

Performance Governance Committee – Minute of Meeting
Thursday 07 March 2024
Via Microsoft Teams

1.0 Attendance

Present: Non-Executive Members

Sheila Cowan (Chair)
Linda Semple
Joyce White
Marc Mazzucco
Ewing Hope

Board Advisor/Ex-Officio

Claire Burden	Chief Executive
Lesley Bowie	Board Chair
Kirstin Dickson	Director of Transformation and Sustainability
Derek Lindsay	Director of Finance

In Attendance:	Alistair Reid	Director of AHP's
	Ruth McMurdo	Interim Deputy Nurse Director
	Fraser Bell	Assistant Director (Programmes), Property and Capital Planning
	Shirley Taylor	Committee Secretary (Minutes)

1.1 Apologies

The chair welcomed everyone to the committee. Apologies were received from Lee Lyons.

2. Declarations of interest

Nothing declared.

3. Minutes of the previous meeting – 18 January and 01 February

The minutes of both meetings were combined as one set. These were approved as an accurate record of the meeting.

4. Matters Arising

4.1 Action Log

Work has been completed to include updated detail for each of the actions along with amended completion dates if necessary. The updated format was found to be helpful and will be continued going forward.

Members were advised that the PAMS strategy will now be presented at a future Board workshop instead of coming to the committee.

4.2 Committee Workplan

The committee agreed the workplan with changes noted in red for ease of reference.

Outcome: *The committee received the updated workplan*

5. Capital Cases and Programmes

5.1 Capital Plan 2024/25

The Assistant Director (Programmes), Property and Capital Planning attended the meeting to present the Capital Plan for 2024/25. The plan is prepared for a five year period, but only funding for the coming year is certain. Other years are based on assumptions of funding.

The plan focusses on the core capital formula allocation of £8.7 million. Feedback from Scottish Government is that no inflation to this amount should be assumed and a letter received on 19 December 2023 indicated a pause in larger national project funding for the next two years with Boards expected to fund minimum activities whilst keeping estates safe. The total expected funding for the coming year is approximately £11 million and includes a £1.6 million return of Building for Better Care funding which is earmarked for critical care infrastructure improvement. Other funding may become available with the sale of properties which is in progress.

Given the funding expected a detailed plan has been put into place to manage Electromedical equipment including risks around this. A paper will be shared with the committee to provide detail on these risks.

ACTION – Fraser Bell

Discussion took place on the National Treatment Centres which have been paused until at least 2026/27. It was agreed it would be helpful for a contingency plan to be put in place to utilise Carrick Glen.

ACTION – Fraser Bell

Discussion took place on estates rationalisation and future intentions with regard to surplus buildings. It was agreed that an update of a paper presented to the Infrastructure Programme Board would be presented to Performance Governance

Committee to provide more detail. It was agreed it would be helpful to include detail on asset transfer to community groups planned by the Board as an Anchor organisation.

ACTION – Kirstin Dickson

Outcome: *The committee received the capital plan which was recommended for board approval*

6. Internal Audit

6.1 Delayed Discharges

Members were advised that due to the lengthy agenda this item was deferred for update at the meeting scheduled for 17 May 2024. It was agreed it would be helpful if this was by way of an update paper rather than a verbal update.

ACTION – Shirley Taylor

Outcome: *The item was deferred*

7. Risk Register

7.1 Strategic Risk Register

Discussion took place on the risk proposed for termination relating to non-framework agency providers. A great deal of work has taken place with a block booking now in place for framework providers. The use of non-frameworks agencies is now minimal.

It was noted that the risk related to financial outturn is due for review on 29 March 2024. The narrative of this risk will be amended to reflect the 224/25 budget position.

Outcome: *The committee received the strategic risk register*

8. Financial and Service Management

8.1 Performance Report

The Director of Transformation and Sustainability presented the Performance report which has been updated to reflect the requirements of the committee. It was noted that lengthy discussions have taken place with action leads in order to tailor the detail of the improvement actions to specify the action being taken and the timescales for implementation.

In terms of detail within the report a significant challenge can be seen across the system with improvements and declines in performance being identified across some areas.

The overall total number of outpatients waiting has decreased slightly and although services have been remobilised to 102%, which is above the ADP target of 90%,

waits are still being experienced. A decrease has been seen in those waiting over two years.

With regard to inpatients and day cases, there is currently 55% compliance with large timescales with a slight increase in the total number of patients waiting. Services in this area have remobilised to 80% with the target being 75%.

A detailed discussion took place at the last meeting in terms of MSK services. There has been some improvement seen in January 2024 from 19.6% to 28.5% compliance with the target.

