

**NHS Grampian Minute of the Performance Governance Committee  
Thursday 16<sup>th</sup> December 2021 10.00-12.00  
Microsoft Teams Meeting**

**Present**

Mrs Rhona Atkinson, Non-Executive Board Member, NHS Grampian (Chair)  
Mrs Joyce Duncan, Non-Executive Board Member, NHS Grampian  
Ms Luan Grugeon, Non-Executive Board Member, NHS Grampian  
Councillor Shona Morrison, Non-Executive Board Member, NHS Grampian  
Mr Derick Murray, Non-Executive Board Member, NHS Grampian

**In Attendance**

Mr Alan Gray, Director of Finance  
Ms Jillian Evans, Head of Health Intelligence  
Dr John Tomlinson, Interim Chair, Non-Executive Board Member, NHS Grampian  
Ms Dawn Getliffe, Management Trainee (observer)  
Ms Else Smaaskjaer, Minutes

Item	Subject	Action
1	<p><b>Welcome</b> Mrs Atkinson thanked everyone for attending today and for their participation in the work of the Performance Governance Committee, which is key to Board assurance, during 2021. Mrs Atkinson welcomed Dr Tomlinson who was attending to observe the meeting.</p> <p><b>Apologies from Committee Members</b> Professor Lynda Lynch, Chair, NHS Grampian</p> <p>It was agreed that the order of items discussed would vary from that indicated on the agenda. Mrs Atkinson explained this would accommodate a briefing on the current Omicron position from the Chief Executive and the Medical Director at the end of the meeting.</p> <p>It was also agreed that, following the meeting, Mr Gray would draft a report to the Board for Mrs Atkinson's review.</p>	
2	<p><b>Minute of Meeting Held on 20<sup>th</sup> October 2021</b></p> <p>The Committee reviewed the minute of the meeting held on 20<sup>th</sup> October and clarified the following:</p> <ul style="list-style-type: none"> <li>• Comparison with other Boards – Mr Gray noted that all Boards work within different arrangements. As an example Tayside, with a lower</li> </ul>	

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	<p>population, have a similar bed base to Grampian. It remains important to look at all factors across Acute and Primary Care which impact on capacity and performance.</p> <ul style="list-style-type: none"> <li>• Minor Injuries Units – Mr Gray confirmed there is a network across Grampian, mainly supported by Aberdeenshire IJB and based in community hospitals. Patients are redirected from ARI to these units.</li> <li>• Digital Consultation – Mr Murray asked for reporting on how this is used in specific specialty areas. Mr Gray confirmed that overall digital consultation remains in the region of 30% and it appears unlikely this will increase but Acute management continue to review how it is used.</li> <li>• Changes in staff ratios – this will be covered in the Chief Executive’s brief at the end of the meeting.</li> <li>• Communication with patients on waiting list for long period – Mr Gray confirmed that the Medical Director Acute had progressed a range of work through service improvement workstreams and would provide a report to the next meeting of the Committee in February. Mrs Atkinson asked if this should be reported through the Clinical Governance Committee. Dr Tomlinson noted that there are some items which cut across assurance committees and agenda setting meetings could help to clarify where reporting would be most appropriate. He suggested, that to close the loop, this item could be noted at Performance Governance Committee in February with a more detailed report presented to a future meeting of the Clinical Governance Committee.</li> </ul> <p>The minute of the previous meeting was then approved as an accurate record.</p>	
<b>3</b>	<b>Items Discussed</b>	
	<p>3.1 <u>Financial Report</u></p> <p>The October finance report had been circulated and Mr Gray provided an update on the position at the end of November and noted the following key items:</p> <ul style="list-style-type: none"> <li>• There is continuing overspend with end of year forecast indicating an overspend of £5.5m. The Scottish Government had confirmed financial cover to Boards for 21/22 but will ask for assurance that all reasonable steps had been taken to limit the amount of overspend.</li> <li>• The main areas impacting on overspend in November had been medical pay, medical supplies, equipment and</li> </ul>	

