

GGNHSB(M)02/08
Minutes: 75 - 82

GREATER GLASGOW NHS BOARD

**Minutes of a Meeting of the
Greater Glasgow NHS Board
held in the Board Room, Dalian House,
350 St Vincent Street, Glasgow
on Tuesday 23 July 2002 at 10.30 am**

P R E S E N T

Professor D L Hamblen CBE (in the Chair)

Dr H Burns	Mr T A Divers OBE
Mr R Calderwood	Councillor R Duncan
Mr R Cleland	Mr W Goudie
Councillor D Collins	Dr R Hughes
Ms R Crocket	Mrs W Hull
Mr T Davison	Mr A O Robertson OBE
Professor G C A Dickson	Mrs E Smith

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

Ms S Dean	Press Officer
Ms S Gordon	Secretariat Manager
Mr J M Hamilton	Assistant Director of Finance
Mr J Hobson	Auditor, PricewaterhouseCoopers (to Minute 81)
Mr J Whyteside	Communications Manager

B Y I N V I T A T I O N

Mr J Cassidy	Chair, Area Nursing and Midwifery Committee
Mr P Hamilton	Convener, Greater Glasgow Health Council
Mr H Smith	Representative, Area Paramedical Committee (PAMS)

ACTION BY

75. APOLOGIES

Apologies for absence were intimated on behalf of Mr J Best (Chief Executive, Yorkhill NHS Trust), Ms M Boyle (Chief Executive, North Glasgow University Hospitals NHS Trust), Professor M Farthing (Executive Dean, Faculty of Medicine, University of Glasgow), Councillor J Gray, Councillor J Handibode, Mrs S Kuenssberg CBE (Chairman, Yorkhill NHS Trust), Dr F Marshall (Non Executive), Councillor D McCafferty, Ms E Borland (Acting Director of Health Promotion), Mr J C Hamilton (Head of Board Administration), Ms S Plummer (Nurse Adviser to the Board), Mrs C Anderson (Chair, Area Pharmaceutical Committee), Dr F Angell (Chair, Area Dental Committee), Mr E P McVey (Chair, Area Optometric Committee) and Dr J Nugent (Chair, LHCC Professional Committee).

76. CHAIRMAN'S REPORT

The Chairman made reference to events in which he had been involved since the last meeting of Greater Glasgow NHS Board. These included the following:

- (a) Attendance on 20 June 2002 at the NHS Board's Accountability Review meeting with senior Scottish Executive personnel. The main topics and headline targets discussed included the following:
- Managing within available resources
 - Managing the capital programme to sustain implementation of the acute services review
 - Maintaining the progress to develop the Beatson Oncology Centre
 - Make progress on the eradication of instances of Hospital Acquired Infection
 - Develop the staff governance agenda
 - Delivering the targets for waiting times

He confirmed that more details would be available at a subsequent NHS Board meeting following receipt of the letter summarising the meeting from the Scottish Executive. Additionally, the outcome would be published in the first NHS Greater Glasgow Annual Report.

- (b) Attendance on 21 June 2002 at the Annual Statutory Meeting with Greater Glasgow Health Council. This had been a very constructive meeting with a useful exchange of views.
- (c) Attendance on 5 July 2002 at a meeting of NHS Board Chairmen with the Minister held in Edinburgh. Key topics discussed included the following:
- The NHS ownership of the HCI Hospital at Clydebank and its role
 - Waiting Time Directives and Waiting List audit
 - Local Health Plans and Community Plans - and their future
 - NHSScotland White Paper - scheduled for 2003. Key areas of its content were expected to include issues of re-engineering and re-design of services and the patient's journey.

The Chairman welcomed Ms Rosslyn Crocket appointed as Director of Nursing to her first NHS Board meeting. Additionally, he confirmed that Professor Sir John Arbuthnott had been appointed as Chairman of Greater Glasgow NHS Board and would take up position on 4 November 2002. In the meantime, Professor Gordon Dickson, the current Vice Chair had been appointed Interim Chairman from 1 August to 4 November 2002.

NOTED

77. MINUTES

- (a) On the motion of Mr T Davison, seconded by Mr W Goudie, the Minutes of the meeting of the NHS Board held on Tuesday 18 June 2002 [GGNHSB(M)02/06] were approved as an accurate record and signed by the Chairman.

