

Performance Governance Committee – Minute of Meeting
Thursday 22nd May 2025 at 9.30am
Via Microsoft Teams

1.0 Attendance

Present: Non-Executive Members

Sheila Cowan (Chair)
Marc Mazzucco
Linda Semple
Joyce White

Board Advisor/Ex-Officio

Claire Burden	Chief Executive
Derek Lindsay	Director of Finance
Kirstin Dickson	Director of Transformation and Sustainability
Roisin Kavanagh	Director of Pharmacy
Jenny Wilson	Executive Nurse Director
Vicki Campbell	Director of Acute Services

In Attendance:	Amanda Ramsay-Dunn	Recovery Director - Viridian
	Jacqui Donald	Acute Site Director –UHA
	Sarah Leslie	Director of HR
	Shirley Taylor	Committee Secretary (Minutes)

1.1 Apologies

The chair welcomed everyone to the committee. Apologies were received from Fiona Bennett, Lesley Bowie, Ewing Hope and Crawford McGuffie.

2. Declarations of interest

None Noted.

3. Minutes of the previous meeting – 06 March 2025

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

4. Matters Arising

4.1 Action Log

It was confirmed that the action related to the Risk Register can now be closed as his will now be included in individual operational service risks for acute services. All other risks are either closed or on agenda for discussion.

Outcome: *The committee received the update*

4.1.1 Revised CRES Approach

The revised CRES approach was shared in conclusion of an action from the previous meeting. This will link to Performance Governance Committee then back to the Board. The programme for the year has moved to divisional workstreams as well as a Realistic Care Programme. The Improvement Programme steering group reports to CMT.

Outcome: *The committee received the update*

4.1.2 Deep Dive Schedule

An updated deep dive schedule was shared with members who were content with the structure of this.

Outcome: *The committee agreed the schedule*

4.2 Committee Workplan

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

It was noted that SAFER will be reviewed later in the meeting as part of the unscheduled care update.

A committee member raised a query with regard to items for awareness and discussion whether these could be put forward in bulletin form to save time for the team writing papers and members reading them. It was agreed this would be discussed with the Head of Governance to ensure standardisation with other committee workplans.

ACTION – Sheila Cowan / Shirley Taylor

Outcome: *The committee received the workplan*

5. Risk Register

5.1 Strategic Risk Register

The Director of Transformation and Sustainability shared the Strategic Risk Register noting the risks assigned to PGC for scrutiny and review. There were three strategic risks for PGC which have all been reviewed and updated. There has been no movement in the scoring of these. Risk 494 is related to planned care

waiting times and issues with limited access funding, confirmation of funding is currently awaited from Scottish Government of the 2025/26 planned care funding. Risk 668 related to transformational change reform and recovery which has had a new control measure added and notes all ongoing and long term actions regarding the mitigation of risk. The final risk 703 is with regard to financial outturn. The risk reflects 2025-26 target and removal of the brokerage cap. Details of all risks are noted within the associated appendices.

Discussion took place on the review dates and ensuring that progressive actions are noted within the controls to manage each risk. It was suggested that risks are reviewed more frequently to ensure that actions are up to date and there is narrative in place to state why the current and target dates are the same. There should also be an addition as to whether a risk is within or outwith our control. It was agreed this would be taken forward with the risk team.

ACTION – Claire Burden

A question was raised with regard to the timelines for Scottish Government Funding for waiting times, it was confirmed this is expected over the next week or so and the risk will be updated as required.

The Chief Executive provided an update in relation to risk 703, the financial plan has not been accepted at a £33.1 million deficit for 2025/26. Communication is being prepared to send back to Scottish Government which will be included within the risk when available. It was also agreed that the response letter would be shared with members for information. Risk 703 will be strengthened to show the impact of the financial challenge.

Outcome: *The committee received the risk register*

6. Financial and Service Management

6.1 Financial Management Report – Month 12

The Director of Finance presented the month 12 Financial Management report (FMR) which will go to the NHS Board on 2 June 2025. The outturn plan was just over £51m overspend, of this £37m can be attributed to Acute, £10.4m is overspend on new medicines and £1.8m is within North Ayrshire HSCP.

