

F&P(M)17/03
Minutes: 32-45

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Finance & Planning Committee held at
1.00pm on Tuesday, 22 August 2017 in the
Board Room, J B Russell House, Gartnavel Royal Hospital,
1055 Great Western Road,
Glasgow, G12 0XH**

P R E S E N T

Mr J Brown

Ms S Brimelow	Mr D Lyons
Ms M Brown	Mr J Matthews
Mr S Carr	Mr A Macleod
Mr R Finnie	Mrs P McAuley
Mr I Fraser	Mrs D McErlean
Mrs J Forbes	

O T H E R B O A R D M E M B E R S I N A T T E N D A N C E

Dr J Armstrong	Mr M White
Ms J Grant	

I N A T T E N D A N C E

Mrs S Adamson	..	Regional Planning Director, West of Scotland
Mr G Archibald	..	Chief Officer, Acute
Mr J Best	..	Interim Chief Officer, Acute
Mr J Hobson	..	Assistant Director of Finance
Mr D Loudon	..	Director of Property, Procurement and Facilities Management
Mrs A MacPherson	..	Director of Human Resources & Organisational Development
Mr A McCubbin	..	Head of Finance - Capital & Planning
Ms H McIntrye	..	Senior General Manager Capital Projects
Mr C Neil	..	Assistant Director of Finance, Acute

32. APOLOGIES

Apologies were intimated on behalf of Professor Dominiczak, Mrs J Donnelly, and Ms R Sweeney.

NOTED**33. DECLARATIONS OF INTEREST**

There were no declarations of interest.

NOTED

34. MINUTES OF PREVIOUS MEETING

On the motion of Mr McLeod, seconded by Mrs Forbes, the Minutes of the Finance & Planning Committee meeting held on 4 April 2017 [F&P(M)17/02] subject to a change in attendance, the minutes were approved as a correct record.

NOTED

35. MATTERS ARISING

a) Rolling Action List

The Committee noted the current Rolling Action List. In relation to Integrated Finance and Service Planning.

The Committee were updated on the Board's current position after the recent retirement of Ms Catriona Renfrew, Corporate Director of Planning and Policy. It was advised that Dr Armstrong, Mr White, Dr de Caestecker and Ms McGuire would all take on shared duties from Ms Renfrew's previous position.

Mr White will be developing the performance portfolio, Dr Armstrong would be presenting a transformational plan at the Committee later in the agenda. Ms McGuire would be taking on delayed discharge issues and Dr de Caestecker would be dealing with other corporate planning issues.

Ms Grant advised that the Board needed to ensure that the structure being built was fit for purpose with the need to a period of stability, however it was acknowledged that challenges will be faced.

Mrs Brimelow raised issue of Board engagement with IJB's advising that contact previously had been through the Director of Planning rather than through the IJB's themselves. Mrs Brimelow suggested having better communication and engagement would strengthen the relationship between HSCP management and the Board.

Ms Grant agreed that better relationships were crucial in the development of whole system working.

It was agreed that Board effectiveness review will be progressed for the NHS Board Away Session in the Autumn.

**DIRECTOR OF
HR & OD**

Mrs McAuley raised concern over the lack of involvement there had been in community planning and Ms Grant advised that work was in progress and added that there was a great opportunity to transform the service. The Board will continue to support and work with LA Councils to enhance community planning. Ms Grant assured that the community planning issue would be taken forward positively.

It was agreed that the Committee would discuss community planning at a later date.

NOTED

36. FINANCIAL MONITORING 2017/18 YEAR END PROJECTION (REVENUE)

Mr White provided an update on the Boards quarter 1 revenue performance (to 30 June 2017), expanding on the recent report to the Board on the 15 August 2017. The report shared with the Committee presented the financial performance to date, including CRES, across the three key parts of the business. The report also included

projections for the year end incorporating an assessment of risk and an assessment of the original assumptions in the Financial Plan.

Significant progress had been made to identify the full savings required. The Financial Plan highlighted a remaining financial gap of £18.5m (FYE). In addition, savings schemes identified to date contained a high level of “red rated” risk.

Mr McLeod asked for details around how much savings were being made from prescribing. Mr White advised that savings have been made and gave example of drugs which the Board are saving on such as Pregabalin, Suboxone and Liothyronine.

