

Performance Governance Committee – Minute of Meeting
Thursday 24 July 2025 at 9.30am
Via Microsoft Teams

1.0 Attendance

Present: Non-Executive Members

Linda Semple (Chair)
Ewing Hope
Joyce White

Board Advisor/Ex-Officio

Lesley Bowie	Board Chair
Derek Lindsay	Director of Finance
Kirstin Dickson	Director of Transformation and Sustainability

In Attendance:	Amanda Ramsay-Dunn	Recovery Director - Viridian
	Jennifer Wilson	Executive Nurse Director
	Roisin Kavanagh	Director of Pharmacy
	Vicki Campbell	Director of Acute Service
	Elizabeth Wilson	Scottish Government
	Crawford McGuffie	Executive Medical Director
	Shirley Taylor	Committee Secretary (Minutes)

1.1 Apologies

The chair welcomed everyone to the committee, introductions were made. Apologies were received from Sheila Cowan, Marc Mazzucco, Claire Burden and Nicola Graham.

2. Declarations of interest

None Noted.

3. Minutes of the previous meeting – 22 May 2025

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

4. Matters Arising

4.1 Action Log

Item 5.1 – The Executive Medical Director summarised the progress within the last quarter. Currently the progress of risks through committee has been aligned with committee cycles to ensure that no risks should become out of date. High rated risks will be reviewed on a three monthly basis. Key controls have been identified with associated narrative to ensure clarity of the target for risk owners and clarifying where current and target risk remain the same. This update has been presented to the Risk and Resilience Scrutiny and Assurance Group for agreement and as such it was agreed the action could be closed.

Item 6.4 – It was suggested the action should remain open at present as there are still some questions regarding the information being shared and the wider board should have sight of the flow of information with Scottish Government. Discussion took place on the types of information and letters that should be shared with members and it was agreed that given the current financial situation further discussion should take place with regard to the expectations of the information that should be shared with members. This will only be letters that are a requirement of the board and not any operational requests.

ACTION – Linda Semple / Sheila Cowan

Item 6.7 – A further update on the SAFER rollout has been added to the agenda for the meeting in September 2025. The Recovery Director updated that a SAFER expert has been recruited to work alongside Viridian as part of the Operational Delivery Support Unit. The role will primarily look at discharge and internal flow processes and will work closely with clinicians to set expectations of ward rounds. All current expectations are being met and good discussions are taking place with regard to patient plans on a daily basis. Red day escalation channels have been recommenced with a good response. As well as this, afternoon huddles are now taking place. Work is progressing fairly well.

Outcome: *The committee received the update*

4.1.1 Financial Plan Letters

The Director of Finance presented the summary of letters to and from Scottish Government in response to the financial plan. The letter of April 2025 was the Scottish Government response to the financial plan which was submitted in March and was shared with PGC members at the meeting in May 2025. The content of this letter related to the £33m deficit plan and the request from Scottish Government to reduce this to £25m with a revised plan requested by 7th June.

The next letter was received on 22nd May following an operational meeting between finance and Scottish Government. This meeting was to review the monthly financial information being submitted to Scottish Government.

There was a further financial plan submission on 25th June and a briefing was given to board members that a significant improvement could not be reached due

to additional cost pressures. Although other savings have been identified the net position remains at a £33m deficit. Feedback has been received from Scottish Government that the requirement is still £25m.

The Board Chair advised that Scottish Government have requested submission of improved trajectories and an operational improvement plan to get to £25m. This was confirmed by the Scottish Government representative who confirmed a response on the financial plan will follow within the next two weeks.

A question was raised as to whether the revised financial plan had been seen by members, it was responded that there was a briefing regarding this to board members however the financial plan is still a work in progress so has not as yet been resubmitted to the Performance Governance Committee for review.

It was agreed that further discussion is required as to what is submitted to Performance Governance members in terms of conversations between the Board and Scottish Government as there remains confusion around some elements of this. It was agreed that high level, strategic letters should be seen and further discussion will take place on this outwith the committee.

ACTION – Lesley Bowie / Sheila Cowan / Linda Semple

Outcome: *The committee received the report*

- 4.2 Committee Workplan
The committee received the workplan with changes noted in red for ease of reference.

Outcome: *The committee received the workplan*

5. Risk Register

- 5.1 Strategic Risk Register
The Director of Transformation and Sustainability provided the regular strategic risk paper outlining strategic risks related to the committee remit for assurance by the committee. A great deal of work has been undertaken and discussions have taken place at the Risk and Resilience Scrutiny and Assurance Group (RARSAG) about how risks are presented to committees.

