

LOTHIAN NHS BOARD

Minutes of the meeting of Lothian NHS Board held at 0930hrs on Wednesday 4 February 2026 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; Mr E. Balfour; Mr J. Blazeby; Ms H. Campbell; Dr P. Cantley; Cllr H. Cartmill; Mr A. Cogan; Mr M. Connor; Ms E. Gordon; Mr G. Gordon; Prof J. Innes (until 12:20pm); Mrs K. Kasper; Prof A. Khan; Mr P. Knight (until 12:50pm); Prof. L. Marson; Ms T. A. Miller (until 12:40pm); Cllr D. Milligan; Mr R. Roberts and Ms V. de Souza.

Executive Board Members: Prof. C. Hiscox (Chief Executive); Miss T. Gillies (Executive Medical Director); Mr C. Marriott (Director of Finance), Ms A. MacDonald (Executive Nurse Director); and Mrs S. Webb (Director of Public Health and Health Policy).

In Attendance: Mr J. Crombie (Deputy Chief Executive)(until 12:40pm); Mr T. Power (Director of People & Culture); Ms M. Carr (Chief Officer, Acute Services) (until 12:50pm); Mr C. Briggs (Director of Strategic Planning); Dr J. Long (Director of Innovation and Transformation); Ms M. Campbell (Director of Estates & Facilities); Ms T. McKigen (Director of Primary Care); Ms M. Barrow (Chief Officer, Midlothian IJB); Ms F. Wilson (Chief Officer, East Lothian IJB) (until 12:40pm); Ms C. Lavery (Chief Officer, Edinburgh IJB); Ms J. Torrens (Service Director, REAS); Mr D. Thompson (Board Secretary) and Mr. C Graham (Corporate Governance Team, minutes).

Apologies for Absence: Cllr S. Akhtar (Non-Executive Director); Ms A. White (Chief Officer, West Lothian IJB) and Ms J. Mackay (Director of Communications & Public Engagement).

74. Welcome & Declaration of Interests

- 74.1 The Chair welcomed members, colleagues, and observers to the Board meeting.
- 74.2 Members were asked 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.

ITEMS FOR APPROVAL OR NOTING

75. Items proposed for Approval or Noting without further discussion

- 75.1 Members were reminded 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.” Members 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.
- 75.2 Minutes of Previous Board Meeting held on 3 December 2025 – Minutes were approved
- 75.3 Staff Governance Committee Minutes – 24 September 2025 – Minutes were noted.
- 75.4 Finance and Resources Committee Minutes – 22 October 2025 – Minutes were noted.
- 75.5 Healthcare Governance Committee Minutes – 18 November 2025 – Minutes were noted.

- 75.6 Midlothian IJB Minutes – 9 October 2025 – Minutes were noted.
- 75.7 East Lothian IJB Minutes – 30 October 2025 – Minutes were noted.
- 75.8 West Lothian IJB Minutes – 24 September 2025 – Outcomes were noted.
- 75.9 Health and Care (Staffing) (Scotland) Act 2019, Quarterly Board Compliance Report Quarter 3, 1 September – 30 November 2025 – The Report was noted.
- 75.10 Declaration of Surplus – Plot at Astley Ainslie Hospital – The Board formally confirmed that the area of land as detailed in the circulated paper was declared surplus to requirements.
- 75.11 NHS Lothian Area Clinical Forum Terms of Reference – The Terms of Reference were approved.
- 75.12 Board Appointments – January 2026 - The Board approved the following appointments and amendments to Board Committees, Integration Joint Boards and Pharmacy Practices Committee memberships. The Board noted:
- The reappointment of Andrew Fleming as a Non-Executive Member of the NHS Lothian Board, from 11 April 2026 (for a further four-year term).
 - The reappointment of Philip Allenby as a Non-Executive Member of the NHS Lothian Board, from 1 April 2026 (for a further four-year term).
 - The appointment of Katharina Kasper as Chair of NHS Lanarkshire and the resulting cessation of her term as a Non-Executive Member of the NHS Lothian Board.

