

PRG(M)04/07
Minutes : 40 - 49

GREATER GLASGOW NHS BOARD

**Minutes of the meeting of the
Performance Review Group held at 9.30 a.m.
on Tuesday, 30 November 2004 in
the Board Room, Dalian House,
350 St Vincent Street, Glasgow**

PRESENT

Mr A O Robertson OBE (in the Chair)

Mr R Cleland	Cllr. J Handibode
Cllr. J Coleman (to Minute 47)	Mrs S Kuenssberg CBE
Cllr. D Collins	Mrs E Smith

OTHER NHS BOARD MEMBERS IN ATTENDANCE

Sir John Arbuthnott	Mr T A Divers OBE
Mr J Best	Mr P Hamilton
Mr R Calderwood	Ms 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

40. **APOLOGIES**

Apologies for absence were intimated on behalf of Dr B Cowan, Ms R Crocket, Mr W Goudie and Dr R Groden.

41. **MINUTES**

On the motion of Mrs E Smith and seconded by Mrs S Kuenssberg, the Minutes of the Performance Review Group held on 21 September 2004 [PRG(M)04/06] were approved as an accurate record.

42. **MATTERS ARISING**

In relation to Minute 34 – Financial Position: 2004/05, Mr Divers updated members on the Government's 3% efficiency savings programme and the timeframe in which the savings were to be targeted.

43. **2004/05 MID-YEAR REVIEW**

The Director of Finance submitted two reports for discussion [Paper No. 04/22] – 2004/05 Mid Year Review and the Financial Monitoring Report for Seven Months Ended October 2004. In addition, a report from Mr Griffin on the updated position with regard to the Corporate Recovery Plan was also enclosed.

Ms Hull advised that the Divisions were forecasting break-even at the end of the financial year against both operational budgets and Recovery Plan targets. The non-recurrent funds required to meet the waiting targets could be met from a combination of 2004/05 capital and land sales.

There did remain savings of £9M to be identified to allow the NHS Board to meet its year-end position of a deficit of £4.6M. The Corporate Management Team would continue to review opportunities of additional in-year savings as well as maintaining the other agreed cost control measures in year.

Ms Hull highlighted pressures and the under-pinning assumptions in relation to the 2004/05 Financial Position. She made reference to the modelling carried out nationally on the new pay arrangements under Agenda for Change and that initial analysis suggested that the funding held in reserve would be sufficient to cover costs in year. On the new Consultants Contracts, there were still a number of contracts that remained to be signed and there could be implications for additional costs if the current proposed level of sessions per consultant was exceeded.

The Primary Care Division had highlighted a key risk area associated with the GMS contract quality and outcomes framework. The estimates provided were likely to be exceeded and discussions were ongoing with the Scottish Executive Health Department on the funding shortfall.

In relation to 2005/06, there was a need to identify further recurrent savings to reflect recent bed and manpower modelling and to restrict new developments to those considered an absolute priority in terms of delivering services to patients.

On waiting times, the targets remained an absolute priority for the NHS Board - a paper would be submitted to the next meeting on Capacity Planning for meeting waiting times targets and the steps to move to more recurrent funding to support delivering the wait time targets.

Cllr. Handibode was concerned that additional savings of £9M were still to be identified to achieve a year-end forecast deficit of £4.6M. It was acknowledged that to achieve the year-end forecast there required to be rigorous maintenance of expenditure controls, including the strict management of vacancies which had been introduced. Areas of prescribing, procurement, estates and other services were being continually reviewed under the Corporate Recovery Plan to ensure value for money and achieve the benefits of single system working. It was a major challenge for the officers and the explicit risks to achieving the year end forecast had been highlighted.

Cllr. Handibode asked for a consistency of terminology in future reports.

DECIDED:

1. That the Mid-Year Review be noted and that the forecast year-end deficit was £4.6M.

ACTION BY

2. That the Financial Monitoring Report to October 2004 be noted.
3. That the Progress Report on the Corporate Recovery Plan be noted.
4. That the Corporate Management Team continued to identify opportunities in-year to reduce the savings gap and maintain the strict expenditure controls already in place.
5. That a paper on the Capacity Plans and funding the wait times target be submitted to the next meeting.
6. That a further Monitoring Report on the Financial Position be submitted to the next meeting, together with a detailed 5-Year Profile, linked to the Local Health Plan.

CMT

***Director of
Planning &
Community Care***

***Director of
Finance/Director
of Planning &
Community Care***

44. NHS LOCAL HEALTH PLAN – PROCESS: 2005/06

There was submitted a report from the Director of Planning and Community Care [Paper No. 04/23] setting out the process to update the Local Health Plan: 2005/06 and a new planning process for discussion on developing plans for 2006/07 and beyond.