Five risks are aligned to PGC and all risks have been reviewed during the reporting period. The scoring of risk 494 has changed, this has reduced from 20 to a score of 12 to reflect confirmation Scottish Government Access funding and is noted within the update.

The detail for all other risks has been reviewed and updated. All risks are actively monitored via RARSAG and the CMT.

A question was raised in relation to risk 494 regarding waiting times and although funding of £8.9m will be granted this will only be on the delivery of certain aspects and it was agreed that it could be of concern that the risk has been downgraded

prior to these aspects being delivered. The Director of Acute Services responded that if this funding is granted the risk will reduce significantly. There is confidence that all aspects can be delivered and the investment in substantive recruitment will allow waits to reduce further and improve planned care performance.

A query was also raised in relation to risk 668 whereby the risk is being treated but the current and target scores remain the same. There is no narrative within the risk to explain this decision. It was responded that the Director assurance section contains content and the reason that the status is the same is due to mitigations which have external influence and are beyond our control. The mitigation is to maintain the position rather than have a deteriorating position. It was highlighted that the risk is in relation to delivery of an overarching programme of transformation which will result in a huge and complex programme of change across the organisation. The mitigations describe the extent of the work ongoing but this still needs improvement and risk reflects the challenge of moving from the current to the future position. An understanding is required of workforce challenges, capital availability and lots of other issue not within our control to be able to move forward and deliver a programme of transformation. It was agreed that a comment relating to the direction of travel may help to shift the risk. The Board Chair advised that a Board workshop is being arranged to look at this in further detail and will involve IJBs as it is a whole system plan.

The Executive Medical Director advised that excellent progress has been made with regard to the risk register. Detailed discussions are taking place relating to the improvement of processes.

Outcome: *The committee received the risk register*

6. Financial and Service Management

6.1 Financial Management Report – Month 3

The Director of Finance advised that the revenue plan to share with the Board in March saw a deficit of £33.1m however Scottish Government are looking for an outturn of no more than £25m deficit. The report for the first three months shows an overspend of £11.26m. Of this £7.35m is related to acute and £2m to new medicines which is expected to rise to around £8-10m by the end of the year. Overspends have also been identified within the HSCP with North having the biggest overspend.

On reviewing the allocations it was highlighted that a lot of funding has been received earlier this year to allow for planning however a risk remains with regard to the £8.9m allocation for planned care and the £7.7m for urgent and unscheduled care as these will be allocated based on delivery of a target.

Members reviewed the breakdown of the acute overspend with the biggest element of this being nursing pay due to additional beds in acute wards. It was noted that some wards have no identified budget and are actively incurring expenditure due to delayed discharges who are being cohorted. With regard to the HSCP overspend in East Ayrshire the main area of overspend is AHP. In North Ayrshire the

overspend is driven by Mental Health Services and out of area placements. A recovery plan is being put in place to manage this.

With regard to efficiency savings, the annual target is £36.7m however a forecast of £30.4m has been identified inclusive of the shortfall due to a delay in selling the property. Recurring savings of 3% equate to £30m. The year-end forecast shows recurring savings of £16.7m with further work required to identify further savings. The year to date figure shows that savings are in line with the plan for the first quarter of the year.

An overspend of £0.6m has been identified within Women and Children's Services in terms of staffing. This is due to the Best Start programme no longer being funded by Scottish Government and further work is required to ascertain if the levels of home delivery we are aspiring to can be maintained with this lack of funding.

Consideration requires to be given to the underfunding of new medicines and where a line should be drawn in the provision of these in relation to the funding provided by Scottish Government. The Director of Pharmacy agreed to support any discussions related to this

A question was raised with regard to the timescales of the recovery plans in North Ayrshire. There is no timescale at present however monthly meetings are taking place with CFOs and this will be added to future PGC agendas by way of update.

ACTION – Derek Lindsay

Discussion took place on the revised projection at the conclusion of the paper and whether this could be included within the paper. The Recovery Director advised that Viridian have been developing a suite of products related to workforce, finance etc. to assist in discussions around finance and performance. It was agreed that this would be demonstrated at a future board workshop.

ACTION – Amanda Ramsay-Dunn

It was noted that the Operational Support Unit is also considering SLAs and managed services to ensure that good progress is being made, activity is mapped and good governance processes are in place. There may be areas identified whereby services can be brought back in-house.

