



**Performance Governance Committee – Minute of Meeting
Wednesday 06 November 2024 at 9.30am
Via Microsoft Teams**

1.0 Attendance

Present: Non-Executive Members

Sheila Cowan (Chair)
Joyce White
Marc Mazzucco
Jean Ford

Board Advisor/Ex-Officio

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

In Attendance:	Vicki Campbell	Acute Services Director
	Nicola Graham	Director Infrastructure and Support Services
	Amanda Ramsay-Dunn	Recovery Director - Viridian
	Shirley Taylor	Committee Secretary (Minutes)

1.1 Apologies

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

2. Declarations of interest

None noted.

3. Minutes of the previous meeting – 03 September 2024

The minutes were approved as an accurate record of the meeting.

4. Matters Arising

4.1 Action Log

Action 8.3 (02.11.2023) was discussed regarding the dispute with South Ayrshire IJB and resolution of the unfunded beds and delayed discharges. Agreement was made at a recent meeting that another paper would be submitted which will be taken to a vote and a decision should be agreed by the end of December. There was a £660k underspend in care home as the posts were not recruited to as well as an underspend in AHPs. NHS Ayrshire and Arran had the cost of the hospital beds for South Ayrshire delayed discharges. It was agreed a paper would be drafted to show the calculations behind the claim that can be shared with members.

ACTION – Claire Burden

The Board Chair advised that there is a Pan-Ayrshire commissioning approach that will be shared with members once agreed. Additional Commentary regarding this action will be added to the action tracker.

ACTION – Shirley Taylor

Actions 5.1 (07.03.2024) & 7.1 (17/05/2024) were discussed due to the deadline being extended. The Director of Transformation and Sustainability advised that the Estates Rationalisation paper requires to be submitted to both the IPB Advisory Group and the IPB before coming to PGC. As well as this there will be a Community Asset Transfer paper which will seek to inform members of the process and procedure in place for asset transfer. It was agreed that these would be split into two separate actions which is hoped will be reported at the next meeting although this may be delayed.

ACTION – Shirley Taylor

Discussion took place on the improvement actions for the Performance report. This has been moved to January 2025 and is anticipated that all aspects will be concluded by then as there have been some challenges in retrieving information and detail from operational teams. Discussion took place on the possibility of including a RAG status on the executive summary section however it was agreed that further discussion should take place to ensure this does not mirror the detail included in the previous report and does not add to the length of the paper. It was agreed it may be helpful to look at what will be produced by Viridian to ensure there is no duplication however this may only affect the detail contained within the CRES report rather than the performance data feeding into the quarterly returns to Scottish Government. It was agreed that a meeting would be arranged to discuss the detail further.

ACTION – Sheila Cowan / Linda Semple

The action with regard to the run charts from the PGC Light meeting was discussed. This is in progress and most run charts have been updated. It was agreed the action should remain open for the time being.

Action 6.1 was agreed for closure due to standardisation now being in place and recommendations being concluded from a recent internal audit.

It was noted that the waiting times deep dive has been added to the agenda for January and a standard agenda item will be added going forward with a focus on length of stay and non-delayed length of stay.

Outcome: *The committee received the update*

4.2 Committee Workplan

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

Outcome: *The committee received the workplan*

4.3 Viridian Update

Amanda Ramsay-Dunn gave an update from the previous day's board workshop session outlining the framework and process to move forward the improvement programme. A governance structure is in place detailing the new Improvement Programme steering group which will initially meet fortnightly. The CRES pipeline will be the focus each fortnight with an end of month position also being provided. There is Steering group membership across all workstream with reporting aligned to the plan and the FMR. The financial tracker will have one number that everyone is working to. A meeting has taken place with the Director of Transformation and Sustainability to ensure that the PMO is also aligned to this.

Six workstreams have been identified with three being led by Acute. A session is being arranged for operational staff to redefine the workstreams as unscheduled and planned care don't fit the schemes, these will be changed to location schemes of Ayr and Crosshouse. Each CRES scheme is supported by workbooks. There will be one summary report at end of each month which should be included in the FMR and will go through steering group for ratification. This will also go to FISG for assurance and PGC for information.