The Board approved:

- The nomination of Elizabeth Gordon to undertake the key duties of the Whistleblowing Champion on an interim basis, pending a public appointment process.
- The appointment of Heather Campbell as a Non-Executive Member of the Audit & Risk Committee with immediate effect.
- The rescinding of the decision taken on 3 December 2025 to appoint Heather Campbell as a Co-Chair of the Pharmacy Practices Committee.
- The reappointment of Andrew Cogan as a Voting Member of the East Lothian Integration Joint Board, from 5 April 2026 (for a further three-year term)
- The appointment of Ralph Roberts as the Lead Voting Member of the Edinburgh IJB, with immediate effect, with the appointment period to align with his existing term as a Voting Member of the IJB.
- The appointment of Heather Campbell as a Voting Member of the Edinburgh IJB, with immediate effect (for an interim period of six-months).
- The rescinding of the decision taken on 3 December 2025 to appoint Dr Anna Beaglehole as a non-voting member of the Midlothian Integration Joint Board.
- The appointment of Dr Paul Bailey, as a non-voting member of the Midlothian Integration Joint Board and specifically as the “registered medical practitioner whose name is on the list of primary medical services performers” with immediate effect (for a three-year term).

ITEMS FOR DISCUSSION

76. Board Chair's Report – February 2026

76.1 Katharina Kasper – Valedictory Comment

- 76.1.1 The Board recognised that this would be Katharina's final Board meeting before stepping down to take over the role as Chair at NHS Lanarkshire.
- 76.1.2 Katharina had joined the Board in February 2020, as the Board's first Non-Executive Whistleblowing Champion and was currently serving her second term of office, following earlier reappointment.
- 76.1.3 Katharina had played an important role as Whistleblowing Champion, providing governance oversight and scrutiny of the mechanisms and processes that encourage and allow the Board's staff to speak-up when things were not right. Outside of this specific role, Katharina had been a very supportive Board Member colleague, taking on roles with the Remuneration Committee, Staff Governance Committee, Audit & Risk Committee, West Lothian IJB, and the Edinburgh IJB. Most notably, she had been Chair and Vice Chair of the Edinburgh IJB.
- 76.1.4 The Board expressed its appreciation to Katharina for her contribution to the governance and leadership of NHS Lothian over the last six years and wished her well in her new challenge at NHS Lanarkshire.

76.2 Subnational Planning: Remuneration for Executives Undertaking Additional Responsibilities

- 76.2.1 The recent media coverage around this issue was discussed and it was noted that the Scottish Government were reviewing these temporary pay increases. The Board acknowledged the clear intention to continue to work with partnership colleagues.

76.3 Care Opinion Data

- 76.3.1 The Chair acknowledged the recent NHS Lothian's Care Opinion data reported in January 2026. It was noted that , during Oct-Dec 2025, 231 stories submitted to Care Opinion had been about NHS Lothian. All of these had been responded to within five days, with the majority responded to the same day. The information represented valuable qualitative feedback about how patients, carers and relatives experienced and felt about the Board's services. NHS Lothian staff featured very highly in what is considered "good" by those submitting stories and the Board acknowledged this. Non-Executive colleagues were encouraged to review the Care Opinion data themselves, which was publicly available.

76.4 NHS Lothian Annual Accountability Review Feedback

- 76.4.1 The Board accepted the report and the Minister's outcome letter as a source of significant assurance that the Scottish Government had carried out an Annual Review of Lothian NHS Board's performance for 2024/25. It was noted that the letter would now be published on the Board's website.

