

GREATER GLASGOW NHS BOARD

**Minutes of the meeting of the  
Performance Review Group held at 9.30 a.m.  
on Tuesday, 18 January 2005 in  
the Board Room, Dalian House,  
350 St Vincent Street, Glasgow**

**PRESENT**

Mr A O Robertson OBE (in the Chair)

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

**OTHER NHS BOARD MEMBERS IN ATTENDANCE**

Dr F Angell	Ms R Crocket
Sir John Arbuthnott	Mr T P Davison
Mr J Best	Mr T A Divers OBE
Mr R Calderwood	Ms W Hull

**IN ATTENDANCE**

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

**ACTION BY**

1. **APOLOGIES**

Apologies for absence were intimated on behalf of Cllr. D Collins, Ms R Dhir, Cllr. J Handibode, Mr P Hamilton and Mrs A Stewart MBE.

2. **MINUTES**

On the motion of Mrs E Smith and seconded by Mr R Cleland, the Minutes of the Performance Review Group held on 30 November 2004 [PRG(M)04/07] were approved as an accurate record.

42. **MATTERS ARISING**

- a) In relation to Minute 43 – 2004/05 Mid-Year Review, Ms Hull reported that the 5-Year Financial Plan had been reviewed by the Corporate Management Team and it would be submitted to the next meeting of the Performance Review Group for discussion.

*Director of  
Finance*

**ACTION BY**

- b) In relation to Minute 46 – Quarterly Update on Accountability Review, it was reported that the main outstanding item on the Action Plan was waiting time targets and this had been included as a separate item on the agenda.
- c) In relation to Minute 47 – Procurement Issues Associated with the ACAD – South Glasgow, Mr Calderwood advised that, as agreed at the previous meeting, the authority of the Scottish Executive Health Department had been sought to purchase the land required to construct the Ambulatory Care Hospital adjacent to the Victoria Infirmary.

The Health Department was reviewing the Heads of Agreement for the purchase of the land and also seeking a further independent valuation of the site to be purchased. Members would be advised of the progress.

*Programme  
Director – Acute  
Services*

- d) Future agendas should include the follow through actions identified in the previous Minute either by way of a substantive item on the agenda or under Matters Arising.

*Head of Board  
Administration*

**4. LOCAL HEALTH PLAN – 2005/06: FINANCIAL PROSPECTS**

There was submitted a report [Paper No. 05/01] from the Director of Finance, Director of Planning and Community Care and Director of Finance – Primary Care Division, setting out the current financial context, new funds, inflation and other risks affecting 2005/06; a review of new and existing commitments and an update on the Corporate Recovery Plan.

Ms Hull took members through the steps that had been made in-year towards achieving recurrent balance over the two years, 2004/05 and 2005/06. The year-end deficit remained as forecast in the Mid-Year Review as £4.6M. Ahead of the receipt of the formal Allocation Letter for 2005/06, a number of working presumptions had been worked-up in relation to developing a financial plan for 2005/06. Funding for the new waiting time targets would be made available, a second year of non-recurrent relief against financial pressures may be again available and further discussions would be required on funding asylum seekers, junior doctors salaries and the GMS Contract quality and outcomes framework.

The general uplift in the Allocation for 2005/06 would be required to cover the costs of inflation and other pressures and unavoidable commitments.

Ms Renfrew described the current assessment of the Local Health Plan's existing and new commitments and the unavoidable service commitments in 2005/06 over acute services, mental health, child and maternal health and primary care/general medical services. She highlighted which commitments with additional costs could be reduced; new challenges and pressures not included in the current financial plan and the impact of continuing to defer developments which had originally been included in the Local Health Plan.

Mr Griffin provided a review of the progress and forecast savings for 2005/06 from the projects included in the Corporate Recovery Plan. The projected savings forecast for 2004/05 stood at £22.209M and ahead of any further detailed review of current and additional schemes the estimated forecast for 2005/06 was £25.5M.

The Corporate Management Team agreed on the need to extend the present Corporate Recovery Plan to encompass further projects which were capable of generating an increased savings target in 2005/06. This process was under way and should be completed during February 2005.

In summary, it was recognised that 2005/06 would be another challenging financial year, especially in achieving financial balance in the context of funding the first stages of the Acute Services Strategy. Clarity on the additional resources available and assumptions made by the Health Department would come from the Allocation Letter and this would thereafter allow a revised Financial Plan to be prepared and submitted to members for approval.

Dr Groden asked about any additional costs that may be required in setting up Community Health Partnerships from 1 April 2005. The costs were to be contained within present limits and therefore not greater than the costs currently allocated to supporting the present arrangements.

The national and local benchmarking exercises would be important indicators when reviewing current services and staffing and identifying further areas for potential savings.

In concluding, Mr Divers advised that only at the point of receipt of the Allocation Letter would there be clarity on the additional resources made available and the assumptions made about them. There was a need to extend the projects within the Corporate Recovery Plan. It would also be important to have a clear understanding of likely future pressures and unavoidable and to raise with the Health Department the additional costs associated with the GMS Contract quality and outcomes framework.

NOTED

5. **FINANCIAL MONITORING REPORT FOR 8 MONTHS – ENDED NOVEMBER 2004**

There was submitted a report from the Director of Finance [Paper No. 05/02] which followed on from the Mid-Year Review submitted to the NHS Board in December 2004. The Financial Monitoring Report covered the period to the end of November 2004 and continued to forecast a year-end deficit position of £4.6M.

NOTED

6. **CAPITAL ALLOCATION – 2004/05 – UPDATE**

There was submitted a report from the Director of Finance [Paper No. 05/03] which set out the updated position with the 2004/05 Capital Plan.

The Capital Plan was planned over 2004/05 and 2005/06 and had assumed an in-year capital to revenue transfer of approximately £20M, which had been agreed by the Health Department.

Ms Hull advised members of the changes to the Capital Plan; the progress in-year and the impact of the changes in 2005/06 and beyond. The new priority schemes in 2004/05 totalled £5.248M and a further £1.4M would be required in 2005/06 for the Dental TSSU. Ms Hull highlighted the anticipated slippage in 2004/05, the discussions with the Health Department on off-setting the over commitments in-year and the prospects for 2005/06 and beyond.

**DECIDED:**

That the Capital Allocation – 2004/05 Update and the recommendations contained therein be submitted to the NHS Board for approval.

*Director of  
Finance*

7. **WAITING TIMES**

a) Achieving Waiting Time Targets by December 2005: Performance So Far

The Chief Executive submitted a paper [Paper No. 05/04(a)] updating on the progress to date of achieving the six-month maximum waiting time target for out-patient and in-patients/day cases by December 2005.

The Accountability Review process had agreed two main waiting time milestones for December 2004 and March 2005 in relation to the number of patients waiting beyond 6 months for out-patient and in-patient/day cases.

The December 2004 milestones were both met and plans were in place to ensure delivery of the March 2005 milestone. Thereafter there would be a phased reduction in waiting times up to December 2005 in order to meet the national target and sustain it thereafter.

The finance schedule attached to the paper showed the breakdown of the £20.25M funding committed in 2004/05 to deliver the stepped move towards the national December waiting time targets.

Mr Divers reported that West of Scotland NHS Boards were being billed for non-Greater Glasgow waiting time activity.

Lastly, Mr Divers highlighted the new waiting time targets set by the Health Minister by the end of 2007 and the fact that Availability Status Codes would be abolished by the end of 2007. There would also be a significant package of new investment across NHS Scotland of £308.5M over a three-year period to support the move to the new 2007 waiting times targets.

The Performance Review Group wished to record its thanks and appreciation for the effort made by all staff involved in achieving the reduced waiting time targets. This effort was to be commended and was recognised as a significant achievement.

**DECIDED:**

1. That the achievement of meeting the December 2004 waiting time milestone and the progress towards the March 2005 milestone be noted and the staff congratulated for their efforts.
2. That the current financial position regarding commitments to March 2005 and the billing of West of Scotland NHS Boards for non-Greater Glasgow activity be noted.
3. That the new waiting time targets for 2007 and the further work required to size the scale of the challenge (both in activity and costs) be noted.

*Chief Executives*

b) Orthopaedic Services – “See and Treat” Initiative

There was submitted a paper [Paper No. 05/04(b)] from the Chief Executive on the specific orthopaedic initiative which had been developed to enable further and significant progress towards the 6-month out-patient waiting time milestone. In 2004/05 the NHS Board had committed £3.8M and £7.6M in 2005/06 to achieving the 6-month waiting time target in Orthopaedics by December 2005. It was estimated that £4.4M would require to be invested from April 2006 to sustain the 6-month waiting time target.

In November 2004 the Acute Divisions initiated a local tender process with clear parameters for an additional 1,000 orthopaedic out-patients to be seen and thereafter treated by December 2005 in the private sector.

Two private hospitals submitted bids and on 21 December 2004 the Chief Executives Waiting Times Group endorsed the outcome of the tender process and in line with the NHS Board’s governance arrangements a contract was placed with the two hospitals at a cost of £2.2M (the majority of which had been funded by the National Waiting Times Unit allocation and the remainder from in-year slippage within orthopaedics).

The contract sum was equal to or less than comparable cost per cases from previous waiting time initiatives from the private sector in the last two years.

An Initiative Monitoring Group would oversee the progress in activity, costs and quality measures.

DECIDED:

1. That the Chief Executives Waiting Times Group decision to award the contract to the Nuffield and Ross Hall Hospitals for an estimated cost of £2.2M be endorsed.
2. That the additional activity which the contract would deliver by March 2005 was noted.
3. That the costs which would be incurred as part of this initiative would be covered from the resources identified in the original capacity plan as approved by the Performance Review Group in March 2004.

*Chief Executives*

*Director of Finance*

8. **PERFORMANCE MANAGEMENT – UPDATE**

There was submitted a report from the Director of Planning and Community Care [Paper No. 05/05] describing the progress to date of the detailed review of present performance management arrangements in order to reflect the move to single system working and the development of proposals for revised arrangements.

The paper would enable discussion to inform proposals and set the context within which a performance framework needed to be considered; appraised the present performance management arrangements; proposed an outline for a performance system for discussion and set out the next steps.

**ACTION BY**

There was support for the arrangements described and the need to build on much of the existing performance arrangements in place, recognising that some refinement and improvement on the existing arrangements would be necessary. Staff and public engagement would be essential together with an organisational development plan.

Members were keen to return to discussions on the performance management arrangements once the new organisational arrangements had been approved. The staff involved in the current performance management arrangement would continue to evolve the proposals contained in the paper.

**DECIDED:**

That an NHS Board Seminar be arranged in Spring 2005 to further discuss and develop the performance management arrangements for NHS Greater Glasgow.

*Chief Executive/  
Director of  
Planning &  
Community Care*

9. **COMMUNICATIONS ISSUES WITH STAFF AND THE PUBLIC**

The Director of Corporate Communications updated members on the steps taken to inform staff and the public of the main issues facing NHS Greater Glasgow and the close working with the Area Partnership Forum and Human Resources on Communication issues..

The Staff News issued in early January 2005 gave a full description of the proposals out to consultation for the new organisational arrangements.

The next Health Event for the public would be held on 24 February 2005 in the Royal Concert Hall and would concentrate on the new Community Health Partnerships to be implemented from 1 April 2005 and describe their evolution and responsibilities.

The first event – Our Health – had been written up and that report had been sent to the 4,000 contacts held on the Public Involvement database. Feedback was encouraged and agreed actions were being taken forward. This would show that the NHS Board was listening to the concerns raised by the public and was acting upon them.

Articles had been produced on the Car Parking Policy, No Smoking, the forthcoming Cardiothoracic consultation and the option appraisal process for the site of the new Children’s Hospital. A single internet site had been developed and arrangements for a core staff briefing were under way. The restructuring of the Communications function had been completed and a single Communications Directorate for NHS Greater Glasgow had been created.

**DECIDED:**

1. That the encouraging work on communicating to staff and the public be noted.
2. That the Director of Corporate Communications submit a paper to the next meeting on the structured Communications effort across NHS Greater Glasgow.

*Director of  
Corporate  
Communications*

10. **DRAFT REMIT – PERFORMANCE REVIEW GROUP**

There was submitted a paper from the Head of Board Administration [Paper No. 05/06] seeking the Group's endorsement of a revised remit and need to review the composition of the Group in light of the new organisational arrangements.

As suggested changes to the remit had an impact on the "Decisions Reserved for the Board", it had been agreed to ask the Audit Committee to consider the suggested changes.

After a full discussion, the Audit Committee had endorsed a slightly revised remit, the changes primarily around ensuring that the NHS Board continued to be informed and, where appropriate, involved in any significant stages of implementing NHS Board approved strategies.

The Chair expressed the Group's appreciation of the work of the Audit Committee and its Chair, Mrs Elinor Smith.

**DECIDED:**

That the revised draft remit of the Performance Review Group and subsequent amendments to the "Decisions Reserved for the Board" be accepted and that both be submitted to the NHS Board for approval.

***Head of Board  
Administration***

11. **WENDY HULL, DIRECTOR OF FINANCE**

The Chair reminded members that this would be Wendy Hull's last attendance at the Performance Review Group before moving to her new job in Teesside. He wanted to take this opportunity to thank her, on behalf of the Group, for her support and commitment in establishing the Performance Review Group and sustaining it through the early months. Wendy's input on the financial monitoring and planning had been very much appreciated and he wished her well in her new post.

12. **DATE OF NEXT MEETING**

The next meeting to be held at 9.30 a.m. on Tuesday, 15 March 2005 in the Board Room, Dalian House, 350 St Vincent Street, Glasgow, G3 8YZ.

The meeting ended at 11.35 a.m.