The frailty project at the front door has gone live and been successful to date with 40 admissions being avoided. An "Active ward" is opening at both Ayr and Crosshouse Hospitals to cohort patients ready for discharge.

A committee member raised a question with regard to the structure in place and what will be aborted to make a difference. A longer term plan for efficiency will be considered along with the approach to planning which will affect what goes in to the ADP and pulling key planning elements together.

It is anticipated that from January members will see the format of CRES reporting aligning to Viridian work.

ACTION – Amanda Ramsay-Dunn / Kirstin Dickson

Outcome: *The committee received the update*

5. Capital Cases and Programme

5.1 Capital Plan Mid-Year Position Paper

The Director for Information and Support Services presented the mid-year capital plan position paper due to a request from the committee for an update. Capital spend is currently low against the budget set. The plan approved in March is reviewed on a quarterly basis to take account of any adjustments to the plan. Some planned projects have faced recent challenges e.g. Foxgrove has had quality issues as well as health and safety defects and the completion date now being deferred to Spring 2025. Ward 4A, Crosshouse has faced defects to the water system which has delayed the project and feasibility studies have taken place for Critical Care however the options identified have exceeded the agreed budget. A new plan will be developed for March 2025.

All other projects are progressing as planned and it is anticipated most spend will occur towards the end of the financial year. If there is any significant project slippage this will be moved to a future years plan or transferred to revenue. It was agreed that a final quarter update will be provided to the committee in January.

ACTION – Shirley Taylor

Outcome: *The committee received the update*

6. Risk Register

6.1 Strategic Risk Register

The Director of Transformation and Sustainability provided the standard risk update paper noting the risks aligned to committee. There are three risks aligned to the committee which have all been reviewed and updated as required. Risk 703 regarding the financial outturn has had movement on the scoring from 20-25. There have been new controls added to risk 494 on planned care waiting times and work is ongoing with regard to opportunities. Risk 668 has an additional control added with regard to workforce planning and improvement and also with regard to the direction of travel of sustainability regarding the reform work. This risk reflects the long term transformation and reform plans, any shift within the risk would be by delivering the reform agenda. This will not happen until there is a recognised programme of reform and engagement with Scottish Government.

Discussion took place on the information that has been pulled through for the committee reports and it was noted that not all of the narrative has been added. This will be discussed further with the risk team.

ACTION – Kirstin Dickson

It was noted that there is no guidance around the movement from current to target risk level. This has been picked up on a recent audit into the Risk Management Process and there is an action in place for this to be made clearer and the process going forward will be standardised.

Outcome: *The committee received the strategic risk register*

7. Financial and Service Management

7.1 Financial Management Report – Month 6

The Director of Finance provided an overview of the Financial Management Report and advised that the overspend at month 6 is £31.8m. The run rate of the deficit will need to improve to ensure this is not doubled by year end to £63.8m.

Within the overspend £16.8 million is in acute of which £10 million can be attributed to pay and £5.7m to supplies. The majority of the pay overspend is due to the unfunded beds and premium agency resulting in overspends in both nursing and medical.

In terms of CRES, £7.8m has been delivered in the first half of year. This means that £16.3m will require to be delivered in the second half of the year to achieve the £24.1 million target and the work with Viridian will seek to reach this.

With regard to outturn risks and opportunities, an opportunity has arisen from the funding regarding pay reform. There is a risk in terms of Primary Care Prescribing and the budget, although delegated to IJBs, the Health Board meets any overspend and £640k overspent after five months. There are also discussion taking place regarding the sale of an unused building which may present an opportunity for non-recurring income.

Concerns were raised from committee members that the £53.5 million deficit budget won't be met if this trajectory is continued. There has not as yet been a significant improvement on the number of unfunded beds and the taxi costs are still high. It was confirmed that work is ongoing regarding this taxi scheme however a patient opinion appraisal requires to be carried out for the renal patients. An option appraisal has already been carried out by management and clinicians but the consultation process with patients needs this support.

It was confirmed that the current CRES forecast does not include the work taking place by Viridian or the mitigations in the pipeline. It is hoped this will be reflected more in the month 7 reporting cycle.

The Director of Acute advised that deep dives are currently underway for acute supplies, particularly theatre supplies to ensure that systems are improved and processes are in place for ordering. It was noted that there has been an 80% increase in costs per patient for theatre supplies from £268 to £480.