Members' attention was drawn to page 16 of the report centred around workforce cost pressures and in particular nursing agency. The budgeted establishment is noted as 5000 whole time equivalent (WTE) nurses, however about 4700 WTE are core contracted supplemented by between 500-700wte bank, agency or overtime supplementary staffing to cover vacancies, sickness etc. The Nurse Director advised there is a mismatch between current establishment and staff in post. Work is ongoing to reduce the gap and therefore reduce the nursing agency spend. The newly qualified nurses are being recruited en bloc to further reduce the gap. Assurance of these measure will be presented at a future meeting.

ACTION – Jenny Wilson

Discussion took place on CRES and it was noted that the Board would achieve £26.8m of savings however only £18m of this was recurring.

Capital spend in 2024/25 is noted as just over £10m.

The Director of Finance advised members of a planned change to the FMR next year which will include more information on HSCP spend.

The Chief Executive advised that there have been concerns raised that no allocations have been notified as yet for planned care and unscheduled care. Confirmation has been received that funding won't be given until targets are achieved.

Outcome: *The committee received the Financial Management Report*

6.2 CRES Plan 2024/25 – Month 12 Update

The Director of Transformation and Sustainability shared the Month 12 CRES Plan update and drew members attending to the detail within table one of the report and breakdown of the key workstreams.

Outcome: *The committee received the CRES Plan*

6.3 Viridian Update

The Recovery Director provided members with an update paper on the planned work for the 2025-26 cost improvement programme. Work on the line by line review of acute budgets commenced in December 2024, to manage budgets more effectively taking into account the culture of overspend to balance this out with underspending in some cost centres. By doing this work it is anticipated that further efficiencies will be identified on a recurring basis. Workshops have taken place to identify key themes and develop workbooks going forward. Acute governance workstreams have been redeveloped which will feed into the Improvement Programme Steering Group.

A cost improvement programme has been put in place based around cost reduction where there are overspends and service redesign and reform. The key themes will be closing unfunded beds and the realistic care improvement programme.

With regard to the summary position there are currently 162 schemes in the live tracker totalling £32m therefore more needs to be found to deliver a £36m plan. There is a requirement for 3% recurring savings however the majority of acute savings identified are non-recurring. Once service review work is in place, a transformation review workshop will be arranged focussing on pathway redesign and pathway reform to deliver recurring savings. Workbooks are in progress however not all schemes will require a workbook.

In terms of mitigation for slippage, there are 62 additional schemes on the pipeline. A BRAG status will be used on all of the schemes however it should be noted that if a scheme is classed as red it does not mean this is a high-risk scheme, it means further work is required and the workbook requires to be completed.

The first Realistic Care Improvement Programme newsletter was released in April which goes to all acute staff and contains a message from the Chief Executive and Medical Director asking for support. Service reviews are now set up across all divisions and will commence in two weeks' time.

Discussion took place on how this work will feed back into the committee to provide scrutiny and assurance. It was noted that high level delivery will flow through CRES in the FMR. It was agreed that an executive summary will be provided at each meeting and a deep dive schedule could be developed to focus on specific schemes in more detail. Delivery of the programme belongs to CMT who will report progress to the Board. A succession team will be appointed to replace Viridian in order to continue the programme of work. It was agreed that there should be a move away from CRES and a focus on continuous improvement methodology instead.

The report was positively received by members and agreement made that a high level summary would suffice for meeting updates with further scrutiny into schemes as and when required.

Outcome: *The committee approved the paper*

6.4 NHS Ayrshire and Arran 2025-28 Financial Plan Letter

The Director of Finance shared the Financial Plan letter from Scottish Government in response to the three-year financial plan which was submitted in March 2025. The plan includes £36.7, of savings with £30m recurring resulting in a £33.1 million deficit in 2025/26. Scottish Government have requested that this deficit is reduced by £8m to £25 million. Members were advised that Fiona Bennett, Interim CFO will be attending future PGC meetings. Members asked for clarity on the role being undertaken on the committee. It was confirmed this would be an open invite to be an observer on the committee and it was agreed the communication regarding this would be shared. Members also requested a copy of the formal responses to the Scottish Government to this letter in relation to the Financial Plan.