77. Chief Executive's Report – February 2025

The Board discussed the Chief Executive's Report, focusing on key areas including:

77.1 Walk-In Primary Care Centre Pilot, Wester Hailes

- 77.1.1 The Chief Executive reported that, following the First Minister's announcement in October 2025 of plans to establish 15 GP walk-in centres across Scotland by March 2026, NHS Lothian had been invited to submit a proposal for a pilot site within a two-week deadline. In agreement with the Director of Primary Care, NHS Lothian prepared and submitted a proposal based on extending the existing Lothian Unscheduled Care Service (LUCS).
- 77.1.2 The Chief Executive explained that the proposal had been developed by the Director of Primary Care and a multidisciplinary steering group, which considered a range of options and identified Wester Hailes Healthy Living Centre as the preferred location due to its high levels of deprivation, community need, and the advantages of co-located public and third-sector services.
- 77.1.3 The pilot aimed to improve access to same-day primary care for people unable to obtain GP appointments, offer a safe pathway to healthcare between 12pm and 8pm, complement existing GP services, increase primary care capacity through a seven-day model, and enhance health equity for a population largely living in SIMD1 and SIMD2 areas. The planned service model included same-day assessments, basic diagnostics, and treatment for suitable conditions, supported by a multidisciplinary team of GPs, advanced nurse practitioners, a physiotherapist, administrative staff, link workers and facilities staff, with governance and oversight provided through LUCS.
- 77.1.4 Board Members noted that written confirmation had been received from the Scottish Government on 24 December 2025 indicating that the proposal showed strong potential and should continue to be progressed, subject to national agreement on funding and assurance arrangements. It was further noted that, during a Ministerial visit on 15 January 2026, the Cabinet Secretary announced Wester Hailes as the location of Scotland's first walk-in centre pilot.
- 77.1.5 Plans were underway to recruit additional LUCS staff to ensure appropriate clinical governance, including for out-of-hours services. It was noted that the pilot would be funded by the Scottish Government for one year and that written confirmation of the funding was awaited.
- 77.1.6 There was also discussion on the links between initiatives such as the GP Walk-In Practice and the Digital Front Door (MyCare App) and the ministerial commitment in relation to NHS reform. The Chair suggested it would be useful to have a future briefing session for the Board around Digital Front Door (MyCare App).
- 77.1.7 The Board also noted that there would be a paper on the GP Walk-In Practice submitted to next week's Edinburgh Integration Joint Board and a copy of this paper would be shared with Non-Executive Director colleagues. Further discussion on the GP Walk-in Practice was requested at the next SPPC meeting.

77.2 Resident Doctor Ballot on Industrial Action

- 77.2.1 The Board noted that resident doctors in Scotland had voted in favour of industrial action following a national ballot at the end of 2025. In anticipation of strike action planned for January 2026, NHS Lothian had activated its resilience planning structures. This work had been led by the Executive Medical Director and the Director of People & Culture, supported by extensive clinical and administrative input and informed by experience from previous industrial action in 2023. The Chief Executive highlighted that the organisation had been well-prepared for the potential disruption and expressed her gratitude to all colleagues involved in the planning.
- 77.2.2 Negotiations between the British Medical Association and the Scottish Government had resulted in a revised pay offer emerging at a late stage, leading to the postponement of the planned industrial action. The BMA Scottish Resident Doctors Committee was currently consulting its members on the offer and was recommending acceptance. The Chief Executive outlined that the offer included a 4.25% uplift for 2025/26 and 3.75% for 2026/27, representing an 8.16% cumulative increase over two years, alongside additional investment in contractual reform. It was noted that a consultative vote would run until 10 February 2026.
- 77.2.3 Board Members acknowledged that although the immediate threat of industrial action had receded, further action remained possible depending on the outcome of the consultative process. It was confirmed that a structured debrief would be undertaken to ensure learning from the preparatory work, which would remain valuable should further action occur.
- 77.2.4 The Board noted the update, the organisation's high level of preparedness, the revised national offer under consideration, and the potential for future industrial action depending on the outcome of the BMA consultation.

77.3 Recent Ministerial Visits

- 77.3.1 The Chief Executive reported that the First Minister, John Swinney MSP, had visited the Royal Infirmary of Edinburgh on 29 December 2025 to meet the Cyrenians In-Reach Service team. It was noted that the service supported hospital patients experiencing homelessness to complete their treatment and secure suitable accommodation, and that the visit coincided with the Scottish Government announcing an additional £40,000 to support the service across NHS Lothian's three hospital sites.
- 77.3.2 Board Members noted that on 17 December 2025 the Cabinet Secretary for Health and Social Care, Neil Gray MSP, had visited St Triduana's Medical Practice in Edinburgh to see the Digital Dermatology pathway in operation. This service used clinical photography within the referral process to secondary care, helping to improve access and speed up patient triage.

