

AGENDA

A MEETING OF THE NHS FIFE FINANCE, PERFORMANCE & RESOURCES COMMITTEE WILL BE HELD ON TUESDAY 14 JANUARY 2025 FROM 10AM TO 12.30PM VIA MS TEAMS

Note: There will be a pre meeting of Non-Executive Members only at 9.30am

Alistair Morris

Chair

		<i>Purpose</i>	
10:00	1. Apologies for Absence (AM)		
	2. Declaration of Members' Interests (AM)		
	3. Minutes of Previous Meeting held on Tuesday 12 November 2024 (AM)	(approval)	(enc)
	4. Chair's Assurance Report Presented to NHS Fife Board on 26 November 2024 (AM)	(for information)	(enc)
	5. Matters Arising / Action List (AM)	(assurance)	(enc)
10:15	6. GOVERNANCE MATTERS		
	6.1 Corporate Risks Aligned to Finance, Performance & Resources Committee (MM)	(assurance)	(enc)
	6.2 Internal Control Evaluation Report 2024/25 (JL)	(assurance)	(enc)
	6.3 Proposed Annual Workplan 2025/26 (MM)	(approve)	(enc)
	6.4 Delivery of Annual Workplan 2024/25 (MM)	(approve)	(enc)
10:45	7. STRATEGY / PLANNING		
	7.1 Business Continuity & Essential Investment Infrastructure Plan (NMCC / BJ)	(Discussion & Decision)	(enc)
10:55	8. QUALITY / PERFORMANCE		
	8.1 Integrated Performance & Quality Report (Exec. Leads)	(assurance)	(enc)
	8.2 Financial Performance Report (MM)	(assurance)	(enc)
	8.3 Reform, Transform, Perform Update (BH)	(assurance)	(enc)
11:35	9. LINKED COMMITTEE MINUTES		
	9.1 Fife Capital Investment Group held on 18 December 2024 (unconfirmed)		(enc)
	9.2 Procurement Governance Board held on 30 October 2024 (unconfirmed)		(enc)
	9.3 Primary Medical Services Subcommittee held on 3 December 2024 (unconfirmed)		(enc)

10. ESCALATION OF ISSUES TO NHS FIFE BOARD

- 10.1 To the Board in the IPQR Summary (verbal)
10.2 Chair's comments on the Minutes / Any other matters for escalation to NHS Fife Board (verbal)

11. MEETING REFLECTIONS & AGREEMENT OF MATTERS FOR CHAIR'S ASSURANCE REPORT TO BE PRESENTED TO FIFE NHS BOARD ON 28 JANUARY 2025

12. ANY OTHER BUSINESS

12:00 **PRIVATE SESSION**

13. Apologies for Absence *(AM)*
14. Declaration of Members' Interests *(AM)*
15. Minutes of Previous Meeting held on Tuesday 12 November 2024 *(AM)* **(approval)** (enc)
16. Matters Arising *(AM)* (verbal)
17. Tender Process for Board Managed 2c Practice: Kennoway & Methilhaven Practice *(LG / LC)* **(Discussion & Decision)** (enc)
18. Any Other Business

Date of Next Meeting: **Tuesday 11 March 2025 from 10am – 12.30pm** via MS Teams

Fife NHS Board

Unconfirmed

MINUTE OF THE FINANCE, PERFORMANCE & RESOURCES COMMITTEE MEETING HELD ON TUESDAY 12 NOVEMBER 2024 AT 10AM VIA MS TEAMS

Present:

Alistair Morris, Non-Executive Director (Chair)
Jo Bennett, Non-Executive Member
Sinead Braiden, Non-Executive Director
Chris McKenna, Medical Director
John Kemp, Non-Executive Director
Alistair Grant, Non-Executive Director
Janette Keenan, Director of Nursing
Margo McGurk, Director of Finance and Strategy / Deputy Chief Executive
Lynne Parsons, Employee Director
Carol Potter, Chief Executive
Joy Tomlinson, Director of Public Health

In Attendance:

Kevin Booth, Head of Financial Services and Procurement (*item 8.5 only*)
Claire Dobson, Director of Acute Services
Fiona Forrest, Acting Director of Pharmacy and Medicines
Lynne Garvey, Director of Health and Social Care
Alistair Graham, Director of Digital and Information
Ben Hannan, Director of Reform and Transformation
Patricia Kilpatrick, NHS Fife Chairperson
Dr Gillian MacIntosh, Head of Corporate Governance and Board Secretary
Neil McCormick, Director of Property and Asset Management

Minute prepared by Kerrie Donald, Executive Assistant to the Director of Finance and Strategy (from recording).

Chair's Opening Remarks

The Chair welcomed everyone to the meeting, and extended a warm welcome to Lynne Garvey, Director of Health and Social Care, who is now a regular attendee in her new role.

Members were advised that the meeting will be recorded via MS Teams for the purposes of the minute.

1. Apologies for Absence

Apologies were noted from member Aileen Lawrie (Non-Executive Member / Area Clinical Forum Representative), and routine attendees Susan Fraser (Associate Director of Planning and Performance) and Maxine Michie (Deputy Director of Finance).

2. Declaration of Members' Interests

There were no members' interests to declare.

3. Minute of Previous Meeting held on 10 September 2024

The minute from the previous meeting was **agreed** as an accurate record.

4. Chair's Assurance Report Presented to NHS Fife Board on 25 September 2024

The Chair's Assurance Report is presented to the Committee for information only.

5. Action List / Matters Arising

The Committee **noted** the updates on the Action List.

The action plan will be updated accordingly.

5.1 Bed Modelling: Clinical & Financial Implications and Consultancy Work Update

The Director of Reform and Transformation spoke to the paper which provided an update on work commissioned with Buchan and Associates on whole system bed modelling and detailed some of the assumptions used. He highlighted that the key benefit from utilisation of this tool will be to inform the plan for future changes across the health and social care system. The Director of Reform and Transformation advised that work was progressing well to conclude this iteration of the model which is due to be received in the next few weeks.

The Director of Property and Asset Management offered thanks to all the clinical and directorate teams that have been involved in the exercise.

In responding to comments, the Director of Reform and Transformation confirmed that the scenarios being modelled did not consider workforce plans and would therefore need to be aligned with the wider workforce planning assumptions work being undertaken.

The Committee praised the work undertaken to date, thanking all those involved and took a **significant level of assurance** regarding the progress in development and delivery of this important planning tool.

6. GOVERNANCE MATTERS

6.1 Corporate Risks Aligned to Finance, Performance & Resources Committee

The Director of Finance and Strategy presented the corporate risk paper and provided a further update in relation to the risk around Delivery of a Balanced In-Year Financial Position (risk 13). It was advised that the Integration Joint Board (IJB) had now approved a Recovery Plan and all associated actions are underway to try and reduce the forecast deficit position in-year. It was however advised that the IJB forecast position has deteriorated further and will be discussed at the IJB Finance and Scrutiny Committee.

The Director of Finance and Strategy updated members on the work to complete a refreshed risk appetite for the Board noting that a proposal will be presented to the November meeting of NHS Fife Board for consideration.

Questions from Non-Executive members were asked about Whole System Capacity (risk 6) and Access to Outpatients, Diagnostics and Treatment Services (risk 7). In relation to risk 6, the Medical Director highlighted that consideration was being given to refreshing these risk descriptions to focus more on quality and safety and ensure that the impact on outcomes for patients is also captured in relation to performance.

The Committee took a **moderate level of assurance** (with the exception of the financial position which provides a **limited level of assurance**) that all actions within the control of the organisation, are being taken to mitigate these risks as far as is possible to do so.

6.2 Delivery of Annual Workplan 2024/25

The Director of Finance and Strategy advised that the draft financial plan for 2025/26 will be added to the workplan for both the January 2025 and March meetings 2025.

The Director of Finance and Strategy provided a brief overview of some of the initial assumptions around financial planning for 2025/26, noting that the budget announcement in December 2024 would be critical to the financial plan assessment for the next financial year.

The Committee **approved** the tracked workplan.

7. STRATEGY / PLANNING

7.1 Annual Delivery Plan (ADP) 2024/25 Quarter 2 Update

The Director of Finance and Strategy reported that there are 60 deliverables relevant to the committee; 2 have been completed, 40 are on track for full delivery, 12 are at risk and 6 are unlikely to deliver in this financial year. Details of the deliverables that are “unlikely to complete on time/meet target” are set out on page 3 of the report.

Detailed discussion took place around business transformation where members expressed concern in relation to the pace of progress being made. The Director of Digital and Information outlined a number of bridging actions that have been put in place, including a 13 week recruitment pause mainly in relation to the administrative job family where there is evidence it is safe to do so and also a review of fixed term posts to understand what the exit strategy is for those posts. In terms of other actions, a change of approach has been agreed in relation to business administration element to focus on 3 areas around health record management, wider administration and corporate governance support arrangements and opportunities across the health and care system. It was noted that the Staff Governance Committee had escalated this issue, and a progress update will be provided at the NHS Fife Board in November.

The Chief Executive acknowledged that progress in this area had been slower than expected, but considerable preparatory work has been undertaken with a reduction in whole-time equivalent posts in this job family over the last six months. The Chief Executive also recognised the professional functions carried out by staff in these roles.

Assurance was provided that progress is being made and the executive team is committed to being bold in its ambition in relation to this which will work.

Following a query from the NHS Fife Chairperson, the challenges around delivering public dental service were discussed. The Director of Public Health referred to a recent Public Health and Wellbeing Committee development session held on 18 October 2024 which highlighted the key challenges and work ongoing in Fife, and it was agreed that the link to the recording would be shared with members.

Action: Board Secretary

A specific action within the Annual Delivery Plan regarding the importance of collaborative engagement with the Scottish Government and dental body corporates to look for opportunities to improve the position across the country was raised. Following discussion, it was agreed that the NHS Fife Chairperson and the Chief Executive would reflect on raising this issue with the Scottish Government highlighting concerns around NHS dentistry provision in Fife.

Action: Chair and Chief Executive

Members discussed the presentation of the ADP report and specifically how it triangulates and aligns with the IPQR and the Corporate Risk Register. The Chief Executive and the Director of Finance & Strategy undertook to consider this more fully with the Executive Team and report back to a future meeting.

The Committee took a **moderate level of assurance** from the report and **endorsed** the ADP Q2 return for formal approval at the Board and for submission to Scottish Government.

7.2 Control of Entry Pharmaceutical List (Primary Care Team)

The Director of Health and Social Care provided an overview paper noting the current position in relation to the progress of NHS Fife's recovery plan to support the process of applications for new pharmacy contracts across Fife.

The Acting Director of Pharmacy and Medicines advised that the Pharmaceutical Care Services Plan was discussed at the Public Health and Wellbeing Committee and confirmed that having gone through the process to look at the provision of pharmaceutical care services, it had been assessed there is no unmet need for pharmaceutical services in Fife at this time. Thanks were offered to team for the tremendous work undertaken to progress the recovery plan, noting it had been a very challenging process but recognising the progress made to work through the applications.

The Committee took a **moderate level of assurance** from the paper.

8. QUALITY / PERFORMANCE

8.1 Integrated Performance & Quality Report (IPQR)

The Chief Executive highlighted the challenges NHS Fife are facing noting the elective programme has been impacted this week due to a very full hospital resulting in the

Director of Acute Services and Director of Nursing not being available to attend the full Committee today.

Following a query regarding benchmarking against other NHS Boards, the Director of Health and Social Care advised targets are defined locally and performance is regularly benchmarked against other health boards. It was highlighted given the current pressures faced by NHS Fife, local targets will require to be reviewed.

The Director of Health and Social Care provided an update on the Health and Social Care Partnership highlighting NHS Fife have the highest uptake in Scotland for Covid immunisations for over 75s (67%) and flu (69.3%). Mental health readmissions continue to perform below the national average, when benchmarked against other Boards. Drug and alcohol waiting times performance is at 94.5% which meets the standard. The CAMHS referral to treatment target has been maintained and achieved above 90% for the second consecutive month. Work has also been undertaken within smoking cessation to try and improve performance.

The Medical Director provided an update on cancer waiting times noting pressures remain ongoing in relation to the 62 day target and that pathways are being reviewed through consideration of other Board's improvement activity in this area.

The Committee took a **moderate level of assurance** from the IPQR and **endorsed** the Quality and Care section of the IPQR.

8.2 Proposed Allocation of NRAC 2024/25

The Director of Finance and Strategy introduced the report and the assessment process used to prepare the proposed recommendation with the paper. The paper proposed the level of resource allocated on a recurring basis should be £4.7m which would allow a protected £2.5m for investment as part of the 2025/26 financial planning process.

The NHS Board Chair commented positively on the approach outlined in relation to the assessment process and indicated her support for the proposed allocation as set out in the paper.

The Committee **noted** the recurring cost pressures set out in the report; **considered** the methodology used to assess the allocation of funding to support these pressures; **discussed** the proposed allocation of funding set out in table 2; **noted** the delegated authority of the Chief Executive to approve individual expenditure commitments up to £2m; and **endorsed** the proposed allocation of funding for 2024/25 and 2025/26.

8.3 Financial Performance Report

The Director of Finance and Strategy presented the report noting that while the run-rate overspend position has improved since July and August, the position must improve further and must also deliver the 3% RTP savings by the end of financial year.

The Director of Finance and Strategy further noted since the paper was submitted, the IJB recovery plan was approved by the IJB however this still leaves a gap of c£8m in the IJB position if the recovery plan of £13.5m is delivered in full. In addition, the Director of Finance and Strategy advised that the IJB forecast position has deteriorated from the £21.5m overspend reported in this report to £27m.

The Director of Health and Social Care highlighted that the recent deterioration in the position reflects increased costs in relation to GP prescribing and social care package commissioning. The key reasons for the increase in these areas was discussed and the Committee noted the further actions and reviews underway within the partnership to mitigate this where possible. The Director of Health and Social Care also advised members that there has been a significant reduction in banking agency staff which has been a huge improvement for the partnership.

The Chair recognised the efforts of all staff to manage the deteriorating financial position whilst continuing to provide safe service levels and the level of challenge this presents.

Following a query from J Kemp, Non-Executive Director, the Director of Finance and Strategy noted that full delivery of the recovery plan will be hugely challenging. The Director of Health and Social Care reminded members, even with the recovery plan, a minimum overspend of £8m was predicted.

Extensive discussion took place regarding potential opportunities to create additional savings across the health and care system. The Chief Executive highlighted that work is progressing to move towards a single focused plan to support transformation across the entire health care system to drive maximum value across services. Following a query, the Employee Director noted conversations are also ongoing with staff side and with the Director of Health and Social Care to support this work.

The Director of Finance and Strategy highlighted while there has been a significant focus on the IJB financial position today, it should also be noted there is a similar level of financial challenge to be managed within our Acute Service where the forecast year-end overspend is £20m.

The Committee took a **limited level of assurance** from the report and **discussed** the content noted within the paper.

8.4 Labs Managed Service Contract Performance Report

The Director of Acute Services presented the report.

The Committee took a **significant level of assurance** from the paper.

8.5 Procurement Key Performance Indicators

The Head of Financial Services and Procurement joined the meeting and advised that the report continues to demonstrate improvements within our procurement function.

The Committee took a **significant level of assurance** from the paper.

8.6 Reform, Transform, Perform (RTP) Performance Report November 2024

The Director of Reform and Transformation highlighted the key points from the report noting the assurance levels remain as previously discussed.

The Committee took a **moderate level of assurance** from the report.

9. LINKED COMMITTEE / GROUP MINUTES

The Committee **noted** the linked committee minutes.

9.1 Fife Capital Investment Group held on 2 October 2024 (unconfirmed)

9.2 IJB Finance, Performance and Scrutiny Committee held on 11 September 2024 (unconfirmed)

10. ESCALATION OF ISSUES TO NHS FIFE BOARD

10.1 To the Board in the IPQR Summary

There were no performance related issues to escalate to the Board.

10.2 Chair's Comments on the Minutes / Any Other Matters for Escalation to NHS Fife Board

Following discussion, it was agreed the Bed Modelling work and how this links to transformation should be highlighted to NHS Fife Board

11. MEETING REFLECTIONS & AGREEMENT OF MATTERS FOR CHAIR'S ASSURANCE REPORT TO BE PRESENTED TO FIFE NHS BOARD ON 26 NOVEMBER 2024

The reflections from the meeting and agreement of matters will be considered by the Chair for onward submission to NHS Fife Board. The report will be provided to the following Committee meeting for information.

12. ANY OTHER BUSINESS

There was no other business.

Date of Next Meeting; Tuesday 14 January 2025 from 10am – 12.30pm via MS Teams.

Meeting: Finance, Performance & Resources Committee

Meeting date: 12 November 2024

Title: Committee Chair's Assurance Report

1. Committee's Performance against Annual Workplan

1.1 The Committee reviewed the workplan for the financial year 2024/25.

Added:

- Scottish Budget Position (which will be announced on 4 December 2024)
- Draft Financial Plan for 2025/26 (January 2025)
- Financial Plan for 2025/26 (March 2025)

2. The Committee considered the following items of business:

2.1 The Committee took a significant level of assurance from the progress, development and delivery of the Bed Modelling planning tool.

2.2 The Committee took a moderate level of assurance from the Quarter 2 Annual Delivery Plan update and endorsed the return for formal approval at the NHS Fife Board and for submission to Scottish Government.

2.3 The Committee noted the recurring cost pressures set out in the 2024/25 Proposed NRAC Allocation report; considered the methodology used to assess the allocation of funding to support these pressures; discussed the proposed allocation of funding set out in table 2; noted the delegated authority of the Chief Executive to approve individual expenditure commitments up to £2m; and endorsed the proposed allocation of funding for 2024/25 and 2025/26.

2.4 The Committee took a limited level of assurance from the Financial Performance Report.

2.5 The Committee took a significant level of assurance from the Labs Managed Service Contract Performance Report.

2.6 The Committee took a significant level of assurance from the Procurement Key Performance Indicator report.

2.7 The Committee took a "moderate" level of assurance from the Reform, Transform, Perform (RTP) Performance Report.

3. Delegated Decisions taken by the Committee

None.

4. Update on Performance Metrics

- 4.1** The Committee took a moderate level of assurance from the IPQR and endorsed the Quality and Care Section of the IPQR

5. Update on Risk Management

- 5.1** The Committee took a moderate level of assurance from the corporate risk register (with the exception of the financial position which provides a limited level of assurance), noting that all actions, within the control of the organisation, were being taken to mitigate these risks as far as possible. A proposal to split the level of assurances within the corporate risk register was agreed by the Committee.

6. Any other Issues to highlight to the Board:

Following discussion, it was agreed the Bed Modelling work and how this links to transformation should be highlighted to NHS Fife Board

Alistair Morris
Chair
Finance, Performance & Resources Committee

KEY:	Deadline passed / urgent / priority
	In progress / on hold
	Closed

FINANCE, PERFORMANCE & RESOURCES COMMITTEE – ACTION LIST
Meeting Date: 14 January 2025



NO.	DATE OF MEETING	AGENDA ITEM / TOPIC	ACTION	LEAD	COMMENTS / PROGRESS	COMPLETION DATE
1.	10/09/24	Integrated Planned Care Programme Report	To consider for the next report, including Endoscopy surveillance and reviews which are not currently included to provide an overall view of the position.	CD	Updated to be provided within the IPQR by exception noting 98% of endoscopy surveillance patients are being seen within the recommended timescales.	Closed
2.	10/09/24		To provide the data for the waiting list numbers for CAHMS, and to provide further detail on the quality of care and incidents of physical violence, within the Public Health & Wellbeing section of the report.	Jillian Torrance		November 2024
3.	14/11/2023	ScotCOM Medical Education Programme	To provide further updated on the development of the ScotCOM Medical Education Programme.	CMcK	Update to be provided in due course.	On hold
4.	14/11/2024	Annual Delivery Plan Q2 Update	NHS Fife Chairperson and the Chief Executive to write to Scottish Government highlighting concerns around NHS dentistry provision in Fife with a view to having a plan to improve the position for the benefit of the people of Fife.	PK / CP		In progress

Meeting:	Finance, Performance & Resources Committee
Meeting date:	14 January 2025
Title:	Corporate Risks Aligned to the Finance, Performance & Resources Committee
Responsible Executive:	Margo McGurk, Director of Finance & Strategy
Report Author:	Dr Shirley-Anne Savage, Associate Director for Risk and Professional Standards

Executive Summary

- The report highlights a number of updates to existing risks aligned to this committee. A combination of service demand/capacity and the financial context means that the overall risk levels in a number of areas remain high.
- Members are asked to take a “moderate” level of assurance (with the exception of the financial position which is Limited) that, all actions, within the control of the organisation, are being taken to mitigate these risks as far as is possible to do so.

1 Purpose

This report is presented for:

- Assurance

This report relates to:

- Annual Delivery Plan
- Local policy
- NHS Board / IJB Strategy or Direction / Plan for Fife
- NHS Fife Board Strategic Priorities
 - To Improve Quality of Health & Care Services
 - To Deliver Value and Sustainability

This report aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

This paper provides an update on the risks aligned to this Committee since the last report on 12 November 2024. Members are invited to:

- note details of the corporate risks as at 20 December 2024 at Appendix 1;
- review all information provided against the Assurance Principles at Appendix 2; and the Risk Matrix at Appendix 3;
- consider and be assured on the mitigating actions to improve the risk levels;
- conclude and comment on the assurance derived from the report

2.2 Background

The Corporate Risk Register aligns to the 4 strategic priorities. The format is intended to prompt scrutiny and discussion around the level of assurance provided on the risks and their management, including the effectiveness of mitigations in terms of:

- relevance
- proportionality
- reliability
- sufficiency

2.3 Assessment



The Strategic Risk Profile as at end of December is provided in Table 1 below. Please note that this is now compared against the new agreed risk appetite (Appendix 4)

Table 1: Strategic Risk Profile

Strategic Priority	Total Risks	Current Strategic Risk Profile				Risk Movement	Risk Appetite
To improve health and wellbeing	5	3	2	-	-	◀▶	Hungry
To improve the quality of health and care services	6	4	2	-	-	◀▶	Open
To improve staff experience and wellbeing	2	2	-	-	-	◀▶	Open
To deliver value and sustainability	6	5	1	-	-	◀▶	Open
Total	19	14	5	0	0		
Summary Statement on Risk Profile							
The current assessment indicates that delivery against 3 of the 4 strategic priorities continues to face a risk profile in excess of risk appetite.							
Mitigations are in place to support management of risk over time with some risks requiring daily assessment.							
Assessment of corporate risk performance and improvement trajectory remains in place.							
Risk Key				Movement Key			
High Risk	15 - 25	▲		Improved - Risk Decreased			
Moderate Risk	8 - 12	◀▶		No Change			
Low Risk	4 - 6	▼		Deteriorated - Risk Increased			

The risks aligned to this Committee are summarised in Table 2 below and at Appendix 1.

Table 2: Risks Aligned to the Finance, Performance and Resources Committee

Strategic Priority	Overview of Risk Level	Risk Movement	Corporate Risks	Assessment Summary of Key Changes
 <p>To improve the quality of health and care services</p>	<div style="display: flex; justify-content: space-around; width: 100px;"> 3 - - - </div>	◀▶	<ul style="list-style-type: none"> 6 - Whole System Capacity 7 - Access to outpatient, diagnostic and treatment services 8 - Cancer Waiting Times 	<p>Risk descriptions updated for Risks 6, 7, 8 and 15</p> <p>Mitigations updated for Risk, 6, 7, 8, 13, 14 and 20.</p>
 <p>To deliver value and sustainability</p>	<div style="display: flex; justify-content: space-around; width: 100px;"> 3 1 - - </div>	◀▶	<ul style="list-style-type: none"> 13 - Delivery of a balanced in-year financial position 14 - Delivery of recurring financial balance over the medium term 15 - Prioritisation and Management of Capital Funding 20 – Reduced Capital Funding 	<p>Target levels increased for both risk 13 and 14.</p>

Since the last report on 12 November 2024, the risk profile is unchanged:

- Seven risks are aligned to the Committee.
- The risk level breakdown is 6 High and 1 Moderate.
- The risk targets have level has increased for both Risk 13 and 14.

The Medical Director, the Executive Nurse Director, the Director of Acute Services, the Associate Director of Quality & Clinical Governance and the Associate Director for Risk & Professional Standards met and agreed to reword the three risks aligned to the Director of Acute Services to strengthen the clinical outcomes element. These suggestions were presented and approved at EDG on the 20 December 2024 and are outlined below:

Risk 6 - Whole System Capacity

Previous

There is a risk that significant and sustained admission activity to acute services, combined with challenges in achieving timely discharge to downstream wards and/or provision of social care packages, that the management of Acute hospital capacity and flow will be severely compromised.

Suggested

There is a risk that NHS Fife will be unable able to provide safe and effective care to the population of Fife as a result of workforce capacity, significant and sustained unscheduled care and planned admission activity to the Victoria Hospital, as well as challenges in achieving timely discharge to downstream wards and provision of social care packages.

Risk 7 - Access to outpatient, diagnostic and treatment services

Previous

There is a risk that due to demand exceeding capacity, compounded by unscheduled care pressures, NHS Fife will see deterioration in achieving waiting time standards. This time delay will impact clinical outcomes for the population of Fife.

Suggested

There is a risk that patient outcomes will be adversely impacted by NHS Fife's challenge in delivering the waiting times standards due to ongoing unscheduled care pressures and demand exceeding current capacity.

Risk 8 - Cancer Waiting Times (CWT)

Previous

There is a risk that due to increasing patient referrals and complex cancer pathways, NHS Fife will see further deterioration of Cancer Waiting Times 62-day performance, and 31-day performance, resulting in poor patient experience, impact on clinical outcomes and failure to achieve the Cancer Waiting Times Standards.

Suggested

There is a risk that patient outcomes may be adversely impacted by NHS Fife's ongoing challenge in meeting the cancer waiting times standards due to increasing patient referrals, complex cancer pathways and service capacity.

Risk Updates

Risk 6 - Whole System Capacity

This risk has been updated as above and will currently remain on the corporate risk register.

Risk 7 – Access to Outpatients, Diagnostics and Treatment Services

Outpatient and inpatient/daycase services continue to work within trajectories however risk of cancellations during winter pressures could adversely impact performance against previously submitted plans.

The anticipated Q2, Q3 and Q4 funding for radiology with the exception of mobile imaging monies submitted against bids for 30m non-recurring funding has ceased. This will adversely affect performance in the latter part of the year particularly impacting ultrasound waiting times where there has been significant improvement in Q1. It is projected that 90% of patients waiting less than 6 weeks will not be sustained.

Risk 8 - Cancer Waiting Times

The Acute Cancer Services Delivery Group has been reinstated and Terms of Reference reviewed.

Operational risks around Pharmacy and SACT nursing capacity has been escalated. A review of the SACT Unit and nursing workforce is underway with two ANPs in the process of being recruited.

An additional surgeon is to be trained to perform robotic surgery for prostate cancer (RALP) and a hormone therapy review is underway. However, TURBT waits have now reduced.

Funding for channelled endoscopes has been supported to improve waits in the head and neck pathway.

Forth Valley continues to support mutual aid breast clinics to ensure performance is maintained.

Risk 13 Delivery of a Balanced In-year Financial Position

The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 as a consequence of allocation increases notified since the financial plan was approved by the NHS Fife Board in March 2024.

There is a reasonable level of confidence we will achieve £23.5m of the 3% efficiency target and a further push is now on to bridge the £1.5m gap in projected delivery in the final months of the year.

At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. This improvement is however limited to the health board retained budget position.

The increasing deterioration in the IJB position will make it very difficult for the overall Board position to meet or improve on the forecast deficit reported in the financial plan in March 2024.

As requested in the Scottish Government feedback letter on the Q2 review, the Chief Executive has prepared a formal notification to Scottish Government of the potential in-year brokerage required to facilitate delivery of a break-even position for 2024/25. The target level has therefore been increased to 25.

Risk 14 Delivery of Recurring Financial Balance over the Medium-term

The Board has been updated on the impact of the 2025/26 Scottish Government Budget Announcement and detailed work is underway to prepare the initial 2025/26 Financial Plan, this will be presented to the Board for consideration and review in Q4.

The target level has been increased to 20.

Risk 20 Reduced Capital Funding

The Business Continuity & Essential Investment Infrastructure Plan will be submitted to the Scottish Government in January 2025.

Next Steps

The Corporate Risk Register will continue to evolve in response to feedback from this Committee and other stakeholders, including via Internal Audit recommendations. The Register will require to reflect the current operating landscape, and our risk appetite in relation to changes in the internal and external environment including developments associated with the Reform, Transform, Perform Framework.

The Risks and Opportunities Group (ROG) will seek to enhance its contribution to the identification and assessment of emergent risks and opportunities and make appropriate recommendations on the potential impact upon the Board’s Risk Appetite position.

The Group will also contribute to the development of the process and content of Deep Dive Reviews as part of a broader consideration of the Board’s assurance framework.

This report provides a Moderate level of assurance with the exception of the financial position which is Limited.

	Significant	Moderate	Limited	None
Level		X		
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

The level of assurance in relation to the financial position is Limited.

	Significant	Moderate	Limited	None
Level			X	
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk,	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

	amount of residual risk or none at all.	moderate amount of residual risk.	which requires further action to be taken.	
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2.3.1 Quality, Patient and Value-Based Health & Care

Effective management of risks to quality and patient care will support delivery of our strategic priorities. It is expected that the application of realistic medicine principles will ensure a more co-ordinated and holistic focus on patients' needs, and the outcomes and experiences that matter to them, and their families and carers.

2.3.2 Workforce

Effective management of workforce risks will support delivery of our strategic priorities, to support staff health and wellbeing, and the quality of health and care services.

2.3.3 Financial

The financial sustainability of NHS Fife and the challenges in terms of delivering that over the medium term are described in the corporate risk register.

2.3.4 Risk Assessment / Management

The management of the corporate risks aligned to this Committee continues to be maintained, including through close monitoring of agenda and work-plans, with updates provided via established governance routes, and groups. This allows for transparency and due diligence to take place on the risks, which in turn informs decision making and contributes to good governance.

Risk Appetite

The Board approved an updated Risk Appetite in November 2024 (Appendix 4).

The Committee is asked to note the risk appetite status of its corporate risks using the following:

Possible Risk Scores	1	2	3	4	5	6	8	9
Risk Rating	Vlow	Vlow	Vlow	Vlow	Vlow	Low	Moderate	Moderate
Allocation to 4 Point Model	Averse	Averse	Averse	Averse	Cautious	Cautious	Cautious	Cautious

Possible Risk Scores	10	12	15	16	20	25
Risk Rating	Moderate	Moderate	High	High	High	High
Allocation to 4 Point Model	Open	Open	Open	Hungry	Hungry	Hungry

Three risks align to *Strategic Priority 2: 'To improve the Quality of Health & Care Services.'* The Board has an open appetite for risks in this domain.

- Two risks have a current high-risk level and are above appetite.
- One risk is within appetite.

Four risks align to *Strategic Priority 4: 'To Deliver Value and Sustainability.'*
The Board has an open appetite for risks in this domain.

- One risk is within appetite.
- Three risks remain above appetite.

The position overall reflects the ongoing level of demand across all services within the increasingly challenging financial environment described above.

2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions

An Equality Impact Assessment (Stage 1) was carried out to identify if any items of significance need to be highlighted to EDG. The outcome of that assessment concluded that no further action was required.

2.3.6 Climate Emergency & Sustainability Impact

This paper does not raise, directly, issues relating to climate emergency and sustainability. These items do form elements of risk for NHS Fife to manage.

2.3.7 Communication, involvement, engagement and consultation

This paper reflects a range of communication and engagement with key stakeholders including EDG and non- executive directors.

2.3.8 Route to the Meeting

- Claire Dobson, Director of Acute Services on 30 December 2024
- Neil McCormick, Director of Property & Asset Management on 30 December 2024
- Margo McGurk, Director of Finance & Strategy on 30 December 2024

2.4 Recommendation

- **Assurance** – For Members' information. This report provides the latest position in relation to the management of corporate risks linked to this Committee. Members are asked to take a "moderate" level of assurance (with the exception of the financial position which is Limited) that, all actions, within the control of the organisation, are being taken to mitigate these risks as far as is possible to do so.

3 List of appendices


The following appendices are included with this report:



- Appendix 1, Summary of Corporate Risks Aligned to F,P&R Committee
- Appendix 2, Assurance Principles
- Appendix 3, Risk Matrix
- Appendix 4: Risk Appetite Statement

Report Contact


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NHS Fife Corporate Risk Register as at 20/12/24


No	Strategic Priority and Risk Appetite	Risk Title and Description	Mitigation	Risk Appetite Status	Current Risk Level/ Rating	Target Risk level & rating by dd/mm/yy	Current Risk Level Trend	Risk Owner	Primary Committee
6	 <p>MODERATE</p>	<p>Whole System Capacity</p> <p>There is a risk that NHS Fife will be unable able to provide safe and effective care to the population of Fife as a result of workforce capacity, significant and sustained unscheduled care and planned admission activity to the Victoria Hospital, as well as challenges in achieving timely discharge to downstream wards and provision of social care packages.</p>	<p>This risk is to be discussed at EDG, where consideration will be given as to whether it remains a risk or has materialised into an issue.</p> <p>Work on bed modelling and redesign of the front door is underway.</p> <p>The combination of application of our OPEL process on a daily basis and the improvement work through our Integrated Unscheduled Care and Planned Care programmes provides the operational and strategic response to the challenges posed through this risk.</p> <p>A Whole System Winter Plan will be reviewed for 24/25. This will include a response to surge and demand for an increase in capacity and flow through Acute, Community and Social Care.</p> <p>The System Flow Operational Group meets weekly with senior operational managers to review and plan capacity and flow across the Fife health and care system with escalation to the Integrated Unscheduled Care Board.</p> <p>Whole System Essential Flow Verification provides assurance that all patients identified as clinically fit or with a Planned Date of Discharge are reviewed daily.</p> <p>Weekly ASD Long Length of Stay (LoS) verification group to review and action LoS. Weekend verification group reviews the number of discharges and staffing ahead of weekend.</p>	Above	High 20	High 16 by 31/03/25	◀▶	Director of Acute Services	Finance, Performance & Resources (F,P&RC)


									
7	 <p>MODERATE</p>	<p>Access to outpatient, diagnostic and treatment services</p> <p>There is a risk that patient outcomes will be adversely impacted by NHS Fife's challenge in delivering the waiting times standards due to ongoing unscheduled care pressures and demand exceeding current capacity.</p>	<p>Planning for 2024/25 has been completed in line with planning guidance letter received on 24/01/24.</p> <p>The issue of the confirmed funding being 1M less than the committed staff costs has now been resolved as the Scottish Government have confirmed a further 3.4M to maintain 2023/24 activity levels. The Board has also successfully secured non-recurring funding from the 30M available nationally to support elective waiting times.</p> <p>The Planned Care Plan was approved by the FP&R Committee at the July meeting. This includes additional clinics, enhanced vetting and increased theatre capacity as well as funding additional medical posts (urology, neurology, gynaecology and ENT).</p> <p>The Integrated Planned Care Programme Board continues to oversee the productive opportunities work and this along with ongoing waiting list validation seeks to maximise available capacity.</p> <p>Speciality level plans in place outlining local actions to mitigate the most</p>	Above	High 20	High 16 by 31/03/25	◀▶	Director of Acute Services	Finance, Performance & Resources (F,P&RC)



		<p>significant areas of risk. Focus remains on urgent and urgent suspicious of cancer patients however routine long waiting times will increase.</p> <p>Weekly waiting times meetings to review and action long waits. Monthly meeting to review and develop longer term plans to improve waiting times.</p> <p>Monthly meetings with Scottish Government to monitor delivery against the annual plan.</p> <p>The governance arrangements supporting this work continue to inform the level of risk associated with delivering against these key programmes and mitigate the level of risk over time.</p> <p>Discussions continue with Scottish Government around the need for additional funding to help reduce the waiting times for long waiting routine patients.</p> <p>September 2024</p> <p>Confirmation from Scottish Government that no further additional funding will be received for this financial year.</p> <p>The anticipated Q2, Q3 and Q4 funding for Radiology with the exception of mobile imaging monies submitted against bids for 30m non-recurring funding has ceased. This will adversely affect performance in the latter part of the year particularly impacting ultrasound waiting times where there has been significant improvement in Q1. Projected 90% of patients waiting less than 6 weeks will not be met.</p> <p>Outpatient and IPDC services will continue to work within trajectories</p>						
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			<p>submitted at July FP&R as these were based against the additional monies that were allocated for full financial year.</p> <p>Priority continues to focus on our urgent and urgent suspicion of cancer patients as well as treating patients based on clinical prioritisation, validating waiting lists and reprioritising patients where indicated and reducing the number of long waiting patients.</p> <p>December 24</p> <p>Outpatient and IPDC services continue to work within trajectories however risk of cancellations during winter pressures could adversely impact performance against previously submitted plans.</p> <p>The anticipated Q2, Q3 and Q4 funding for Radiology with the exception of mobile imaging monies submitted against bids for 30m non-recurring funding has ceased. This will adversely affect performance in the latter part of the year particularly impacting ultrasound waiting times where there has been significant improvement in Q1. Projected 90% of patients waiting less than 6 weeks will not be sustained.</p>						
8	 <p>MODERATE</p>	<p>Cancer Waiting Times (CWT)</p> <p>There is a risk that patient outcomes may be adversely impacted by NHS Fife's ongoing challenge in meeting the cancer waiting times standards due to increasing patient referrals, complex cancer pathways and service capacity.</p>	<p>The Acute Cancer Services Delivery Group has been reinstated and Terms of Reference reviewed.</p> <p>Operational risks around Pharmacy and SACT nursing capacity has been escalated. A review of the SACT Unit and nursing workforce is underway. Two ANPs are in the process of being recruited.</p>	Within	High 15	Mod 12 by 31/03/25	◀▶	Director of Acute Services	Finance, Performance & Resources (F,P&RC)

			<p>The prostate project group is under review to incorporate learning from the Lanarkshire Model.</p> <p>The Nurse-led model went live in August 2023 however there has been reduced activity due to training of a replacement staff member. The Evaluation of this project currently being undertaken with an update from University of Stirling expected.</p> <p>There is a focus to look at the waits to TP biopsy (which are partly due to nursing vacancy), the post MDT part of the pathway and review robotic surgery capacity. TP biopsy waits have improved however the Post MDT part of the pathway (OPA and Oncology) together with robotic capacity remains challenging.</p> <p>An additional surgeon is to be trained to perform robotic surgery for prostate cancer (RALP) and a hormone therapy review is underway. However, TURBT waits have now reduced.</p> <p>Funding for channelled endoscopes has been supported to improve waits in the head and neck pathway.</p> <p>Forth Valley supports mutual aid breast clinics to ensure performance is maintained.</p> <p>Fortnightly meetings with Scottish Government (SG) and quarterly monitoring of the Effective Cancer Management Framework is currently under review.</p> <p>Single Point of Contact Hub (SPOCH) continues to effectively support initiation of the Optimal Lung Cancer and support the negative qFIT pathway. To remove patients from the lung pathway in a timely manner the Hub advises patients of 'good news' albeit the service has had both</p>						
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			<p>sickness and vacancy challenges. Support from Health Records has helped timely appointments for patients referred urgent suspected cancer.</p> <p>The Cancer Framework is currently under review to ensure alignment with the Scottish Cancer Strategy. The Actions for 2024-25 are being agreed. A report highlighting the successes in year 1 and year 2 has been done and taken to the Cancer Governance and Strategy Group and is due to be tabled at Clinical Governance Committee</p> <p>The governance arrangements supporting this work will inform the level of risk associated with delivering against these key programmes and reduce the level of risk over time.</p> <p>Cancer Waiting Times funding will be provided on a recurring basis from 2024-25. Bids have been prioritised to support improvement.</p> <p>ADP Actions for 2025/26 are currently under review.</p>						
13	 <p>MODERATE</p>	<p>Delivery of a balanced in-year financial position</p> <p>There is a risk that due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally, the Board will not achieve its statutory financial revenue budget target in 2024/25 without further planned brokerage from Scottish Government.</p>	<p>Our approach to financial recovery will be delivered by our new Re-form, Transform and Perform Framework (RPT).</p> <p>The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 as a consequence of allocation increases notified since the financial plan was approved by the NHS Fife Board in March 2024.</p> <p>There is a reasonable level of confidence we will achieve £23.5m of the 3% efficiency target and a further push is now on to bridge the £1.5m gap in projected delivery in the final months of the year.</p>	Above	High 25	High 25 by 31/03/25	◀▶	Director of Finance & Strategy	Finance, Performance & Resources (F,P&RC)

			<p>At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. This improvement is however limited to the health board retained budget position.</p> <p>The increasing deterioration in the IJB position will make it very difficult for the overall Board position to meet or improve on the forecast deficit reported in the financial plan in March 2024.</p> <p>As requested in the Scottish Government feedback letter on the Q2 review, the Chief Executive has prepared a formal notification to Scottish Government of the potential in-year brokerage required to facilitate delivery of a break-even position for 2024/25.</p>						
14	 <p>MODERATE</p>	<p>Delivery of recurring financial balance over the medium-term</p> <p>There is a risk that NHS Fife will not deliver the financial improvement and sustainability programme actions required to ensure sustainable financial balance over the medium-term.</p>	<p>Our approach to financial recovery will be delivered by our new Re-form, Transform and Perform Framework (RPT).</p> <p>Recurring and sustained delivery of our programme of work and supporting actions to achieve a target of 3% recurring savings on baseline budgets £25m in 2024/25 into future years.</p> <p>Full delivery of transformation schemes “Choices” against the additional 4% cost reduction £30m required across all years of the plan.</p> <p>Work is ongoing at pace to enable Choices schemes to be agreed and planned during the latter half of 2024/25 to ensure they impact on the 2025/26 position.</p> <p>The Board has been updated on the impact of the 2025/26 Scottish Government Budget Announcement and</p>	Above	High 25	High 20 by 31/03/27	◀▶	Director of Finance & Strategy	Finance, Performance & Resources (F,P&RC)

			<p>detailed work is underway to prepare the initial 2025/26 Financial Plan, this will be presented to the Board for consideration and review in Q4.</p>						
15	 <p>MODERATE</p>	<p>Prioritisation & Management of Capital funding</p> <p>There is a risk that lack of prioritisation and control around the utilisation of limited capital and staffing resources will affect our ability to manage and mitigate risk and to support the developing Population Health and Wellbeing Strategy.</p>	<p>Ongoing governance through FCIG with capital plan being submitted through FP&R and the Board.</p> <p>Annual Property and Asset Management Strategy (PAMS) updates to provide strategic direction now being replaced with the Whole System Initial Agreement development over the next 2 years.</p> <p>Rolling 5-year equipment programme and implementation of medical devices database.</p> <p>Implementation of medical devices database.</p> <p>Rolling 5-year Digital & Information programme linked to D&I strategy. Ongoing management of estate risks using the Estate Asset Management System (EAMS).</p> <p>Use of Business Case template to present new schemes for consideration. Future consideration/development of prioritisation investment tool.</p> <p>Fleet and sustainability requests will be linked to plans/strategy and presented through SBARs to Fife Capital Investment Group (FCIG).</p>	Within	Mod 12	Mod 8 (by 01/04/26 at next SG funding review)	◀▶	Director of Property & Asset Management	Finance, Performance & Resources (F,P&RC)
20	 <p>MODERATE</p>	<p>Reduced Capital Funding</p> <p>There is a risk that reduced capital funding will affect our ability (scale and pace) to deliver against the priorities set out in our Population Health and Wellbeing Strategy. It may also lead to a</p>	<p>Use the capital funding we do receive wisely with requirements being prioritised in a logical manner (see Risk 15).</p> <p>Maintain open communication channels with Scottish Government to facilitate alignment around planning.</p>	Above	High 20	Mod 12 by 30/03/26	▶◀	Director of Property & Asset Management	Finance, Performance & Resources (F,P&RC)

		deterioration of our asset base including our built estate, digital infrastructure, and medical equipment. There will be less opportunity to undertake change projects/programmes.	Submit our Business Continuity & Essential Investment Infrastructure Plan to Scottish Government in January 2025.						
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Risk Movement Key

- ▲ Improved - Risk Decreased
- ◀▶ No Change
- ▼ Deteriorated - Risk Increased

Assurance Principles

Risk Assurance Principles:

Board

- Ensuring efficient, effective and accountable governance

Standing Committees of the Board

- Detailed scrutiny
- Providing assurance to Board
- Escalating key issues to the Board


Committee Agenda

- Agenda Items should relate to risk (where relevant)

Seek Assurance of Effectiveness of Risk Mitigation

- Relevance
- Proportionality
- Reliable
- Sufficient

Chairs Assurance Report

- Consider issues for disclosure
- Emergent risks or 
- Scrutiny or risk delegated to Committee

Year End Report

- Highlight change in movement of risks aligned to the Committee, including areas where there is no change
- Conclude on assurance of mitigation of risks
- Consider relevant reports for the workplan in the year ahead related to risks and concerns





General Questions:

- Does the risk description fully explain the nature and impact of the risk?
- Do the current controls match the stated risk?
- How weak or strong are the controls? Are they both well-designed and effective i.e., implemented properly?
- Will further actions bring the risk down to the planned/target level?
- Does the assurance you receive tell you how controls are performing?
- Are we investing in areas of high risk instead of those that are already well-controlled?
- Do Committee papers identify risk clearly and explicitly link the strategic priorities and objectives/corporate risk?

Specific Questions when analysing a risk delegated to the committee in detail:

- History of the risk (when was it opened) – has it moved towards target at any point?
- Is there a valid reason given for the current score?
- Is the target score:
 - In line with the organisation's defined risk appetite?
 - Realistic/achievable or does the risk require to be tolerated at a higher level?
 - Sensible/worthwhile?
- Is there an appropriate split between:
 - Controls – processes already in place which take the score down from its initial/inherent position to where it is now?
 - Actions – planned initiatives which should take it from its current to target?
 - Assurances – which monitor the application of controls/actions?
- Assessing Controls
 - Are the controls "Key" i.e., are they what actually reduces the risk to its current level (not an extensive list of processes which happen but don't actually have any substantive impact)?
 - Overall, do the controls look as if they are applying the level of risk mitigation stated?
 - Is their adequacy assessed by the risk owner? If so, is it reasonable based on the evidence provided?
- Assessing Actions – as controls but accepting that there is necessarily more uncertainty
 - Are they on track to be delivered?
 - Are the actions achievable or does the necessary investment outweigh the benefit of reducing the risk?
 - Are they likely to be sufficient to bring the risk down to the target score?
- Assess Assurances:
 - Do they actually relate to the listed controls and actions (surprisingly often they don't)?
 - Do they provide relevant, reliable and sufficient evidence either individually or in composite?
 - Do the assurance sources listed actually provide a conclusion on whether:
 - the control is working
 - action is being implemented
 - the risk is being mitigated effectively overall (e.g. performance reports look at the overall objective which is separate from assurances over individual controls) and is on course to achieve the target level
 - What level of assurance can be given or can be concluded and how does this compare to the required level of defence (commensurate with the nature or scale of the risk):
 - 1st line – management/performance/data trends?
 - 2nd line – oversight / compliance / audits?
 - 3rd line – internal audit and/or external audit reports/external assessments?

Level of Assurance:

Significant Assurance	Moderate Assurance	Limited Assurance	No Assurance
			

Risk Assessment Matrix

A risk is assessed as **Likelihood x Consequence**

Likelihood is assessed as Remote, Unlikely, Possible, Likely or Almost Certain

Figure 1 Likelihood Definitions

Descriptor	Remote	Unlikely	Possible	Likely	Almost Certain
Likelihood	Can't believe this event would happen – will only happen in exceptional circumstances (5-10 years)	Not expected to happen, but definite potential exists – unlikely to occur (2-5 years)	May occur occasionally, has happened before on occasions – reasonable chance of occurring (annually)	Strong possibility that this could occur – likely to occur (quarterly)	This is expected to occur frequently / in most circumstances – more likely to occur than not (daily / weekly / monthly)

Consequence is assessed as, Negligible, Minor, Moderate, Major or Extreme.

Risk Level is determined using the 5 x 5 matrix below based on the AUS/NZ Standard. The risk levels are:

- Very Low Risk (VLR)
- Low Risk (LR)
- Moderate Risk (MR)
- High Risk (HR)

Figure 2 Risk Matrix

<u>Likelihood</u>	<u>Consequence</u>				
	Negligible 1	Minor 2	Moderate 3	Major 4	Extreme 5
Almost certain 5	LR 5	MR 10	HR 15	HR 20	HR 25
Likely 4	LR 4	MR 8	MR 12	HR 16	HR 20
Possible 3	VLR 3	LR 6	MR 9	MR 12	HR 15
Unlikely 2	VLR 2	LR 4	LR 6	MR 8	MR 10
Remote 1	VLR 1	VLR 2	VLR 3	LR 4	LR 5

Risks once identified, must be categorised against the following consequence definitions

Figure 3 Consequence Definitions

Descriptor	Negligible	Minor	Moderate	Major	Extreme
Patient Experience	Reduced quality of patient experience / clinical outcome not directly related to delivery of clinical care.	Unsatisfactory patient experience / clinical outcome directly related to care provision – readily resolvable.	Unsatisfactory patient experience / clinical outcome, short term effects – expect recovery <1wk.	Unsatisfactory patient experience / clinical outcome, long term effects – expect recovery - >1wk.	Unsatisfactory patient experience / clinical outcome, continued ongoing long term effects.
Objectives / Project	Barely noticeable reduction in scope / quality / schedule.	Minor reduction in scope / quality / schedule.	Reduction in scope or quality, project objectives or schedule.	Significant project over-run.	Inability to meet project objectives, reputation of the organisation seriously damaged.
Injury (Physical and psychological) to patient / visitor / staff.	Adverse event leading to minor injury not requiring first aid.	Minor injury or illness, first aid treatment required.	Agency reportable, e.g. Police (violent and aggressive acts). Significant injury requiring medical treatment and/or counselling.	Major injuries/long term incapacity or disability (loss of limb) requiring medical treatment and/or counselling.	Incident leading to death or major permanent incapacity.
Complaints / Claims	Locally resolved verbal complaint.	Justified written complaint peripheral to clinical care.	Below excess claim. Justified complaint involving lack of appropriate care.	Claim above excess level. Multiple justified complaints.	Multiple claims or single major claim/. Complex justified complaint
Service / Business Interruption	Interruption in a service which does not impact on the delivery of patient care or the ability to continue to provide service.	Short term disruption to service with minor impact on patient care.	Some disruption in service with unacceptable impact on patient care. Temporary loss of ability to provide service.	Sustained loss of service which has serious impact on delivery of patient care resulting in major contingency plans being invoked.	Permanent loss of core service or facility. Disruption to facility leading to significant "knock on" effect
Staffing and Competence	Short term low staffing level temporarily reduces service quality (less than 1 day). Short term low staffing level (>1 day), where there is no disruption to patient care.	Ongoing low staffing level reduces service quality. Minor error due to ineffective training / implementation of training.	Late delivery of key objective / service due to lack of staff. Moderate error due to ineffective training / implementation of training. Ongoing problems with staffing levels.	Uncertain delivery of key objective / service due to lack of staff. Major error due to ineffective training / implementation of training.	Non-delivery of key objective / service due to lack of staff. Loss of key staff. Critical error due to ineffective training / implementation of training.
Financial (including damage / loss / fraud)	Negligible organisational / personal financial loss (£<10k)	Minor organisational / personal financial loss (£10k-100k)	Significant organisational / personal financial loss (£100k-250k)	Major organisational / personal financial loss (£250 k-1m)	Severe organisational / personal financial loss (£>1m)
Inspection / Audit	Small number of recommendations which focus on minor quality improvement issues.	Recommendations made which can be addressed by low level of management action.	Challenging recommendations that can be addressed with appropriate action plan.	Enforcement action. Low rating Critical report.	Prosecution. Zero rating Severely critical report.
Adverse Publicity / Reputation	Rumours, no media coverage. Little effect on staff morale.	Local media coverage – short term. Some public embarrassment. Minor effect on staff morale / public attitudes.	Local media – long-term adverse publicity. Significant effect on staff morale and public perception of the organisation.	National media / adverse publicity, less than 3 days. Public confidence in the organisation undermined Use of services affected	National / International media / adverse publicity, more than 3 days. MSP / MP concern (Questions in Parliament). Court Enforcement Public Enquiry, FAI

Based on NHS Quality Improvement Scotland (February 2008) sourced AS/NZS 4360:2004: Making it Work: (2004) and Healthcare Improvement Scotland, Learning from Adverse Events: A national framework (4th Edition) (December 2019)

NHS Fife Risk Appetite Statement

November 2024

NHS Fife's Population Health and Wellbeing Strategy (2022-2027) sets an organisational vision that the people of Fife live long and healthy lives. This strategic framework, developed by our staff and built on our vision and values details how our priorities will link to National Care Programmes, underpinned by system enablers. It is also important that the risk appetite is aligned to our Reform, Transform and Perform (RTP) Programme.