The Convener of Greater Glasgow Health Council sought clarification around the following sentence minuted under Item 66 (Quarterly Report on Complaints - January - March 2002) of the Minute:

"Ms Boyle confirmed that complaints relating to clinical treatment were submitted to the Clinical Governance Committee for consideration".

Mr Divers recalled that it was broader than complaints relating to clinical treatment that were submitted to the Clinical Governance Committee but also any other significant clinical incident.

NOTED

- (b) On the motion of Councillor D Collins, seconded by Professor G C A Dickson, the Minutes of the meeting of the NHS Board held on Thursday 27 June 2002 [GGNHSB(M)02/07] were approved as an accurate record and signed by the Chairman.

78. REVIEW OF SYSTEM OF INTERNAL CONTROL 2001/2002

A report of the Convener of the Audit Committee [Board Paper No 02/48] was submitted enclosing a report by the Audit Committee on the outcome of the Committee's evaluation of the Board's system of internal financial control during 2001/2002.

Subject to approval of the report, the Board was asked to authorise the Chief Executive to sign the Statement of Internal Control which formed part of the Board's annual accounts.

The Convener of the Audit Committee, Professor G C A Dickson, presented the report.

The Audit Committee, at its meeting held on 2 July 2002 received a report which provided Members with the evidence to allow the Committee to review the Board's system of internal control for 2001/2002.

Based on the review of system of internal control 2001/2002, the Audit Committee concluded that subject to the following two exceptions, the system of internal control complied with required control standards:

1. The Board had not yet concluded its arrangements for Risk Management. Professor Dickson outlined actions that would be taken during 2002 to finalise the Risk Management arrangements and an action plan had been agreed with additional resources being committed to this task to ensure targets were met.
2. A number of weaknesses identified relating to payments for family health services - processed by the Practitioner Services Division of the Common Services Agency. These weaknesses had been addressed, however, it was appropriate that they were reported as the corrective action was not in place throughout the year 2001/2002. As the Board had no direct control over this organisation, Professor Dickson had written to the Chief Executive of the Common Services Agency seeking an action plan and a statement of their progress to date to address these weaknesses.

ACTION BY

Mr Goudie drew attention to the reviews of both corporate and clinical governance and confirmed that in future reports a review of the Staff Governance Standard would be included.

DECIDED:

- That the Audit Committee's report on the outcome of the evaluation of the Board's system of internal control 2001/2002 be approved.
- That the Chief Executive be authorised to sign the Statement of Internal Control subject to the statement disclosing the matters identified in the review.

Director of Finance

Chief Executive

79. EXTERNAL AUDIT : FINAL REPORT TO BOARD MEMBERS

A report of the External Auditors, PricewaterhouseCoopers [Board Paper No 02/49] was submitted enclosing the final report to Board Members in respect of the statutory audit of the annual accounts for 2002/2002.

Mr J Hobson from PricewaterhouseCoopers presented the external auditors' final report to Board Members on the year ending 31 March 2002. The final report was primarily designed to direct the attention of the Board to matters of significance that had arisen out of the 2001/2002 audit process and to confirm what action was planned by management to address any of the more significant matters identified for review or improvement. The matters dealt with in the final report came to the notice of PricewaterhouseCoopers during the conduct of its normal audit procedures which were carried out in accordance with the framework and principles embodied within the Code of Audit Practice. Mr Hobson explained that at the time of the release of the report on 16 July 2002, the Board was in discussion with the Scottish Executive on whether additional income or a capital to revenue transfer would be available to off-set the impact of the payment of £1.2M to the Mearns Kirk Consortium. A capital to revenue transfer for 2001/2002 had since been approved and the report had been prepared on this basis albeit written confirmation from the Scottish Executive confirming approval of this transaction had to be forwarded to PricewaterhouseCoppers.