There is currently a focussed piece of work across the front doors with discussions happening across the medical workforce. Increased junior doctor sickness is adding pressure to consultant costs. An additional management resource has been put in place within Trauma and Orthopaedics to ensure the correct pathways are in place within this area. A deep dive will also take place regarding the outsourcing of Pathology and Radiology reporting.

Discussion took place on the sale of an unused building. A valuation has been completed and Scottish Government have supported that proceeds will help the

bottom line if sold. It was requested that a paper comes to committee regarding achieving the sale in 2024/25.

ACTION – Derek Lindsay

Outcome: *The committee received the Financial Management Report*

7.2 CRES Plan 2024/25 – Month 6 Update

The Director of Transformation and Sustainability provided the month 6 update on the CRES plan. £7.8m has been removed from budgets at month 6 which is below trajectory. Month 7 is expected to improve with the inclusion of some Viridian work. Those areas high risk of not achieving target are unfunded beds. The medical workforce element has slipped in terms of its target and issues and challenges have been identified with regard to procurement. There are challenges with regard to the national procurement programme and our own procurement processes. The procurement team are currently working with Viridian and a workbook is being produced for this area.

Outcome: *The committee received the CRES Plan*

7.3 Non-Pay Expenditure

The Director of Finance presented a background paper looking at what is included within the annual accounts for supplies. Over £500 million relates to the IJB contribution, take out independent primary care services, medicine expenditure and SLAs with other boards. £80m can be attributed to normal types of procurement each year. The paper shows the £80 million grouped under headings and demonstrates comparisons of 2009 to 2015 inflationary pressure.

Outcome: *The committee received the paper*

7.4 Supplies Acute Overspend

The month 6 supplies overspend position was considered for Acute. Within Diagnostics there are three main drivers leading to the overspend. Outsourcing of Pathology reporting due to Consultant Pathologist capacity shortfalls last year cost over £500k. Secondly around £200k per year was received by pathology from the Procurator Fiscal for post mortems, however this contract has since been stopped. Thirdly the volume of Biochemistry tests and GP testing has increased. This is being looked at by the Realistic Medicines Programme through five Clinical Development Fellows who have been deployed to look at GP referrals.

A new surgical supplies cost pressure with regard to robotic surgery is at an extra £300k per year. It was noted that the first full year report has now been received and the supplies costs for robotic surgery is included within this as well as the reduction in length of stay and the income generation from shared regional work. It is anticipated that productivity rates will increase and costs will reduce the longer the robot is in situ.

Appendix 1 to report was considered which shows the progress regarding the taxi and private ambulance project. It was identified that £500k is being spent on

private ambulances for patient discharges. This was not a service that was used pre-pandemic.

A question was raised regarding benchmarking with other mainland boards in terms of laundry charges. It was agreed this would be investigated and reported back to the committee.

ACTION – Derek Lindsay

Outcome: *The committee received the paper*

7.5 AFC Reform Financial Implications

The Director of Finance presented the paper on the financial implications arising from the Agenda for Change Reform. Non-recurring funding of £14.6 has been allocated from Scottish Government. It was confirmed that the remainder of this allocation will not be returned to Scottish Government if not utilised.

There has not been a great deal of expenditure thus far as some areas did not utilise the reduced working week so overtime payments were made. From the end of November this has to stop and rosters are required to be in place for all staff based on a 37 hour working week. There has also been no expenditure so far for the increase of Band 5 to Band 6. It is anticipated this will be accrued at the end of the year and will be backdated to April 2023. In terms of protected learning time, 1% is built into nursing establishments for learning/training. It is likely that local costs will be around £13.1m however shares of SLAs will also require to be paid at a cost of around £1m. It is anticipated that there will be a balance remaining that will assist in improving the financial outturn at the end of the year.

Outcome: *The committee noted the costs*

7.6 NHS Ayrshire & Arran – Escalation Self-Assessment

The Director of Finance shared the escalation self-assessment and advised that a request was received by all boards in September 2024 to complete a Scottish Government proforma self-assessment regarding financial considerations for escalation. This was discussed and agreed by CMT then submitted to the Scottish Government along with the month 6 Finance Performance report. A further update was submitted with a covering letter on 01 November. It was noted that there was no requirement for the self-assessment to go through a governance process before submission as long as it was thereafter.