The Board recognises that it is not possible to eliminate all the risks which are inherent in the delivery of health and care and is willing to accept a certain degree of risk when it is in the best interests of the organisation, and ultimately, the population of Fife and people we serve. The Board has therefore considered the level of risk that it is proposed to accept for key aspects of the delivery of health and care, and these are described in line with our four organisational aims.

Therefore, the Board and the relevant Board committees will not accept risks with an assurance level of less than moderate (no appetite for none or limited assurance). A higher level of scrutiny will be applied to risks and associated mitigation plans where the level of assurance is none or limited, until a minimum of moderate assurance is agreed. (Tolerate moderate assurance).

To ensure a common understanding of 'levels' of risk appetite, the following definitions have been adopted by the NHS Fife Board.

- Averse – Avoidance of risk and uncertainty is a key organisational objective.
- Cautious – Preference for safe delivery options that have a low degree of residual risk and may only have limited potential for reward.
- Open - Willing to consider all potential delivery options and chose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc).
- Hungry – Eager to be innovative and chose options offering potentially higher business rewards, despite greater inherent risk.

The risk appetite aligns to the strategic priorities within our four-point model as outlined below:

Hungry	Eager to be innovative and chose options offering potentially high despite greater inherent risk.	Improving health and wellbeing
Open	Willing to consider all potential delivery options and chose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc).	Improving the quality of health and care services Improving staff experience and wellbeing Delivering value and sustainability
Cautious	Preference for safe delivery options that have a low degree of residual risk and may only have limited potential for reward.	
Averse	Avoidance of risk and uncertainty is a key organisational objective.	

The diagram below demonstrates where each of the corporate risks would fall in terms of this model:

Hungry	Eager to be innovative and chose options offering potentially higher business rewards, despite greater inherent risk.	Improving health and wellbeing		
		1) Population Health and Wellbeing Strategy 2) Health Inequalities 4) Policy obligations in relation to environmental management and climate change 5) Optimal Clinical Outcomes 21) Pandemic Risk		
Open	Willing to consider all potential delivery options and chose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc).	Improving the quality of health and care services	Improving staff experience and wellbeing	Delivering value and sustainability
		6) Whole System Capacity 7) Access to outpatient, diagnostic and treatment services 8) Cancer Waiting Times 9) Quality and Safety 10) Primary Care Services 19) Implementation of Health and Care (Staffing) (Scotland) Act 2019	11) Workforce Planning and Delivery 12) Staff Health and Wellbeing	13) Delivery of balanced in year financial position 14) Delivery of recurring financial balance over the medium-term 15) Prioritisation & Management of Capital funding 17) Cyber Resilience 18) Digital and Information 20) Reduced Capital Funding

Meeting: Finance, Performance and Resources
Committee

Meeting date: 14 January 2025

Title: Internal Control Evaluation

Report Author: J Lyall – Chief Internal Auditor

Executive Summary:

- This Internal Control Evaluation (ICE) aims to provide early warning of any significant issues that may affect the Governance Statement.
- The report highlights the exceptionally challenging circumstances NHS Fife is facing and highlights areas of good practice. Key to the future performance of the Board is Reform, Transform and Perform (RTP), which will require a continuing focus and pace of change to achieve its objectives for 2024/25.
- The ICE was issued to the Director of Finance and Strategy on the 4 December 2024 and members of the Executive Directors Group (EDG) confirmed factual accuracy and provided final Management Responses on 3 December 2025. The report has been issued to Audit and Risk Committee members and will be presented to the March 2025 Audit and Risk Committee for formal approval.
- This report is for the Finance, Performance and Resources Committee to consider and specifically note the narrative under both Corporate and Financial Governance.

1 Purpose

This report is presented for:

- Assurance
- Discussion

This report relates to a:

- Local policy

This aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation and Background

As Accountable Officers, Chief Executives are responsible for maintaining a sound system of internal control to manage and control all the available resources used in the organisation. The work of Internal Audit and the assurances provided by the Chief Internal Auditor in relation to internal control are key assurance sources taken into account when the Chief Executive undertakes the annual review of internal controls, and form part of the consideration of the Audit and Risk Committee and the Board prior to finalising the Governance Statement which is included and published in the Board's Annual Accounts.

2.3 Assessment

Key Themes

Over the last four years Internal Audit has reported that long term risks can only be mitigated through strategic change. The Audit Scotland 'NHS in Scotland 2024 Finance and Performance' report highlighted the need to focus more on longer term reform and that difficult decisions about what the NHS should potentially stop doing will be necessary. Stakeholders must be consulted on change and their views must be considered in decision making, to ensure quality of care and best value from available resources.

We reiterate our previous commentary that there must be an impetus to 'do things differently' and to prioritise in line with a clearly communicated, realistic and coherent integrated, Fife-wide strategic direction for transformation, within the available financial and staffing envelope.

Collaborative clarity of vision will be essential to enable Fife to develop an integrated transformation plan and to build on the first year of RTP to effectively and efficiently deliver good quality healthcare services whilst making required recurring savings.

The current significant financial and service challenge across health and social care will require NHS Fife, Fife Council, the IJB and the wider partnership to work together effectively.

The Audit Scotland NHS in Scotland 2024 Finance and Performance report noted that Scotland's NHS is still struggling to deliver care in a timely way; most waiting times standards are not being met and overall performance has not changed markedly at a national level in the last year.

In June 2024 the Cabinet Secretary for NHS Recovery, Health and Social Care, described the overarching vision as 'a Scotland where people live longer, healthy and fulfilling lives', supported by four key areas of work: improving population health; a focus on prevention and early intervention; providing quality services; maximising access, with all of these underpinned by putting people at the heart of those services.

Financial sustainability remains a significant and enduring risk for all Health Boards and for NHS Fife. The financial deficit before savings for 2024/25 was £53.507m with £25m of savings to be achieved, leaving a £28.507m overspend.

Reporting on RTP, which aims to achieve the required 3% (£25m of savings), has been transparent and continues to evolve. The RTP Framework is now well embedded, but the agenda is extremely challenging and will become more so in the future. Reporting must be transparent, overt, and realistic in terms of the achievability of savings, with barriers

to achievement clearly reported. Looking ahead to 2025/26, plans must be based on realistic and validated data, with lessons learned from year 1 applied.

The November 2024 Board was informed that there is a reasonable level of confidence that £23.6m of the 3% efficiency target will be achieved and a further push is now on to bridge the £1.4m gap in projected delivery in quarter three. However, achievement of the £25m savings for 2024/25 and the remaining five months of the financial year may not be possible with winter pressures now impacting. NHS Fife cannot rely on non-recurring savings as this will adversely impact on future years financial gaps.

There remains a strong risk that the Board will not meet or improve on the original £30m forecast deficit reported in the financial plan in March 2024.

Pressures on capital funding may impact on the Board’s ability to address the pressures it is currently facing, as well as investing in longer-term reform such as innovation and technology.

Workforce risks remain very high across NHSScotland and our previous ICE and Annual Reports highlighted the well-known workforce risks and the potential impact on service delivery. Capacity, including the impact of vacancies and sickness absence remains a significant risk, with supplementary staffing costs a continuing, if improving, financial pressure.

This report provides the following Level of Assurance:

	Significant	Moderate	Limited	None
Level		X		
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

2.3.1 Quality, Patient and Value-Based Health & Care

The Institute of Healthcare Improvement Triple Aim (Better Population Health, Better Quality of Patient Care, Financially Sustainable Services) is a framework that describes an approach to optimising health system performance and is a core consideration in planning all internal audit reviews.

2.3.2 Workforce

Management responsibilities, skill sets and structures are a core consideration in planning all internal audit reviews.

2.3.3 Financial

Financial Governance is a key pillar of the Annual Internal Audit Plan and value for money is a core consideration in planning all internal audit reviews.

2.3.4 Risk Assessment / Management

The process to produce the Annual Internal Audit Plan considers inherent and control risk for all aspects of the Internal Audit Universe. Individual internal audit assignments identify the key risks at the planning stage and our work is designed to evaluate whether appropriate systems are in place and operating effectively to mitigate the risks identified. Legislative requirements are a core consideration in planning all internal audit reviews.

2.3.5 Equality and Human Rights, including children's rights, health inequalities and Anchor Institution ambitions

All internal audit reviews which involve review of policies and procedures examine the way in which equality and diversity is incorporated in Board documentation.

2.3.6 Climate Emergency & Sustainability Impact

N/A

2.3.7 Communication, involvement, engagement and consultation

All papers have been produced by Internal Audit and shared with the Director of Finance and Strategy. The ICE report has been shared with Directors to confirm the factual accuracy of each section.

2.3.8 Route to the Meeting

This paper has been produced by the Regional Audit Manager and reviewed by the Chief Internal Auditor, then presented to the Audit and Risk Committee for initial discussion. The Final ICE Report has been issued to Audit and Risk Committee members. The report is presented to the Finance, Performance & Resources Committee for consideration.

2.4 Recommendation

This paper is provided to members for:

- **Assurance** – This report provides a Moderate Level of Assurance.
- **Discussion** – Discuss and take assurance from the ICE

3 List of appendices

The following appendices are included with this report:

- Appendix No. 1, Internal Control Evaluation 2024/25 Final Report

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FTF Internal Audit Service

Internal Control Evaluation 2024/25 Report No. B07/25

Issued To: C Potter, Chief Executive
M McGurk, Director of Finance and Strategy and Deputy Chief Executive

G MacIntosh, Head of Corporate Governance/Board Secretary
Executive Directors Group
H Thomson, Board Committee Support Officer

Audit Follow-Up Co-ordinator

Audit and Risk Committee
External Audit

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Target Audit and Risk Committee without Management Responses	12 December 2024
Draft Report Issued	4 December 2024
Management Responses Received	3 January 2025
Target Audit & Risk Committee with Management Responses	13 March 2025
Final Report Issued	08 January 2025

EXECUTIVE SUMMARY

1. As Accountable Officers, Chief Executives are responsible for maintaining a sound system of internal control and to manage and control all the available resources used in the organisation. This review aims to provide early warning of any significant issues that may affect the Governance Statement.

OBJECTIVE

2. Together, the mid-year Internal Control Evaluation report (ICE) and the Annual Report provide assurance on the overall systems of internal control, incorporating the findings of any full reviews undertaken during the year and providing an overview of areas which have not been subject to a full audit. These reviews do not, and cannot, provide the same level of assurance as a full review but do allow an insight into the systems which have not been audited in full. The ICE review provides early warning of potential year-end assurance issues and allows a holistic overview of governance within NHS Fife.
3. The Annual Delivery Plan (ADP) 2024/2025 was signed off by the Scottish Government on 28 May 2024. The three-year Medium Term Financial Plan 2024/25 to 2026/27 (MTFP) was approved by Board on 26 March 2024. The Scottish Government acknowledged the Financial Plan for 2024/25 but did not approve it. As reported to Fife NHS Board on 25 September 2024, it remains unapproved, and dialogue is ongoing.
4. The ICE report will be presented to the 12 December 2024 Audit and Risk Committee meeting, providing a detailed assessment of the adequacy and effectiveness of internal control, which should allow remedial actions to be taken before year-end, allowing the year-end process to be focused on year-end assurances and confirmation that the required actions have been implemented. The ICE will also provide a detailed assessment of action taken to address previous internal audit recommendations from the 2023/24 ICE and Annual Report.
5. This review will be a key component of the opinion we provide in our Annual Report and will inform the 2025/26 Internal Audit planning process.
6. Our audit specifically considered whether:
 - Governance arrangements are sufficient, either in design or in execution, to control and direct the organisation to ensure delivery of sound strategic objectives.

AUDIT OPINION

7. Ongoing and required developments and recommended actions are included at Section 2.
8. Our Annual Report was issued on 14 June 2024 and was informed by detailed review of formal evidence sources including Board, Standing Committee, Executive Directors Group (EDG), and other papers.
9. As well as identifying key themes, our Annual Report made three specific recommendations in the following areas:
 - Within the Clinical Governance Oversight Group (CGOG) Annual Report, references to External Assurance reporting will be included in future iterations.
 - Reporting to Clinical Governance Committee (CGC) should include clear scheduling of the revision process for the Digital & Information (D&I) Strategy including presentation to D&I Board, CGC and ultimately to Fife NHS Board for approval.

- Assurance regarding the review status of D&I policies not included in the Information Governance & Security (IG&S) Accountability and Assurance Framework report should be regularly provided to the D&I Board.
10. Outstanding actions from our previous ICE and Annual Report recommendations are shown in Table 1. The two actions relating to Digital & Information have been completed since the issue of our Annual Report and the planned completion of the recommendation about external assurance reporting to CGOG will be validated at year end.
 11. Overall, there has been good progress on actions to address recommendations from the 2023/24 ICE and Annual Report. Where action is still to be concluded, the Board has been informed of the planned approach and timescales, as well as associated improvement plans.
 12. In this report we have provided an update on progress to date and, where appropriate, built on and consolidated previous recommendations to allow refreshed action and completion dates to be agreed.
 13. We recommend that this report is presented to each Standing Committee so that key themes can be discussed and progress against the recommendations can be monitored.

KEY THEMES

14. Detailed findings are shown later in the report, and for context, relevant Corporate Risks against each strand of Corporate Governance are included. Key themes emerging from this review and other audit work during the year are detailed in the following paragraphs.
15. Since 2021/22, Internal Audit has reported that long term risks can only be mitigated through strategic change. The Audit Scotland NHS in Scotland 2024 report highlighted the need to focus more on longer term reform and highlighted that difficult decisions about what the NHS should potentially stop doing will be necessary. Stakeholders must be consulted on change and their views must be considered in the decision making to ensure quality of care and best value from available resources.
16. We reiterate our previous commentary that there must be an impetus to 'do things differently' and to prioritise in line with a clearly communicated, realistic and coherent integrated, Fife wide strategic direction for transformation, within the available financial and staffing envelope.
17. The NHS in Scotland 2024 report emphasised that effective leadership and collaboration are essential and that senior leaders must have a clear vision and strategic direction for reform. Collaborative clarity of vision will be essential to enable Fife to develop an integrated transformation plan and to build on the first year of Reform, Transform and Perform (RTP) to effectively and efficiently deliver good quality healthcare services whilst making required recurring savings.
18. The current significant financial and service challenge across health and social care will require NHS Fife, Fife Council, the IJB and the wider partnership to work together effectively. Collaborative governance requires a clear understanding of responsibilities, trust and willingness from all parties to work together, with the right culture in place to support all partners.
19. The Audit Scotland NHS in Scotland 2024 Finance and Performance report noted that Scotland's NHS is still struggling to deliver care in a timely way; most waiting times standards are not being met. Only two out of nine national standards reviewed by Audit Scotland were being met for the quarter ending June 2024. Performance against five of the standards improved in the year to June 2024, but overall performance has not changed markedly at a national level in the last year.
20. The Population Health and Wellbeing Strategy (PHWS) was approved by NHS Fife Board in March 2023 and covers the period to 2028. It is important that the impact of the overall Strategy on the health and wellbeing of the population of Fife is monitored, and that performance reporting on

progress of the strategy is presented through the annual reporting mechanism. The PHWS Annual Report provides assurance on progress and includes qualitative case studies. The Integrated Performance and Quality Report (IPQR) provides an additional supportive mechanism which enables measurement against realistic, challenging, achievable trajectories within available resources.

21. In June 2024 the Cabinet Secretary for NHS Recovery, Health and Social Care described the overarching vision as 'a Scotland where people live longer, healthy and fulfilling lives', supported by four key areas of work: improving population health; a focus on prevention and early intervention; providing quality services; maximising access, with all of these underpinned by putting people at the heart of those services. The PHWC has an extensive and well managed agenda and will have an increasingly important role as the national Population Health Framework develops.
22. Financial sustainability remains a significant and enduring risk for all Health Boards and for NHS Fife. The financial deficit before savings for 2024/25 was £54.750m with £25m of savings to be achieved, leaving a £29.750m overspend.
23. Reporting on RTP, which aims to achieve the required 3% (£25m of savings) has been transparent and has evolved during the year to date. The RTP Framework is now well embedded, but the agenda is extremely challenging and will become more so in the future. Reporting must be overt, and realistic in terms of the achievability of savings, with barriers to achievement clearly reported. Looking ahead to 2025/26, plans must be based on realistic and validated data, with lessons learned from year 1 applied.
24. Where RTP workstreams are underperforming there has been additional reporting to quantify actions to bridge the financial gap. Achievement of the £25m savings for 2024/25 in the remaining five months of the financial year may not be possible with winter pressures now impacting. In the recent Quarter 2 review Scottish Government highlighted that *"It is vital the Board continues to work towards the savings target set of at least 3% recurring savings against baseline budget, as well as progressing further non recurrent measures and assessment of difficult choices to bring the position back towards financial breakeven which remains the statutory responsibility of the Accountable Officer to achieve."*
25. At the end of October 2024, £11.968m of savings was anticipated across the 13 RTP schemes with £9.349m confirmed as delivered, a shortfall on plan of £2.618m. The November 2024 Board was informed that that there is a reasonable level of confidence that £23.6m of the 3% efficiency target will be achieved and a further push is now on to bridge the £1.4m gap in projected delivery in quarter three. NHS Fife cannot rely on non-recurring savings as this will adversely impact on future years financial gaps and the split between recurring and non-recurring savings should be clearly identified and reported.
26. Whilst we concluded that financial reporting through governance structures is transparent with a focus on known areas of overspend, for example the IJB Recovery Plan for 2024/25, there remains a strong risk that the Board will not meet or improve on the original £30m forecast deficit reported in the financial plan in March 2024. The achievement of financial balance in year corporate risk has a current risk rating of 25, with moderate target risk level of 16 by 31 March 2025, which with the known circumstances, appears to be unachievable. Oversight of this risk is the responsibility of the Finance, Performance and Resources Committee, which considers corporate risks aligned to it at each meeting.
27. The known reductions in capital funding and the resultant risk will be a key consideration for the Board and will require careful management to mitigate the impact on the revenue budget and transformation. A reduction in capital funding may impact on the Board's ability to address the pressures it is currently facing, as well as investing in longer-term reform such as innovation and technology.

28. Governance arrangements remain robust, and we commend the reporting of assurance levels to focus reporting and facilitate scrutiny and challenge from members.
29. We were pleased to note that the corporate risks are being actively reviewed and we have made recommendations to ensure risk scores and targets are realistic in terms of the internal and external environment, and that risks are reviewed in the context of the whole risk register with interconnections between risk explored. The programme of deep dives for the extant corporate risk register has been completed and we would encourage the reinstatement of this when the revised risks are agreed. Agreement of risk appetite will inform the corporate risk register review.
30. Workforce risks remain very high across NHSScotland and the NHS Fife workforce planning and delivery risk is scheduled for review in March 2025, following issue of anticipated Scottish Government guidance. Our previous ICE and Annual Reports highlighted well known workforce risks and the potential impact on service delivery. Capacity, including the impact of vacancies and sickness absence remains a significant risk, with supplementary staffing costs a continuing, if improving, financial pressure.
31. The Clinical Governance Strategic Framework outlines the governance and assurance reporting routes for clinical governance throughout the full span of NHS Fife responsibilities. An improvement plan is in place to address known issues with adverse events management, and further work is required to improve complaints management performance.
32. This report contains several recommendations that reflect the changes to the risk environment in which the Board operates. Our recommendations are aimed at ensuring coherence between Governance Structures, Performance Management, Risk Management and Assurance.

KEY DEVELOPMENTS SINCE THE ISSUE OF THE ANNUAL REPORT INCLUDED:

- Approval of Board Corporate Objectives 2024/25.
- Population Health and Wellbeing Strategy 2024/25 Midyear Report to Board.
- Agreement of allocation of the additional £7.2m of National Resource Allocation Formula (NRAC) funding in 2024/25.
- Updates provided to the NHS Fife Board and Finance, Performance and Resources Committee (FPRC) on the NHS Support and Intervention Framework (currently Level 2).
- Board consideration of a Blueprint for Good Governance Improvement Plan update on progress.
- Board and PHWC consideration of a Sustainability and Greenspace Progress Report and achievements relating to the NHS Fife 2030 Greenspace Strategy.
- Procurement Strategy approved by the FPRC in September 2024.
- Ongoing work by external consultants on a system wide Bed modelling exercise indicating Clinical and Financial options for future planning.
- Development of a Crisis Communications Strategy in Response to Cyber Attack or Major Systems Outage in NHS Fife.
- Board approval of a revised Board Risk Appetite Statement.
- Ongoing work to agree staffing establishment, with a focus on data quality, to inform the new Workforce Plan for effective delivery of services.
- Establishment of the RTP People and Change Board to deliver safe, sustainable workforce improvement whilst contributing to the delivery of sustainable financial savings.
- Continuous improvement in Staff Governance Committee governance and reporting processes.
- Revision of the PHWC Terms of Reference to reflect changes in membership and oversight of delegated services where the committee is responsible for performance i.e. Mental Health and Primary Care.

- Mid-year progress reporting on the Clinical Governance Strategic Framework Delivery Plan.
- Imminent refresh of the Clinical Governance Strategic Framework.
- Introduction of a refreshed approach for the Organisational Learning Leadership Group.
- Enhancement of the IPQR to further improve presentation and to include additional Public Health measures.
- Initial assessment of the Scottish Government Budget Announcement for 2025/26, with the first draft of the Financial Plan for 2025/26 to be presented to EDG in January 2025.
- IJB Lessons Learnt report for 2023/24 was presented to the NHS Fife Board (Private Session) in November 2024.
- IJB Financial Recovery Plan for 2024/25 was presented to the NHS Fife Board (Private Session) in November 2024.




ACTION



33. The action plan has been agreed with management to address the identified weaknesses. A follow-up of implementation of the agreed actions will be undertaken in accordance with the audit reporting protocol.


ACKNOWLEDGEMENT

34. We would like to thank all members of staff for the help and co-operation received during the course of the audit.

Jocelyn Lyall, BAcc CPFA
Chief Internal Auditor

TABLE 1		
Annual Report 2023/24 (B06/25) - Update of Progress Against Actions		
Agreed Management Actions with Dates	Progress with agreed Management Actions	Assurance Against Progress
1. Clinical Governance Oversight Group's (CGOG) Annual Statement of Assurance		
<p>The CGOG Annual Assurance Statement for 2024/25 to include reference to the assurance it receives on inspections by external bodies such as Healthcare Improvement Scotland and the Mental Welfare Commission and on action being taken to address recommendations made in these reports.</p> <p>Action Owner: Medical Director</p> <p>Original target implementation date 31 March 2025.</p>	<p>As this action relates to an annual statement of assurance it will be actioned at year-end.</p>	 <p>On Track</p>
2. Digital and Information Framework Development and Approval Timescales		
<p>The update report to on the D&I Strategy scheduled to be presented to Clinical Governance Committee (CGC) in July 2024 to include clear scheduling of the revision process including presentation to D&I Board, CGC and ultimately to Fife NHS Board for approval.</p> <p>Action Owner: Director Digital & Information</p> <p>Original target implementation date 31 July 2024.</p>	<p>CGC was updated regarding the change to a shorter-term D&I Framework and the reasons for this at their meeting on 6 September 2024 and was further updated regarding the timeline for its development and approval at its meeting on 1 November 2024.</p>	 <p>Completed</p>
3. Digital & Information (D&I) Policies Status Assurance Reporting		
<p>Update to D&I Board regarding status of D&I Policies not included in the IG&S A&A Framework report presented to IG&SSG.</p> <p>Action Owner: Director Digital & Information</p> <p>Original target implementation date 30 September 2024.</p>	<p>The status of the 23 D&I Policies is now included in the D&I Performance paper presented to each D&I Board meeting.</p>	 <p>Completed</p>
ICE Report 2023/24 (B08/24) - Update of Progress Against Actions		
Agreed Management Actions with Dates	Progress with agreed Management Actions	Assurance Against Progress
3. Scottish Government (SG) Annual Monitoring Return		
<p>Update to Staff Governance Committee (SGC) on the SG Annual Monitoring Return including an update on action taken to address Scottish Government feedback from previous years.</p> <p>Action Owner: Director of Workforce</p> <p>Original target implementation date 31 March 2024.</p>	<p>See Staff Governance section of this report for detail.</p>	<p>No Longer Relevant</p>

4. Assurance Reporting to IG&SSG		
<p>a. All sections of IGS Accountability and Assurance Framework Report (IGSA&AR) to include performance measures and risk summary information.</p> <p>b. Monitoring of timing of distribution of IG&SSG and D&I Board Papers to comply with 5 days ahead of meeting date stipulation included in their Terms of Reference.</p> <p>Action Owner: Associate Director of Digital and Information</p> <p>Original target implementation date 30 April 2024.</p>	<p>a. The paper presented to IG&SSG on 22 October 2024 provided an update on the establishment of KPIs, the reason for the absence of KPIs for some categories (no mechanism for consistent reporting) and that the availability of data in support of KPIs is under constant review. (Complete)</p> <p>b. Monitoring of the timing of issue of papers to of IG&SSG and D&I Board members was not undertaken in 2023/23. A revised target implementation date of 30 April 2025 has been agreed to allow this to be monitored in 2024/25 and reported on in the IG&SSG and D&I Board Annual Assurance Statements for 2024/25.</p>	 <p>Minor slippage on agreed timelines</p>
Annual Report 2022/23 (B06/24) - Update of Progress Against Actions		
Agreed Management Actions with Dates	Progress with agreed Management Actions	Assurance Against Progress
1. Development of Risk Management		
<p>a. Greater use of risk appetite including greater detail in risk reports presented to standing committees on how the risk appetite will affect strategy, decision-making prioritisation, budget setting and organisational focus.</p> <p>b. Deep Dive Reports to include:</p> <ul style="list-style-type: none"> • Further assessment as to which key management actions will impact on the target score with success criteria stated. • A focus on key controls only, providing overt assurance and an overt conclusion on the effectiveness of implemented controls. • An assessment of the proportionality of proposed actions and whether they should be sufficient to achieve the target score. <p>c. Revised Risk Management KPIs presented to the Audit and Risk Committee (ARC) that take account of previous internal audit recommendations and allow ARC members to assess the overall effectiveness of the system of Risk Management.</p> <p>d. Revised Risk Management Framework approved by the ARC providing a detailed description of joint Risk Management arrangements with the IJB including responsibility for operational risks, responsibility for sharing of information and responsibility for</p>	<p>a. Corporate Risks papers presented to each standing committee state if risks are within or outwith risk appetite.</p> <p>Revised risk Appetite Statement approved at the November 2024 Board meeting.</p> <p>Risk reports to standing committees do not yet include greater detail on how the risk appetite will affect strategy, decision making prioritisation, budget setting and organisational focus and the minutes of their meetings do not record discussion on these topics referring to risk appetite.</p> <p>Target implementation date further extended to 31 March 2025.</p> <p>b. The target implementation date was extended to 30 September 2024 but no deep dives on corporate risks addressing the issues raised have been presented to standing committees in 2024/25 to date. The target implementation date has been further extended to 31 March 2025.</p> <p>c. Revised KPIs which allow the ARC to oversee performance management of</p>	 <p>Significant Slippage</p>

<p>provision of assurance consistent with the IJB Risk Management Strategy.</p> <p>Action Owner: Director of Finance & Strategy</p> <p>Original target implementation date 31 March 2024.</p>	<p>the risk management framework were presented to ARC on 16 May 2024 and ARC were advised that these will continue to evolve (Complete).</p> <p>The revised NHS Fife Risk Management Framework, including a description of RM arrangements with the IJB that satisfies our recommendation, was approved by Fife NHS Board on 26 September 2023 (Complete). This has been reviewed and an updated version will go to the NHS Fife Board for approval in January 2025 following Audit & Risk Committee scrutiny in December 2024.</p>	
<p>6. Digital & Information Strategy</p>		
<p>a. Clinical Governance Committee (CGC) to be updated regarding the impact on strategic ambitions & new D&I Strategy of elements from previous strategy not yet delivered.</p> <p>b. The new D&I Strategy to include a resource & financial assessment supporting the likelihood of the revised D&I Strategy being delivered within the stated timescale.</p> <p>Action Owner: Associate Director of Digital & Information</p> <p>Original target implementation date 31 July 2024.</p>	<p>a. The D&I Strategy update to CGC on 3 November 2023 included analysis of the delivery of items from the 2020-24 D&I Strategy and clearly shows items partially or not delivered. The update also identifies themes to be taken forward to the next iteration of the strategy (Complete).</p> <p>b. The timescales for the development of the D&I Framework, and supporting financial plan, were outlined in a briefing paper to CGC on 1 November 2024. Target implementation date extended to 31 March 2025.</p>	 <p>Minor slippage on agreed timelines</p>

CORPORATE GOVERNANCE

Corporate Risks:

Risk 1 – Population Health and Wellbeing Strategy – Moderate (12); Target (12) Moderate by March 2025 - Below Risk Appetite (aligned to Public Health and Wellbeing Committee)

There is a risk that the ambitions and delivery of the new organisational Strategy do not deliver the most effective health and wellbeing and clinical services for the population of Fife.

Risk 4 - Policy Obligations in Relation to Environmental Management and Climate Change Moderate (12); Target Moderate (10) by 1 April 2025

There is a risk that if we do not put in place robust management arrangements and the necessary resources, we will not meet the requirements of the 'Policy for NHS Scotland on the Global Climate Emergency and Sustainable Development, Nov 2021.'

Leadership and Culture

The Audit Scotland NHS in Scotland 2024 report emphasised that effective leadership and collaboration are essential to enable the more radical decisions required around service reform, and the need for a clear vision and strategic direction for reform from senior leaders. Some changes to the executive team in 2024/25 include the appointment of a new Director of Health and Social Care (Integration Joint Board Chief Officer) from November 2024. The current Director of Finance & Strategy announced her intention to retire at the end of this financial year and recruitment is underway to fill this post. The Chief Executive has amended the existing Director of Finance & Strategy role, to de-couple any broader non-financial aspects, to ensure a relentless focus on financial governance, leadership and stewardship at Board level i.e. the core functions of the Board's most senior financial expert and professional adviser. In addition and with the evolution of RTP, and the necessity for enhanced planning across NHS Fife the Chief Executive has established a substantive role of Director of Planning & Transformation, as an evolution of the current interim Director of Reform & Transformation role and reflecting experiences of our RTP approach during 2024. Appointments to both these roles should be known by the end of this calendar year.

While these appointments should further strengthen the senior leadership capacity, the accompanying changes in responsibilities will require to be carefully managed during the transition period. The existing momentum must continue to deliver healthcare services effectively and efficiently through RTP and to navigate the financial challenge, while maintaining focus on quality of care and the pace of delivery against strategic and RTP priorities.

Reform, Transform and Perform (RTP)

RTP is NHS Fife's strategic approach to improving services and supporting and facilitating the actions required to address the unprecedented financial challenge all of which are rooted in the ambitions laid out in the Population Health and Wellbeing Strategy. Regular organisation wide communications continue, including RTP and Me briefings, and three Board Development sessions have taken place this year.

The October 2024 Annual Review letter stated that '*It was ... pleasing to note the progress the Board is making via its Re-form, Transform and Perform programme*'. The letter also noted '*Clearly, the scale of the challenge faced in effectively planning and delivering healthcare services to meet ever-increasing need is very significant.*'

RTP progress reports have been presented to every Board and Standing Committee meeting in 2024/25, either in open or private session. Reporting has matured over the course of the year with reports becoming more standardised. However, greater clarity in reporting is recommended and

suggested developments are at action point 1. The RTP agenda is extremely challenging, and reporting must be transparent, overt, and realistic in terms of the achievability of savings.

The November 2024 Board update on the 13 RTP schemes stated that *'five deliverables have significant assurance, five have moderate assurance, and three have limited assurance'*. Savings delivered to end of September totalled £8.103m (84%) of the planned September total of £9.650m; 32% of the original saving target of £25.000m; and 35% of the re-forecasted 2024/25 saving total of £23.261m.

Our assessment of the reported position six months into 2024/25 is that there is some optimism bias around the level of anticipated savings that will be delivered by the end of 2024/25, and the assurance level assessment for some RTP schemes i.e. Business Transformation, Supplementary Staffing, Service Level Agreements and Balance Sheet. The updates on these schemes do not fully reflect the magnitude of the undelivered savings and the organisational efforts to deliver them. Whilst progress can be evidenced, significant work remains to deliver RTP. As RTP continues to mature and the year 1 outcomes are evidenced, Management should ensure that 2025/26 plans are predicated on realistic and validated data, with lessons learned from year 1 identified and applied.

Of particular concern is the under achievement within Scheme *'10 - Business Transformation'*, where £77,000 (3.2%) has been delivered against the original target of £2.400m (target now revised to £1.402m). Recognising the current level of performance and the more realistic revised savings target, a paper presented to the November 2024 Board (private session) reported progress and quantified bridging actions agreed with RTP Executive Group. Limited Assurance on financial targets and Moderate Assurance on progress was provided.

Scheme 14 – Balance Sheet has a forecast saving of £1.500m but no target saving or quantified saving to date. No assurance level or risk assessment is provided for this scheme. We have received assurances that this will be reported in the next RTP update.

Given the complexity and scale of the RTP landscape, there is a risk that if *'target savings'* are set at levels beyond what is deliverable / achievable it could undermine the success of initiatives from the outset, as key officers and staff perceive they are being asked to deliver against an unachievable target.

The Internal Audit Plan for 2024/25 includes a review of RTP governance arrangements and framework, including workstreams, grip and control in B15/25 Operational Planning. In addition, RTP workstreams will form part of the planned audits in 2024/25.

Strategy Development and Implementation

At their 11 November 2024 meeting the PHWC considered the Population Health and Wellbeing Strategy 2024-25 Midyear Report (April – September 2024). The Midyear report included two case studies of work underway in Fife, an overview of RTP and a summary of the work undertaken and provided *'Significant'* assurance.

When the report was presented to Board on 26 November 2024 the level of assurance provided was Moderate and an additional appendix *'Assessing our impact'* was included, setting out the key metrics to measure the health and wellbeing of the population. An update on these metrics will be provided in the PHWS annual report in Spring 2025 but the position at midyear was not provided as the information is nationally produced on an annual basis. This means that the Board did not have the opportunity to assess the impact of the overall Strategy on the health and wellbeing of the population of Fife. It is important to recognise however that improving the health and wellbeing of the population will take more than one year and sustained improvements will only be possible over a much longer timeframe.

One *'Merits Attention'* recommendation from internal audit report B14/23 Strategic Plan Development remains outstanding and has been extended. We recommended that the risk for the

PHWS and Health Inequalities corporate risks should be reviewed together to ensure consistency and revised if appropriate. We would reiterate this recommendation which remains relevant.

The July 2024 Board considered the Director General for Health & Social Care, 5 June 2024 letter on 'Reforming Services and the way we work'. The minute noted that *'The Chair highlighted the need for NHS Fife to have planning at the front and centre of all discussions and decisions. She highlighted the importance of being able to model what will happen to local population demographics, its potential impact on future performance, and the need to consider what services may or may not be able to be provided going forward. The need to be pro-active was emphasised.'* The minute also noted need for further discussion around planning and agreed that this be a standing item on the Board agenda. The September 2024 Board Action List stated this action had been noted on the Board's workplan and would be added as a standard agenda item from November 2024. The November 2024 Action List update noted that there was nothing to add to the agenda for November and the Board is awaiting receipt of guidance, a Directors Letter (DL) from the SGHSCD. We will continue to monitor progress in this area.

Operational Planning

The Board continues to receive quarterly updates on the Annual Delivery Plan 2024/25, which flows from and links to the four strategic priorities identified in the PHWS.

The Quarter 2 update on the Annual Delivery Plan 2024/25 was considered by the Board in November 2024, the covering paper offering a useful summary of the 205 'deliverables' within the Plan. The update showed that 3% of deliverables were complete, 68% of deliverables were on track, 24% of deliverables were 'at risk', 4% were unlikely to complete on time' and one had been superseded / cancelled. There has been a slight deterioration in the position between Quarter 1 and Quarter 2.

Of the nine deliverables that are unlikely to complete on time, six are aligned to the 'Deliver Value and Sustainability' strategic priority, reflecting the challenges in business transformation and redesign.

Governance Arrangements

A number of Board and Committee papers have been considered in private session during the year to date. Whilst there may be justifiable reasons for this, we recommend that the nature of items considered in private is reviewed to ensure appropriateness and that the reason for considering an item in private is clearly stated in the SBAR, with the full agenda noting which items will be considered in 'private'.

Several key reports of the same nature e.g. Annual Delivery Plan, Corporate Objectives, are presented to Board and to Standing Committees and we encourage review to ensure there is no duplication in reporting. Report authors should provide clarity on the purpose of the paper presented to each committee, tailored to their remit.

In May 2024 the Board agreed levels of assurance to be included in reports to Board and Committees. This aids members in assessing the Level of Assurance that can be taken and support the focus of their scrutiny on key aspects. Board minutes do not always record the level of assurance agreed, but instead note *'The Board took assurance from the ...'*. We recommend that the level of assurance agreed by the Board or Committee is noted on all occasions.

Blueprint for Good Governance

In September 2024 the Board considered a Blueprint for Good Governance Improvement Plan update and took moderate assurance on progress. Five of eight actions were closed and the remaining actions related to agreement of risk appetite, improving the diversity of the Board, and introducing locally assurance mapping work. The November 2024 Board meeting subsequently approved a revised Board Risk Appetite Statement. The assurance mapping recommendation remains open pending the outcome of the Once for Scotland approach being developed by the national Board Secretaries

network. Improving diversity will be progressed on completion of Public Appointments recruitment process.

In the spring of 2025, Audit Scotland will be publishing a NHS spotlight publication focusing on governance, to assess how well leadership, scrutiny and governance are operating to support financial management, service performance and longer-term reforms. The report findings should support the Board with its ongoing government assessment processes.

Mental Health Services

The September 2024 Board (private session) was advised that Fife Child and Adolescent Mental Health Service (CAMHS) and Fife Psychology Therapy (PT) would be moving to stage 2 - Enhanced Support, of the Support and Intervention Framework in relation to the National Referral to Treatment Target (90% of patients seen within 18 weeks of referral).

The Board minute noted that Enhanced Support reinforced the need for the health and care system to work together in partnership, and that while CAMHS and PT are fully delegated to the IJB for strategic planning and delivered through the Health and Social Care Partnership (HSCP), the Fife NHS Board has been escalated on performance grounds. The Board agreed that a fuller plan will be prepared for CAMHS and PT, to include modelling and a new way of delivering services and to provide assurance on progress. The intention is to bring a workplan to the January 2025 Board private session.

The October 2024 Annual Review letter stated that *'local mental health services continue to experience high levels of demand and increased levels of acuity, combined with challenges in recruiting across all key professional groups including nursing, psychiatry, AHPs and psychology.'* The letter also commented on the extremely challenging national capital funding position and its impact on mental health services, and that the Board is carefully considering how to best invest and improve its mental health estate, with plans to invest £3 million over the next 3 years. The letter also notes the Scottish Government *'recognise that whilst this will not fully deliver all the benefits a new centralised facility could offer, it will bring essential improvements within the current financial circumstances.'*

The November 2024 Board IQPR report highlighted that Quality & Care mental health measures have deteriorated compared to the September 2024 Board position. Taking the current, medium, and longer-term pressures affecting the delivery of mental health services, we recommend that a mental health risk is considered for inclusion in the corporate risk register.

Integration

The current significant financial and service challenge across health and social care will require NHS Fife, Fife Council, the IJB and wider partnership to work together effectively. Collaborative governance is a key feature of the Blueprint for Good Governance and requires a clear understanding of responsibilities, trust, and willingness from all parties to work together, with the right culture in place to support all partners. When health and social care systems come under pressure, there is a risk that collaborative governance is not achieved.

Partners need to work together to ensure that they deliver on the integration agenda in line with the Integration Scheme, and that they fulfil their roles accordingly in the true spirit of integration. This includes ensuring there is cohesion across the health and care system to help inform and shape transformation plans.

The challenges and pressures evident in the whole system are regularly considered by NHS Fife Board. Reflecting on this, the Chief Executive proposed at the September 2024 Board meeting that consideration would be given to the ways of working between the different organisations and how this is brought together as a collective. While this has not been reported to Board and is not included on the Board action list a Board Development Session planned for 17 December 2024 will cover the requirement for an integrated transformation plan. This requirement has already been agreed by the

NHS Fife Chief Executive, Fife Council Chief Executive and Fife IJB Chief Officer (Director of Health and Social Care).

We recommend that the Chief Executive's review considers the overall integration risk environment to determine whether there are sufficient and effective controls in place to support the delivery of integration objectives. The outcome of this assessment should be evaluated to determine if further governance oversight is required.

Performance

The Board and Standing Committees receive regular IRPQ reports and other performance reports covering a range of key national and local measures.

In common with all NHSScotland, performance against national targets continues to prove challenging. At November 2024, particular areas of challenge were: Treatment Time Guarantee; Delayed Discharge for Mental Health/Learning Disabilities; New Outpatient Appointments; Cancer waits for the 31 Day Referral to Treatment (RTT) and 62 Day RTT.

The PHWS midyear report to the November 2024 Board stated that the Integrated Unscheduled Care and Planned Care programmes remain on track for 2024/25 deliverables.

Efforts should continue around the setting and reporting of realistic but challenging and achievable trajectories within available resources, in the context of statutory requirements and national targets and the PHWS, to allow members to conclude on overall Board performance with the right analysis to enable conclusions and informed decision making, including being able to consider preventative and or corrective actions.

Whilst there is a broad range of information provided in the Board IPQR, the report does not provide an overarching conclusion on whether performance is improving or deteriorating. The way in which benchmarking information is used to improve performance by learning lessons from Boards with similarities to Fife in terms of size and delivery model could be reported.

Complaints – Quality and Care

The Board IPQR reporting at September 2024 and November 2024 shows a general performance trend against the two complaints targets to be significantly and consistently below the expected target.

	<i>Sept Board - previous</i>	<i>Sept Board - current</i>	<i>Nov Board - previous</i>	<i>Nov Board - current</i>
Stage 1 Complaints Closed in month on time (target 80%)	68.9%	59.5%	50.0%	48.7%
Stage 2 Complaints Closed in month on time (target 60%)	21.4%	20.5%	16.7%	25.9%

The challenging position was referenced in the October 2024 Annual Review Ministerial letter which noted *'the need to ensure that communications with patients take place in a way which is appropriate to their needs; the importance of embracing new technologies and ways of working to ensure the NHS is sustainable; alongside the need for an effective, accessible and responsive NHS complaints procedure'*. Given a key focus of responding to complaints is to implement identified learning needs, consideration of how NHS Fife can better support improved performance against this quality and care metric may be required.

Risk Management

The Annual Risk Management Report 2023/24 referenced several planned developments including review and update of the risk appetite statement and review of the Board Strategic Risk Profile. A delivery plan to support the Risk Management Framework has been developed and will be reported to the Audit & Risk Committee.

Following discussion at Board Development sessions, the November Board 2024 subsequently approved a revised Board Risk Appetite Statement. Planned risk management developments for 2024/25 also included implementation of risk management key performance indicators, continued enhancement of the content and presentation of risk reports and further development of a risk management training programme.

Whilst we can evidence elements of good practice, we note that:

- It can take a significant number of months to develop and reframe risks, for example the proposed risk on drug-related deaths, the new Pandemic risk and the reframing of Risk 5 – Optimal Clinical Outcomes. We note also typically timeframes are not agreed.
- For some corporate risks the current score may not fully reflect the wider environment, with unrealistic target scores and timeframes. We have recommended that related corporate risks are reviewed together.
- At the September 2024 Board Risk 6 – Whole system capacity – Score 20 - High was discussed. The Director of Acute Services advised that this risk is to be discussed at EDG, where consideration will be given as to whether it remains a risk or has materialised into an issue, noting the Board will be advised on the outcome. There is no evidence of an update to the November 2024 Board per the Action List or any other paper.

Environmental Management

NHS Fife continues to make progress towards Scottish Government targets and the objectives set out in the National Sustainability Strategy. In January 2024, the NHS Fife 2022/23 Climate Emergency & Sustainability Board Report was published and highlighted sustainability progress and ambitions for the next year.

A Sustainability and Greenspace Progress Report presented to the November 2024 Board and Public Health and Wellbeing Committee included a follow-up to the January 2024 report. The report also outlined achievements relating to the NHS Fife 2030 Greenspace Strategy.

Challenges were highlighted in the report around full implementation of the Environmental Management System (EMS) and funding for decarbonisation and greenspace development in future capital planning.

Internal Audit B17/25 Environmental Management will be reported to the March 2025 Audit and Risk Committee.

Policies

The last General Policies and Procedures update was provided to the 7 May 2024 meeting of the FPRC when 18% of policies were out of date. To accommodate the work associated with RTP it has been agreed an annual report will be produced, instead of twice yearly reporting, with the next report due in May 2025.

Corporate Objectives

Corporate objectives for 2024/25 aligned to the PHWS and RTP were considered by Standing Committees in advance of being approved by the Board on 30 July 2024.

Anchor Programme

An Anchor Institution Progress update was provided to the PHWC in November 2024, focussing on the development of the Anchor programme of work, progression from baseline activities and future ambitions.

Public Participation and Community Engagement Strategy 2024-28

The Public Participation and Community Engagement Strategy 2024-28 was discussed at the Board Development Session on 30 April 2024 and presented to PHWC on 13 May 2024, where the ambitions of the Strategy were approved in principle. The Board requested that the Strategy be brought back to a future meeting once it has been updated to reflect their feedback to include an operational plan on how the principles will be used in a programme of consultation and engagement, particularly related to RTP workstreams. An overview of the Community Engagement and Public Participation Operating Model for 2024-2026 was presented to the July 2024 Board in private session. Members commented on the improved document and which was more focussed around Fife and what work will be undertaken locally.

Action Point Reference 1 – Reform, Transform and Perform (RTP)**Finding:**

Our assessment of the reported position six months in to 2024/25 is that there is some optimism bias around the level of anticipated savings that will be delivered by the end of 2024/25, and the assurance level assessment for some RTP schemes i.e. Business Transformation, Supplementary Staffing, Service Level Agreements and Balance Sheet. The updates on these schemes do not fully reflect the magnitude of the undelivered savings and the organisational effort required to deliver them.

There is a risk that if ‘target savings’ are set at levels beyond what is deliverable / achievable it could undermine the success of initiatives from the outset, as key officers and staff perceive they are being asked to deliver against an unachievable target.

Reporting has matured over the course of the year with reports becoming more standardised. However, greater clarity in reporting is recommended.

Audit Recommendation:

As RTP continues to mature and the year 1 outcomes are evidenced, management should ensure that 2025/26 plans are predicated on realistic and validated data, with lessons learned from year 1 identified and applied to support NHS Fife to make the right decisions at the right time, based on appropriate data.

Savings trajectories should be used to highlight and provide early warning of barriers to achievement including reporting the balance between recurring and non-recurring savings and plans, as recommended in the financial governance section of this report.

The RTP reporting format should be reviewed, to ensure proportionate / brief narrative is included for all aspects of the programme. Reporting must be transparent, overt and realistic in terms of the achievability of savings, reflecting the extremely challenging environment and clearly identifying any barriers to achievement. Where targets are not going to be achieved this should be reported as early as possible, and the workstreams should be reviewed to confirm their continued relevance for carry forward to 2025/26.

Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

Requires action to avoid exposure to significant risks to achieving the objectives for area under review.

Management Response/Action:

Financial reporting against RTP targets has been continuously reviewed to ensure appropriate and realistic forecasts against the target levels for each workstream. The summary table is also supported by detailed monthly trajectories. The savings levels for the highest risk workstreams have been reduced in line with anticipated delivery levels confirmed in Q3.

We will continue to develop reporting in this area and take on board the inclusion of a brief narrative, however the Financial Position Report (which is prepared monthly) includes narrative on each workstream.

Action by:	Date of expected completion:
Director of Finance & Strategy	31 March 2025

Action Point Reference 2 – Board and Standing Committee Reporting

Finding:

The following governance findings are noted:

- a. A sizeable proportion of Board and Committee papers have been considered in private session during the year to date. Whilst there may be justifiable reasons for doing so, if the correct balance between open and private session is not achieved, there is a risk the Board does not make decisions in an open and transparent manner. The open agenda does not detail items to be considered in private session.
- b. Several similar or near identical key reports are presented to Board and Standing Committees. This creates a risk of duplication, with the potential to adversely affect the pace of decision making.
- c. Board minutes do not always record the level of assurance agreed following consideration of discrete agenda items. This could reduce the Boards ability to track areas of concern and focus.
- d. The Action List does not always capture all areas identified by the Board during meetings.

Audit Recommendation:

- a. The nature of items considered in private session should be reviewed to ensure appropriateness and the reason for considering an item in private should be clearly stated in reports, with the open business agenda noting which items require to be considered in private session.
- b. We encourage a review of reporting where similarities are evident to ensure there is no duplication in reporting and where appropriate report authors should provide clarity on the purpose of the paper presented to each committee, tailored to their remit.
- c. The level of assurance agreed by the Board or Committee should be noted on all occasions.
- d. The Action List process should be reviewed to ensure all identified areas are captured in subsequent lists.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

The recommendations are accepted, and we will review current practice to ensure each of the points above are addressed.

