

**Performance Governance Committee ‘Light’ – Minute of Meeting
Thursday 30 January 2025 at 1.30pm
Via Microsoft Teams**

1.0 Attendance

Present: Non-Executive Members

Sheila Cowan (Chair)
Linda Semple
Joyce White

Board Advisor/Ex-Officio

Claire Burden	Chief Executive
Derek Lindsay	Director of Finance
Vicki Campbell	Director of Acute Services
Roisin Kavanagh	Director of Pharmacy

In Attendance: Shirley Taylor | Committee Secretary (Minutes)

1.1 Apologies

The chair welcomed everyone to the committee. Apologies were received from Marc Mazzucco, Lesley Bowie, Kirstin Dickson, Crawford McGuffie, Jennifer Wilson and Amanda Ramsay-Dunn.

2. Financial Management Report (FMR)

The Chair explained that the purpose of the PGC Light meeting is to allow members to have sight of the financial information and allow for any questions prior to discussion at the NHS Board.

The Director of Finance presented the month 9 FMR and advised that there is a deficit of £44.86m, with outturn holding to the projected deficit of £53.5m at year end. This is mainly due to the non-recurring funding from Scottish Government to cover the Band 5 to 6 regrading which has not as yet been finalised. Negative points of note are the ask from North Ayrshire IJB for £1m of funding to help with their deficit and the increased primary care overspend. At month 10 the outturn position will be reviewed to see if the £53.5m can be improved upon.

Questions were raised in relation to the band 5 to 6 regrade and it was confirmed a paper had been submitted to a previous PGC meeting to advised of Scottish Government funding of £14.6m to cover protected learning time, the reduction of

the half hour per week and the band 5 to 6 regrade. Scottish Government have agreed for the unallocated balance in 2024/25 to be used for other pressures as this was not earmarked funding. The Scottish Government Technical Accounting Group are ensuring a consistent accounting treatment for the stage of Band 5 to 6 evaluation process (accrual, provision, contingent liability). For 2025/26, £150m will be made available nationally but it may become a cost pressure.

A request was made for a briefing paper to be produced to provide clarity on all of the points noted above and to allow for an audit trail to be put in place.

ACTION – Derek Lindsay

A letter has been received from Scottish Government in response to the request for brokerage which was previously capped at £27.7m. This was shared with members for information and approves up to £53.5m of brokerage.

The remainder of the report was considered and it was anticipated that more savings would be recognised in terms of medical agency in Month 10. This is not reflected in month 9 due to issues with receiving invoices. Length of Stay is fairly flat as the SAFER project is helping to reduce this and will have an overall benefit.

In conclusion it was seen that month 8 showed the impact of a reduced length of stay and reduced nursing agency spend however pressures in month 9 have impacted this and measures have been put in place to deal with this.

The Director of Acute Services advised that additional controls have been put in place in a number of areas such as increased scrutiny and Director sign off which is having an impact whilst also providing assurance that governance processes have been tightened up. A meeting has recently taken place with the Cabinet Secretary to benchmark against this particular point of the year and performance in both unscheduled care and planned care have seen improvements. It was agreed that this is an excellent position to be in especially with winter pressures.

The Chief Executive assured members that concerns are being reiterated to the Scottish Government ahead of next year as it is unclear how services can be delivered with the funding in place and a balanced budget achieved, as requested in correspondence from Caroline Lamb (January 2025). NHSAA is forecasting an improved position, but a balanced budget will take more than three years to achieve. NHSAA will be advised of actions following the revenue plan review following the updated plans to be submitted in March 2025.

End note