At present a level 3 position is being maintained and it is anticipated that the work taking place by Viridian will assist the board in staying at this level.

Outcome: *The committee received the self-assessment*

7.7 Performance Report

The Director of Transformation and Sustainability provided an update on the standard performance report and in specific the areas noted below:

Planned care is an ongoing area of challenge, in terms of Outpatient performance particularly and target for new outpatient performance against the 12 week standard. This demonstrates the scale of challenge, volume of activity and meeting the increasing demand. Work is ongoing to mitigate this however the challenge is significant.

With regard to inpatients and day cases performance is flat regarding compliance with the 12 week standard and the delivery plan trajectory has not been met in the last few reporting periods. Some progress has been made with regard to activity however the additional target of eliminating long waits longer than 12 months has been achieved for the majority of services.

MSK has seen an improving trend in terms of the four week target. This was low at the turn of the year and has improved as of September. There is still ongoing challenges with compliance in Orthotics.

An improving trend has been noted against the 6 week national target for imaging.

Compliance has increased against the 6 week target for Endoscopy, although this is still below the delivery plan trajectory.

There is still some variability with the 62 day cancer target due to challenges with diagnostic pathways and specific challenges regarding cancer type. In terms of benchmarking we are still ahead of the Scottish position. A good position has also been maintained for the 31 day cancer target.

CAMHS has maintained good performance above target for some time. Psychological therapies has seen a decrease in position due to challenges in service delivery and is sitting just below target level. Alcohol and drug treatment has maintained good performance ahead of Scottish average.

Urgent care has seen some recent improvements especially in terms of call before convey and support to care homes. There has also been improvements due to the emergency services mental health pathway and unscheduled care assessment hub with patients flowing through these methods and away from the front door.

The number of attendances has increased against the previous 12 month unscheduled care target and performance against the four hour ED standard has increased but not in line with the trajectory. There has been an improvement in those waiting to be transferred, admitted or discharged. The delivery plan trajectory is not being met for average length of stay for both day time and night time arrivals. SAS conveyances have reduced but are also shy of delivery plan trajectory. The bed footprint and occupancy levels have reduced, however remain higher than the delivery plan trajectory.

The number of non-delayed patients with a length of stay over 14 days has decreased and is meeting the delivery plan trajectory. Delayed discharge total numbers have also decreased. The majority of delays are still with the South partnership. Occupied bed days are showing a decrease but are still high and challenging.

With regard to the workforce sickness absence trajectory, this has not met the delivery plan trajectory as it was 5.5% for September with the trajectory being 4.7%.

The committee felt assured by the improvements being seen and commended the work taking place to contribute to these improvements.

Outcome: *The committee received the report*

7.8 Cancer Diagnostic Performance Update

The Acute Services Director provided the committee with an update on the cancer diagnostic performance for both the 62 and 31 day trajectories.

Improvements in the 62 day targets have been a struggle for both the colorectal and breast pathways however 31 day performance is excellent across the board. Unscheduled care demand continues to rise and work is ongoing with GP to speed up referrals. The main challenges are within Pathology and Radiology and there has been a particular focus on this recently due to the costs associated with outsourcing. The second mobile MRI van at Crosshouse Hospital has helped.

There is a significant risk with regard to the breast service at the moment with only two consultant and one on unplanned leave. The previous two week wait is now becoming 10 weeks. Mitigations have been put in place such as job plan re-evaluations for the remaining consultant and upskilling within the department. There is also a deep dive taking place into the lung pathway as there have been some delays in this service, work is ongoing to ring-fence GP referrals, quick access to chest x-rays and access to the community phlebotomy service to assist with this. There are also delays with regard to the Urology pathway however this is an issue across the West of Scotland.

Outcome: *The committee received the 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:

- Mid-year Capital Plan update
- Strategic Risk Register
- Month 6 Financial Management and Performance Reports
- Agenda for Change Reform
- Escalation of self-assessment – Financial Considerations

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

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

Nothing to add.

10. Any other competent business

No other items were discussed.

11. Date of next meeting

Thursday 16th January at 9.30am venue to be confirmed.

SignatureDate