

BOARD OFFICIAL

F&P (M)18/01
Minutes: 1-14

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Finance & Planning Committee held at
9.30am on Tuesday, 6th February 2018 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 CBE (In the Chair)

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

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
Mrs L de Caestecker	

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

Mr K Hill	..	Director, Women & Children's Services
Mrs M A Kane	..	Interim Director of Property, Procurement and Facilities Management
Mr G Love	..	Senior Property Manger
Mrs A MacPherson	..	Director of Human Resources & Organisational Development
Mr C Neil	..	Assistant Director of Finance Acute
Dr D Stewart	..	Deputy Medical Director
Mr G Forrester	..	Deputy Head of Board Administration

01. WELCOME AND APOLOGIES

Mr Brown welcomed members to the meeting and advised an additional report had been submitted for the meeting by Mr White. The Committee were advised that the report concerned the appointment of external support to help manage financial challenges, and agreed that the item be taken as a matter of urgency.

Apologies were intimated on behalf of Prof Dame A Dominiczak and Mr I Fraser.

NOTED

02. Introductory Remarks

The Chairman advised that key messages from the Committee's consideration would be provided to the Board meeting on 20th February 2018.

03. DECLARATIONS OF INTEREST

Mr Carr gave notice of a personal interest by virtue of being an independent contractor for Healthcare Improvement Scotland involved in engaging the housing sector in respect of loneliness and social isolation.

NOTED

04. MINUTES OF PREVIOUS MEETING

On the motion of Mrs McAuley, seconded by Mr Carr, the Minutes of the Finance & Planning Committee meeting held on 20 November 2017 [F&P(M)17/05] were approved as a complete and accurate record.

NOTED

05. MATTERS ARISING

a) Rolling Action List

The Committee noted the current Rolling Action List [Paper No 18/01].

Dr Stewart agreed to provide information to the Committee on the route through the Board's governance arrangements for development and approval of the Transformational Plan, and it was agreed that this item would remain on the Rolling Action List.

**Deputy
Medical
Director**

NOTED

06. FINANCE MONITORING REPORT

The Director of Finance submitted a paper [Paper No 18/02] on the Board's revenue performance to end of month 9, revenue projection to 31st March 2018, revenue performance 2015-16 to 2017-18, the financial challenge for 2018-19 and the 2018-19 financial planning process, noting the intention to present the 2018-19 financial plan to the next meeting of the Committee and thereafter to the Board at its meeting on 17th April 2018.

Mr White noted a current overspend of £25.3 million across the Board, below the expected trajectory figure of £28 million, and drew attention to the impact of short supply prescribing on partnership budgets which were seen to be £5.5 million overspent. It was noted that winter impacts on month 9 figures were lower than expected, that additional winter funding had been made available, and that significant controls on costs had been implemented and some bank and agency shifts had remained unfilled due to unavailability of staff. It was noted that winter pressures would likely continue.

In response to a Board member query regarding the presentation of accounts to the Audit and Risk Committee in June, it was noted that the intention to present the financial plan for 2018-19 to the April meeting of the Board should allow for earlier planning and enable greater clarity and consistency in spend across the 2018-19 financial year, and that the Transformational Plan will enable more detailed long-term planning. Actions taken to control spend in 2017-18 were

noted, including reducing non-pay spend, reducing nursing agency spend, replacement of most expensive medical locums and active balance-sheet management, and it was noted that the Scottish Government are supportive of the actions being taken by the Board to control costs.

Members were advised that £26.6 million of additional resources were forecast to be received for 2018-19, and that the Board would seek to meet an efficiency challenge of £110 million for the whole system, with £101 million being focussed on the Board itself and the remainder on its HSCPs. Board members raised the use of non-recurring funds in achieving the Board's aims and the challenges in mitigating short supply prescribing pressures. Mr White advised that CRES targets could be challenging but must be manageable, and that additional support to meet the challenge would come from a dedicated Sustainability and Value Group and from external support.

Consideration was given to budget setting for HSCPs with Mr White requesting that the Committee support an approach which will provide full funding for the pay uplift linked to cost saving plans, cease the Board's inclusion in the existing prescribing risk sharing arrangement with HSCPs, and retain £3.6 million of the Board's additional funding for Alcohol and Drugs Partnerships within the Board's control. Members discussed the proposed approach and questioned the Director of Finance on the approach and its alignment with plans to manage the Board's financial pressures, and considered the process of determining HSCP budgets and the provision made in previous years. Increased risks for HSCPs from ending the Board's inclusion in prescribing risk sharing arrangements were considered, along with the above-target performance of Alcohol and Drug Partnerships. The Committee provided support for Mr White's proposed approach.

The Committee noted the financial position at month 9 and the projection to 31st march 2018; noted the analysis of the Board's financial performance and position; noted the assessment of the estimated 2018-19 financial challenge; and approved the outline planning process including the strategy for the 2018-19 HSCP budget allocation.

Additional Report **APPOINTMENT OF EXTERNAL SUPPORT TO MANAGE THE FINANCIAL CHALLENGE**

The Director of Finance presented a report which provided information for the Committee on the process followed in deciding to appoint experienced external support to help manage the financial challenge, and the actions taken to form a dedicated Sustainability and Value Group. In response to Board member questions on the timing of the report, Mr White advised members that this is a fast moving situation and steps had been taken to access support with available funding.

The Committee were advised that members of the dedicated S&V Group have been identified and were in the process of being released from their full-time roles and seconded into the Group.

