out in the paper.

37. Scottish Hospitals Inquiry

37.1 Scottish Hospitals Inquiry update

- 37.1.1 Mr Marriott presented the previously circulated paper. He expressed thanks to colleagues and retired colleagues who had appeared as witnesses so far as part of the Inquiry.
- 37.1.2 Members accepted the recommendations laid out in the paper and accepted significant assurance.

38. Climate Emergency and Sustainability

38.1 Climate Emergency and Sustainability update

- 38.1.1 Dr Hopton presented the previously circulated paper. Progress had been made in compliance areas and the biodiversity action plan was almost complete and would be complete by the end of the year.
- 38.1.2 There were national plans for a working group on adaptation to cope with climate change, and this was also part of public health planning.
- 38.1.3 A further energy review of the Royal Infirmary would be carried out prior to the end of the contract, of which energy costs were a substantial part.
- 38.1.4 There was no clear guidance from the Scottish Government on how spend on the climate emergency should be prioritised. This was one of the priorities along with efficiency savings and clinical priorities. Investment in areas such as reducing energy costs and waste would bring their own cost savings. Progress had already been made with waste reduction. Doing the best possible with the resources available would allow mitigation of some of the reductions in services which might otherwise be necessary. Practical solutions for efficiency savings were needed.
- 38.1.5 Members accepted the recommendations laid out in the paper.

39. Reflections on the meeting

- 39.1 Issues raised at this meeting regarding the financial plan would be discussed as part of the agenda at the next Board meeting.

40. Date of Next Meeting

- 40.1 The next meeting of the Finance and Resources Committee would take place at **9.30 on Wednesday 27 March 2024.**

41. Further Meeting Dates

- 41.1 Further meetings would take place on the following dates:
 - 5 June 2024
 - 21 August 2024
 - 23 October 2024
 - 18 December 2024
 - 12 February 2025
 - 26 March 2025