Mr Hobson led the Board through the final audit report and confirmed that the Board's financial statements disclosed that the Board had met its financial targets. The Board had recognised the financial pressures faced by its acute Trusts in that they had recorded deficits in the past two years. Each acute Trust had accordingly initiated a series of financial recovery plans but the savings targets projected were not fully achieved during the year. As a result, additional funding was made available to the Trusts in the latter part of the financial year to ensure that all Glasgow's Trusts achieved their financial targets for 2001/2002. At the end of 2001/2002, £7.672M of revenue funding was available to be carried forward to 2002/2003. This was within the permitted 1% carry forward automatically approved by the Scottish Executive. In addition, the Board's underspend against the capital resource limit of £0.736M was also available for use in 2002/2003. At 31 March 2002, the Board reported that £16.3M of NHS Greater Glasgow capital funding for 2001/2002 would require to be carried forward as a result of slippage in the capital programme. The Board planned to implement new monitoring and reporting arrangements during 2002/2003 including the preparation of a comprehensive three to five year capital plan for NHS Greater Glasgow.

ACTION BY

Mr Hobson thanked all staff, particularly those within the Finance Directorate for their assistance throughout the audit process - this was echoed by Professor Hamblen.

Professor Hamblen reminded the Board that as Professor Dickson had been appointed interim NHS Board Chairman, he could not perform his role as Convener of the Audit Committee during his period as Chairman. As such, the Audit Committee would need to be convened by another Non Executive Member of the NHS Board for this period.

**Head of Board
Administration**

Professor Dickson advised that the next Audit Committee meeting was scheduled for the beginning of September 2002 and that a network of meetings for 2003 would be arranged to tie in with the four Trust Audit Committee meetings recognising the relationship of the NHS Board and Trust Audit Committees.

**Head of Board
Administration**

In response to a question from Professor Hamblen, Mr Hobson confirmed that PricewaterhouseCoopers had concluded that the Board had implemented appropriate arrangements to define the potential options, assess the costs and affordability and consult with key stakeholders throughout its acute services review process. This had followed a request, in August 2001, to report on the progress and project management arrangements in place for the implementation of the acute services review. Professor Dickson confirmed that the Audit Committee had reviewed PricewaterhouseCoopers audit report of the acute services review and was satisfied that this commissioned piece of audit work afforded outside scrutiny of the arrangements put in place by the Board and assurances that the process had been conducted satisfactorily. As the strategy unfolded, Executive Officers would be taking forward necessary pieces of work particularly following the Minister's decision when plans would be made to move towards the implementation phase of the strategy.

DECIDED:

That the final report to Board Members from the Board's External Auditors, PricewaterhouseCoopers, in respect of the Statutory Audit of Annual Accounts for 2001/2002 be noted.

80. STATEMENT OF ACCOUNTS FOR 2001/2002

A report of the Director of Finance [Board Paper No 02/50] was submitted enclosing the Statement of Accounts for the year to 31 March 2002. In line with the requirement of the NHS Scottish Executive Health Department, Statement of Accounts were required to be adopted by the Board, certified by the External Auditors and submitted to the Scottish Executive Health Department by 31 July 2002.

Mr Hamilton introduced the accounts which had previously been considered by the Audit Committee. The External Auditors had completed their audit of the accounts and had issued the final report to Board Members which confirmed that their audit certificate on the Board's financial statements for the year ended 31 March 2002 would be unqualified in respect of their true and fair opinion.

ACTION BY

Mr Hamilton confirmed that the Board's financial statement disclosed that the Board had met its financial targets. He advised that in previous years, the financial performance of Health Boards was measured as expenditure against a cash limit as advised by the Scottish Executive. In 2001/2002, however, this had been supplemented by two additional targets as a result of the introduction of resource (accruals) accounting throughout the NHS. NHS Boards were now given separate revenue and capital resource limits for each financial year and could apply to the Scottish Executive for permission to carry forward any element of the unused allocation.

The NHS Boards were also expected, however, to operate within their local cash target which was expected to finance the revenue and capital expenditure for the year. The three performance targets listed below had all been achieved:

1. To operate within the revenue resource limit of £951.162M - the Board reported an outturn of £943.490M for the year ended 31 March 2002, an underspend of £7.672M which could be carried forward for use in 2002/2003.
2. To operate within capital resource limit of £0.962M - the Board reported an outturn of £0.226M, an underspend of £0.736M which could be carried forward to 2002/2003.
3. To operate within a cash target of £938.744M - the Board reported an outturn of £938.522M, an underspend of £0.222M.

For completeness, Members received a revised Statement of Internal Control (pages 80 and 81 of the Board papers).