77.4 Celebrating Our Staff

- 77.4.1 The Chief Executive invited the Board to acknowledge the achievements of a number of colleagues, set out within the Report. The Board offered its congratulations to:
- Ashley Lawrence, Health Visiting Team Manager in East Lothian, who was awarded the title of Queen's Nurse;
 - Leigh Williams, Clinical Team Lead for District Nursing and the Bladder and Bowel Service in West Lothian, who was awarded the title of Queen's Nurse;
 - The NHS Lothian Antimicrobial Management Team (AMT), named Infection Management Team of the Year at the Scottish Healthcare Awards 2025; and
 - Cathie Lackie, former Receptionist and Clerical Assistant at the Royal Hospital for Children and Young People, who was made a Member of the Order of the British Empire (MBE) in the King's New Year Honours 2026.

78. Opportunity for committee chairs or IJB leads to highlight material items for awareness

- 78.1 Healthcare Governance Committee** - The Board noted recent discussions at Healthcare Governance Committee in relation to childhood vaccinations. The technological challenges around the roll out of childhood vaccinations across UK were acknowledged. The mitigating actions to resolve issues had been put in place and the system was functioning as intended with the next national system scheduling report expected in the coming week.

79. Escalation Update Maternity Services & CAMHS (Standing Item)

79.1 Maternity Services

- 79.1.1** Board Members received an update on progress since the previous Board meeting. It was reported that work continued across four maternity workstreams, three of which were being coordinated through a Short-Life Working Group chaired by the Chief Midwife, with a fourth jointly chaired and focused on patient-facing and neonatal improvement activity. The paper set out the processes in place to address the requirements and recommendations from Healthcare Improvement Scotland (HIS), with major programme reviews scheduled for the end of January and the end of March 2026.
- 79.1.2** The report appendices detailed midwifery staffing levels, confirming that the service now had the required numbers of staff in place. Progress was broadly on track, although some actions remained challenging within the timescales. Weekly progress meetings with workstream leads were ongoing, alongside monthly meetings with Scottish Government policy colleagues to ensure a clear route to de-escalation.
- 79.1.3** The Board were also updated on the Maternal Early Warning Scoring (MEWS) process, noting that four sets of measures were reviewed across antenatal and triage areas in both Simpson and St John's hospitals. MEWS scores were being recorded accurately, repeated where required, and appropriately escalated. It was acknowledged that further improvement work remained; however, early signs of progress were evident.
- 79.1.4** During discussion, Board Members asked about external assurance and the need to confirm that the service was meeting national standards. The Executive Medical Director advised that HIS colleagues were expected to return to assess progress. It was also noted that additional internal checks and audits were underway to confirm not just the implementation of actions, but their impact. The importance of understanding the effect of changes on staff and patient experience was emphasised and it highlighted that clinical complexity, staff experience and timely multidisciplinary intervention all influenced progress, but having the right staffing levels in place daily was already delivering benefits such as improved access to training and fewer short-notice staff moves.
- 79.1.5** Board members discussed leadership arrangements and governance oversight, recognising the significant focus on impact and cultural change across the service. It was noted that scrutiny would continue through both the Healthcare Governance Committee and the Staff Governance Committee. It was confirmed that unannounced quality visits were underway and that staffing levels were the most stable they had been for some time, although this would continue to fluctuate and required active monitoring.
- 79.1.6** Members raised questions about national workforce planning, the maturity of recruitment pipelines and wider national shortages. The Chief Executive reported that the Scottish Maternity Taskforce had recently met and had recognised the need for a national thematic workforce review. The Board also discussed staff experience, with reference to recent iMatter results and the importance of rebuilding confidence and engagement. It was noted that real-time feedback tools and dedicated support for maternity teams were being developed.

