

## LOTHIAN NHS BOARD

Minutes of the meeting of Lothian NHS Board held at 09.30am on Wednesday 04 December 2024 in the Carrington Room, Inverleith Building, Western General Hospital, Edinburgh EH4 2LF.

### Present:

**Non-Executive Board Members:** Prof. J. Connaghan (Board Chair); Mr A. Fleming (Vice Chair); Mr P. Allenby (from 11am); Cllr S. Akhtar; Mr E. Balfour; Mr J. Blazeby; Dr P. Cantley; Cllr H. Cartmill; Mr A. Cogan; Mr M. Connor; Ms V. de Souza; Ms E. Gordon; Mr G. Gordon; Prof J. Innes; Mrs K. Kasper; Prof A. Khan; Mr P. Knight; Ms K. Macdonald; Ms T. A. Miller, Cllr M. Graham and Cllr D. Milligan.

**Executive Board Members:** Prof. C. Hiscox (Chief Executive); Miss T. Gillies (Executive Medical Director); Ms A. MacDonald (Executive Nurse Director) and Mr C. Marriott (Director of Finance).

**In Attendance:** Mr J. Crombie (Deputy Chief Executive); Mr C. Briggs (Director of Strategic Planning); Ms J. Butler (Director of Human Resources & Organisational Development); Ms M. Carr (Chief Officer, Acute Services); Dr J. Long (Director of Primary Care); Ms J. Mackay (Director of Communications & Public Engagement); Ms T. McKigen (Services Director, Royal Edinburgh Hospital & Associated Services); Ms F. Wilson (Chief Officer, East Lothian IJB); Ms M. Barrow (Chief Officer, Midlothian IJB); Ms A. White (Chief Officer, West Lothian IJB); Ms A. Goodfellow (Deputy Director of Public Health and Health Policy); Mr D. Thompson (Board Secretary) and Mr C. Graham (Corporate Governance Team Manager, minutes).

**Apologies for Absence:** Prof. L. Marson (Non-Executive Board Member); Ms D. Milne (Director of Public Health and Health Policy); Mr P. Togher (Chief Officer, Edinburgh IJB) and Ms M. Campbell (Director of Estates & Facilities).

### 56. Welcome & Declaration of Interests

- 56.1 The Chair welcomed members, colleagues, and observers to the Board meeting.
- 56.2 The Chair asked members to declare any financial and non-financial interests they had in the items of business for consideration, identifying the relevant agenda item and the nature of their interest. No declarations of interest were made.
- 56.3 The Chair welcomed Councillor Margaret Graham to her first Board meeting as the new Non-Executive Stakeholder Board Member for Edinburgh Council replacing Councillor Stephen Jenkinson.

## ITEMS FOR APPROVAL OR NOTING

### 57. Items proposed for Approval or Noting without further discussion

- 57.1 The Chair reminded those present that the Board agenda was made up of two separate sections. The first was the section for approval commonly referred to as “the consent agenda.” The Chair reminded members that they had the opportunity to advise in advance if they wished any matter to be moved out of this section, for discussion. The Board noted that no such requests had been made.
- 57.2 Minutes of Previous Board Meeting held on 10 October 2024 – Minutes were approved.
- 57.3 Finance & Resources Committee Minutes – 21 August 2024 – Minutes were noted.
- 57.4 Healthcare Governance Committee Minutes – 17 September & 22 October 2024 – Minutes were noted.

- 57.5 Audit & Risk Committee Minutes – 19 August 2024 – Minutes were noted.
- 57.6 Staff Governance Committee Minutes – 31 July 2024 – Minutes were noted.
- 57.7 West Lothian Integration Joint Board Minutes – 08 August & 17 September 2024 – Minutes were noted.
- 57.8 East Lothian Integration Joint Board Minutes – 26 September 2024 – Minutes were noted.
- 57.9 Edinburgh Integration Joint Board Minutes – 24 September 2024 – Minutes were noted.
- 57.10 Midlothian Integration Joint Board Minutes – 22 August 2024 – Minutes were noted.
- 57.11 Health & Care (Staffing) (Scotland) Act 2019 – Quarter 2 Board Compliance Report – Report was noted. The Board agreed to accept **Moderate Assurance** on how NHS Lothian is meeting its legal duties under the 2019 Act, based on the Scottish Government's compliance scoring and its rating of "Reasonable Assurance" for NHS Lothian.
- 57.12 National Whistleblowing Standards – Quarter 2, 2024/25 Performance Report – Report was noted.
- 57.13 Drug Related Deaths Annual Report 2023 – Report was noted.
- 57.14 Appointment of Members to Committees and Integration Joint Boards – The Board approved the recommendations in the paper, as follows:
- The appointment of Ms Elizabeth Gordon, Non-Executive Director, to the Audit and Risk Committee membership, with effect from 4 December 2024.
  - The appointment of Mrs Patrica Cantley, Non-Executive Director, to the Audit and Risk Committee membership, with effect from 4 December 2024.
  - The appointment of Professor Amjad Khan, Non-Executive Director, to the Healthcare Governance Committee membership, with effect from 4 December 2024.
  - The removal of Councillor Harry Cartmill, Non-Executive Director, from the Healthcare Governance Committee membership, with effect from 4 December 2024.
  - The appointment of Mr Jonathan Blazeby, Non-Executive Director, to the Remuneration Committee membership, with effect from 4 December 2024.
  - The appointment of Wendy Metcalfe, Renal Clinical Director, as, Non-Voting Member of the Midlothian Integration Joint Board, with effect from 04 December 2024.