In commending the accounts to the Board for approval, Mr Hamilton recorded his appreciation of the considerable efforts of all members of staff who had contributed to the financial year outcome and also to the External Auditors for their assistance and forbearance. Professor Hamblen endorsed these sentiments and Mr Hobson thanked Mr Hamilton and his staff for the helpful and productive way they had assisted the External Auditors in their role.

DECIDED:

- That the Chairman and Director of Finance sign the Statement of Health Board Members Responsibilities in Respect of Accounts.
- That the Chief Executive sign the Statement of Internal Control.
- That the Chief Executive and Director of Finance sign the Revenue Income and Expenditure Account (Form A1.0) and the balance sheet (Form A2.0).

**Chairman/Director
of Finance**

Chief Executive

**Chief Executive/
Director of Finance**

81. ETHICAL STANDARDS IN PUBLIC LIFE : CODES OF CONDUCT FOR MEMBERS OF DEVOLVED PUBLIC BODIES

A report of the Chief Executive [Board Paper No 02/51] was submitted asking the Board to receive and adopt the final version of the NHSScotland Code of Conduct.

ACTION BY

Mr Divers reminded the Board that earlier this year, the opportunity was afforded to offer comments on a draft version of the Codes of Conduct for Members of Devolved Public Bodies. Professor Hamblen duly collated a range of comments which were submitted to the Standards Commission along with comments from a wide range of other interests. Professor Hamblen had since received a note from the Head of the Public Appointments Unit within the Health Department enclosing a copy of the final version of the Code which had now been approved by the Standards Commission. From a statutory standpoint, the Board Chairman and Chief Executive were required, by 2 August 2002, to confirm, in writing, that the NHS Board had adopted the Code of Conduct for Members. In providing that confirmation they must also confirm that all Board Members had received a copy of the Code; that they had been informed that it was their personal responsibility to comply at all times with its content; and to review regularly, and at least annually, their personal circumstances with this in mind.

Councillor Collins referred to similar arrangements in place within local government whereby all Members were required to sign a document confirming they had received and would comply with the content of the Code. Mr Divers confirmed that a similar arrangement would be place at the NHS Board and that this would be arranged by the Head of Board Administration.

**Head of Board
Administration**

Mr Robertson advised that the Codes would be presented to Greater Glasgow Primary Care NHS Trust at its meeting scheduled for 1 August 2002.

Councillor Duncan drew attention to a possible ambiguity at paragraph 4.3 of the document where it stated "*you have a registerable interest where you receive remuneration by virtue of being employed*". In this regard, the amount of remuneration did not require to be registered and remuneration received as a Member did not have to be registered.

DECIDED:

- That the Board receive and adopt the final version of the NHS Scotland Code.
- That the Board Chairman and Chief Executive respond by 2 August 2002 to confirm that the NHS Board had adopted the Code of Conduct for Members.

**Chairman/Chief
Executive**

82. ANY OTHER BUSINESS

(i) Mental Health (Scotland) Act 1984 - List of Approved Medical Practitioners

A report of the Director of Public Health was submitted seeking approval of one medical practitioner employed by Greater Glasgow Primary Care NHS Trust to be authorised for the purpose of Section 20(1)(b) and 39(b) of the Mental Health (Scotland) Act 1984.

DECIDED:

That the following medical practitioner be authorised for the purpose of Section 20(1)(b) and (39(b) of the Mental Health (Scotland) Act 1984:

**Director of Public
Health**

Dr Andrew Kinch

(ii) Retiral of the Chairman, Professor D Hamblen

Professor Dickson referred to the fact that this was the last meeting of the NHS Board for Professor Hamblen prior to his retiral on 31 July 2002.

On behalf of the NHS Board he acknowledged Professor Hamblen's huge contribution to the Board particularly in relation to his understanding of the issues relating to the acute services review. His deep knowledge and careful attention to detail had been greatly valued throughout the process. He had led a fundamental reshaping and improvement in care to NHS in Greater Glasgow and had embraced the many views of key stakeholders with deep understanding. Greater Glasgow NHS Board was grateful for his vast contribution throughout his years as Chairman and wished him good health and a long and happy retirement.

Professor Hamblen thanked Professor Dickson and all Board Members for their kind sentiments and wished the NHS Board well for the challenges that lay ahead.

Meeting ended at 11.40 am