Action by:

Head of Governance & Board Secretary

Date of expected completion:

31 March 2025

Action Point Reference 3 – Mental Health Services

Finding:

There are significant pressures around the delivery of mental health services in the current, medium, and longer term which need to be adequately and appropriately captured, mitigated, and monitored.

Audit Recommendation:

Establishment of a mental health risk should be considered. The risk should capture the challenges in the overall mental health risk environment and the current and planned controls to support the delivery and development of mental health service objectives on a whole system basis.

The requirement for enhanced governance oversight should form part of this analysis.

Assessment of Risk:

Significant



Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores.

Requires action to avoid exposure to significant risks to achieving the objectives for area under review.

Management Response/Action:

The HSCP set up a Mental Health Oversight Group (MHOG), chaired by the HSCP Director and the NHS Executive Medical Director, in October 2024. The Mental Health risks logged via the Datix risk system were tabled and discussed at the MHOG meeting in November 2024 with an action for the Mental Health SLT (Heads of Service, Senior Manager, Associate Medical Director and Associate Nurse Director) to review these in their entirety and update, amend, close as necessary. The Mental Health SLT have had an initial meeting to review these risks and work is ongoing to update the Mental Health risk register to ensure it is contemporary. This work will be completed by 31 January 2025. The MHOG will continue to have oversight of all Mental Health risks on an ongoing basis.

Action by:

Date of expected completion:

Head of Service, Complex and Critical Care Services

31 January 2025

Action Point Reference 4 – Performance Reporting

Finding:

The following performance reporting findings were noted:

- The Population Health and Wellbeing Strategy (PHWS) 2024-25 Midyear Report stated that an update on metrics will be provided in the annual report in Spring 2025, but the position at midyear was not reported.
- IPQR performance reporting does not include planned trajectories for all measures.
- The current presentation of IPQR benchmarking information does not identify comparison Health Boards.

Audit Recommendation:

- To enable the Board to assess the impact of the overall PHWS on the health and wellbeing of the population of Fife, performance metrics should be regularly reported.
- Consideration should be given to refining Board performance reports to include planned trajectories. This would enable measurement against realistic, challenging, achievable trajectories within available resources in the context of statutory requirements and national targets, within the context of Strategic Framework, to ensure Members are able to conclude on the overall Board performance to enable conclusions and informed decision making, including being able to consider preventative and or corrective actions.
- The way in which IPQR benchmarking information is presented could be enhanced by identifying the comparison Boards. This would allow more meaningful comparisons to Boards with similarities to Fife in terms of size and delivery model. How lessons learned from these comparable Boards is used to improve performance should be reported in the IPQR.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

Population Health and Wellbeing measures are published once a year, at most, so the reporting of Public Health & Wellbeing measures in the annual report 2023/24 (agreed by the Board in May 2024) will not be able to be updated until the next annual report 2024/25 is produced. These metrics are longer term measures and improvements will become evident over years rather than months or quarters. There has been a request to not produce a mid year report for this reason and to focus on the annual report.

Action by:

Date of expected completion:

Associate Director of Planning & Performance

Not Applicable

Action Point Reference 5 – Risk Management

Finding:

Acknowledging that corporate risks are due to be reviewed, from our review of the current corporate risk register we noted that:

- a. It can take a significant number of months to develop and reframe risks, for example the proposed risk on drug-related deaths, the new Pandemic risk, and the reframing of Risk 5 - Optimal Clinical Outcomes. We note that typically timeframes are not agreed at Committee or Board meetings to support risk development work.
- b. For the corporate risks detailed below the current score may not fully reflect the wider environment and elements out with the control of NHS Fife, resulting in unrealistic target scores and timeframes. Alignment of risk scores has also been considered.
 - Risk 1 - Population Health and Wellbeing Strategy – Score 12, Moderate. Given the pressure in the health and social care system, that the 3-year MTFP was not approved by the Scottish Government and the maturity level of RTP, which is in year 1, the risk score may be too low and may not fully reflect the organisation’s ability to deliver strategy in the current environment. The risk score also does not fully align with Risk 2 - Health Inequalities, which is scored at 20, High.
 - Risk 4 - Policy obligations in relation to environmental management and climate change is scored as 12, Moderate and does not fully reflect the restrictions in capital funding and revenue financial constraints that will impact on the organisation’s ability to meet the requirements of legislation. The risk score does not fully align with Risk 13 - Delivery of a balanced in-year financial position and Risk 14 - Delivery of recurring financial balance over the medium-term, which are both scored as 25, High.
 - Risk 15 - Prioritisation & Management of Capital funding – Score 12, Moderate does not align with the new Risk 20 - Reduced Capital Funding which is scored at 20, High. Given the significant constraints in capital funding, Risk 15’s score may not reflect the seriousness of the impact of constraints in capital funding, including the associated impact on revenue budget, nor the longer-term impacts this will have on the NHS estate, e.g. backlog maintenance, inability to progress service modernisation, such as Mental Health redesign.
- c. The September 2024 Board was advised that Corporate Risk 6 - Whole system capacity – Score 20, High was to be discussed at EDG, to determine whether it remains a risk or has materialised into an issue. It was agreed the Board would be advised on the outcome. There is no evidence of an update to the November Board per the Action List or any other paper, therefore there is a risk that the Board loses the opportunity to make informed decisions and take corrective action.

Audit Recommendation:

We recommend that:

- a. Realistic timeframes are agreed to support risk development and review. Where indicative timeframes cannot be met, the Board or relevant Committee should be informed.
- b. When the overarching risk environment and risk scores are reviewed, account should be taken of the evolving wider environment. Whilst recognising that the focus of risks are not intended to be fully aligned, there may be benefit in Committees considering related risks and their scores at the same meeting.

c. When the Board is advised that a corporate risk is being reframed or may be transitioning from a risk to an issue, a timeline should be agreed to ensure that the Board is provided with an appropriate and timeous update.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

- a. As a new risk requires a significant amount of work the suggestion of an agreed timescale for each is useful. The new drug related deaths risk has been presented to EDG and is due at PHWC in January 2025 before presentation to the Board. Likewise, the reframing of the Optimal Clinical Outcomes has been to CGOG and EDG in December and is due at CGC in January 2025
- b. A review of the risk scoring as outlined under part b will be undertaken with each of the executive leads for the risks.
- c. Reporting to Board on a realistic timescale for risk updates would be useful. The Whole System Capacity Risk has been re-framed, as have the other Acute Services Corporate Risks, and these were presented to CGOG and EDG in December 2024, alongside the re-framing of the Optimal Clinical Outcomes risk.

Action by:

Date of expected completion:

Associate Director for Risk and Professional Standards

31 March 2025

CLINICAL GOVERNANCE

Corporate Risks aligned to Clinical Governance Committee:

Risk 5 - Optimal Clinical Outcomes. High Risk (15); Target (10) Moderate by 30 September 2024 – Within Risk Appetite (currently being reframed)

There is a risk that recovering from the legacy impact of the ongoing pandemic, combined with the impact of the cost-of-living crisis on citizens, will increase the level of challenge in meeting the health and care needs of the population both in the immediate and medium-term.

Risk 8 - Cancer Waiting Times — High Risk (15); Target (12) Moderate by 31 March 2025 – Above Risk Appetite – aligned to FPRC but also reported to CGC

There is a risk that due to increasing patient referrals and complex cancer pathways, NHS Fife will see further deterioration of Cancer Waiting Times 62-day performance, and 31-day performance, resulting in poor patient experience, impact on clinical outcomes and failure to achieve the Cancer Waiting Times Standards.

Risk 9 - Quality and Safety — Moderate Risk (12); Target (6) Low by 31 March 2025 – Within Risk Appetite

There is a risk that if our governance, arrangements are ineffective, we may be unable to recognise a risk to the quality of services provided, thereby being unable to provide adequate assurance and possible impact to the quality of care delivered to the population of Fife.

Corporate Risks aligned to Public Health and Wellbeing Committee:

Risk 1 - Population Health and Wellbeing Strategy - Moderate Risk (12); Target Moderate (12) by 31 March 2025 – Below Risk Appetite

There is a risk that the ambitions and delivery of the new organisational Strategy do not deliver the most effective health and wellbeing and clinical services for the population of Fife.

Risk 2 – Health Inequalities – High Risk (20); Target High (15) by 31 March 2025 – Within Appetite

There is a risk that if NHS Fife does not develop and implement an effective strategic approach to contribute to reducing health inequalities and their causes, health and wellbeing outcomes will continue to be poorer, and lives cut short in the most deprived areas of Fife compared to the least deprived areas, representing huge disparities in health and wellbeing between Fife communities.

Risk 10 – Primary Care Services - High Risk (16); Target Moderate (12) by 31 March 2025 – Above Appetite

There is a risk that due to a combination of unmet need across health and social care as a result of the pandemic, increasing demand on services, workforce availability, funding challenges, adequate sufficient premises and overall resourcing of Primary Care services, it may not be possible to deliver sustainable quality services to the population of Fife for the short, medium and longer term.

Risk 21 – Pandemic Risk- High Risk (20); Target Moderate (20) by tbc – Within Appetite

There is a risk that a novel pandemic with widely disseminated transmission and significant morbidity and mortality may cause significant harm to those infected and cause widespread disruption to healthcare, supply chains, and social functioning.

Clinical Governance Framework

The Clinical Governance Strategic Framework Delivery Plan 2024/25 was presented to the 12 July 2024 meeting of the Clinical Governance Committee (CGC). The Committee took a “moderate” level of assurance from the paper. The delivery plan does not cover all aspects of the strategic framework but was instead devised to ensure it is achievable, with prioritised actions.

At the July 2024 CGC the Associate Director of Quality & Clinical Governance agreed to review the quality and improvement training aspects for the next iteration of the delivery plan.

A mid-year progress update on the Delivery Plan was presented to the CGC on 1 November 2024 and it was confirmed that work to refresh the Framework and Delivery Plan would commence shortly, having originally been planned for September 2024.

Seven of the 11 delivery plan workstreams have a due date of March 2025, one has a due date of December 2024 and one a due date of January 2025. The Safety and Just Culture Workstream had a June 2024 due date and the Medicines Safety Programme Workstream had an October 2024 due date. Where work remains ongoing, revised dates should be documented.

Internal Audit B17/25 Medicines Management will consider one review from the Medicines Assurance Audit Plan.

Action point 6 sets out enhancements to the delivery plan updates papers, to include a conclusion on the status of actions using a RAG status and a high-level summary of overall progress highlighting barriers to achievement, any impact on mitigation of corporate risks and the implication of non-achievement. Any workstreams not delivered in 2024/25 should be reviewed for inclusion in the 2025/26 delivery plan.

A Fife Health and Social Care Partnership Clinical & Care Governance Strategic Framework was scheduled to be presented to the IJB for approval by January 2024, but was delayed to the May 2024 IJB meeting. The completion date for this action was again extended to September 2024 to allow the content of the Framework to be reviewed by Internal Audit to confirm that it is consistent with recommendations from internal audit F06-22 Clinical and Care Governance. The NHS Fife Medical Director and the HSCP leadership team are still to resolve discussion on the content of the Framework. However, the NHS Fife Clinical Governance framework covers all aspects of clinical governance of delegated services.

Clinical Governance Committee

The CGC Terms of Reference are scheduled for review at the 7 March 2025 meeting, as set out in the CGC Annual workplan 2024/25. The 1 November 2024 CGC update on the workplan indicates that the Committee should receive all planned items for 2024/25.

The Clinical Governance Oversight Group (CGOG) reviewed their Terms of Reference at the 20 August 2024 meeting. Key changes covered membership, specifically Digital & Information representation. Amendments to the ‘Role & Remit’ increased focus on learning and the inclusion of acute services division and HSCP assurance reports. Areas for inclusion were delivering the aim of the Clinical Governance Strategic Framework and associated annual delivery plan and review of quality measures within the IPQR. The revised Terms of Reference were agreed at the 22 October 2024 meeting.

The business covered by the CGC and CGOG is extensive, particularly as the CGC has within its remit both clinical governance and eHealth / information governance. The remits and work plans of both committees would benefit from review in line with Committee Assurance principles to ensure there is no duplication of reporting and to ensure the committees are clear about their priorities and have focused agendas and workplans.

Clinical Risk Management

Corporate risks aligned to the CGC and to the PHWC are detailed at the start of this section. Both the CGC and PHWC received regular reports on the risks aligned to them and the current and target scores are reasonable.

Following the CGC deep dive into the Optimal Clinical Outcomes risk at the 1 March 2024 CGC, there was further discussion through the Risks and Opportunities Group (ROG) and CGOG, with a recommendation made to EDG on 5 September 2024 to close the risk, and work continues on the rewrite.

In common with other Standing Committees, the CGC has not considered risk deep dive reports in 2024/25. The cycle of review for deep dives was completed before the start of the year and it is anticipated that all clinical risks will be reviewed and refreshed.

The July 2024 CGC minutes reflected discussion on how the clinical risk consequences of corporate risks aligned to the FPRC are considered by the CGC, for example Risk 7 - Access to Outpatient, Diagnostic and Treatment Services. Members supported those risks being presented to the CGC on a yearly basis, for assurance on the clinical aspects.

Clinical Performance Reporting

The IPQR report cover paper presented to the 1 November 2024 CGC did not specifically highlight areas which had not reached target but did state that for all applicable metrics that utilise Statistical Process Control, the current position was within control limits.

15 metrics are reported via the IPQR relating to Quality and Care, of which seven (relating to Adverse Events/Significant Adverse Event Reviews, Hospital Standardised Mortality Rate (HSMR) & Mental Health Incidents) have no defined trajectory/target.

Performance for four metrics had deteriorated since the previous month and five metrics had deteriorated since the previous year. Detailed narrative explaining the data analysis and achievements and challenges was provided for Significant Adverse Event Reviews (SAERs), inpatient falls, pressure ulcers, mental health quality indicators, healthcare associated inspections, and complaints.

The governance of agreeing Quality and Care 'local targets' when there are national targets in place was discussed at the CGOG on 20 August 2024. The Medical Director and the Lead for Adverse Events presented a paper to the October 2024 CGOG documenting where local targets have come from and how and by whom they are approved. The report provided Moderate Assurance on the origin of the targets within the IPQR.

External Review

External Inspection Reports are included on an Activity Tracker routinely considered by the CGOG.

Learning

An Organisational Learning Update was presented to the 6 September 2024 CGC. The Organisational Learning Leadership Group oversees work to build on NHS Fife's capability as a learning organisation and has a delivery plan in place. The group will provide assurance to the CGOG and the EDG. While the focus of this work is on clinical governance organisational learning, the development of a framework may bring benefit to wider to non-clinical activities.

Recognising the complexity of achieving the remit of the group, guiding principles have been identified to progress a refreshed approach in 2024/25 including:

- Build on the organisational ability to triangulate learning to contribute to the understanding of the bigger picture – getting the full system overview and defining how this will be brought into practice.
- Development of an Organisational Learning Framework.

Significant Adverse Events

Internal Audit previously reported that the quality of data used to assess performance in progressing adverse events reviews was being reviewed. Performance continues to require improvement. The Adverse Events Improvement Plan Update presented to the CGC on 1 November 2024 provided Moderate Assurance and covered areas of improvement for 2024/25 including reporting, reviewing, learning, and improving support and engagement of patient/families and staff with the process.

The Improvement Plan is extensive and several actions due for completion between December 2024 and February 2025 are reported as on track.

The Adverse Events Policy (GP/I9) is available on Stafflink and is due for review in February 2025.

The CGOG has agreed implementation of the refreshed Adverse Events trigger list, aligned to the Healthcare Improvement Scotland (HIS) Reporting and Learning from Adverse Events – A National Framework. The December 2024 CGOG will finalise and agree the process changes ahead of the implementation date of 6 January 2025.

The development of the Adverse Events Staff Support Pathway provides structure to staff following an adverse event. The August 2024 CGOG agreed that pathway documents along with a questionnaire would be circulated to senior leaders across the organisation to identify barriers and enablers for the progression of this work. As reported to the October 2024 CGOG, additional bespoke training sessions are in progress.

The Integrated Performance and Quality Report presented to CGC on 1 November 2024 reported that SAER median days to close (July 2024) was 255 working days against the target of 90 working days of commissioned date. The supporting narrative explained that the delay is multi-factorial with some of these factors being un-modifiable i.e. patient complexity, delay in postmortem result, and that NHS Fife is not an outlier in this respect. The adverse events improvement plan identifies a number of process changes to improvement on timely and quality completion of reviews.

Adverse event KPIs are reported to every second meeting of the CGOG with the last report presented in August 2024. Reporting consists of adverse events summary KPIs, incidents flashcard, themes and trends and updates on staff support pathway.

As at July 2024 performance was reported as:

KPI	Performance
SBAR decision made for major and extreme adverse events (100%)	52%
Adverse Events with severity reported as 'No Harm' should be closed within 10 working days of reported date	58%
Adverse Events with severity reported as 'Minor' or 'Moderate' should be closed within 60 working days of reported date	85%
Adverse Events with severity reported as 'Major' or 'Extreme' should be closed within 90 working days of commissioned date (ALL)	56%
Adverse Events with severity reported as 'Major' or 'Extreme' should be closed within 90 working days of commissioned date (LAERs and SAERs only)	15%
Actions resulting from LAER and SAER reviews should be completed by target date	47%

Duty of Candour (DoC)

On 20 August 2024 the CGOG considered a proposed update to the DoC guidance to include the process for monitoring quality performance indicators and a streamlined approach to the identification of cases for review by the Medical Director, who determines if DoC is activated. An updated letter of apology and steps to ensure consistency of approach across NHS Fife were also proposed. The group was asked to reflect and feedback on the proposed changes with the finalised

process and procedural guidance anticipated to be presented back to group in October 2024 for endorsement, but this did not take place.

Resilience

Actions to address recommendations from Internal Audit Report B13/23 on Business Continuity Arrangements are progressing and are reported through the Audit Follow Up system. Fife IJB report F06-24 Resilience and Business Continuity was issued in April 2024 and two of three required actions are now complete. The third recommendation is in progress and relates to presentation of the internal audit report to the Assurance Resilience Group, and confirmation of completeness of Business Continuity Plans for services delegated by Fife Council.

Public Health and Wellbeing Committee (PHWC)

Internal Audit B16/25 – Population Health will review the governance arrangements for population health and wellbeing, including implementation of Strategy.

An update of the PHWC Terms of Reference was considered at the September 2024 meeting and approved at the November 2024 meeting of the Committee, with final approval at the November 2024 Board. The amended Terms of Reference reflect oversight of delegated services where the committee is responsible for performance i.e. Mental Health and Primary Care.

As discussed at the September 2024 meeting, a review of the PHWC workplan will be undertaken on a rolling basis as agendas for future meetings are set. We noted good practice in that the PHWC review of their workplan at each meeting clearly identified reports that were not required, additional reports for inclusion and issues for escalation.

At their 11 November 2024 meeting the PHWC considered the Population Health and Wellbeing Strategy (PHWS), 2024-25 Midyear Report (April – September 2024), which provided a ‘Significant’ level of assurance. When the report was presented to Board on 26 September 2024 the level of assurance provided was Moderate and additional appendix ‘Assessing our impact’ was included, setting out the key metrics to measure the health and wellbeing of the population. An update on these metrics will be provided in the PHWS annual report and we have recommended in year reporting of metrics in the corporate governance section of this report.

Risk Management

The PHWS risk is scored as Moderate (12) with the same target score, and it is below risk appetite. While the risk is at the target level the mitigation provides context in that ‘the management of this specific risk will span a number of financial years’. Internal Audit are content that risk remains on the corporate risks register on the basis that risks to successful implementation of this long term strategy may vary over the longer term. We have commented on the risk score in the corporate governance section of this report.

Development of an Acute Services Clinical Framework is underway and this will align to the PHWS and will outline the clinical plans and ambitions for clinical services.

The Health Inequalities corporate risk is rated as High (20) with a target risk score of High (15) by 31 March 2025 and is within Appetite. Internal Audit considers this scoring appropriate and we note key mitigations, including the Prevention and Early Intervention Strategy ratified by the IJB. Public Health has supported development of the ‘Fair financial decision making’ checklist to ensure that financial decisions under RTP take into account impacts on protected characteristics and inequalities.

Corporate risk 21 – Pandemic risk is a new risk first reported to CGC in November 2024. The risk rating aligns with the UK National Risk Register 2023. The current and target risk rating are both 20, reflecting that the likelihood of a pandemic is not within local control and, although consequences may be mitigated through local preparation, consequences will remain extreme. An NHS Fife Pandemic Framework Group has been established to coordinate management of this risk, including consideration and implementation of measures to reduce the pressures and negative effects a pandemic would cause locally, and to act as a source of advice to the organisation and partners.

Work is underway to collate lessons from the COVID19 response and outputs of related inquiries and implement these locally. The September 2024 meeting of the PHWC took a Limited level of assurance from the addition of the pandemic risk onto the Corporate Risk Register.

Corporate risk 10 - Primary Care Services is scored as High (16) with a target of Moderate (12) by 31 March 2025 and is above risk Appetite. While this appears reasonable, we note that at September 2024, only 25 of 41 actions being managed through the Primary Care Governance & Strategy Oversight Group to mitigate the risk were complete, although the remainder were reported as on track.

The Cancer Waiting Times risk is aligned to the FPRC but is also reported to the CGC. There is an emerging risk on drug related risks, which is a whole system risk.

The Fife HSCP Prevention and Early Intervention Strategy was presented to and was supported by the September 2024 PHWC, to enable its continued progression to committees and IJB for decision. The Prevention and Early Intervention Strategy is a NHS Corporate Objective and is one of the nine transformational strategies of Fife Health and Social Care Partnership's Strategic Plan 2023-2026.

Public Health measures for screening and early years have been included in the IPQR, as reported to the September 2024 PHWC. The national Care and Wellbeing Dashboard is being developed to provide access to the latest data on population health outcomes, inequalities and the wider determinants of health and it will be launched alongside the national Population Health Framework in late 2024. Public Health indicators within the IPQR will be further expanded on publication of the national Population Health Framework.

During the year to date the PHWC has considered a variety of reports including:

- Anchor programme
- Update on Plan for Fife and Shared Ambitions
- Food4Fife Strategy and Action Plan 2024-2029
- Creating Hope for Fife: Fife's Suicide Prevention action plan
- Fife Child Protection annual report 2023/24
- Annual Immunisation Report and Immunisation Strategic Framework 2024-2027
- High Risk Pain Medicines – Patient Safety Programme
- Tackling poverty and preventing crisis action plan
- Alcohol and Drugs Partnership annual report
- Health Promoting Health Service annual report
- Primary Care Strategy Year 1 report
- Service updates
- Sustainability and Greenspace update
- Joint Health Protection Plan

Action Point Reference 6 – Clinical Governance Strategic Framework Delivery Plan

Finding:

A mid-year progress update on the Clinical Governance Strategic Framework Delivery Plan 2024/25 was presented to the CGC on 1 November 2024 and it was confirmed that work to refresh the Framework and Delivery Plan would commence shortly. Two of the 11 delivery plan workstreams had passed their due dates.

Audit Recommendation:

The refresh of the Clinical Governance Strategic Framework Delivery Plan should consider inclusion of:

- An SBAR that concludes on how many of the actions have been completed within target timescale, how many have not been implemented by their target timescale, whether actions are on track, barriers to achievement and if anticipated delivery timescales remain realistic. Any impact on mitigation of corporate risks and the implication of non-achievement should also be highlighted.
- A RAG status for actions.
- Inclusion of revised dates for workstreams that have exceeded their due dates.

Any workstreams not delivered in 2024/25 should be reviewed for inclusion in the 2025/26 delivery plan.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

The audit recommendations will be addressed in the refresh of the Clinical Governance Strategic Framework Delivery Plan for 2025/26.

Action by:

Date of expected completion:

Associate Director of Quality and Clinical Governance

31 May 2025

Action Point Reference 7 – Review of Committee Workplans

Finding:

The business covered by the CGC and CGOG is extensive and broad, particularly as the CGC has within its remit both clinical governance and eHealth / information governance.

To operate effectively and efficiently committees must be clear about their priorities and have focused agendas and workplans.

Audit Recommendation:

The remits and workplans of both Committees would benefit from review in line with Committee Assurance Principles. The following aspects should be considered:

- Duplication of reporting to other Committees.
- Focus on priorities and the risks delegated to the Committee.
- Inclusion of agenda items for the following reasons:
 - It is a decision delegated to that Committee.
 - It relates to and/or provides assurance upon strategic priorities and related corporate risks delegated to that Committee.
 - It is a statutory or regulatory requirement or required by Scottish Government guidance.
 - The Committee can add value to a decision or issue by providing a different perspective, setting boundaries, generating ideas etc.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

Each Board Committee is due to review its respective Terms of Reference in the March cycle of meetings, and, as part of that exercise, work will be undertaken with colleagues in Clinical Governance to ensure that the workplan of the Clinical Governance Oversight Group, a sub-group of Clinical Governance Committee, ensures appropriate delegation of responsibilities and non-duplication of agenda items is in place.

Action by:

Date of expected completion:

Head of Governance & Board Secretary

31 March 2025

STAFF GOVERNANCE

Corporate Risks aligned to Staff Governance Committee:

Risk 11 - Workforce Planning and Delivery – High Risk (16); Target (8) Moderate by March 2025 – Above Risk Appetite

There is a risk that the current supply of a trained workforce is insufficient to meet the anticipated Whole System capacity challenges, or the aspirations set out within the Population Health & Wellbeing Strategy, which may impact on service delivery.

Risk 12 - Staff Health and Wellbeing – High Risk (16); Target (8) Moderate by March 2025 – Above Risk Appetite

There is a risk that if due to a limited workforce supply and system pressure, we are unable to maintain the health and wellbeing of our existing staff, we will fail to retain and develop a skilled and sustainable workforce to deliver services now and in the future.

Risk 19 – Implementation of Health and Care (Staffing) (Scotland) Act 2019 [HCSA] – Moderate (9); Target (9) Moderate – Within Risk Appetite

Taking account of ongoing preparatory work, there is a risk that the current supply and availability of trained workforce nationally, will influence the level of compliance with HCSA requirements. While the consequences of not meeting full compliance have not been specified, this could result in additional Board monitoring /measures.

Governance Arrangements

Updates on the progress of the 2024/25 Staff Governance Committee (SGC) workplan are reported to each meeting.

While the September 2024 SGC was not quorate there was only one item on the agenda for decision and members agreed that the meeting would proceed, and that the item for decision would be tabled offline.

Workforce Strategy/Planning

Internal Audit B17/23 Workforce Planning was issued on 8 May 2024 and provided Reasonable Assurance. Two actions will remain outstanding until ongoing work to develop the 2025-2026 Workforce Plan has been further progressed during December 2024 / January 2025. The Director of Workforce has provided Internal Audit with an update on this significant and important piece of work to determine the agreed staffing establishment, with a focus on data quality. This will enable NHS Fife to reshape the workforce over the period of the new Workforce Plan, and the next three years, and ensure the staffing establishment is appropriate to effectively deliver services. The RTP People and Change Board has been instrumental in managing this work which is scheduled to be completed during December 2024.

Fife IJB Internal Audit F05/23 Workforce Planning was issued in August 2024. Three of the four actions are now complete and the remaining action to complete a staff gap analysis is in progress and due for completion by the end of December 2024.

While the SGC workplan has a scheduled update on the Workforce Plan 2022-2025 at each meeting, the November 2024 update was deferred to January 2025 because the whole-time equivalent data was still to be agreed by the People and Change Board and reported to the RTP Executive meeting.

The September 2024 Workforce Planning Update provided assurance on the plans to develop the 2025-2026 Workforce Plan to Scottish Government by submission of the required SG template by 17

March 2025. Key dates and milestones to be achieved to meet this deadline have been identified and NHS Fife is aiming to complete the work ahead of schedule in January 2025. The new Workforce Plan is intended to align with the Delivery Plan and the financial plan for 2025/26.

Risk Management

The SGC has oversight of the Workforce Planning & Delivery and Staff Health & Wellbeing corporate risks, both of which have a high rating. The planned date to reduce the risk score from high to moderate for both risks is the end of March 2025. As previously report in internal audit B17/23 Workforce Planning, the achievability of these dates may need to be reconsidered as the target date approaches. The Director of Workforce has informed Internal Audit that the Workforce Planning & Delivery risk will be reviewed in line with development of the new Workforce Plan 2025/2026, with a shift in focus to the risk of the workforce not being adequate and appropriate to deliver services.

The SGC has regular oversight of the Implementation of Health & Care (Staffing) (Scotland) Act 2019 [HSCA] risk, which has a moderate rating and has reached its target score. The option to de-escalate this corporate risk has been discussed with the Director of Workforce. Internal Audit agree with the proposal that the risk will be reviewed in March 2025. While progress has been positive to date, the new calendar year will represent 'Business as Usual' and a March 2025 review will provide sufficient time and the opportunity to take stock of the arrangements put in place. The Act requires quarterly compliance reporting to the Board by individuals with lead clinical professional responsibility and the Director of Workforce has the delegated lead responsibility for Board compliance reporting.

The Quarter 1 update to the September 2024 SGC offered Moderate Assurance and confirmed that the Board has submitted the first High Cost Agency Return to the Scottish Government, as required by NHS Circular DL (2024) 06. This will give an opportunity for NHS Fife to benchmark with other Health Boards.

Staff Governance Standard

The Scottish Government has paused the requirement to complete a Staff Governance Monitoring return but Boards were required to complete an Assurance of Compliance return by 6 December 2024. The November 2024 SGC approved the draft Staff Governance Standard 2023/24 Assurance of Compliance, which provided a 'Significant' level of assurance. Feedback on the 2022/23 Staff Governance Monitoring Return was reported to the SGC on 14 May 2024 and the SGC was to be updated on progress to address the feedback at a future meeting. This did not take place and given that the 2023/24 Assurance of Compliance is now agreed, there would be little benefit in presenting this out-of-date information to the SGC. The Director of Workforce has provided Internal Audit with assurances that any future feedback will be reported to SGC in a timely manner.

A workforce policy update to the November 2024 SGC covered development and maintenance of local HR policies and Once for Scotland Workforce Policies. A soft launch of eight refreshed workforce policies is taking place between 15 October 2024 and 15 January 2025 to ensure the Board is ready for launch in early February 2025.

Our previous recommendation to consider a stand-alone report to SGC providing assurance that each strand of the Staff Governance Standard had received appropriate coverage throughout the year was considered. The SGC annual workplan does include planned reporting on each strand of the Staff Governance Standard and provides an at a glance conclusion on coverage, which is also confirmed in the 2023/24 Assurance of Compliance. In the interests of avoiding unnecessary reporting a standalone report will not be provided to the SGC.

Staff Health and Wellbeing / Health and Safety

The latest Health & Safety Sub-Committee Incident Report, covering the period June to August 2024, was reviewed by the SGC in November 2024. The report detailed the number of incidents during the period but does not have any comparative data except for a longer-term chart plotting the number of Violence & Aggression incidents, which is showing a rising trend. The SBAR states that Violence & Aggression training is being taken on across the Board following the move of a budget for a vacant post to the Health & Safety team.

The covering paper for the report would benefit from the inclusion of comparative performance information i.e. current and prior period(s).

A Staff Health and Wellbeing Update was considered by the September 2024 SGC, and the Occupational Health Service provided their Annual Report for 2023/24 to the November SGC.

Staff Experience

The Quarter 2 Annual Delivery Plan (ADP) 2024-25 update was presented to the November 2024 SGC meeting to enable monitoring of workforce aspects. There are 21 deliverables aligned to the 'Improve Staff Experience and Wellbeing' strategic priority. At the end of Quarter 2, 16 of these deliverables (72.6%) were 'on track' with five being 'at risk'.

The September 2024 SGC was informed that iMatter engagement for 2024 was 64%, a decrease of 2% on 2023 but, for the third year running, better than the national outcome of 58%.

Whistleblowing

Starting in April 2024 and in line with good practice from the Independent National Whistleblowing Officer, responsibility for governance and reporting of Whistleblowing began to transition from the Workforce Directorate to the Corporate Governance & Board Administration function. The first meeting of the quarterly Whistleblowing Oversight Group, chaired by the Chief Executive, took place in April 2024. Over time, the Whistleblowing Oversight Group will seek to illustrate trends and allow NHS Fife to evidence the necessary improvement and learning.

People and Change Board

The RTP People and Change Board aims to deliver a safe sustainable range of workforce changes and improvements whilst contributing towards the Boards obligation to deliver sustainable financial savings.

This includes projects to reduce spend in: Junior Doctor Rota compliance; Supplementary Staffing; Vacancy and Sickness Management; and Whole Time Equivalent Reduction. The group have oversight of implementation of the non-pay elements of the 2023/24 Agenda for Change pay deal; Reduction in Working Week; Protected Learning Time; and Band 5 Nursing Review.

Supplementary Staffing

Annual supplementary staffing costs have totalled circa £50 million across NHS Fife for the last two financial years. To reduce the reliance on supplementary staffing across the system a savings target of £5 million in the Board's Financial Plan for health board retained services, and a £3 million savings target was approved in the 2024/25 Financial Plan for the HSCP. Implementing the Scottish Government Supplementary Staffing Task and Finish Group's recommendations has resulted in supplementary staffing costs across retained services reducing from an average monthly cost of circa £2 million, to just over £1 million. Extremely challenging workforce issues in the HSCP have impacted on ability to reduce monthly spend at the same level as Board-retained services. However, initiatives are being taken forward which it is anticipated will lead to a reduction in the coming months.

Internal audit B19/25 on Supplementary Staffing will review controls over the employment of bank and agency staff and controls to monitor demand, acquisition and use of supplementary staffing, focusing on value for money.

Appraisal

The Remuneration Committee (RC) considered the Chief Executive's Personal Objectives for 2024/25 at their May 2024 meeting. An updated version, to include programmes of work in relation to key educational partnerships was approved at an Extraordinary Committee meeting in June 2024.

The RC considered the 2024/25 objectives for the Executive and Senior Management Cohort at its August 2024 meeting and requested a further review be conducted by the Chief Executive, supported by the Director of Workforce, to ensure that all objectives were SMART (Specific, Measurable, Achievable, Realistic and Time-bound). At their October 2024 meeting the Committee agreed the 2024/25 objectives for the Executive and Senior Manager Cohort. Work to ensure that all Executive Director objectives are SMART will continue and be reflected in mid-year appraisals.

The 2023/24 Annual Report on Medical Appraisals and Revalidation presented to the November 2024 SGC reported that 98% of eligible General Practitioners, 96% of Secondary Care consultants and 86% of Speciality and Specialist doctors had completed appraisal.

Medical Revalidation in NHS Fife was previously overseen by the Medical Appraisal and Revalidation Group which was decommissioned at the end of 2023/24. Revalidation will now be overseen by the newly convened Medical and Dental Professional Standards Oversight Group, chaired by NHS Fife's Medical Director / Responsible Officer. This group will report to both the Clinical and Staff Governance Committees. It is not clear why both Standing Committees receive assurance on this area and we would suggest that reporting through the SGC only is sufficient and would eliminate duplication.

Talent Management

The Director of Workforce is directing a Leadership Programme which is to be delivered by the end of 2024/25.

NHS Fife is progressing various strategies to optimise recruitment. The EMERGE programme commenced in August 2024, in partnership with Fife College, local secondary schools and National Education for Scotland, and aims to increase the talent pool and supply of workforce to meet NHS Fife workforce plans in the medium to long term.

NHS Fife offers modern Apprenticeships and engagement events are being planned with the Developing the Young Workforce Coordinators for September 2024, to support school pupils who are not predicted to meet the entry grades for Medicine degree courses, to explore other opportunities in healthcare. In addition, dates for bespoke health careers for secondary school pupils have been set for 2025 onwards.

Core Skills Training

Core training compliance at September 2024 was 60% (May 2024 – 53%, October 2023 - 63%) against the corporate target of 80%. The November 2024 SGC was advised of work to increase compliance to achieve the corporate target. The SGC previously noted that 'overall training attainment was disappointing and significant measures were needed to improve these metrics', and our 2023/24 ICE Report commented on the actions to increase compliance reported to the November 2023 SGC. Over the last year compliance has deteriorated and we recommend that the SGC explore the reasons for this, actively monitor the effectiveness of and the outcomes from these refreshed actions and consider if further controls and / or actions are required.

Personal Development and Planning Review completion rate at September 2024 was 42.9% against the national target of 80%. NHS Fife entered 2024/25 with a reframed local trajectory of 60%, which would be increased year on year by 5% until the national target of 80% was introduced locally. Given

performance concerns, a recovery plan has now been developed and will be considered at the January 2025SGC. In addition, the Learning & Development Manager is now engaging with members of the Acute Services and Corporate Services Division and Corporate Directorates Local Partnership Forum outlining the support that can be provided by the Learning & Development Team to increase core skills compliance levels in these Directorates.

Attendance Management

Detailed sickness absence information is now reported to the SGC on a regular basis through the Attendance Management updates, supplementing the summary data in the IPQR presented to each SGC.

The absence rate at September 2024 was 7.07%, against the national target of 4%. NHS Fife has a corporate target of 6.5% by the end of March 2025. Areas of recent improved attendance were analysed and work continues to benchmark with key Health Boards to identify actions that NHS Fife could utilise to improve attendance. The Attendance Management Group has been re-established to oversee a multi factorial review on absence issues, take forward lessons learned, identify priority actions, and seek assurance on actions being implemented. An action plan to support improvement activities had been developed.

Internal audit B20/25 will review management of sickness absence.

Action Point Reference 8 – Health & Safety Reporting

Finding:

The Health & Safety Sub-Committee Incident Report details the number of incidents during the period and provides useful data but the cover paper does not include:

- Comparative data with previous periods to highlight improvement or deterioration (except for a longer-term chart plotting Violence & Aggression incidents).
- Analysis of data and the reason for incidents and fluctuations.
- Improvement actions and lessons learned.
- Any link between incident reporting and Health & Safety risks.

Audit Recommendation:

The Health & Safety Sub-Committee Incident Report cover paper could be enhanced through the inclusion of analysis of data and identification of themes or trends. Any themes or trends should be considered when reviewing Health and Safety risks.

The cover paper could also report on learning from incidents, emerging concerns and areas for escalation and a summary of ongoing improvement actions.

Assessment of Risk:

Merits
attention



There are generally areas of good practice.

Action may be advised to enhance control or improve operational efficiency.

Management Response/Action:

The Health & Safety Sub-Committee Incident Report cover paper is in development and will be further enhanced through the inclusion of analysis of data and identification of themes or trends. This in turn can be considered when reviewing Health and Safety risks. Where appropriate the cover paper will also report on learning from incidents, emerging concerns and areas for escalation and a summary of ongoing improvement actions. This is frequently already covered in the minutes of the Health & Safety Sub Committee which are also submitted to SGC with any items for escalation.

Action by:

Date of expected completion:

Director of Property & Asset Management

31 March 2025

FINANCIAL GOVERNANCE

Corporate Risks aligned to the Finance, Performance and Resources Committee:

Risk 13 Delivery of a balanced in-year financial position: Current Score 25 (high) Target Score 16 (moderate) by 31 March 2025

There is a risk that due to the ongoing impact of the pandemic combined with the very challenging financial context both locally and nationally, the Board will not achieve its statutory financial revenue budget target in 2024/25 without further planned brokerage from Scottish Government.

Risk 14 Delivery of recurring financial balance over the medium-term: Current Score 25 (high) Target Score 16 (moderate) 31 March 2027

There is a risk that NHS Fife will not deliver the financial improvement and sustainability programme actions required to ensure sustainable financial balance over the medium-term.

Risk 15 Prioritisation & Management of Capital funding: Current Score 12 (mod) Target Score 8 (moderate) 1 April 2026

There is a risk that lack of prioritisation and control around the utilisation of limited capital and staffing resources will affect our ability to deliver the PAMS and to support the developing Population Health and Wellbeing Strategy.

Risk 20 Reduced Capital funding: Current Score 20 (high) Target Score 12 (moderate) 30 March 2026

There is a risk that reduced capital funding will affect our ability (scale and pace) to deliver against the priorities set out in our Population Health and Wellbeing Strategy. It may also lead to a deterioration of our asset base including our built estate, digital infrastructure, and medical equipment. There will be less opportunity to undertake change projects/programmes.

Financial Planning 2024/25

The Financial Plan 2024/25 – 2027/28 recognises that the scale of the financial challenge over the next 3 years is unprecedented and delivering financial balance across the 5-year timeframe will be extremely challenging. The Scottish Government acknowledged the financial plan for 2024/25 however it remains unapproved by them and dialogue is ongoing. The first draft of the Financial Plan for 2025/26 will be presented to EDG in January 2025.

Financial Reporting

The financial position is reported to each meeting of the Board and the Finance, Performance and Resources Committee (FPRC). On 26 November 2024 the Board was presented with the latest financial report to the end of October 2024 in private session, prior to the report being considered by the FPRC. Internal Audit commend this approach which ensured Board members were informed of the latest financial position. The report provided Limited Assurance.

Financial reporting to the FPRC and Board has remained consistent, and the position and challenges were clearly presented.

The Executive summary of the Financial Report to end of October 2024 highlighted that:

- *The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 as a consequence of allocation increases notified since the financial plan was approved by the NHS Fife Board in March 2024.*
- *There is a reasonable level of confidence we will achieve £23.6m of the 3% efficiency target and a further push is now on to bridge the £1.4m gap in projected delivery in quarter three.*

- *At the end of October 2024, the level of overspend on health board retained is tracking with plan, after taking account of the cost reduction achieved in the first 7 months in relation to RTP workstreams. This is supported by our forecast outturn and indicates we are on target to deliver an improved position on the forecast outturn identified in our 2023/25 financial plan specifically in relation to the health board retained budget. Whilst the run rate overspend is improving, further sustained improvement is necessary in the second half of the financial year to move as close to a break-even position as possible.*
- *The IJB health delegated position has deteriorated significantly since the overspend reported at July 2024 and is a major cause of concern. We continue to discuss this significant risk and variation from plan with the IJB and Fife Council. A recovery plan developed by the IJB Chief Finance Officer was approved at the extraordinary meeting of the IJB in October 2024. Since that approval the IJB reported forecast has deteriorated by a further £5.5m which presents a significant additional challenge to the overall NHS Fife board forecast position.*
- *This latest move in position will make it very difficult for the overall Board position to meet or improve on the original £30m forecast deficit reported in the financial plan in March 2024.*

Savings

The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 because of allocation increases notified since approval of the financial plan in March 2024.

While the level of overspend on health board retained is tracking with plan at the end of October 2024 and delivery of an improved position on the forecast outturn in relation to health board retained budget is predicted, the IJB health delegated position has deteriorated significantly since the overspend reported at July 2024. This latest move in position will make it very difficult for the overall Board position to meet or improve on the original £30m forecast deficit reported in the financial plan.

At the end of October 2024 the reported overspend against revenue budgets was £28.690m, comprised of an overspend for health board retained services of £13.770m and £14.920m for the health delegated budget (IJB).

A range of cost improvement schemes and efficiency initiatives have been developed through the Reform phase of Reform, Transform and Perform (RTP), to achieve the non-negotiable 3% (£25m) savings target required by Scottish Government, with the broader Transform phase focusing on changes to services, structures, and care delivery to deliver the remainder of the financial gap sustainably over the next 1-2 years.

The Financial Performance Report presented to Board on 26 November 2024 stated that there is a reasonable level of confidence that £23.6m of the 3% efficiency target will be achieved and a further push is now on to bridge the £1.4m gap in projected delivery in quarter three.

At the end of October 2024, £11.968m of savings was anticipated across the 13 RTP schemes with £9.349m confirmed as delivered, a shortfall on plan of £2.618m. The Service Level Agreement (SLAs) and Business Transformation workstreams continue to present as high-risk areas in terms of non-delivery of savings in line with target.

Recognising the current level of performance of the Business Transformation Programme, a paper to Board on 26 November 2024 provided detail on progress and quantification of bridging actions. The paper provided Moderate Assurance on progress with the workstream and Limited Assurance on financial performance.

SLAs and contracts with external healthcare providers are £3.410m overspent, tracking in line with the financial plan with most of the financial challenge within the SLAs with NHS Lothian and NHS Tayside.

Work must continue at pace to develop contingency plans to ensure the minimum 3% target is delivered. The reporting of the £9.349m savings delivered does not differentiate between recurring

and non-recurring savings. One of the assumptions within the Scottish Government expectations as part of the financial planning guidance for 2024/25 was to have a “*programme of work and supporting actions to achieve a target of 3% recurring savings on baseline budgets.*”

Internal Audit will review strategic and medium term financial planning and prioritisation to support corporate strategies and priorities in internal audit B22/25 Savings.

IJB Lessons Learnt (NHSF Board November 2024 Private Session)

A movement of circa £10m in the projected outturn for Fife IJB between December and March 2024 had significant implications for NHS Fife and Fife Council and resulted in the risk share agreement being implemented. A root cause analysis of the movement was undertaken by the IJB, and a Lessons Learned Financial Movement Review Report and action plan was considered at an IJB Development Session on 13 September 2024. It was agreed that the action plan would be monitored by the IJB Audit and Assurance Committee. The Lessons Learned paper was presented to Fife NHS Board in private on 26 November 2024 and provided moderate assurance.

Internal Audit are of the view that given the deteriorating IJB financial forecast and the risk of further movement, on-going assurance on progress should be provided to NHS Fife. FTF Internal Audit is the lead internal auditor for Fife IJB and progress with the action plan will be reported in the Fife IJB Internal Control Evaluation and Annual Reports for 2024/25.

IJB Recovery Plan (NHSF Board November 2024 Private Session)

The Fife Health & Social Care Partnership (HSCP) is forecasting a projected overspend of £27.1m as at 31 March 2025. This is a projected outturn position, and it is likely this will change prior to the year end. As per the requirements of the Integration Scheme, a recovery plan has been developed to mitigate this overspend. The recovery plan was approved by the IJB on 27 October 2024 and progress will be monitored through the IJB Finance, Performance and Scrutiny Committee. The recovery plan has been included as a mitigation for NHS Fife corporate risk 13 - Delivery of a balanced in-year financial position.

The IJB Recovery Plan was reported to the NHS Fife Board on 26 November 2024 in private and the report provided Limited Assurance. The proposals within the recovery plan total £13.505m and do not fully bring budget back in line. The Board paper stated that there is a high level of confidence that the savings can be delivered in full, however, it is likely that these will be delayed until the 2025/26 financial year at the earliest.

Given the recovery plan currently does not fully deliver a break-even position in financial year 2024/25, there is a requirement for further dialogue with partners aligned with section 8.2.3 of the Integration Scheme.

The NHS Fife Financial Performance Report for the period to October 2024 highlighted a further deterioration in the IJB year-end forecast overspend from £21.571m to £27.1m, which is beyond the projected overspend stated within the IJB Recovery Plan and represents an adverse movement of £5.5m on the previously projected outturn. This is a result of a projected £13.655m overspend on health delegated services and a £13.453m overspend on social care services. NHS Fife’s share of the full Health & Social Care Partnership (HSCP) overspend at this level would be £16.807m.

Any overspend arising in the IJB requires to be supported by agreed risk-shares from both NHS Fife (60%) and Fife Council (40%). For the remainder of this financial year and into next year NHS Fife and Fife Council, alongside the HSCP, must ensure strong joint focus supports the delivery of the IJB Recovery Plan and that every effort possible is made to reduce the forecast overspend by the year-end.

When the IJB financial plan was approved in March 2024 it assumed a level of resource transfer of £4.1m would be available from health delegated budgets to support costs in social care. The £4.1m

transfer was included in the NHS Fife budget and the IJB financial planning assumptions originally predicted the resource would be available to make the transfer without creating an overspend.

The £4.1m transfer will require to be covered as the associated social care costs have been incurred. Not transferring the resource would result in NHS Fife incurring a higher risk share proportion of the year-end overspend, as the budget position for health delegated will include the £4.1m as part of the NHS Fife contribution level, therefore, given the IJB Direction and in the interests of not triggering this increase the transfer to Fife Council will be made.

For the remainder of the financial year, we would expect that delivery of the IJB Recovery Plan to be carefully monitored by the Board and FPRC, alongside NHS Fife savings plans.

Finance Risk Reporting Revenue

The two corporate financial risks related to revenue are in year delivery of the financial plan and delivery of recurring financial balance over the medium-term.

The risk report provided to the FPRC in November 2024 for Risk 13 - Delivery of a balanced in-year financial position was updated to reflect the ongoing work with the IJB.

The FPRC November 2024 update on Risk 14 - Delivery of recurring financial balance over the medium term noted that work is ongoing at pace to enable the (Choices) schemes, which informed the design of the Strategic Transformation Portfolio and reflects priority areas across the transformation programme. This work will be planned during the latter half of 2024/25 to ensure the schemes impact on the 2025/26 position.

As expected, the risk scores for both these risks have remained High during 2024. The target risk scores are increasingly challenging in the context of the forecast financial. While the current scoring of the in-year financial position risk of 20 and the target of 16 are more realistic than in the previous year, the scoring should be reviewed to take consideration of the Limited Assurance provided in the most recent NHS Fife Financial Performance report and the IJB Recovery Plan report. Careful ongoing review and reflection of both the target and actual risk scores is necessary to ensure they fully reflect the deterioration in the financial position and the challenging environment.

Scottish Government Quarter 1 and 2 Review

The Quarter 1 Scottish Government review was reported to both the FPRC and NHS Fife Board (private session) in September 2024. The NHS Fife Quarter 2 review was held on 15 November 2024 and the letter issued to the Board on 21 November 2024. At the time of writing, the Quarter 2 letter had not been reported to either the FPRC or the NHS Fife Board but is scheduled to be reported in January 2025.

The Quarter 2 Letter review highlighted that:

- An overspend of £23.6m and forecast a year-end deficit of £36.8 million which represents a deterioration from the financial plan, which forecast a £29.8 million deficit.
- Drivers of the movement are the IJB forecast deficit of £27.1 million, of which the risk-share agreement would result in a £13.4 million pressure on the Board, as well as the £20.9 million overspend in the Acute Services Division
- At Quarter Two £8.1 million savings have been achieved. The delivery of the forecast outturn of £36.8 million is dependent on the delivery of the full £25 million savings therefore we note the further risk to the Board's performance.

The Scottish Government reiterated that *“it is vital the Board continues to work towards the savings target set of at least 3% recurring savings against baseline budget, as well as progressing further non recurrent measures and assessment of difficult choices to bring the position back towards financial break-even which remains the statutory responsibility of the Accountable Officer to achieve.”*

The Scottish Government Quarter 2 letter echoes both themes and narrative provided by Internal Audit in recent ICE and Annual Reports.

NHS Support and Intervention Framework

NHS Fife is currently assessed at level 2 of the Scottish Government escalation framework, which requires enhanced scrutiny at Scottish Government level.