The Board noted the following appointments:

- The appointment of Councillor Margaret Graham, as a non-executive member of the Lothian NHS Board from 1 November 2024.
- The reappointment of Val De Souza, as a non-executive member of the Lothian NHS Board from 1 April 2025 to 31 March 2029.
- The reappointment of Peter Knight, as a non-executive member of the Lothian NHS Board from 1 April 2025 to 31 March 2029.
- The reappointment of Elizabeth Gordon, as a non-executive member of the Lothian NHS Board from 1 April 2025 to 31 March 2029.
- The reappointment of George Gordon, as a non-executive member of the Lothian NHS Board from 16 May 2025 to 31 December 2026.

- 57.15 NHS Lothian Board and Committee Dates 2025/26 & 2026/27 – The proposed dates were approved.

## ITEMS FOR DISCUSSION

### 58. Board Chair's Report – December 2024

58.1 The Chair highlighted the following:

- **Mr Pat Togher, Edinburgh HSCP Chief Officer** – The Chair noted that, although absent, this was Mr Togher's final Board meeting before leaving Edinburgh HSCP to take up position as Chief Officer at Glasgow HSCP. The Board recorded its thanks to Mr Togher and wished him all the best in his new role.
- **Scottish Health Awards 2024** – The Chair congratulated two members of NHS Lothian staff who won key awards at this year's Scottish Health Awards:
  - Lindsey Todd, Specialist Radiographer, Department of Clinical Neurosciences
  - Dr Rosamunde Burns, Consultant Anaesthetist

The Chair also extended congratulations to a further seven NHS Lothian staff who had been nominated for awards and had reached the finalist stage.

- **Audit Scotland Report - NHS in Scotland 2024** – The Chair noted and welcomed the recent publication of this report, which would worthy of further reflection under the finance update, later on the agenda.

### 59. Chief Executive's Report – December 2024

59.1 The Chief Executive introduced her report, highlighting the key items within this and the following areas were discussed:

- **Fire Safety at the Royal Infirmary of Edinburgh** - The Board noted that the Staff Governance Committee had received an update on Fire Safety on 30 October 2024. The Committee had been content with the thoroughness of the update but had requested additional assurance on the overall impact of the various mitigating actions. This additional assurance briefing session had now been provided and members of the Staff Governance Committee confirmed they had the additional assurance relating to the understanding of the range and effectiveness of mitigating actions.
- **Princess Alexandra Eye Pavilion** - The Board discussed the ongoing engagement with patients and stakeholder organisations about the relocation of PAEP services whilst the closure for essential repair work was in place. Feedback from patients had been generally very positive and any arising issues had been resolved quickly. Such issues related to the complexity of providing alternative transport arrangements and ensuring that patients could adjust the font size on digital correspondence. Staff feedback on the move had also been positive with the provision of transport for staff at start and finish times, proving successful. The Board noted that there was ongoing tracking of any attendance or ongoing provision issues.
- **Health Awards** - The Board reiterated its congratulations to the NHS Lothian nominees and winners at the Scottish Health Awards. There was further discussion about the importance of having an in-person event for NHS Lothian's Celebrating Success event to make staff feel valued. The Director of HR&OD reminded the Board of the tax implications around hosting an in-person event but confirmed that it was hoped there could be an in-person element incorporated into next year's event.

- **Activism against Gender-Based Violence – NHS Lothian Women’s Network** - The Director of HR&OD confirmed that this network regularly reported to Staff Governance Committee as one of the five NHS Lothian staff networks. The Board also noted that assurance on equality and diversity activity was provided regularly via the Healthcare Governance Committee.