The process described to update the Local Health Plan for 2005/06 had been discussed by the Local Health Plan Steering Group.

The suggested cycle for developing the 2006/07 Plan was indicative at this stage and would also be discussed with Local Authorities.

DECIDED:

1. That the process to update the Local Health Plan: 2005/06 be approved and the plans for 2006/07 and 5-Year Financial Plan be linked and submitted to the next meeting for discussion.
2. That members submit any comments or suggestions to the Director of Planning and Community Care on the process for next year and the subsequent year.

***Director of
Finance/Director
of Planning &
Community Care***

PRG Members

45. PERFORMANCE MANAGEMENT ARRANGEMENTS – UPDATE

The Director of Planning and Community Care advised that following a lengthy meeting of Senior Managers last week to discuss new performance management arrangements, she would submit a paper to the January meeting setting out the meeting's recommendations.

***Director of
Planning &
Community Care***

46. QUARTERLY UPDATE ON ACCOUNTABILITY REVIEW

The Chief Executive submitted a report covering August – November 2004 [Paper No. 04/25] on the progress against the Action Points arising from the Accountability Review meeting with the Scottish Executive Health Department.

ACTION BY

Attention was drawn to the submission of a revised Financial Plan – 2004/05 to the Scottish Executive Health Department in August and the ongoing dialogue with the Scottish Executive Health Department’s Director of Finance and Performance Management.

On the waiting times targets, discussions had continued with the Director of the National Waiting Times Unit and Head of the Scottish Executive Health Department’s Performance Management Division. Orthopaedic services continued to represent the greatest area of pressure and a “See and Treat” initiative was being assessed in order to allow for the rapid assessment of 1,000 out-patient orthopaedic referrals.

In response to a question, Mr Divers advised that he had met the Chair of the Area Clinical Forum to consider how the Forum’s role might best be developed. In addition, Sir John and Mr Divers had attended the Area Clinical Forum meeting on 16 November 2004 and the discussions at the meeting would be developed into a set of proposals to shape the future role of the Area Clinical Forum.

Chief Executive

DECIDED:

1. That the August – November 2004 update on Progress against the Accountability Review Action Plan be noted.
2. That the next update be submitted to the January 2005 meeting.

Chief Executive

47. **PROCUREMENT ISSUES ASSOCIATED WITH THE ACAD – SOUTH GLASGOW**

There was submitted a report from the Chief Executive and Programme Director – Acute Services [Paper No. 04/26] on the outcome of discussions with the City Council on the purchase of approximately 10 acres of land forming part of Queen’s Park recreational ground adjacent to the Victoria Infirmary, for the construction of the new Ambulatory Care Hospital.

Mr Calderwood took members through the detail of the paper and negotiations with the City Council.

It was essential for the NHS Board to have legal entitlement to ownership to the additional land required to conclude negotiations with the Public Private Partnership Consortium.

The negotiations had been complex and had to take account of the City Council’s view of the future development status of the site. The NHS Board’s professional advisers had been fully involved in the negotiations. As the proposed purchase was outwith the criteria set out in the Property Transaction Handbook, the NHS Board would be required to obtain the approval of the Scottish Executive Health Department to the purchase of the land in question. If approved, the Capital Plan for 2004/05 and 2005/06 would be amended.

Members asked a range of detailed questions about the proposed purchase and the importance of the timescale for the next stages of the ACAD procurement process.

DECIDED:

1. That steps be taken to seek the authority of the Scottish Executive Health Department to purchase the land required to construct the Ambulatory Care Hospital adjacent to the Victoria Infirmary at the valuation agreed with the City Council, be approved.
2. That the progress on the next steps be reported to members as soon as practicable.

***Chief Executive/
Programme
Director - Acute***

***Chief Executive/
Programme
Director - Acute***

48. **COMMUNICATIONS WITH STAFF AND THE PUBLIC**

As agreed at the last meeting, the Director of Corporate Communications provided members with an update on the steps taken to inform staff and the public of the main issues facing NHS Greater Glasgow.

The focus had been on the Corporate Recovery Plan and, more recently, the proposed new organisational arrangements. Articles had appeared in Staff News and Health News and on the updated and re-designed Board website.

The next edition of Staff News would include an insert on the consultation on organisational arrangements and this would be made available to all those on the Public Involvement database.

New posters and images would be prepared in early 2005 to raise awareness of the two ACADs and the services they would provide to patients.

The Area Partnership Forum had been reassured by the internal and external communication efforts on the range of challenges being tackled by the NHS Board.

NOTED

49. **DATE OF NEXT MEETING**

The next meeting was due to be held at 9.30 a.m. on Tuesday, 18 January 2005 in the Board Room, Dalian House, 350 St Vincent Street, Glasgow, G3 8YZ.

The meeting ended at 11.30 a.m.