

**DRAFT**

F&P (M)17/05  
Minutes: 58-73

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the  
Finance & Planning Committee held at  
9.00am on Monday, 20 November 2017 in the  
Board Room, J B Russell House, Gartnavel Royal Hospital,  
1055 Great Western Road,  
Glasgow, G12 0XH**

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**P R E S E N T**

Mr J Brown CBE (In the Chair)

Ms S Brimelow OBE	Dr D Lyons
Ms M Brown	Mr A Macleod
Mr S Carr	Mrs P McAuley OBE
Mr R Finnie	Mrs D McErlean
Ms 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**

Mrs J Grant

Mr M White

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

Mr G Archibald	..	Chief Officer, Acute
Dr. E Crighton	..	Head of Health Services Section
Mr J Gomez	..	Information Manager (to Minute 62)
Mr J Hobson	..	Assistant Director of Finance
Dr I Keith	..	Consultant Physician (to Minute 62)
Mr D Loudon	..	Director of Property, Procurement and Facilities Management
Mr G Love	..	Senior Property Manger
Mrs A MacPherson	..	Director of Human Resources & Organisational Development
Mr A McCubbin	..	Head of Finance - Capital & Planning
Mrs L McGrath	..	Interim Deputy Head of Board Administration
Mr C Neil	..	Assistant Director of Finance Acute
Mr M Simpson	..	Audit Scotland

**58. WELCOME AND APOLOGIES**

Mr Brown welcomed members to the meeting and advised that key messages from the meeting will be reported to the NHSGGC Board meeting in December 2017. Members agreed that the Finance and Planning Committee Agenda would include an item on 'key messages' for the Board in future.

**Deputy Head of  
Board  
Administration**

Apologies were intimated on behalf of Prof Dame A Dominiczak, Mr I Fraser, Mr J Matthews OBE and Ms R Sweeney.

**NOTED**

**59. DECLARATIONS OF INTEREST**

There were no declarations of interest.

**NOTED**

**60. MINUTES OF PREVIOUS MEETING**

On the motion of Mrs Forbes, seconded by Mr McLeod, the Minutes of the Finance & Planning Committee meeting held on 3 October 2017 [F&P(M)17/04] were approved as a correct record.

**NOTED**

**61. MATTERS ARISING**

**a) Rolling Action List**

The Committee noted the current Rolling Action List [Paper No 17/28] and agreed to close the three items recommended for completion.

Mrs Brimelow asked for an update on Scottish Government funding to support the Transformational Programme, Mrs Grant confirmed this was anticipated to be confirmed in the next week.

**NOTED**

**62. SUSTAINABILITY AND VALUE**

Mr Archibald and Dr Iain Keith delivered a presentation on the Sustainability and Value (S&V) Programme and advised that the aim of the programme was to review organisational challenges, identify how performance can be improved and better value can be achieved.

Mr Archibald confirmed the membership of the S&V Group and explained that the Group was reviewing data extracted from the National Services Scotland (NSS) online platform Discovery which enabled users to review a range of performance metrics by hospital site, specialty and where appropriate clinician.

Dr Keith outlined the Discovery platform and demonstrated how data could be analysed and used to identify improvement areas. Acute data was available for comparison at a NHS Scotland level and at local hospital level. Additionally, HSCP data was available for review at GP Cluster and GP Practice level. The interface also allowed users to link improvements to potential savings.

Dr Keith highlighted the benefits of using the Discovery platform, including benchmarking performance against peers, targeting improvement where it was required and driving best value and outcomes.

Mr Archibald closed the presentation noting that continuous quality improvement was at the centre of the S&V Programme.

Mr Finnie welcomed the presentation and noted that, in the longer term, the Discovery data could be very useful to inform Committee and Board reports.

Ms Brimelow agreed and noted that it was crucial to ensure the data was credible, therefore engagement with clinicians and managers was key to ensuring information was accurate and used appropriately. Mr Carr noted the potential to embed this resource within clinical teams for use as a routine management tool.