Outcome: *The committee received the Financial Management Report*

6.2 Viridian Update

The Recovery Director provided members with an update and advised that the plan had been met for quarter 1. There are some gaps however an operational delivery unit is now in place with a person assigned to each divisional general manager to

review operational processes. Best practice is being shared and savings are being progressed within the tracker with 80 schemes now in the pipeline.

In addition to this the Realistic Care Improvement workshops have commenced with Cardiology and a plan for future ones to run in ED and Endocrinology to ascertain where improvements can be made. It was found that Cardiology were working with two different service models which have now been standardised and integrated and will lead to a reduction in follow up outpatient appointments.

Within surgical there are various key schemes underway. A deep dive is taking place with Golden Jubilee in relation to Ophthalmology to ensure digital innovation alongside the rightsizing of staff. The Vascular SLA is being reviewed and access for outpatients and theatres is being considered due to the development of a dashboard which shows 70% productivity of work. Digital artificial intelligence is also being looked at and flow mapping is being undertaken with regard to contracts and suppliers.

Medical job planning is ongoing and it was discovered that junior doctor rotas were non-complaint and could result in excess banding supplements. Cancer pathways and robot assisted surgery is also being considered as well as the reduction of lifecycles of instruments. There is a current programme of works within ED and consultant overtime rates are being examined and reset. This also includes CAU Length of stay and GP referral pathways which has presented a lot of interesting data.

A whole workstream is dedicated to labs and diagnostics and contracts within this area. The lab footprint is being examined to understand the hours required to support performance and flow. Point of Care testing has been introduced within ED and anti-coagulation clinics are being reviewed to see what can be provided within Primary Care for these patients.

The Director of Acute Services added that the impact of this work is not being seen at the moment however there is a lot of groundwork taking place and reviews to services who have not undergone a review in many years. There are concerns that there is not enough capacity in teams to take on the level of work required so work will be done first on areas that can make the biggest impacts.

A question was raised with regard to the governance measure in place for this work to demonstrate the right level of information and demonstrating how funding is being utilised. The Recovery Director advised that there is workstream report on a monthly basis and a template will be developed to report on the wider activities of the operational delivery unit. A summary report of the last quarters work can then be presented to the committee.

ACTION – Amanda Ramsay-Dunn

The Executive Nurse Director advised that the work is Director led so will be reported through normal operational channels.

Outcome: *The committee received the update*

6.3 Non-medical Agency Spend

The Director of Finance shared a paper on non-medical agency spend which looks back at spend in this particular area and highlights trends. It was highlighted that medical agency used to be the highest area of spend however since 2021-22 nursing agency spend has been higher. Historically agency cost were higher due to unfilled vacancies with specific areas being difficult to recruit to including ED, Trauma and Orthopaedics. A reducing trend has been seen in both ED and CAU and the first three months of this year has seen the highest spend in CAU at UHC which is averaging around £60k per month. This is significantly down on last year's spend. A reducing spend can also be seen within Trauma and Orthopaedics which is expected to be around half the amount of last year's nurse agency spend. It was also highlighted that ITU moving from Ayr to Crosshouse which has generated a number of vacancies due to staff remaining at Ayr Hospital, most have now been filled. In summary a reducing spend can be seen across all areas of nursing agency spend.

There may be issues in future years due to the reduced working week and the supply of newly qualified nurses which will need to be considered.

Members considered the national comparison which has seen a huge reduction in spend due to moving away from non-framework providers. Locally there was less of a reduction in use of agency nurses however the negotiations made by Viridian to reduce the rates of pay of agency nurses will benefit 2025-26.

Discussion took place on Admin and Clerical and support services. A breakdown of other areas will be produced and shared with members.

ACTION – Derek Lindsay

The Director of Acute Services advised that new processes and control measures around the use of agency nurses have been put in place as well as reviews of overspends and agency hours used. This has allowed for a better understanding of the gaps which need attention. There is now a plan in place within each division to ensure continued reduced spend.

The Executive Nurse Director advised that the priority is to ensure we have the right nursing to deliver best quality care meeting legislation. Over the last three years every Newly Qualified Nurse has been employed in order to develop more sustainable methods. A robust process is in place for Nurse Director sign off of agency staff. A more sustainable model of nursing has been introduced within Mental Health Services which was a previous hotspot. Work is also taking place with Scottish Government for more specialist areas in order to identify a national solution.

