

GREATER GLASGOW NHS BOARD

**Minutes of the meeting of the
Performance Review Group held at 9.30 a.m.
on Tuesday, 15 March 2005 in
the Board Room, Dalian House,
350 St Vincent Street, Glasgow**

PRESENT

Mr A O Robertson OBE (in the Chair)

Mr R Cleland	Mr W Goudie
Cllr. J Coleman	Dr R Groden
Cllr. D Collins	Cllr. J Handibode
Mrs S Kuenssberg CBE	

OTHER NHS BOARD MEMBERS IN ATTENDANCE

Sir John Arbuthnott	Mr T P Davison
Mr J Best	Mr T A Divers OBE
Mr R Calderwood	Mr P Hamilton
Ms R Crocket	Mr G McLaughlin

IN ATTENDANCE

Mr D Griffin	...	Acting Director of Finance
Mr A McLaws	...	Director of Corporate Communications
Mr I Reid	...	Director of Human Resources
Ms C Renfrew	...	Director of Planning and Community Care
Mr J C Hamilton	...	Head of Board Administration

ACTION BY

13. **APOLOGIES**

Apologies for absence were intimated on behalf of Mrs E Smith and Mrs A Stewart MBE.

14. **MINUTES**

On the motion of Mr R Cleland and seconded by Mrs S Kuenssberg, the Minutes of the Performance Review Group held on 18 January 2005 [PRG(M)05/01] were approved as an accurate record.

42. **MATTERS ARISING**

a) ACAD – Update on Procurement and Value for Money Issues

Mrs Kuenssberg declared an interest in this matter and left the room.

There was submitted a paper [No. 05/07] from the Programme Director – Acute Services on the up-to-date position with regard to the evaluation of the Consortia’s response to the Invitation to Tender, the Project Team’s recommendations on the bids received for the domestic and portering services and the progress in respect of the acquisition of the land at Queens Park to facilitate the development of the ACAD at the Victoria.

Mr Calderwood took each one in turn:-

i) Evaluation of Invitation to Tender

The Performance Review Group (PRG) had discussed at its October 2004 meeting the context of the single negotiated bid process. The bid received from the Consortia had been subjected to the formal review processes as set out in the Invitation to Tender. As a result of the review process the standard and mandatory variant offers, when compared with the Public Sector Comparator, passed the value for money tests. Arrangements were now in hand to have the process submitted to Partnership UK for review under the Key Stage Review process established by the Scottish Executive in response to the single bidder process. It was anticipated that this review would be completed and reported upon by mid-April 2005.

The external auditors would be involved in reviewing the process, governance arrangements and affordability and would report their findings early in the new financial year.

ii) Evaluation of Bids for Domestic for Domestic and Portering Services

The NHS Board, at its meeting in January 2004, agreed to instruct a mandatory variant bid to setting up competition between an in-house team and the Consortia’s soft FM services provider in respect of appointing a preferred partner for the future provision of Domestic and Portering Services within the new ACAD.

Both bids received were fully evaluated from a technical and financial perspective. The in-house bid represented value for money in both cost and specification terms and was the lower of the two bids. The Project Team recommended that the in-house bid be accepted and that they be appointed Preferred Partner status for the Consortia’s bid, enabling both parties to liaise and develop the final bid submission for the NHS Board’s consideration prior to financial close.

Members sought assurances that the recommended bid met the full standards and quality measures set out in the Specification. Mr Calderwood provided that assurance and described the comparison of the in-house bid with independent benchmarking.

iii) Procurement of Land

Mr Calderwood updated members on the progress made in purchasing from the City Council the land required at Queens Park Recreation Ground to construct the ACAD at the Victoria. The Scottish Executive Health Department had reviewed the Heads of Agreement for the purchase of the land and had obtained a further independent valuation of the site to be purchased. The Chief Executive of the NHS in Scotland, as Accountable Officer, would consider shortly the recommendations made about the land acquisition proposal. The Project Team would continue their engagement with the City Council on the legal terms and acquisition requirements ahead of receiving authority to conclude the purchase.

DECIDED:

1. That the evaluation of the Consortia's response to the Invitation to Tender be noted and that the process had been submitted to Partnership UK for review of the Key Stage Review process established by the Scottish Executive in response to the single bidder arrangement.
2. That the recommendation of the Project Team to accept the In-House Bid for Domestic and Porter Services to the ACAD be approved and that the team be appointed Preferred Partner to work in conjunction with the Consortia for the provision of Soft FM Services in the overall bid.
3. That the progress towards acquiring the land at Queens Park Recreation Ground from the City Council be noted.
4. That future update reports to the Performance Review Group include the progress against the timescales within the overall programme.

**Programme
Director - Acute**

**Programme
Director - Acute**

Mrs Kuenssberg returned to the meeting.

b) **Performance Review Group - Remit**

There was attached, for information, a copy of the Performance Review Group remit as approved by the NHS Board at its meeting on 22 February 2005.

The composition of the Performance Review Group would be returned to during 2005/06 in light of the new organisational arrangements

**Head of Board
Administration**

c) **Performance Management Arrangements**

It was reported that the NHS Board Members would discuss the evolving arrangements at the NHS Board Seminar on 10 May 2005.

