

GREATER GLASGOW NHS BOARD

**Minutes of the meeting of the
Performance Review Group held at 12 noon
on Monday, 23 August 2004 in
Meeting Room B, Dalian House,
350 St Vincent Street, Glasgow**

PRESENT

Mr A O Robertson OBE (in the Chair)

Mr R Cleland	Cllr. J Handibode
Mr W Goudie	Mrs S Kuenssberg CBE
Dr R Groden	Mrs E Smith

OTHER NHS BOARD MEMBERS IN ATTENDANCE

Mr J Best	Mr T A Divers OBE
Mr R Calderwood	Mrs W Hull
Mr T P Davison	Mr I Reid
Mrs A Stewart MBE	

IN ATTENDANCE

Mr D Griffin	... Director of Finance, Primary Care Division
Mr A McLaws	... Director of Corporate Communications
Ms C Renfrew	... Director of Planning and Community Care
Mr J C Hamilton	... Head of Board Administration

ACTION BY

25. **APOLOGIES AND WELCOME**

Apologies for absence were intimated on behalf of Sir John Arbuthnott, Cllr. J Coleman, Cllr. D Collins and Ms R Crocket.

The Chairman welcomed Dr Richard Groden to his first meeting of the Group and hoped he would find the work of the Group interesting.

26. **MINUTES**

On the motion of Mr R Cleland and seconded by Mr W Goudie, the Minutes of the Performance Review Group held on 15 July 2004 [PRG(M)04/04] were approved as an accurate record subject to the addition of Mrs W Hull to the apologies.

27. **MATTERS ARISING**

Further to Minute 22 – Progress on Corporate Recovery Plan – Mr Divers provided Members with an update on the engagement with the Area Partnership Forum through monthly meetings. These meetings were focusing on the detail of the projects which had an impact on staff issues and reporting on the remaining projects was at summary progress level.

Mr Griffin explained the refinements made to the monitoring forms in order to track and report on the financial targets set to be achieved by 31 March 2005.

Mr Goudie had been concerned about the possibility of double counting between Divisional Savings Plan and the Corporate Recovery Plan. Mr Griffin explained that much of his early work had been to identify what savings were attributable to which Plan.

28. **FINANCIAL POSITION – 200405**

There was submitted for discussion two reports from the Director of Finance: Financial Position – Update at End of June 2004 [Paper No. 04/17A] and 2004/05 Financial Monitoring Report for 3 Months Ended June 2004 [Paper No. 04/17B], which had also incorporated the Projects which made up the Corporate Recovery Plan.

In April 2004 the NHS Board agreed Revenue Startpoints for 2004/05 which recognised a £58.8m excess of funding available but this was offset by an additional non-recurring allocation of £12.2m from the Scottish Executive Health Department and a Corporate Recovery Plan that had identified savings of £32m. There remained further savings to be identified for the remaining £14.6m.

The Director of Finance's report updated the position at the end of the first 3 months to June 2004 and took account of the financial monitoring report to 30 June 2004 and the updated Corporate Recovery Plan.

The position at month 3 at the end of June 2004 indicated a deficit to date of £1.7m and this reinforced the need to continue the strict vacancy management protocols, monitoring of agency numbers, reviews of estates and catering, and as part of the Corporate Recovery Plan carry out a major workforce benchmarking exercise. Mrs Hull went on to explain the need to incorporate Recovery Plan targets into the allocations for each Division. She used the example of the Integrated Financial Services Project to illustrate the point outlining that at the moment the existing Finance vacancies were affecting overall Divisional spend rather than being shown against the Recovery Plan targets.

The position was similar in respect of the various "better buying" initiatives.

It was agreed that CMT needed to agree how these processes would be integrated to provide clear in year financial monitoring reports.

Mr Griffin explained his analysis of the current status of the Corporate Recovery Plan noting that the Plan also had projects where savings targets had still to be confirmed as well as projects which would cover 2 financial years. In addition, there would be some additional land sales over and above those in the 2004/05 Capital Plan.

It was important to ensure a common financial reporting system that provided the Performance Review Group with a clear single financial target to be delivered and monitored for the remainder of 2004/05. The Corporate Management Team would further discuss this and report back to the Performance Review Group at its next meeting.

Mr Divers explained the "Efficient Government" financial targets which were to be set by the Scottish Executive over the next 2 years and the need to be prepared to identify the relevant savings achieved in NHS Greater Glasgow.

ACTION BY

Cllr. Handibode asked about the review of continuing care services for elderly patients and the impact in Rutherglen, as he had not been aware if discussion had yet taken place. Mr Griffin confirmed that the detailed Project Plan had timetabled discussions to commence in September 2004 and that progress would be reported to the September meeting of the Performance Review Group.

At the suggestion of Mr Cleland, some thought would be given at a later date to grading projects on the basis of the likelihood of delivering the financial target set.

Future reporting would concentrate on exception reporting of those projects which were not progressing sufficiently well enough to deliver the target set.

DECIDED:

1. That a common and agreed financial monitoring system, together with a clear single financial target, be submitted to the next meeting for discussion. This should incorporate the Month 4 position and highlight the risks associated with meeting a single financial target for 2004/05.
2. That further consideration be given to projects which could address the outstanding gap of £14.6m.

*Director of
Finance*

*Chief
Executive/Director
of Finance*

29. **FUTURE ROLE AND RESPONSIBILITIES OF PERFORMANCE REVIEW GROUP**

As a result of the Governance Arrangements and Committee Review paper submitted to the NHS Board in August 2004, it was agreed to review the Performance Review Group Composition and Remit at the next meeting and submit any suggested changes to the NHS Board for endorsement.

The Head of Board Administration would send a copy of the current Composition and Remit to Members for comment prior to considering the issue at the next meeting.

*Head of Board
Administration*

30. **DATE OF NEXT MEETING**

The next meeting would be held at 9.30 on Tuesday, 21 September 2004 in Board Room 1, Dalian House, 350 St Vincent Street, Glasgow, G3 8YZ.

The meeting ended at 2.15 p.m.