- 79.1.7 Further discussion focused on culture, professional development and sustaining improvement. The service was progressing the development of a maternity culture strategy, supported by cultural ambassadors who would help translate high-level plans into meaningful experience for staff. Board Members acknowledged the challenge of embedding new ways of working and avoiding a return to previous patterns under pressure. The importance of professional midwifery leadership and clear communication with staff was emphasised.
- 79.1.8 The Board recognised that maternity services would be discussed at the forthcoming meeting of all Board Chairs and the Cabinet Secretary, given common themes emerging from HIS inspections across Scotland. The need for clear timelines and transparent communication as the service continued its improvement journey was reiterated.

79.2 CAMHS

- 79.2.1 Board Members received an update on the current CAMHS position. The Board was reminded that, following the action agreed at SPPC on 21 January 2026, a paper would be brought to the March 2026 SPPC meeting setting out plans to accelerate progress towards meeting the national waiting times standard.
- 79.2.2 The Board were referred to the performance report, noting that CAMHS remained at Stage 3 escalation with the Scottish Government. A significant improvement programme had been initiated in November 2025, and measurable progress had since been achieved. The number of patients waiting over 52 weeks had reduced from 115 at the end of November to 38 as of the current week, and performance against the 18-week standard had improved from 54.8% to 60.3%.
- 79.2.3 Members were also advised that waiting lists were reviewed daily and subject to weekly oversight. An action plan was in place to utilise an additional £550k investment to boost capacity and support delivery improvements. Engagement with the Scottish Government Mental Health Directorate continued, with the next meeting scheduled for 24 February.
- 79.2.4 The Board welcomed the progress made, particularly in reducing long waits and moving ahead of the March 2026 trajectory. It was noted that further work would be required to continue improving performance against the 18-week standard into 2026/27.
- 79.2.5 Board members asked whether patients and families understood how private diagnoses received for mental health or neurodevelopmental conditions were considered by NHS Lothian. The Executive Medical Director explained that, regardless of a private diagnosis, NHS Lothian remained responsible for prescribing and ongoing clinical oversight, which required specialist input. A briefing document, previously compiled to inform local MPs and MSPs on this matter, would be circulated to Board Members for information.
- 79.2.6 The Board noted the progress achieved, the continued escalation status, the actions underway to increase capacity, and the commitment to bring forward a detailed improvement plan to the March 2026 SPPC meeting.

80. Scotland East Strategic Planning & Delivery Update

- 80.1 The Board received an update on the Scotland East Sub-National Planning and Delivery Programme. The Director of Strategic Planning outlined an overview of activity to 28 January 2026 and Board Members noted that the pace of work had been rapid, with developments continuing. The Board were reminded that there remained a limited number of working days to submit the required plan to the Scottish Government. The Chief Executive highlighted that five core workstreams had been established nationally and that the East region had added a further workstream focused on rural and island care.
- 80.2 It was reported that there had been strong engagement and enthusiasm across the East Region with collaborative discussions around financial planning, capital, and workforce. It was confirmed that the Cabinet Secretary and Director-General had reiterated the expectation that a plan would be delivered by 31 March 2026 and that joint oversight arrangements were in place at regional and national levels.
- 80.3 The Chief Executive emphasised the importance of sequencing decisions and maintaining proper governance. It was noted that a draft subnational plan would be available for board members to consider and discuss before the end of March 2026, prior to its submission to the Scottish Government. It was reiterated that each Board remained accountable for its own legal duties and service delivery responsibilities, even as shared regional work progressed.
- 80.4 Board members raised several points during discussion, seeking to understand the potential impact of the programme on executive capacity, the scale and complexity of the financial challenge, and the scope of the workstreams. Some members questioned how external challenge, non-executive director involvement, and staff-side engagement would be incorporated. The Chief Executive acknowledged the pressures on leadership capacity and confirmed that backfill arrangements and programme support would be required; these were being pursued. It was emphasised that NHS Lothian had long advocated for a strategic conversation about Scotland's health and care system and that participating in the programme allowed Lothian to influence future service configuration. There remained a commitment to maintaining focus on NHS Lothian's own transformation agenda in parallel.
- 80.5 A financial update was provided as part of the update report, noting a recurring deficit of £330 million across the East Region and the need for all Boards to deliver 3% recurrent savings in year one. While some national sustainability and relief funds would reduce the net pressure, the requirement remained significant. The tension between improving performance and achieving financial balance was highlighted, and it was confirmed that NHS Lothian would seek to ensure that sub-national work addressed genuine opportunities for efficiency and improvement.
- 80.6 During further discussion, concern was expressed regarding the absence of trade union involvement at national level, with Board members stressing the importance of partnership working. The Chief Executive acknowledged these concerns and advised the Board that discussions were taking place nationally to secure appropriate representation within the subnational committee structures. Questions were also raised regarding community involvement, and the Chief Executive confirmed that work was underway with Healthcare Improvement Scotland to establish appropriate engagement processes, recognising that public involvement would be essential to inform and shape any resulting service changes.