## **60. Opportunity for committee chairs or IJB leads to highlight material items for awareness**

- 60.1 Finance & Resources Committee – The Board noted the ongoing good work around sustainability, with the Annual Climate Emergency Sustainability Report being received by the Committee and now published on the website. The Board recognised the work being undertaken by a small team and this was an important area for all Board members to be sighted on.
- 60.2 Healthcare Governance Committee – The Board noted the lifting of the pause around gender identity services referrals now that the assessment pathways had been reviewed and updated. The Committee was continuing to receive reports as appropriate. The Committee had also had a fuller discussion around the Drug Related Deaths Annual Report 2023.
- 60.3 Audit & Risk Committee - The Board noted that a tender process was underway, to appoint a new internal audit provider from April 2025. The Board recognised internal audit as a key part of the governance risk assurance programme and noted that there were still several outstanding reports to be received this financial year. The Committee Chair asked responsible executives to ensure that management actions in response to internal audit reports were provided in a timely fashion to ensure the Committee had adequate time to consider these in the current financial year.

## **61. Annual Ministerial Review 2023/24 – Outcome Letter**

- 61.1 The Chief Executive confirmed that there had been a positive Annual Review held on 7 October 2024 and the Board Secretary had undertaken an exercise with colleagues to capture key learning points which would inform preparations for next year’s Annual Review.
- 61.2 The Board noted the letter from the Minister for Public Health and Women’s Health, as a source of **significant assurance** that the Scottish Government had carried out its Annual Review of Lothian NHS Board’s performance for 2023/24 and noted that the letter would be published on the Board’s website.

## **62. NHS Lothian Board Assurance Framework Proposal**

- 62.1 The Board Secretary introduced the paper proposing a revised Board Assurance Framework (BAF). He explained that this was intended to meet the specific needs of the Board and its members, and reflect established good practice in NHS corporate governance, demonstrating robust compliance with the principles of the Blueprint for Good Governance.
- 62.2 The Chief Executive emphasised that the model proposed would be largely familiar to Board members but that reviewing current arrangements was important to provide greater clarity on how key assurances were received and considered by the Board and its committees. She noted the intention to avoid duplication and jargon, and to support better understanding for board members, staff and wider stakeholders

- 62.3 The Board welcomed and discussed the proposals in more detail. It was agreed that the BAF should be co-produced with board members, by way of a steering group, and that there would be development sessions held in the new year to work through the overall detail. Consideration would also be given to how integration joint boards; primary and social care would align with the BAF. The Chief Executive confirmed that this work would not be done in isolation but would be done in partnership, involving all members of the Corporate Management Team and their teams as part of the reduction of duplication.
- 62.4 The Board agreed, in principle, to the development of the proposed BAF and its components, as a suitable response to the Board's previously agreed action from its Blueprint Development Session in March 2024.
- 62.5 It was agreed that there would be an iterative approach taken to developing and delivering the various components of the BAF, which would be influenced by both the prioritisation of assurance needs and available resource capacity. This would permit improvements to be implemented in key areas more quickly. Regular updates would be provided to the Board and its committees as the required programme of work progressed.
- 62.6 The Board supported the steps forward with the BAF and thanked the Board Secretary for pulling together the proposals.

**63. Corporate Objectives and Lothian Strategic Development Framework (LSDF) Mid-Year Review**

- 63.1 The Director of Strategic Planning provided a progress update against the Corporate Objectives for 2024/25, as noted at the end of the first six months of the financial year.
- 63.2 The Board was reminded of its agreement that the organisation should operate to deliver Corporate Objectives which progress NHS Lothian's strategic direction, and which illustrate the link between this direction and improved organisational (and system) performance. This meant one Corporate Objective for each of the six pillars and five parameters of the LSDF. For each of the six pillars, the Implementation Books provided detailed plans on how these objectives would be delivered.
- 63.3 Over and above these pillars and parameters, the Board has also adopted Corporate Objectives for four key additional areas: Quality & Safety; Contract Management for the RIE PFU Agreement; Equality & Human Rights; and Protecting People's Health.
- 63.4 Each Corporate Objective appeared in the personal objectives of at least one member of the Corporate Management Team and therefore linked to individual performance assessment. There would also be consideration of how objectives and performance could be linked to the new Board Assurance Framework in a structured way.
- 63.5 The Board discussed the highlights and challenges of the Corporate Objectives as outlined at Appendix 1 of the report. There was discussion on public health and prevention related objectives and members wished to ensure that the measurement of outcomes was captured, in addition to process changes. Improvements in the implementation book for the Digital parameter, in particular, were noted. Members discussed workforce related objectives and reflected that, despite financial restrictions, there were opportunities. An increase in rates of sickness absence and the factors driving this were acknowledged. Executives explained that the consistent application of workforce policies and interventions was critical, as well as ensuring shared learning between departments and with other boards. The Chair acknowledged recent investments in staff wellbeing initiatives provided via the NHS Lothian Charity.

