



**Performance Governance Committee – Minute of Meeting**  
**Friday 26 September at 9.30am**  
**Via Microsoft Teams**

**1.0 Attendance**

**Present: Non-Executive Members**

Sheila Cowan (Chair)  
 Marc Mazzucco  
 Lee Lyons

**Board Advisor/Ex-Officio**

Gordon James	Chief Executive
Derek Lindsay	Director of Finance
Kirstin Dickson	Director of Transformation and Sustainability

<b>In Attendance:</b>	Amanda Ramsay-Dunn	Recovery Director - Viridian
	Vicki Campbell	Director of Acute Services
	Crawford McGuffie	Medical Director
	Lianne McNally	AHP Senior Manager
	Yvonne Quinn	MSK Service Manager
	Shirley Taylor	Committee Secretary (Minutes)

**1.1 Apologies**

The chair welcomed everyone to the committee. Apologies were received from Lesley Bowie, Joyce White, Linda Semple, Ewing Hope, Roisin Kavanagh, Liz Wilson and Jenny Wilson.

**2. Declarations of interest**

None Noted.

**3. Minutes of the previous meeting – 24 July 2025**

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

**4. Matters Arising**

#### 4.1 Action Log

It was agreed that the action in relation to the financial plan letters should remain open in order to seek clarification on which letters should be shared. The Director of Finance confirmed that the quarter one letter is included within the FMR. The chair agreed to seek clarification on this.

ACTION – Sheila Cowan

An update was provide on action 6.1 relating to the suite of workforce reports to be presented at a board workshop. Due to the change of Chief Executive it has been requested that a demonstration of these tools be presented to CMT in the first instance and a board workshop may be arranged thereafter. It was agreed the action would remain for an update to be provided.

**Outcome:** *The committee received the update*

#### 4.1.1 A&C Agency Spend

The Director of Finance provided an update on the action requesting data on the admin and clerical breakdown of agency spend. There was a £115k spend last year on admin and clerical agency. One of the posts was within the creditors department which has now become a substantive post. A query was raised with regard to the spend in labs. The Director of Finance agreed to investigate whether this spend was ongoing or if the post has now been filled.

ACTION – Derek Lindsay

**Outcome:** *The committee received the update*

#### 4.2 Committee Workplan

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

The item on opportunities to improve financial outturn has been delayed until November as this will be discussed at the board workshop on 2 October in the first instance. For the 15 box grid, as we do not currently have the Ayrshire and Arran feedback in relation to this, it was agreed to delay this item until it is available.

It has been agreed that information will be added to the deep dive scheduling on the workplan to show which topics will be discussed at each meeting. The plan for the remainder of the year is Cancer services at the November meeting with Radiology and Endoscopy being reported in January.

The Chief Executive updated members that the 15 box grid will have a targeted focus on one or two areas across all boards at each national Chief Executive meeting. A request has gone to Scottish Government to provide an Ayrshire and Arran benchmarking on the 15 box grid and where they believe there may opportunities. This has been presented to two CMT meetings and has been reviewed by Directors. A response on actions being taken will be provided to

Scottish government and an update will be provided to members at the next committee.

**Outcome:** *The committee received the workplan*

## **5. Internal Audit**

### **5.1 Internal Audit Report – Patient Flow Management**

The Director of Acute Services presented the Patient Flow Management internal audit which is aligned to the Performance Governance Committee for monitoring of actions. The audit received a rating of substantial improvement required and was presented to the Audit and Risk Committee in June however at that point the management responses had not been received so it was re-presented last week.

There is significant work underway in the areas highlighted for improvement. The digital components for the live dashboard are now in place, work is ongoing on the implementation of the full capacity protocol, there is oversight regarding escalations and the level of understanding regarding this and improvement actions will be matched to realistic resources whilst strengthening KPIs.