The NHS Support and Intervention Framework sets out a range of assessment areas, one of which is financial performance. Reporting to the FPRC and NHS Fife Board (both Private Session) in September 2024 provided members of the Board with an initial understanding of the process with NHS Fife self-assessed using the 2023/24 outturn position. The Scottish Government then issued a further iteration of the framework with more detailed questions in relation to financial performance.

A draft submission was provided to the Scottish Government on 24 October 2024, subject to consideration by the FPRC and Board in November 2024.

We have been advised by the Director of Finance and Strategy that following the Quarter 2 Scottish Government meeting, the indication is that NHS Fife will remain at Level 2 subject to a further Scottish Government review against the NHS Scotland Support and Intervention Framework early in 2025.

National Resource Allocation Formula (NRAC) Allocation Proposals

The NHS Fife Board agreed to hold allocating the NRAC resource at least until the Quarter 1 financial results were available, by which time there would be a level of confidence over delivery over the minimum 3% savings target. A paper on NRAC Allocation Proposals scheduled for presentation to the NHSF Board in September 2024 was deferred, at the request of the NHSF Board Chair, to allow for further development and members to provide initial comments.

As reported to the 26 November 2024 Board meeting (private session), the NHS Fife NRAC Allocation of £7.2m is currently reducing the overall 2024/25 year-end forecast and is held in a reserve, rather than being allocated to specific cost areas. The proposal detailed areas where the NRAC allocation is deemed to be of greatest benefit, both in terms of mitigating areas of cost pressure and introducing several cost reduction enabling investments and the NRAC allocation proposals were agreed by the Board.

Capital

The capital plan for 2024/25 was approved in March 2024 as part of the Medium-Term Financial Plan (MTFP). The capital plan is regularly reported to the FPRC, with the latest report to the November 2024 Board (private session) showing limited capital expenditure for the seven months of the financial year due to phasing of schemes, with assurance provided to the Board there are no risks anticipated to the delivery of the capital resource limit by financial year end.

There are two corporate financial risks related to capital, one for Prioritisation & Management of Capital funding and the second related to the Reduced Capital funding.

Whole System Planning

Health Boards are no longer required to submit a Property and Asset Management Strategy and must instead develop a Programme Initial Agreement (PIA) which sets out a deliverable whole-system service and infrastructure plan for the next 20-30 years. The current timeline for submission is January 2026.

The NHS Fife interim business continuity maintenance only investment plan is required to be submitted by January 2025. Estates, Facilities and Capital Planning are developing the Business Continuity Plan and have received input from other specialities, including medical devices and digital. The route of approval is to be through the Financial Capital Investment group, EDG and the FPRC, prior to submitting to the Scottish Government in January 2025.

Procurement

The September 2024 FPRC approved the Procurement Strategy and endorsed the Annual Procurement Report, which is a requirement of the Procurement Reform (Scotland) Act 2014.

A comprehensive set of 12 KPIs was agreed as part of the Procurement Strategy. As reported to the FPRC in September 2024 at the end of Quarter 1, progress was positive.

Bed modelling Clinical and Financial Implications

The November 2024 FPRC considered a paper on whole system bed modelling across Fife, undertaken by external consultants. The analysis involved close working with the IJB and demonstrates the impact on acute hospitals (phase one), community hospitals (phase two) and care homes (phase three). Phase two is nearing completion with initial modelling suggesting a range of opportunities to reduce the required bed base from the current baseline. Once the baseline is established, this allows for assumptions and projections to be built in, and consideration of various clinical models and pathways of care over a 20-year period. The result will be a planning tool which can be utilised by NHS Fife, to run alongside finance, service, workforce, and infrastructure plans to develop scenarios, and ultimately support creation of Target Operating Models.

Other Areas covered by ICE Fieldwork

We reviewed the following areas, none of which highlighted any significant issues:

- Standing Financial Instructions
- Standards of Business Conduct
- Anti-Fraud and Corruption Policy and Response Plan
- Control over the Acquisition, Use, Disposal and Safeguarding of Assets
- Financial Operating Procedures

Action Point Reference 9 – Savings from RTP**Finding:**

Scottish Government financial planning guidance for 2024/25 required a programme of work and supporting actions to achieve a target of 3% recurring savings on baseline budgets.

Progress to achieve the 3% savings of £25m, to be delivered through RTP is being reported to Board and Standing Committees, but there is no split between recurring and non-recurring savings. Any savings identified on a non-recurring basis will require to be carried forward for inclusion in the 2025/26 financial plan.

Audit Recommendation:

Financial Performance reports should make clear that savings achieved on a non-recurring basis will impact on future years financial plans. Reporting of savings in both Financial Performance and RTP Performance Reports should include year-end forecasting of recurrent and non-recurrent savings, together with robust supporting information on how variances will be addressed.

We encourage the use of savings trajectories to highlight and provide early warning of barriers to achievement.

Assessment of Risk:

Moderate



Weaknesses in design or implementation of controls which contribute to risk mitigation.

Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.

Management Response/Action:

An assessment of the savings delivered to October 2024 and the forecast to the year-end indicate £14.8m will be delivered on a recurring basis. This assessment will be considered by EDG, FPR Committee and the NHS Fife Board as part of the regular financial performance reporting and also in the initial preparation of the financial plan for 2025/26. In relation to addressing any shortfall or variances in the assessment of savings delivery, this is considered monthly through the financial review process and contingency actions are developed where possible to mitigate any deviation from plan. This will be an ongoing assessment process throughout the remainder of the financial year.

Action by:**Date of expected completion:**

Director of Finance & Strategy

31 March 2025

INFORMATION GOVERNANCE

Corporate Risks aligned to the Clinical Governance Committee (CGC):

Risk 17 – Cyber Resilience – High Risk (16); Target (12) Moderate by 30 Sep 2025 – Above Risk Appetite

There is a risk that NHS Fife will be overcome by a targeted and sustained cyber-attack that may impact the availability and/or integrity of digital and information required to operate a full health service.

Risk 18 – Digital and Information – High Risk (15); Target (12) Moderate by 30 Apr 2025 – Above Risk Appetite

There is a risk that the organisation maybe unable to sustain the financial investment necessary to deliver its D&I Strategy and as a result this will affect our ability to enable transformation across Health and Social Care and adversely impact on the availability of systems that support clinical services, in their treatment and management of patients.

Governance and Assurance

The Information Governance and Security Steering Group (IG&SSG) and Digital and Information Board (D&IB) continue to provide assurance to the CGC with the latest update presented in September 2024 and a further update scheduled for March 2025. Updates on the D&I Strategy were provided to the CGC in September and November 2024, with the intention to have a Digital and Information Framework developed for March 2025, an extension on the previous target dates of July and then October 2024.

The IGS Accountability and Assurance Framework Report has been developed following a mapping exercise between the Scottish Public Sector Cyber Resilience framework and the Information Commissioners Office (ICO) Accountability Framework and is presented to each meeting of the IG&SSG. Performance metrics for seven of the 10 categories have been established (last ICE reported three of 10 established), with cross references to associated high risks recorded where applicable.

The late issue of papers to both the IG&SSG and D&I Board remains a control weakness as there is a risk that group members have insufficient time to effectively scrutinise the papers ahead of each meeting. Within the Audit Follow Up section there is an outstanding action to this effect, due for completion by end of April 2025.

Risk Management

The management of IG&S risks is reported to each IG&SSG meeting four times a year.

The risk report presented to IG&SSG in October 2024 included graphical representation of all the Digital and Information Governance risks. Of the 49 risks recorded, 12 were scored as high, 29 scored as medium and 8 scored as low. There are 14 IG risks and 35 Digital risks. The report demonstrated that overall risk scores are improving. Three risks have deteriorated from initial risk score, with each relating to Cyber Security. We note there is duplication of reporting between the risks reported to IG&SSG and D&I Board.

Both risk reports to the D&IB and IG&SSG provide summary information showing the total number of risks in each category and the number within/out risk appetite highlighted. The report does not currently include commentary on whether the actions underway and planned will be sufficient to bring these risks within the risk appetite in an acceptable timescale.

There have been no deep dives undertaken or planned during 2024/25 for the two Information Governance corporate risks aligned to the CGC. Standard risk reporting to the CGC includes updates on Risk 17 Cyber Security and Risk 18 Digital and Information. Our Annual Report B06/24 recommendation 1 highlighted improvements to the Deep Dive process which are ongoing.

The CGC undertook a Deep Dive of Risk 18 – D&I in November 2023 and of risk 17 – Cyber Resilience in January 2024. No further deep dives for these risks are scheduled within the CGC Workplan for 2024/25 and we would expect these to be completed early in 2025/26. A review of Risk 18 – D&I and a refresh of the Deep Dive will be completed as part of the development of the Digital and Information Strategic Framework.

Although the scores on these two corporate risks have remained static so far in 2024/25, there is evidence of actions being progressed to reduce them towards their target scores and the latest reporting on these includes a timescale for reaching the target level. However, the reality of reaching the target score for cyber will be challenging. Operational risks are also demonstrating improvement with improved risk scores for 26 of the 49.

Digital and Information Strategy

A D&I Framework is being developed to replace the current D&I Strategy and will be presented to the D&I Board on 31 January 2025. Following consultation the aim is for the Framework to be formally approved by the NHS Fife Board by 31 March 2025. The Briefing paper for Digital Strategic Framework presented to the November 2024 CGC stated that alignment to RTP will be a key element of the framework, with links and plans being associated with existing schemes and the emerging CHOICES submission.

The Briefing Paper for Digital Strategic Framework Timeline Update to the CGC on 1 November 2024 provided an analysis of delivery of the extant D&I Strategy. Of the 49 deliverables, 65% have been delivered or are in progress. Some deliverables have been delayed during the strategy period due to the impact of Covid19 requirements, the emergence of additional deliveries and national delivery delays. The approach and steps to be taken to create the D&I Framework were also documented to the CGC.

The regular portfolio and project updates provided to the D&IB outline the status of projects and their strategic alignment.

Information Governance Responsibilities

An NHS Fife Senior Information Risk Owner (SIRO) and Data Protection Officer (DPO) are in place and the SIRO is an Executive Member of the Board.

Information Governance Policies and Procedures

As reported to the October 2024 IG&SSG seven of nine IG policies were within their review date (78%) with two under review – Records Management Policy and Freedom of Information Policy. 16 of 23 D&I policies were within the review date (70%) and seven were under review.

Information Governance Incidents and Reporting

Updates on IG&S incident management are included in the IGS Accountability and Assurance Framework Report presented to each IG&SSG meeting and in the IG&SSG update report presented to CGC twice per year. The most recent update to IG&SSG on 22 October 2024 included:

- the number of IG&S incidents reported via DATIX as 1,192 over the rolling 12-month period.
- Over the rolling 12 month period the number of IG&S incidents reported to the ICO or Competent Authority within the required 72 hour timescale was 78% and from 1 April 2024 to 31 August 2024 four incidents were reported with 50% reported within the 72 hour timescale and one (25%) which required follow-up by the ICO.

Network and Information Audit 2024 (NISD)

The IG&S were updated on progress against NISD recommendations at its October 2024 meeting. Overall NHS Fife has compliance status of 93%. During 2024, the following areas of focus were progressed from the 2023 NISD report, with: Supplier Management rating improving from 44% in 2023 to 94% in 2024; Asset Management improving from 63% in 2023 to 87% in 2024; Access Controls improving from 77% in 2023 to 89% in 2024; and Business Continuity improving from 82% in 2023 to 93% in 2024.

These areas have been reported as part of the IG&S Assurance and Accountability Framework throughout 2024.

Information Governance Training

During 2023/24 the ICO issued a reprimand to the Board, which highlight that NHS Fife wide, only 42% of staff have undertaken the mandatory IG training. Since that report compliance has slowly increased with the latest position at September 2024 being 64%, as reported to the October 2024 IG&S.

ICO Reprimand – St Andrews Update

The July 2024 IG&S was presented with an update from the ICO. NHS Fife had provided the ICO with an update on the areas requiring improvement, with the ICO responding positively to the steps taken by NHS Fife to prevent a similar event from reoccurring.

NHS Dumfries and Galloway Cyber Incident





The Clinical Governance Committee in November 2024 was provided with a Briefing on the NHS Dumfries and Galloway Cyber Incident, with the report outlining the learning and observations associated with the incident and providing moderate assurance in relation to NHS Fife. This report highlighted the continued risk of cyber-attack and is part of a suite of reporting to ensure the organisation maintains awareness of the ever-continuing threat. The report provided assurance that the D&I department is assessing NHS Fife's resilience level against these cyber-attacks on a continuous basis and have accelerated the delivery of some planned improvements, found additional quick wins to improve security and conducted exercises to model the impact of the attacks witnessed.

Crisis Communications Strategy in response to Cyber Attack

The EDG on 21 November 2024 were presented with a paper on crisis communications in response to the Dumfries and Galloway cyber-attack. The paper will go to Standing Committee for future approval. Given the rise in successful and significant targeted cyber intrusion activity within public sector organisations, during incidents organisations often prioritise their technical response and relegate communication to a secondary consideration. Effective communication to staff, patients, stakeholders, and the media is crucial for shaping how an organisation is perceived and it is therefore vital that NHS Fife has a planned and coordinated approach to ensure timely and consistent messages that instils confidence in the organisation and its response to a cyber-attack or major systems outage.

Assessment of Risk

To assist management in assessing each audit finding and recommendation, we have assessed the risk of each of the weaknesses identified and categorised each finding according to the following criteria:

Fundamental		Non Compliance with key controls or evidence of material loss or error. Action is imperative to ensure that the objectives for the area under review are met.	None
Significant		Weaknesses in design or implementation of key controls i.e. those which individually reduce the risk scores. Requires action to avoid exposure to significant risks to achieving the objectives for area under review.	Two
Moderate		Weaknesses in design or implementation of controls which contribute to risk mitigation. Requires action to avoid exposure to moderate risks to achieving the objectives for area under review.	Six
Merits attention		There are generally areas of good practice. Action may be advised to enhance control or improve operational efficiency.	One

FINANCE, PERFORMANCE AND RESOURCES COMMITTEE

DRAFT ANNUAL WORKPLAN 2025/26

Governance – General							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Minutes of Previous Meeting	Chair	✓	✓	✓	✓	✓	✓
Action List	Chair	✓	✓	✓	✓	✓	✓
Escalation of Issues to NHS Board	Chair	✓	✓	✓	✓	✓	✓
Governance Matters							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Annual Assurance Statement 2024/25	Board Secretary	✓					
Annual Internal Audit Report 2024/25	Director of Finance & Strategy		✓				
Committee Self-Assessment	Board Secretary						✓
Corporate Calendar / Committee Dates	Board Secretary			✓			
Corporate Risks Aligned to Finance, Performance & Resources Committee (including Deep Dives)	Director of Finance & Strategy	✓	✓	✓	✓	✓	✓
Delivery of Annual Workplan 2025/26	Board Secretary	✓	✓	✓	✓	✓	✓
Internal Audit Review of Property Transaction Report 2024/25	Internal Audit				✓		
PPP Performance Monitoring Report	Director of Property & Asset Management				✓ Private Session		
Review of Annual Workplan 2026/27	Board Secretary					✓ Draft	✓ Approval
Review of General Policies & Procedures	Board Secretary	✓					
Review of Terms of Reference	Board Secretary						✓ Approval

Strategy / Planning							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Draft Annual Delivery Plan 2025/26	Director of Finance & Strategy						✓
Annual Delivery Plan 2025/26 – Scottish Government Response	Director of Finance & Strategy	✓					
Annual Delivery Plan Quarterly Performance Report 2024/25	Director of Finance & Strategy	✓ Q4		✓ Q1 & SG Feedback	✓ Q2		✓ Q3
Medium-Term Financial Plan 2026 – 2028	Director of Finance & Strategy					✓ Draft	✓ Final
Annual Budget Setting Process 2025/26	Director of Finance & Strategy						✓
Corporate Objectives	Chief Executive	✓					
Decarbonisation of NHS Fife Fleet	Director of Property & Asset Management					✓	
Digital Medicines Programme	Director of Digital & Information		✓ Private Session			✓ Private Session	
Integrated Planned Care Programme Report	Director of Acute Services & Medical Director		✓				
Primary Care Strategy – Annual Report 2024/25	Director of Health & Social Care			✓			
Control of Entry Pharmaceutical List (Primary Care Team)	Director of Pharmacy & Medicines / Director of Health & Social Care			✓			
Project Hydra	Director of Property & Asset Management			✓ Final Report			

Quality & Performance							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Integrated Performance & Quality Report	Exec. Leads	✓	✓	✓	✓	✓	✓
Financial Performance Report	Director of Finance & Strategy	✓	✓	✓	✓	✓	✓
Labs Managed Service Contract (MSC) Performance Report	Director of Acute Services			✓			
Procurement Key Performance Indicators	Head of Financial Services & Procurement	✓		✓	✓		✓
Reform, Transform, Perform Update	Director of Reform & Transformation	✓ Private	✓ Private	✓	✓	✓	✓
Linked Committee Minutes							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Fife Capital Investment Group	Chair						
Procurement Governance Board	Chair						
IJB Finance, Performance & Scrutiny Committee	Chair						
Primary Medical Services Subcommittee	Chair						
Pharmacy Practice Committee	Chair						
Other Business							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Receipt of Business Cases		As required					
Asset Disposals		As required					
Mental Health Estates Initial Agreement	Medical Director						
Ad-hoc Items							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Whole System Infrastructure Planning	Director of Property & Asset Management			✓			

Matters Arising							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26
Development Sessions							
	Lead	08/05/25	15/07/25	16/09/25	11/11/25	13/01/26	10/03/26

PROPOSED FINANCE, PERFORMANCE AND RESOURCES COMMITTEE

ANNUAL WORKPLAN 2024/25

Governance – General							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Minutes of Previous Meeting	Chair	R	R	R	R	R	R
Action List	Chair	R	R	R	R	R	R
Escalation of Issues to NHS Board	Chair	R	R	R	R	R	R
Governance Matters							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Annual Assurance Statement 2023/24	Board Secretary	R					
Annual Internal Audit Report 2023/24	Director of Finance & Strategy		R				
Committee Self-Assessment	Board Secretary						R
Corporate Calendar / Committee Dates	Board Secretary			R			
Corporate Risks Aligned to Finance, Performance & Resources Committee (including Deep Dives)	Director of Finance & Strategy	R	R	R	R	R	R
Delivery of Annual Workplan 2024/25	Board Secretary	R	R	R	R	R	R
Internal Audit Review of Property Transaction Report 2023/24	Internal Audit	Removed					
PPP Performance Monitoring Report	Director of Property & Asset Management				R Private Session		R Private Session
Review of Annual Workplan 2025/26	Board Secretary					R Draft	R Approval
Review of General Policies & Procedures	Board Secretary	R			Removed – yearly report agreed		
Review of Terms of Reference	Board Secretary						R Approval

Strategy / Planning							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Draft Annual Delivery Plan 2024/25	Director of Finance & Strategy	R					R
Annual Delivery Plan 2024/25 – Scottish Government Response	Director of Finance & Strategy	Deferred	R				
Annual Delivery Plan Quarterly Performance Report 2024/25	Director of Finance & Strategy	Q4 (23/24) Deferred	R Q4 (23/24)	R Q1 & SG Feedback	R Q2		R Q3
Annual Budget Setting Process 2024/25	Director of Finance & Strategy	R					R
Community Asset Transfer (CAT) - Lucky Ewe	Director of Property & Asset Management	R Private Session		Deferred	R Private Session		
Corporate Objectives	Chief Executive	Deferred	R				
Decarbonisation of NHS Fife Fleet	Director of Property & Asset Management					Deferred	R
Hospital Electronic Prescribing and Medicines Administration (HEPMA) Programme Digital Medicines Programme	Director of Digital & Information	R Private Session		R Private Session			
Orthopaedic Elective Project <i>(Item removed from workplan)</i>	Director of Nursing	Removed					
Integrated Planned Care Programme Report	Director of Acute Services & Medical Director			R			
Primary Care Strategy – Annual Report 2023/24	Director of Health & Social Care			R			
Property & Asset Management Strategy (PAMS)	Director of Property & Asset Management			Removed			

Strategy / Planning (cont.)							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Control of Entry Pharmaceutical List (Primary Care Team)	Director of Pharmacy & Medicines / Director of Health & Social Care			Deferred	R		
Project Hydra	Director of Property & Asset Management			R			R
Quality / Performance							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Financial Position – Mid-Year Review 2024/25	Director of Finance & Strategy			Removed			
Integrated Performance & Quality Report	Exec. Leads	R	R	R	R	R	R
Financial Performance Report	Director of Finance & Strategy	R 2023/24 Year End	R	R	R	R	R
Labs Managed Service Contract (MSC) Performance Report	Director of Acute Services			Deferred	R		
Procurement Key Performance Indicators	Head of Financial Services & Procurement	R		R	R		R
Tender Process for 2C GP Practices	Director of Health & Social Care	Removed		Removed			
Fife Capital Investment Group Reports 2024/25 <i>(Removed and merged with Financial Performance Report)</i>	Director of Finance & Strategy / Director of Property & Asset Management	(2023/24) Removed		Removed	Removed	Removed	Removed
Reform, Transform, Perform Update	Director of Reform & Transformation	R Private	R Private	R	R	R	R

Annual Reports							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Annual Procurement Report 2023/24	Head of Financial Services & Procurement			R		Removed	
Linked Committee Minutes							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Fife Capital Investment Group	Chair	R 17/04	R 29/05	R 21/08	R 02/10	R 18/12	R 05/02
Procurement Governance Board	Chair		R 24/04	R 31/07		R 30/10	R 29/01
IJB Finance, Performance & Scrutiny Committee	Chair		R 15/05	R 03/07	R 11/09		R 15/01
Primary Medical Services Subcommittee	Chair	R 05/03			Removed	R 03/12	
Pharmacy Practice Committee	Chair	Ad-hoc Meetings					
Other Business							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Receipt of Business Cases		As required					
Asset Disposals		As required					
Mental Health Estates Initial Agreement	Medical Director					Removed	
Primary Care Premises Framework	Director of Property & Asset Management			Removed			

Ad-hoc Items							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
2024/25 Financial Plan – Scottish Government Response	Director of Finance & Strategy	R					
Letter from the Scottish Government: Reforming Services and Reforming the Way We Work	Chief Executive		R				
Urgent Care Services Fife (UCSF) Transport Services Contract Renewal	Head of Primary & Preventative Care Services		R Private Session				
Planned Scheduled Care 2024/25 Plan	Director of Acute Services		R		Removed		
NHS Scotland Support and Intervention Framework	Director of Finance & Strategy			R Private Session			
2C Board Managed General Practices – Tender Process Update	Interim Director of Health and Social Care/Chief Officer			R Private Session			
NHS Fife Procurement Strategy 2024 - 2029	Head of Financial Services & Procurement			R			
Whole System Infrastructure Planning (Jan - Business Continuity & Essential Investment Infrastructure Plan)	Director of Property & Asset Management			R		R	
NHS Fife Quarter 1 Finance Review	Director of Finance & Strategy			R Private Session			
NRAC Allocation Proposal	Director of Finance & Strategy			R Private Session			
Reform, Transform, Perform Update – Infrastructure & Change Update	Director of Reform & Transformation Director of			R			

	Property & Asset Management						
Ad-hoc Items (cont.)							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Scottish Budget Position	Director of Finance & Strategy					Removed	
Financial Plan for 2025/26	Director of Finance & Strategy					Removed (Draft) Private Session	R
Proposed Allocation of NRAC 2024/25	Director of Finance & Strategy				R		
Tender Process for Board Managed 2c Practice: Kennoway & Methilhaven Practice	Director of Health and Social Care					R Private Session	
Business Continuity & Essential Investment Infrastructure Plan	Director of Property & Asset Management					R	
Internal Control Evaluation Report 2024/25	Chief Internal Auditor					R	

Matters Arising							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25
Bed Modelling: Clinical & Financial Implications and Consultancy Work Update	Director of Reform & Transformation Director of Property & Asset Management				R		

Development Sessions							
	Lead	07/05/24	16/07/24	10/09/24	12/11/24	14/01/25	11/03/25

Meeting: Finance Performance & Resources
Committee

Meeting date: 14 January 2025

Title: Business Continuity & Essential Investment Infrastructure
Plan (BC&EIP)

Responsible Executive: Neil McCormick, Director of Property & Asset Management

Report Author: Ben Johnston, Head of Capital Planning & Project Director

Executive Summary:

- NHS Fife have been directed by Scottish Government to develop a Business Continuity & Essential Investment Infrastructure Plan. This is to be submitted to the Scottish Government in draft by January 2025.
- The draft plan is enclosed for discussion and agreement prior to submission.

1 Purpose

This report is presented for:

- Discussion
- Decision

This report relates to:

- Government policy / directive

This report aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

The Scottish Government issued DL(2024)02 to Boards on 12 February 2024. It sets out a significant change to infrastructure planning and investment for NHSScotland.

Part of the directive instructed NHS Boards to submit a Business Continuity & Essential Investment Infrastructure Plan (BC&EIIP) by January 2024. The proposed plan is enclosed for consideration prior to submission to Scottish Government in January 2025.

2.2 Background

The Scottish Government issued DL(2024)02 to Boards on 12 February 2024. It set out a significant change to infrastructure planning and investment for NHSScotland.

Boards are required to prepare and submit to the Scottish Government a Programme Initial Agreement (PIA) which sets out a deliverable whole-system service and infrastructure plan for the next 20-30 years (with interim updates). Once approved, the intention is that Board's would only have to submit Outline Business Cases and Full Business Cases for approval for each scheme set out in the PIA.

The full PIA is to reference a preferred way forward based on a longer-term service informed infrastructure investment strategy. The Scottish Government have indicated their intention to undertake national service planning to inform this work (scope and timescales yet to be confirmed). An initial milestone date for completion and return of the PIA has been set for January 2026. This will be a significant task requiring alignment nationally, regionally and locally in respect to planning around services and infrastructure.

Business Continuity & Essential Investment Infrastructure Plan

In recognition of the scale of the task, Scottish Government have asked Boards for an interim BC&EIIP focussing on the "do minimum". This is to be submitted by January 2025.

Guidance in respect to this work has been issued by Scottish Government and NHS Assure. For planning purposes Boards are to assume a budget position of 133% of their routine capital formula – for Fife this equates to £10.4m per annum. Funding is required to cover the following items where relevant to the Board.

- Essential maintenance
- Medical equipment
- E-health infrastructure
- Fleet
- Small scale projects to ease capacity pressures
- Net zero policy commitments
- End of contract private finance (PFI expiry)
- Capital coverage for changes to financial rules on leases
- GM sustainability loans

This SBAR focusses on Fife's output in respect to this initial request.

2.3 Assessment

Details in respect to the proposed submission are enclosed at Appendix A. The report provided is useful to provide overall context. The BC&EIP Funding Template sets out our plan and this has been informed by the Property Risk and Prioritisation Tool.

Key notes:

- The plan is £3.2m beyond the planning assumption (£55.2m versus £52m)
- The plan is slightly front loaded over the first three years, and this is reflective of the number of priorities that require to be urgently addressed.
- The proposed scheduling is dictated by the Property Risk and Prioritisation Tool, sequencing constraints, and the number of high value items (i.e. we can't do everything at once).
- Further work is required around digital and sustainability to develop more form cost estimates as we move forward.
- Capital requirements around leases is still in the process of being developed and understood by Finance. This will be developed and communicated separately to Scottish Government beyond the BC&EIP.
- Scottish Government have asked us to prioritise all our items sequentially across all categories. We believe this would be challenging to do. We have prioritised within categories meantime. If prioritisation across categories is imposed, a multi-disciplinary group will require to be established to do this using an agreed methodology.

Proposed Governance:

- FCIG – 18 December 2024
- EDG – 20 December 2024
- FP&R – 14 January 2025
- Draft submission to Scottish Government - January 2025

This report provides the following Level of Assurance:

	Significant	Moderate	Limited	None
Level	X*		X**	
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

* Our proposed BC&EIP, adequately captures our capital priorities in line with the directive from Scottish Government (significant assurance).

** There is less assurance around the prospect of receiving capital funding at the necessary level to fund the plan (limited assurance). In respect to Scottish Governments most recent budget statement it was declared that Boards will receive in 2025/2026 a 5% increase to core capital formula which will to some extent be offset by inflation.

2.3.1 Quality, Patient and Value-Based Health & Care

A funded plan leading to a sustainable pipeline of capital funding could have a positive effect on the quality of our services, property, and asset base. This in turn could improve the quality of patient care.

2.3.2 Workforce

As per 2.3.1.

2.3.3 Financial

As described within the paper.

2.3.4 Risk Assessment / Management

This directive links to two (potentially more) of our corporate risks as outlined below. It could have a positive impact on the mitigation of these risks, depending on the level of funding received:

- Reduced Capital Funding
- Prioritisation of Capital Funding

The items identified within the BC&EIIP are all known risks and issues contained within various resources as identified below. The plan helps to coordinate and prioritise them in an organised way.

- Strategic Asset Management System
- DATIX
- 5-year plans
- Business cases

2.3.5 Equality and Human Rights, including children’s rights, health inequalities and Anchor Institution ambitions

A sustainable level of capital funding will support us to deliver our Population Health and Wellbeing Strategy.

2.3.6 Climate Emergency & Sustainability Impact

Capital funding will have a significant impact on our ability to meet our sustainability targets. Any initiative which may support a sustainable pipeline of capital funding must be encouraged.

2.3.7 Communication, involvement, engagement and consultation

Via governance route noted at Section 2.3.

2.3.8 Route to the Meeting

This paper has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- Fife Capital Investment Group – 18 December 2024
- Executive Director’s Group – 20 December 2024

2.4 Recommendation

FP&R are asked to take a “**significant**” level of assurance from the plan but “**limited**” assurance in respect to receiving the required capital from Scottish Government to deliver the plan within the timescales noted. FP&R are also asked to **discuss** and **endorse** the plan for onward submission to Scottish Government.

3 List of appendices

The following appendices are included with this report:

- Appendix 1 - Business Continuity & Essential Investment Infrastructure Plan – Dec. 2024 – R.2
- Appendix 2 - Business Continuity & Essential Investment Infrastructure Plan Funding Template
- Appendix 3 – Property Risk & Prioritisation Tool

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Business Continuity & Essential Investment Infrastructure Plan

December 2024, Rev. 2

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VERSION CONTROL

Draft R.1	Dec. 24	Completed First Draft
Draft R.2	Dec. 24	Updated following FCIG comments – 18.12.24

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1 Introduction

The Scottish Government issued DL(2024)02 to Boards on 12 February 2024. It set out a significant change to infrastructure planning and investment for NHS Scotland.

Boards are required to prepare and submit to the Scottish Government a Programme Initial Agreement (PIA) which sets out a deliverable whole-system service and infrastructure plan for the next 20-30 years (with interim updates). Once approved, the intention is that Board's would only have to submit Outline Business Cases and Full Business Cases for approval for each scheme set out in the PIA.

The full PIA is to reference a preferred way forward based on a longer-term service informed infrastructure investment strategy. The Scottish Government have indicated their intention to undertake national service planning to inform this work (scope and timescales yet to be confirmed). An initial milestone date for completion and return of the PIA has been set for January 2026. This will be a significant task requiring alignment nationally, regionally and locally in respect to planning around services and infrastructure.

1.1 Business Continuity & Essential Investment Infrastructure Plan (BC&EIP)

In recognition of the scale of the task, Scottish Government have asked Boards for an interim BC&EIP focussing on the "do minimum". This is to be submitted by January 2025. Guidance in respect to this work has been issued by Scottish Government and NHS Assure (click for [Guidance](#)). For planning purposes Boards are to assume a budget position of 133% of their routine capital formula – for Fife this equates to £10.4m per annum. Funding is required to cover the following items where relevant to the Board.

- Essential maintenance
- Medical equipment
- E-health infrastructure
- Fleet
- Small scale projects to ease capacity pressures
- Net zero policy commitments
- End of contract private finance (PFI expiry)
- Capital coverage for changes to financial rules on leases
- GM sustainability loans

This report focusses on Fife's output in respect to this initial request.

2 Capital Formula Allocation

It is understood that Boards will continue to receive their delegated capital formula allocation. The BC&EIP funding is therefore ideally suited to items that can't ordinarily be delivered through our capital formula allocation due to cost constraints. Nonetheless it will continue to be important to prioritise our capital funding carefully each year helping to address two of our ongoing corporate risks:

- Prioritisation and management of capital funding
- Reduced capital funding

For context and understanding, table 1 below shows NHS Fife's initial capital formula allocation and spend across key priority areas for the last 5 years.

Table 1 - Initial Formula Allocation (previous 5 years)

Description	20/21 £	21/22 £	22/23 £	23/24 £	24/25 £
Back-log Maintenance	3,424,000	3,500,000	2,395,700	1,499,700	2,499,700
Clinical Contingency	498,000	500,000	250,000	750,000	750,000
Capital Equipment	2,126,000	2,194,000	1,507,000	725,000	1,074,000
Digital & Information	1,041,000	1,000,000	877,000	500,000	500,000
Contingency Balance	305,000	200,000	-	113,000	-
QMH Theatres	-	-	734,000	1,114,000	-
HEPMA	-	-	-	547,000	667,000
LIMS	-	-	-	344,000	731,000
Mental Health Estate	-	-	-	1,000,000	1,000,000
Acute Project Works	-	-	-	700,000	-
Capital Staffing Costs	-	-	-	271,000	342,000
Capital Repayment				200,000	200,000
Capital to Revenue Transfer			2,000,000		
Total	7,394,000	7,394,000	7,763,700	7,763,700	7,763,700

3 Property

Within NHS Fife there is currently £111m of back-log maintenance recorded on our asset management system. £67m is recorded as significant or high risks and £65.2m is apportioned to our key hospital sites as referenced in the table below.

Table 2 - Backlog Maintenance

Site	Significant £m	High £m	Total £m
Adamson	0.1		0.1
Cameron	3.2	1.7	4.9
Glenrothes	0.7	0.2	0.9
Lynebank	1.2		1.2
Queen Margaret	7.3	1.1	8.4
RWMH	0.1		0.1
Stratheden	3.8	0	3.8
Victoria	40.1	1.2	41.3
Whytemans Brae	4.5		4.5
Total	61	4.2	65.2

The average capital formula allocated to back-log maintenance over the last 5-year period has been £2.6m. This is against a backdrop of £111m outstanding back-log maintenance. In this context, we are only ever able to contemplate the resolution of high risks which are prioritised for delivery each year. Generally, work tasks falling below the value of £150,000 can be sustained using our capital formula allocation. Any works beyond £150,000 become more problematic to accommodate at volume.

For the Business Continuity Plan, we have therefore taken the view to focus on highlighting and prioritising high and significant risks beyond the value of £150,000. We have also taken the opportunity to include some small-scale beneficial project works within our plan.

As we reviewed our estate management system it permitted us to identify several areas where our system requires to be updated. This will have a positive effect on our back-log position. As an example, we have £17m identified against the Victoria Hospital Phase 2 cladding panels. This was based on replacement; however recent surveys support the option to repair the panels at a much-reduced cost. We plan to update the asset management system early in 2025 to take account of this review which should enable a much-improved overall back-log position for the Board.

Upon review of the estate management system, there are multiple entries of wiring, ventilation and water services infrastructure which are noted as being at the end of their useful life. Where they are still functioning perfectly well with ongoing monitoring like electrical continuity testing, it is intended to leave this infrastructure as is until an opportunity arises to undertake a more significant refurbishment. It would be too disruptive to tackle this life cycle work in any other way. We plan to extend the lifecycle of this infrastructure where it is appropriate to do so.

The BC&EIP Funding Template is located at Appendix A. The Property Risk and Prioritisation Tool is included at Appendix B.

3.1 Demolition works

At our Stratheden and Cameron hospitals we have a mixture of operational and derelict estate. If funds can be allocated to enable the demolition of derelict assets and partial clearance of the sites, this will enable the following benefits:

Stratheden Hospital	Cameron Hospital
Demolition cost £6m Consultancy fees fees for planning - £200k	Demolition cost £1.5m
Potential capital receipt c. £12m (updated valuation requested)	Potential capital receipt to be confirmed
Lease opportunities	Interest from local distillery and energy generation firms regarding surplus land (capital/revenue opportunities)
Potential opportunity to work in partnership with Fife Council to provide community housing which will support our services and patients	
<p>Anchor opportunities</p> <p>Reduced back-log allowing more efficient investment elsewhere</p> <p>Much improved site perception for patients, staff and visitors</p> <p>Reduced safety and security risk</p>	

3.4 Small Projects

We have presented several small projects within our BC&EIP. These are projects which have been prioritised for several years but have been unable to be delivered due to financial constraints. In addition to clinical benefits in undertaking these projects, there will be an opportunity to improve the overall back-log maintenance position too. The projects prioritised for investment include:

3.4.1 Mental Health Estate Refurbishment

The existing mental health estate is generally in poor condition and requires investment to mitigate ongoing safety risks. This has been highlighted in reports from the Health &

Safety Executive and key recommendations for improvement from the Mental Welfare Commission in respect to the existing inpatient estate including recommendations in 2022 that 'refurbishment is essential'.

NHS Fife had prepared a more ambitious business case around consolidating the inpatient estate on a single site whilst enhancing the community care model. Unfortunately, with capital funding being constrained the short to medium term focus is on improving and maximising our existing facilities. This effort is in keeping with the sentiment of the BC&EIP.

3.4.2 Audiology Service

All adult patients attending Audiology and the Ear, Nose & Throat Department across Fife for assessment are seen in rooms with significant noise pollution issues. Test results are compromised and decision on surgical options for ENT patients impacted. Verification of hearing aid performance is limited for every aided adult seen in Fife due to noise issues. Our facilities are currently the worst in Scotland with only 12% of our rooms meeting the required soundproofing standard (2 of 19). The current situation does not contribute towards a professional staff environment or patient care.

For these reasons it is important that the facilities are improved, and we have a plan to relocate them into a more appropriate part of our estate to achieve this.

3.4.3 Queen Margaret Theatres

The Theatre suite at Queen Margaret Hospital (QMH), Dunfermline was opened in May 1993 and became the Day Surgery theatre suite for NHS Fife in January 2012. The area has seen some reinvestment in recent years with two "Jack & Jill" ophthalmology theatres created and opened in 2019. More recently around £1.8m was secured from Scottish Government to remodel the reception area whilst creating an additional procedure and anaesthetic block room.

The existing theatre suite that remains (6 theatres) and supporting accommodation is now 31 years old and is susceptible to maintenance issues and risk around aging theatre equipment. The time has come for the remaining facilities to be modernised as part of our lifecycle investment plan.

3.4.4 Queen Margaret Specialist Gynaecology Unit

Currently, specialist outpatient gynaecology services are predominantly delivered at the QMH in Dunfermline, from two designated clinics (clinic 4 & 6). The space is ergonomically challenging for patient care and accessibility. The treatment rooms are non-compliant in respect to modern standards. There is also an uptake in demand for gynaecology services causing further pressure on the existing offer.

There is an opportunity to align all specialist, gynaecology outpatient work into the old hospice footprint at QMH, providing a hybrid model of working that incorporates outpatient and minor procedures, optimises clinic capacity to improve patient flow, reduces waiting times through the provision of additional clinics and improves the whole patient pathway and experience, by providing the appropriate facilities required to deliver specialist gynaecology.

3.4.5 Victoria Hospital Dermatology Service

Currently the accommodation for dermatology patients at the Victoria Hospital Kirkcaldy (VHK) site is not of an appropriate standard. Assessments have been made by estates, health and safety and infection control and there are issues with the standard of the accommodation and its appropriateness for some clinical procedures. A DATIX remains in place identifying the risk.

A project and accommodation upgrade has been under discussion since 2016 and some temporary cosmetic upgrades have been undertaken to comply with some HAI requirements, but infrastructure for the required ventilation requirements cannot be met within the existing area.

There is ongoing discussion around the configuration of our services across VHK and QMH and the future arrangement and location of our dermatology service may be affected by this planning. At this time, we have made a general budget allowance for this project whilst plans continue to crystalise.

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4 Medical Equipment

We continue to maintain a five-year investment plan for our medical equipment. Our current plan is located at Appendix C and is summarised below. The projected demand is front loaded, and this is a consequence of underfunding in previous years where priorities for medical equipment have been compounding year on year. Based on the starting position of each year, the average spend from capital formula on medical equipment has been around £1.5m.

Additional consistent funding from the BC&EIIP process generally, would enable more sustainable planning and investment around our medical equipment as the competition and demand for core capital formula would be softened.

Meantime in terms of our first iteration of our BC&EIIP, we have identified all the high value / high priority equipment over the five-year period. If investment can be secured for this equipment it would allow capital formula to be used for low/medium value, high priority equipment.

The equipment and investment requested is identified in the BC&EIIP Funding Template at Appendix A.

Table 3 - Medical Equipment

Directorate	25/26 £,000	26/27 £,000	27/28 £,000	28/29 £,000	29/30 £,000	Total £,000
Pharmacy	89	33	0	0	0	122
Estates & Facilities	896	96	96	96	0	1,184
HSCP – PPCS	244	68	72	75	40	499
HSCP - CCS	95	64	66	11	48	284
HSCP – E-Obs	55	55	55	0	0	165
ASD – Medical	1,444	154	303	285	76	2,262
ASD – Surgical	2,132	104	185	47	424	2,892
ASD – WCCS	323	301	189	214	33	1,060
ASD – Radiology	4,925	1,900	350	80	1,430	8,685
Total	10,203	2,775	1,316	808	2,051	17,153

5 Digital Equipment and Infrastructure

We continue to maintain a five-year investment plan for our digital equipment. Our current plan is summarised below.

Table 4 - Digital

Directorate	25/26 £,000	26/27 £,000	27/28 £,000	28/29 £,000	29/30 (TBC) £,000	Total £,000
Desktops/laptops	825	825	825	800		3,275
GP desktops/laptops	Incl.	Incl.	Incl.	Incl.		0
Tablets for clinical apps	132	132	40	40		344
TrakCare infrastructure	0	500	0	0		500
Telephony core Infrastructure	0	0	100	0		100
Telephones/handsets	55	58	TBC	TBC		113
WiFi controllers & access points	0	0	585	385		970
Network lifecycle	550	2,000	0	0		2,550
Core network switches	0	0	0	0		0
Network security / firewalls	200	0	0	0		200
Computer suite & fabric	37	37	0	0		74
Core SAN storage	0	0	1,000	0		1,000
Core VM server farm	0	0	0	0		0
GP server hardware	185	0	0	0		185
Security & control	0	0	0	0		0
H&SC Portal	0	0	0	0		0
Total	1,984	3,553	2,550	1,225		9,312

In addition to the routine investment items set out in table 4 above, the following items are also considered as priorities. Whilst the costs for these items continue to be developed we have made an allowance for Digital equipment and infrastructure within the BC&EIIP Funding Template at Appendix A.

- **Computer Suite Relocation** – the movement of the current Hayfield House computer suite to another venue within NHS Fife. This would take into consideration a modernisation approach to support Hybrid Cloud. We are expecting a number of the national applications to make moves towards considering the value and performance associated with this that would inform our medium-term approach. In

addition, relocation of the suite would enable the potential demolition of this asset (currently vacant) which supports the wider long-term masterplan for the Victoria Hospital site.

- **Telephone/Communication Platform Upgrade** – we are in a period of maintenance for the existing telephone system. The opportunity to do something more modern would be the key driver but would link into some of the work associated with Business Transformation and financial sustainability.
- **Large System Change** – we are aware of the coming years of several large replacement system projects. These will include the Business System EPR and a Clinical System. Each is likely to be promoted with an internal business case in due course.

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6 The National Code of Practice for GP Premises: GP Sustainability Loans

This Code of Practice sets out the Scottish Government's plan to facilitate the shift to a model which does not entail GPs providing their practice premises.

The Code sets out:

- how the Scottish Government and Health Boards will enable the transition over a 25 year period to a model where GP contractors no longer own their premises;
- how the Scottish Government and Health Boards will support GPs who own their premises during the transition to the new model through the provision of interest-free secured loans;

In respect of the Scottish Government's GP Sustainability Loan Scheme, there are currently six outstanding loans, four of which have been submitted under the "exceptional circumstances" criteria. The funding associated with these loans is critical to practices remaining sustainable and continuing to operate as independent GP Practices under GMS Contractual status.

The outstanding loans included in November 2024 are noted below and have been included within the BC&EIP Funding Template at Appendix A.

Exceptional circumstances

- GP Practice 1 – £724,000
- GP Practice 2 - £327,600
- GP Practice 3 – £524,310.60
- GP Practice 4 - £200,000

Further tranche 1 Applications

- GP Practice 5 - £239,000
- GP Practice 6 - £218,000

7 Sustainability – net zero policy commitments

To support NHS Fife’s journey toward net-zero carbon emissions, we’ve issued a Prior Information Notice (PIN) to invite private-sector partners to install renewable technology on our sites at no upfront cost. This includes solar panels, battery storage, solar car parks, and heat pumps. These upgrades are expected to reduce our energy use and generate some income for NHS Fife.

To reach net-zero, we’ll need to retrofit most of our existing buildings, focusing on better insulation, upgraded windows, and replacing gas boilers with electric heat pumps. We’re also working with Fife Council to develop a heat network in Dunfermline, where NHS Fife would act as the primary user, and with Scottish Water Horizons on an innovative project that uses heat from wastewater. Together, these projects will allow us to reduce our reliance on fossil fuels across our sites, though we’ll need to find ways to increase or better manage the electrical capacity on our properties.

In terms of costs, reaching net-zero is likely to increase our running costs due to the cost of electricity to run a heat pump, which could be higher than what we currently pay for utilities. Careful planning will be needed to balance these costs against the longer-term savings we hope to achieve through reduced energy use.

Finally, we’re looking at ways to align our backlog maintenance with our carbon reduction goals. For example, when replacing old gas boilers through our backlog maintenance, we should plan to install heat pumps instead where appropriate to do so.

There is much work to do in this area in respect to procurement, commercial arrangements, and funding requirements. In the meantime, we have made a modest provision for sustainability within the budgetary planning constraints and this is set out in the BC&EIP Funding Template at Appendix A.

8 Leases and Capital Coverage

IFRS 16 introduces a single lessee accounting model and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months unless the underlying asset is of low value. A lessee is required to recognise a right-of-use asset representing its right to use the underlying leased asset and a lease liability representing its obligation to make lease payments.

The capital effect of this arrangement for NHS Fife is still in the process of being assessed and it will separately be shared with the Board and Scottish Government in due course.