Decreasing performance can be seen within diagnostics from 58.4% in December 2023 to 55.7% in January 2024. It is thought this is due to the delays within non-obstetric ultrasound resulting in an increase in the waiting list.

Due to the creation of additional capacity (fourth endoscopy room at Ayr Hospital) an improvement in compliance can be seen for Endoscopy services which is now meeting the ADP trajectory.

The 62 day cancer target has increased slightly however is below the ADP trajectory. The national target is being met for 31 day cancer target.

CAMHS services are continuing to exceed national targets however a decrease has been seen within Psychological Therapies performance.

Excellent performance has been seen in AUCS in terms of avoidance of transfers to hospital and call before convey.

A decrease in performance can be seen in unscheduled care with an increase in patients waiting over 12 hours in A&E. Work is ongoing for a 30, 60 and 90 day recovery plan for unscheduled care to try and mitigate this.

There are still significant numbers of delayed transfers of care, however this has been decreasing over the past few months. Work is ongoing with Health and Social Care colleagues to improve this position.

It was confirmed that work is ongoing to prioritise the appendices of the report and make these more action orientated. Members agreed that due to the current performance of new outpatients, this should be brought forward on the calendar of updates for an update to be provided sooner.

ACTION – Shirley Taylor

Discussion took place on the good CAMHS performance and how children with neurodiversity issues are no longer counted within these figures. Members sought clarity on how waits for these children would be captured and if this could be included within the report.

ACTION – Kirstin Dickson

Outcome: *The committee received the performance report*

8.2 Unscheduled Care Performance Update

The Chief Executive provided members with an update on plans in place to improve unscheduled care performance. Communication has been shared with IJB colleagues for a commissioning strategy to be put in place for 2024/25 with shared objectives to manage unscheduled care. The issue faced in terms of the performance in this area is an issue across Scotland as a whole.

Within Acute there has been the development of a new leadership model focussing on triumvirate teams across the system. A bi-weekly recovery meeting along with a weekly plan has been put in place in November 2023 in order to improve patient flow. Work was progressing well however the recent bank holidays have affected performance.

The short term plan over the next five weeks is to focus on five wards within medicine to assist in reducing length of stay within these areas as this is the biggest issue affecting unscheduled care performance.

AHPs are in situ at the front door to assist in decreasing admissions and a frailty pathway has been introduced within CAU. Ward co-ordinators have also been put in place to increase daily decision making within each ward. This improvement programme is currently on week 8 of a 12 week cycle and has so far proved to be a worthwhile exercise in engaging the teams and increasing motivation.

In conjunction with this a review of patients in CAU and Acute wards needing mental health support is taking place with supplementary staffing, often being agency nurses, to support patients with additional needs who require enhanced observations. This project is currently on week 6 of 8 and recommendations have been requested to introduce a model of care to maintain this in the longer term.

Members confirmed that they had received some assurance that plans were in place to manage performance in this area however a request was made for an action plan to be produced to document what activities are ongoing with actions and completion dates.

ACTION – Claire Burden / Ruth McMurdo

Outcome: *The committee received the update*

8.3 Financial Management Report – Month 10

The Director of Finance presented the financial management report for month 10 confirming that month 11 will be presented at the next Board meeting in March 2024.

Notification was received in February 2024 that just under £11 million non-recurring funding will be allocated which will improve the overall year end deficit. Further notification was also received that the cost pressure for CNORIS in 2023/24 has reduced from £80 million to £45 million. Although there will be a benefit in 2023/24

it is likely this cost will increase to £100 million for 2024/25. This now results in a current projected deficit outturn of £38.2 million.

In terms of month 10, January was a challenging month for spend in acute services particularly for nursing agency spend which is £1.2 million for the month as opposed to approximately £700k which is the monthly average. This is due to agency backfill costs over the Christmas and new year period which would be at a higher rate. Acute overspend of about £30 million and the £4.7 million overspend in new medicines make up the majority of the £38 million deficit. There is a list of actions in place to mitigate the overspend in Acute services such as closing unfunded beds and reducing agency, taxi expenditure and medicines overspends.

It was agreed that the deficit position is now much better and although there may be slight movements in primary care prescribing there won't be much more change to the overall deficit as it stands now.

Outcome: *The committee received the report*

- 8.4 CRES (Cash Releasing Efficiency Savings) Plan Update (Month 10)
The Director of Transformation and Sustainability shared the month 10 CRES update which provides additional detail to what is included within the financial management report with a breakdown of each Directorates CRES position for the month. It was noted that although savings are not at the 3% requested by Scottish Government, good savings have been made across a number of directorate. The biggest variance to this is delays in unfunded bed closures in acute services.