The significance of what was reported was recognised and all actions have short term timescales which are on track for completion. The dashboard will be up and running by 20 November, there is a series of sessions taking place on the full capacity protocol along with a new governance group chaired by the Deputy Nurse Director for compliance. Twice weekly meetings have been put in place to allow the Director of Acute Services to discuss escalations with Chief Officers regularly. Deeper dives will take place in certain areas which will feed into the weekly performance meetings, this will include unscheduled care and flow. With regard to the KPIs there is a new process to obtain data at ward level and wider discussions are taking place on this. It was confirmed that improvements are now being identified as a result of the actions and all actions should be closed by the next committee.

Members felt assured from the feedback provided and although the agreed timescales were short it was clear that the work is being carried out. The timescales of the actions will be reviewed by the internal auditors as part of the follow up mechanisms. The Chief Executive added that updates to internal audit actions form a regular part of CMT agendas and catch-up meetings with the internal auditors have been re-established for assurance purposes. It was also highlighted that the actions from the audit may help to mitigate risk 668 on the risk register.

It was agreed that a further update would be added to the agenda for the November committee to monitor progress.

ACTION – Shirley Taylor

**Outcome:** *The committee received the audit report*

## **6. Financial and Service Management**

### **6.1 Financial Management Report – Month 5**

The committee examined the FMR and noted a deficit of £15.4m this month. It was confirmed this was excluding partnerships. It was hoped that the unfunded beds would have been closed however due to the high number of delayed discharges in our hospitals this has not happened with £2.9m of the deficit being due to this. An investment of £7.7 million in urgent and unscheduled care has been announced to close the unfunded beds towards the end of the financial year.

The overspend in medical and nursing staffing in ED and CAU is £1.8m. There are actions in place to minimise this via the Supplementary Nursing Spend Assurance Group with a targeted recruitment strategy underway including bulk recruitment of newly qualified nurses to reduce vacancies. Challenge and support meetings are taking place regularly and alternatives are also being sought to using agency nurses for mental health patients in acute settings who require 1-1 nursing care. It was highlighted that the total whole time equivalent staffing has reduced this year in comparison to last year. There has been a year on year increase in this previously and workforce is a significant cost driver. Nursing and medical agency spend is also seeing a downward trend. The acute savings are back loaded into the budget in last half of the year however there is a risk that this is unable to be delivered resulting in the overspend run rate increasing.

The overall month 5 status was examined against the £36.7m savings target for this year. The current forecast is predicting a delivery of £28.5m which is an £8.2m shortfall for the year. Acute medicine forecasts £1.1m of achievement against a £3m target which is driven by not closing the unfunded beds early in the year. Alternative savings are being considered where there are shortfalls. The savings plan is a challenge and is the highest savings plan we have ever received. There is a focus on the split between recurring and non-recurring savings as the plan was £30.2m recurring savings to meet the 3% target set by Scottish Government however this will be less due to most acute savings being non-recurring in their nature.

There is an encouraging position regarding the average length of stay for non-delayed patients. This is currently 6.1 days which is the lowest level this has been since the trend was commenced in July 2023. There is however increasing delayed discharges which has offset the benefit of this over the last six months.

A letter was received from Scottish Government following the quarter one meeting highlighting specific actions to focus on. Budget benchmarking reviews are planned to take place with NHS Lanarkshire who are currently in financial balance. Value based healthcare is also underway with a realistic care improvement programme in place for service redesign which the Medical Director is leading on. Scottish Government have requested an update on this at the quarter two review on 7 November. Finally there will be an engagement and support update on the input and delivery of this with support from Viridian and Brian Steven.

A question was raised on how NHS Lanarkshire were managing to maintain a breakeven position. A rebasing was carried out of the nursing staff level recently and it would be interesting to compare workforce tools. It was agreed that an

update would be shared with members following the work with Lanarkshire and a presentation on the financial management report would be included similar to what they use for their own reporting at the next meeting.