In addition to this a Supplementary Nursing Spend Assurance group has been developed to ensure that rosters are appropriate and consideration is being given to annual leave and sickness absence. The introduction of e-rostering has helped reduce the spikes in annual leave periods.

Plans are in place over the coming months to ensure a more measured allocation of annual leave across year. There is increased maternity leave across all areas which has been built into sustainable workforce plans going forward. There will be a targeted recruitment strategy welcoming 130 Newly Qualified Nurses into acute this year. This is a slight over-recruitment to prepare for the reduced working week next year. Mental Health Nurses will be introduced to acute care to engage patients with delirium. As well as this there was a recent Healthcare Support Worker mass recruitment session attended by 150 people. It was noted there may need to be some financial risks to achieve all of this however this has been discussed with Scottish Government who are supportive.

Outcome: *The committee received the paper*

6.4 15-Box Grid

The Director of Transformation and Sustainability shared the 15-Box grid self-assessment which was recently taken to CMT and will be reported regularly to Board Committees. This is a quarter 4 self-assessment in relation to the set areas which have been identified by Scottish Government to support delivery of 3% recurring savings. Updates are included in relation to each area with a Director lead aligned to each area. The paper demonstrates strong engagement across each area and where progress is being made. The Board is also actively contributing to national learning.

Members agreed that it would be helpful to see this detail at future meetings and it was noted that this aligns to schemes within the tracker which gives the ability to produce a report against each identified area.

Outcome: *The committee received the paper*

6.5 Capital Investment Plan Update

The Director of Transformation and Sustainability presented the capital investment plan update for committee approval. The update to the plan reflects confirmed funding allocations, business continuity and sustainability funding and IFRS16. The original plan was seen by the committee in March 2025 and at that point some allocations had not yet been confirmed.

The revised plan shows the current position and a plan for the remaining £20.42m which includes the new confirmed funding allocations. There have been some changes to costings within the paper such as a £500k increase for the development of Foxgrove, a reduction to £7.4m for business continuity and deferral of the labs information management system at a cost of £350k. It was confirmed that £4.88m of the original business continuity plan has not been funded and discussions are ongoing with Scottish Government with regard to slippage.

The capital plan and funding streams are managed via the Infrastructure Programme Board and approved by PGC and the Board.

Clarity was sought from members as to the reasons for the extra £500k spend for Foxgrove. Once discussion have taken place it was agreed that the paper could be approved via email.

Outcome: *The committee raised some queries with regard to the Updated Capital Investment Plan which will be investigated prior to approval.*

- 6.6 Urgent and Unscheduled Care Funding Letter
Paper received by committee.

Outcome: *The committee received the letter*

- 6.7 Performance Report
The Director for Transformation and Sustainability presented the routine Performance Report which is reviewed at all committee meetings. The current report includes the quarter 1 update on performance against the 2025-26 delivery plan which is reported every quarter. Detail is provided within the report on the key areas for attention and work is ongoing to make improvements in these areas.

The 62 day trajectory for cancer was highlighted and delays are due to issues with pathology services. Strong performance is noted across Mental Health services and good work is also taking place within the AUCS services. The main areas of pressure are noted to be waiting times and delayed discharges, improvement activities are ongoing in these areas.

It was noted that there are areas of the delivery plan not routinely covered within the performance report such as climate, digital, community wealth building and Public Health.

It was agreed that a review should be done of where the performance report sits within the agenda to ensure that all areas are reviewed and discussed.

ACTION – Shirley Taylor

Outcome: *The committee received the report*

- 6.8 Urgent and Unscheduled Care Update (LOS Focus)
The Director of Acute Services shared a presentation with members on the urgent and unscheduled care update. For context, a request had been received for an update following the last committee meeting and a pre-meet took place with the Committee Chair to understand the requirement of the deep dive and provide the most appropriate information. It was highlighted that an update was shared at the last committee on the new SAFER programme.

There has been focus on performance measures and metrics of the overall length of stay as well as the challenges and wider impacts of this. Non-delays were examined and Ayr Hospital has been slower on the uptake of SAFER in its formal status however there was similar work ongoing from a quality improvement perspective although huddles were taking place later in the day so the plan was to enhance the work already being undertaken to meet the principles of SAFER which has seen a reduction in length of stay for non-delayed patients since February

2025. Within Crosshouse there have been ups and downs in figures with no sustainable change as yet however where peaks are identified extra ward rounds and beds are being utilised.

With regard to delayed discharges there has been a peak of the highest number of delays for several years. Feedback from Scottish Government is that Ayrshire and Arran are within the top two priority boards in terms of whole system funding.

