GREATER GLASGOW NHS BOARD

Minutes of the meeting of the
Performance Review Group held at 9.30 a.m.
on Tuesday, 16 August 2005 in
the Conference Room, Dalian House,
350 St Vincent Street, Glasgow

PRESENT

Mr A O Robertson OBE (in the Chair)
Mr R Cleland
Dr R Groden
Cllr. J Handibode

OTHER NHS BOARD MEMBERS IN ATTENDANCE

Mr J Best
Mr R Calderwood
Dr B Cowan
Ms R Crocket
Mr T A Divers OBE
Mr P Hamilton
Mrs A Stewart MBE

IN ATTENDANCE

Ms J Grant … Acting Chief Executive, North Division
Mr D Griffin … Acting Director of Finance
Mr J C Hamilton … Head of Board Administration
Mr A McLaws … Director of Corporate Communications
Mr I Reid … Director of Human Resources
Ms C Renfrew … Director of Planning and Community Care
Mr D Walker … Assistant Director of Planning and Community Care

ACTION BY

28. APOLOGIES

Apologies for absence were intimated on behalf of Sir John Arbuthnott, Cllr. J Coleman, Cllr. D Collins, Mr W Goudie, Mrs S Kuenssberg CBE and Mrs E Smith.

29. MINUTES

On the motion of Mr R Cleland and seconded by Cllr. J Handibode, the Minutes of the Performance Review Group held on 17 May 2005 [PRG(M)05/03] were approved as an accurate record.

30. MATTERS ARISING

a) Performance Management Arrangements

The Chief Executive reported that with the forthcoming re-alignment of responsibilities for performance management matters in the restructuring exercise, the existing draft proposals would be developed to the next stage and submitted to Members for discussion at the October/November NHS Board Seminar.
b) Annual Review

There was submitted a paper [Paper No. 05/16] on the NHS Board’s Annual Review meeting with the Minister for Health and Community Care and members of the Scottish Executive Health Department Management Board on Wednesday, 31 August 2005. The paper included the Chairman’s comprehensive self-assessment against the key areas of priority which will feature on the agenda for the Annual Review meeting.

The self-assessment had been discussed at the August NHS Board Seminar and had been amended as a result of discussions and suggestions made by Members.

The document would be further reviewed at an internal briefing meeting between the Minister and Departmental officials on 22 August 2005 and if any significant amendments were highlighted Members would be advised ahead of the Annual Review meeting.

It would be hoped to bring the outcome of the Annual Review meeting to the September or October 2005 NHS Board meeting and the output would allow the completion of the 2005/06 Corporate Objectives.

Mr McLaws was preparing a summary/leaflet on the key areas of the self-assessment document for staff and members of the public.

DECIDED:

1. That the amended Chairman’s self-assessment paper submitted in preparation for the Annual Review meeting be received.

2. That a report on the outcome of the Annual Review be submitted to the NHS Board.

Chief Executive

Programme Director – Acute

c) ACAD Procurement

Mr Calderwood was invited by the Chair to provide Members with an update on the ACAD procurement process and advised that a paper was to be submitted to the next meeting of the Group on the position with regard to the external governance arrangements. PricewaterhouseCoopers had received reports from Partnership UK and the Board’s financial advisers and would provide feedback to the next meeting of the Group on stages covered thus far.

DECIDED:

That it would be noted that the external auditors (PricewaterhouseCoopers) would provide a report and attend the next meeting to comment on their overview of the governance of the procurement process.

31. OVERVIEW OF FIVE-YEAR FINANCIAL PLAN

There was submitted a report from the Acting Director of Finance [Paper No. 05/117] on the draft 5-year Financial Plan which had been submitted to the Scottish Executive Health Department by the required date of 30 June 2005.

Mr Griffin took Members through each section and highlighted a number of key areas including the overall financial position for 2005/06 and the assumptions made; the recurring and non-recurring funding elements of the planned expenditure; the revenue resources summary and the planned use of new revenue resources.
The financial plan now forecasts that financial balance would be achieved in 2005/06, with £10.4M of cost containment measures remaining to be confirmed. This was shown as an additional cost savings target within 2005/06. Mr Griffin confirmed that the Board was currently reviewing its expenditure commitments and provisions for 2005/06 and would be in a position to firm up a plan for achieving financial balance, including any further cost savings measures which are required by October/November 2005.

Cllr. Handibode enquired about the confidence levels associated with the projected land sales figure for £2005/06 of £7.5M. Mr Griffin gave a summary of the Kirkintilloch Initiative and the associated sale of land at the former Woodilee Hospital and the timescale for the conclusion of this arrangement. This was likely to see land receipts beginning to be realised in 2005/06. In response to a further question, it was noted that missives had been concluded for the sale of the former Belvidere Hospital site, subject to planning permission.

