

A (M) 04/6  
Minutes: 54 - 58

NHS GREATER GLASGOW

**Minutes of a Meeting of the  
Audit Committee  
held in Meeting Room B,  
Dalian House, 350 St Vincent Street, Glasgow,  
on Tuesday, 21 December 2004 at 12.30 p.m.**

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**PRESENT**

Mrs E Smith (Chair)  
Mr J Bannon MBE  
Cllr D Collins  
Mr P Hamilton  
Mrs A Stewart MBE

**IN ATTENDANCE**

Mrs W Hull	Director of Finance
Mr J C Hamilton	Head of Board Administration
Mr J M Hamilton	Assistant Director of Finance
Mr A Lindsay	Head of Control & Support Systems
Mr S Kelly	Deloitte
Mr C D Revie	PricewaterhouseCoopers
Mr A Gray	PricewaterhouseCoopers
Mr M Thomson	PricewaterhouseCoopers

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**54 APOLOGY**

An apology was intimated on behalf of Cllr Handibode.

**55 MINUTES**

On the motion of Mrs Smith, seconded by Mr Hamilton, the Minutes of the meeting on 26 October 2004 were noted as a correct record and signed by the Convener. Members agreed that matters arising from the Minutes should be considered at the meeting scheduled for 25 January 2005.

**56 REVIISED REMIT OF THE PERFORMANCE REVIEW GROUP**

A report of the Head of Board Administration (Audit Paper No 04/26) was presented asking the Audit Committee to endorse changes to the Remit of the Performance Review Group (PRG) and to "Decisions Reserved for the NHS Board". The Convener described how the NHS Board had decided in August 2004 that all Committees of the NHS Board should review their remit and composition and thereafter make recommendations to the NHS Board should any change be proposed. The PRG considered the remit and composition at its meeting on 21

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September 2004 and agreed to seek individual members' comments on a revised remit. Through correspondence, members reviewed the resultant draft revised remit and the consequential impact on "Decisions Reserved for the NHS Board". The Convener also explained that the Legal Adviser had confirmed that the NHS Board had the power to delegate to the PRG the issues covered in the Remit.

Mr Revie, PricewaterhouseCoopers, commented that from an external audit perspective, the proposed changes were satisfactory but in addition, there was a need to ensure that issues requiring public discussion received that public debate. Following discussion, there was agreement that the wording of parts of the Remit should be changed to reflect that overall responsibility continued to rest the NHS Board.

Mr Kelly, Deloitte, commented that the proposed amendments fitted into the overall corporate governance objectives.

Members then discussed each element of the draft revised Remit.

**FUNCTION**

Members agreed that the wording should be amended to read

"The PRG carries delegated responsibility with powers on behalf of the NHS Board for monitoring and progressing:-

- a) Organisational performance;
- b) Resource allocation and utilisation;
- c) Implementation of agreed NHS Board strategies."

**REMIT**

Organisational Performance

It was agreed that in paragraph ii), the word "approving" should be replaced by "receiving and reviewing".

Monitoring of Resource Allocation and Utilisation

Members agreed that no changes were required to this section.

Monitoring of the Implementation of NHS Board Agreed Strategies

It was agreed that paragraph i) should be amended to take account of the need to involve the NHS Board in significant stages of the process of agreeing key elements of approved strategies.

It was agreed that paragraph iii) should be amended to read

"Approving land and property transactions relating to the disposal and acquisition of property."

**COMPOSITION**

Members agreed that the composition would require to be reviewed to reflect the NHS Board's new organisational structure which would be in

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place from 1 April 2005 and that the PRG should be therefore invited to review its composition and make recommendations to the NHS Board.

**Head of Board  
Administration**

It was also agreed that paragraph c) should be amended to read

“All NHS Board Members will have the right to attend and participate in PRG meetings.”

**REPORTING ARRANGEMENTS**

Members agreed that this section was satisfactory and no changes were required.

Members approved the proposed changes to the “Decisions Reserved for the Board”.

DECIDED:

That subject to the agreed amendments, the revised remit of the Performance Review Group and the changes to “Decisions Reserved for the NHS Board” be endorsed and submitted to the NHS Board for approval.

**Head of Board  
Administration**

**57 REVIEW OF PROGRESS OF CORPORATE GOVERNANCE ARRANGEMENTS**

The Director of Finance commented that it would be useful to receive a brief update on the progress of the corporate governance arrangements for NHS Greater Glasgow to provide orientation for new Members and to provide assurance to existing Members that progress continued to made following the series of Audit Committee workshops and NHS Board Seminars.

The Head of Control and Support Systems tabled a chart which summarised the processes which had been followed to develop governance arrangements, the supporting documentation and the arrangements for managing risk. In respect of this latter element, the Head of Control and Support Systems explained that the Draft Risk Management Strategy had been issued to interested parties for consultation. The timetable for consultation would allow an updated version of the Draft Strategy to be presented for approval to the next meeting of the Audit Committee.

**Head of Control &  
Support Systems**

NOTED

**58 DATE OF NEXT MEETING**

DECIDED:

That the next meeting be scheduled for Tuesday, 25 January 2005 at 9.30 a.m.

The meeting ended at 1.50 p.m.