ACTION – Derek Lindsay

With regard to value based healthcare and realistic care improvements members heard that the realistic medicine team are currently working in the background to encourage improvements at ward level. This is an ongoing programme of work which is reported to Scottish Government every six months. A diagnostic stewardship piece of work is also underway and an update will be provided to committee on progress.

ACTION – Crawford McGuffie

Concerns were highlighted with regard to CRES, the high proportion of non-recurring savings and the possibility of not making the target. It was felt this should be a key item of the forthcoming board workshop in order to get back on track. A 3% target has been set for all of acute services to make recurring savings, however there is a challenge regarding delivery of this due to a number of acute budgets being overspent, resulting in cost reductions such as agency use being non-recurring. There will be implications next year as non-recurring savings will still need to be found next year.

The chair queried the nursing spend improvements and whether these would be a benefit within this financial year or in the longer term. The Director of Finance advised that the improvements are already in place with a proposal for additional staff in order to reduce mental health nursing agency spend. The Director of Acute Services advised that there has been real traction surrounding this over the last few months and due to tighter grip and control it is expected there will be over delivery on nurse agency savings. With regard to the mental health nursing component it is hoped this can be picked up within the last quarter of the year in order to reduce spend and make savings. It was agreed a progress update would be provided to committee as this work progresses.

ACTION – Vicki Campbell

With regard to medical staffing overspends it was highlighted that medical agency reduction is £113k ahead of plan trajectory at month 5 and covers all aspects of consultant agency, on call and the Glasgow bank although it is still very volatile. Monitoring is ongoing with regard to the junior doctor banding supplements which needs to be managed to minimise the number of higher banding levels. Viridian are providing wider support and have developed a workbook to look at medical rotas and establishments, non-complaint rotas and what areas savings can be made. It was also noted that a programme has been developed to support wellbeing and safety of junior doctors and proactive meetings are taking place regarding non-compliance.

A further query was raised regarding the continuing overspend in supplies and the use of taxis. The Director of Finance advised that budgets are being examined to understand where activity has increased and how this can be compared to supplies

spend, it is likely there will be an overspend in some areas. Discussions have taken place regarding the use of private ambulances on discharge and alternatives are being sought from the Scottish Ambulance Service. The Director of Acute Services provided some reassurance regarding the control in this area and highlighted that there have been significant cost increases for some supplies. Work is taking place to look at the diagnostic service need and where this can be made more effective.

The Chief Executive highlighted that Ayrshire and Arran have a different workforce model to Lanarkshire which needs to be considered as well as SLAs between themselves and Glasgow. Some focus needs to be given to what services we provide and what could potentially be delivered from another area. This is currently being considered across Scotland.

A member questioned the risk section of the paper and whether there would be an opportunity to recover the funding used for the two out of area patients at Woodland View. The Director of Finance responded that a provision was made for this last year end as the funding was not forthcoming from Lanarkshire or Glasgow Councils to pay the invoices. CLO have become involved and Caroline Cameron is leading this for a resolution. It was noted that the status will become clearer over the next months and a progress update will be provided to the committee.

ACTION – Derek Lindsay

**Outcome:** *The committee received the Financial Management Report*

## 6.2 Viridian Update

The Recovery Director provided an update report on activity up to month 4. It was highlighted that Viridian are contracted to deliver £15.4m in savings as part of 25-26 programme. £2.74m has been delivered up to July which is broadly in line with the plan. There is a forecast shortfall of £3.8m against the target, conversion of £2.4m planned in additional pipeline schemes to fulfil gap.

The key risks to delivery have been the medicine gap due to being unable to close the unfunded beds and delays in receiving and committing the unscheduled care funding. Programme managers are newly in post to support divisional colleagues on identifying and delivering savings and a corporate PMO is being developed.

An improvement programme has commenced for theatre productivity looking at outpatient validation, reducing outpatient costs and reviewing WLIs.