Outcome: *The committee received the directorate plans*

- 8.5 Acute Management Structure Investment
The Chief Executive shared a paper on the Acute Management Structure changes and investment required to implement this.

In 2022 an unannounced inspection by Healthcare Improvement Scotland highlighted some quality and safety concerns in particular around clinical leadership and decision making due to the acute services working under a management led structure. It was agreed that a triumvirate model should be implemented, as seen in other Board areas, however there will be financial ramifications in introducing this. It is thought that this structure will provide more stability, sustainability and allow for appropriate decision making and planning across both hospitals.

It was noted that the Divisional Triumvirates will work across both hospitals for surgery, medicine and other services. There will be a site Director and Leadership team in place in each hospital along with a Chief Nurse and site medic all of which will be responsible for the safe running of the site.

It was identified that there will be a £1.4 million cost pressure involved to instigate this model however half of this will cover legacy posts for which there was no sustainable funding in place previously.

Members were supportive of the model and potential return on investment and agree that it could assist in increasing CRES in the future. It was agreed that an interim progress update would be provided in around six months once all posts have been recruited to and the model is underway.

ACTION – Shirley Taylor

Outcome: *The committee noted the planned investment*

- 8.6 29 February Board Workshop Financial Position
The Director of Finance shared the presentation made to 29 February Board Workshop on the Financial Position for information.

Outcome: *The committee received the financial position*

- 8.7 Draft Revenue Plan
The Director of Finance presented the draft revenue plan and noted that this does not include either cost pressures or CRES for Health and Social Care Partnerships and focusses on Health Board pressures only. The basis of the paper is to consolidate the information contained in both the Pay and Supplies and Prescribing cost pressures papers which were presented to the last committee and will continue to be refined.

In overview the summary of recurring cost pressures is currently £19.34 million, this figure has been refined as much as possible for the time being. The CRES that has been identified to date is £17.8 million with cost pressures outweighing CRES.

In addition, the new medicines fund is an issue due to funding being £11 million less than the expected expenditure. Sustainability funding of an additional £5.6 million has been received.

Scottish Government have asked us to assume that the 2024/25 pay award will be funded. The non-pay elements of the 2023/24 settlement, Scottish Government have told Boards not to include in their financial plan.

Discussion took place and members agreed it would be beneficial if scenarios were developed in order to raise Scottish Government awareness of what the impact on service would be if we operate within the minimum arrangements in order to make savings. It was agreed it would also be helpful to produce other scenarios showing what can be achieved and savings made at each level of work. This should be consistent with that of other boards. This will be developed ahead of the Board workshop in March for discussion.

ACTION – Derek Lindsay

Outcome: *The committee received the draft plan*

- 8.8 Financial Plan 2024/25 – 2026/27
The Director of Finance presented the three year financial plan and advised that 10% CRES would be required to reach a breakeven position for next year. It was

agreed that we require to be explicit around what is achievable and the consequences of doing minimum spend. A weekly meeting is taking place with the Directors of Finance in each Board to ensure there is a consistent approach.

The committee discussed the two letters received from the Scottish Government. The first letter asked us to assume a £35 million target with 3% recurring savings however the second letter changed the assumption with regard to new medicines and a revised maximum brokerage of £27.7 million. Feedback has been provided to advise this target is unrealistic and unachievable.

A first draft of the Scottish Government template was submitted showing an £80 million deficit position. This has been revised and now shows a £63 million deficit. To allow for this CRES has been increased, cost pressures have been tightened up. To get to a £50 million deficit a further £12-13 million would be needed in CRES.

It was noted that Health and Social Care Partnerships are included within this template unlike the revenue plan. The template will continue to be refined prior to submission later in March.

Outcome: *The committee discussed the second draft of the plan*

9. Key issues to report to the NHS Board

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

- Capital plan
- Financial and performance management reports with an update on unscheduled care
- Acute management structure and investment plans
- Revenue plan with scenarios to be prepared

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

10. Risk issues to report to the Risk and Resilience Scrutiny and Assurance Group

Nothing to add.

11. Any other competent business

11.1 PGC Annual Report

The annual report for 2023/24 was agreed by the committee for submission to the NHS Board for approval.

Outcome: *The committee approved the annual report for onward submission to the NHS Board*

11. Date of next meeting

Friday 17th May 2024 at 9.30am via Microsoft Teams

SignatureDate