DRAFT

Appendix A – BC&EIP Funding Template

DRAFT

DRAFT

Appendix C – Medical Equipment (5-year plan)

DRAFT

NHS Fife
Business Continuity & Essential Investment Infrastructure Plan - Funding Template
Dec. 2024
R.1

Reference	Priority Order	Category	Site	Project Name	2025.26 £m	2026.27 £m	2027.28 £m	2028.29 £m	2029.30 £m	Total £m
FF-MNT-001	1	Maintenance	Queen Margaret	Phase 1 - Mental Health Estate	2.6	1.3				3.9
FF-MNT-002	2	Maintenance	Stratheden	Mental Health Estate			2.1			2.1
FF-MNT-003	3	Maintenance	Victoria	Phase 2 window replacement	0.2	0.6	0.6	0.6	0.6	2.5
FF-MNT-004	4	Maintenance	Victoria	Phase 2 cladding panel restoration	0.3					0.3
FF-MNT-005	5	Maintenance	General	Fire door rectification programme	0.1	0.2	0.2	0.2	0.2	0.9
FF-MNT-006	6	Maintenance	Stratheden	Demolitions - opportunity to remove back-log and explore capital or revenue options for the site	2.0	2.0	2.0		-6.0	0.0
FF-MNT-007	7	Maintenance	Victoria	Audiology - non compliant facilities		1.4	1.4			2.8
FF-MNT-008	8	Maintenance	Cameron	New heat solution for site	1.0	0.8				1.8
FF-MNT-009	9	Maintenance	Queen Margaret	Specialist Gynaecology Unit				0.7		0.7
FF-MNT-010	10	Maintenance	Victoria	Dermatology					2.0	2.0
FF-MNT-011	11	Maintenance	Cameron	Demolitions - opportunity to remove back-log and explore capital or revenue options for the site				1.5	-1.5	0.0
FF-MNT-012	12	Maintenance	Queen Margaret	Phase 1 water tank replacement	0.3					0.3
FF-MNT-013	13	Maintenance	Victoria	Laundry roof	0.5					0.5
FF-MNT-014	14	Maintenance	Queen Margaret	Theatre refurbishment including equipment					4.1	4.1
FF-MNT-015	15	Maintenance	Victoria	Dining room/kitchen service lift	0.2					0.2
FF-MNT-016	16	Maintenance	Queen Margaret	Phase 1 roof works				0.3		0.3
FF-MNT-017	17	Maintenance	Various	General allocation for high and significant risks in our health centres	0.3	0.3	0.3	0.3	0.3	1.3
FF-MNT-018	18	Maintenance	Victoria	Phase 1 roof				0.8		0.8
FF-MNT-019	19	Maintenance	Victoria	Phase 2 tower refurbishment (only 4 floors of 13)	0.2	2.0	2.0	2.0	2.0	8.2
FF-MNT-020	20	Maintenance	Lynebank	Roof works				0.7		0.7
FF-MNT-021	21	Maintenance	Victoria	Phase 1 BMS					0.7	0.7
FF-MNT-022	22	Maintenance	Victoria	Phase 2 BMS					1.2	1.2
FF-MNT-023	23	Maintenance	Victoria Hospital	Phase 1 Curtain Walling & Windows					1.9	1.9
FF-MNT-024	24	Maintenance	RWMH	External repairs				0.2	0.2	0.4
FF-MNT-025	25	Maintenance	Victoria	Phase 2 roof					0.3	0.3
FF-EQP-001	1	Equipment	Victoria	Interventional Radiology fluoroscopy suite	0.9					0.9
FF-EQP-002	2	Equipment	Victoria	General Fluoroscopy suite	1.0					1.0
FF-EQP-003	3	Equipment	Victoria	Gamma camera for nuclear medicine imaging		0.9				0.9
FF-EQP-004	4	Equipment	Queen Margaret	CT scanner		0.7				0.7
FF-EQP-005	5	Equipment	Victoria	Ultrasound units for Radiology Gen US			0.4			0.4
FF-EQP-006	6	Equipment	Victoria	MRI scanner/ventilation and cooling system					1.2	1.2
FF-EQP-007	7	Equipment	Queen Margaret	Anaesthetic Machines					0.3	0.3
FF-EQP-008	8	Equipment	Various	CR refresh					0.3	0.3
FF-IT-001	1	Digital		Allowances for essential investment (refer to word document for description)	1.0	1.0	1.0	1.0	1.0	5.0
FF-GPP-001	1	GP Premises			0.7					0.7
FF-GPP-002	2	GP Premises			0.5					0.5
FF-GPP-003	3	GP Premises			0.3					0.3
FF-GPP-004	4	GP Premises			0.2					0.2
FF-GPP-005	5	GP Premises			0.2					0.2
FF-GPP-006	6	GP Premises			0.2					0.2
FF-SUS-001	1	Sustainability		Sustainability allowance to allow progress against policy targets	0.2	1.0	1.0	1.0	1.0	4.2
NA	1	Resources		Resource for Estate survey programme in line with CEL35(2010)	0.1	0.1	0.1	0.1	0.1	0.3
Total					13.1	12.2	11.0	9.3	9.7	55.2
Business Continuity Plans Funding Total				<i>Separate funding in addition to Formula capital. Calculated as 133% of Formula Capital</i>	10.4	10.4	10.4	10.4	10.4	52.0
Variance					-2.7	-1.8	-0.6	1.1	0.7	-3.2

Item Ref	Board	Asset	Description	SAMS Site Categorisation	Business / Financial Financial & Service Impact - Score and explain potential increased costs, negative impact on service delivery, delay in delivery of services					Staff / Health & Safety / Injury Staff Impact - Score and explain the potential negative impact on staff well being, recruitment and retention, harm, redundancy, industrial action					Clinical / Service Clinical Impact - Score and explain the potential negative effect on the ability to continue to provide safe, effective care at the standard required, loss of services, harmful incidents to patients, delays to access to diagnostics & treatment			Reputational / Adverse Publicity / Complaints & Claims Reputational Impact - Score and explain the potential negative effect on the perception of staff, service users and the wider public, of NHS services			Total Score	Delivery Constraints				
					Likelihood (1 to 5)	Score Notes	Impact (1 to 5)	Score Notes	Score	Likelihood (1 to 5)	Score Notes	Impact (1 to 5)	Score Notes	Score	Likelihood (1 to 5)	Impact (1 to 5)	Score	Likelihood (1 to 5)	Impact (1 to 5)	Score						
FF-MNT-001	NHS Fife	Queen Margaret	Mental Health Estate	Acute/community site	4	The environment is in poor condition in respect to safety and clinical functionality	4	Possible related claims Poor clinical efficiency	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Potential staff injury and poor recruitment and retention will affect patient care and service continuity	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Leads to longer lengths of stay and reduces the ability for patients to get well more quickly	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Environment may create a false impression from patients and family on level of care.	16	64	A number of decants so will require to be phased over a number of years
FF-MNT-002	NHS Fife	Stratheden	Mental Health Estate	Community site	4	The environment is in poor condition in respect to safety and clinical functionality	4	Possible related claims Poor clinical efficiency	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Potential staff injury and poor recruitment and retention will affect patient care and service continuity	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Leads to longer lengths of stay and reduces the ability for patients to get well more quickly	16	4	The environment is in poor condition in respect to safety and clinical functionality	4	Environment may create a false impression from patients and family on level of care. Potential for national interest.	16	64	A number of decants so will require to be phased over a number of years
FF-MNT-003	NHS Fife	Victoria	Phase 2 cladding panel restoration	Acute site	4	The cladding panels require to be repaired as per survey to retain the integrity of the panels.	4	There is a podium at the bottom of the tower so any falling material is relatively contained (although not ruled out). It could damage the building below or cause injury to someone working on the podium below. Insurance risk.	16	4	The cladding panels require to be repaired as per survey to retain the integrity of the panels.	4	Although unlikely there is a risk of serious staff injury caused by falling material/windows	16	4	The cladding panels require to be repaired as per survey to retain the integrity of the panels.	2	There are limited clinical services using space in the phase 2 tower block now	8	4	The cladding panels require to be repaired as per survey to retain the integrity of the panels.	4	Potential for high profile media coverage	16	56	
FF-MNT-004	NHS Fife	Victoria	Phase 2 window replacement	Acute site	4	Some of the windows are beginning to fail and fall out (tower block).	4	There is a podium at the bottom of the tower so any falling material is relatively contained (although not ruled out). It could damage the building below or cause injury to someone working on the podium below. Insurance risk.	16	4	Some of the windows are beginning to fail and fall out (tower block)	4	Although unlikely there is a risk of serious staff injury caused by falling material/windows	16	4	Some of the windows are beginning to fail and fall out (tower block)	2	There are limited clinical services using space in the phase 2 tower block now	8	4	Some of the windows are beginning to fail and fall out (tower block)	4	Potential for high profile media coverage	16	56	It may make sense to undertake the window replacement as each floor is being refurbished, otherwise there will be operational disruption. See item Fife-019
FF-MNT-005	NHS Fife	General	Fire door rectification programme	All	3	Ongoing fire door surveys are showing deficiencies across our estate	5	If a fire door fails it could contribute towards loss of life or assets	15	3	Ongoing fire door surveys are showing deficiencies across our estate	5	If a fire door fails it could contribute towards loss of life	15	3	Ongoing fire door surveys are showing deficiencies across our estate	4	If a fire door fails it could contribute towards loss of assets affecting provision of clinical services in a material way	12	3	Ongoing fire door surveys are showing deficiencies across our estate	4	Potential for national media coverage	12	54	Will require to be phased.
FF-MNT-006	NHS Fife	Stratheden	Demolitions - opportunity to remove back-log and explore capital or revenue options for the site	Community site	1	This is a financial opportunity as opposed to being a risk	1	This is a financial opportunity as opposed to being a risk	1	3	Possible that members of the public could enter unsafe buildings	4	Members of the public could come to serious harm	12	5	There are buildings being used for clinical functions that are no longer fit for purpose	4	Use of buildings that are no longer fit for purpose limits the opportunity to provide safe and effective care	20	4	Staff, patients and visitors see the site which looks derelict overall	4	Negative public perception of site	16	49	This can be completed in two phases. Phase 1 would be demolition of existing empty buildings. Phase 2 would be demolition of currently used buildings following decants
FF-MNT-007	NHS Fife	Victoria	Audiology - non compliant facilities	Acute site	4	The current arrangements limit the effectiveness of the audiology service in Fife. Fife has the fewest number of compliant audiology rooms in Scotland.	3	There is a risk the environment could lead to less effective patient assessments and care	12	4	The current arrangements limit the effectiveness of the audiology service in Fife. Fife has the fewest number of compliant audiology rooms in Scotland.	3	Disruption in recruitment and retention could impact service provision and continuity	12	4	The current arrangements limit the effectiveness of the audiology service in Fife. Fife has the fewest number of compliant audiology rooms in Scotland.	3	Patients are not always able to receive effective care at the standard required.	12	4	The current arrangements limit the effectiveness of the audiology service in Fife. Fife has the fewest number of compliant audiology rooms in Scotland.	3	Negative perception of the audiology service offered in Fife	12	48	This can only be completed after the Ravenscraig Ward moves to QMH
FF-MNT-008	NHS Fife	Queen Margaret	Specialist Gynaecology Unit	Acute/community site	4	The accommodation for women's services at QMH is poor. There is an opportunity to refurbish a more suitable area for this service.	3	The current accommodation limits the scope for adequate service delivery.	12	4	The accommodation for women's services at QMH is poor. There is an opportunity to refurbish a more suitable area for this service.	3	Possible impact on recruitment and retention given the facilities on offer	12	4	The accommodation for women's services at QMH is poor. There is an opportunity to refurbish a more suitable area for this service.	3	The current provision of accommodation does not contribute towards effective care at the standard required.	12	4	The accommodation for women's services at QMH is poor. There is an opportunity to refurbish a more suitable area for this service.	2	Possible reputational impact from the patients visiting the facilities.	8	44	No constraints - empty ward.

					Business / Financial Financial & Service Impact - Score and explain potential increased costs, negative impact on service delivery, delay in delivery of services			Staff / Health & Safety / Injury Staff Impact - Score and explain the potential negative impact on staff well being, recruitment and retention, harm, redundancy, industrial action			Clinical / Service Clinical Impact - Score and explain the potential negative effect on the ability to continue to provide safe, effective care at the standard required, loss of services, harmful incidents to patients, delays to access to diagnostics & treatment			Reputational / Adverse Publicity / Complaints & Claims Reputational Impact - Score and explain the potential negative effect on the perception of staff, service users and the wider public, of NHS services													
FF-MNT-009	NHS Fife	Cameron	New heat solution for site	Community site	4	The steam heat solution at the site requires to be replaced urgently	4	There would be an impact on service provision with the loss of heat and hot water	16	4	The steam heat solution at the site requires to be replaced urgently	2	There could be some contained disruption for staff	8	4	The steam heat solution at the site requires to be replaced urgently	3	The impact could be loss of heating and hot water until repairs are made. It could lead to a loss of bed capacity and/or decants.	12	4	The steam heat solution at the site requires to be replaced urgently	2	The impact if it occurred would probably be limited and contained	8	44	No constraints.	
FF-MNT-010	NHS Fife	Victoria	Dermatology Relocation/refurb	Acute site	4	The current space is inadequate in respect to size and condition with various infection control risks	3	Potential impact on delivery of service. Risks being managed currently.	12	4	The current space is inadequate in respect to size and condition with various infection control risks	2	Minimal staff impact other than sub-optimal environment to operate within	8	4	The current space is inadequate in respect to size and condition with various infection control risks	3	Potential impact on delivery of service. Risks being managed currently.	12	4	The current space is inadequate in respect to size and condition with various infection control risks	2	The impact if it occurred would probably be limited and contained	8	40	No constraints - all buildings planned to be demolished should be empty	
FF-MNT-011	NHS Fife	Cameron	Demolitions - opportunity to remove back-log and explore capital or revenue options for the site	Community site	1	This is a financial opportunity as opposed to being a risk	1	This is a financial opportunity as opposed to being a risk	1	3	Possible that members of the public could enter unsafe buildings	4	Members of the public could come to serious harm	12	2	Most of the derelict buildings are now not being used for clinical purposes	4	Use of buildings that are no longer fit for purpose limits the opportunity to provide safe and effective care	8	4	Staff, patients and visitors see the site which looks derelict overall	4	Negative public perception of site	16	37	This will need to be planned carefully 1-2 theatres at a time to maintain a level of operational continuity	
FF-MNT-012	NHS Fife	Queen Margaret	Theatre refurbishment including equipment	Acute/community site	3	It is possible that the existing theatre equipment and infrastructure could fail	3	This would have an effect on planned care day case throughput and waiting lists	9	3	It is possible that the existing theatre equipment and infrastructure could fail	2	Unlikely to have a huge impact on staff	6	3	It is possible that the existing theatre equipment and infrastructure could fail	4	Loss of planned care services	12	3	The theatre equipment and infrastructure is past its useful life and could fail	3	Impact on patient care and waiting times could cause complaints	9	36	No constraints but will require careful planning as the laundry below will require to function	
FF-MNT-013	NHS Fife	Victoria	Laundry roof repairs	Acute site	3	Possible that the roof could fail due to age	4	It would test local and regional laundry resilience. Likely to be additional costs in outsourcing and loss of income from other Board	12	3	Possible that the roof could fail due to age	4	There is asbestos in the laundry which could be aggravated by any roof failure	12	3	Possible that the roof could fail due to age	2	It is likely that business continuity measures would be adopted to reduce the possible impact of no laundry - score of 2 reflects this	6	3	Possible that the roof could fail due to age	2	Unlikely to have a reputational impact	6	36	No constraints	
FF-MNT-014	NHS Fife	Queen Margaret	Phase 1 water tank replacement	Acute/community site	4	The phase 1 water tanks have reached the end of their useful life and require to be replaced	3	A failure could affect service provision within the asset which accommodates mental health inpatients and outpatient activity	12	4	The phase 1 water tanks have reached the end of their useful life and require to be replaced	1	Unlikely to affect staff in a material way	4	4	The phase 1 water tanks have reached the end of their useful life and require to be replaced	3	This would affect part of mental health inpatient estate and service provision	12	4	The phase 1 water tanks have reached the end of their useful life and require to be replaced	2	The impact if it occurred would probably be limited and contained	8	36		
FF-MNT-015	NHS Fife	Victoria	Dining room/kitchen service lift	Acute site	5	The lift does not currently function	2	Food cannot be distributed via service tunnel from kitchen. Less efficient.	10	5	The lift does not currently function	2	Possible injury to staff via increased manual handling. Staff absence from work	10	5	The lift does not currently function	2	Food distribution less efficient and reliable. Could affect clinical activity.	10	5	The lift does not currently function	1	Impact considered to be minimal	5	35	No constraints	
FF-MNT-016	NHS Fife	Various	General allocation for high and significant risks in our health centres	Community sites	3	Possible that high and significant back-log risks could affect delivery of local services	3	Some impact on the delivery of local community services	9	3	Possible that high and significant back-log risks could affect delivery of local services	2	Impacts from the risks occurring are likely to be temporary until attended to	6	3	Possible that high and significant back-log risks could affect delivery of local services	3	There could be loss of community services locally	9	3	Possible that high and significant back-log risks could affect delivery of local services	2	Probably a moderate impact until the issues are resolved	6	30	No constraints	
FF-MNT-017	NHS Fife	Queen Margaret	Phase 1 roof works	Acute/community site	3	Possible that the roof could fail due to age	3	Clinical functions below so there could be some service disruption	9	3	Possible that the roof could fail due to age	2	There could be some contained disruption for staff	6	3	Possible that the roof could fail due to age	3	It is unlikely that the whole roof would fail so the impact would be confined to an area pending a local repair	9	3	Possible that the roof could fail due to age	2	The impact if it occurred would probably be limited and contained	6	30	This would require to be completed a floor at a time based on current vacant floors. 11 storey building.	
FF-MNT-018	NHS Fife	Victoria	Phase 1 roof	Acute site	3	Possible that the roof could fail due to age	3	Clinical function below 2/3 of the area so there would be an impact on service delivery. It is unlikely that the whole roof would fail, so impacts would be limited	9	2	Possible that the roof could fail due to age	2	There could be some contained disruption for staff	4	3	Possible that the roof could fail due to age	3	It is unlikely that the whole roof would fail so the impact would be confined to an area pending a local repair	9	3	Possible that the roof could fail due to age	2	The impact if it occurred would probably be limited and contained	6	28	No constraint	
FF-MNT-019	NHS Fife	Victoria	Phase 2 tower refurbishment	Acute site	4	The primary services infrastructure in the tower block has reached the end of its useful life. Regular failure of key elements like drainage.	2	The tower block is mostly used for admin related functions now. There would be disruption but this is hopefully manageable	8	4	The primary services infrastructure in the tower block has reached the end of its useful life. Regular failure of key elements like drainage.	2	The general environment for staff isn't great so there could be some impact on recruitment/retention	8	4	The primary services infrastructure in the tower block has reached the end of its useful life. Regular failure of key elements like drainage.	2	There are few clinical services operating from the tower block now. Mostly admin related functions.	8	4	The primary services infrastructure in the tower block has reached the end of its useful life. Regular failure of key elements like drainage.	1	Impact considered to be minimal	4	28		
FF-MNT-020	NHS Fife	Lynebank	Roof works	Community site	3	Possible that the roof could fail due to age	2	Some impact on the functions below including boiler house, kitchen, laundry, psychology, IT store, 1 ward area and office spaces	6	3	Possible that the roof could fail due to age	2	There could be some contained disruption for staff	6	3	Possible that the roof could fail due to age	3	The patients in tayview (2 no.) would require to be decanted elsewhere	9	3	Possible that the roof could fail due to age	2	The impact if it occurred would probably be limited and contained	6	27	No constraint	
																											No constraint

				Business / Financial Financial & Service Impact - Score and explain potential increased costs, negative impact on service delivery, delay in delivery of services			Staff / Health & Safety / Injury Staff Impact - Score and explain the potential negative impact on staff well being, recruitment and retention, harm, redundancy, industrial action			Clinical / Service Clinical Impact - Score and explain the potential negative effect on the ability to continue to provide safe, effective care at the standard required, loss of services, harmful incidents to patients, delays to access to diagnostics & treatment			Reputational / Adverse Publicity / Complaints & Claims Reputational Impact - Score and explain the potential negative effect on the perception of staff, service users and the wider public, of NHS services													
FF-MNT-021	NHS Fife	Victoria	Phase 1 BMS	Acute site	3	The BMS for heating and ventilation could fail due to age	2	Loss of management control which may lead to service disruption	6	3	The BMS for heating and ventilation could fail due to age	2	There could be some contained disruption for staff	6	3	The BMS for heating and ventilation could fail due to age	3	Loss of management control which may lead to clinical service disruption in phase 1	9	3	The BMS for heating and ventilation could fail due to age	2	The impact if it occurred would probably be limited and contained	6	27	The windows can probably be completed quite easily. The curtain walling would require careful planning with the clinical services.
FF-MNT-022	NHS Fife	Victoria	Phase 2 BMS	Acute site	3	The BMS system could fail due to age	2	Loss of management control which may lead to service disruption	6	3	The BMS for heating and ventilation could fail due to age	2	There could be some contained disruption for staff	6	3	The BMS for heating and ventilation could fail due to age	3	Loss of management control which may lead to clinical service disruption in phase 2	9	3	The BMS for heating and ventilation could fail due to age	2	The impact if it occurred would probably be limited and contained	6	27	No constraint
FF-MNT-023	NHS Fife	Victoria	Phase 1 windows and curtain walling	Acute site	3	Possible the windows / curtain walling could fail due to age.	2	Any failure it likely to be localised with limited impact on services generally	6	3	Possible the windows / curtain walling could fail due to age.	2	There could be some contained disruption for staff	6	3	Possible the windows / curtain walling could fail due to age.	2	Any service impact would likely be localised and manageable	6	3	Possible the windows / curtain walling could fail due to age.	2	The impact if it occurred would probably be limited and contained	6	24	No constraint
FF-MNT-024	NHS Fife	RWMH	External fabric repairs	Community site	4	The external building fabric is dilapidated and in need of restoration	2	Limited impact on service provision, but if left unattended the consequences could become more significant	8	4	The external building fabric is dilapidated and in need of restoration	1	Unlikely to affect staff in a material way	4	4	The external building fabric is dilapidated and in need of restoration	2	Limited impact on service provision, but if left unattended the consequences could become more significant	8	4	The external building fabric is dilapidated and in need of restoration	1	Impact considered to be minimal	4	24	No constraint
FF-MNT-025	NHS Fife	Victoria	Phase 2 roof	Acute site	3	Possible that the roof could fail due to age	3	Likely to affect the top floor with limited business/financial impact. It could result in wider damage to the building though requiring additional investment if left unattended.	9	3	Possible that the roof could fail due to age	2	There could be some contained disruption for staff	6	3	Possible that the roof could fail due to age	1	Unlikely to affect clinical services given block and floor	3	3	Possible that the roof could fail due to age	1	Impact considered to be minimal	3	21	Work required to understand where this service could be relocated to

Meeting:	Finance, Performance & Resources Committee
Meeting date:	14 January 2024
Title:	Integrated Performance & Quality Report
Responsible Executive:	Margo McGurk, Director of Finance & Strategy
Report Author:	Susan Fraser, Associate Director of Planning and Performance

Executive Summary

There are 14 metrics reported via the IPQR relating to Operational Performance.

- VHK 4-hour performance in Nov-24 did not achieve trajectory/national target but remains within control limits and just below the 24-month average.
- Trajectories/Targets for Delayed Discharges (Acute/Community and MH/LD) were not achieved in Nov-24, though remain within control limits.
- 31-day Cancer performance achieved trajectory in Oct-24, just below target of 95%. 62-day Cancer performance increased, not achieving trajectory/target for Oct-24, but remains within control limits and on par with 24-month average.
- As at the end of Oct-24, performance for Acute Waiting Times did not achieve national targets but did achieve local trajectories for: New Outpatients 12-week performance; New Outpatients 12-week waits; and Diagnostics 26-week performance. Trajectories against national targets are being reviewed.

There are 2 metrics reported via the IPQR relating to Finance. Position as at Nov-24 for Revenue and Capital is presented.

This report provides Moderate Level of Assurance.

1 Purpose

This report is presented to Staff Governance Committee for:

- Assurance

This report relates to:

- Annual Delivery Plan

This report aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

- NHS Board Strategic Priorities:
 - To Improve Health & Wellbeing
 - To Improve Quality of Health & Care Services
 - To Improve Staff Experience & Wellbeing
 - To Deliver Value & Sustainability

2 Report summary

2.1 Situation

This report informs the Committee of performance in NHS Fife and the Health & Social Care Partnership against a range of key health and wellbeing measures (as defined by Scottish Government 'Standards' and local targets).

The period covered by the performance data is generally up to the end of Oct-24, although some are available up to the end of Nov-24.

2.2 Background

The Integrated Performance & Quality Report (IPQR) is the main corporate reporting tool for the NHS Fife Board and is produced monthly. Each Governance Committee will receive separate extracts of the IPQR to scrutinise the performance areas relevant to each Committee. Reports which are not prepared for Governance Committees are data only and contain neither data analysis nor service commentary.

NHS Fife were required to provide trajectories for a range of metrics as part of ADP process for 2024/25. This requirement was extended to all applicable metrics included within IPQR with trajectories agreed with Services up to Mar-25. The IPQR will monitor achievement against 2024/25 trajectories and Mar-25 target.

A summary of the Corporate Risks has been included in this report. Risks are aligned to Strategic Priorities with risk level incorporated into the Assessment section.

Statistical Process Control (SPC) charts continue to be used for applicable indicators.

2.3 Assessment

The IPQR provides a full description of the performance, achievements and challenges relating to key measures in the report. There are no changes to measures or planned trajectories to report relating to Operational Performance.

A new measure has been included this month within the Quality & Care section relating to the Stroke Care Bundle.

Highlights of November 2024 IPQR

A summary of the status of the Operational Performance metrics is shown in the table below. Performance RAG highlighted in Assessment & Performance Exception Reports is based on, if applicable, agreed trajectories for 2024/25, otherwise against National/Local target.

meeting trajectory/target
within 5% of trajectory/target
out with 5% of trajectory/target

Measure	Current Position	Reporting Period	Planned Trajectory	Target
4-Hour Emergency Access (A&E)	72.8%	Nov-24		95%
4-Hour Emergency Access (ED)	64.5%	Nov-24	72%	75%
Delayed Discharges (Acute/Comm)	51.2	Nov-24	45	39
Delayed Discharges (MH/LD)	13.6	Nov-24	10	10
Antenatal Access	91.2%	QE Sep-24		80%
Cancer 31-Day DTT	94.3%	Oct-24	94%	95%
Cancer 62-Day RTT	73.5%	Oct-24	85%	95%
Patient TTG % <= 12 weeks	43.5%	Oct-24	44%	100%
Patient TTG waits > 52 weeks	678	Oct-24	645	0
New Outpatients % <= 12 weeks	39.8%	Oct-24	35%	95%
New Outpatients waits > 52 weeks	5034	Oct-24	5631	0
Diagnostics % <= 6 weeks	82.2%	Oct-24	30%	100%
Diagnostics > 26 weeks	57	Oct-24	0	0
FOI Requests	85.3%	Nov-24		85%

This report provides the following Level of Assurance:

	Significant	Moderate	Limited	None
Level		x		
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk.

2.3.1 Quality, Patient and Value-Based Health & Care

IPQR contains quality measures.

2.3.2 Workforce

IPQR contains workforce measures.

2.3.3 Financial

Financial reporting is covered in the specific section of the IPQR.

2.3.4 Risk Assessment / Management

A mapping of key Corporate Risks to measures within the IPQR is provided via a Risk Summary Table and the Executive Summary narratives.

2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions

Not applicable.

2.3.6 Climate Emergency & Sustainability Impact

Not applicable.

2.3.7 Communication, involvement, engagement and consultation

The NHS Fife Board Members and Governance Committees are aware of the approach to the production of the IPQR and the performance framework in which it resides.

The Finance, Performance & Resources extract of the Position at November IPQR has been made available for discussion at the meeting on 14 January 2025.

2.3.8 Route to the Meeting

This paper has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

- **Executive Directors Group**, 20 December 2024
- **Staff Governance Committee**, 07 January 2025
- **Public Health and Wellbeing Committee**, 13 January 2025

2.4 Recommendation

This paper is provided to Staff Governance Committee members for:

- **Assurance** – This report provides a Moderate Level of Assurance.
- **Endorse** – Endorse the Operational Performance section of the IPQR.

3 List of appendices

The following appendices are included with this report:

- IPQR Position at November 2024 FPR v1.0

Report Contact

Bryan Archibald
Planning and Performance Manager
Email bryan.archibald@nhs.scot



Fife Integrated Performance & Quality Report (IPQR)

Position (where applicable) at November 2024
Produced in December 2024

Introduction

The purpose of the Integrated Performance and Quality Report (IPQR) is to provide assurance on NHS Fife's performance relating to National Standards and local Key Performance Indicators (KPI). At each meeting, the Governance Committees of the NHS Fife Board is presented with an extract of the overall report which is relevant to their area of Governance. The complete report is presented to the NHS Fife Board.

The IPQR comprises the following sections:

A. Corporate Risk Summary

Summarising key Corporate Risks and status.

B. Indicatory Summary

Summarising performance against full list of National Standards and local KPI's. These are listed showing current performance against target/trajectories with comparison with 'previous' performance.

C. Assessment & Performance Exception Reports

More detailed Indicator Summary for each area of Governance including (where appropriate) benchmarking, 'sparkline' trend, comparison with 'previous year' performance. There is also a column indicating performance 'special cause variation' based on SPC methodology. All charts with SPC applied will be formatted consistently based on the following;



Statistical Process Control (SPC) methodology can be used to highlight areas that would benefit from further investigation – known as 'special cause variation'. These techniques enable the user to identify variation within their process. The type of chart used within this report is known as an XmR chart which uses the moving range – absolute difference between consecutive data points – to calculate upper and lower control limits. There are a set of rules that can be applied to SPC charts which aid to interpret the data correctly. This report focuses on the 'outlier' rule identifying whether a data point exceeds the calculated upper or lower control limits.

Also incorporated into this section is an assessment for indicators of continual focus or concern. Content includes data analysis, service narrative and additional data presented in charts, incorporating SPC methodology, where applicable.

C1. Quality & Care

**C2. Operational
Performance & Finance**

C3. Workforce

**C4. Public Health &
Wellbeing**

MARGO MCGURK
Director of Finance & Strategy
17 December 2024

Prepared by:
SUSAN FRASER
Associate Director of Planning & Performance

A. Corporate Risk Summary

Strategic Priority	Total Risks	Current Strategic Risk Profile				Risk Movement	Risk Appetite
To improve health and wellbeing	5	3	2	-	-	◀▶	High
To improve the quality of health and care services	6	4	2	-	-	◀▶	Moderate
To improve staff experience and wellbeing	2	2	-	-	-	◀▶	Moderate
To deliver value and sustainability	6	5	1	-	-	◀▶	Moderate
Total	19	14	5	0	0		

Risk Key

High Risk	15 - 25
Moderate Risk	8 - 12
Low Risk	4 - 6
Very Low Risk	1 - 3

Movement Key

- ▲ Improved - Risk Decreased
- ◀▶ No Change
- ▼ Deteriorated - Risk Increased

The current assessment indicates that delivery against 3 of the 4 strategic priorities continues to face a risk profile in excess of risk appetite. Mitigations are in place to support management of risk over time with elements of some risks requiring daily assessment. Assessment of corporate risk performance and improvement trajectory remains in place.

The updated risk appetite was agreed at EDG and approved by The Board at the November meeting. It will be taken to the December Audit and Risk Committee for consideration. The December report will reflect the new risk appetite.

B. Indicator Summary

Quality & Care				Current	Previous	Change					Current	Previous	Change					Current	Previous	Change
	SAER - Median Working Days to Report Approved			231	254	▲		HSMR			0.96	0.96	▬		Stroke Care Bundle			62.9%	81.0%	▼
	Inpatient Falls			7.91	7.28	▼		Pressure Ulcers			1.03	1.38	▲		Ligature Incidents (Mental Health)			1.74	2.11	▲
	Incidents of Restraint (Mental Health)			8.52	7.05	◆		Incidents of Physical Violence (Mental Health)			9.57	9.69	◆		Incidents of Self Harm (Mental Health)			1.57	1.59	◆
	SAB HAI			10.2	10.5	◆		C Diff HAI			17.0	14.0	▼		ECB HAI			47.5	41.9	◆
	S1 Complaints Closed in Month on Time			76.5%	59.4%	▲		S2 Complaints Closed in Month on Time			20.0%	6.9%	▲							
Operational Performance				Current	Previous	Change					Current	Previous	Change					Current	Previous	Change
	Emergency Access	A&E		72.8%	74.3%	▼		Delayed Discharges (Standard)	Acute/Comm		51.2	60.0	▲		Cancer	31-day DTT		94.3%	94.7%	◆
		ED		64.5%	66.6%	▼			MH/LD		13.6	14.3	◆			62-Day RTT		73.5%	71.4%	◆
	Patient TTG	% <=12weeks		43.5%	46.3%	▼		New Outpatients	% <=12weeks		39.8%	40.0%	◆		Diagnostics	% <=6weeks		82.2%	78.4%	▲
		>52 weeks		678	698	▲			>52 weeks		5034	4933	▼			>26 weeks		57	71	▲
Finance				Current	Change					Current	Change									
	Revenue Resource Limit Performance			(£28.488m)			Capital Resource Limit Performance			£3.104m										
Workforce				Current	Previous	Change					Current	Previous	Change					Current	Previous	Change
	Sickness Absence			7.36%	7.07%	▼		Personal Development Plan & Review			43.1%	43.1%	◆		Vacancies	Medical & Dental		3.3%	2.8%	◆
															Nursing & Midwifery		2.7%	3.5%	◆	
															AHPs		4.0%	5.0%	▲	
Public Health & Wellbeing				Current	Previous	Change					Current	Previous	Change					Current	Previous	Change
	Smoking Cessation	40% Most Deprived		97	75	▬		Alcohol Brief Interventions			103%	96%	▬		Drugs & Alcohol			94.5%	93.1%	◆
	CAMHS			92.5%	93.2%	◆		Psychological Therapies			82.9%	79.9%	▲		Mental Health Readmissions within 28 days			5.8%	6.0%	◆
	Breast Screening			73.4%		▬		Bowel Screening			66.2%		▬		AAA Screening			87.3%	86.8%	▲
	Infant Feeding			36.4%	29.4%	▲		Childhood Immunisation	6-in-1 @ 12 months		94.0%	94.5%	▼		Winter Vaccination	Influenza		40.6%		▬
	Child Development			19.4%	18.5%	▼			MMR2 @ 5 years		85.7%	85.7%	◆			Covid		39.2%		▬

Key

- ▲ Improved performance from previous period
- ◆ No significant change from previous period
- ▼ Reduction in performance from previous period

Variation in previous performance is analysed to define tolerance levels for improvement/reduction (apart from annual metrics). Tolerance levels will therefore vary.

C2. Operational Performance

To improve the quality of health and care services

6 **4** 2 - -

◀ ▶ **Moderate**

Indicator	Current Position	Reporting Period	Planned Trajectory	Target	SPC	Vs Previous	Vs Year Previous	Trend	Benchmarking
4-Hour Emergency Access (A&E)	72.8%	Month Nov-24		95%	○	▼	▼		● Oct-24
4-Hour Emergency Access (ED)	64.5%	Month Nov-24	72%	75%	○	▼	▼		● Oct-24
Delayed Discharges (Standard) Acute/Comm	51.2	Month Nov-24	45	39	○	▲	▲		● Oct-24
Delayed Discharges (Standard) MH/LD	13.6	Month Nov-24	10	10	○	◆	◆		● Oct-24
Antenatal Access	91.2%	Quarter Sep-24		80%	●	▼	▼		● CY 2022
Cancer 31-Day DTT	94.3%	Month Oct-24	94%	95%	○	◆	▲		● QE Jun-24
Cancer 62-Day RTT	73.5%	Month Oct-24	85%	95%	○	◆	▼		● QE Jun-24
Patient TTG % <= 12 Weeks	43.5%	Month Oct-24	44%	100%	●	▼	▼		● QE Sep-24
Patient TTG waits > 52 weeks	678	Month Oct-24	645	0	●	▲	▼		●
New Outpatients % <= 12 Weeks	39.8%	Month Oct-24	35%	95%	●	◆	▼		● QE Sep-24
New Outpatients waits > 52 Weeks	5034	Month Oct-24	5631	0	●	▼	▼		●
Diagnostics % <= 6 Weeks	82.2%	Month Oct-24	30%	100%	●	▲	▲		● QE Sep-24
Diagnostics > 26 Weeks	57	Month Oct-24	0	0	●	▲	▲		●
Freedom of Information Requests	85.3%	Month Nov-24		85%	●	▼	▼		●

Finance

To deliver value and sustainability

6 **5** 1 - -

◀ ▶ **Moderate**

Revenue Resource Limit Performance	(£28.488m)	Month Nov-24			●	—	—		●
Capital Resource Limit Performance	£3.104m	Month Nov-24			●	—	—		●

Performance Key

meeting trajectory/target

within 5% of trajectory/target

out with 5% of trajectory/target

SPC Key

○ Within control limits

○ Special cause variation, out with control limits

● No SPC applied

Change Key

▲ "Better" than comparator period

◆ No Change

▼ "Worse" than comparator period

Benchmarking Key

● Upper Quartile

● Mid Range

● Lower Quartile



Emergency Access

National Standard: 95% of patients to wait less than 4 hours in A&E (Emergency Department or Minor Injuries Unit) from arrival to admission, discharge or transfer

Local Target: 72% of Emergency Department patients to wait less than 4 hours from arrival to admission, discharge or transfer by March 2025

72.8%

64.5%

1,582 ↑ within 4 hours to achieve Standard

409 ↑ within 4 hours to achieve trajectory

Data Analysis

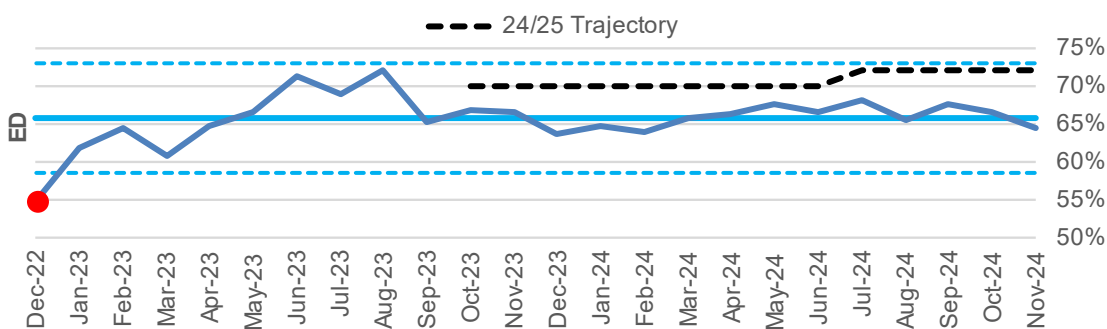
For A&E (Emergency Department and Minor Injury Units), performance in Nov-24 was 72.8%, below National Standard, a decrease from month prior and a decrease on year previous (74.1%). ED performance decreased to 64.5%, which is below the local ME trajectory of 72%. There were 7,123 unplanned attendances in Nov-24, equivalent to 237 per day: this is the lowest daily figure since Jan-24; and is similar to Nov-23 (232). There were also 481 planned attendances, with 57% of these occurring at MIUs. There were 493 8-hour breaches recorded in Nov-24 (+9% on month prior; +30% on year prior) and 141 with a wait longer than 12 hours (twice as many as Nov-23). Breach reasons 'Wait for Bed' accounted for 39% of all breaches and 'Wait for 1st Assessment' accounted for 32% (both increases on month prior). The most recent publication from Public Health Scotland, for month of Oct-24, shows that NHS Fife continues to be in the mid-range of all Mainland Health Boards and above the Scottish averages for A&E (+7.7%) and ED (+3.6%).

Achievements & Challenges

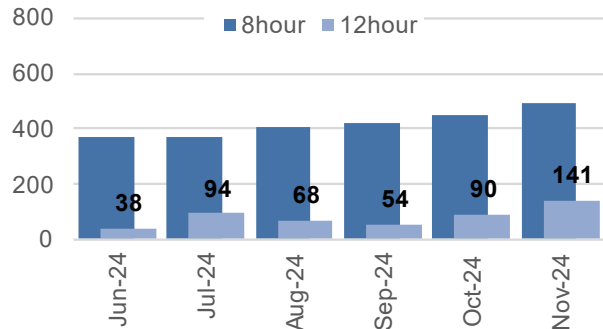
Attendance has remained high with 7695 unplanned attendances in October and 7123 in November, slightly decreased from the peak in May of 8591 (highest unplanned attendance rate recorded) but remained higher than last year. 8-hour breaches have increased to 493 in November and 12-hour breaches have also increased to 141 in November, reflective of site pressures. Staffing models reviewed within ED, ensuring senior clinical decision maker presence; successful appointment of a dedicated ED CNM continues to ensure appropriate leadership and support. Continued focus on Right Care, Right Place, as we approach the challenges of winter. Review of front door assessment areas is ongoing, with a view to implementation of an SDEC model as part of the wider VHK reimagining work within RTP. We are utilising Call Before you Convey and have additional Consultant cover to support ANP decision making in Flow & Navigation, during afternoons when GP demand is higher and to support flow.

C2. Operational Performance

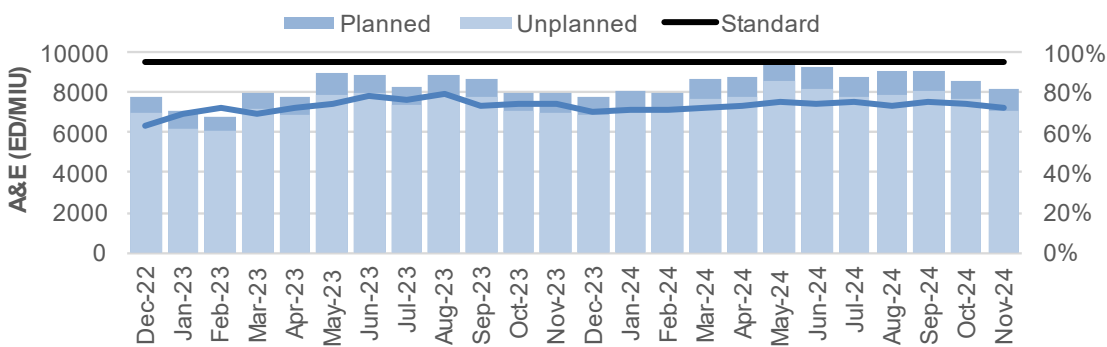
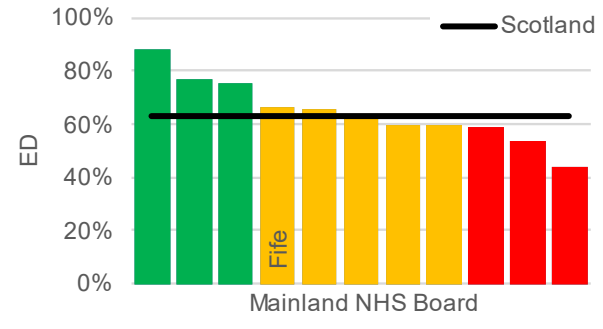
Emergency Access 4-hour Performance



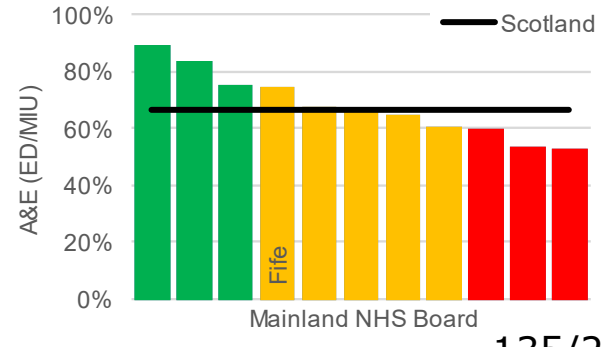
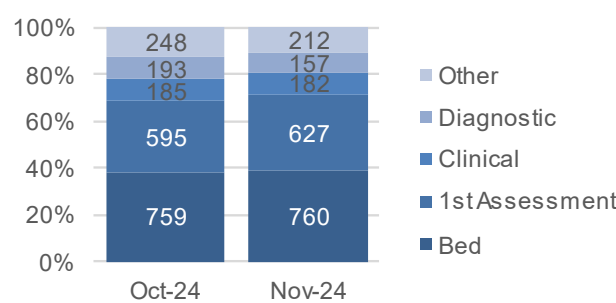
Breaches

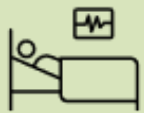


Benchmarking | Oct-24



Breach Reasons





Delayed Discharges

Reduce average number of Bed Days Lost (BDL) per day due to people in delay (excluding Code 9) within **Acute and Community** settings to 39 by March 2025

51.2

6.2

beds occupied to achieve trajectory

Reduce average number of Bed Days Lost (BDL) per day due to people in delay (excluding Code 9) within **Mental Health** settings to 10 by March 2025

13.6

3.6

beds occupied to achieve trajectory

Data Analysis

Bed Days lost to **'Standard' delays**: in Acute & Community, the average daily number decreased to 51.2 in Nov-24 (from 60.0 in Oct-24) with 96% of these delays being attributable to Community. This is above the local trajectory of 45 (which increased in Oct-24) though remains within control limits. In MH/LD services, the average daily number decreased to 13.6 in Nov-24 (from 14.3 in Oct-24). This is above the monthly target of 10 but remains within control limits.

Bed Days lost to **'Code 9' delays**: in Acute & Community, the average daily number remained at 27.7 (as it was in Oct-24). At Nov-24 Census, there were 81 patients in delay (48 Standard delays; 33 Code 9 delays), a decrease from 96 seen in Oct-24. For MH/LD services, the average daily number in Nov-24 was 18 (an increase of 7 since Sep-24). The most recent monthly publication from Public Health Scotland, for data up to end of Oct-24, shows that NHS Fife remains in the top 50% for All Standard Delays at Census by Local Authority of Residence (per 100,000 Population aged 18+) with 28 delays for Fife against a Scottish average of 34.

Achievements & Challenges

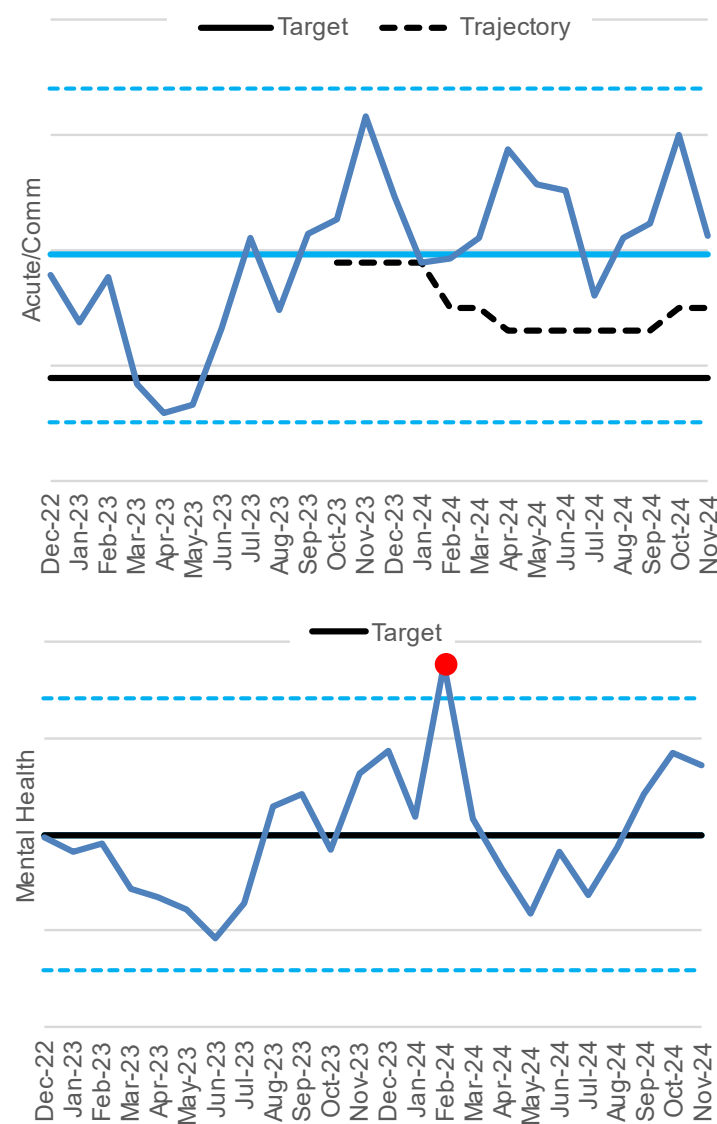
There has been significant progress in reducing Bed Days Lost (BDL) associated with standard delays, with a decrease from 60.0 in October 2024 to 51.2 in November. This positive trend indicating we are still on track to achieve the target of 39 by March 2025.

However, this will be closely monitored over the coming months due the fact that several significant challenges continue to impact on flow. We anticipate the Health and Social Care system will continue to be under pressures, with a high volume of emergency attendances, which strains capacity and resources. This includes anticipated rise in winter infection outbreaks—such as respiratory and gastrointestinal illnesses—which will result in the temporary closure of wards. Compounding these issues is the presence of a large number of patients with complex needs who require Guardianship process, which adds further complexity to patient management.

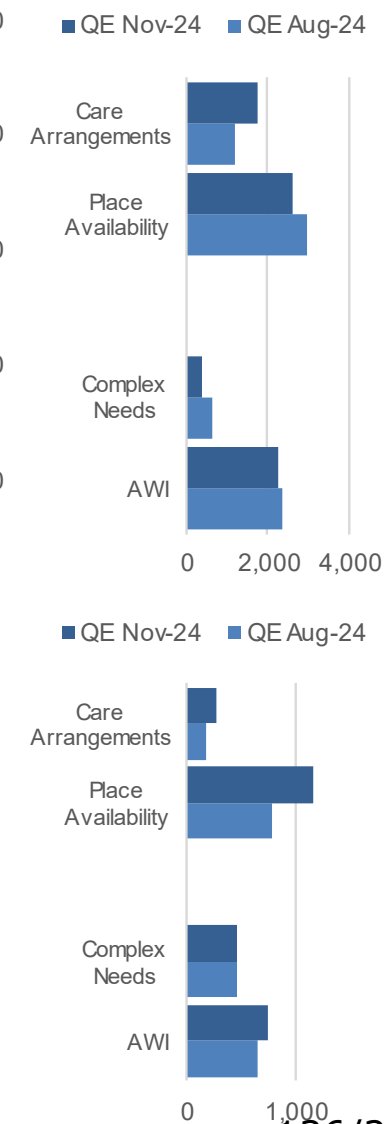
Despite these challenges, we have maintained a strong discharge profile, even amidst a significant increase in referrals across both social care and social work sectors. Efforts to streamline care pathways have been effective in reducing unnecessary hospital stays, leading to a greater number of patients being discharged in alignment with their Patient Day of Discharge (PDDS). Moreover, standard delays are being managed within an improvement trajectory, and the continuous collaboration with the Red Cross has enabled the establishment of alternative pathways for assessment beds.

The Day of Care audit was recently undertaken to provide a comprehensive assessment of key markers aligned to the mental health inpatient population, including delayed discharge which will be analysed alongside existing data and collation processes. Challenges continue to exist in sourcing appropriate packages of care and environments to support discharge due to the complexity of needs for individuals across the mental health and learning disabilities services and the limited financial resources. Daily engagement is coordinated between the MH/LD Discharge Coordinator (DC) and senior ward staff. Monthly multi-agency review groups are in place to consider Complex Delays, DSR and the Guardianship process alongside weekly multi-disciplinary, solution focused, verification/flow meetings.

Bed Days Lost per Day



Total Bed Days Lost



C2. Operational Performance



Cancer Waiting Times

In 2024/25 94.5% of all patients should wait no more than 31 days from decision to treat to first cancer treatment (**National Standard 95%**)

94.3%

73.5%

Trajectory achieved as of Oct-24

8

Treated to meet Standard

Data Analysis

31 day - Monthly performance decreased from 94.7% in Sep-24 to 94.3% in Oct-24, remaining on trajectory of 94%. Eligible referrals decreased from 131 to 106. There were 6 breaches all within Urology (1 other, 1 Bladder and 4 Prostate).

Benchmarking QE Jun-24 showed that Fife was in the mid-range of all NHS Boards at 95.9% above Scotland rate of 95.5%.

62 day - Monthly performance increased from 71.4% in Sep to 73.5% in Oct-24 this remains below local trajectory of 85.0%. Eligible referrals decreased from 91 to 68. There were 18 breaches 12 of which were within Urology (11 Prostate) the other breaches were 2 Colorectal, 1 Head & Neck, 1 Ovarian and 1 Upper GI.

Benchmarking QE Jun-24 showed that Fife was in the mid-range of all NHS Boards at 73.1% below Scotland rate of 73.2%.

Achievements & Challenges

31 - day All 6 breaches were surgical and dependant on theatre and surgeon capacity. Robotic surgery capacity remains an issue.

Range for breaches 7 - 117 days with an average of 45 days (an increase from 38 days in August but remains a decrease from 54 days in May).

62 day - Urgent suspected cancer referrals remain stubbornly high, particularly in Breast, Colorectal, Lung and Urology. Urology remains our biggest performance challenge with 11 prostate breaches. Lack of capacity for transperineal biopsy and post MDT appointments for both Urology and Oncology are causing significant delays throughout the pathway. Work is ongoing Nationally to look at Board capacity for Robotic Prostatectomy to attempt to reduce waits.