- 80.7 Board members welcomed the update report. It was reiterated that the subnational programme represented challenging but necessary work. The importance of transparency, collective decision-making and early clarity on expectations and timelines was emphasised. Work was continuing to develop national commission documents for planned care, unscheduled care, business systems, and rural and island services, with submission deadlines approaching.

81. Agenda for Change – Reduced Working Week

- 81.1 The Board received an update on the steps being taken by NHS Lothian to ensure a proportionate approach to providing backfill funding support to services in mitigation of short-term challenges, whilst also seeking to use the reduced working week as a lever for redesign.
- 81.2 Board Members noted that the work remained on track for the reduced working week deadline of 1 April 2026.
- 81.3 The Board agreed to take significant assurance that NHS Lothian had objectively considered the competing risks associated with introduction of the reduced working week alongside other AfC reforms and organisational priorities, drawing on clinical and other professional leadership to inform decision making about the use of limited funding.

82. NHS Lothian Board Performance Paper – Summary

- 82.1 The Deputy Chief Executive presented the latest Board Performance Report, outlining overall organisational performance against key indicators. The Board acknowledged the recent Audit Scotland report on delayed discharges, demonstrating the constructive work undertaken by NHS Lothian and its partners. In relation to planned care, it was highlighted that outpatient performance remained within the agreed improvement trajectory. As at the end of December, 14,366 patients had been waiting over 52 weeks, with an ambition to reduce this number to 8,828 by the end of March 2026.
- 82.2 The Board were reminded that these numbers represented individuals experiencing delays in accessing treatment. TTG performance showed 3,167 patients waiting over 52 weeks, slightly ahead of the planned trajectory for March; however, the volume of long waiters remained significant.
- 82.3 The Deputy Chief Executive reported that diagnostic activity in endoscopy had increased by 17%, although performance was still behind trajectory, and radiology performance continued to be constrained, particularly in MRI and ultrasound reporting. Ongoing concerns around 62-day cancer performance were highlighted, and it was noted that Psychological Therapies performance was also being reviewed, with ambitions to appoint a new Director to support a wider reset of both PT and CAMHS services.
- 82.4 The Board were updated on endoscopy, noting that activity had improved and that 65% of capacity was now aligned to urgent suspicion of cancer pathways. Non-recurring endoscopy funding, additional GI consultant input and nurse endoscopist capacity were being progressed as part of plans to deliver more sustainable solutions. On cancer pathways, it was reported that 62-day performance remained challenging, with urology and prostate pathways disproportionately contributing to breaches. Of 101 patients treated, 77 were on the urology pathway. Work was underway to streamline the MRI staging process and a comprehensive deep-dive session had been held to review all elements of the pathway. Short-term additional capacity, external support, redesigned internal flows and additional MRI scanning capacity at the Western General Hospital were being utilised to improve performance.