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	<p data-bbox="415 237 1203 300">maintenance costs. There had also been an increase in nursing staff costs as new graduates join the workforce.</p> <ul data-bbox="370 310 1289 751" style="list-style-type: none"> <li data-bbox="370 310 1289 373">• A 2.0% baseline uplift had been indicated for 2022/23 but there will be no additional NRAC funding for Grampian.</li> <li data-bbox="370 384 1289 489">• Pay negotiations are ongoing and the bulk of any new funding will be targeted towards Primary Care and Social Care as plans for the National Care Service are progressed.</li> <li data-bbox="370 499 1289 562">• Some recurring funding had been confirmed to support Covid Vaccinations and Contact Tracing.</li> <li data-bbox="370 573 1289 636">• Boards had been advised to plan on the basis that additional Covid costs will continue to be funded in 2022/23.</li> <li data-bbox="370 646 1289 751">• It is expected that new funding will go towards covering the pay award and the expected increase in the drug budget which will leave little scope for local prioritisation.</li> </ul> <p data-bbox="370 793 1211 898">Mr Gray confirmed a full briefing to NHS Grampian Board in January but highlighted the organisation is facing the most challenging financial position for many years.</p> <p data-bbox="370 940 971 972">Main points discussed with the Committee:</p> <ul data-bbox="370 1014 1289 1890" style="list-style-type: none"> <li data-bbox="370 1014 1289 1192">• NRAC is based on postcode/geographical areas, similar to the basis of funding to Local Education Authorities. However, Grampian receives no additional NRAC funding related to deprivation and the population in Grampian had flattened in recent years.</li> <li data-bbox="370 1203 1289 1266">• Close monitoring and dialogue with Scottish Government colleagues will continue.</li> <li data-bbox="370 1276 1289 1675">• Ms Grugeon asked if changing the conversation around areas of overspend which had continued over a long term should be considered. Mr Gray advised that items such as overspend on medical locums should not become part of the standard budgeting process as it remains important to demonstrate the organisation is doing all it can to fund its activity from agreed resources. The Committee acknowledged that future medical graduates may choose less traditional career paths and locum working may emerge as a preferred option. This would allow for focused periods of work, with enhanced reward, alongside additional time for other ventures.</li> <li data-bbox="370 1686 1289 1890">• Mr Murray noted the reduction in the amount allocated for contingencies and asked if there was a risk this could also become overspent. Mr Gray responded that this would be closely monitored and although there will be financial cover from the Scottish Government this year there may be some concern regarding the scope to continue a contingency fund</li> </ul>	

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	<p>into 2022/23.</p> <p>Dr Tomlinson noted that the discussion had been helpful and suggested it should provide context to the discussion regarding the NHSG Strategy in January. Mr Gray agreed that would be useful and highlighted the ongoing work to develop a financial plan across the next 3-5 years.</p> <p>Mrs Atkinson thanked Mr Gray for the update on the financial position and asked that the report to the February meeting of the Committee should include:</p> <ul style="list-style-type: none"> <li>• More information regarding the revision of NRAC and what that will mean for NHS Grampian.</li> <li>• Beyond covering current additional costs what support will the Scottish Government provide for the longer term costs of Covid.</li> <li>• Plans to address overspends during 2022/23 and follow up to discussions around workforce planning.</li> </ul> <p><b>The Committee noted the briefing.</b></p>	
3.2	<p><u>Role of Assurance Committees During Operation Iris</u></p> <p>Mr Gray asked the members of the Performance Governance Committee how they would like to be kept informed during Operation Iris, and the preferred frequency of reporting. He noted the need to balance supporting the Committee with up to date information without engaging it with operational discussions.</p> <p>Mrs Duncan noted she would be keen to see reporting both locally and nationally highlighting themes, comparisons and trends. Ms Grugeon advised that weekly operational detail is not helpful but she would welcome an overview of how G-OPES is working and whether it is proving efficient. She asked that reporting should focus on outcomes rather than activity to give some assurance that the Board is providing services as best it can in the current situation.</p> <p>Mrs Atkinson suggested that RMP4 should continue to be the foundation of performance reporting. It would be useful to have an interim update in January regarding the Covid position and an assessment of the impact on waiting lists. There should also be an update around G-OPES to provide clarity in relation to the risks carried by the organisation.</p>	