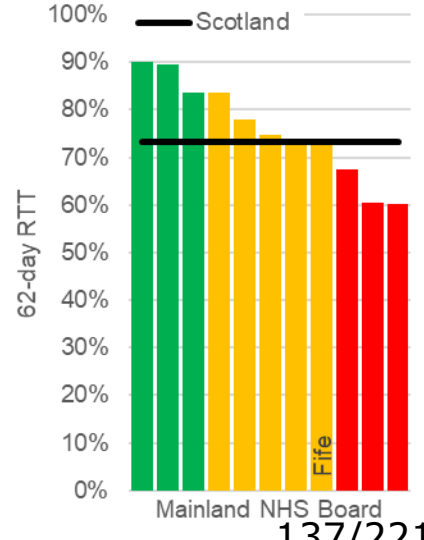
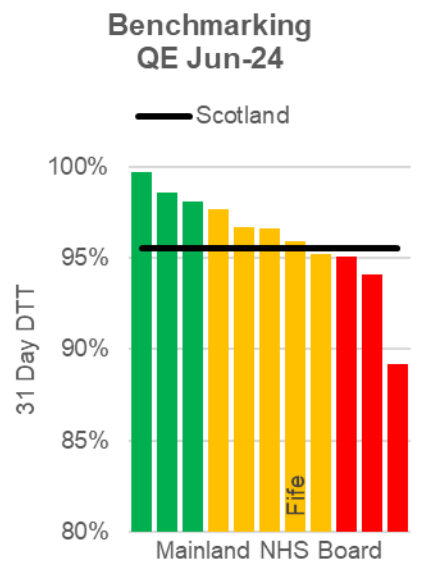
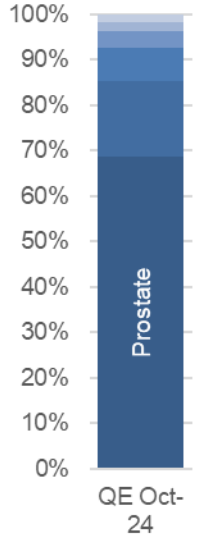
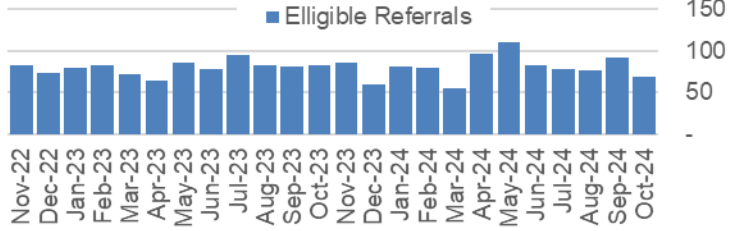
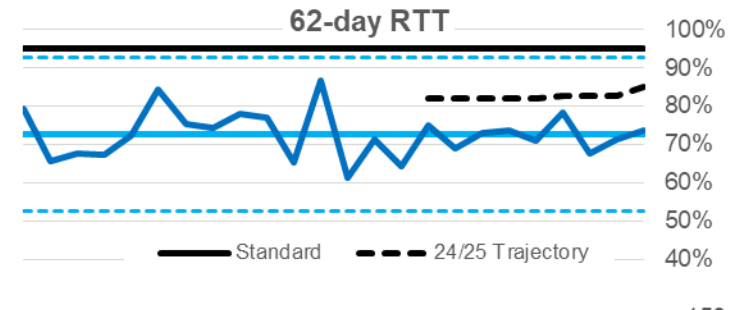
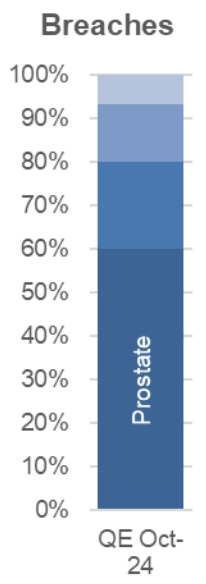
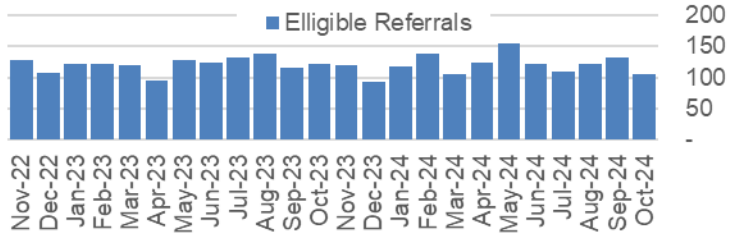
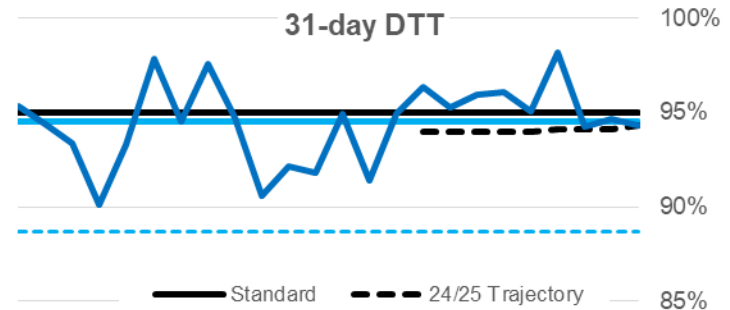
Prostate breach range: 4 - 177 days, average 75 days (a significant increase from 45 days in May and 55 days in August).

A further 7 breaches were seen; 1 Cervical, 2 Colorectal, 1 Head & Neck, 1 Ovarian, 1 Urology Other and 1 Upper GI. Breast and Colorectal were affected by staffing issues over the summer period, and Head and Neck and Cervical breaches were due to lack of resources for synchronous chemoradiotherapy and diagnostic biopsy respectively.

Range for all breaches: 4 - 177 days, average of 53 days (an increase from 48 days in August but still a significant reduction from 115 days in December 2023).

New channelled endoscopes plan to aid the H&N pathway and improve waits for cancer patients.

A Lung CNS Best Supportive Care clinic is running and working well.



C2. Operational Performance



Treatment Time Guarantee

In 2024/25, 44% of patients should be treated (inpatient or day case setting) within 12 weeks of decision to treat (**National Standard 100%**)

Reduce the number of patients waiting 52 weeks or more for first outpatient appointment

43.5%

678

7 ↑

33 ↓

Waits to meet Target

Waits to meet Target

Data Analysis

Monthly performance decreased to 43.5% in Oct-24, with 41.0% of ongoing waits within 12 weeks, which is the same as previous month. Waiting list numbers for waits of 'over 12 week' increased to 4811 in Oct-24. Waits 'over 26 weeks' decreased to 2619, waits 'over 52 weeks' decreased to 678. The majority of over 52 weeks lie within Orthopaedic (323), Urology (128) and Ophthalmology (201) the latter having increased from 178 month previous.

Waits 'over 104 weeks' decreased to 21 above projected figure (20), most are within Orthopaedic (12).

Benchmarking for the QE Sep-24 shows NHS Fife to be in the mid-range of all mainland boards for completed waits, below Scotland average, but in upper-range for ongoing waits, above Scottish average.

Achievements & Challenges

Against the projections for 24/25 we delivered 103% of projected activity. Performance in October '24 fell slightly short of the 44% target, however actual activity for the month was 117 cases higher than previous month and 284 cases higher than projected activity.

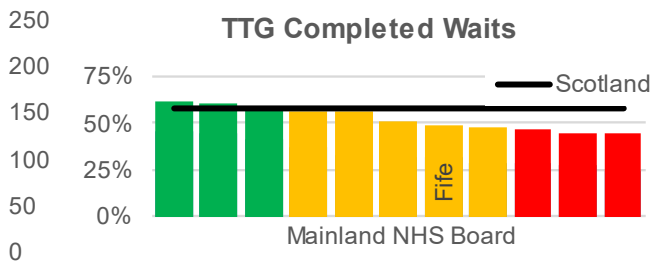
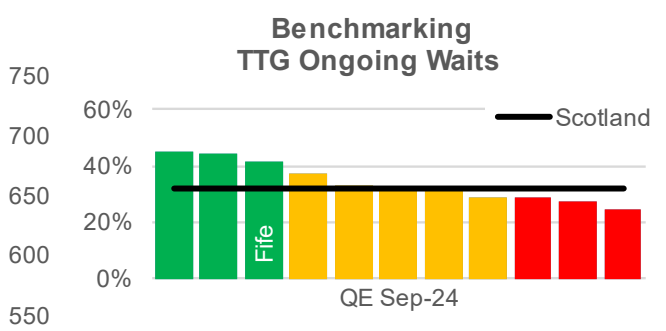
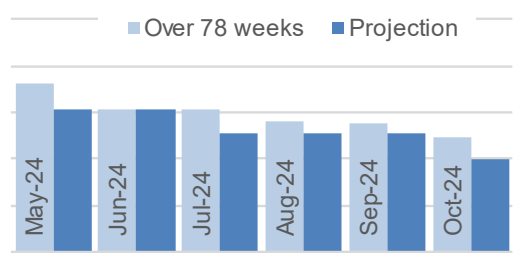
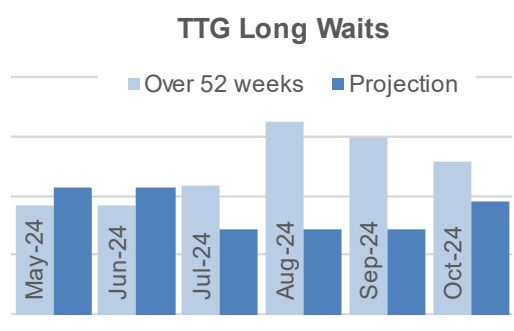
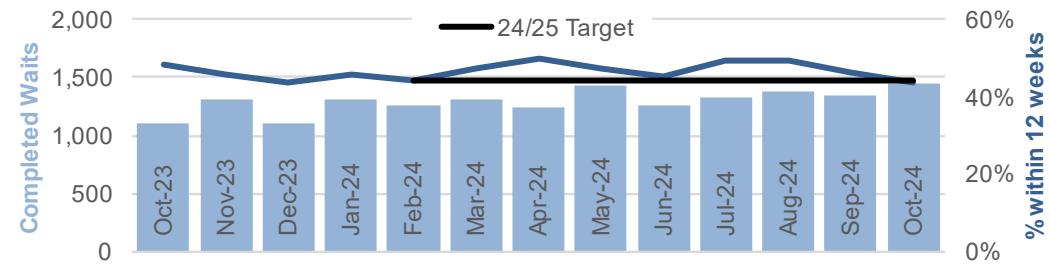
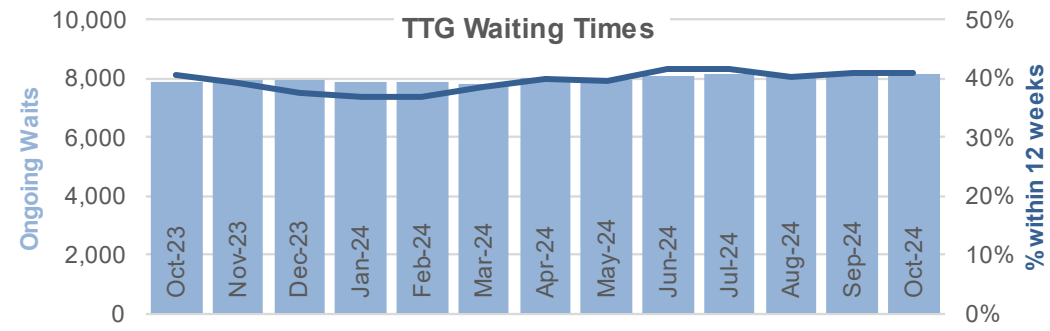
There has been a successful outcome to the ongoing urogynaecological long waits following clinical pathway review.

Orthopaedic surgery waits over 104 weeks are all NHS Lothian patients, however, numbers are reducing in line with trajectories set against NTC additional funding.

We anticipate a reduction in urology numbers in the coming months as service redesign will optimise current provision, whilst prioritising Urgent Suspicion of Cancer referrals.

Ophthalmology remains a concern as the GJNH pathway remains a challenge and capacity within the cataract service is limited having utilised all of the allocated additional waiting times funding for this speciality.

C2. Operational Performance





New Outpatients

In 2024/25, 35% of patients to wait no longer than 12 weeks from referral to a first outpatient appointment (**National Standard 95%**)

Reduce the number of patients waiting 52 weeks or more for first outpatient appointment

39.8%

5034

Trajectory achieved as of Oct-24

Trajectory achieved as of Oct-24

Data Analysis

Monthly performance decreased to 39.8% in Oct-24. The overall waiting list decreased to 32,806 patients in Oct-24 with waits over 12 weeks decreasing to 19,439.

Waits for 26, 52, 78 and 104 weeks all increased 11854, 5034,1071,105 respectively). Waits over 78 weeks increased from 857 to 1,071.

ENT over 78 weeks saw the largest increase of 200% from 69 to 207. The largest number of over 78 weeks waits are in Neurology (230) & ENT (207).

Benchmarking for the QE Sep-24 shows NHS Fife to be mid-range of all mainland boards with a performance of 39.4%, above the Scotland average of 39.0%

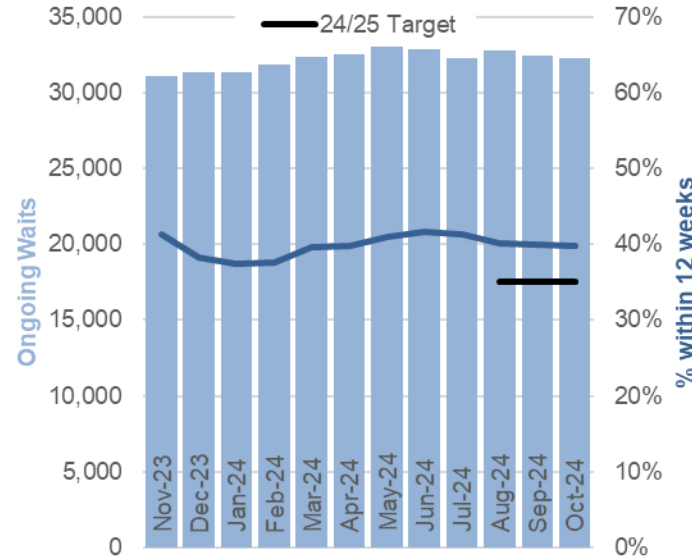
Achievements & Challenges

Against the projections for 2024/25, in October we delivered 99.2% of projected capacity. Demand was as expected, however there still remains a gap between capacity and demand of approximately 500 appointments for October. The biggest gaps remain in ENT, Ophthalmology and Orthopaedics. The ENT position is anticipated to improve on commencement of a specialty doctor in December, but referral remain high despite full engagement with ACRT and PIR programmes.

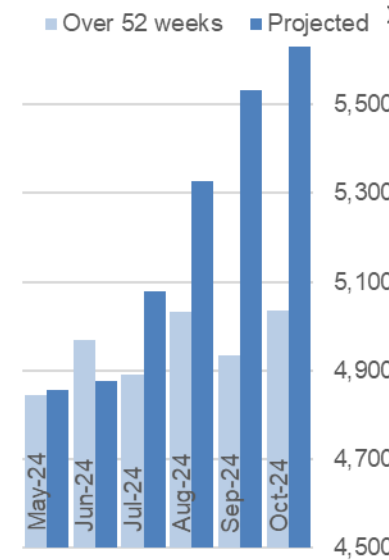
Overall list size is ahead of trajectory with 105 patients waiting over 104 weeks, however, 60% of referrals are waiting over 12 weeks. Actual activity in October was 101% of projected.

Waiting times continue to be monitored weekly with focussed work continuing to validate lists and continual use of ACRT. Focus continues to be on urgent suspicion of cancer and urgent patients. We continue to engage with National Elective Co-ordination Unit (NECU) and CfSD to implement any additional improvements to manage referrals.

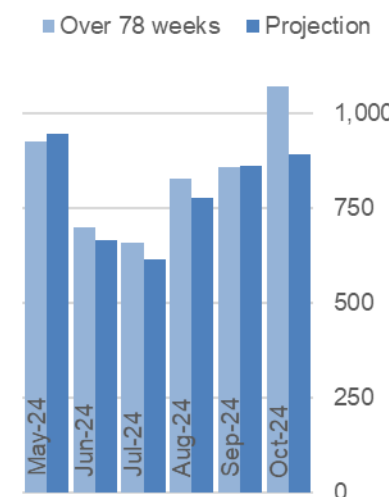
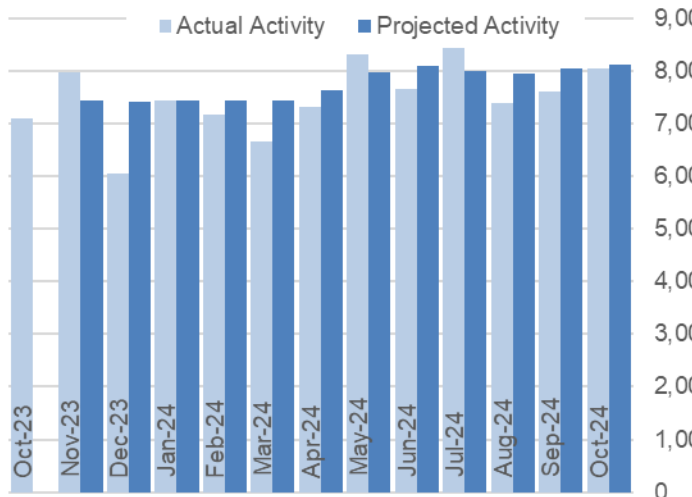
New Outpatient Waiting Times



New OP Long Waits



Benchmarking





Diagnostics

By Mar-25, 30% of patients to wait no longer than 6 weeks from referral to key diagnostic test (**National Standard** 100%)

Reduce the number of patients waiting 26 weeks or more for diagnostic appointment

82.2%

57

Trajectory achieved as of Oct-24

57 ↓ Waiting over 26 weeks to achieve trajectory

Data Analysis

Monthly performance increased from 78.4% in Sep-24 to 82.2% in Oct-24, remaining above local trajectory of 30%. Scope performance increased from 57.8% in Sep-24 to 61.0% in Oct-24 with Imaging increasing from 81.2% to 85.1%.

In terms of waiting list numbers, this decreased to 4,699. Scope list decreased from 598 to 588.

The number waiting over 6 weeks decreased to 838, above projection of 522, there was decrease in waits over 26 weeks (71 - 54). There is 1 patient waiting over 52 weeks.

Benchmarking for the QE Jun-24 shows NHS Fife to be in the mid-range of all mainland boards with a performance of 62.8%, above the Scotland average of 50.0%.

Achievements & Challenges

Urgent Referrals: The focus on urgent referrals remains strong, with all three imaging modalities consistently meeting turnaround targets despite a high volume of urgent cases.

Ultrasound: Routine waiting times have decreased significantly to 11 weeks. 75% of patients are seen within six weeks. Contributing factors include locum activity, an increased scanner footprint, and improvements in the booking process. Withdrawal of SG waiting time funding is being mitigated by prioritising activity against other funding streams to maintain current position.

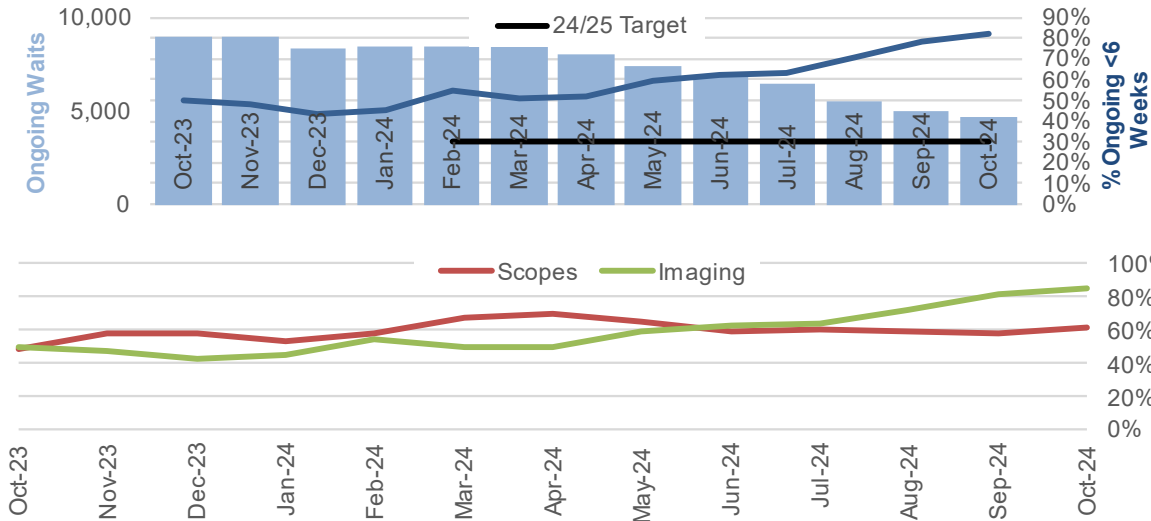
CT: In-house additional activity, supplemented by quarterly mobile scanner visits, has maintained CT waiting times within target, with 100% of requests completed within six weeks. Additional SG-funded activity has been confirmed for the rest of the year.

MRI: MRI services continue to be supported by SG-funded mobile scanners, achieving 100% of requests completed within six weeks. Funding has been approved for "deep resolve" software improvements, which should reduce reliance on expensive mobile scanners.

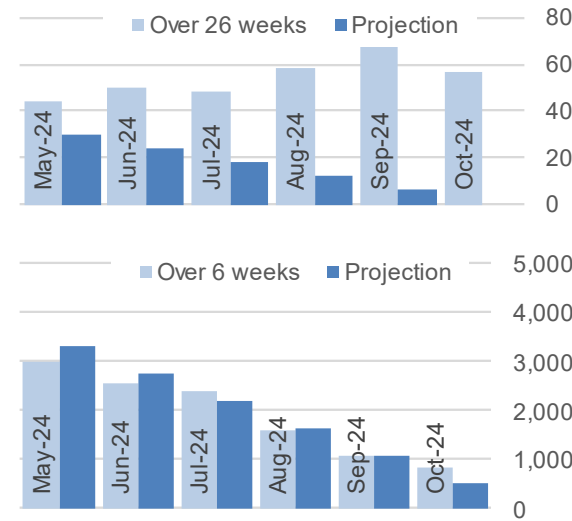
Overall new patient list size at its lowest level since Nov 2023 mainly due to reduction in Ultrasound (5950 to 2430).

Upper Endoscopy waits have improved significantly over the past month with all other diagnostics maintaining their position. Clinical validation remains a regular task to ensure the longer waiting patients do not come to harm. Pre assessment continues and has reduced the DNA rate to 1%.

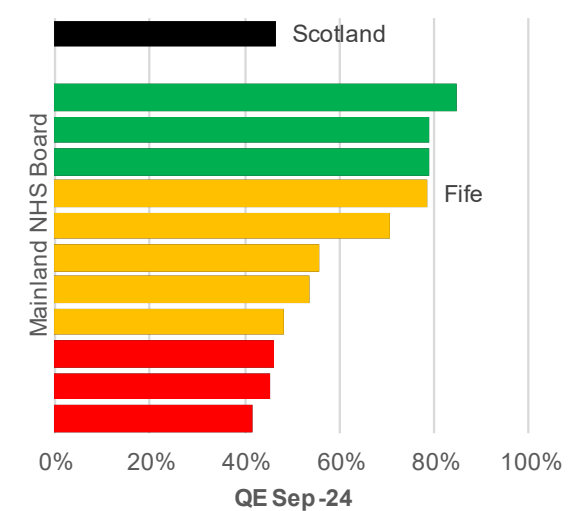
Diagnostic Waiting Times



Diagnostic Long Waits



Benchmarking





Expenditure

Revenue: Work within the revenue resource limits set by the SG Health & Social Care Directorates

Capital: Work within the capital resource limits set by the SG Health & Social Care Directorates

£28.488m

overspend at M8

£3.104m

actual spend to M8

TABLE 1A	Annual Budget	YTD Budget	YTD Spend	YTD Variance
Budget Area	£'000	£'000	£'000	£'000
NHS Services (incl Set Aside)				
Clinical Services				
Acute Services	307,542	209,006	219,188	-10,182
IJB Non-Delegated	10,144	7,000	6,554	446
Non-Fife & Other Healthcare Providers	99,406	66,459	70,634	-4,175
Non Clinical Services				
Estates & Facilities	98,781	64,100	64,047	53
Board Admin & Other Services	97,583	66,061	65,290	771
Other				
Financial Flexibility	35,614		-59	59
Income	-38,926	-25,688	-26,218	530
TOTAL HEALTH BOARD RETAINED SERVICES	610,144	386,938	399,436	-12,498
Health & Social Care Partnership				
Fife H & SCP	438,600	292,732	308,722	-15,990
TOTAL HEALTH DELEGATED SERVICES	438,600	292,732	308,722	-15,990
TOTAL	1,048,744	679,670	708,158	-28,488

Capital Budget 2024/25	CRL New Funding £'000	Total Expenditure to Date £'000	Projected Expenditure £'000
Statutory Compliance	2,442	1,239	2,442
RTP Clinical Prioritisation Contingency	833	408	833
Capital Equipment	1,074	254	1,074
Digital & Information	1,847	623	1,847
Mental Health Estate	1,000		1,000
Capital Staffing Costs	368	248	368
Capital Repayment	200		200
Anticipated Funding - HEPMA	723		723
Anticipated Funding - Medical Education	944	332	944
Anticipated Funding - MRI upgrades	192	0	192
Anticipated capital to revenue transfer	-250	0	-250
Capital Repayment	-200	0	-200
Total confirmed CRL	9,173	3,104	9,173

Review of Financial Performance & Reporting

Revenue Budget

The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 as a consequence of allocation increases notified since the financial plan was approved by the NHS Fife Board in March 2024. There is a reasonable level of confidence we will achieve £23.5m of the 3% efficiency target and a further push is now on to bridge the £1.5m gap in projected delivery in the final months of the year.

At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. This is supported by our forecast outturn and indicates we are on target to deliver an improved position on the forecast outturn identified in our 2023/25 financial plan. This improvement is however limited to the health board retained budget position. Whilst the run rate overspend is improving, further sustained improvement is necessary in the remaining months of the financial year to move as close to a break-even position as possible.

The IJB health delegated position has deteriorated significantly in-year and is a major cause of concern. We continue to discuss this significant risk and variation from plan with the IJB and Fife Council. A recovery plan developed by the IJB Chief Finance Officer was approved at the extraordinary meeting of the IJB in October 2024. Since that approval the IJB reported forecast has deteriorated further which presents a significant additional challenge to the overall NHS Fife board forecast position. The level of the level of overspend reported at the end of November 2024 is tracking at 94% of the full year forecast outturn which signals that run rate must be contained and savings targets must deliver to align outturn to forecast.

The forecast position reported is £37.057m overspend and is unchanged from the October position. The increase to the IJB risk-share forecast being offset by an improvement in the health board retained forecast position. The level of IJB overspend is materially impacting on our ability to reduce the overall forecast Board level deficit. If the IJB can improve their forecast position by evidencing the delivery of the recovery plan and other savings the forecast level would reduce.

Capital Budget

Capital expenditure for the 8 months of the financial year due is £3.104m. The Capital Resource Limit (CRL) is £7.764m as adjusted for anticipated allocations for: HEPMA; Medical Education; and MRI upgrades totalling £1.859m; along with capital to revenue funding transfer of £0.250m; and capital repayment of £0.2m resulting in a total budget of £9.173m. The majority of spend to date relates to the refurbishment works for ward 6 at VHK along with the former short stay surgical unit, HEPMA and the Medical Education works. As we move through the remainder of the financial year, capital spend will increase significantly and at this time no risks are anticipated to delivery of the capital resource limit.

The Financial Performance Report to end of November 2024 sets out the financial position in more detail and is considered separately by the EDG, Finance, Performance & Resources Committee and the NHS Fife Board.

Meeting:	Finance, Performance & Resources Committee
Meeting date:	14 January 2025
Title:	Financial Performance Report
Responsible Executive:	Margo McGurk, Director of Finance & Strategy
Report Author:	Maxine Michie, Deputy Director of Finance

Executive Summary

- The overall opening financial gap reduced from £54.750m to £51.350m in July 2024 as a consequence of allocation increases notified since the financial plan was approved by the NHS Fife Board in March 2024.
- There is a reasonable level of confidence we will achieve £23.5m of the 3% efficiency target and a further push is now on to bridge the £1.5m gap in projected delivery in the final months of the year.
- At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. This is supported by our forecast outturn and indicates we are on target to deliver an improved position on the forecast outturn identified in our 2023/25 financial plan. This improvement is however limited to the health board retained budget position.
- Whilst the run rate overspend is improving, further sustained improvement is necessary in the remaining months of the financial year to move as close to a break-even position as possible.
- The IJB health delegated position has deteriorated significantly in-year and is a major cause of concern. We continue to discuss this significant risk and variation from plan with the IJB and Fife Council. A recovery plan developed by the IJB Chief Finance Officer was approved at the extraordinary meeting of the IJB in October 2024. Since that approval the IJB reported forecast has deteriorated further which presents a significant additional challenge to the overall NHS Fife board forecast position. The level of the level of overspend reported at the end of November 2024 is tracking at 94% of the full year forecast outturn which signals that run rate must be contained and savings targets must deliver to align outturn to forecast.
- The increasing deterioration in the IJB position will make it very difficult for the overall Board position to meet or improve on the forecast deficit reported in the financial plan in March 2024.
- As requested in the Scottish Government feedback letter on the Q2 review, the Chief Executive has prepared a formal notification to Scottish Government of the potential in-year brokerage required to facilitate delivery of a break-even position for 2024/25.

1 Purpose

This report is presented for:

- Assurance

This report relates to:

- Annual Delivery Plan
- Financial Sustainability
- NHS Board Strategic Priorities to Deliver Value & Sustainability

This report aligns to the following NHS Scotland quality ambition(s):

- Safe
- Effective
- Person Centre

2 Report summary

2.1 Situation

This report details the financial position for NHS Fife for the 8 months to November 2024. The financial plan presented to the board in March 2024 identified the impact of recurring cost pressures and unachieved savings targets brought forward from the previous financial year. These alongside additional national and local cost pressures anticipated in 2024/25 resulted in a funding gap of £54.750m for 2024/25 (6.6% of our baseline budget). As previously reported, an additional allocation for New Medicines Funding advised in July 2024 reduced the gap to £51.350m.

2.2 Background

A range of cost improvement schemes and efficiency initiatives have been developed to mitigate £25m of this financial gap, the remaining gap will require to be addressed through further service change initiatives all of which will be delivered by our Re-form, Transform and Perform framework. The Re-form phase of our framework is designed to deliver the 3% minimum savings target set out by Scottish Government with the broader Transform phase focusing on changes to our services, structures and care delivery to deliver the remainder of our financial gap sustainably over the next 1-2 years.

2.3 Assessment

At the end of November, we are reporting an overspend against revenue budgets of £28.488m. This position comprises an overspend for health board retained services of £12.498m and £15.990m for the health delegated budget (IJB). The health board retained budget position has improved compared with the average monthly overspend run rates for the previous 7 months of the financial year following the allocation of the additional NRAC funding which reduces areas of recurring cost pressure. Further action is however required to reduce spending levels and deliver on the specific actions required by the Scottish Government for the remainder of the financial year.

The overspend for the health board retained budget to the end of November 2024 of £12.498m includes a continuation of the underlying and new cost pressures described in the financial plan. At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. It is important to note

that savings trajectories are now higher in the remaining 4 months of the year which will require an increased focus on grip and control to ensure delivery of the minimum 3% planned cost reductions required.

The reported overspend on the health delegated budget of £15.990m is of significant concern. Moreover, the level of overspend reported at the end of November 2024 is tracking at 94% of the full year forecast outturn which signals that run rate must be contained and savings targets must deliver to align outturn to forecast. We continue to discuss this significant risk and variation from plan with the IJB and Fife Council. The IJB approved a formal recovery plan to the October, the latest reported position of the IJB is indicating that the recovery plan actions are unlikely to be delivered in full and as a consequence the overall forecast overspend position for NHS Fife is currently reflecting this position. Everything that can be done to mitigate this risk will be done and the IJB, NHS Fife and Fife Council are monitoring this closely.

As requested in the Scottish Government feedback letter on the Q2 review, the Chief Executive has prepared a formal notification to Scottish Government of the potential in-year brokerage required to facilitate delivery of a break-even position for 2024/25.

Taking all the issues noted in the report, the level of assurance at this stage remains “limited” with all efforts continuing to support an improvement in the position.

This report provides the following Level of Assurance:

	Significant	Moderate	Limited	None
Level			X	
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

2.3.1 Quality, Patient and Value-Based Health & Care

Effective financial planning, allocation of resources and in-year management of costs supports the delivery of high-quality care to patients.

2.3.2 Workforce

Effective financial planning, allocation of resources and in-year management of costs supports staff health and wellbeing and is integral to delivering against the aims of the workforce plan.

2.3.3 Financial

Financial implications are detailed in the paper.

2.3.4 Risk Assessment / Management

Delivering a balanced financial position and financial sustainability in the medium-term continues to be reported as high risk in the NHS Board corporate risk register. An assessment of the major financial risks is contained in the Medium-Term Financial Plan. The target level of “moderate” for the in-year position has now been increased to “high”.

2.3.5 Equality and Diversity, including health inequalities and Anchor Institution ambitions

An impact assessment has not been carried out as it is not relevant to the content of this paper. All initiatives progressed through RTP will however be subject to the appropriate level of assessment.

2.3.6 Climate Emergency & Sustainability Impact

There are no direct implications arising from this report.

2.3.7 Communication, involvement, engagement and consultation

This paper has been prepared following completion of the monthly review process in consultation with senior finance colleagues, Directorate Management Teams across both NHS Fife and the IJB and monthly financial reporting to the Scottish Government.

2.3.8 Route to the Meeting

EDG – 9 January 2024

2.4 Recommendation

Members are asked to **take assurance** on the information provided in relation to:

- The reported revenue overspend position of £12.498m for health board retained services which is tracking in line with the original planned residual deficit.
 - Delivery against the in-year RTP savings targets and the impact of that on the overall consolidated financial position.
 - The reported overspend for the health delegated services (IJB) of £15.990m, the increasing level of risk in relation to this and the consequence of the now certain risk-share situation in-year.
 - The increased target risk in relation to the in-year financial position to “high” and the formal notification to Scottish Government of the estimated in-year brokerage requirement.
 - The year to date spend against the Capital Resource Limit.
-
- **Assurance** - This report provides a limited Level of Assurance.

3 List of appendices

Appendix 1 – Finance Report for November 2024

Report Contact

Margo McGurk

Director of Finance

Margo.mcgurk@nhs.scot

Appendix 1

1. Financial Position November 2024

- 1.1 The financial plan presented to the board in March 2024 identified the impact of recurring cost pressures, unachieved savings targets brought forward from the previous financial year, alongside additional national and local cost pressures anticipated in 2024/25 and confirmed a funding gap of £54.750m for 2024/25 (6.6% of our baseline budget). A range of cost improvement schemes and efficiency initiatives were developed to mitigate £25m of this funding gap, the remaining gap will require to be addressed through further service change initiatives all of which will be delivered by the Re-form, Transform and Perform framework. The Re-form phase of our framework is designed to deliver the 3% minimum savings target set out by Scottish Government with the broader Transform phase focusing on changes to services, structures, and care delivery to deliver the remainder of the financial gap. In July 2024, we were advised by Scottish Government of further non-recurring New Medicines Funding totalling £50m to be allocated on an NRAC basis to territorial boards, with NHS Fife receiving £3.4m. This reduced the financial gap in-year from £54.750m to £51.350m.
- 1.2 The Scottish Government has acknowledged the financial plan for 2024/25 however it remains unapproved by them at this stage and dialogue is ongoing. Early in August we met with Scottish Government Colleagues to discuss the Q1 financial position and forecast outturn. Key risks and potential further actions which could be taken to improve the financial position. We received their formal response which includes a number of actions they require to be taken forward by the board by Quarter 2. These include:
- *“an update on work with the IJB to provide system-wide solutions to address the overspends in adult social care;*
 - *further details of the property exit plans, including an assessment on the return on investment that these would achieve; and*
 - *review of longer-term savings plans that can be brought forward through the NHS Board’s Re-Form, Transform and Perform programme to help support 2024-25.”*

In November 2024 we met with Scottish Government to discuss the Q2 financial position. The review reflected on the progress in relation to the Q1 actions. We discussed the consistent and relatively positive performance against the health board retained 3% efficiency savings target, albeit the challenge remains to deliver against the remaining savings by the year-end. The health delegated budget position was also discussed including the in-year deterioration to the forecast. We received feedback on the review from Scottish Government (letter attached at Appendix C) .

Scottish Government have advised that whilst NHS Fife is not forecast to meet the current brokerage cap, that the Board must continue to work towards achieving this. In the event that this is not possible which is now almost certain, Scottish Government require a letter to be sent by the Chief Executive to the Director General for Health and Social Care, setting out the work being progressed by the Board to move closer to brokerage cap, the reasons this has not been achieved, and assurance that the Board are evaluating options

and developing a detailed plan to return the Board to a financially sustainable position over a three-year period. This letter will be sent alongside submission of the Month 8 return.

- 1.3 The governance and performance management arrangements to monitor delivery of the savings plans is facilitated through the RTP Executive Group with regular and timely reporting to the Executive Director's Group, Governance Committees, and the full NHS Fife Board.
- 1.4 At the end of November, we are reporting an overspend against revenue budgets of £28.488m as detailed in Table 1A below. This position comprises an overspend for health board retained services of £12.498m and £15.990m for the health delegated budget (IJB).

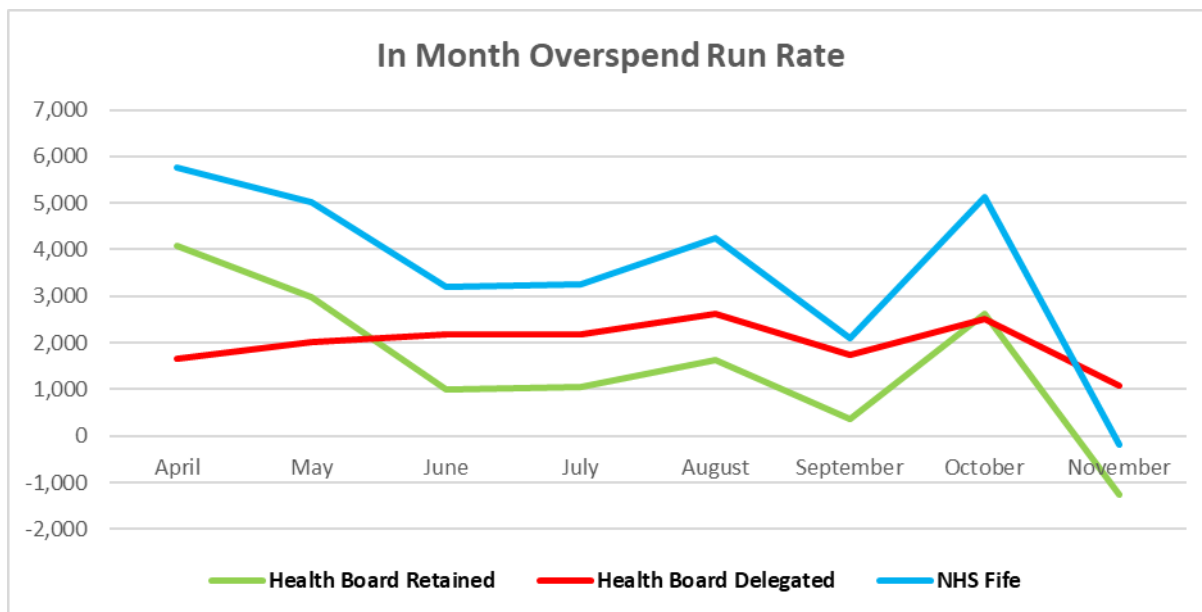
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Financial Flexibility	35,614		-59	59
Income	-38,926	-25,688	-26,218	530
TOTAL HEALTH BOARD RETAINED SERVICES	610,144	386,938	399,436	-12,498
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Fife H & SCP	438,600	292,732	308,722	-15,990
TOTAL HEALTH DELEGATED SERVICES	438,600	292,732	308,722	-15,990
TOTAL	1,048,744	679,670	708,158	-28,488

For health board retained budgets, this is an improved position compared with the average monthly overspend run rate for the previous 7 months of the financial year.

- 1.5 The reported overspend on the health delegated budget of £15.990m is of significant concern. Moreover, the level of overspend reported at the end of November 2024 is tracking at 94% of the full year forecast outturn which signals that the run rate must be contained and savings targets must deliver to align outturn to forecast in the remaining months of this financial year. We continue to discuss this significant system risk and variation from plan with the IJB and Fife Council. The IJB approved a recovery plan in October totalling £13.5m as a response to the deteriorating position. The latest reported position of the IJB is indicating that the recovery plan actions have yet to deliver any

significant cost reduction and are unlikely to be delivered in full. As a consequence the overall forecast overspend position for NHS Fife is reflects this position. Everything that can be done to mitigate this risk will be done and the IJB, NHS Fife and Fife Council are monitoring this closely.

- 1.6 We require to sustain the level of work completed to date and take forward all achievable options to further improve the forecast position as far as possible if we are to maintain or improve our position on the NHS Scotland Support and Intervention Framework. We are currently at stage 2 on the framework in relation to financial performance. The chart below tracks our financial performance since the beginning of the financial year.



For health board retained, the run rate peaked in April then began to reduce during May due mainly to additional allocations presenting in the first 2 months of the year (e.g., Planned Care). In June, the run rate significantly reduced through a combination of additional funding and the RTP 3% savings beginning to be realised. In July, the in-month position flat-lined with that of June. However, in August spend across several areas increased beyond spend patterns in the previous 4 months reflecting some seasonality, for example 5 week pay month. The monthly overspend decreased significantly in September which indicated an improving position; however this included a number of non-recurring one-off benefits, additional allocations and lower drugs spend than previous months.

The monthly overspend run rate for October increased due mainly to increased drugs expenditure and pay award expenditure on supplementary which is not funded. The November position reflects 8 months pro-rata of the NRAC funding allocation which is the main driver of the improved run rate. This funding was previously held in reserves and impacted the year-end forecast but not the in-month position.

The current forecast outturn assumes a minimum of 3% savings will be delivered and therefore it is essential that we increase the pace of savings delivery and do not fall behind in planned trajectories.

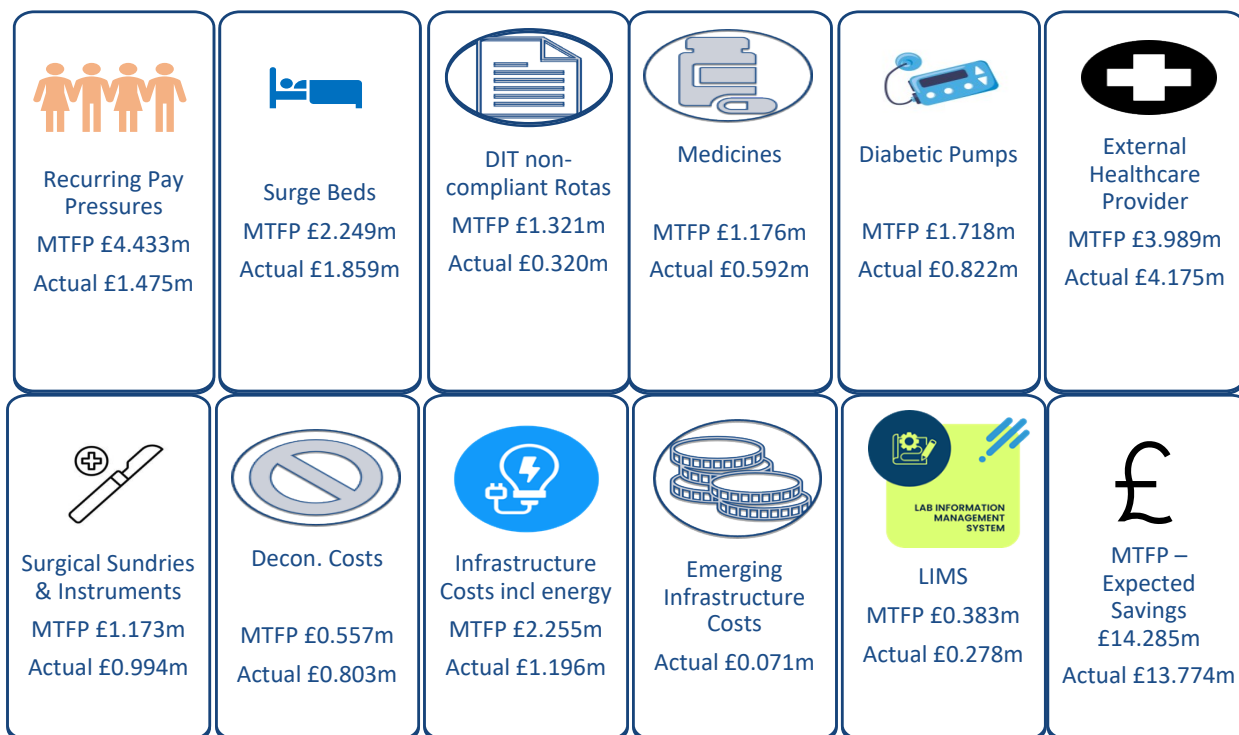
In relation to the health delegated budget, we were notified during October of a reduction in Mental Health funding from Scottish Government alongside the receipt of 6 months of GP prescribing data which indicated an increase in both volume and unit price. In previous months, the monthly overspend on GP prescribing decreased which highlights the monthly

fluctuations and volatility within this expenditure budget. There is a significant level of risk associated with the health delegated budget position which requires to be addressed through both the delivery of planned savings and the recovery plan as referenced in this paper.

- 1.7 In December 2023 NHS Fife was set a brokerage cap for 2024/25 of £5m. This changed following an additional allocation of £6.9m funding for new medicines notified on 12 February when we were advised by Scottish Government (SG) that the cap would be reduced to zero as this allocation exceeded the brokerage cap previously communicated.

2 Health Board Retained Services

- 2.1 At the end of November 2024, the level of overspend on health board retained is tracking in line with the original planned residual deficit. This is supported by our forecast outturn and indicates we are on target to deliver an improved position on the forecast outturn identified in our 2023/25 financial plan. This improvement is however limited to the health board retained budget position.
- 2.2 The overspend to the end of November 2024 is £12.498m and includes a continuation of the underlying and new cost pressures described in the financial plan, albeit some have reduced following the allocation of the additional NRAC funding. The following graphic identifies that these specific cost pressures are driving all of the overall overspend £12.498m position for the period. Whilst there are some cost pressure areas that are better than expected some have deteriorated beyond the planning assumptions.



- 2.3 In arriving at the reported financial position, assumptions have been made in relation to allocations still to be allocated by Scottish Government. Until all anticipated allocations are confirmed there is a level of risk associated with this assumption.
- 2.4 Pay award funding for Agenda for Change staff was received in October 2024. Other allocations have been assumed based on confirmation letters and prior year commitments.

- 2.5 The funding for Agenda for Change non pay reforms (ie protected learning time, the 30-minute reduction in the working week and the review of band 5 nursing roles) was confirmed at £200m nationally. The NHS Fife share is £13.7m and costs must be contained within this amount. Expenditure incurred to November has been relatively low due to the timing of implementation across services with only £0.215m recorded in the reported overspend across the Health Board and the IJB. Work is ongoing locally and nationally to determine the level of potential in-year flexibility from this allocation as a result of the time it will take to fully assess and implement these reforms.
- 2.6 The Acute Services Division is reporting an overspend at the end of November of £10.182m. This is driven mainly by the cost pressures noted in the graphic at para 2.2. The average monthly overspend for the first 7 months of the financial year was £1.639m which decreased to an average in month overspend of £1.272m in November. This improvement is largely due to the allocation of NRAC funding.
- 2.7 The £10.182m overspend in Acute Services is across both pay budgets at £4.165m and non-pay budgets at £6.017m. The total pay overspend of £4.165m includes the costs of recurring pay pressures, surge and junior doctor rota compliance partially offset by the reduction in supplementary staffing. The overspend level on unregistered nursing staff was £2.762m with an underspend in registered staff of £1.317m giving a total overspend on nursing of £1.445m. Senior medical staffing was overspent by £0.404m and junior medical staffing was also overspent at £1.977m. This position continues to be under review to determine any further remedial action possible beyond the current savings plans in place.

Table 2 identifies the Acute Services overspend by Directorate. The Medical Directorate overspend reflects the largest share of the cost pressures identified in the financial plan.

Table 2 Budget Area	Annual Budget £'000	YTD Budget £'000	YTD Spend £'000	YTD Variance £'000	Forecast £'000
Acute Services Division					
Surgical Directorate	104,538	70,293	73,533	-3,240	-5,236
Medical Directorate	121,213	83,872	90,503	-6,631	-10,242
Women, Children & Clinical Services	79,376	53,306	53,734	-428	-1,034
Acute Nursing	1,064	704	619	85	66
Other	1,351	831	799	32	115
Total	307,542	209,006	219,188	-10182	-16,331

- 2.8 Included in the Acute Services position is an overspend on specialties defined as “large hospital services” which form part of IJB Set Aside budgets. At the end of November, set aside services reported an overspend of £4.527m which, although a reduction on last month due to additional NRAC funding (section 1.4 refers), accounts for 44.46% of the Acute Services total overspend. The main factors driving this overspend are agency consultants covering vacancies and sickness, surge ward capacity, residual unfunded medical staffing, junior medical bandings for non-compliant rotas, cost pressures for additional consultants and safe staffing workforce costs in line with workforce tool implementation. This budget is not formally delegated to the IJB as the services are managed by NHS Fife but is reflected in the IJB financial plan.

2.9 Service Level Agreements and contracts with external healthcare providers are £4.175m overspent. This overspend is driven by several factors included as cost pressures with the financial plan. The overspend reported at November is tracking in line with the financial plan with most of the financial challenge within the SLAs with NHS Lothian and NHS Tayside. Detail is provided in Table 3 below.

Table 3	Annual Budget	YTD Budget	YTD Spend	YTD Variance
	£'000	£'000	£'000	£'000
Health Board				
Ayrshire & Arran	111	74	73	1
Borders	51	34	45	-11
Dumfries & Galloway	29	20	43	-23
Forth Valley	3,091	2,061	2,484	-423
Grampian	405	270	205	65
Greater Glasgow & Clyde	1,880	1,253	1,249	4
Highland	156	104	156	-52
Lanarkshire	134	89	161	-72
Lothian	32,415	21,610	24,040	-2,430
Scottish Ambulance Service	114	76	78	-2
Tayside	44,133	29,421	33,022	-3,601
	82,519	55,012	61,556	-6,544
UNPACS				
Health Boards	15,542	10,528	8,155	2,373
	15,542	10,528	8,155	2,373
OATS	1,280	854	854	0
Grants	65	65	69	-4
Total	99,406	66,459	70,634	-4,175

Scottish Government has confirmed that the cross-boundary uplift will be set at 6.21% including consultant uplift with a further amendment to reflect pay awards for junior medical staff once they are known and any other funding allocated to Health Boards on an NRAC basis this year which are acknowledged to meet inflationary pressures. This recommended model based on funding increases uses the same methodology that has been applied in previous years. However, the 2024/25 pay award funding allocated to Boards in October includes an amount to support Boards with the pay aspect of the SLA uplift and consequently has reduced the anticipated overspend on SLA agreements included in our forecast outturn by £3m.

2.10 Corporate Directorates are underspent by £0.771m in total which is a continued improvement on the position reported in previous months. The overspend in Digital and Information has reduced on the previous month following the receipt of NRAC funding (section 1.4 refers). Notwithstanding this, Digital and Information continues to be the area of Corporate Services with the highest level of financial risk, and discussions are ongoing with colleagues looking at all aspects of grip & control including vacancy management.

Table 4	Annual Budget	YTD Budget	YTD Spend	YTD Variance
Budget Area	£'000	£'000	£'000	£'000
Chief Executive	235	158	165	-7
Communications	550	365	432	-67
Finance Director	7,919	5,312	5,162	150
Medical Director	9,673	6,108	5,742	366
Nurse Director	4,832	3,276	3,203	73
Public Health	3,710	2,543	2,434	109
Workforce Directorate	4,327	2,941	2,968	-27
Pharmacy Services	16,913	11,097	10,761	336
Digital + Information	19,202	13,344	13,561	-217
Other Board Functions	30,222	20,917	20,862	55
Total	97,583	66,061	65,290	771

2.11 The Estates & Facilities in month position remains in line with that reported in October. Positive work continues by the Energy Manager reviewing all energy costs and water rates which has been delivering one-off cost reductions.