The Committee were also advised of the decision to access external support to instigate the work of the S&V Group, by way of the appointment with Scottish Government funding support of an Improvement Director, being an experienced NHS change management expert who will report to the Director of Finance and Chief Executive. In response to questions from the Board regarding funding of the identified support, Mr White advised the Committee that the estimated cost

for the work contracted includes provision of administrative and accountancy support for the Improvement Director and that the contractual sum also includes all expenses, and advised that the rates being provided were in line with work carried out for English Boards and the Scottish Government had recently supported two other Scottish Boards in accessing such support.

07. DRAFT 2018/19 – 2020/21 CAPITAL PLAN

The Director of Finance presented a report [paper number 18/03] on the Draft Capital Plan 2018/19 to 2020/21, advising that capital funding for 2018/19 will include the Board's share of new national capital funding, ring-fenced funding for specific projects, and the capital element of those asset disposals where it has been determined that the Board can retain the proceeds for local use.

The Committee were advised that at this stage members were being asked for support in developing the plan, and that approval of the plan would be sought once further work had been undertaken.

Members were advised of individual projects as set out in the report, and that the Transformational Plan will guide some future investment via the Board's governance processes but that the capital plan also sets out ongoing refurbishment and replacement programmes required to ensure facilities remain aligned to needs.

The Committee noted the draft capital plan for 2018/19 to enable planning, design and delivery to commence, noted the draft Capital Plan 2019/20 to 2020/21, and noted that the finalised plans would be brought to the April meeting of the Committee.

NOTED

08. LOCAL OUTCOME IMPROVEMENT PLANS

Dr de Caestecker presented the submitted paper [Paper No 18/04] on the Local Outcome Improvement Plans for East Renfrewshire and Inverclyde, noting that the Plans will influence work-plans of the HSCPs and the Directorate of Public Health. Dr de Caestecker advised the Committee that the Plans focus on areas of local importance, noting that the East Renfrewshire plan prioritises child poverty, employability, mental health and well-being, and social isolation, and that the Inverclyde plan prioritises population stability, inequalities, and environment, culture and heritage.

It was noted that these Local Outcome Improvement Plans had already been published, and Dr de Caestecker advised the Committee that processes for approving LOIPs would be considered to ensure the Committee would see plans before publication, but that any feedback on the content of these plans could be fed back to the relevant Community Planning Partnership notwithstanding the approval of the plans.

APPROVED

09. SERVICE REDESIGN – IMPACT OF DECISIONS ON WARD 15, RAH, AND REHABILITATION SERVICES IN NORTHEAST GLASGOW

The Interim Chief Officer, Acute Services and the Director of Women and Children's Services presented the submitted paper [Paper No 18/05] which set

out the Cabinet Secretary's decisions on the relocation of paediatric services from Ward 15, RAH, to the Royal Hospital for Children and the proposed redesign of rehabilitation services in the Northeast of Glasgow, noting that services would transfer from Ward 15 on Friday 9th February 2018 and all inpatient, day surgery and short stay medical assessment services would transfer to the Royal Hospital for Children, and that further work would be undertaken on rehabilitation services in the Northeast of Glasgow.

It was noted that the majority of paediatric services will continue to be accessed at the RAH and that an open doors event had provided further information for families affected by the transfer of services, and that the child's experience of emergency facilities at the RAH would continue to be considered.

It was noted that the Cabinet Secretary was not minded to agree the proposal for relocation of rehabilitation services in the Northeast of Glasgow, and that further work would be carried out to review the points made in the reasoning, and noted that work was ongoing to identify services that would be appropriately provided in a Health and Social Care Hub to support service provision in the East End.

NOTED

10. TRANSFORMATIONAL PLAN UPDATE

The Deputy Medical Director presented a report [paper number 18/06] providing an update on the progress of the Moving Forward Together programme for transformational change, noting that there has been excellent clinical engagement from the whole spectrum of clinical staff, and that some interesting themes had emerged from this engagement including a focus on local provision.

Governance arrangements for the next stages of the programme were discussed, recognising that a programme board chaired by the Chief Executive is overseeing, and it was noted that a report would be presented to the Board in April which would set out programme timelines, and provide information on the team involved and resources available.

**Deputy Medical
Director**

NOTED

11. DISPOSAL OF FORMER JOHNSTONE HOSPITAL

The Senior Property Manager presented a report [paper number 18/07] requesting Committee approval to conclude missives with Taylor Wimpey for the sale of the former Johnstone Hospital, Linwood. The Committee were advised that the additional development costs cap had increased, but that this offer remained the most beneficial for the Board. The Committee were further advised that some risk remains in the project due to planning consent remaining to be granted, but that provision is made in the missives to allow an uplift in income for the Board if Taylor Wimpey are able to build more than the expected number of homes.

AGREED TO APPROVE CONCLUSION OF MISSIVES

12. MEARNSKIRK - UPDATE

The Director of Finance presented a report [paper number 18/08] providing an

update on Mearns Kirk Hospital, advising that the contract for PFI service provision at Mearns Kirk is due to expire in March 2019 and that due to changes in the relevant legislation on continuing care it is likely that in the future fewer patients will require the Hospital Based Complex Care which is provided at Mearns Kirk. It was noted that further updates would be brought to the Finance and Planning Committee to provide information on progress.

**Director of
Finance**

NOTED

13. **CAPITAL PLANNING GROUP – MINUTES OF MEETING ON 6TH OCTOBER 2017**

NOTED

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

Tuesday, 3rd April 2018 at 9.30am in the Boardroom, JB Russell House.