- 82.5 The Board discussed performance in neurological cancers and the constraints currently affecting pathways. The Board heard that MRI referral times were being reduced and a number of pathway components were being redesigned. Members welcomed the update and noted ongoing collaborative work with academic partners to support improvements.
- 82.6 There was further discussion on outpatient waits, particularly oral medicine and urology, noting that patients waiting beyond 104 weeks were linked to limited specialist capacity. Options for securing support from other NHS Boards were being explored. Primary Care colleagues had raised the need for clearer performance data and a better understanding of the scale of improvement required to meet national standards. The Board also received an update on whole-system unscheduled care work, including efforts to reduce backflow into emergency departments, improve delayed discharge processes and increase care home capacity. Work with private care home providers was ongoing, including discussion of national care home rates.
- 82.7 The Board noted the performance position, the significant challenges across planned, diagnostic and cancer services, and the whole-system pressures affecting unscheduled care. Members recognised the extensive work underway to improve performance and the need for continued focus on capacity, pathway redesign, partnerships and system-wide solutions.

83. November 2025 Financial Position

- 83.1 The Board was advised that NHS Lothian was reporting a £7.9 million overspend at the end of the month 7, with the year-end forecast revised downward to a projected £19.6 million deficit.
- 83.2 A shortfall of £2.3 million was identified in the delivery of Financial Recovery Plans for October 2025, and it was noted that escalation processes would be applied to Business Units that were not delivering in line with agreed plans or targets.
- 83.3 The Finance & Resources Committee had reviewed the year-end position and provided moderate assurance regarding the likelihood of achieving breakeven. NHS Lothian also reaffirmed its ongoing commitment to the Scottish Government to deliver financial balance.
- 83.4 The Board discussed the ongoing challenges around energy, CNORIS and new drug funding pressures, noting that despite these challenges there remained a confidence in achieving financial balance for the current year, while recognising that the position for the following year would be significantly more difficult.
- 83.5 There was also discussion on the deliverable savings target and the anticipated financial gap for next year. The Board noted that the NHS Lothian Financial Plan would be presented to the Finance & Resources Committee in the following week.
- 83.6 The Board was updated on the impact of the recent budget which had reflected few changes from what had been anticipated, though capital allocations had shifted, particularly regarding primary care investment. Early modelling for 2026/27 suggested a reduction in expected resources. Non-pay inflation was running at around 9%, with only 2% funded, and acute drug cost increases were also funded at just 2%.
- 83.7 It was emphasised that NHS Lothian was required to deliver a balanced financial plan for 2026/27, which the organisation did not yet have, giving rise to concern. Several more months of work were expected before the position could be stabilised. Meanwhile, service teams were under strain, required to deliver 3% savings while also achieving financial balance, at a time when significant operational pressures, such as Reduced Working Week, continued to intensify.

83.8 Board Members noted that modelling work for next year's Financial Plan was progressing under a "business-as-usual" approach despite the changes associated with sub-national planning arrangements. It was reinforced that NHS Lothian would need to deliver the required 3% savings and return to balance, noting that participation in sub-national workstreams could create opportunities due to their scale and scope.

83.9 The Chair suggested that the next informal meeting of non-executive directors should dedicate time to reviewing the sub-national workstreams, and by the March SPPC meeting, a clearer understanding of the associated plans and implications could be presented. The Board noted the overall financial position.

84. Corporate Risk Register (CRR)

84.1 Board members reviewed the November 2025 updates provided by the executive leads concerning risk mitigation, as set out in the assurance table. There was brief comment on the finance risk remaining red, this was due to the continued use of non-recurring funds to reach financial balance. The Board agreed to remove risk 5785 - Absence of Female High Secure Accommodation in the Estate from the CRR.

85. Child Poverty Action Annual Update

85.1 The Board welcomed the annual update provided. The update outlined actions being taken to tackle child poverty by NHS Lothian. Work had progressed successfully on the previously agreed programme of NHS child poverty actions. The Board accepted moderate assurance that NHS Lothian was fulfilling its statutory responsibility to co-produce Local Child Poverty Action Reports (LCPARs) with local authorities; noting that two of the 2024-25 LCPARs were now complete and work continued to finish the others in early 2026.

86. Any Other Business

86.1 There was no other business.

87. Reflections on the Meeting

87.1 The Chair reminded board members that they could contact colleagues out with the meeting if they wished to discuss any items further.

88. Date of Next Board Meeting

- Wednesday 22 April 2026 at 09:30am