

GREATER GLASGOW NHS BOARD

**Minutes of the meeting of the
Performance Review Group held at 2.00 p.m.
on Tuesday, 9 March 2004 in the
Conference Room, Dalian House,
350 St Vincent Street, Glasgow**

PRESENT

Mr A O Robertson OBE (in the Chair)

Mr R Cleland
Cllr. J Coleman
Cllr. D Collins

Mr W Goudie
Cllr. J Handibode
Mrs S Kuenssberg CBE

Mrs E Smith

OTHER NHS BOARD MEMBERS IN ATTENDANCE

Mr J Best
Mr R Calderwood
Mr T P Davison

Mr T A Divers OBE
Mr P Hamilton
Mr I Reid

IN ATTENDANCE

Mr A McLaws ... Director of Corporate Communications
Mr J C Hamilton ... Head of Board Administration

ACTION BY

7. **APOLOGIES**

An apology was intimated on behalf of Dr J Nugent.

8. **MINUTES**

On the motion of Mr R Cleland and seconded by Mrs E Smith, the Minutes of the Performance Review Group held on 10 February 2004 [PRG(M)04/01] were approved as an accurate record.

9. **MATTERS ARISING**

Update on Consultants Contract

Further to Minute 5 – Financial Prospects – 2004/05 and Beyond – Mr Davison gave members an update on the progress towards negotiations of the new Consultants Contract.

The National Group had issued guidance on the parameters of job plans for Consultants and a Health Department Letter on Research Development Training and Education had been issued. This would now allow local negotiations to commence with Consultants to agree job plans by 31 May 2004.

Mr Davison explained that there were roughly 900 job plans to negotiate in NHS Greater Glasgow. A meeting in Stirling on 22 March 2004 would look at the programmed activities and would highlight any outliers. In mid-April the Corporate Management Team would review the programme activities and process for NHS Greater Glasgow and thereafter the negotiations would start with the Consultants. There would require to be a balanced and flexible approach to the negotiations recognising the various factors which come into play.

A process for appeals had also been developed.

10. **ACHIEVING WAITING TIME TARGETS BY DECEMBER 2005**

There was submitted a paper from the Assistant Director of Planning (Acute Services) describing the challenge of achieving and sustaining the 6-month maximum in-patient and day surgery waiting time target by December 2005. The paper focused on the North and South Trusts recognising that this was where the major challenge lay – a further paper would include Yorkhill and Primary Care.

The schedules attached to the paper described by specialty the recurrent and non-recurrent activity and costs to meet the waiting time target by December 2005.

In 2004/05 an additional 14000 in-patient and day case treatments would be required, with this rising to 15000 in 2005/06. Over the two years this amounts to £22.9 million recurrently and £22.5 million non-recurrently. A capital sum of £3.14 million would be required in 2004/05 to purchase surgical instrumentation/equipment. These levels of activity and costs are inclusive of treating non-Greater Glasgow residents on the NHS Board's waiting lists and the non-Greater Glasgow activity would be required to be funded from the referring NHS Board (totalling £4.8 million in 2004/05 and £5.2 million in 2005/06). Discussions with neighbouring NHS Boards have commenced on a process to secure agreement to the activity levels and related costs.

It was reiterated that patients with an Availability Status Code (ASC) would, in the future, be given waiting times targets and, as yet, the NHS Board's plans do not make provision for the 17/18% of patients who currently have an ASC because of a service driven reason. A national announcement on this issue was awaited and currently NHS Trusts were reviewing the patients in this category.

To deliver and sustain the waiting time target it would be necessary to invest to expand local NHS capacity on a recurring basis. To achieve this it was proposed to commit £6 million in 2004/05 (£7.2 million full year effect), recognising that there would be further recurrent and non-recurrent investment to be agreed to deliver and sustain the waiting time target.

DECIDED:

1. That the analysis of the activity and costs to deliver the 6-month waiting times target by December 2005 and thereafter sustain it, be noted.
2. That subject to NHS Board approval, there should be commitment to the recurrent and non-recurrent investment described in Schedule 1 of the paper with the clear requirement that a process be established to secure waiting times income from other NHS Boards in respect of the non-Greater Glasgow patients who would require to be treated to deliver the 6-month waiting target.

Chief Executive

11. PROGRESSING THE FINANCIAL PLAN FOR 2004/05 AND DEVELOPING THE CORPORATE RECOVERY PLAN

Further to Minute 5 – Financial Prospects – 2004/05 and Beyond – there was submitted a paper from the Chief Executive which provided an update on the work undertaken by the Corporate Management Team to address the serious financial position faced by the NHS Board over the next two years. The focus of the paper was on the series of actions which the Corporate Management Team believed it would be necessary to take in order to address the financial deficit faced by the NHS Board.

It was reported that a series of individual meetings had been held with each NHS Trust. This had resulted in the development of proposals from each organisation showing how they could achieve break-even against the roll-over deficit carried forward from 2003/04 to the start-point allocations for 2004/05. It had been highlighted at the previous meeting that addressing these deficits was the first challenge within the Financial Plan and required to be seen alongside the further estimated deficit set out in the Financial Plan – 2004/05.

The Chief Executives each made a short presentation setting out proposed actions to achieve the objective of break-even against the 2004/05 start-point allocations. Members recognised the efforts made by the Chief Executives to sustain front-line services while at the same time needing to make substantial savings to reach the break-even point for the 2004/05 start-point allocations. Clearly these were sensitive areas which would lead to difficult questions. The presentations covered a range of options which could be achieved in the timescale available and maintained the commitment to achieve the new national waiting time targets.

The Directors of Finance would now overhaul all the elements of the plans to validate the estimated savings figures and they would be incorporated into a single expanded Recovery Plan.

**Director of
Finance**

In addition to addressing the start-point allocations for 2004/05 there was also the need to continue to address the predicted revenue deficit over the next 2 years in order to achieve a return to financial balance. The Recovery Plan would need to address at least half of the revenue deficit in 2004/05 and areas to be looked at would include – staff management issues; changing current patterns of clinical service delivery; reviews of catering, pharmacy services, benchmarking, nursing and medical manpower and looking at different working patterns within laboratories.

It would be proposed to establish a Support Team of full-time seconded staff charged with leading individual projects within the Recovery Plan and co-ordinate the overall effort and report to Chief Executives and the Corporate Management Team.

Early discussions were required with key stakeholders – Local Health Council, Professional Advisory Committees, Trade Union officials, Local Authorities - in order to describe the extent of proposed actions. The possibility of bringing together the urgent elements of the Corporate Recovery Plan and consult with key groups was discussed, as was setting out each step in a planned and systematic way.

DECIDED:

1. That the Chief Executives proposed actions to achieve break-even against the roll-over allocations for 2004/05 be incorporated into a single, expanded Corporate Recovery Plan.

Chief Executive

ACTION BY

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| 2. | That the Performance Review Group at its next meeting receive final proposals for the 2004/05 Financial Plan and Corporate Recovery Plan (which incorporated a programme of discussions and consultations with key stakeholders). | Director of
Finance |
| 3. | That the April 2004 NHS Board meeting receive, for approval, the 2004/05 Financial Plan and Corporate Recovery Plan. | Director of
Finance |

12. **DATE OF NEXT MEETING**

9.30 a.m. on Tuesday, 6 April 2004 in the Board Room, Dalian House, 350 St Vincent Street, Glasgow – this would be an expanded meeting with all NHS Board Members and be part of the Board Seminar event.

The meeting ended at 4.20 p.m.