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	<p><b>If thought necessary an interim meeting of the Performance Governance Meeting will be arranged in January.</b></p>	
3.3	<p><u>Baird and ANCHOR – Director’s Report</u></p> <p>Mr Gray presented reports on construction and project activities relating to the Baird and ANCHOR Project.</p> <p>The project is currently under review as deliverability within the current timeframe now appears unlikely. Circumstances during 2021 had resulted in changes to the market place and a significant increase in the cost per square metre for health infrastructure projects, which had recently been reported at 80%. Increased costs had been linked to the requirement for new builds to be net carbon zero. There is also a lack of interest from a number of major contractors towards infrastructure projects in the North which had compromised the tendering process for some elements of this project. Mr Gray agreed to provide a further update at the next Committee meeting in February and a report will be presented to the NHS Grampian Board in April to detail associated risks and the outcome of discussions with the Scottish Government.</p> <p>Mr Murray highlighted the seminar provided by NHS Assure which he and Mrs Atkinson had attended. His understanding was that there will be an expectation for each Board to take a more active role in Key Stage Assurance Reviews for infrastructure projects and Mr Murray asked how this would be arranged in Grampian. Mrs Atkinson advised that the role of Board Members would not be in relation to operational or construction matters but would be in terms of ensuring that infrastructure planning aligns with the Board’s overall strategy. Mr Murray agreed that Non-Executive Board Members do not need to be involved in the detail of each project but it would be important to demonstrate they remained informed and were made aware of issues which arise as projects progress. Mr Gray reported that Key Stage Reviews are currently reported to the Board. NHS Grampian is working with NHS Assure in designing the process around this reporting requirement which is intended to provide assurance throughout the construction phase of each project rather than through a single report on completion.</p> <p>It was agreed that Mrs Atkinson, Dr Tomlinson, Mr Murray and Mr Gray would discuss reporting requirements around</p>	

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	<p>infrastructure projects and the best means of providing assurance to the Board through the Performance Governance Committee.</p> <p><b>The Committee noted the reports.</b></p>	
3.4	<p><u>Health System Pressures Report and Performance Summary</u></p> <p>Mr Gray had circulated slides prior to the meeting and the following items were highlighted:</p> <ul style="list-style-type: none"> <li>• <u>Occupancy</u> – this had reached full capacity. USC activity had now impacted on planned care and general flow through ED. Discussions are ongoing to explore options to increase current capacity but there are a number of constraints in reaching the anticipated 850 beds needed.</li> <li>• <u>Covid</u> – figures are steadily increasing and are expected to reach a similar level to the previous peak. The number of hospital admissions remains stable at this stage but also expected to rise in the next few weeks.</li> <li>• <u>ED</u> – main issue resulting from volume of emergency admissions is flow through the system and resultant impact on front door performance.</li> <li>• <u>Cancer</u> – performance had been impacted by bed capacity and the main concern for clinicians is the provision of care.</li> <li>• <u>CAMHS</u> – more activity than projected and most referrals are seen in good time.</li> <li>• <u>Delayed Discharge</u> – there is a range of ongoing work in improving the use of the discharge lounge to achieve rapid discharge into community settings.</li> </ul> <p>The Committee made the following observations:</p> <p>Mrs Duncan asked if there was data to confirm whether the increased USC numbers relate to patients on waiting lists or are they different groups of patients. Ms Evans advised this could be looked at. Mrs Duncan also asked if there were more admissions relating to flu. Ms Evans confirmed that data indicates this is the case across Scotland.</p> <p>Mr Murray noted the impact of bed capacity on treatment for cancer patients but asked if there would be any potential to prioritise cancer care to improve performance in this area. Mr Gray advised that the ESCat System used in Grampian recognises cancer as a priority alongside a broader range of</p>	

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	<p>conditions. He informed the Committee that clinicians monitor the position for all patients on waiting lists to prioritise those for treatment. Mr Gray suggested that the Board may at some time consider the areas it would seek to prioritise. Dr Tomlinson noted that the next meeting of the Clinical Governance Committee would consider a report regarding cancer performance and he agreed with Ms Grugeon that it should also look at the risks associated with ED performance. Ms Grugeon informed the Committee that the Ethics Committee had also discussed the risks associated with cancer waits and the impact on patient outcomes.</p> <p>Mrs Duncan asked if enough was being done around community care and care at home. Mr Gray responded that as much as can be done was in place but those services are very dependent on staff resourcing and the main system priority to the end of December is in delivering as many vaccinations as possible.</p> <p>Mrs Atkinson suggested that the Chairs of the Performance Governance, Clinical Governance and Staff Governance Committees should meet to discuss consistent messaging and a shared understanding of unmet care needs, expectations around scheduled care and the available capacity in the system. She noted that the Board should be aware of all sources of harm and not just those relating to cancer. Ms Evans agreed that management of expectations remains a priority item and although explicit information had been presented to patients, staff and the general population there is no indication that it had been clearly understood.</p> <p>Mrs Atkinson highlighted that discussions regarding G-OPES will inform some of the hard decisions which the Board may need to make in the coming weeks.</p> <p>Mrs Atkinson emphasised the requirement to ensure a clear audit trail of the decisions being made throughout Operation Iris, including the rationale behind them, and asked for confirmation of where decisions are collated and logged.</p>	
	<b>Additional Item</b>	

