



**Performance Governance Committee – Minute of Meeting
Thursday 26 May 2022 at 0930 hours
Via Microsoft Teams**

1.0 Attendance

Present: Non-Executive Members

Bob Martin (Chair)
Ewing Hope
Adrian Carragher

Board Advisor/Ex-Officio

Claire Burden	Chief Executive
Derek Lindsay	Director of Finance

In Attendance:	Debbie Kirk	Head of Access
	Shirley Taylor	Committee Secretary (Minutes)

1.1 Apologies

Apologies were received from Lesley Bowie, Marc Mazzucco, Linda Semple and Kirstin Dickson.

2. Declarations of interest

None received.

3. Minutes of the previous meeting – 03 March 2022

The minutes were approved as an accurate record.

4. Matters Arising

4.1 Action Log

The action log noted one action which has been completed. A paper was taken to the Risk and Resilience Scrutiny Group and the risk is now contained within the risk register.

4.2 Committee Workplan

The work plan is received at every meeting with any changes marked in red to allow changes to be easily identified.

The Director of Finance advised that Agency Spend has been brought forward to this meeting and should be removed from the Workplan for September 2022. It is anticipated that the full business case for the national treatment centre will be presented to the committee in January 2023.

Action: Shirley Taylor

5. Risk Register

5.1 Strategic Risk Register

The Director of Finance presented the strategic risk register and noted a new risk in relation to non-recurring funding being utilised to recruit to permanent posts which is being escalated at strategic level as noted within appendix two.

Appendix three noted five existing risks for which the Performance Governance Committee are responsible, with four of these risks being regularly reported on to the committee. The other risk relates to management of the estate and of particular note was the Property and Asset Management Strategy (PAMS) which has not been presented to the committee for three years. Contact has been made with the Head of Property Services who has advised that during covid there was no requirement to produce the document however this has been reinstated and will be presented at a future committee meeting. The frequency and content of the PAMS report is set out by Scottish Government.

A committee member raised a question with regard to potential government funding being available to assist with the employment of staff on a recurrent basis to reduce elective waiting times. This was raised with John Burns on a recent visit to NHS Ayrshire and Arran regarding the efficiency of utilising access funding for substantive staff. Recurrent funding is being provided for staffing of the national treatment centre however Caring for Ayrshire will be funded on a year to year basis. Discussion has taken place with the Director of AHP's regarding the three year funding confirmed to support long covid, at the end of which any staff being employed on a permanent basis would be funded by the relevant discipline.

Outcome: The committee received the Strategic Risk Register.

6. Internal Audit Reports

6.1 Diagnostic Capacity

The Head of Access was in attendance to provide an update on the internal audit report into diagnostic capacity completed as part of the 2021/22 audit cycle. The audit received partial assurance with some improvement required and five recommendations were provided; two medium, one low and two advisories. The audit topic was chosen to compliment the work already completed across diagnostic services to look at the physical capacity of scanners.

The deadline noted for a medium recommendation is long due to the introduction of a new General Manager for Diagnostics and being able to effectively set up an integrated system to review utilisation going forward. This will be done in conjunction with Business Intelligence and will take time to progress. A similar process has already been undertaken for theatre capacity which has been very positive. The second recommendation was in relation to resource analysis focussing on the capacity of administrative staff to book investigations and the capacity of clinicians to vet the referrals for appropriateness. A feasibility analysis is required for the low rated and advisory recommendations with regard to digital input and costings.

It was reported that the internal audit report had been shared with the Audit and Risk Committee whereby concerns were raised regarding the timescales for completion of actions. Discussion took place and it was agreed that the Performance Governance Committee would be the most appropriate route for an interim update on the progress of actions.

Action: Debbie Kirk

Outcome: The committee received the actions in response to the internal audit recommendations and agreement was made for the Head of Access to attend a future meeting (probably November 2022) to provide an interim update on those actions.

7. Financial and Service Plan

7.1 Agency Spend 2021/22

The Director of Finance presented the report outlining the annual update on agency spend. Medical agency spend has increased to £6.2 million in 2021/22 in comparison to the downward trend seen over the past four years. Nursing agency has also seen a rise from £3.5 million in 2020/21 to £6.7 million in 2021/22. A similar trend can be seen across Scotland with nursing agency spend of £40 million in 2020/21 increasing to £90 million in 2021/22. The increase in Ayrshire is driven by extra acute beds being opened and backfill costs to cover staff absence.

The Scottish Parliament have approved safe staffing legislation advising that Health Boards should not pay agency workers more than 150% of the amount that would be paid to an equivalent employee, when securing the services of an agency worker. The legislation has yet to be implemented however will result in additional scrutiny across all health boards and each occurrence will require to be reported to Scottish Ministers on a quarterly basis.