Nursing agency spend has reduced over £1m compared to the same period last year. Workforce transformation has exceeded targets and there has been a reduction in overtime and agency costs.

Members agreed that the content of the report was robust and it was noted that as schemes develop other opportunities will be identified. It was agreed that it would be useful to have data on the best and worst case scenarios as well as the value of the pipeline schemes. This will be included in future reports.

ACTION – Amanda Ramsay-Dunn

**Outcome:** *The committee received the update*

### 6.3 Performance Report

The Director of Transformation and Sustainability provided the regular performance report to committee highlighting key performance measures against the national standards and delivery plan. The period covered is up to and including August 2025 however some areas may still have July data. The improvement actions are linked to March 2026 target date and many areas are rated as red showing the level of challenge across the system.

With regard to new outpatients, the 52 week target and has failed to meet the trajectory, this has been red rated with risks regarding workforce and funding challenges.

Inpatient/day cases has stabilised for August but has still failed to meet the trajectory. This is red rated with risks around recruitment and theatre capacity issues.

For Radiology and Endoscopy the report shows that patients waiting for endoscopy or imaging over six weeks has increased for July and failed to meet the trajectory. Funding and workforce are having an impact on this.

Cancer has seen similar challenges for some time with regard to the 62 day target whilst the 31 day target is just behind the trajectory however is still green. Diagnostic capacity, robotic surgery and job planning are all impacting on the 62 day target.

Mental Health is seeing a green status across indicators for CAMHS, psychological therapies and drugs and alcohol.

The urgent care suite of measures is showing green against the plan.

In unscheduled care, the ED four hour performance in August failed to meet the target. The average length of stay for overnight admissions failed to meet trajectory whilst the SAS conveyancing turnaround within 60 minutes did meet trajectory. The acute frailty unit discharge on the same day did not meet trajectory as well as occupancy in acute hospital sites and average length of stay for emergency inpatients.

Delayed discharges have steadily increased throughout the year and occupied bed days have reached a higher point than the same period last year. These are due to ongoing challenges across the partnerships.

Workforce sickness absence is sitting at 5.74% overall with long term sickness absence being the main driver for this.

Members agreed that there is a deteriorating position in some areas which were improving previously and not many of the delivery plan targets are being met. Due to the ongoing issues with the cancer performance it has been agreed that this will

be the next area to be examined as part of the deep dive schedule. The Director of Acute Services advised that although this position is not acceptable work is ongoing to receive support from NHS Lanarkshire for some specialties which should lead to an improvement.

The Chief Executive advised that the Scottish benchmark shows March 2025 data and follows governance processes for compliance. Performance is looked at on a weekly basis and twice weekly for unscheduled care. It was highlighted that the cancer performance may get worse before it gets better due to the data being reported at the time of treatment finishing. There is a focus on breast and urology cancer and the Centre for Sustainable Delivery are providing learning on referrals pathways. It was noted that there are sometimes very small numbers of patients which can skew figures.

**Outcome:** *The committee received the Performance Report*

#### 6.4 Length of Stay/Safer Update

The Director of Acute Services advised that safer methodology has been brought in as the enabler for the reduction in length of stay. This is a focussed piece of work from Viridian and provides toolkits to work from. A rollout plan is in place for all but six medical wards.

The programme was rolled out to a further two wards last week and there is a plan for eight more wards by the end of the calendar year. This will be focussed on speciality wards with a high turnover and low length of stay. Escalation will be on a site by site basis to move discharges along.

In terms of successes there is engagement from the wider multi-disciplinary team (MDT), the rollout plan is in place and communication regarding this has been successful. The impacts being made during the week are improving the weekend position and delays and there is a forward move with regard to the wider impact of occupancy which will be assisted with the implementation of the whole systems plan. There are gaps with regard to AHP cover on the wards however if we can address frail patients at the front door and stop people coming into wards their care will be better at home. Morale has improved over the last couple of months and funding has been agreed for additional investment over the winter.