**Director of
Planning and
Community Care**

16. **LOCAL HEALTH PLAN – 2005/06: FINANCIAL PROSPECTS**

There was submitted a report [Paper No. 05/09] from the Acting Director of Finance and Director of Planning and Community Care which provided members with an overview of the work currently under way to update the Local Health Plan, including the financial plan for 2005/06 and beyond.

Mr Griffin took members through the opening financial position for 2005/06 in light of the Scottish Executive Health Department's Allocation Letter for 2005/06. The general uplift was in line with expectations, although further discussions were ongoing with the Scottish Executive Health Department (SEHD) about the funding for Primary Medical Services and, in particular, in relation to the quality outcomes framework included within the new general medical services contract.

Mr Griffin explained to members the arrangements for funding the moves towards meeting the waiting times targets, the discussions on funding asylum seekers and the possibility of a reduced non-recurrent relief from the SEHD in 2005/06. In addition, he commented upon cost inflation (and in particular implementing Agenda for Change), supplies costs, capital charges, prescribing costs and the ongoing discussion with West of Scotland NHS Boards on the issue of funding the costs of cross boundary flow patients.

Mr Goudie asked if the supplies costs provision of 2% was adequate. Mr Griffin advised that this was currently an indicative figure as determining the final figure was still under review. In relation to Mr Goudie's request for clarification on the process and timetable for concluding the discussions with West of Scotland NHS Boards on cross subsidisation, Mr Griffin explained the agreed process followed to date based on an agreed cost and activity model. The Directors of Finance would complete this review/model shortly and the Chief Executives, with the participation of the SEHD Director of Finance, would meet in early 2005/06 to reach agreements which would be effective from 1 April 2004.

Ms Renfrew explained to members the updated position in reviewing existing and new service commitments across acute services, mental health, child and maternal health, primary care and other services.

An update on the efficiency plans, covering the Corporate Recovery Plan and the SEHD's efficient government plan was provided.

DECIDED:

That the updated Local Health Plan, including the Financial Plan, for 2005/06 be submitted to the April 2005 NHS Board meeting for approval.

**Acting Director of
Finance/Director
of Planning and
Community Care**

17. 2004/05 FINANCIAL MONITORING REPORT FOR 10 MONTHS ENDED JANUARY 2005

There was submitted a report from the Acting Director of Finance [Paper No. 05/10] on the monitoring of the financial position to 31 January 2005. The report continued to forecast a year-end deficit position of £4.6M.

NOTED

18. ANNUAL REVIEW

There was submitted two reports from the Chief Executive on the progress against the agreed action points from the Accountability Review meeting on 21 July 2004 [Paper No. 05/11(a)] and on the arrangements for the 2005 Annual Review [Paper No. 05/11(b)].

On the progress against the agreed action plan from last year's Accountability Review, Mr Divers advised that the one outstanding action – outcome of work on Oral Health – would be completed with the submission to the March NHS Board meeting of the outcome to the consultation on the Oral Health Strategy.

On waiting times, Mr Divers advised on the progress being made towards meeting the national waiting times target of no in-patient, day case or out-patient waiting over 6 months by 31 December 2005. Good progress had been made thus far in reducing the number of out-patients and substantial efforts continued to be made in reducing the numbers of in-patients.

Mr Divers described the new arrangements for the 2005 Annual Review which would be conducted by Scottish Ministers and would be held in public session on 31 August 2005.

Mr Goudie advised that the Area Partnership Forum would again find it useful to meet the Minister as part of the annual review process.

DECIDED:

1. That the progress against the agreed action points from the 2004 Accountability Review process be noted and it was agreed to receive the final update of the action plan prior to the 2005 Annual Review meeting.
2. That the arrangements for the Annual Review meeting to be held on 31 August 2005 be noted.

Chief Executive

19. **COMMUNICATIONS**

There was submitted a report from the Director of Corporate Communications [Paper No. 05/12] on the range of communications issues that had taken place since the last Performance Review Group meeting.

Mr McLaws reported on the feedback from the meeting with the Scottish Executive Involving People Team, which had included the attendance of the Health Council, Scottish Health Council, Spiritual Care representatives and Voluntary Health Scotland. The outcome had been positive and it was agreed that the NHS Board was making significant headway in its responsibilities in Patient Focus Public Involvement, although further significant challenges lay ahead.

The members appreciated the layout of the Communications report and the range of issues currently under way.

Consideration would be given to offering the Local Authorities a full presentation on the implementation of acute services, preferably before the Summer recess.

**Director of
Corporate
Communications**

Councillor Collins asked whether it would be possible to prepare joint communications strategies between the NHS Board and Local Authorities across areas of combined responsibilities – community planning, community care and community health partnerships. Mr McLaws reported on the ongoing dialogue with Local Authority communications staff and this suggestion would be taken forward in that forum and progress reported to the Performance Review Group meeting in May 2005.

**Director of
Corporate
Communications**

Mr McLaughlin asked the Director of Communications if the single system communications system was in place yet and Mr McLaws indicated that it was planned to be fully in place by 1st April 2005.

NOTED

20. **DATE OF NEXT MEETING**

The next meeting to be held at 9.30 a.m. on Tuesday, 17 May 2005 in the Board Room, Dalian House, 350 St Vincent Street, Glasgow, G3 8YZ.

The meeting ended at 11.25 a.m.