ACTION – Claire Burden

Outcome: *The committee received the letter*

6.5 NHS Ayrshire and Arran Ledger Analysis

The Director of Finance shared the NHS Ayrshire and Arran ledger analysis which has been provided by Scottish Government. Co-ordinated efforts have been made to reduce nursing agency spend which is expected to see a big reduction in 2025/26. Medical agency spend has £1.25m of a cost reduction target in 2025/26, part of this is about rate reduction and the other part is a reduction in the use of Glasgow bank. Numbers of doctors have increased mainly due to junior doctor expansion which is a national policy.

Consideration has been given to the reasons for increased spend. This can be attributed to planned investment in digital strategy, insulin pumps and the acute management structure as well as new medicines costs, which is a national issue, supplies for robotic surgery and increased costs for electric car leasing.

Consideration also needs to be given to the actions being taken to mitigate the spend.

It was agreed that the majority of this work is ongoing.

Outcome: *The committee received the report*

6.6 Urgent and Unscheduled Care (LOS Focus)

The Director of Acute Services shared a paper which was recently presented to the Healthcare Governance Committee. The paper highlights improvements and work being carried out as part of the whole system plan however there is still work ongoing to reduce length of stay which was identified on a recent HIS report. Feedback was received in relation to communication and as such weekly focus meetings have been put in place along with two hour safety huddles on the floor which has improved flow and processes. Criticisms have been highlighted from CFSD that staff did not understand data and in light of this new dashboards have been developed along with breakfast sessions to explain how the data is read and used.

Key highlights were discussed regarding progress. Ambulance delays at the Ayr site have seen a 50% reduction in ambulances waiting 3 hours and there has been a 19% increase in those turned around within 60 mins. There has been a 35% improvement in Ayr and 37% improvement in Crosshouse in terms of hours gained. With regard to the four hour target there has been month on month improvement since October.

A question was raised with regard to IJB recovery plans and if there is a contingency in place for this in terms of length of stay. It was responded that additional acute beds have to be opened due to delays and reduced care at home capacity in the community places a greater burden on hospitals. Some cultural work is underway with SAS to look at reducing waiting times. Longer waiting times at the weekend can skew a whole weeks' worth of data.

It was agreed there has been a huge amount of progress in this area and the committee felt assured of the work taking place.

Outcome: *The committee received the update*

6.7 SAFER Rollout (Taken after item 4.1)

The Site Director for UHA was in attendance to provide the committee with an overview of the SAFER bundle. It was explained that this is a package of measures to reduce the length of stay for non-delayed patients within adult inpatient wards. All patients should have a senior review, an accurate planned date of discharge, early in the day discharge and Multidisciplinary Team (MDT) reviews on a weekly basis whilst in hospital. Red to green days were explained whereby if a patient is red due to delays in assessment, diagnostics etc. then an action plan will be put in place with all actions being completed for the patient to become green.

The SAFER bundle is complemented by the discharge without delay programme. The aim of the programme is to implement the bundle across both acute sites in

order to close the unfunded beds. A quality impact assessment has been undertaken, a workbook has been developed and a steering group established. Documentation has been clinically approved alongside staff side representatives before a launch date is established.

SAFER has now been launched in Ayr hospital and the first wards have been identified for the rollout whilst considering associated risks, resources and additional beds required. Implementation at Crosshouse is being reviewed to take this forward in CAU. A risk has been identified with regard to buy-in by Physicians, there is currently intensive work in place to look at this which has been escalated through the programme as well as with the wider management team. The lack of AHPs to do rehabilitation is also seen as a risk.

The next steps will be to continue MDTs and introduce the “go live” of SAFER bundles within specified wards. Progress will be reviewed regularly and a short life working group for professional standards is being arranged prior to the launch. It is anticipated that the rollout will take around 3-4 weeks per ward.