There are several tests of change underway with regard to prevention space. There is a GP at the front door to deal with the surge in activity in the evenings which impacts performance. Alternative pathways are being mapped via SAS and Advanced Practitioner who will work to try and keep patients at home. Work is being done to see what can be done in terms of NHS 24 referrals. It is predicted that all of this work will have a massive impact on the front doors.

The Chief Executive thanked all involved in this process and noted good MDT engagement from clinical and operational teams re the work taking place.

**Outcome:** *The committee received the update*



## 6.5 Planned Care Performance Update

The Director of Acute Services provided an update on planned care performance as part of the deep dive schedule focussing on areas that have gone off planned trajectory. Some trajectories have since been revised and accepted by Scottish Government.

Imaging will now be delivered over a seven day period and a fourth room is being opened for endoscopy to reduce waits.

Additional capacity has been recruited for high risk ENT in terms of additional theatre sessions and a second consultant to deliver more clinical activity. Discussions are ongoing nationally regarding NECU for digital Dermatology. Vacant posts are being advertised and insourcing is in place however this will be closely monitored.

General surgery will be reported regularly. Medical imaging has seen some success in terms of recruitment and an extra mobile MRI scanner is being sourced temporarily to carry out extra activity. Lanarkshire are providing support for cancer services.

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

ACTION – Vicki Campbell

**Outcome:** *The committee received the update*

## 6.6 MSK Performance Update

The AHP Senior Manager and MSK Service Manager were in attendance to provide an update on MSK performance and why this has seen a deterioration. As well as this there was an update on Orthotics which had been discussed at a recent Board meeting.

The MSK Service Manager advised there had been a decline in the four week performance figure since March 2025. This is mainly due to lack of resilience within the workforce which has been an ongoing challenge over the last six months. This is due to long term sickness absence and vacancies which take time to recruit to. There are similar challenges in Podiatry and Occupational Therapy in terms of staffing. This in turn reduces the number of appointments that can be offered.

In order to remedy this recruitment is being actively pursued and flexible working is improving. Bank has been a limited option as this has only recently been set up for AHPs but is now moving forward.

A further two events have taken place in the South for the community appointment days. This is a holistic approach to providing the right care at the right time and provides an opportunity to provide MSK assessment but also advice from third parties. There has consistently been a 30% uptake at all events and has been a positive model of care. Patient feedback has been positive. It is anticipated that more events will be carried out in further areas of Ayrshire to see if a smaller scale event will provide a higher uptake.

It was agreed that further investigations would take place with regard to the pathway and if there is a possibility of stopping the clock if patients fail to attend to stop the waiting list from inflating further.

ACTION – Yvonne Quinn

The AHP Service Manager provided an update on progress against the recommendations from the internal audit and advised that the balanced scorecard for all services has now been completed.

In terms of Orthotics this is managed by East Ayrshire as the lead partnership. There have been issues with long term sickness absence and retirements and the management of Orthotics was reviewed along with Podiatry to provide an opportunity to redefine how the services were managed.

Recently there have been some service changes which are assisting the performance, patient records are now electronic and ordering of equipment is done via PECOS which is allowing for review of stock and cost and finance is aligned. There is structured support in place for staff and work is ongoing with regard to the provision of wigs which was within the Orthotics budget for Dermatology and Cancer Services and impacted the rest of the budget.

It was agreed there is a great deal of good work ongoing and members requested a further update in January to see how this is progressing.

ACTION Lianne McNally

**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:

- Internal audit report and progress against recommendations
- Financial Management Report for 5 months
- Performance Management Report including updates on LOS/SAFER, Planned Care and MSK

**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:

- Robotic Assisted Surgery (RAS) Programme patient and Staff Impact

**11. Date of next meeting**

Friday 27 November 2025 at 9.30 via Microsoft Teams

Signature .....Date .....