In relation to the Local Health Plan it was reported that the benchmarking exercise on beds had largely played into the Recovery Plan for 2005/06 and the Bed Capacity and Modelling which had been submitted to the July NHS Board meeting. The manpower element of the benchmarking exercise was still being worked through by Mr Reid and Ms Crocket.

Mr Cleland highlighted the need for continued scrutiny of existing resources to identify further opportunities which could potentially release further resources for re-investment. This process would continue via the regular review of the Corporate Recovery Plan and any specific areas of sensitivity highlighted to Members at an early stage. There was the continued need to provide revenue support for the improving waiting time targets.

**DECIDED:**

That the 5-Year Financial Plan be approved.

**32. FINANCIAL REPORT TO 30 JUNE 2005**

There was submitted a report from the Acting Director of Finance [Paper No. 05/18] which set out the out-turn for the first quarter of 2005/06 and a glossary of terms. The period had seen a continued increase in energy prices and this could prove to be difficult to contain within the allocated funding for non-pay inflation.

In response to a point raised by Mr Cleland, Mr Divers emphasised the importance of keeping a firm grip of the financial position during the transition from the current organisation to the new organisation when the restructuring process had been completed and implemented. Staff were required to remain focused on current responsibilities and the planned migration to the new organisation would be discussed by the Corporate Management Team next week.

**NOTED**

**33. PRIMARY CARE ACCESS STRATEGY**

There was submitted a report from the Acting Chief Executive – Primary Care Division [Paper No. 05/19] which set out the NHS Board’s performance against the national criteria for the establishment of a target for access to a member of the primary care team within 48 hours.
Ms Crocket covered the criteria and the NHS Board’s performance against each one and highlighted the next steps, in particular:

i) continuation of the support to the Scottish Primary Care Collaborative Programme (SPCC) – a practice redesign programme aimed at improving access and quality of services;

ii) finalisation of triage survey and maintain central database;

iii) 48-hour target – support the two non-performing practices – already under way;

iv) Quality Practice Award – maintain central database and consider within Quality and Outcomes framework;

v) transfer responsibilities to Community Health Partnerships (CHP) during 2005/06 (future reporting will be part of the CHP performance management framework).

Members were encouraged by the progress made and the next steps, especially the description of the support being given to the two remaining practices which had not met the 48-hour target.

Mr Divers advised Members that the NHS Board had a responsibility to have in place appropriate arrangements for out-of-hours cover and NHS 24 were a part of that arrangement. Plans would be forthcoming in the autumn.

**NOTED**

34. **COMMUNICATIONS**

There was submitted a report from the Director of Corporate Communications [Paper No. 05/20] on the range of communications issues which had taken place since the last Performance Review Group meeting (covering the period 17 May to 10 August 2005).

Mr McLaws highlighted a number of key topics which had occurred since the last report – communications preparedness for emergencies during G8; the Special Olympics; the launch of StaffNet Communications; the arrangements associated with planning and organising the third ‘Our Health’ event alongside the Annual Review at the Royal Concert Hall on 31 August 2005; and planning for the Annual General Meeting in October 2005.

In addition, a DVD was being produced focusing on the new hospitals and the principles of re-designing services. Members encouraged wide distribution and availability of the DVD once available.

**NOTED**

35. **LABORATORY AUTOMATED EQUIPMENT – MANAGED SERVICES – BUSINESS CASE**

There was submitted a paper from the Chief Executive – South Division [Paper No. 05/21] seeking approval to release capital funding to allow full implementation of the Automated Equipment Managed Service Contract with the plan to achieve recurrent savings.
Mr Calderwood explained the decision taken in June 2004 to combine the Haematology, Biochemistry, Virology and Immunology automated equipment and reagent requirements and tender as a combined Managed Service Contract. There was now a need to carry out a significant refurbishment of the accommodation to house the new equipment and tracking automation.

Mr Calderwood advised that £1.825M capital investment was required for the alterations and refurbishment to the laboratory buildings to facilitate the Managed Service Contract and this would achieve an associated recurrent revenue saving of £1.2M per annum (full year effect from 2007/08).

Cllr. Handibode enquired about the make-up of the anticipated savings – Mr Calderwood advised that they would include recoverable VAT; volume discount leasing; IT solutions and a decrease in capital charges. Mrs Stewart sought clarification on the monitoring of the contract.

DECIDED:

That the release of £1.825M from capital to allow the full implementation of the Automated Equipment Managed Service Contract with revenue savings of £1.2M per annum, be approved.

36. **DATE OF NEXT MEETING**

The next meeting of the Performance Review Group would be held at 9.00 a.m. on Tuesday, 20 September 2005 in the Conference Room, (Ground Floor), Dalian House, 350 St Vincent Street, Glasgow (and to be followed by an NHS Board meeting at 10.30 a.m.).

The meeting ended at 11.00 a.m.