Mr Brown highlighted the business analytics capability of the resource and noted the importance of Clinical Leadership in using data to drive improvements across the organisation. Mrs Grant agreed that the potential of the tool was encouraging, however, output from the resource required validation and full utilisation would be in the medium to longer term.

**NOTED**

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

The Director of Finance submitted a paper [Paper No 17/29] on the Board's revenue performance to 30 September 2017. The overall Board position was reporting expenditure levels of £24.4m over budget. This was better than the original expected trajectory; however, the improvement was largely due to the release of non-recurring support to assist with the financial gap.

Mr White noted that a number of the savings schemes identified contained a high level of "red rated" risks and a number had slipped, or would not crystallise until the latter part of the financial year. As such, the year end forecast had been revised and a predicted year end deficit of £20m was now indicated. Mr White confirmed that this position had been discussed with the Scottish Government.

Mr White highlighted some positive examples of cost reduction and containment in comparison to the same period the previous year, this included reduction in Non Pay and Nursing pay spending. The Board remained in balance for some large pressure areas including prescribing and the supplies & sundries budgets. Additionally, the cost containment initiative to reduce the Medical Locum spend had yielded results, work was continuing with the Board's external partner Retinue to ensure a consistent approach to Locum use.

Mr Finnie welcomed the report and acknowledged the amount of work that was ongoing to realise savings, however, noted the run rate of overspend. Mr White stated that various elements had impacted the run rate including the impact of vacancies, Medical Locum costs and the use of premium rate Nursing agency staff, however, Mr White expressed confidence that this was now down and would continue at a more stabilised rate.

In relation to organisational saving initiatives, Mr White confirmed that 52 potential initiatives had been identified. Project Initiation Documents (PIDs) had been competed for the majority of initiatives and a Lead Director had been identified to take each initiative forward. Mr White agreed to include a summary of the PIDs in the Financial Monitoring Report to the next Finance and Planning Committee.

**Director of  
Finance**

Mr Brown noted that the organisation was committed to reducing the deficit, however, the Board needed to be fully informed of the forecasted year end deficit in order to make decisions on the options available. Mr White confirmed that a position statement would be discussed at the next meeting of the Committee and a

**Director of  
Finance**

recommendation would thereafter be made to the NHS Board.

Members discussed Winter Planning and Mrs Grant stated that additional non-recurring funding to assist with Winter preparations from the Scottish Government was anticipated at the same level as last year. Mrs Grant confirmed that additional beds were being opened; a plan was in place for the management of additional beds. Additionally, clinical pathways were being reviewed in conjunction with HSCPs to ensure patients were treated in the most appropriate setting.

Mrs McAuley noted the importance of having robust financial control in place, particularly in relation to areas of high spending such as Medical and Nursing staff pay. Mr White confirmed that strong controls were in place and spending was closely monitored through the Performance Review meetings that were ongoing.

Mr Brown summarised the key messages from the Finance update noting that the Committee was assured by the amount of work ongoing to reduce the forecasted deficit. Key challenges included the reduction of staff costs, planning for Winter, containing drug costs and delivering existing CRES schemes.

**NOTED**

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

Mr McCubbin presented the submitted paper [Paper No 17/29] on the Board's Capital Plan for 2017/18 and expenditure levels as at 30<sup>th</sup> September 2017. Mr McCubbin confirmed that the Board's revised level of core Capital Resources was £61.5m; this had increased from the original level chiefly as a result of increased funding associated with the national Radiotherapy Equipment replacement programme. Additionally, specific allocations provided by the Scottish Government in respect of Trauma and Orthopaedic equipment contributed to the increase in resources.

Members discussed the closure of Parkhead Hospital and Mr McCubbin confirmed that wards within Stobhill Hospital were being upgraded in preparation for patient transfers. The funding profile had increased for this project.

Mr Loudon updated Members on the timescales for the project and noted that the timelines were driven by the HSCP. Mrs McAuley agreed to discuss this further with the Glasgow City Integrated Joint Board.