In terms of average length of stay SAFER is having a month on month impact on non-delays. If no delays in discharge were present there would be a significant reduction in the overall length of stay.

A new staff member is in place within the operational delivery unit who is focussing on SAFER to provide assurance of the impact. Work is taking place with SCNs as well as ward walkrounds to understand the systems and procedures already in place. This has been welcomed by all teams and is providing a better focus.

Discussion took place on Ward 4D at Crosshouse which is causing significant delays due to there being no outward pathway to community and the frailty of patients. This is increasing the overall length of stay.

Key successes were identified from the commencement of the programme such as the introduction of MDT ward rounds which has assisted in reducing length of stay due to a plan being put in place for every patient. Assurance was provided that open discussions are taking place in clinical areas. The challenge continues to be care of the elderly and work is ongoing to attract a Consultant within this area. The medical division is being stretched across both planned and unscheduled care however a decision maker is required to balance risk and throughput.

The wider impact was examined in terms of the whole system plan and the work that will be taken forward. An understanding is required of the data and where the biggest impacts can be made. There have been small gains within ED which now feels much safer. Further investment and community response is required to get towards the trajectory for length of stay. Quality and safety walkrounds are being encouraged to ensure staff understanding of the whole system.

The recovery Director added that staff have been aligned through the delivery support unit to each of the divisions and work is ongoing to look at neighbouring health boards to understand the variances to reduce delayed discharges. It is important that patients are constantly kept under review to ensure they are on the correct pathway at all times as each patient delayed going back into the community are at higher risk within the system for falls, hospital acquired infection etc.

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

ACTION – Vicki Campbell

Outcome: *The committee received the update*

6.9 Planned Care Performance Update

The Director of Acute Services presented the planned care performance update and advised members that there has been a significant focus on planned care. This has been a huge learning curve and has increased focus on commitment from investment. Preparations are taking place of plans and trajectories and work will commence on the higher risk trajectories in the first instance to ascertain what is required to get to eliminate long waits.

Agreed trajectories are reported to the Scottish Government on a weekly basis, enhanced executive arrangement have also been put in place to gain a greater understanding of the trajectories and where these need to be revised.

There are currently 45 projects with 5 in the pipeline. An additional £8.9m has been allocated from Scottish Government with £3.3m already distributed from Ayrshire & Arran. An additional £600k has been allocated due to outliers across certain specialties.

Discussion took place on ENT which is a high risk area due to recruitment delays a theatre schedules. A review is currently underway of the theatre schedule as this is a theme across some specialties. Recruitment is taking place for additional theatre nurses and insourcing will be considered to further enhance productivity at the weekends.

With regard to Dermatology a high number of cases have been worked through however there have been technical challenges and a large number of patients due back for review.

In terms of General Surgery there has been success with recent recruitment however some impending absences have been reported. Theatre capacity was lost due to ventilation issues. This should be repaired within the next few weeks.

It has been challenging to mobilise the additional capacity over the summer months due to annual leave.

Actions are being worked through to improve cancer performance, a Breast Radiologist will be recruited as well as additional Saturday lists to reduce the waiting lists.

Overall challenges were identified with regard to capacity in the teams and the impact of this, Viridian colleagues are supporting this. There are also increasing demands on the information team due to a shift in focus of reporting and production of reports in a short space of time.

Orthopaedic demands are being reported as a longer term challenge to ensure these are understood at a national level. It was thought that some areas require substantial recruitment in order to reduce length of stay and the gap between demand and capacity.

A success story was highlighted in terms of the diabetes work taking place by GPs in the community. This has led to a reduction in diabetes and Endocrinology waits which is now getting close to the 52 week target.

A question was raised with regard to the outsourcing of pathology and whether this is causing delays. It was confirmed that Viridian will be carrying out some work within Labs and Diagnostics to support an improvement in this area.

It was agreed that the presentation would be shared with members for information.

ACTION – Vicki Campbell

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:

- Risk Register
- Financial Plan Letters
- Financial Management Report
- Non-medical Agency spend
- 15 box grid
- Capital investment plan update
- Performance Report
- For information items

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. For information

The following papers were shared with members for information/awareness:

- Movement in whole time equivalent clinical staff over 10 years
- Supplementary Staffing Spend
- Business Services Programme

11. Date of next meeting

Friday 26th September 2025 at 9.30 in Eglinton Room 1 / Microsoft Teams

SignatureDate