- 63.6 More broadly, the Board discussed the importance of clear performance measures and a healthy organisational culture as key enablers in delivering its agreed objectives. It was acknowledged that new Board Assurance Framework would provide an opportunity to better report against delivery and that processes were underway to appoint a new Director of People and Culture, following the recent announcement of the Director of Human Resources and Organisational Development's planned retirement. It was expected that this would bring greater focus to the development of culture as an enabler
- 63.7 Following detailed discussion, the Board agreed to accept **moderate** assurance that the Corporate Objectives work was progressing appropriately and that the Corporate Objectives for 2024/25 would be delivered.

#### **64. NHS Lothian October 2024 Financial Position**

- 64.1 The Director of Finance presented an update on NHS Lothian's financial position as at October 2024. He reminded members that the organisation had started the year with a 7% gap, equating to £140M. He noted that next year's gap was currently expected to be of a broadly similar scale, subject to the Scottish Government's imminent budget announcement.
- 64.2 The current financial position, at Month 7, reflected a £12.4M overspend, in line with expectations. Pressures remained within medical, dental, non-pay, GP prescribing and management of the reduced working week. However, the nurse agency position was improving. In relation to prescribing in general the Director of Finance highlighted that NHS Lothian was a relatively low-cost prescriber with a well-established efficiency programme. The Medical Director added that there was ongoing work with both Primary Care and Acute Services to monitor drugs of low clinical value and reduce or eliminate their prescribing as part of formulary compliance.
- 64.3 The Q1 forecast was a £32M overspend with improvement expected for Q2, which would be reported and discussed through the Finance and Resources Committee. A number of efficiency workstreams were delivering benefits but a lot of this was based on non-recurring savings. There would be overarching conversations and engagement with business units held in January as part of the push towards breakeven.
- 64.4 The Board noted that the Scottish Government would announce its Budget for 2025/26 later that day. The Director of Finance reported that the outcomes from the UK budget had been better than anticipated. However, whilst pay uplifts were expected to be fully funded, non-pay budgets were still being modelled on the basis of no uplift. A briefing paper would be provided to Board Members following that afternoon's Scottish Budget announcement.
- 64.5 A discussion followed on the details of the financial report provided. Members sought to understand the effectiveness of current controls on those areas of expenditure where the pressure was greatest. Further clarity was also sought in relation to the ongoing impacts of the Board's Financial Recovery Plan on patients and services. Members also sought assurance on how changes, reductions or delays in services were communicated to the public and patients.
- 64.6 The Chief Executive reminded the Board that it had a statutory obligation to deliver financial balance each year but acknowledged the frustration that doing so currently was not possible without consequences for service delivery levels. Efforts to capture and articulate the scale of impact at a collective level were ongoing but represented a significantly challenging task. In the meantime, appropriate due diligence, stakeholder engagement processes and impact assessments continued to be applied to all individual decisions, in line with the agreed governance and decision-making processes. It was considered that demonstrating sound financial management was an important factor for the Board when discussing future initiatives and potential service investments with Scottish Ministers.

- 64.7 The Director of Finance confirmed that there were national collaborative efforts to address particularly high areas of spend across boards, such as locum spend, with NHS Lothian in a relatively strong position in this area.
- 64.8 The key findings from the recent Audit Scotland: NHS in Scotland 2024 report were noted by the Board. As in previous years, this report continued to highlight very significant ongoing challenges in relation to the financial sustainability and productivity of the NHS in Scotland. It was considered that addressing these challenges would require a careful balancing of investment and disinvestment decisions, both nationally and within NHS boards. Until a coherent national plan was provided, the onus rested with individual boards to demonstrate leadership in meeting the challenges.
- 64.9 The Director of Finance offered reassurance to the Board that there was early work underway to anticipate and address the financial challenges for 2025/26. He set out a timeline of planned engagement with departments and leaders within NHS Lothian, commencing in December, with all service plans to be collated and considered by the Corporate Management Team in January.
- 64.10 The Board noted the financial position to the end of October 2024, including a £12.4m overspend, and accepted that, based on information available at this stage, NHS Lothian was only able to provide **limited assurance** on its ability to deliver a breakeven position in 2024/25.