Outcome: The committee received the paper and noted increasing spend on agency across all areas in 2021/22.

7.2 Financial Management Report – Month 1

The Director of finance presented the Financial Management Report for month one to the end of April 2022 noting that a deficit budget of £26.4 million had been set for 2022/23. Month one shows an overspend of £4.2 million inclusive of a £2.3 million spend on Covid-19 with no budget in place for this. Discussions are ongoing

with IJB's to utilise reserves to help address this for delegated services. A £1.5 million overspend within Acute Services can be attributed to staffing the number of extra acute beds in place and the public health overspend is for covid related expenditure such as the vaccination programme and contact tracing.

Outcome: The committee received the report and noted the need to secure funding for covid expenditure to get back to plan.

7.3 Covid Expenditure 2022/23

The Director of Finance presented a paper on expected covid expenditure in 2022/23 and looking at how to drive down costs in line with the £36.3 million carry forward by IJBs for covid costs. The paper was presented to CMT and will go forward to the Ayrshire Finance Leads meeting with IJB Chief Finance officers then the Strategic Planning and Operational Group which has the IJB Chief Officers as members. Projected covid costs require to be reduced in 2022/23 due to a lack of funding available from Scottish Government. High costs can be attributed to the vaccination programme, staffing of additional acute beds and backfill for staffing gaps. In addition, point of care testing of patients at both Ayr and Crosshouse A&E and Combined Assessment Units and additional laboratory staff employed to manage PCR tests need to continue. Test and protect has been excluded from the figures as although staff are employed on fixed term contracts until September 2022 they will be redeployed into other roles. Discussions regarding this are in the early stages in order to get a consistency of approach across all IJBs and it was agreed that the Committee would receive an update at the next meeting.

Action: Derek Lindsay

Outcome: The committee reviewed the Covid expenditure planned for 2022/23.

7.4 Performance Report

The Chief Executive provided an update on the Performance report which is routinely provided to the committee. A concerning picture was noted with regard to both outpatients and day cases whereby demand is outweighing capacity and provision has been compromised by the redesign of ITU at Crosshouse. A request has been made for day case capacity to be reviewed in order to try and increase provision. The same situation can be seen in terms of 18 week compliance on referral to treatment for planned care, showing a deteriorating position. This is impacted by congestion throughout acute services and long lengths of stay in wards. A request has been made to the Golden Jubilee Hospital to assist with planned care.

The remobilisation plan is steadily taking place with compliance being met in Cancer Services in line with the Scottish baseline. It is expected there will be an increase in cancer presentation in the months to come. Mental Health are delivering services within their targets especially in relation to Drug and Alcohol Services and CAMHS.

The lowest performance is within unscheduled care with the four hour standard currently sitting at 60%, which is largely due to ward beds being at full capacity therefore patients can't be admitted.

Discussion took place around how delayed discharges are counted and their contribution to longer length of stay in hospital. It was agreed that a difference in focus with regard to length of stay should assist in seeking to increase performance.

Outcome: The committee received the report.

7.5 CRES Programme Plan for 2022/23

The Chief Executive advised the committee of the plan in relation to CRES for 2022/23. With the support of finance a decision has been made not to apply a 3% saving across all areas as this would likely not be delivered. Instead the CMT have been challenged to work collaboratively to build plans for CRES over a 5-10 year period focussing on one of four threads in relation to right sizing the acute bed complement and workforce, and the digital and estates programmes. It is anticipated that modest reductions may be made in year contributing to an overall £40-£50 million CRES requirement over the next three years.

Outcome: The committee received the verbal update.

7.6 Annual Delivery Plan 2022/23

A verbal update was provided by the Director of Finance and the committee heard that by end June 2022 the Board is required to submit a one year annual delivery plan covering the key priorities of staff wellbeing, recruitment and retention, recovering planned care, building resilience and recovery in unscheduled care, supporting social care and sustainability and value.

As part of the planning regime a longer term outlook will be taken in order to move away from annual planning and be able to offer Scottish Government some longer term assurance and accountability.

Outcome: The committee received the verbal update.

8. **Key issues to report to the NHS Board**

The Chair requested that the items to be reported to the Board are as follows:

- Agency Spend 2021/22
- Financial Management Report – Month 1
- Covid Expenditure 2022/23
- Performance Report
- CRES programme Plan for 2022/23

Outcome: A summary of the papers received will be prepared for presentation to the Board.

9. **Risk issues to report to the Risk and Resilience Scrutiny and Assurance Group**

No issues were noted.

10. **Any other competent business**

None noted.

11. Date of next meeting

Thursday 1st September 2022 at 9.30am via Microsoft Teams

SignatureDate