Table 5	Annual Budget	YTD Budget	YTD Spend	YTD Variance
Estates & Facilities	£'000	£'000	£'000	£'000
Energy	11,275	6,150	6,537	-387
PPP	28,637	18,845	18,829	16
Equipment Maintenance	3,023	2,015	2,416	-401
Pays	37,581	24,836	24,805	31
Other Non Pays	18,265	12,254	11,460	794
Total	98,781	64,100	64,047	53

3 Financial Flexibility

3.1 Financial Flexibility refers to funding allocations held centrally before being allocated to budget areas. The allocation covering the non-pay aspects of the 2023/24 pay award £13.7m remains the only significant allocation still held in reserves. This allocation is being reviewed across all Boards to determine any potential in-year flexibility however this is at an early stage and a consistent approach across NHS Scotland will be required.

All other allocations within reserves will be required to cover existing commitments within the financial plan.

4 Income

4.1 Budgeted income for the period is in line with financial planning assumptions and detailed in the table below.

HB retained income	£'000
SLA	9,285
ACT	3,837
Healthcare to LA	2,455
Dining room income	1,137
Laundry income	1,279
Recovery from Gpsin HC	1,268
NES medical in training income	12,126
RTA	986
Other	6,553
Total HB retained income budget	38,926

5 IJB Health Delegated Budget

5.1 The health delegated budget is reporting an overspend of £15.990m to the end of November. The overspend predominately relates to high usage/costs associated with medical locums within Mental Health services and nurse bank/agency usage across the partnership to cover vacancies, sickness and increased patient supervision requirements. The new Direct Engagement arrangement launched in August, for Locums and AHPs will generate a VAT efficiency saving and consequently reduce costs, however transition has been slower than anticipated.

GP prescribing spend deteriorated further in month, due to volume and price increases resulting in an overspend of £3.839m.

Complex and Critical Care Services which include Mental Health Services moved adversely to £7.302m overspent in November from £6.662m at the end of October.

The full realignment of both budget (£5.537m) and expenditure from Health Board retained for SLA's relating to IJB delegated services is reporting a year to date overspend of £2.054m.

Budget Area	Annual Budget £'000	YTD Budget £'000	YTD Spend £'000	YTD Variance £'000
Fife Health & Social Care Partnership	438,600	292,732	308,722	-15,990
TOTAL HEALTH DELEGATED SERVICES	438,600	292,732	308,722	-15,990

The financial position of the IJB has steadily deteriorated throughout the year with the Month 7 (October) forecast reaching £29m. The overspends in each of the funding partner budgets are unaffordable and unsustainable at this level.

Any overspend arising in the IJB requires to be supported by agreed risk-shares from both NHS Fife and Fife Council; this is essentially a c60% share to NHS Fife and c40% to Fife Council.

The IJB forecast overspend position is one of the highest in-year changes to the opening financial plan and is being monitored closely by NHS Fife and Fife Council.

6 Financial Improvement & Sustainability

- 6.1 Delivering Value and Sustainability is one of our four strategic priorities, our financial improvement plan is being delivered through our Re-form, Transform and Perform (RTP) Framework, working collaboratively across the system. Financial performance against the 3% savings schemes identified in our financial plan at the end of November is described below.
- 6.2 The planned level of savings reflects the timing of scheme implementation and when they are expected to begin delivering cost reduction. At the end of November, a £14.285m saving was anticipated across the 13 schemes with £13.774m confirmed as delivered, a shortfall on plan of £0.511m. Several schemes are delivering but are behind target and will require further focus to deliver in full.

The implementation of Direct Engagement in August, increased grip and control across all schemes along with robust vacancy management processes should enable the levels of savings delivered across the schemes to be increased in future months.

In quarter 2 EDG agreed a proposal to stretch and improve delivery on a number of targets to increase forecast delivery to £23.5m leaving £1.5m to be identified. Work will continue to push for full delivery as we progress in the remaining months of the financial year.

The £25m target is non-negotiable in relation to both NHS Fife Board and Scottish Government expectations and work must continue at pace to develop contingency plans to ensure this target is delivered as a minimum.

Scheme	Target Saving	November 2024 Planned YTD	November 2024 Delivery YTD	Forecast Saving	Target Saving (FY): £25,000,000
1. Medicines Optimisation	£2,000,000	£1,018,182	£1,201,226	£3,000,000	Planned Saving (YTD): £14,285,121
2. Unscheduled Care Bundle	£700,000	£466,667	£485,895	£750,000	
3. PFI Contract	£400,000	£600,000	£600,000	£600,000	
4. Estates Rationalisation	£2,000,000	£723,000	£658,200	£2,000,000	
5. Non-Compliant Rotas	£1,000,000	£500,000	£1,001,333	£1,739,000	
6. Legacy Covid Costs	£1,000,000	£666,667	£373,786	£560,679	
7. Supplementary Staffing	£5,000,000	£3,333,333	£3,667,582	£5,000,000	
8. Procurement	£500,000	£333,333	£249,188	£500,000	
9. Corporate Directorates	£1,500,000	£1,000,000	£1,000,000	£1,500,000	
10. Business Transformation	£2,400,000	£1,333,333	£850,192	£906,274	
11. Surge Reduction	£1,850,000	£1,177,273	£389,590	£584,385	
12. Planned Care	£1,200,000	£800,000	£1,680,667	£2,521,000	
13. SLA & External Activity	£5,000,000	£2,333,333	£1,333,333	£2,000,000	
14. Bal. Sheet			£282,624	£1,782,624	Linear target (YTD): £16,666,666 (for 3% schemes only)
Key					
Significant shortfall on Target of plan					
Delivering target but not in full					YTD Saving: £13,773,887
Total YTD – for 3% savings schemes		£14,285,121	£13,773,887	£23,443,962	

Supplementary Staffing

- 6.3 At the end of November 2024 total spend on supplementary staffing for Health Board retained services is described below. A total reduction of £4.685m on the average monthly spend rate for the same time in the previous financial year has been confirmed. Whilst this is a significant

achievement, the overall pay costs for Nursing and Medical costs remain in an overspend position.

HBR	Monthly Average 2023/24	Monthly Actual 2024/25	Reduction
April	1,620,399	742,084	878,315
May	1,620,399	903,740	716,659
June	1,620,399	1,108,458	511,941
July	1,620,399	1,097,949	522,451
August	1,620,399	1,065,710	554,690
September	1,620,399	1,043,273	577,126
October	1,620,399	1,176,642	443,758
November	1,620,399	1,140,601	479,799
Total	12,963,195	8,278,457	4,684,739

The £5m target for supplementary staffing reduction was identified after taking account of the appropriate vacancy factor. The total spend on supplementary staffing can be seen in Appendix A. The impact of the reduction is offset by investment in permanent posts as described in the table below. Supplementary staffing has significantly reduced particularly for the nursing workforce, however, establishment costs have increased to reflect the investment in permanent posts, £1.017m per table below. The net impact at the end of November is an improvement to the financial position of £3.668m.

The improvement across medical supplementary staffing is a consequence of both pay award and NRAC funding. Within nursing budgets we continue to deliver significant traction towards the overall supplementary staffing savings target.

November	Supp Staffing M8 to Report	Core Staffing M8 to Report	Net Movement
Jnr Medical	110,715	99,090	209,805
Snr Medical	546,814	(107,570)	439,245
Reg Nursing	2,702,097	(1,337,077)	1,365,020
Unreg Nursing	1,325,112	328,670	1,653,782
Total	4,684,739	(1,016,887)	3,667,852

It is anticipated that the supplementary staffing reduction will continue for the remainder of the year supplemented with further savings from the implementation of Direct Engagement.

Other RTP programmes which also impact staffing costs, for example, Unscheduled care Bundle, Surge, Doctors in Training rota compliance, have been considered when reporting the financial data in the table above, to avoid double counting.

Medicines Optimisation

- 6.4 Medicines Optimisation workstream has delivered ahead of target at the end of November. Additionally, there has been agreement to stretch the target to £3m and work is underway to identify additional opportunities. Almost half of the savings delivered to date are due to the receipt of rebates rather than drugs switches. It is imperative the work required to deliver on the potential drug switches identified in the medicines optimisation plan is delivered at pace to ensure full delivery against this work stream.

Unscheduled Care bundle review

- 6.5 Whilst this scheme is slightly ahead of target, several vacant posts are contributing to the cost reductions offsetting other spend categories which are incurring more cost than anticipated. If spend on transport costs is minimised there is potential opportunity to deliver further savings of circa £0.050m and consequently the forecast saving was stretched to £0.750m in August.

Estates Rationalisation

- 6.6 Cost reductions commenced delivery during June and there is a reasonable level of confidence we will deliver the full £2m target. A significant level of saving was confirmed in July, August and September including PFI insurance rebates. The remaining savings are anticipated to be delivered in the latter part of the financial year.

Surge Bed Reduction

- 6.7 Significant work has been taken forward to reduce and hold the level of unfunded surge capacity. Whilst some progress has been made, challenges with flow across the acute site have resulted in savings not being achieved in line with the planned reduction. The service continues to review the workforce model, and a revised financial plan is expected which would require investment in permanent staff.

Non-Compliant Junior Doctor Rotas

- 6.8 A range of actions have been taken to progress this issue. Additional investment required to help safeguard rota compliance was identified within available resources. Compliance has been confirmed following monitoring of the rota, however it is essential to ensure work continues to maintain this position.

Unfunded Covid Costs

- 6.9 Remaining unfunded legacy costs are primarily staff costs and work continues to identify appropriate and timely exit strategies.

Planned Care

- 6.10 The previously identified cost pressure within planned care has been mitigated by the receipt of additional recurring elective care funding. The new funding has also supported the operational costs of delivering robotic assisted surgery which was previously unfunded.

An additional £0.321m was identified during October to support existing non-pay cost pressures across acute services. It is expected this scheme will deliver £2.5m this year.

External Care Providers

- 6.11 Approximately £2m of this cost pressure has been confirmed through realignment of budget for external providers for services to the IJB as agreed as part of the financial planning process. The remainder of the target is in relation to SLAs predominately with other Scottish Health Boards. A national agreement has been reached on SLA uplifts for 2024/25 with part funding recently provided through the pay award allocation from Scottish Government. This has reduced the previously anticipated SLA increased in-year overspend from £5m to £2m. The SLA target saving included £3m associated with applying a 3% efficiency target, it has

been confirmed nationally that the SLAs will not attract a cost saving and therefore this element of the target will not be delivered.

Procurement

- 6.12 Procurement savings continue to be behind plan. Savings delivered reflect reductions secured across theatres procurement budgets and other non-pay budgets across the acute services directorate. Work to date has identified savings of c£0.249m with effort continuing to deliver the full target this year.

Business Transformation

- 6.13 This savings scheme considers a range of different activities which affect the way we support and deliver clinical and non-clinical services. The savings to date relate to a reduction in the use of mobile phones, telephone lines and price reductions in digital equipment ahead of plan.

The work to support progressing higher levels of cost reduction throughout 2024/25 and beyond continues. Administrative post savings are included in the £0.85m savings delivered at the end of November.

7 Forecast Outturn

- 7.1 Included in the medium-term financial plan submitted to Scottish Government were a number of risks which could impact on the financial outturn. In line with Scottish Government's expected actions for Q1 and Q2 we are continually reviewing those risks and their combined impact on the forecast outturn.

Agenda for Change Reform

As advised by Scottish Government we did not include costs in relation to AFC reforms in the financial plan. Based on available information and adoption of national modelling assumptions in relation to Band 5-6 job evaluation it is possible that final full-year costs could be higher than the allocation provided. As previously reported, there is limited data available to support the final costs either locally or nationally and local uptake so far has been less than anticipated. This position remains under continuous review. Given the current status of the implementation of these forms there is the potential for a significant underspend against this allocation in-year which may be available to reduce the overall year-end financial forecast. This position will be reviewed at the end of Q3.

Fife Integration Joint Board risk share

At the end of October the IJB is reporting an overspend of £29m representing a further deterioration of £2m on the previously notified forecast of £27.1m. The NHS Fife share of the forecast outturn in line with the IJB integration scheme is £17.4m. The IJB approved a recovery plan in October totalling £13.5m as a response to the deteriorating position. The latest reported position of the IJB is indicating that the recovery plan actions have yet to deliver any significant cost reduction and are unlikely to be delivered in full. As a consequence the overall forecast overspend position for NHS Fife is reflects this position. Everything that can be done to mitigate this risk will be done and the IJB, NHS Fife and Fife Council are monitoring this closely.

Forecast Outturn Position November 2024

Forecast Budget Area	November forecast £'000
NHS Services (incl Set Aside)	
<u>Clinical Services</u>	
Acute Services	-16,331
IJB Non-Delegated	270
Non-Fife & Other Healthcare Providers	-7,999
<u>Non Clinical Services</u>	
Estates & Facilities	-8
Board Admin & Other Services	884
<u>Other</u>	
Income	700
Financial Flexibility including full delivery of 3% savings	4,284
Savings still not identified	-1,417
TOTAL HEALTH BOARD RETAINED SERVICES	-19,617
<u>Other Financial Risks</u>	
Fife IJB - Risk Share	-17,440
TOTAL HEALTH BOARD FORECAST OVERSPEND	-37,057

The forecast position reported is £37.057m overspend and is unchanged from the October position. The increase to the IJB risk-share forecast being offset by an improvement in the health board retained forecast position. The level of IJB overspend is materially impacting on our ability to reduce the overall forecast Board level deficit. If the IJB can improve their forecast position by evidencing the delivery of the recovery plan and other savings the forecast level would reduce.

Additionally, further work is underway to reduce the SLA forecast overspend of £8m and to quantify the in-year costs of the AFC Reform to determine the level of in-year flexibility from this allocation; taking both together this could significantly reduce the current overspend position and, as a minimum, bring us close to or under the opening residual financial gap of £30m.

8 Capital

- 8.1 Capital expenditure for the 8 months of the financial year due to phasing of schemes with costs to date is £3.104m reflected in the table below. The Capital Resource Limit (CRL) is £7.764m as adjusted for anticipated allocations for: HEPMA; Medical Education; and MRI upgrades totalling £1.859m; along with capital to revenue funding transfer of £0.250m; and capital repayment of £0.2m resulting in a total budget of £9.173m. The majority of spend to date relates to the refurbishment works for ward 6 at VHK along with the former short stay surgical unit, HEPMA and the Medical Education works. As we move through the remainder of the financial year, capital spend will increase significantly and at this time no risks are anticipated to delivery of the capital resource limit.

Capital Budget 2024/25	CRL New Funding £'000	Total Expenditure to Date £'000	Projected Expenditure £'000
Statutory Compliance	2,442	1,239	2,442
RTP.Clinical Prioritisation Contingency	833	408	833
Capital Equipment	1,074	254	1,074
Digital & Information	1,847	623	1,847
Mental Health Estate	1,000		1,000
Capital Staffing Costs	368	248	368
Capital Repayment	200		200
Anticipated Funding - HEPMA	723		723
Anticipated Funding - Medical Education	944	332	944
Anticipated Funding - MRI upgrades	192	0	192
Anticipated capital to revenue transfer	-250	0	-250
Capital Repayment	-200	0	-200
Total confirmed CRL	9,173	3,104	9,173

Brokerage repayment

- 8.2 Outstanding brokerage must be repaid when the NHS Board returns to financial balance. Guidance has been issued that all NHS Boards must report cumulative outstanding brokerage in their Board finance reporting. The cumulative repayable brokerage for NHS Fife is £23.7m, comprising £9.7m in 2022/23 and £14m in 2023/24.

9 Recommendation

Members are asked to **take assurance** on the content of the report in relation to:

- The reported revenue overspend position of £12.498m for health board retained services which is tracking in line with the original planned residual deficit.
- The delivery against the in-year RTP savings targets and the impact of that on the overall consolidated financial position.
- The reported overspend for the HSCP of £15.990m, the very high level of risk in relation to this and the requirement for a risk-share situation in-year.
- The forecast year-end outturn following an update of the risks identified in the Board's financial plan for 2024-25.
- The year to date spend against the Capital Resource Limit

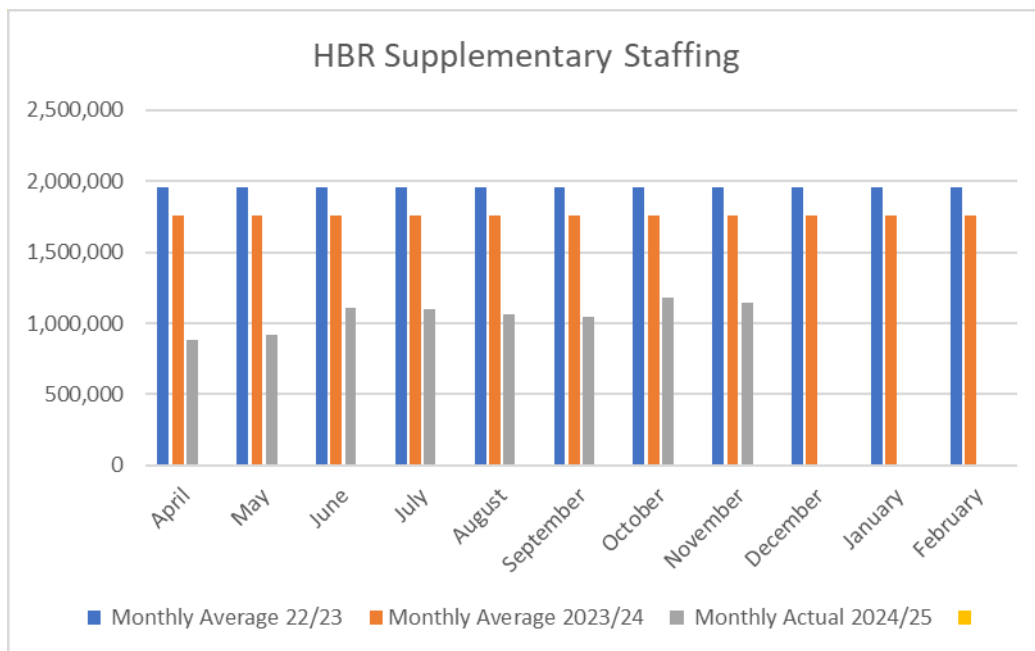
10 List of appendices

- Appendix A – Supplementary Staffing
- Appendix B – Subjective Analysis

Appendix A – Supplementary Staffing

Bank and Agency Spend to November 2024

	AGENCY SPEND			BANK SPEND			Grand Total	Full year 2023/24
	Medical	Nursing	Total	Medical NHS	Nursing	Total		
	Locums £	£	£	Locums £	£	£		
Medical Directorate	1,752,798	341,893	2,094,691	1,027,507	2,316,459	3,343,965	5,438,657	14,153,478
Surgical Directorate	40,063	62,060	102,123	316,400	670,597	986,997	1,089,120	4,544,101
Women, Children + Clinical Ser	499,156	-51	499,105	777,613	568,585	1,346,198	1,845,303	2,276,820
Corporate Services	0	0	0	11,235	51,709	62,945	62,945	107,997
Health Board retained	2,292,017	403,902	2,695,919	2,132,754	3,607,351	5,740,105	8,436,024	21,082,396
Community Care Services	455,393	529,150	984,543	179,601	4,168,868	4,348,469	5,333,012	9,656,422
Complex And Critical Services	7,194,530	1,335,317	8,529,847	239,932	4,121,538	4,361,470	12,891,317	18,764,582
Primary Care + Prevention Serv	419,493	0	419,493	899,879	459,668	1,359,547	1,779,041	3,292,161
Professional/business Enabling	0	954	954	0	366	366	1,320	14,405
H&SCP	8,069,416	1,865,421	9,934,838	1,319,412	8,750,440	10,069,852	20,004,690	31,727,570
Grand Total	10,361,433	2,269,323	12,630,756	3,452,167	12,357,791	15,809,957	28,440,714	52,809,966



Bank and Agency Spend to November			
	Bank	Agency	Grand
	AHP	AHP	Total
Medical Directorate	0	0	0
Surgical Directorate	5,818	4,229	10,047
Women, Children + Clinical Ser	0	541,050	541,050
Corporate Services	0	0	0
Health Board retained	5,818	545,279	551,097
Community Care Services	0	159,048	159,048
Complex And Critical Services	0	0	0
Primary Care + Prevention Serv	0	0	0
Professional/business Enabling	0	0	0
H&SCP	0	159,048	159,048
Grand Total	5,818	704,326	710,144

Appendix B – Subjective Analysis

Health Board Retained

November 2024

Cost Type	Annual Budget £'000	YTD Budget £'000	YTD Spend £'000	YTD Variance £'000	Staff Est	Ave WTE	Current Month
Admin & Clerical	47,342	31,749	30,040	1,709	964.36	953.53	937.14
Allied Health Professionals	16,009	10,806	9,898	908	245.59	237.31	236.75
Budget Reserves -pay	-2,412	-1,635	2	-1,637		0.13	
Healthcare Sciences	10,935	7,335	7,209	126	175.14	173.55	171.97
Medical & Dental	82,345	55,740	57,652	-1,912	622.71	601.87	624.65
Medical Dental Support	3,050	2,043	2,141	-98	55.77	59.27	58.77
Nursing & Midwifery	127,279	85,238	86,582	-1,344	2,182.96	2,269.55	2,287.68
Other Therapeutic	16,092	10,546	10,052	494	274.74	253.36	257.07
Personal Social Care	851	583	794	-211	6.94	14.06	14.98
Senior Managers	1,830	1,215	1,172	43	25.00	21.05	22.00
Support Services	34,593	22,947	23,224	-277	882.01	827.89	820.88
Total Pay	337,914	226,567	228,766	-2,199	5,435.22	5,411.57	5,431.89
Budget Reserves Non Pay	3,217	1,037	-46	1,083			
Financial Flexibility	35,614		-59	59			
Cssd/diagnostic Supplies	5,591	3,784	4,578	-794			
Drugs	34,640	25,969	26,561	-592			
Equipment	8,056	5,358	6,146	-788			
Heating Fuel And Power	11,344	6,220	6,606	-386			
Hotel Services	6,364	4,297	5,170	-873			
Other Admin Supplies	10,214	6,824	7,575	-751			
Other Supplies	5,355	4,067	4,183	-116			
Other Therapeutic Supplies	2,228	1,473	1,175	298			
Property	10,605	6,929	6,898	31			
Surgical Sundries	19,066	13,042	15,015	-1,973			
Total Non Pay	152,294	79,000	83,802	-4,802			
Purchase Of Healthcare	132,838	89,126	94,142	-5,016			
Total Purchase of Healthcare	132,838	89,126	94,142	-5,016			
Board Administration	0	0	0	1			
Family Health Services	6,363	4,480	4,424	56			
Total Family Health Services	6,363	4,480	4,424	57			
Other (inc Depreciation)	21,867	14,520	14,520	0			
Savings	-2,205	-1,067	0	-1,067			
Total Other	19,662	13,453	14,520	-1,067			
Social Work Healthcare	0	0	0	0			
Social Work Healthcare	0	0	0	0			
Total Expenditure	649,070	412,626	425,654	-13,027	5,435.22	5,411.57	5,431.89
Income	-38,926	-25,688	-26,218	530			
Total Net Expenditure	610,144	386,938	399,436	-12,498	5,435.22	5,411.57	5,431.89

Appendix B Continued
 Health Board Delegated
 November 2024

Cost Type	Annual Budget £'000	YTD Budget £'000	YTD Spend £'000	YTD Variance £'000	Staff Est	Ave WTE	Current Month
Admin & Clerical	19,685	13,128	13,183	-55	433.39	446.20	433.53
Allied Health Professionals	31,183	20,801	19,335	1,466	549.55	482.28	480.19
Budget Reserves -pay	115	77	0	77			
Healthcare Sciences	230	153	185	-32	4.68	5.42	4.58
Medical & Dental	24,961	16,568	21,099	-4,531	152.34	123.67	123.70
Medical Dental Support	2,864	1,910	1,754	156	69.37	57.37	57.08
Nursing & Midwifery	121,593	80,594	81,173	-579	2,157.52	2,164.22	2,167.37
Other Therapeutic	10,895	7,521	7,644	-123	131.84	153.50	148.42
Personal Social Care	2,309	1,539	1,326	213	41.18	34.95	33.38
Senior Managers	161	107	62	45	1.00	0.59	1.00
Support Services	678	449	792	-343	1.81	17.82	14.19
Total Pay	214,674	142,847	146,553	-3,706	3,542.68	3,486.02	3,463.44
Allocations Awaiting Distribution	7,001	1,000	0	1,000			
Cssd/diagnostic Supplies	249	166	263	-97			
Drugs	9,238	7,997	8,640	-643			
Equipment	1,557	1,026	1,723	-697			
Heating Fuel And Power	85	56	73	-17			
Hotel Services	349	233	550	-317			
Other Admin Supplies	5,217	3,400	3,415	-15			
Other Supplies	509	340	308	32			
Other Therapeutic Supplies	372	248	113	135			
Property	380	323	516	-193			
Surgical Sundries	4,186	2,845	2,895	-50			
Total Non Pay	29,143	17,634	18,496	-862			
Purchase Of Healthcare	49,765	34,131	36,639	-2,508			
Resource Transfer	21,404	14,234	14,221	13			
Total Purchase of Healthcare	71,169	48,365	50,860	-2,495			
Board Administration	0	0	0	0			
Gds	28,912	19,275	19,275	0			
Gms	61,298	43,282	42,075	1,207			
Gos	8,555	5,703	5,703	0			
Gps	103,201	68,562	72,317	-3,755			
Total Family Health Services	201,966	136,822	139,370	-2,548			
Other (inc Depreciation)	48	32	32	0			
Savings	-9,573	-6,387	0	-6,387			
Total Other	-9,525	-6,355	32	-6,387			
Social Work Healthcare	7	4	5	-1			
Social Work Healthcare	7	4	5	-1			
Total Expenditure	507,435	339,316	355,316	-16,000	3,542.68	3,486.02	3,463.44
Income	-68835	-46584	-46594	10			
Total Net Expenditure	438,600	292,732	308,722	-15,990	3,542.68	3,486.02	3,463.44

Health and Social Care Finance
Alan Gray, Director



E: alan.gray2@gov.scot
21/11/2024

Carol Potter
Chief Executive
NHS Fife

Cc:
Chair NHS Fife
Margo McGurk, Director of Finance &
Performance

Dear Carol

NHS Fife – Quarter Two review

Following the recent Quarter Two review meeting, I have set out below a summary of our assessment of the finance position for NHS Fife, the key risks discussed and actions we require to be taken during the remainder of 2024-25 and into 2025-26 and beyond.

Assessment

At the end of Quarter Two the Board reported an overspend of £23.6 million and forecast a year-end deficit of £36.8 million. This represents a deterioration from the financial plan, which forecast a £29.8 million deficit. I note the drivers of the movement are the IJB forecast deficit of £21 million, of which the risk-share agreement would result in a £13.4 million pressure on the Board, as well as the £9.2 million overspend in the Acute Services Division.

I understand the Board are planning to deliver £25 million of savings, with the Board being confident in the delivery of £23.3 million at present. At Quarter Two £8.1 million savings have been achieved. The delivery of the forecast outturn of £36.8 million is dependent on the delivery of the full £25 million savings therefore we note the further risk to the Board's performance.

It is vital the Board continues to work towards the savings target set of at least 3% recurring savings against baseline budget, as well as progressing further non recurrent measures and assessment of difficult choices to bring the position back towards financial break even which remains the statutory responsibility of the Accountable Officer to achieve.

The most accurate and realistic position must be reported through monthly monitoring, and I encourage the continued open dialogue with my team on the Board's forecast position as risks and pressures materialise to avoid volatility in reporting. I confirm there will be no further allocation for SLA uplifts beyond that which has been provided for through Pay allocations in year.

St Andrew's House, Regent Road, Edinburgh EH1 3DG
www.gov.scot



I expect the Board to continue to take forward options to improve the position for this financial year with the aim to reduce the gap in line the Board's financial plan as a minimum – building on your Re-Form, Transform and Perform programme.

Risks

The following key risks were discussed during the review meeting:

- The impact of the IJB overspend and delivery of £13.5 million of savings from the proposed recovery plan.
- SLA position with other NHS boards not yet being fully agreed.
- The delivery of high risk £4.6 million of savings, particularly in relation to business transformation schemes and SLAs.
- Uncertainty on agenda for change reform costs in relation to the reduced working week and band 5-6 nurse regrading.
- Service pressures across the winter period and pressures on staffing levels.

Further actions

Based on Quarter Two reviews, there are a number of actions we would like to follow up with the Board during the remainder of 2024-25 and beyond. These include:

- An update on continued progress of NHS Fife's Re- Form, Transform and Perform programme and details of its potential financial benefits.
- An update on ongoing work surrounding the workforce review, opportunities for service redesign and potential pooling of support services in NHS Fife. It would be beneficial to quantify the level of efficiencies that can be derived from this work within NHS Fife's three year plan.
- To keep Scottish Government up to date on impact of IJB pressure on NHS Fife's outturn for 2024-25 and ensure forecast impacts are clearly presented in the Board's three year financial plan.
- Further discussion with FDU on reviewing procedures of low clinical value.

2024-25 brokerage caps

All NHS Boards escalated for finance at level 2 and 3 of the NHS Scotland Support and Intervention Framework were notified of brokerage caps for 2024-25 and the Board must deliver within this resource. At present, NHS Fife are not forecast to meet this brokerage cap and the Board must continue to work towards achieving this. However, should you be unable to, we require a letter to be sent by the Board Chief Executive to the Director General for Health and Social Care.

The letter should set out work being progressed by the Board to move closer to brokerage cap, the reasons this has not been achieved, and assurance that the Board are evaluating options and developing a detailed plan to return the Board to a financially sustainable position over a three year period.

The letter must be sent alongside submission of the Month 8 return on 19 December, with the three year plan submitted for review by 27 January 2025. Further guidance will be provided in relation to the three year plans, including Scottish Government expectations regarding the trajectory for reducing the Board's overspend.

2025-26 budget

For 2025-26 indicative levels of funding will be communicated in the draft Scottish Government budget due to be published on 4 December 2024.

The majority of any new funding will be required to support the recurring impact of pay negotiations, increases to pension contributions, and AfC reform measures (including reduced working week and band 5-6 nurse regrading).

Even with indicative levels of additional consequential funding, NHS Boards will be required to deliver recurring and non-recurring savings at least equivalent to this financial year and, for those furthest from balance, medium term plans are required to reduce the level of deficit over the next three years (as noted above).

2025-26 to 2027-28 financial planning

Financial planning timelines have previously been communicated as below. We will work closely with you and your teams over the coming weeks to understand progress with developing draft plans and focusing on recurring improvements over a three year period. Planning assumptions have already been shared but will be reshared after the budget.

Event	Week Commencing
Financial Planning Commission issued	25/11/2024
2025-26 Scottish Budget announced	04/12/2024
Confirmation of Financial Assumptions	05/12/2024
Planning Support Workshops	Early January 2025
Draft Plans Submission Deadline	27/01/2025
Final Plans Submission Deadline	17/03/2025


Next Steps

A review will take place of all NHS Boards against the NHS Scotland Support and Intervention Framework again after the Quarter Two position is submitted. Guidance was recently issued on this from finance around the criteria for and assessment of escalation.

I believe the above summarises the outcome of the Quarter Two review and colleagues from the Finance Delivery Unit, particularly Steph Knight as your Board Support Lead, will continue to work closely with you to identify further improvements that can be made and to assess options.

I look forward to continuing to work with you and the team in NHS Fife and shall be happy to respond to any queries you may have in respect of this letter.

Yours sincerely,



Alan Gray
Director of Health and Social Care Finance

Meeting: Finance, Performance & Resources
Committee

Meeting date: 14 January 2025

Title: Reform, Transform, Perform Performance Report
November 2024

Responsible Executive: Ben Hannan, Director of Reform and Transformation

Report Author: Fiona McLaren, Head of Corporate PMO

Executive Summary:

- This paper provides an update covering performance up to November 2024 of the 13 complimentary schemes of work which have been put in place to produce the required improvement in performance.
- The overall assurance level is moderate for delivery.
- The October finance position is £13,773,887 (YTD saving) versus a planned YTD saving of £14,285,121 (shortfall variance of £511,234).
- The total savings forecast for 3% schemes is £23,443,962 versus a target of £25M (shortfall variance of £1,556,038).

1 Purpose

This report is presented for:

- Assurance

This report relates to:

- NHS Board Strategic Priorities

This report aligns to the following NHSScotland quality ambition(s):

- Safe
- Effective
- Person Centred

2 Report summary

2.1 Situation

Delivery of the Re-form Transform Perform (RTP) Framework is critical to the sustainability and strategic development of NHS Fife, particularly in meeting the current fiscal challenges.

This paper provides an update covering performance of the 13 complimentary schemes up to November 2024.

2.2 Background

The Reform Transform Perform (RTP) Framework was discussed and agreed at the NHS Fife Board in March 2024 and this signalled the establishment of a formal portfolio of work through 13 initial schemes, with interdependence through delivery across the Executive Team.

Our planning approach for 2024/25 is described through a suite of interconnected and interdependent documents:

- Reform, Transform, Perform Framework

This provides an outward facing document for staff and stakeholders, which describes our approach to empower change and to deliver a sustainable and viable future.

- Medium Term Financial Plan

This is a key element of the Board's overall responsibility for financial governance and sets out the proposed budget in line with the Scottish Government's expectations of NHS Boards, and within the context of the Board's statutory requirement to make the best use of public funds and to deliver services within the set annual resource limits.

- Annual Delivery Plan

In parallel with the MTFP, this sets out the Board’s specific plans for the coming year in relation to the delivery of key service priorities from a local, regional and national perspective. It is also a key element of the Board’s governance and accountability to Scottish Government.

2.3 Assessment

This report provides the following Level of Assurance:

	Significant	Moderate	Limited	None
Level		X		
Descriptor	There is robust assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver. There may be an insignificant amount of residual risk or none at all.	There is sufficient assurance that controls upon which the organisation relies to manage the risk(s) are suitably designed and effectively applied. There remains a moderate amount of residual risk.	There is some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk, which requires further action to be taken.	No assurance can be taken from the information that has been provided. There remains a significant amount of residual risk

Performance management arrangements which monitor the delivery of the RTP framework are in place through the attached performance report. This provides the committee with an update on progress within the 13 currently identified schemes. The report provides background and leadership on each scheme, deliverables, progress to date and risks to delivery. An assurance rating system is also in place to aid focus of discussion and review.

Assurance levels have changed across the 13 schemes; five deliverables have significant assurance, 4 have moderate assurance, and 4 have limited assurance.

The *Moderate* assurance level continues for overall delivery at this time. A priority focus will be to review the moderate and limited assurance schemes to identify opportunities to accelerate performance for the remainder of the year although recognising the challenging operational landscape for services.

2.3.1 Quality, Patient and Value-Based Health & Care

Maintaining the quality of care is a consistent principle for delivery and detail of any impact on quality of care from schemes will be reported by exception through committees. Quality, safety, and patient experience aspects of the 13 schemes will continue as part of business-as-usual activities. Any impacts from these schemes will be reported through the Integrated Performance & Quality Report, which will evolve with the ongoing transformational changes.

2.3.2 Workforce

Priority has been placed on a partnership approach to planning with robust engagement with Area Partnership Forum and staff side colleagues in place. Acknowledging the inevitable impact of the Reform, Transform, Perform (RTP) programme on staff, the importance of constructive discussions regarding the effects and corresponding mitigations is continually reiterated. Robust engagement with the Area Partnership Forum and Staff Side colleagues has been fundamental in implementing the programmes of change.

Regarding staff participation, there have been high levels of staff engagement through regular RTP staff briefings and staff can contribute suggestions through the RTP mailbox and suggestion form.

Extensive discussion with committees has further highlighted the need to continue the conversation with staff regarding the transformative impact RTP will have on all employees, and that these impacts will be kept under continuous review. This will be incorporated into the change management model developed for the organisation.

A number of the workstreams in progress are directly related to the size and shape of the workforce in the Board, particularly around non-compliant rotas, legacy COVID costs, and supplementary staffing. The importance of engagement and partnership working in these areas is at the forefront of planning.

2.3.3 Financial

Current forecast for delivery of savings is £23,443,962, which does present a shortfall of £1,556,038 from the target of £25 million. The November position has seen an improvement in performance with total savings only £511,234 short of the projected savings target. This saving has been achieved due to reallocation of NRAC funding. There are still areas which require continued focus until the end of the financial year but cognisant we are moving closer to year end.

Financial reporting is incorporated into the monthly performance reports by finance colleagues upon finalisation of monthly positions, to provide appropriate forecasting of delivery, and associated assurances.

Through established mechanisms, financial contingency for the Board is being sought at present, as presented in the financial performance report. Corporate flexibility is also being given close consideration and planning.

2.3.4 Risk Assessment / Management

The Board will be regularly informed, consulted, and appraised, and support will be sought to balance the key pillars of governance of quality, performance, finance and workforce, in the context of the Board's risk appetite.

A risk register for each workstream and scheme is in place, with risk profiles continually reviewed via the Corporate Programme Management Office, these are incorporated into the monthly performance report for information.

The attached report summarises the level of assurance currently in place regarding delivery of RTP workstreams.

2.3.5 Equality and Human Rights, including children's rights, health inequalities and Anchor Institution ambitions

The Fairer Scotland Duty requires that NHS Fife carry out assessments of what we can do to reduce inequalities of outcomes caused by socio-economic disadvantage when strategic decisions are made. However, given the scale of the challenge, it is recognised that proposals must move at pace to ensure effectiveness. Under the advice of the NHS Fife Equality it has been recommended as minimum for decision-makers to undertake 'high level' EQIAs for RTP proposals as they progress, with the intention to complete a full and thorough EQIA when most appropriate. Full detail of this proposal was shared with the Public Health and Wellbeing Committee in May 2024.

To date, an EQIA has been completed for our infrastructure work, noting the impact of changes to configuration of services through changes to our infrastructure. Further EQIAs will be completed in line with the position as described above, at the earliest opportunities where appropriate.

2.3.6 Climate Emergency & Sustainability Impact

There is acknowledgement that our responsibilities and priorities to manage the impact of our actions on climate and sustainability Infrastructure has been identified as a key theme within the RTP.

2.3.7 Communication, involvement, engagement and consultation

The overarching communications approach ensures that staff are consulted and kept well informed, thereby upholding our commitment to meeting staff governance standards. A bespoke communications and engagement plan (both internal and external) has been developed for RTP, this will be continually refreshed as a live document in response to the ongoing approach.

Part of this is a regular newsletter shared with all staff – this is primarily aimed at driving ongoing engagement with the ethos of the programme, and the need for all staff to support identification and delivery of savings at all levels. The team have received over 260 ideas from staff and each of these is reviewed and considered – they fit broadly into five themes: improving process; reducing cost; using resources better; enhancing patient care; and being more sustainable.

In addition, it is acknowledged engagement with the public is of key significance. An operational engagement plan was presented to the Board in July 2024.

2.3.8 Route to the Meeting

This paper has been previously considered by the following groups as part of its development. The groups have either supported the content, or their feedback has informed the development of the content presented in this report.

RTP Executive Group – 9 January 2025

2.4 Recommendation

This paper is provided to members for assurance – this report provides a moderate Level of Assurance regarding delivery of RTP, cognisant of the timing in year and further work to be developed regarding bridging actions.

3 List of appendices

The following appendices are included with this report:

- Appendix One - RTP Performance Report – November 2024

Report Contact

Fiona McLaren

Head of Corporate PMO

Email fiona.mclaren2@nhs.scot

RTP Performance Report

November 2024

Ben Hannan

Director of Reform and Transformation

18 December 2024 nhsfife.org

Introduction

The purpose of this pack is to provide an update position as at November 2024 on the position of 3% savings schemes identified by NHS Fife. An update is provided on each scheme in terms of current Assurance rating as well as an update on financial position.

Each section summarises the planned deliverables, progress to date and planned activity for the following schemes:

Scheme	Executive Lead(s)
1. Medicines Optimisation	Dr Joy Tomlinson/ Dr Chris McKenna/ Fiona Forrest
2. Unscheduled Care Bundle	Claire Dobson
3. PFI Contract	Neil McCormick
4. Estates Rationalisation	Neil McCormick
5. Non-Compliant Rotas	Dr Chris McKenna
6. Legacy Covid Costs	Claire Dobson/Alistair Graham/David Miller
7. Supplementary Staffing	Janette Keenan/David Miller
8. Procurement	Claire Dobson
9. Corporate Directorates	Margo McGurk
10. Business Transformation	Alistair Graham
11. Surge Reduction	Claire Dobson
12. Planned Care	Claire Dobson
13. SLA & External Activity	Margo McGurk

Scheme		Target Saving	November 2024 Planned YTD	November 2024 Delivery YTD	Forecast Saving	Target Saving (FY): £25,000,000 Planned Saving (YTD): £14,285,121 Linear target (YTD): £16,666,666 (for 3% schemes only) YTD Saving: £13,773,887
1. Medicines Optimisation		£2,000,000	£1,018,182	£1,201,226	£3,000,000	
2. Unscheduled Care Bundle		£700,000	£466,667	£485,895	£750,000	
3. PFI Contract		£400,000	£600,000	£600,000	£600,000	
4. Estates Rationalisation		£2,000,000	£723,000	£658,200	£2,000,000	
5. Non-Compliant Rotas		£1,000,000	£500,000	£1,001,333	£1,739,000	
6. Legacy Covid Costs		£1,000,000	£666,667	£373,786	£560,679	
7. Supplementary Staffing		£5,000,000	£3,333,333	£3,667,582	£5,000,000	
8. Procurement		£500,000	£333,333	£249,188	£500,000	
9. Corporate Directorates		£1,500,000	£1,000,000	£1,000,000	£1,500,000	
10. Business Transformation		£2,400,000	£1,333,333	£850,192	£906,274	
11. Surge Reduction		£1,850,000	£1,177,273	£389,590	£584,385	
12. Planned Care		£1,200,000	£800,000	£1,680,667	£2,521,000	
13. SLA & External Activity		£5,000,000	£2,333,333	£1,333,333	£2,000,000	
14. Bal. Sheet & Severance				£282,624	£1,782,624	
Key	Total YTD – for 3% savings schemes		£14,285,121	£13,773,887	£23,443,962	
Significant shortfall on Target of plan						
3/33 Delivering target but not in						

Assurance Levels

Assurance Level	Definition
Significant assurance	<p>The Board or Committee can take reasonable assurance that the system of control achieves, or will achieve, the purpose that it is designed to deliver.</p> <p>There may be an insignificant amount of residual risk or none at all.</p>
Moderate assurance	<p>The Board or Committee can take reasonable assurance that controls upon which the organisation relies to manage the risk(s) are in the main suitably designed and effectively applied. There remains a moderate amount of residual risk.</p>
Limited assurance	<p>The Board or Committee can take some assurance from the systems of control in place to manage the risk(s), but there remains a significant amount of residual risk which requires action to be taken.</p>
No assurance	<p>The Board or Committee cannot take any assurance from the information that has been provided.</p> <p>There remains a significant amount of residual risk.</p>

The table explains how we report on the status of projects within the RTP programme. This allows leaders to focus on successes and challenges at a glance.

Summary of assurance levels

Scheme	Leads	Assurance Level	Change from baseline (Apr 24)	Target Saving	Forecast Saving as of 30/11/24
1. Medicines Optimisation	Dr Joy Tomlinson / Dr Chris McKenna/Fiona Forrest	Significant	Improvement	£2,000,000	£3,000,000
2. Unscheduled Care Bundle	Claire Dobson	Significant	Improvement	£700,000	£750,000
3. PFI Contract	Neil McCormick	Significant	Improvement	£400,000	£600,000
4. Estates Rationalisation	Neil McCormick	Moderate	Improvement	£2,000,000	£2,000,000
5. Non-Compliant Rotas	Dr Chris McKenna	Moderate	Improvement	£1,000,000	£1,739,000
6. Legacy Covid Costs	Claire Dobson/Alistair Graham/David Miller	Limited	-	£1,000,000	£560,679
7. Supplementary Staffing	Janette Keenan/David Miller	Moderate	Improvement	£5,000,000	£5,000,000
8. Procurement	Claire Dobson	Moderate	Improvement	£500,000	£500,000
9. Corporate Directorates	Margo McGurk	Significant	-	£1,500,000	£1,500,000
10. Business Transformation	Alistair Graham	Limited	-	£2,400,000	£906,274
11. Surge Reduction	Claire Dobson	Limited	-	£1,850,000	£584,385
12. Planned Care	Claire Dobson	Significant	Improvement	£1,200,000	£2,521,000
13. SLA & External Activity	Margo McGurk	Limited	-	£5,000,000	£2,000,000

RTP – November Look back

The November position has seen an improvement in performance with total savings only £511,234 short of the projected savings target. There are still a number of areas which require continued focus until the end of the financial year.

Supplementary staffing continues to be challenging, the spend on agency and bank continues to reduce and savings now starting to be realised through direct engagement work. Further work is underway to increase compliance for direct engagement by the end of the financial year.

Procurement exploratory work underway with teams regarding stock held and processes to support waste reduction. Bariatric equipment proposal has the potential to significantly reduce rental costs.

Business transformation the effect of direct impact digital projects as well as the bridging actions to date around vacancy management have seen an improvement in savings achieved. Further plans are being developed to deliver savings in other areas of the organisation.

Surge reduction savings have been impacted by high continuing levels of emergency admissions, with acute services operating at pressures higher than the preceding 2 winters.

Complex negotiation with partners is required to deliver planned savings in **SLA activity** – concerns have been raised by external partners, which places a level of risk on delivery and discussions are ongoing at a national level regarding this.

RTP – November Look back

Medicines optimisation work has progressed in line with plans. The volume and range of medicines shortages being seen currently (this is a global issue) causes a level of concern in the medium term and may impact the delivery of the stretch target, although mitigations are in place.

Work is underway to **rationalise our estate**. Work has commenced to look at additional opportunities around rationalising the Cameron and Stratheden estates. A full estate appraisal is underway.

Addressing **non-compliant rotas** is on track. The first round of monitoring began in September with all rotas passing this current round. Savings achieved to date are higher than expected. Preparations are underway to address any concerns before monitoring restarts in February.

Unscheduled care, corporate directorates, PFI contract and **planned care** work are all delivering on track with no issues to escalate

Legacy COVID costs work will require action across a small number of directorates with legacy posts, but there is assurance this will deliver.

RTP – An Organisational Portfolio of Change

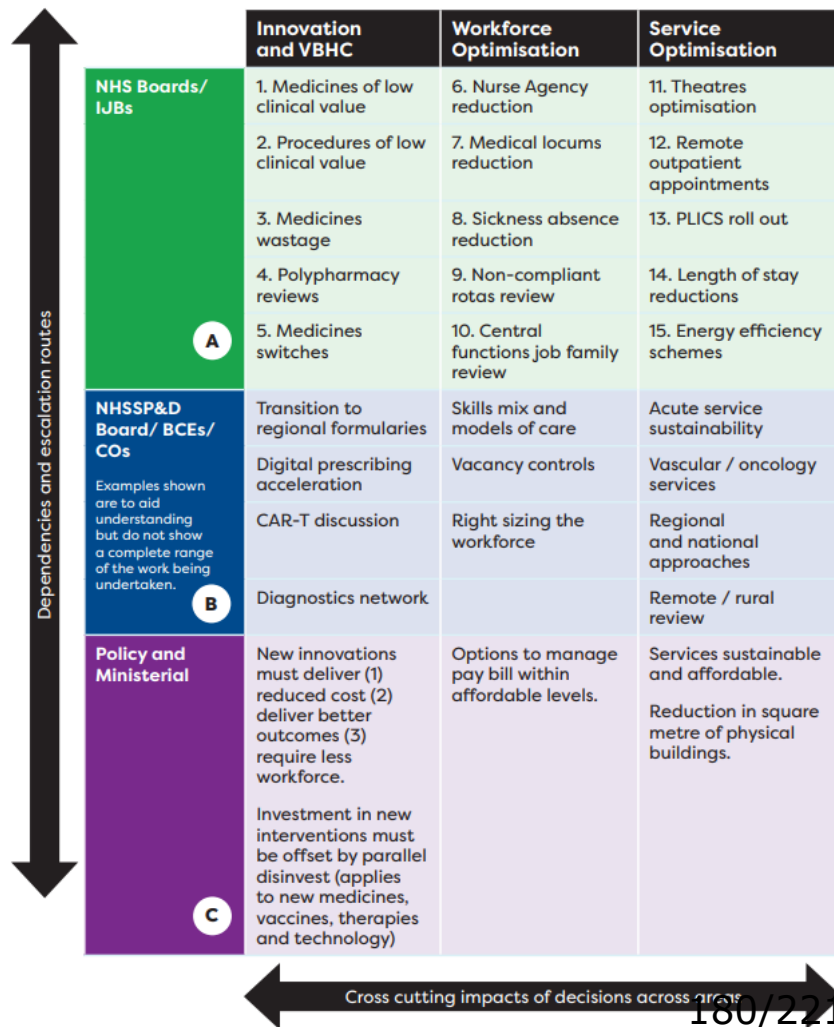
The Board has provided Scottish Government with a required return considering additional options for cash releasing savings. The return ran to 24 items, graded into difficulty of delivery.

We are expecting feedback from Scottish Government imminently, some of which can be progressed locally, others will require regional and national engagement, and potentially ministerial approval.

All actions within the 15-box grid at 'level A' are being pursued, at pace, where possible.

The return included several further property proposals, remodelling of clinical pathways and re-imagining the Victoria Hospital, challenging decisions on medicines optimisation, and approaches to reduce the scale of the workforce.

Linked to this, is work reviewing independent improvement suggestions provided by KPMG, which will form an additional check on local planning.



2. Unscheduled Care Bundle Executive Lead – Claire Dobson	Assurance Rating	Significant
	Target Saving	£700,000
	Savings YTD	£485,895
3. PFI Contract Executive Lead – Neil McCormick	Assurance Rating	Significant
	Target Saving	£600,000
	Savings YTD	£600,000
9. Corporate Directorates Executive Lead – Margo McGurk	Assurance Rating	Significant
	Target Saving	£1,500,000
	Savings YTD	£1,000,000
12. Planned Care Executive Lead – Claire Dobson	Assurance Rating	Significant
	Target Saving	£2,200,000
	Savings YTD	£1,680,667

Status Update

- These schemes are on track to deliver, and in all but one (Corporate Directorates) are projected to deliver beyond the savings forecast.
- There is significant assurance on delivery.

Planned Activity:

9/33 Ongoing monitoring monthly and maintenance of delivery.

1. Medicines Optimisation

Executive Leads – Joy Tomlinson/Dr Chris McKenna/Fiona Forrest

Assurance Level

Significant

Target Saving FY

£2,000,000

Forecast Saving FY

£3,000,000

Savings YTD

£1,201,226

Status Update:

- The target saving is on track, but the stretch target may be difficult to achieve due to external factors relating to availability of medicines.