## **65. Child Poverty Action Annual Reports**

- 65.1 The Deputy Director of Public Health and Health Policy introduced the paper providing the Board with an annual update of action being taken to tackle child poverty in NHS Lothian.
- 65.2 The Board noted some key developments highlighted within the report which included: a realignment of reporting and governance processes to the Anchor Institution workstream; embedding data protection impact assessments within the Maternity Trak Care system; the reporting of outcomes from the income maximisation service; details of ongoing work in relation to the child poverty accelerator fund; and work with Public Health Scotland to review key pathways. It was reported that two local authorities were still to publish their reports and that these would be reviewed and approved by the Director of Public Health, under the appropriate delegated authority.
- 65.3 The Board discussed the details of the reported, noting the changing demographics and welcoming the work being done around income maximisation. Whilst it was noted that income maximisation was not in itself a direct statutory responsibility of the Board, the impacts from this were understood to contribute to addressing the Board's wider population health and prevention duties. The potential for the NHS Lothian Charity to offer support in this area was acknowledged but this was a matter for the Charity's Board of Trustees to consider independently.
- 65.4 The Board noted the annual update of action being taken by NHS Lothian to tackle child poverty.

## **66. NHS Lothian Board Performance Report**

- 66.1 The Deputy Chief Executive presented the Board Performance report, noting a number of significant drivers that had been discussed earlier in the meeting, such as finance and workforce, and the impact these had on performance.

- 66.2 There was discussion on a number of initiatives underway to drive the financial gap down. These included: “Pause and Assess” actions; switching off of Waiting Time Initiatives; the use of external capacity; the use of independent sector capacity and the well-rehearsed plans around capital funding and the implications of these. The Board noted these initiatives and appreciated that whilst these were managing to be maintained this did have an impact on both numbers waiting and waiting times. The migration of PAEP and ophthalmology services to other sites had impacted wider elective capacity and other services.
- 66.3 The Deputy Chief Executive highlighted that there were also pressures being seen within Diagnostic services such as Endoscopy and Radiology. 31-day cancer performance was in line with the Scottish position, but 62-day performance remained compromised, with the number of referrals increased. It was noted that the Board had benefited from mutual aid in relation to Urology. For the 4hr Emergency Access Standard all adult sites remained constrained. The Board’s October performance was at 60% against the Scottish position of 65%. It was clear that all NHS Scotland front doors and staff were struggling with significant and sustained duress.
- 66.4 The Deputy Chief Executive outlined the opportunity provided by Scottish Government for the Board to look at unscheduled care and consider a system wide response proposal to approach this differently nationally. A RIE focused response strategy had been developed over the last couple of weeks with input from all Lothian integration joint boards (IJBs). Lothian had been one of three boards asked to submit a proposal and discussions with Scottish Government were ongoing.
- 66.5 The Chief Officer for Acute Services reported on the pressures within diagnostic testing and due to an increase in urgent cancer referrals. There was a process of consultant led validation of referrals to ensure that referrals were appropriate, and that capacity was be allocated in order of priority. These principles were also used for MRI and Ultrasound referrals. The increase in Endoscopy referrals was being managed as effectively as possible, working with GPs, having previously relied on both waiting list initiatives and external capacity.
- 66.6 The Chair asked about how Lothian would deal with a system in crisis and what would happen if a critical incident was declared. The Deputy Chief Executive clarified that NHS Lothian’s Corporate Management Team had undertaken a detailed piece of work, building on experiences from last year that outlined triggers for escalation in relation to winter pressures. This dictated the most appropriate response for all acute sites and ensured engagement from health and social care teams, with the options to escalate to the corporate level.
- 66.7 Based on the recommendations in the paper, the Board noted both the implications of the performance matters described and NHS Lothian’s current levels of compliance against national performance standards and measures.

## **67. Corporate Risk Register**

- 67.1 The Board received and considered NHS Lothian’s Corporate Risk Register. Members noted the internal audit report on risk management processes, which had been presented to the Audit & Risk Committee in November.

## **68. Any Other Business**

- 68.1 Non-Executive Recruitment Process & Review of Commitments – The Chair reported that the next round of non-executive recruitment was underway, and the recruitment pack would be shared with members when available. The Chair also intended to review existing non-executive members’ commitments alongside the recruitment of new Board members.

**69. Reflections on the Meeting**

69.1 The Chair asked members to contact colleagues offline if they wished to discuss any items further.

**70. Date of Next Board Meeting**

- Wednesday 05 February 2025

***Signed by Chair***  
***05 February 2025***