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	<p data-bbox="272 268 1287 338"><b>Briefing on Omicron Variant from Professor Caroline Hiscox (Chief Executive) and Professor Nick Fluck (Medical Director)</b></p> <p data-bbox="272 380 1073 411">The Performance Governance Committee was joined by:</p> <p data-bbox="272 453 1182 741"> Ms Amy Anderson, Non-Executive Board Member  Professor Siladitya Bhattacharya, Non-Executive Board Member  Ms Kim Cruttenden, Non-Executive Board Member  Cllr Isobel Davidson, Non-Executive Board Member  Ms Lesley Hall, Assistant Board Secretary  Cllr Ryan Houghton, Non-Executive Board Member  Cllr Dennis Robertson, Non-Executive Board Member  Mr Sandy Riddell, Non-Executive Board Member </p> <p data-bbox="272 783 1300 961">Professor Hiscox and Professor Fluck explained that although there are still many uncertainties regarding the spread of the Omicron variant it had been considered important to brief Non-Executive Board Member on the current position and response plans. The following points were highlighted:</p> <ul data-bbox="272 1003 1295 1885" style="list-style-type: none"> <li data-bbox="272 1003 1295 1073">• National and local modelling indicate exponential growth in community spread of the variant and a significant impact on services.</li> <li data-bbox="272 1083 1295 1220">• Operation Iris sets out how to implement rapid change and agree derogations. Omicron has the potential to move the organisation beyond this into a major incident response and enactment of Local Resilience Planning.</li> <li data-bbox="272 1230 1295 1367">• RMP4 had outlined the arrangements to respond to demand and protect critical services. Using ARI as a marker, there is maximum capacity for 700 beds and modelling indicates a period when this will be exceeded.</li> <li data-bbox="272 1377 1295 1514">• Omicron is now recognised as the most dominant strain of the Covid virus across the UK and a large wave is expected during the winter period resulting in increased hospital admissions and impact on staff availability.</li> <li data-bbox="272 1524 1295 1593">• A rapid rise in infection rates is anticipated during the first two weeks in January which will exceed current planning arrangement.</li> <li data-bbox="272 1604 1295 1703">• A letter from John Burns, NHS Scotland Chief Operating Officer, had outlined the Scottish Governments strategic intent which included maximise available capacity and protect life and limb services.</li> <li data-bbox="272 1713 1295 1812">• In previous waves there had been slightly more headroom but during the coming weeks there will be consideration of what will trigger moving from Operation Iris to Major Incident Planning.</li> <li data-bbox="272 1822 1295 1885">• There is some scope for local determination of which services should be stepped down. However, this will be guided by the letter from the</li> </ul>	

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	<p>Chief Operating Officer to ensure that life and limb services are maintained.</p> <ul style="list-style-type: none"> <li>• Recent response to accessing vaccines had been more positive with an increase in the number of young people coming forward. On the other hand some very unreasonable behaviours had been targeted at contact tracers and work continues to ensure effective communication with the public and to encourage positive behaviours.</li> <li>• The messages provided today would also be shared widely with a range of staff groups, clinical leads, system leaders, local authority and HSCP colleagues. There is awareness that many people find it difficult to take on board the information provided and there is no assurance that some of the messages are reaching those who most need to hear them.</li> <li>• Every part of the system is under ongoing pressure and there is a recognised difference between what the organisation would seek to deliver and what it can deliver. To increase capacity across the system, including care homes and care at home services, will require maximising the available capacity and making compromises.</li> <li>• Aberdeenshire had reported G-OPES Level 4 and the release of Local Authority staff had been discussed with the Council's Chief Executive. This was in the context that there is no immunity from this variant across all public services which will reduce the availability of Local Authority staff, and awareness that Aberdeenshire had been particularly impacted by Storm Arwen.</li> </ul> <p>Mrs Atkinson suggested it would be useful for a joint discussion involving Grampian NHS Board, Local Authorities and IJBs across Grampian.</p> <p>Mrs Atkinson thanked everyone attending for their contribution and hoped they had found the meeting useful.</p>	
	<p><b>Date of Next Meeting</b>  Wednesday 16<sup>th</sup> February 2022 10.00 - 12.00  Microsoft Teams</p>	