

F&P(M)16/01
Minutes: 01 - 09

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Finance & Planning Committee held at
11.30am on Tuesday, 4 October 2016 in the
Board Room, J B Russell House, Gartnavel Royal Hospital,
1055 Great Western Road,
Glasgow, G12 0XH**

P R E S E N T

Mr J Brown

Ms S Brimelow	Mr Ian Fraser
Ms M Brown	Mrs D McErlean
Prof A Dominiczak	Mrs T McAuley
Mr R Finnie	Mr A MacLeod

O T H E R B O A R D M E M B E R S I N A T T E N D A N C E

Mr R Calderwood Dr M McGuire
Mr M White

I N A T T E N D A N C E

Mr P Cannon	.. Deputy Head of Administration
Mr D Loudon	.. Director of Property, Procurement and Facilities Management
Ms C Renfrew	.. Director of Planning & Policy

01. APOLOGIES, WELCOME AND PRELIMINARIES

Apologies were intimated on behalf of Mr S Carr, Mrs Forbes, Councillor M Kerr, Dr Lyons, and Councillor M Macmillan, and Mr Brown welcomed members to the first meeting of the Finance & Planning Committee.

In advance of discussion about the draft remit of the Committee, Mr Brown outlined his aspirations for the way in which the Committee would function, within the wider governance structure of the Board, with the Acute Services Committee and the newly established, but yet to meet, Clinical & Care Governance Committee.

He expressed his desire to see the Committee as a key forum for Non Executive Directors to have an opportunity to share intelligence and experience in their respective roles in the six Integrated Joint Boards, and to allow for more detailed discussion of financial challenges and the strategic planning framework.

02. DECLARATIONS OF INTEREST

There were no declarations of interest.

03. DRAFT REMIT OF THE COMMITTEE

There was submitted a paper [Paper No 16/01] by the Deputy Head of Administration which set out a draft remit for the Committee for discussion.

Mr Brown indicated that the remits of the two newly established Board Standing Committees were under discussion by each Committee, and also at the Acute Services Committee, with the intention that once agreed these will thereafter be standardised and submitted to the Board at the February 2017 Board meeting.

Deputy Head of Administration

The discussion today was invited to assist in developing the remit, which would be adjusted accordingly, and reviewed on an ongoing basis in light of parallel discussions taking place separately at the Clinical & Care Committee, and the Acute Services Committee.

A number of suggested amendments were made to improve the clarity of each of the bullet points as set out. It agreed that the Capital Projects section needed to reflect a revised threshold of £3m for schemes (not £1.5m), and a note added in relation to requiring capital schemes exception reports and the Committee's role in terms of oversight of the Board Capital Plan in totality. It was also agreed that Medical and Non Medical Negligence should be an issue for the Clinical & Care Committee to include in their deliberations.

There was a discussion about the extent to which the Finance & Planning Committee should be concerned with the Annual Accounts sign off process, and following discussion and advice from the Audit Committee Chair, Mr MacLeod, it was agreed that this should remain as a key function of the Audit Committee to take forward on behalf of the Board, albeit this would be kept under review in the light of experience of managing the process through 2016/2017.

It was also agreed as a principle that risk management needed to be included in the remit notwithstanding that there were risk registers and risk management was already a function of the Audit Committee, but it was nevertheless felt to be important for Non Executives to have an oversight role.

AGREED

04. ADMINISTRATIVE ARRANGEMENTS

It was noted that dates of meetings for 2017 were being secured and these would be confirmed separately.

Deputy Head of Administration

NOTED

05. 2017/17 UPDATE

Members received a verbal update from Mr White on the month 5 revenue projected position, and it was highlighted that the risks that had been identified to achieving a break even position at financial year end had materialised, and that achieving a break even position at year end would be a significant challenge. It was noted that a further revenue update would be provided at the Board Away Day on 1 / 2 November 2016.

Mr White also provided a verbal update in relation to the measures being taken to contain costs, particularly within the Acute Division, and updates were provided on each area in turn, which included out of hours pressures (the treatment of tax by self

employed GPs), CRES savings, Shared Services National Initiatives (which were not yielding the savings identified), Productivity gains, Winter beds, Waiting List Initiatives the costs of special nursing, and agency / bank medical and nursing pressures.

It was noted that a further detailed update would be provided at the Board Away Day on 1 / 2 November 2016.

06. FINANCIAL PLANNING PROCESS 2017/18 AND BEYOND

There was submitted a paper [Paper No 16/03] by the Director of Finance which set out an overview of the financial planning process for 2017/18 and beyond.

Members were invited to review the paper and discuss the proposition that:

- NHSGGC will, following the update of the Month 5 position and review forecast position as part of the mid-year, begin the process of financial planning for an 18 month period from 1st October 2016;
- Communication will be sent to Sub Committee Chairs and Chief Officers imminently alerting them to the planning process and requesting each IJB provides support to the process.

It was noted that the Financial Plan was approved by the Board on the 28th June 2016, highlighting a gap of circa £10m in 2016/17 with additional financial risk of £20m to £25m. This gap was to be achieved through national initiatives. However, as updated earlier on the agenda, it was not anticipated that these national initiatives would deliver these additional savings, if at all. As a result additional CRES may be required.

Financial planning will follow a different format to previous years, reflecting that Integration Joint Boards (IJBs) are now fully established. The guidance states that the Board must allocate the IJBs a definitive budget to enable integrated planning and budgeting within the IJB. All other Board Business Units will require to identify their own plans to ensure achievement of balance within their Business Unit.

Given this challenge, early planning to deliver balance will be required. It was noted that NHSGGC will work in partnership with the six IJBs to develop plans. Early dialogue should give each IJB sufficient opportunity to re-consider their strategic planning priorities and subsequent directions (in the context of these financial issues) back to the Health Board.

It was noted that a full, formal financial and planning timetable has not yet been finalised, however governance timescales were outlined to members.

It was noted that NHSGGC intends to have its financial plan concluded as far as possible by the end of this calendar year, in order to provide time for any subsequent decisions to be formally agreed and implemented. Individual IJBs will have their own Board meetings which require financial planning information, and these need to be built into the NHSGGC planning timetable in order that relevant updates can be provided timeously.

The propositions contained within the paper were endorsed.

AGREED

07. LONG TERM STRATEGIC PLANNING

The context and role of the Committee in longer term strategic planning was discussed and it was acknowledged that the Committee had a key role in shaping the long term strategic planning agenda on behalf of the Board.

NOTED

08. PLANNING FOR AWAY DAY 1 / 2 NOVEMBER 2016

Members noted that there were a number of issues being taken forward by the Executives and which would be the subject of a more detailed series of updates and discussions at the 1 / 2 November 2016 Away Day.

NOTED

09. DATE OF NEXT MEETING

9.00am on Monday 28 November 2016 in the Board Room, JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH.

The meeting ended at 1.00pm