Progress to date:

- Revised Acute Medicines Optimisation Plan in progress
- Reporting structure reviewed and updated to show scheme finance position accurately
- Medicines Waste campaign launched

Planned Activity:

- Monthly monitoring of the Medicines Optimisation plan and continued identification of opportunities.
- Identification of /and quantification of efficiencies to meet an extended £3M target is ongoing.
- Review of current prescribing guidelines across a number of specialties to more clearly define treatment pathways and access to medicines
- Comms and engagement plan with all staff.
- Reducing medicines waste in hospital.

Challenges / Opportunities:

- The availability of resources required to make the required changes in clinical practice is challenging.
- Monitoring and identifying areas of financial pressure and addressing these with the individual specialties.
- Apixiban shortage which has led to price increase and £0.5M risk to financial savings forecast; Acute services - delay in availability of Aflibercept biosimilar which has led to £0.8M risk in financial savings forecast. Mitigations for both risks underway.
- Patent dispute has delayed the launch of biosimilar omalizumab; this was projected to deliver £29k in 2024/25; now unlikely to deliver any benefits this financial year.

4. Estates Rationalisation

Executive Leads – Neil McCormick

Assurance Rating	Moderate
Target Saving FY	£2,000,000
Forecast Saving FY	£2,000,000
Savings YTD	£658,200

Status Update:

- Assurance maintained at moderate due to confidence in forecast for delivery.

Progress to date:

- Closure of underutilised administration buildings complete with all staff relocated within existing estate/Fife Council sites.
- Office accommodation optimised within existing estate.
- Bed modelling works nearing completion.
- Site appraisal works initiated and updated property valuations awaited.

Planned Activity:

- Complete Cameron site consolidation (alternate space for Addictions team and Public Dental Service). Additional capital required to implement changes.
- Complete Mental Health review. Estates Mental Health sub-group being re-established – first meeting in January 2025.
- Receive property valuations.
- Draft property rationalisation plan developed.
- Continue to monitor and manage energy use across the estate including looking at ways to monitor energy at a granular level, by installing more energy meters.
- Quantify likely energy savings based on interventions made in FY23/24 and planned interventions for FY24/25.

Opportunities/Threats

- £1.9m of potential savings identified and to be realised over FY24/25, options for remaining £100k being explored.
- Potential lease/sale opportunities arising for key sites – to be explored further.
- Site opportunities may be constrained by ongoing clinical commitments.
- Energy inflation and new sustainability regulations may affect savings made elsewhere.
- Ongoing capital investment required to support site consolidation effort.

4. Estates Rationalisation

Executive Lead – Neil McCormick

Milestone Plan

Dec 24

- Receive updated site valuations
- Complete bed modelling work
- Develop options around mental health estate

Jan 25

- Mental health project subgroup initiated
- Identify savings required for FY 25/26

Feb 25

- Develop target saving items for 25/26
- Develop metering strategy for estate

Mar 25

- Agree outline plan for mental health estate
- Achieve £2m savings target for FY24/25
- Agree scope and cost to enable residual Cameron consolidation
- Agree savings target and items for 25/26

4. Estates Rationalisation

Executive Lead – Neil McCormick

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk that site opportunities may be constrained by ongoing clinical requirements resulting in the inability to achieve desired savings targets	<p>Closely managing expenditure through Senior MT and aiming to identify any additional savings.</p> <p>Work closely with mental health service to improve their model of care whilst reducing estate risk and footprint.</p>	3	3	9 – Moderate Risk
There is a risk that other SG policy drivers could impact our budget position (e.g. sustainability team and vehicle electrification all funded from existing budget position)	Find other saving opportunities within existing budget allocation to help off-set.	3	3	9 – Moderate Risk

5. Non-Compliant Rotas

Executive Lead – Dr Chris McKenna

Assurance Rating	Moderate
Target Saving FY	£1,000,000
Forecast Saving FY	£1,739,000
Savings YTD	£1,001,333

Status Update:

- Assurance remains as moderate due to controls put in place at service level to encourage rota compliance.
- Rota monitoring began in September 2024 with results from the first round completed in November and all rota's are compliant.
- A second stage of monitoring will be completed from February 2025 with final savings being reported at the end of the financial year.

Progress to date:

- Results of first rounds of rota monitoring have been completed and at this stage all have passed.
- StaffLink pages have been approved and are now live on Blink.
- SOP has been approved.

Planned Activity:

- Preparation of second intake of DDiT for next round of monitoring to begin in February.
- Link in with Medical Education around survey for feedback for new intake of DDiT.

Opportunities/Threats:

- None identified until results received and reviewed.

5. Non-compliant Rotas

Executive Lead – Dr Chris McKenna

Milestone Plan

Dec 24

- Qualitative feedback review on Fife resources for DDIT & Gateway EU

Jan 25

- Services to address any concerns of rota monitoring results prior to second round beginning in February

Feb 25

- Second stage of monitoring to begin

5. Non-compliant Rotas

Executive Lead – Dr Chris McKenna

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk that the redesigned rotas will not pass monitoring and result in sustaining the overspend.	The current communication and management of monitoring expectations by Service Managers and Senior Clinical Staff has been effective and resulted in sufficient returns and all monitoring passed. The risk remains moderate due to the requirement to sustain this.	3	4	12 – Moderate risk
There is a risk that lack of engagement from DDiT could result in insufficient returns and rotas will return to band 3.	Rotas have passed first stage of monitoring which proves they can be fit for purpose. Some returns were challenged by Senior Staff within the Medical Directorate due to refusal to take breaks and claiming non-compliance. This has been addressed however risk remains the same as it is required to be sustained messaging and ongoing review as returns are being submitted.	3	4	12 -Moderate risk

6. Legacy Covid Costs

Executive Leads – Claire
Dobson/David Miller/Alistair
Graham

Assurance Rating	Limited
Target Saving FY	£1,000,000
Forecast Saving FY	£560,679
Savings YTD	£373,786

Status Update:

- Limited assurance at this time as full savings identified not delivered.
- Work is underway in digital and workforce directorates to mainstream legacy costs and realise savings.

Progress to date:

- A paper outlining plans to reduce the workforce covid costs approved by Board.
- Viability of an exit plan for D&I Items being assessed.

Planned Activity:

- NRAC funds to be used to remove the cost pressure.

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk due to impact on workforce that delivery may not be feasible at the pace required for the organisation.	Any changes to workforce because of mainstreaming COVID costs will be managed in partnership and supported by staff side colleagues, offset through our vacancy management processes.	4	4	16 - High Risk

7. Supplementary Staffing

Executive Leads – Janette Keenan/David Miller

Assurance Rating	Moderate
Target Saving FY	£5,000,000
Forecast Saving FY	£5,000,000
Savings YTD	£3,667,582

Status Update:

- Assurance level now moderate, savings have improved over November due to the reallocation of NRAC funding. There is confidence the savings target will be achieved.

Progress to date:

- Direct engagement model introduced on 5th August and to end November has generated £238,215 in NET savings across the organisation with the highest savings recorded in one calendar month so far being in November. Compliance rate currently around 56%, with a stretch aim to achieve 90% by January 2025.
- Agreement on assurance measures for supplementary staffing reporting in People & Change Board.
- Grip and control improved through closer scrutiny of block and advanced bookings by Senior Nursing team.

Planned Activity:

- Review of Blink content to have single source of SOPs/information for staff and managers.
- Scoping improvement work in haematology continues - opportunities for process efficiencies identified.
- Scoping additional savings opportunities in overtime rates paid to bank staff.

Opportunities/Threats:

- Integrated Joint Board launched their recovery plan with a focus to reduce supplementary staffing overspend in HSCP.
- Multiple service areas at 100% compliance for direct engagement.

7. Supplementary Staffing

Executive Leads – Janette Keenan/David Miller

Milestone Plan

Dec 24

- Increase direct engagement compliance by working with compliance user group.
- Review and update Blink content for all staff groups.
- Haematology service improvement scoping.
- Scoping overtime payments made to bank staff
- Circulate amended ready reckoner with new pay rates

Jan 25

- Increase direct engagement compliance to 90%

7. Supplementary Staffing

Executive Leads – Janette Keenan/David Miller

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk of continued use of agency staff within certain known areas due to national skill shortage will result in continued reliance on supplementary staff to support core service functions.	Additional NQPs recruited, although less than anticipated now joining. Focussed work on key areas of difficulty is under way in mental health and haematology.	5	4	20 – High Risk
There is a risk that the continued use of supplementary staff within certain known areas due to national skill shortages will result in a continued high spend in these areas.	Locums will be encouraged to sign up for Direct Engagement to mitigate VAT spend on rates, work of supplementary staff group continues. Risk accepted.	5	3	15 – High Risk

8. Procurement

Executive Lead – Claire Dobson

Assurance Rating	Moderate
Target Saving FY	£500,000
Forecast Saving FY	£500,000
Savings YTD	£249,188

Status Update

- Assurance level now moderate, there is confidence that the savings target will be achieved as the number of schemes expands and savings are being quantified.

Progress to date:

- Deep dive with teams into the process regarding plus sized/bariatric equipment, capital investment (approved) will reduce rental spend and enhance patient experience.
- Expired stock audits are informing engagement with teams to minimise waste.
- Ongoing communication and engagement to embed linen return scheme with Care Homes, wards and SAS.

Planned Activity:

- Continue to explore ideas, track expenditure and engage with teams to identify additional opportunities.

Challenges / Opportunities:

- A number of schemes are supporting a reduction in landfill/clinical waste.

8. Procurement

Executive Leads – Claire Dobson

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
Cultural change for staff and potential new ways of working or using different equipment.	Staff will be consulted on any proposed changes and will have the opportunity to voice any concerns.	4	3	12
Time is invested in exploring opportunities which yield little or no savings with the consequence that staff engagement is diminished	Realistic review of ideas before resources are expended working up schemes.	4	3	12

10. Business Transformation

Executive Lead – Alistair Graham

Assurance Rating

Limited

Target Saving FY

£2,400,000

Forecast Saving FY

£906,274

Savings YTD

£850,192

Status Update:

- Assurance level remains as limited due to the time taken to establish a formalised programme. However, through the effect of direct impact digital projects as well as the bridging actions to date around vacancy management, around £850K of savings have been verified to date.

Progress to date:

- 13-week recruitment pause implemented for administration job family and automate as far as possible the VMF process via JobTrain.
- Project Briefs in development to consolidate administration review activity. Consolidation work proposed in Corporate function areas such as Change/Performance & Planning, Health Records and an Organisational Assurance theme.
- Project briefs also in development to identify Corporate function transactions and to move such routine enquiry over to a new service desk model. As well as more focused reviews in the areas of Management Support and Digital Dictation.
- Bridging action project formed related to exit strategy for fixed-term posts within administration job family.

Planned Activity:

- Mapping of teams associated with priority areas to target for reviews. Due to a renewed appetite for the consolidation of Corporate functions, develop cases for change in 3 priority areas for consolidation, which should then direct review work required.
- Work on a programme blueprint that will inform an outline target operating model associated with the business transformation work.

Challenges / Opportunities:

- Programme has not progressed as anticipated due to the complexity of planning required to date and time needed to agree approval on principles.
- Different approach required than originally intended due to pre-requisites identified in PID not being in place.
- Immature management information set-up means discovery phases later in starting associated with projects, as data and evidence base needs to be built and established.

10. Business Transformation

Executive Lead – Alistair Graham

Milestone Plan

Dec 24

- Function review projects/functions for consolidation activity.
- Progress implementation of the VMF process Jobtrain automation work.
- Progress implementation of general engagement and education around digital opportunities
- Mapping of management support ratios completed

Jan 25

- Initial mapping of staff to Corporate functions in scope for consolidation activity.
- Commence engagement with in scope services

Feb 25

- Outline target operating model

10. Business Transformation

Executive Lead – Alistair Graham

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk of double/multiple counting of benefits associated with administrative staff aspects, because of Directorates/Services counting a reduction in these roles within their own proposals/reductions being counted in proposals related to RTP Corporate Directorates, which may result in savings not being delivered to desired target values.	Direct impact digital opportunities feeding into Finance. Work in progress on establishing several dashboards to show impact across WTE change in the system.	3	4	12 – Moderate Risk
There is a risk that the savings opportunities are not as large in scale or as achievable as first imagined, because of the reliance on staff savings through consensual means, which may result in savings not being delivered to desired target values.	Programme undertaking a midyear review with Finance colleagues. The rationale and validation of original programme targets is being reviewed as part of that process, along with any underpinning assumptions.	3	4	12 – Moderate Risk
There is a risk savings cannot be realised aligned to desired timescales, because of the complex change work to enable them having to occur and embed first, which may result in failing to deliver savings targets within optimum timescales.	As directly above.	3	4	12 – Moderate Risk
There is a risk business change enablement is not given adequate time to complete prior to savings being released, because of an emphasis/focus on achieving financial savings targets, which may result in poorly delivered change and additional operational service pressures.	Staff engagement, operational staff collaboration and a stage boundary approach to project plans will be undertaken. Work also to be undertaken aligned with Unison Charter for change principles.	2	4	8 – Moderate Risk

11. Surge Reduction

Executive Lead – Claire Dobson

Assurance Rating	Limited
Target Saving FY	£1,850,000
Forecast Saving FY	£584,385
Savings YTD	£389,590

Status Update:

Assurance levels remain limited as surge reduction savings have been impacted by high continuing levels of emergency admissions, with acute services operating at pressures higher than the preceding 2 winters. Plans are progressing around improved system flow and discharge planning, supporting Fife's National below average LOS. However average occupancy has been consistently above 95%. Engagement underway to explore surge medical staffing model options.

Progress to date:

- Ward 6 & 9 - creation of supported discharge units with new dedicated Gateway Doctor's staffing model from August.
- Implementation of ward access targets.
- Training delivered to additional 18 discharge co-ordinators.
- Maintenance of reduction of 11 beds across surge footprint.
- Reduction of AVG. 30 patients boarding into surgical.
- Clinical leads / SLT discussion on surge model – clinical teams unable to manage surge patients daily until they are at full establishment - x5 teams currently at least 1 Consultant short.
- Development of Supported Discharge Improvement Group for operational improvements.

Planned Activity:

- Scoping of AHP workforce model. 16% vacancy factor in AHP.

Challenges & Opportunities:

- High levels of emergency admissions continue – (mean 208 daily), are operating at winter-level pressures continuously.
- If investment is not available to recruit to substantive nursing and consultant posts to manage surge beds, then this scheme will not achieve the savings outlined.

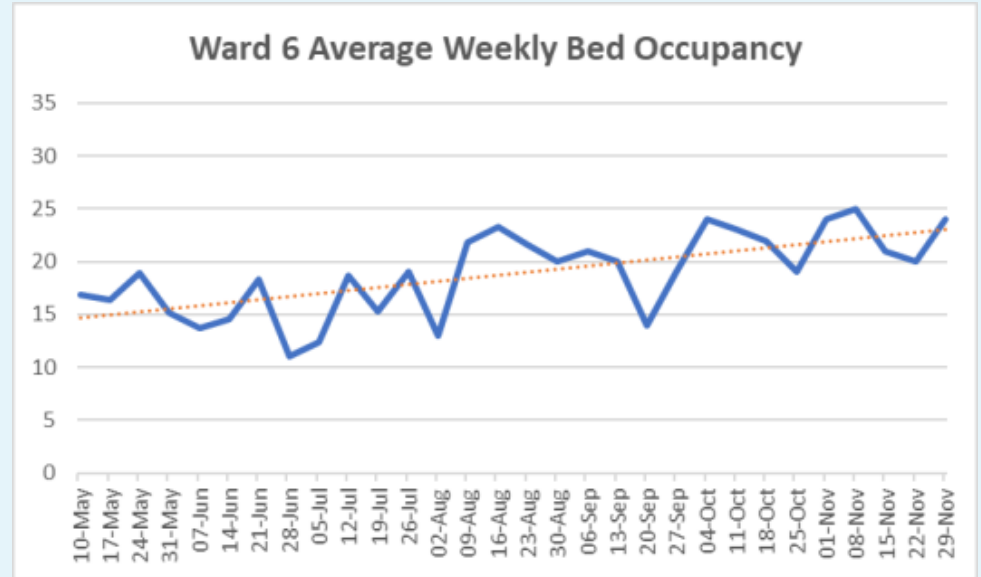
11. Surge Reduction

Executive Lead – Claire Dobson

Assurance Rating	Limited
Target Saving FY	£1,850,000
Forecast Saving FY	£584,274
Savings YTD	£389,590

Data Informatics:

- Acute are experiencing continuous high-levels of emergency admissions and operating at winter-level pressures throughout the year.
- Year on year reduction in number of patients boarded into surgical wards - average 11 beds
- Within Ward 6 the current 18-week average bed occupancy is 21.



11. Surge Reduction

Executive Lead – Claire Dobson

Assurance Rating

Limited

Target Saving FY

£1,850,000

Forecast Saving FY

£584,385

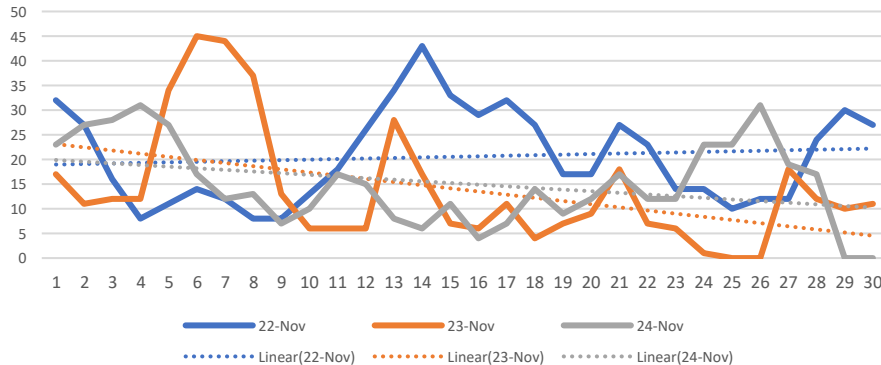
Savings YTD

£389,590

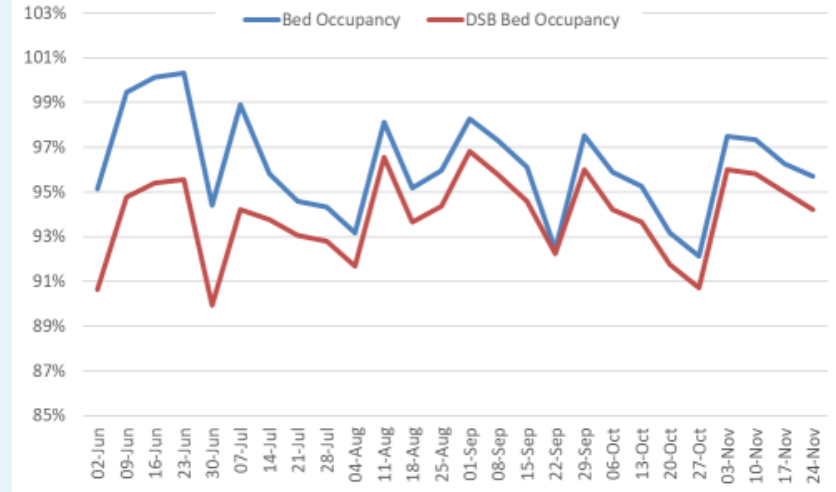
Balancing Measures

- Number of patients awaiting a transfer of care on the Discharge Hub waiting list is an average of 25 patients daily.
- Median Daily Hospital Occupancy is 95.9%.
- Median VHK Back Door Ward Occupancy is 94.2%, which provides challenges in moving patients on to their next area for care.
- Median Community Hospital Occupancy is 105.5%.

Surgical Directorate Boarding November 24



VHK Bed Occupancy



11. Surge Reduction

Executive Lead – Claire Dobson

Milestone Plan

Dec 24

- Scoping of AHP workforce model. 16% vacancy factor in AHP.
- Development of Supported Discharge Improvement Group for operational improvements.
 - Review criteria for Wards 6 & 9.
 - Review escalation processes.

Jan 25

- Scoping of AHP workforce model. 16% vacancy factor in AHP.
- Development of Supported Discharge Improvement Group for operational improvements.
 - Review criteria for Wards 6 & 9.
 - Review escalation processes.

Feb 25

- Scoping of AHP workforce model. 16% vacancy factor in AHP.
- Development of Supported Discharge Improvement Group for operational improvements.
 - Review criteria for Wards 6 & 9.
 - Review escalation processes.

11. Surge Reduction

Executive Lead – Claire Dobson

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk that occupancy cannot be reduced by 10 beds resulting on boarding patients into PCD which could lead to cancellations.	The risks above have been mitigated by establishment of 4pm Daily Huddles with MDT to raise awareness of demands and link to capacity planning to escalate concerns in timely manner. MDT approach taken to ensure clinical buy in to support timely progress of work.	5	3	15 – High Risk
There is a risk that unscheduled care demand cannot be managed resulting on an increase in need for beds.		5	3	15 – High Risk
There is a risk that there are not enough available community beds and patients to have to remain in VHK.		5	3	15 – High Risk
There is a risk that if we do not invest in recruitment of substantive nursing and consultant posts within this financial year then we will not reach the savings outlined within this scheme.	Workforce tools run to understand nursing requirement for discharge unit beds. Ongoing discussions and scoping of AHP Consultant model to understand role and governance within Fife and financial proposals.	3	3	9 – Moderate Risk

13. SLA and External Activity

Executive Lead – Margo McGurk

Assurance Rating

Limited

Target Saving

£5,000,000

Forecast Saving

£2,000,000

Savings YTD

1,333,333

Status Update:

- Assurance remains limited while discussions with external partners are pending.

Progress to date:

- Progress made in November included agreement to start discussion on the potential withdrawal process from current decontamination provider. Plans are afoot for representatives from NHS Fife to meet with NHS Tayside to discuss the risks and issues that have been identified to date.
- On further exploration of the increase in referrals from North East Fife GP practices to Acute Services in NHS Fife, it was confirmed that patients are choosing where to be seen based on waiting times and clinical excellence.
- Scottish Government have advised of the uplift for SLAs for 2024/25, specific funding has been allocated to partly cover this. The financial cost of pressure of £5m previously reported has now been reduced to £2m. The £5m target saving above related to applying a 3% cres saving to SLAs and will not be delivered following the national settlement on uplift.

Planned Activity:

- Discussions with NHS Tayside regarding current decontamination service.
- Development of an activity dashboard to support Performance Management group meetings.
- Ongoing discussions with other Boards Chief Executives relating to transition into Performance Management group by 1 April 2025.
- RTP/SLA Moving towards a Business-as-usual model in 2025/26 - Closing report to be developed.

Challenges & Opportunities:

- Decontamination services review and potential supplier change could deliver £400k recurring savings from 2025/26.

13. SLA and External Activity

Executive Lead – Margo McGurk

Milestone Plan

Dec 24

- Initiation of discussions with NHS Tayside regarding decontamination services

Jan 25

- Development of activity dashboard
- Ongoing discussion with other Boards relating to future Performance Management model

Feb- Mar 25

- Move towards embedding reviews into business-as-usual activity
- Closing report
- Preparatory work being undertaken ahead of Performance Management Group commencing in new financial year

13. SLA and External Activity

Executive Lead – Margo McGurk

Risk Log

Risk	Mitigation	Likelihood Score	Impact Score	Overall Score
There is a risk that NHS Lothian and NHS Tayside will not accept the financial planning assumptions and/or that a national challenge will ensue.	Initial meetings being held amongst boards. Current status with NHS Lothian has dictated a rise in likelihood to Almost Certain. Further meetings are planned to try and establish some compromise.	5	4	20 - High Risk

FIFE CAPITAL INVESTMENT GROUP

(Meeting on 18 December 2024)

No issues were raised for escalation to the Finance, Performance & Resources Committee.

MINUTE OF FIFE CAPITAL INVESTMENT GROUP MEETING

**Wednesday 18 December 2024 at 9am
via MS Teams**

Present: Margo McGurk, Director of Finance & Strategy (MMcG) (**Chair**)
 Neil McCormick, Director of Property & Asset Management (NMcC)
 Jim Rotheram, Head of Facilities (JRo)
 Tracy Gardiner, Capital Accountant (TG)
 Ben Johnston, Head of Capital Planning / Project Director (BJ)
 Paul Bishop, Associate Director of Estates (PB)
 Alistair Graham, Associate Director of Digital & Information (AG)
 Jimmy Ramsay, Head of Sustainability (JR)
 Rose Robertson, Assistant Director of Finance (RR)
 Lisa Cooper, Head of Primary and Preventative Care Services (LC)
 Fiona Forrest, Acting Director of Pharmacy & Medicines (FF)

In Attendance: Jillian Torrance, Head of Complex and Critical Care (JT)
 Kerrie Donald, Executive Assistant (*minutes*)

Apologies: Janette Keenan, Director of Nursing (JK)
 Dr Chris McKenna, Medical Director (CM)
 Maxine Michie, Deputy Director of Finance (MMi)
 Claire Dobson, Director of Acute Services (CD)

1.0	<p>WELCOME AND APOLOGIES</p> <p>Apologies were received from Dr Chris McKenna (Medical Director), Janette Keenan (Director of Nursing), Maxine Michie (Deputy Director of Finance) and Claire Dobson (Director of Acute Services).</p>	
2.0	<p>NOTES OF PREVIOUS MEETING</p> <p>Members approved the note of the previous meeting held on 2 October 2024 and 30 October 2024 (workshop) as an accurate record.</p>	
3.0	<p>ROLLING ACTION LIST / MATTERS ARISING</p> <p>The action log was updated accordingly.</p>	
4.0	<p>MINUTES OF OTHER COMMITTEES</p> <p>4.1 Clinical Contingency Group The minutes of the meetings held on 10 October 2024 and 11 November 2024 were noted by the group. LC provided an update on the Urgent Care Service Fife – Relocation of Urgent Care paper highlighting the information provided was well received by EDG members. NMcC praised the paper noting the benefits of system working.</p>	

	<p>4.2 Capital Equipment Management Group The minute of the meetings held on 3 October 2024 and 7 November 2024 were noted by the group.</p>	
<p>5.0</p>	<p>PLANNING</p> <p>5.1 Scottish Government Budget Announcement – Capital 2025/26 MMcG provided an update on the Scottish Government budget announcement noting a 5% uplift on the formula capital allocation.</p> <p>MMcG thanked the team for their continued work with all service areas to ensure the additional capital allocation for 2024/25 is maximised.</p> <p>Following a query regarding the Kincardine and Lochgelly Health Centres, NMcC noted work has been carried out in both centres to improve workplace conditions, including replacement of windows and staff rooms, however acknowledged due to capital funding no further work has been planned.</p> <p>5.2 Additional Capital Funding 2024/25 & 5 Year Capital Equipment Plan RR provided an in depth overview of the paper highlighting £4.1m additional capital funding was confirmed on 12 December 2024. Following a meeting with Mike Conroy on 21 November 2024, NHS Fife were asked to submit 'Invest To Save' capital equipment bids noting equipment submitted must demonstrate and measure productivity gains and must be deliverable before the end of financial year. Further communication was received from Scottish Government requesting for details on any discrete works and equipment which could take place and be delivered before the end of the financial year, should capital funding become available. NHS Fife issued the submission on 10 December 2024 and confirmation of approved funding for £4.1m was received on 12 December 2024. RR highlighted items not included within the submission included a dental van, building maintenance work and patient monitors as they did not meet the criteria laid out by Scottish Government.</p> <p>RR highlighted CEMG have approved all capital items to date however have overspent by £11k. It was advised approval to overspend was given by MMi as additional funding had been confirmed. RR further noted CEMG may require additional funding if any slippage becomes available to support condemned priority items.</p> <p>5.3 Business Continuity & Essential Investment Infrastructure Plan BJ provided an overview of the paper noting it is due to be discussed at EDG on 20 December 2024, the Finance, Performance and Resources Committee on 14 January 2025, before submitting the draft to Scottish Government at the end of January 2025. It was noted the paper is mainly focused on backlog maintenance but includes medical and digital equipment as well as GP sustainability loans.</p> <p>Following discussion, it was agreed additional narrative should be included regarding GMS contracts, including further context around managing the risk of sustainability. It was also agreed the level of assurance within the paper should be reviewed and updated before issuing to the Finance, Performance and Resources Committee in January 2025.</p> <p>5.4 Project Hydra NMcC advised the replacement of medium temperature hot water pipe work is progressing well however the system requires to be connected in phase 1 which may result in having no hot water or heating for a few hours. Work however is ongoing with CD and the team to determine the best time to complete the works to ensure minimal disruption to services.</p>	

	<p>5.5 Medical Devices Group Feedback NMCC advised CMcK has now taken up the role as Chair of the group, and the terms of reference have been reviewed against national groups. It was noted the Scan for Safety policy requires to be in place by September 2025 which will change the way NHS Fife manages medical equipment and will involve joint working across services.</p> <p>5.6 Medical Education Update BJ noted Cedar House will be changed to student accommodation with work commencing in the new year. Space has also been identified within the tower block for Medical Devices noting work to convert the space is being funded externally.</p> <p>5.7 RTP Infrastructure Update BJ noted work is progressing to move services from Cameron Hospital to Randolph Wemyss Memorial Hospital, and work will commence in the new year to review the space available at Stratheden Hospital.</p>	
6.0	<p>PERFORMANCE</p> <p>6.1 Capital Expenditure Report TG provided an overview of the capital expenditure report noting all projects within the report have commenced, and monthly meetings are taking place with Estates and CEMG members to ensure plans are on track for completion before the end of the financial year.</p> <p>Following discussion, it was agreed for RR, TG and MMi to meet out with FCIG to determine if any unallocated FCIG slippage could be reallocated to CEMG for priority condemned funding.</p>	
7.0	<p>ISSUES TO BE ESCALATED TO EDG</p> <p>N/A</p>	
8.0	<p>AOCB</p> <p>N/A</p>	
6.0	<p>DATE OF NEXT MEETING</p> <p>Wednesday 5 February 2025, 1:00pm – 2:30pm, via MS Teams</p>	

PROCUREMENT GOVERNANCE BOARD

(Meeting on 30 October 2024)

No issues were raised for escalation to the Finance, Performance & Resources Committee.

MINUTE OF NHS FIFE PROCUREMENT GOVERNANCE BOARD (PGB)

**Wednesday 30 October 2024, 9am
Via MS Teams**

Present: Margo McGurk (MMcG) (**Chair**), Director of Finance & Strategy
 Kevin Booth (KB), Head of Financial Services & Procurement
 Claire Dobson (CD), Director of Acute Services
 Fiona Forrest (FF), Interim Director of Pharmacy & Medicines
 Paula Lee (PL), Head of Procurement
 Chris McKenna (CMcK), Medical Director
 Maxine Michie (MMi), Deputy Director of Finance
 David Miller (DM), Director of Workforce
 Lynne Parsons (LP), Employee Director

In Attendance: Kerrie Donald (KD), Executive Assistant (*minutes*)

<p>1.0</p>	<p>WELCOME AND APOLOGIES</p> <p>Apologies were received from:</p> <ul style="list-style-type: none"> • Paul Bishop, Associate Director of Estates • Alistair Graham, Associate Director of Digital & Information • Ben Hannan, Director of Reform and Transformation • Janette Kennan, Director of Nursing • Rose Robertson, Assistant Director of Finance • Shirley-Anne Savage, Associate Director for Risk and Professional Standards • Audrey Valente, HSCP Chief Finance Officer • Michael Cambridge, Associate Director of Procurement 	
<p>2.0</p>	<p>NOTES OF PREVIOUS MEETING</p> <p>The note of the meeting held on 31 July 2024 was agreed as an accurate record.</p>	
<p>3.0</p>	<p>ACTION LOG</p> <p>All actions have been updated as discussed.</p>	
<p>4.0</p>	<p>CAPACITY AND CAPABILITY ACROSS THE ORGANISATION</p> <p>4.1 PROCUREMENT RISK REPORT</p> <p>KB provided an overview of the paper noting the three pre-existing risks remain high.</p> <p>Risk 2189 in relation to the current economic climate resulting in significant cost pressures and an increased inability to achieve efficiencies remains high due to current financial outlook, significantly reducing the likelihood of delivering the desired savings targets of the board</p>	

	<p>through contract cost efficiencies. The limited opportunities as per the National Procurement Workplan and GAP report are indicative of the wider marketplace and remain a significant concern. The procurement team continue to monitor the marketplace and are engaging with service leads and suppliers to progress all opportunities and minimise cost pressure wherever possible.</p> <p>Risk 2945 in relation to the decrease in the number of national procurement frameworks resulting in an additional resource burden on NHS Fife’s local procurement team remains high. This risk is likely to remain at the current high level until the new financial year when National Procurement provide conformation on the 2025/26 workplan.</p> <p>Risk 2946 in relation to the recruitment of a significant number of new staff to the procurement team and the need to develop their skills, knowledge, and experience to align with the current business requirements of NHS Fife remains high. Development plans are in place across the team to mitigate this risk however it was acknowledged that it is expected to take time to develop the team’s knowledge and skills to fully meet the needs across NHS Fife and on the assumption that staff turnover does not return to the previous high levels experienced.</p> <p>KB further noted a new risk has been identified and highlighted to members for awareness. Risk 3076 in regard to the potentially unsuitable Ward Produce Management (WPM) workspace at the service yard, VHK. This risk has been assessed as a moderate risk noting NHS Fife Procurement and Facilities team have already implemented practical alterations and the need for alternative office accommodation has been highlighted to the Head of Facilities for consideration in the overall site rationalisation programme. MMcG requested that the suitability point be discussed further to ensure any future actions/moves are actioned.</p> <p>The Procurement Governance Board took a moderate level of assurance from the update.</p> <p>4.2 WAVIER OF COMPETITIVE TENDERS – QUARTER 2</p> <p>PL provided an overview of the paper noting there has been 1 wavier of competitive tender during quarter 2 for the CRIS Radiology Information System at a value of £96k, which has been approved in line with NHS Fife’s Standing Financial Instructions.</p> <p>The Procurement Governance Board took a significant level of assurance from the update.</p> <p>4.3 PROCUREMENT KEY PERFORMANCE INDICATORS</p> <p>PL provided an in-depth analysis of the Key Performance Indicators presented within the paper, highlighting the average monthly purchase order spend via Pecos at 30 September 2024 was £15.4m, with a total spend of £92.6m. It was further noted the customer service KPI has shown continued improvement throughout the year, with no formal complaints raised in relation to procurement services.</p> <p>Following a query, it was highlighted the procurement figures noted within the paper align to procurement team driven activity, however MMcG expressed concern that this did not appear to reconcile with the RTP reported procurement savings. MMcG requested this be reviewed and amended as required. Following discussion, it was agreed an updated paper would be circulated to members, cross referencing to the Q2 RTP procurement savings, prior submission of the report to the Finance, Performance & Resources Committee.</p>	KB
5.0	<p>SPEND PROFILING AND EFFICIENCY OPPORTUNITIES</p> <p>5.1 NATIONAL PROCURMENT GAP REPORT</p>	

	<p>PL presented the paper noting figures are from October 2024 as reported by National Procurement. It was highlighted there are 4 outstanding and 2 new National Procurement frameworks with a potential savings opportunity for NHS Fife of £140k. It was noted the gap will be closed when opportunities have been delivered and the savings validated locally, or when any opportunities are unavailable to NHS Fife and reported back to National Procurement.</p> <p>Following a query from FF, it was advised the majority of spend is on national contracts however if the spend with any supplier is lower than £50k, then no contract is required. Work however is ongoing to review spend areas below £50k to see if any annual contracts can be put in place.</p> <p>The Procurement Governance Board took a moderate level of assurance from the update.</p> <p>5.2 REFORM, TRANSFORM PERFORM UPDATE No updates were discussed.</p>	
6.0	<p>AOCB</p> <p>6.1 NHS SCOTLAND PROCUREMENT STRATEGY KB highlighted the NHS Scotland Procurement Strategy to member for awareness noting the strategy shows the joined up approach across all NHS Board in Scotland.</p>	
7.0	<p>DATE OF NEXT MEETING</p> <p>Wednesday 29 January 2025, 9am – 10:30am, via MS Teams</p>	

**PRIMARY MEDICAL SERVICES SUBCOMMITTEE
(Meeting on 3 December 2024)**

No issues were raised for escalation to the Finance, Performance & Resources Committee.

**UNCONFIRMED Minutes of the Primary Medical Services Sub-Committee
(PMSSC)**

held on Tuesday, 3rd December 2024, 1:30-2:30pm, via MS Teams

Members Present:	Christopher McKenna	Medical Director [Chair]
	Fiona Henderson	LMC Representative
	Nicola Taylor	Primary Care Manager
	Susannah Mitchell	LMC Representative
In Attendance:	Christopher Sharkey	Finance Business Partner
	Helen Hellewell	Deputy Medical Director
	Glaiza Martin	Primary Care Administrator [Minutes]
Apologies:	Christopher Conroy	Senior Portfolio Manager – Primary & Preventative Care
	Fiona McKay	Interim Director – Fife Health and Social Care Partnership
	Linda Neave	Head of Primary Care Administration
	Lisa Cooper	Head of Primary and Preventative Care Services
	Margo McGurk	Director of Finance and Strategy/Deputy Chief Executive
	Sarah Lim	LMC Representative

ITEM		ACTION #
1.	WELCOME, INTRODUCTIONS AND APOLOGIES	
	<p>C McKenna welcomed everyone. Apologies were noted as above.</p> <p>Everyone agreed to record the meeting for the purpose of accurate minute-taking.</p> <p>S Mitchell and F Henderson reported their work laptops are not working after they leave the practice premises. C McKenna offered to discuss this matter with Alistair to explore potential solutions regarding the Office Bearers' laptops. [Action]</p>	PMSSC 07/24
2.	DECLARATION OF MEMBERS' INTERESTS	
	<p>There were no declarations of interest.</p> <p>H Hellewell agreed to excuse herself from the meeting during the discussion of the Glenrothes cluster's boundary amendment request.</p>	
3.	UNCONFIRMED MINUTES OF THE PREVIOUS MEETING (27/08/2024)	
	The minutes were recorded as an accurate record of the meeting.	
4.	ACTION TRACKER REVIEW	
	<p>The group reviewed the action tracker during the meeting.</p> <ul style="list-style-type: none"> Improvement grants policy/procedure to be reviewed and to include prioritisation method - N Taylor advised that in several meetings, it was determined that primary care improvement grant funding for GPs running health centres requires review. GPs running their own health centres already contribute maintenance fees; therefore, funding requests for items such as low-level maintenance should be categorised under maintenance, not primary care. Consequently, the 	

Primary Care team have spent the last few months strengthening communication channels to clarify this distinction.

Primary care is experiencing a notable decrease in successful improvement grant applications. Linda Neave and N Taylor are working with Estates colleagues to obtain funding for improvements such as new equipment. While progress has been made with reducing grant applications, further work is needed. Regular weekly meetings with the Estates colleagues are now scheduled to address this matter. The weekly Primary Care Contractor Management team meetings will facilitate efficient decision-making on relevant issues, preventing the unnecessary escalation of minor matters to this Committee.

To enhance clarity and accountability, C McKenna proposed a comprehensive documentation of all discussed points and procedures. This formal record will serve as a definitive reference for all established practices and will clarify expectations. N Taylor agreed to implement this. [Action]

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F Henderson added that from an Office Bearer's perspective, two concerns arose: privately owned buildings receive only two-thirds of the improvement grant cost, while those in health board buildings receive the full amount. Given the direction N Taylor described, ensuring equitable access to these funds is crucial, especially since the differences in requests between the two subsets seem minimal regarding maintenance works. Therefore, the Office Bearers enquire whether providing 100% improvement grant funding to all practices, not just those in health board buildings is feasible.

Secondly, there appears to have been an unannounced pause on improvement grants. The Office Bearers seek clarification on this matter, as while Linda Neave indicated no pause, practices have reported otherwise, suggesting that no funds are currently being disbursed. These two points represent the Office Bearers' primary concerns.

C McKenna concurred and enquired regarding the origin of the two-thirds rule. If this is a formally documented regulation, compliance is mandatory. However, if it is an internally established guideline, its flexibility and potential for exceptions need clarification.

N Taylor clarified that the apparent pause in processing was not a suspension of the process itself, rather a delay in allocating funds due to the complexity of some applications. For instance, a high-value application (£45,000) for creating a CTAC space presented challenges, as such projects are not typically eligible for improvement grants. This necessitates broader system-wide discussions and a more comprehensive decision-making process. Nevertheless, all straightforward enquiries have been addressed.

Regarding funding allocation, minor shifts in spending or allocation may warrant consideration of improvement grants on a case-by-case basis. However, the permissible range of offered practices, as defined in the statement of financial entitlement, requires further review; it appears to be between 33% and 66%, however, ultimately, this is at the health board's discretion. Each health board retains the authority

	<p>to review applications individually, precluding a standardised approach. N Taylor happy to review the matter further and prepare a written summary outlining the key points discussed.</p> <p>H Hellewell clarified that the guidelines do not address specific practices, leaving such decisions to the discretion of the health board. No differential treatment is prescribed for practices based on their affiliation with or location relative to the health board. Regarding the statement of financial entitlement, a review of this document may be warranted as part of this process.</p> <p>N Taylor emphasised the need to consider both local actions and overarching rules. N Taylor plans to discuss this with Linda Neave upon her return. However, operational aspects are now clear, and further discussion with the Estates colleagues would be required.</p> <p>C McKenna enquired whether there are any outstanding requests currently awaiting processing. N Taylor confirmed that only the previously mentioned CTAC issue remains. However, an additional complication has arisen, resulting in a temporary suspension of their request. Regarding outstanding cases, the Primary Care team maintain consistent communication with the Practice Managers.</p> <p>S Mitchell noted that achieving parity across practices would be highly beneficial, considering the current financial climate. Provided this aligns with SFE regulations, health board support for such parity would represent a significant commitment.</p>	
<p>5.</p>	<p>PMS EXPENDITURE BUDGET</p>	
	<p>C Sharkey shared the PMS expenditure budget report during the meeting and provided an overview.</p> <p>The expenditure report covers seven months, up until the end of October, with November's figures still being processed. The projected budget for primary medical services in financial year 2024-2025 is £72.199 million. Two caveats exist: first, the additional funding tied to the DDRB recommendation uplift within the global sum uplifts, expected in October, has not yet been passed to the board by the Scottish Government. The finance department are reviewing this matter, and it seems there may be a slight delay due to a recent Friday announcement regarding an additional £13.6 million from the Scottish Government. The Finance Department awaits further details regarding the allocation of these funds. It is anticipated that both sums will be received simultaneously. Therefore, the current total is £72.199 million, though this figure is expected to increase by several million, considering DDRB uplifts and the £13.6 million.</p> <p>The current financial position reflects a £395,000 overspend, primarily due to a £442,000 overspend in 2C practices, partially offset by a £46,000 underspend in other areas. The projected year-end overspend is £750,000, with £600,000 attributable to 2C practices. The 2C practice expenditure run rate has decreased following Park Road's return to independent status. Ongoing review of costs within Methilhaven, Kennoway, and Linburn to try and reduce expenditure. Recent addition of Salaried GP to the Linburn team have lessened the need for locum GPs.</p>	

	<p>The final section of the report details improvement grants. At the close of the 2023-2024 financial year, £47,500 in improvement grant applications were pending. To date this year, an additional £19,900 in grants have been approved. Following discussions with practices, £7,000 of the initial £47,500 is no longer needed, resulting in a revised total. Expenditure through October totals £28,000.</p> <p>The Primary Care team have followed up with relevant practices to ensure timely claim submissions and subsequent reimbursements. Several November payments to the practices have reduced the outstanding balance. While a few larger payments remain outstanding, these should soon be resolved.</p> <p>As with prior years, any remaining funded bids will be rolled over into the 2025-2026 financial year.</p>	
<p>6.</p>	<p>APPLICATION TO CLOSE LUNDIN LINKS BRANCH SURGERY</p> <p>N Taylor reported that this is a resubmitted application, previously submitted before her tenure, to close a branch, which was rejected. Subsequently, a comprehensive review of patient engagement, including consultations with MSPs, has been conducted, along with a building condition report, fulfilling prior requests.</p> <p>The building has been closed since 2020, remaining unused and requiring approximately £30,000 in investment to meet the standards. This raises concerns regarding its suitability. In alignment with other practices, workforce limitations are a key issue; the current staffing model prevents efficient allocation across both sites.</p> <p>Leven Health Centre offers better facilities and staffing levels. Patient consultations indicate minimal concern regarding the branch site's closure since 2020, with many believing it permanently closed. The report addresses these points, including the availability of free public transport to Leven Health Centre. Therefore, the rationale for reconsidering the branch site's integration with the main facility is clearly outlined to the Committee for consideration.</p> <p>C McKenna noted the request's comprehensiveness and solicited feedback from fellow Committee members.</p> <p>S Mitchell indicated her support, contingent upon the board's avoidance of substantial financial investment in staffing and building renovations. Given current economic realities, continued service, even with potential travel adjustments to Lundin Links, seems preferable to building closure and sale, which would likely further reduce service provision.</p> <p>F Henderson concurred with S Mitchell, noting that the proposed closure of the Thornton branch to consolidate with the Rothes practice was supported based on similar grounds of building dilapidation and unsuitability. She deemed this closure proposal the most comprehensive and well-supported to date, presenting arguments difficult to refute. While the Newport closure was a recent comparable case, requiring the opening of a secondary branch, the justification for closing the Lundin Links branch is compelling.</p> <p>C McKenna noted that the Newport team developed alternative plans and concepts for that branch surgery, pursuing independent initiatives. Their</p>	

	<p>progress on educational applications remains unclear. Thornton serves as a relevant precedent, indicating established experience in this area.</p> <p>N Taylor explained that the requests regarding Thornton stemmed from the closure of their branch due to Covid, necessitating communication with patients to confirm the closure.</p> <p>H Hellewell advised that the limited feedback received relates to the bus service. She proposed suggesting to them that, when confirming service closures to patients, they also provide detailed information regarding alternative bus services for improved clarity. This would demonstrate a comprehensive approach to addressing the issue, contingent upon a thorough investigation.</p> <p>The Committee expressed their support of the branch surgery closure. N Taylor will inform the Practice Manager of the agreement reached at today's meeting and to ensure that patients receive the necessary information. [Action]</p>	<p>PMSSC 08/24</p>
<p>7.</p>	<p>CHECKLIST / PROCEDURE FOR HANDING BACK CONTRACTS</p>	
	<p>N Taylor informed that an SBAR and checklist have been circulated with the meeting papers, addressing previous requests for clarification on the process of GMS contract return by independent GP practices.</p> <p>The SBAR was shared on screen and discussed during the meeting by N Taylor.</p> <ul style="list-style-type: none"> • The primary care management team will establish a direct connection with the designated practice via staff engagement session. This will involve support from HR and staff side colleagues to support sessions and ongoing staff engagement throughout the practice's reintegration process. • The team will inform neighbouring practices of the potential for a future tender process. • The team will collaborate with C Sharkey on financial matters. • A key priority is ensuring staff are smoothly transferred to NHS Fife with clear communication regarding the implications for their employment, as several practices have handled similar transitions with varying terms and conditions. Since these staff are not covered by Agenda for Change, this process presents significant complexities. • The team will review any outstanding estate matters and proceed accordingly. • The team will conduct an EQIA to forecast future practice developments and assess their potential impact on patients. This will involve navigating governance channels, including SLT, EDG, and submitting relevant documentation to this Committee. <p>A detailed checklist of the procedures has also been provided for further information.</p> <p>C McKenna confirmed the checklist and SBAR's comprehensiveness.</p> <p>S Mitchell expressed satisfaction with the comprehensive documentation, deeming it highly beneficial. However, she anticipates increased future utilisation unless employer national insurance contributions are reinstated.</p>	

	<p>Immediate resolution is unlikely, and the financial instability of practices is expected to worsen, necessitating future reference to these documents. S Mitchell expressed gratitude for the team's efforts in compiling this resource.</p>	
<p>8.</p>	<p>GLENROTHES CLUSTER REQUEST TO AMEND BOUNDARIES</p>	
	<p>H Hellewell left the meeting.</p> <p>N Taylor advised that, excluding Rothes practice, the remaining six Glenrothes practices have collaboratively undertaken a comprehensive review of their operational boundaries over an extended period. Their objective is to eliminate any overlaps or gaps in service provision.</p> <p>Should a patient elect to change primary care providers within a given region, alternative practices in that region may lack the capacity to accommodate them, thus limiting patient choice. This matter, concerning patient transitions between local practices, has been presented to the Committee for review. The proposal aims to retain existing patients in areas slated for service reduction while prohibiting the acceptance of new patients. No areas currently lack GP coverage, eliminating concerns of access gaps. However, the proposal does restrict patient choice.</p> <p>F Henderson recalled encountering significant complexity in the mapping process during a prior review; she questioned whether comprehensive maps existed. While the specifics are unclear, the proposal appeared reasonable, and collaborative boundary adjustments were successfully implemented. However, boundary overlaps were absent, a situation deemed unacceptable. Patient choice must be maintained, allowing access to various services. Staff should be able to register outside their local area, and families ideally register at the same practice. While current patient retention is positive, sustainability concerns exist regarding potential patient removal from areas outside practice boundaries. Therefore, although boundary changes are supported, cross-coverage for all areas is crucial.</p> <p>S Mitchell agreed with F Henderson. The practices in Dunfermline each have subtly different service areas; while they coordinate their efforts, the majority of Dunfermline is comprehensively covered. Minor variations exist at the periphery, depending on location within the town; for example, northern practices do not service Rosyth, and vice versa.</p> <p>F Henderson added that while residents of the small village have ample choices, those in larger towns are having options reduced, a situation she finds inequitable.</p> <p>C McKenna concurs however expresses reservations on appearing unreasonable. This appears to create a disproportionate disadvantage, prompting reluctance to endorse the proposal.</p> <p>S Mitchell believes this is simply an alternative approach to other large Fife towns; therefore, she anticipates this initiative will be unsuccessful.</p> <p>F Henderson suggested Glenrothes is the location of a large housing development.</p>	

	<p>These new houses are likely closer to North Glen, potentially burdening that area. F Henderson believes no single practice can handle all the new houses and suggests cross-boundary options for dividing them.</p> <p>N Taylor will return the comments and discussions to the cluster. [Action]</p> <p>H Hellewell re-joined the meeting.</p>	<p>PMSSC 09/24</p>
9.	ANY OTHER COMPETENT BUSINESS (AOCB)	
	<p>F Henderson informed that the March meeting will extend into the Office Bearer's meeting due to its revised start time of 1:30 PM instead of 1:00 PM. The Primary Care Administrative team will review the meeting time. [Action]</p> <p>C McKenna kindly invited the Director of Fife Health and Social Care Partnership and the Head of Primary and Preventative Care Services to the next meeting, as their presence and input would be beneficial. The Primary Care Administrative team will verify the availability of Lisa Cooper and Lynne Garvey for the next meeting. [Action]</p>	<p>PMSSC 10/24</p>
10.	2025 MEETING DATES	
	<p>Tuesday, 4th March 2025, 1-2pm, via MS Teams Tuesday, 3rd June 2025, 1-2pm, via MS Teams Tuesday, 2nd September 2025, 1-2pm, via MS Teams Tuesday, 2nd December 2025, 1-2pm, via MS Teams</p>	