It was highlighted that this is a significant change for clinical teams and it is important that staff see the programme as worthwhile. Engagement is reducing at the moment due to increases in length of stay and the challenges of limited AHP resources. It was agreed it would take time to embed this new culture of working.

It was highlighted that this is not a performance measurement tool but rather a suite of improvement tools to help with flow, guidance and provide a robust clinical framework to work within.

It was agreed that the presentation would be shared with the committee following the meeting.

ACTION – Jacqui Donald

A further update on the progress of this will be noted within the unscheduled care deep dive update in September 2025.

Members agreed it would be helpful to know which wards were taking part in the implementation so as to discuss as part of the Leadership walkrounds. The rollout programme will be shared with members as well as Chloe Bell who manages the pre-communication for the leadership walkrounds.

ACTION – Jacqui Donald / Shirley Taylor

Outcome: *The committee received the update*

6.8 Performance Report

The Director of Transformation and Sustainability shared the routine Performance Report up to the end of March 2025 noting that appendix one and two will be submitted to Scottish Government as part of our quarterly update.

It was noted that there is improvement in a number of areas however cancer services are still experiencing a deterioration. It was confirmed this is due to sickness absence and a new approach is being taken within 2025-26 which will hopefully improve the position.

A deterioration has also been noted within North Ayrshire in terms of delayed discharges. Discussion are taking place with Scottish Government regarding additional funding to address the reduced care at home capacity currently being planned in North Ayrshire.

The committee were assured by the improving trends within the report and the work taking place.

Outcome: *The committee received the Performance Report*

6.9 Workforce Performance Update

The Director of HR was in attendance to provide an update to members on sickness absence. Four areas were considered as part the update; absence position, reasons for absence, hotspot areas and the results of the recent internal audit by Azets. 2024-25 showed an increase in sickness absence compared to the previous year. July 2024 saw an unseasonably high rate of absence and January 2025 saw higher covid and respiratory absences. It was noted that last year has been the lowest covid and flu response with only a 22% of staff getting the vaccinations.

There have been 17,953 absences overall for board within the last year. 15,700 were attributed to short term absences and 2,253 long term. 36% of these absences were due to work related or personal stress. MSK absences were 10.40% of the total due to a large number of these absences being people aged 55 or over in heavy handling jobs. The most common short term absences were due to cold/flu or gastrointestinal symptoms.

Across Scotland Grampian has best performance, with the worst performance being in Forth Valley. NHS Ayrshire and Arran are currently sitting in the upper quartile.

With regard to the Internal Audit conducted by Azets, the results of the audit were favourable from a sample test to ensure that processes are being followed across the board. Some minor weakness were identified and the audit resulted in seven improvement actions. These focus on return to work interviews to ensure consistency and application in a timely manner, assurance that absence coding is being applied effectively with the SSTS system and ensuring long term absences are recorded and managed appropriately. Two Promoting Attendance Advisors have been recruited who will be working to ensure that absence improvement plans are in place and monitored locally as well as ensuring that Managers have received appropriate training and have an understanding of the policy.

Agency nursing discussion have also been raised as the reduction of sickness absence will reduce the use of agency. Work is required to look at areas that

agency usage is highest to establish culture, environmental factors and work patterns. Trajectories will be set for those areas of the highest need.

Members felt assured of the work taking place to manage sickness absence and a copy of the paper was requested.

ACTION – Sarah Leslie

Outcome: *The committee received the update*

7. Key issues to report to the NHS Board

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

- Strategic Risk Register
- Month 12 Financial Management Report and Performance Report
- Update from Viridian
- NHS Ayrshire and Arran 2-25-28 Financial Plan Letter
- SAFER programme and rollout
- Workforce Performance Update

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

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

Nothing to add.

9. Any other competent business

No other items were discussed.

10. Date of next meeting

Thursday 24th July 2025 at 9.30 via Microsoft Teams

SignatureDate