**NOTED**

**65. REGIONAL PLANNING UPDATE**

Mrs Grant presented the submitted paper [Paper No 17/31] which noted the progress of the West of Scotland Regional Planning Programme. Mrs Grant noted that a position paper setting out the approach to develop the Initial Regional Delivery Plan had been submitted to the Scottish Government in September 2017.

Mrs Grant noted that management consultants Carnall Farrar were working with the Regional team to support the programme and preparation of a Regional Plan by March 2018. The governance structure including a Programme Board and sub-groups was being established. A Clinical Board was being set up to ensure work streams were appropriately overseen, the Terms of Reference and membership of this

group had been agreed.

Members discussed governance of the wider Regional Planning agenda and noted that strategic decisions needed to be made in the right forum with the appropriate people involved.

**NOTED**

**66. COMMUNITY PLANS – RENFREWSHIRE & EAST DUNBARTONSHIRE**

Dr Crighton presented the submitted paper [Paper No 17/32] which asked Committee Members to approve the Community Plans for Renfrewshire and East Dunbartonshire.

Dr Crighton highlighted that all of the Community Plans had been subject to wide consultation and that the focus on key areas including economic development, the well being of vulnerable people, reducing inequality and bringing children out of poverty was evident across the plans.

As a statutory partner NHSGGC was required to approve the plans. Members discussed the process of approval noting that there were a number of partners that needed to approve the plans including Integrated Joint Boards (IJBs) and Police Scotland. The process of ensuring all partners reviewed and agreed plans within the timeframe was challenging.

The content of the plans was discussed and Mr Carr noted that both plans contained a lot of narrative and therefore were not easily identified as being action led. Ms Brown agreed and highlighted the descriptive focus of the plans. Ms Brimelow noted positive elements of the plans such as the fact they were population based and health focused, however, also agreed that they were not action based.

Dr Crighton noted these points and advised that the next step in the process was to agree detailed action plans and a performance matrix to monitor progress with the plans' objectives.

**DECIDED**

That, the Community Plans for Renfrewshire and East Dunbartonshire, be approved.

**67. 2018/19 FINANCIAL PROJECTION**

Mr White delivered a presentation on projected financial position for 2018/19. The underlying deficit of £67m based on current assumptions was highlighted and Mr White noted that this would be carried forward into the next financial year.

An indicative forecast for 2018/19 was outlined as was a forecast for the next 5 years. Mr White confirmed that this would be presented in more detail at the next Finance and Planning Committee meeting. Mr White also noted that the UK and Scottish Budgets that were being set in November 2017 and December 2017 respectively and would inform the forecast.

**Director of  
Finance**

The challenge of achieving financial stability was highlighted and Mr White advised that the 5% reduction in costs would need to be balanced across savings, productivity

and efficiencies, the Transformational Programme and Regionalisation. A number of action areas were being worked through including Quality Improvement methodologies, Realistic Medicine initiatives and reductions in variation.

Members discussed actions outlined in the presentation and Mr McLeod noted that care must be taken to ensure there is no double counting of savings. Mr White confirmed that overlaps had been considered, traditionally Cash Releasing and Efficiency Savings (CRES) plans had been locally focussed, this would develop going forward and would expand into Regional and National initiatives.

Mr McLeod asked if the Scottish Government had given feedback on the projections outlined. Mrs Grant advised that dialogue was at an early stage; however, the Scottish Government were receptive to the NHSGGC approach so far.

In relation to HSCP reserves, Mr White agreed to fully update the Committee at the next meeting.

**Director of  
Finance**

Mr Brown thanked Mr White for the presentation and was reassured to see the 2018/19 plans being drafted. Further detail would be delivered to the next Committee meeting after which an update would be taken to the NHS Board meeting in February 2018.

**NOTED**

**68. DYKEBAR HOSPITAL SITE DISPOSAL**

Mr White referred to the submitted paper [Paper No 17/33] which asked the Committee to approve the appointment of the consortium of CALA Homes, Barratt and Bellway as Preferred Bidder in relation to the sale of the surplus Dykebar Hospital site.

Mrs McAuley asked for further information on the potential disruption to the service provision on the rest of the site. Mr Loudon confirmed that the potential risks were being worked through, liaison with Clinical teams had taken place and any disruption should be minimal.

Mrs Forbes was encouraged by the approach and financial figures, noting that the process had been well planned.

In relation to the clause stating that the appointment of a preferred bidder does not commit the Board to selling the site at this stage, Mr Finnie asked for assurances that the preferred bidder would not be able to discharge their commitment to the purchase. Mr Loudon noted that this clause was included to assure the Committee that the Board would have been able to challenge a potentially over commercial position from the bidder. Mr Love confirmed that this was an initial agreement for the consortium to proceed with their diligence and was standard practice. The Committee would be presented with a final agreement following this initial stage.

The Committee approved the appointment of the consortium as the Preferred Bidder.

**DECIDED**

That, CALA Homes, Barratt and Bellway be appointed as Preferred Bidder, be approved.

**69. BROOMHILL HOSPITAL SITE DISPOSAL**

The Committee noted the submitted paper [Paper No 17/34] which confirmed that missives had been concluded with CALA West Scotland for the sale of Broomhill Hospital, Kirkintilloch

**NOTED**

**70. MARY AITKENHEAD CENTRE REPORT**

Mrs Grant presented the submitted paper [Paper No 17/35] from the Nursing Director which asked the Committee to note the outcome of the Short Life Working Group (SLWG) and the decision of the NHS Hospital Based Complex Clinical Care (HBCCC) Sub Committee to accept the recommendation of the SLWG. The Committee were asked to confirm the Health Board's agreement with this approach

Mrs Grant outlined the recommendations stating that the Mary Aitkenhead Centre (MAC) was to be designated as a Hospital Based Complex Clinical Care facility for NHSGGC. The SLWG recommended that NHSGGC and St Margaret of Scotland Hospice agree a Service Level Agreement (SLA) to support the MAC providing HBCCC facilities for NHSGGC patients.

Members discussed the nature of the facility and the arrangements in place. Mrs Grant confirmed that the MAC provided all of the designated services to their patients and the Board had a long standing arrangement with them. This included a review date and covered details such as bed numbers and the level of service that would be provided.

Mrs Grant confirmed that a new SLA would be negotiated with the MAC, Dr Mcguire was to lead this process and would oversee the clinical governance of the agreement in conjunction with Dr Armstrong.

**Nursing  
Director**

Ms Brimelow referred to the high quality of patient care delivered in St Margaret's Hospice but raised concerns with the proposal and questioned the appropriateness of the HBCCC status. Mr Brown acknowledged Mrs Brimelow's concern but stated that the SLWG had worked through a rigorous process prior to arriving at the recommendations. He added that the governance arrangements had been suggested by the previous Chief Executive, this had included scrutiny, and approved of the SLWG recommendations by the NHS HBCC Sub Committee. Therefore, he recommended the committee support the way forward described in paper 17/35.

Mr Brown also noted the importance of agreeing a clear SLA that defined the working arrangements between both parties and expected that this would provide assurance to the Committee on the issues raised around clinical governance and ongoing costs to the Board.

Following discussions the Committee agreed that the MAC would be designated as an HBCCC facility for NHSGGC and agreed in principle that SLA negotiations should go ahead and a summary of the SLA would be brought back to the Committee for oversight before it was formally agreed.

Mrs Brimelow asked that her dissent to the Committee's decision to approve the recommendation that the MAC be designated as a HBCCC facility for NHSGGC be noted in the minutes.

**NOTED**

**MINUTES FOR NOTING**

**71. CAPITAL PLANNING GROUP – 31 JULY 2017**

**NOTED**

**72. PROPERTY COMMITTEE – 11 SEPTEMBER 2017**

**NOTED**

**73. DATE AND TIME OF NEXT MEETING**

Monday 6 February 2018 at 9.00am, in the Board Room, JB Russell House,  
Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH

The meeting ended at 12.45pm