Mr White advised that the Board had reached an agreement in principle with HSCPs for 2017/18 allocations. In February 2017 the Board decided that the £7.8m unachieved balance of 2015/16 partnership savings should be split in proportion to overall base budgets (£4.2m NHSGGC /£3.6m HSCPs). This proposition was not accepted by HSCP Boards. However, Chief Officers have now agreed that subject to IJB Board approvals, HSCPs will use non-recurring gains from prescribing to fund the £3.6m gap for 2017/18 to allow time for a recurring solution to be agreed.

Dr Armstrong advised that scriptswitch has been introduced to the service as part of looking at more cost effective prescribing alternatives.

Mr Brown asked what actions are being taken over the financial costs of nurse spending and sickness rates. Mr White advised that he had met with the Nursing Director to discuss service hot spots and remedial actions taken thus far.

Mr White advised after question from the Chairman that the Board had few reserves left and that he was working on a projection for 2017-18 and beyond. It was highlighted however that the IJBs had declared around £40m in reserves, but it was made clear that these reserves would only cover IJB overspend and not Board overspend. The IJBs are projected to break even for the year.

Mrs Brown suggested that penalties should be considered for delayed discharge to incentivise progress.

Mr White updated on the corporate savings target and at the end of quarter 1 a total identified amount of £9.9m has been achieved. It was identified that the largest unachieved balance of £10.4m rests within Property, Procurement and Facilities (PPFM). With exception of the PPFM Department, it is projected that all Corporate Departments will achieve their target in 2017/18.

Mrs Brimelow asked when it was it likely a decision would be made on Ward 15. It was advised that the Cabinet Secretary would make a visit to Ward 15 shortly and following this a response from the Scottish Government could be expected.

NOTED

37. FINANCIAL MONITORING 2017/18 YEAR END PROJECTION (CAPITAL)

Mr White delivered an update on the Capital Plan for 2017/18.

The Board’s base Capital Plan for 2017/18 was formally approved on 15 June 2017. Since approval of the plan, work has been undertaken in the further development and progression of individual schemes, and programme reviews have been undertaken and reported to the Capital Planning Group. The paper provided to the Committee summarised the position of the 2017/18 Capital Plan as at 30 June 2017 and

summarised points raised at the Capital Planning Group held on 31 July 2017.

The initial level of core Capital Resources for 2017/18, approved at the Board meeting on 15 June 2017, amounted to just over £59.5m. This forecast figure remained unchanged as at the 30 June 2017 and comprises an allocation of £54.6m from SGHSCD in respect of core Capital expenditure together with an estimated amount of just under £5m in respect of Capital Receipts generated through property disposals.

At 30 June 2017, the Capital Plan for 2017/18 to 2019/20 continued to reflect the unallocated capital balances noted at the June Board Meeting, namely £7m in 2017/18, £5.5m in 2018/19 and £3.1m in 2019/20.

The Capital Planning Group met on 31 July 2017 and as a result of the discussions certain minor allocations were approved. The adjustments will be reflected in future revisions to the Capital Plan.

Mr White invited questions from the Committee following the update.

Mr White confirmed that as part of the Stobhill refurbishment, they will receive the remaining patients from Parkhead Hospital. It was advised that an environmental inspection took place in Parkhead Hospital and it was commented that the hospital was in need of significant investment in the short term. It was advised that the Parkhead Hub Project was running on time and further update would come to the next meeting.

Mrs Forbes asked Mr Loudon if making savings of £63k and £65k collectively on Broadford ward to offset the overspends on wards 43 and 44 would have an impact on the programme or quality of work to be carried out at Broadford ward. Mr Loudon advised he would report back at the next meeting with an answer and would share a document with the Committee prior to this.

NOTED

38. FINANCE REPORT – WAY FORWARD

The Director of Finance referred to the prior discussions on projections for the future and encouraged any Committee member to contact him if there are any concerns or questions they may have regarding figures or forecasts.

NOTED

39. HSCP SET ASIDE BUDGETS – WAY FORWARD

The Assistant Director of Finance provided a presentation to the Committee to highlight Set Aside Budgets. The presentation gave background of the current issues and plans put in place as the Board moves forward.

Mr Hobson updated the Committee on the legislative background of the IJBs explaining that set aside budgets are to be identified within large hospitals. He reported that the IJB can give direction to the Health Board in carrying out the functions which must specify the amount of set aside budget to be used. They can also direct the Health Board on any under spend.

