

NHS GREATER GLASGOW AND CLYDE

**Minutes of the meeting of the  
Performance Review Group held at 9.30 a.m.  
on Tuesday, 16 May 2006 in  
Board Room 1, Dalian House,  
350 St Vincent Street, Glasgow, G3 8YZ**

**PRESENT**

Mr A O Robertson OBE (in the Chair)

Cllr. R Duncan (to Minute27)	Mr D Sime
Mr P Hamilton	Mrs E Smith
Cllr. J Handibode	Mrs A Stewart MBE

**OTHER NHS BOARD MEMBERS IN ATTENDANCE**

Mr T A Divers OBE	Mr D Griffin
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**IN ATTENDANCE**

Ms H Byrne	...	Director of Acute Services Strategy Implementation & Planning
Mr R Calderwood	...	Chief Operating Officer – Acute Services Division
Ms E Campbell	...	Communications Manager
Mr P Gallagher	...	Director of Finance – Acute Services Division
Mr J C Hamilton	...	Head of Board Administration
Mrs A Hawkins	...	Transition Project Director, Clyde
Mr A McIntyre	...	Director, Facilities Directorate
Mr M McVey	...	Ernst Young
Ms K Munro	...	Community Engagement Officer
Ms C Renfrew	...	Director of Corporate Planning and Policy
Ms J Stewart	...	Ernst Young
Mr D Walker	...	Head of Performance and Corporate Reporting

**ACTION BY**

24. **APOLOGIES**

Apologies for absence were intimated on behalf of Mr R Cleland and Mrs R Dhir MBE.

25. **MINUTES**

On the motion of Mrs Smith and seconded by Mr P Hamilton, the Minutes of the Performance Review Group held on 21 March 2006 [PRG(M)06/02] were approved as an accurate record.

26. **MATTERS ARISING**

a) New Stobhill and Victoria Hospitals – Update and Progress

In relation to Minute 15(a) – New Stobhill and Victoria Hospitals – Draft Final Business Case, there was submitted a report [Paper No. 06/17] from the Chief Operating Officer, Acute Services Division, which set out the updated position with regard to negotiations with the Consortium post Preferred Bidder appointment; project development; land acquisition; value for money and affordability.

Mr Calderwood advised that the enabling works at both sites were at an advanced stage; the design drawings showing departmental associations had been agreed; the planning applications for both sites were being considered by the Council's Planning Committee in June/July 2006 and the broad structure of the Heads of Terms for the land at Queens Park Recreation Ground had been agreed and the final details in relation to claw-back and deductions from the purchase price were being finalized. The detail of the agreements reached with the City Council over the purchase of this land had been agreed by the Chief Executive – NHS Scotland.

Mr Calderwood introduced Ms J Stewart, Ernst & Young, and asked her to present to members the overall assessment on value for money.

Ms Stewart advised that she was presenting an updated position to that submitted to the Performance Review Group in May 2005. In May 2005 the Project had a negative value for money position of £1M. A number of areas had been re-visited – a possible reduction in the maximum capital cost of £179M, reduction in the buffer included in the financial model for interest rates and improvements in funding terms. There was an expectation that the identified gap would be addressed before financial close and the officers were clear that the objective was to deliver the Project within the approved financial envelope. The aim was to achieve this by 10 July 2006, although this was dependent upon a number of factors including the approval of the Final Business Case by the Scottish Executive Health Department (SEHD) by the end of June 2006.

Ms Stewart advised that the conclusion was that the Project should move forward, efforts should continue to secure a positive value for money position by the end of May 2006 and the NHS Board should remain committed to concluding financial close by mid-July 2006.

There was presented the breakdown of Preferred Bidder costs from May 2005 and updated to May 2006. The mandatory variant bid showed the additional £500,000 approved by the PRG in May 2005. With the adjustments still to be factored in relation to interest rates, funding packaging reviews (all likely to impact on affordability) the Project was on course to meet the affordability criteria.

The PRG agreed to delegate to the Chair, Vice Chair, Chief Executive and Director of Finance authority to conclude and agree the value for money and affordability aspects of the Project and report the outcome to Members.

Members asked a number of questions in relation to flexibility in going forward to consider incorporating additional services. Mr Calderwood advised that the design had been agreed and any changes while the Project was under way would be covered by the charges contained within the Contract for adjustments.

Members were pleased to note the progress made and recognised the need to complete negotiations within the costs and timescales highlighted. Once completed, the Final Business Case should be made available to all Members of the NHS Board.

**DECIDED:**

1. That the progress and presentation from the Project Team and Legal/Financial Advisers on Value for Money and Affordability be noted.

2. That the Chair, Vice Chair, Chief Executive and Director of Finance be delegated authority to agree the Value for Money and Affordability aspects of this Project and report the outcome to Members.

**CEO**

b) 'Clyde' Integration

In relation to Minute 16(b) – NHS Argyll and Clyde Integration – Mrs Hawkins provided an update on the integration issues since the last meeting.

She advised that the Project Board and its supporting structure had signed off at its last meeting in April 2006 the Dissolution and Integration Plan. A Clyde Transition Group, Chaired by the Chief Executive, had now been formed to take forward the range of aspects covered within the Integration Plan.

Mr Divers referred to the recent meeting which Sir John and he had had with the Auditor General on the integration issues and challenges which lay ahead.

Renfrewshire Council had agreed the formation of the Community Health Partnership and discussions were ongoing with Inverclyde Council on the preferred model of the Community Health Partnership (health or health and social care).

Work had commenced on reviewing the Mental Health Strategy and reviewing the Clinical Services Strategy. Reviews would also include Learning Disability Services, Elderly and Physical Disability Services.

Service Level Agreements were being agreed with NHS Highland on the range of services which NHS Greater Glasgow and Clyde would provide for NHS Highland in the Argyll and Bute Council area.

There was a need to develop urgently a Corporate Recovery Plan to attempt to move to financial balance over the next 3 years. The recurrent savings required were significant and would impact on clinical services, however, the Recovery Plan would be worked up in a measured and planned way.

Ms Dhir highlighted that some services had differential levels of provision and the public would wish to see a common standard of service provided across the NHS Board as quickly as possible. This was recognised but the overriding objective at this time was to return the 'Clyde' part of the NHS Board to financial balance.

There would be a full discussion of the financial and other challenges associated with Clyde at the June NHS Board Seminar.

NOTED

c) Disposal of Broomhill Hospital – Update

In relation to Minute 16(d) – Disposal of Broomhill Hospital – it was reported that under delegated authority from the PRG, the Chair, Vice Chair and Chief Executive had accepted the Property Adviser's recommendation to appoint a preferred bidder for a specific timescale to allow them to negotiate with the Local Authority over their plans for the site. Members would be kept apprised of progress in the disposal.

**Director of  
Corporate Policy  
& Planning**

NOTED

d) Review of Performance Review Group Remit

In relation to Minute 16(e) – Review of Performance Review Group Remit – it was reported that the agreed Remit would be submitted to the June 2006 NHS Board for approval.

**Head of Board  
Administration**

NOTED

e) National Shared (Financial) Services – Update

In relation to Minute 16(f) – National Shared (Financial) Services – Mr Griffin advised that work on completing the Final Business Case was ongoing and it was likely to be September 2006 before the Final Business Case was made available.

NOTED

27. **PLANNING AND PRIORITIES GUIDANCE AND 5-YEAR FINANCIAL PLAN (NHS GREATER GLASGOW)**

There was submitted a paper [Paper No. 06/18] from the Director of Corporate Planning and Policy and Director of Finance setting out the Planning and Performance Guidance – 2006/07 and the 5-Year Financial Plan (NHS Greater Glasgow) – 2006/07 and indicative figures for 2007/08 onwards.

Ms Renfrew introduced the Planning and Performance Guidance and advised that it set out the framework within which the Acute Services Division, CHCPs/CHPs and the Mental Health Partnership would produce their plans for 2006/07. The guidance stated the balance between local flexibility and priority setting and in an NHS Greater Glasgow-wide framework and direction. As this was a development year the planning processes would not be as integrated as they would be in future years.

Mr Griffin introduced the 5-Year Financial Plan (NHS Greater Glasgow) – comprising the 2006/07 Financial Plan and indicative figures for 2007/08 onwards. Mr Griffin advised on the likely positive out-turn for 2005/06, although the figures were subject to being finalised and audited.

Mr Divers stated the NHS Board’s position with regard to the Efficient Government Targets and the desire to see the commencement date being confirmed as 1 April 2004. It was recognised that there was likely to be an efficiency element of future revenue allocations and the NHS Board needed to be well placed to face that challenge.

Mr Griffin confirmed that the Financial Plans did not have included the ‘Clyde’ part of the organisation and that this would be developed separately. The PRG would receive the mid-year review at its November 2006 meeting and the September 2006 NHS Board Seminar would concentrate on the Planning, Priorities and Financial Plan for future years.

**Director of  
Finance**

Cllr. Handibode requested clarification of the presentation of the figures covering the overall Financial Position for the 5 financial years shown. It was agreed to incorporate an explanation in the narrative to explain the link between the overall increase in income and the general uplift received from the SEHD. Mr Griffin also agreed to amend the Table on page 4 of the Report to present a sub-total which would better assist understanding of the figures presented.

**DECIDED:**

1. That the Planning and Performance Guidance – 2006/07 be noted.
2. That the 5-Year Financial Plan (NHS Greater Glasgow) – 2006/07 and indicative figures for 2007/08 onwards be approved.

**Director of  
Finance**

**28. UPDATE ON ACUTE SERVICES REVIEW**

There was submitted a paper [Paper No. 06/019] from the Director of Acute Services Strategy Implementation and Planning, providing an update on the Acute Services Strategy and, in particular:-

- i) Bed Model
- ii) New South Glasgow Hospital
- iii) New Children's Hospital
- iv) Planning issues under way to address the issues relating to the Maternity Strategy in Professor Calder's Report
- v) Review of Gartnavel General Hospital
- vi) Community Engagement.

Ms Byrne took Members through each one in turn:-

i) Bed Model

Work had continued with clinical groups since the NHS Board received a draft model in July 2005 to refine the model and agree projections with clinical staff which took account of benchmarking from inner city hospitals and top performing teaching hospitals.

The bed model was discussed by the Acute Services Review Programme Board in April 2006 and further refinements would take account of the finalising of the Cardiothoracic Business Case and move to the National Golden Jubilee Hospital and possible developments in critical care and renal beds. The bed model would drive the Final Business Case for the South Glasgow Hospital and therefore it would be finalised and submitted to the NHS Board in the near future.

ii) New South Glasgow Hospital

A Project Executive Group had been established and a Project Director appointed. The original Outline Business Case had been affected by the recent Ministerial decision to locate the new Children's Hospital on the Southern General Hospital site. Regular contact had been maintained with the Scottish Executive Health Department and work was ongoing in relation to cost and affordability.

iii) New Children's Hospital

The NHS Board was currently consulting on the transfer of the Royal Hospital for Sick Children to the Southern General Hospital and provision of services from a new hospital. Planning and service re-design was proceeding and was being overseen by the Project Executive Group.

iv) Maternity Strategy

Professor Calder's Group made reference to the need for planning the closure of the Queen Mother's Hospital between 2007 and 2009 in light of a number of pressures. Work was under way to develop the necessary detailed plans.

v) Review of Gartnavel General Hospital

In view of the service and strategic changes to services since the approval of the Acute Services Strategy, it was accepted by the ASR Programme Board in April 2006 that the future clinical service provision at Gartnavel General Hospital be reviewed. This had been driven by the decision to move cardiothoracic services originally planned for Gartnavel and Ear Nose and Throat (ENT) to a single site specialty in the new South Glasgow Hospital, together with the clarification of the clinical infrastructure required to support the West of Scotland Cancer Centre. A Steering Group had been established to oversee this work.

vi) Community Engagement

Ms Munro advised Members of the recent work of the Community Engagement Team. It had now met with over 10,800 members of the public and 2,000 employees from the NHS or partner agencies.

The work carried out in relation to the new Stobhill and Victoria Hospitals had brought an overwhelming support for the NHS Board's proposals and plans. Involvement in the design and development of services for the new hospitals and the new Southside Hospital had included workshop sessions with volunteers, carers, disabled people, black and ethnic minority groups, homelessness and specific patient groups.

Transport and access to hospitals remained a significant priority for patients and the public. The Scottish Executive's consultation on the National Transport Strategy would be a critical part in the process to influence the priority to be given to transport and access for all to health care facilities. It had been encouraging that Strathclyde Passenger Transport was engaging in a positive way with NHS Board officials on the priority areas of transport. Possible regulation and social inclusion priorities would be incentives for a more inclusive public transport service.

Ms Byrne advised members that she and her colleagues had been involved in work with NHS Lanarkshire and neighbouring Boards to understand the impact of NHS Lanarkshire's proposals in the consultation document entitled 'A Picture for Health'.

Members appreciated the comprehensive nature of Ms Byrne's update and thanked her for the detail covered in so many important strategic issues.

NOTED

29. **PROGRESS ON PERFORMANCE MANAGEMENT**

There was submitted a paper [Paper No. 06/20] from the Head of Performance and Corporate Reporting which provided an update on introducing and developing a performance management system for use in 2006/07.

Mr Walker introduced the paper and advised that performance improvement and performance management lay at the heart of the NHS Board's re-organisation. It required to take account of the full range of the NHS Board's responsibilities, its historical diversity, the merging with Clyde, the new relationship with the Local Authorities and the differential experience in different policy areas.

It was hoped to attempt a first performance management report in the summer by pulling together the requirements of the framework across Acute, CHCPs/CHPs and the Mental Health Partnership.

The performance function would be generated within the NHS Board for CHCPs/CHPs and would act as a service to management teams.

A further report would be provided to the PRG meeting in July 2006.

**NOTED**

**30. CLYDE CAPITAL PLAN 2006/07 – 2010/11**

There was submitted a paper [Paper No. 06/23] from the Transition Project Director, which set out the progress made in reviewing the Clyde capital plan and sought approval for the proposed capital allocation for 2006/07.

Mrs Hawkins advised that the Clyde Capital Plan inherited from the former NHS Argyll and Clyde Board had been reviewed to bring planned expenditure within the allocation of available funds. All schemes had been reviewed and the paper contained details of the schemes which were already committed or were critical to delivering targets set in the Clyde Local Delivery Plan for 2006/07.

Mrs Hawkins identified a number of projects which were not yet included in the Capital Plan and these included at this stage four community projects, namely, the Renfrewshire Resource Centre, Alexandria Medical Centre, Barrhead Health and Social Care Resource Centre and Renfrewshire Integrated Children's Centre. Mrs Hawkins provided an explanation of the background for each project and advised that work continued to identify other funding options which may enable these projects to be phased into the NHS Board's development plan at the earliest possible date.

It was reported that modernising acute and community services across Clyde in the years ahead, together with the possible integration aspirations of Community Health Partnerships was likely to place a significant strain on available capital funds. It would be important to proceed with projects which were affordable and could be contained within available capital and revenue resources.

The revised 2006/07 Capital Plan had a £23.4M allocation, with a current proposed spend of £19.9M. This would make available £3.5M for further projects.

**DECIDED:**

1. That the Clyde Capital Plan for 2006/07 be approved.
2. That the indicative planned capital expenditure for 2007/08 and beyond be noted.

**Transition Project  
Director**

**ACTION BY**

3. That further funding options be explored for the Renfrew Resource Centre, Alexandria Medical Centre, Barrhead Health and Social Resource Centre and Renfrewshire Integrated Children's Centre.

**Transition Project  
Director**

31. **COMMUNICATIONS: ACTIONS/ISSUES – 14 MARCH – 16 MAY 2006**

There was submitted a report [Paper No. 06/22] from the Director of Corporate Communications covering communication actions and issues from 14 March 2006.

Mrs Campbell highlighted the following::

- i) From 1 April 2006, the integration of 'Clyde' and the commencement of the new name – NHS Greater Glasgow and Clyde.
- ii) Launch of the Consultation on the New Children's Hospital on 3 April 2006.
- iii) Promotion of the CHCPs/CHPs – leaflets and key magazine articles.
- iv) Visit by Minister for Health to the Southern General Hospital to mark the introduction of PACS – a new digital imaging system.
- v) Launch of Voicemap – a new mobile audio training system for staff at the Royal Infirmary and Princess Royal Maternity.
- vi) Distribution of the DVDs on the new Stobhill and Victoria Hospitals.

**NOTED**

32. **DATE OF NEXT MEETING**

The next meeting of the Performance Review Group would be held at 9.30 a.m. on Tuesday, 4 July 2006 in Board Room 1, Dalian House, 350 St Vincent Street, Glasgow, G3 8YZ.

The meeting ended at 12 noon