Mr Hobson explained that a Set Aside Working Group had been established which includes a Chief Officer, two Chief Finance Officers, three Senior NHSGGC Finance

Officers, the Head of Information Services plus representatives from the Scottish Government. The Committee were presented with the terms of reference for the group and what they were looking to achieve.

NOTED

40. REGIONAL PLANNING UPDATE

Mrs Sharon Adamson, Regional Planning Director (West) provided the Committee with a presentation update on the West of Scotland Regional Delivery Plan.

A high level draft plan is expected by September 2017 with the plan to be finished by the end of March 2018. The plan had been set out to achieve a safe, sustainable and financially viable service for the West of Scotland and deliver the best possible care and outcomes.

Mrs Adamson explained the approach to the plan which was received very positively by the Committee.

Mrs Brimelow commented that it was very important that the work was done as part of a shared vision where Non Executives could contribute. Mr Brown added that there had not been a delivery plan like this proposed before advising that plans should be developed under the existing governance arrangements.

Mrs Adamson assured that both the Board and Non Executives will have the opportunity to have their input into the delivery plan.

Mr Brown thanked Mrs Adamson for coming to the Committee and encouraged members to attend the next regional event.

NOTED

41. TRANSFORMATIONAL PLAN FOR NHSGGC

Dr Armstrong provided a presentation / update to the Committee explaining how the Transformational Plan would be delivered within the NHS GGC Service.

Dr Armstrong's presentation described the proposal to develop a system wide strategic plan for NHS services in GGC. The aim of the work will be to develop a strategic system plan beyond 2020 which will seek to build on the extensive work already undertaken. The scope will encompass a system wide strategic framework for Acute, Primary Care and Community Health Services and develop proposals for service change underpinned by capital and revenue costs.

Dr Armstrong explained that GGC will take a phased approach which would begin with establishing a baseline and updating with current strategy/work streams with gap analysis.

Dr Armstrong advised that a Transformational Programme Board will be established, chaired by the Chief Executive. The membership will comprise executive Directors, Chief Officers, Chief Operating Officer for Acute services, Clinical Leaders from Primary, Secondary and Mental Health Services and Regional Planning. The Programme Board will review and provide guidance to the whole programme and meet monthly.

Dr Armstrong concluded that the proposal to take forward a strategic review will build on all previous work and establish a clear process to address gaps before developing a strategic plan and options.

The Committee were advised that an away day to discuss and plan how best to take the work forward has been planned for 1st September 2017 in the Teaching & Learning Centre, QEUH.

Following the presentation, Dr Armstrong provided the Committee with a Transformational Plan paper which explained the process and described in detail the phases to the plan. Dr Armstrong invited any questions or comments Committee members had. It was advised that the plan will be submitted to the Board in October 2017.

Members remarked positively on the direction of travel and welcomed the plan.

Further suggestion was made for Diagram 1 to show an extra box which would include 'HSCP x 6' to feed into the Transformational Programme Board. It was agreed and would be amended.

Mr Lyons suggested clarity of discussions between the Board and the Finance and Planning Committee should be established as there can be crossovers of areas of common interest. It was agreed that clarity around where issues should be raised and discussed should be made clear and brought back at the next meeting.

Dr Armstrong's presentation and proposed plan was received positively by the Committee and Mr Brown encouraged members to attend the away day planned for 1st September 2017.

NOTED

42. UPDATED REMIT

The Committee were asked to review the remit of the Finance and Planning Committee and propose any changes if necessary.

3.4 – Frequency of meetings – change 'four times' per year to 'six times'.

5.0 – Finance and Planning – add 'to take an overview role of Regional Planning'

5.1 – Strategic/Capital Projects, point 2 – word 'approve' to be changed to 'review and recommend'.

SECRETARY

The Committee agreed and the remit would be reviewed for approval at the next meeting.

NOTED

MINUTES FOR NOTING

43. CAPITAL PLANNING GROUP – 6 APRIL 2017

NOTED

44. PROPERTY COMMITTEE – 5 MAY 2017

The Committee received draft minutes of the Property Committee, but it was agreed that the approved minutes would be brought back to the Finance and Planning Committee at the next meeting.

NOTED

45. DATE AND TIME OF NEXT MEETING

Tuesday 3 October 2017, at 1.00pm, in the Board Room, JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH