

F&P(M)18/04
Minutes: 49-60

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Finance & Planning Committee held at
9.30am on Tuesday, 7th August 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	Dr D Lyons
Ms M Brown	Mr A Macleod
Mr S Carr	Mr J Matthews OBE
Mr R Finnie	Mrs D McErlean
Mrs J Forbes	Ms R Sweeney
Prof Dame A Dominiczak	

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	Dr M McGuire

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

Mr J Best	..	Interim Chief Operating Officer, Acute Division
Mr A McLaws	..	Director of Corporate Communications
Mrs E Vanhegan	..	Head of Corporate Governance and Board Administration
Mrs A MacPherson	..	Director of Human Resources & Organisational Development
Mrs S Adamson	..	Director of Regional Planning (For item 8)
Mr G Love	..	Senior Property Manager
Mr A McCubbin	..	Head of Finance – Capital and Planning
Mrs E Vanhegan	..	Head of Board Administration and Corporate Governance
Mrs G Mathew	..	Secretariat Manager

49. APOLOGIES

Apologies were intimated on behalf of Mr C Brown (Scott-Moncreiff).

The Chair noted that due to a visit by the Cabinet Secretary to the Beatson West of Scotland Cancer Centre, Mrs Grant and Mr Best would be excused for part of the Committee Meeting.

Mr Brown reminded the Committee of the sensitive nature of some papers, in particular papers which were being developed for approval, and it was noted that all papers submitted to the Committee should be prefixed with a classification dependant on the content.

NOTED

50. DECLARATIONS OF INTEREST

The Chair asked Members to declare any interests in any of the topics being discussed.

Mrs Forbes wished to note in relation to item 8 of the agenda - Capital Report and Dashboard 2018/19, that she was involved as an agent for the adjacent site to Stoneyetts and as such had examined sensitive financial information not available in the public domain.

Dr Lyons wished to note in relation to item 7 – Capital Report, specifically Rowanbank Centre, that he was a Medical Member of the Mental Health Tribunal for Scotland.

NOTED

51. MINUTES OF PREVIOUS MEETINGS

a. Minutes of the meeting of the Finance and Planning Committee of Tuesday 5th June 2018:

On the motion of Mr S Carr, and seconded by Ms J Forbes, the Minutes of the Finance and Planning Committee meeting held on 5th June 2018 [F&P(M)18/03] were approved as a full and accurate record of the meeting, subject to the amendment of Item 44 Patient Travel Expenses Scheme, 3rd paragraph, “Mr White agreed to clarify the reasoning behind a prohibition on payment of patient travel expenses had the journey been made on a separate day to that of the appointment.”

AGREED

52. MATTERS ARISING

a) Rolling Action List

The Committee noted the current Rolling Action List [Paper No 18/26].

Members acknowledged the action list updates and agreed to accept the recommendation that two actions be closed.

Regarding the two items remaining ongoing:

- In respect of the Mary Aikenhead Centre, Dr McGuire noted that this action was complete and that the final SLA had indeed been circulated to Members. Ms Brimelow however noted that she was of the understanding that this item would be presented to Members rather than circulated for information. Members were assured that a clear governance process was followed in order to develop the SLA with extensive input from colleagues from Central Legal Office. Following discussion, it was agreed that a wider discussion around the strategic direction of community based bed utilisation would be helpful to Members of the Committee. Any comments on the content of the SLA were welcomed by Dr McGuire.

**Action Nurse
Director**

- In respect of Mearns Kirk Hospital, Mr Brown queried why there would be a delay in receiving a further update paper on this. Mr White noted that this linked to the above point in terms of a wider overview of continuing care being developed and therefore this paper would be available in October.
- In respect of Patient Travel Expenses Scheme, Mr White would amend the guidance as discussed previously and specify that individual cases would be determined on their individual merit. Dr Lyons noted that this information did not appear to be included in the Patient Information Leaflet and asked that this was updated to reflect the guidance.

**Director of
Finance**

**Director of
Finance**

NOTED

53. FINANCE AND CAPITAL REPORT – MONTH 3

The Committee considered the Board's financial performance to Month 3 [Paper No. 18/27] presented by the Mr White, Director of Finance.

Mr White advised that the report detailed Performance, Financial Improvement Plan and Projections. The Committee were asked to note the revenue position to month 3, note the progress of the Financial Improvement Plan and note the proposal to extend the contract for specialist external support for the FIPO.

Mr White led Members through the report and noted that as of 30th June 2018, the Board reported expenditure levels of £9.7m over budget which was better than the initial trajectory forecast of £14.0m. Mr White went on to note that the Financial Improvement Plan tracker recorded projects totalling £50.3m on a FYE and £32.2m CYE. It was also highlighted that an element of this was red risk rated. Focus remained on ensuring that all Gateway 1 projects were converted to Gateway 2 and identifying further projects towards the £93m target.

In response to questions from Committee Members regarding the significant difference in the reported trajectory and what was presented, Mr White advised that the trajectory had been adjusted following the budget and implementation of the FIP. However to ensure clarity, he would review the format of the report and would include a graph/table to demonstrate the progress made against the initial position, however felt it would be difficult to determine progress made if the position was re-profiled.

**Director of
Finance**

Mr White noted that the Acute Division reported an expenditure overspend at month 3 of £13.1m, with £1.6m of this related to pay and £0.3m associated to non-pay.

An overspend of £1.2m was reported for nursing and medical staff for Month 3 and further work continued to address sickness/absence coverage, special observations and final negotiation of nurse agency.

Medical spend was running at an increased rate and the senior medical position had stabilised however there was an emerging pressure regarding junior doctors. Mr White reported that the combined cumulative Medical Agency spend this year amounted to £3.3m at Month 3.

In response to questions from the Committee, Mr White advised that he would

review what percentage of nursing spend was attributable to one to one observations.

Director of Finance

Mrs MacPherson noted areas being taken forward to address issues in relation to sickness absence including a focus on “hot spot” areas, iMatter, Stress Audit Scores and work aligned with the Financial Improvement Plan.

Mr White noted that Partnerships were reporting an expenditure underspend of £0.4m. Discussion took place regarding the figures reported for Partnerships, and Mr Brown noted that Renfrewshire appeared to be reporting a different proportion of year to date budget compared to that of the other Partnerships, which suggested that perhaps different methodology was being applied. Dr Lyons noted that he would raise this with the IJB. Mr Brown went on to note that it would be helpful to see greater detail of information with regards to Partnerships position.

Dr Lyons

The Committee debated the level of detail that should be reported for the IJB’s financial position and performance. Members discussed the relevant detail against the governance process where IJB finances were disused at each IJB. In response to comments noted by Members, the Committee agreed that it would be useful for Mr White, Chief Officers, Chief Finance Officers and colleagues, to attend a future Board Seminar to provide Board Members with a clearer understanding of the financial position and reporting mechanisms within Partnerships.

Director of Finance/Chief Officers/ Chief Finance Officers

Mr White highlighted to Members the detailed summary position of the Financial Improvement Plan (FIP) and that a total of £50m FYE projects had been identified. Focus remained on converting all Gateway 1 projects to Gateway 2 and delivering the benefits of these and to identify further projects up to the £93m target set at the inception of the FIP.

Following suggestions made by the Committee, Mr White would consider ways in which reports could be presented in a clearer and more transparent way.

Director of Finance

In response to questions from the Committee regarding the extension to the specialist external support for the FIP, Mr White clarified that should the contract not be renewed with the external specialist, it was likely that the project would begin to stagnate. This was largely due to capacity constraints and operational pressures across existing management and staff. Mr White considered that further assistance was necessary to ensure the delivery of plans developed to date, to begin a handover process and to identify potential capacity within the organisation to take this forward. Mrs Grant advised that once further scoping had taken place, this would be brought to the Committee.

Director of Finance

The Committee noted the Revenue Month 3 position and were content to support the proposal to extend the contract with the external specialist. Once Mr White has finalised the extension to the contract, this would be circulated to Committee Members for information.

Director of Finance

NOTED

54. CAPITAL REPORT AND DASHBOARD 2018/19

Mr Brown excused himself from the meeting due to an urgent matter and Mr Ross

Finnie assumed the role of Chair in Mr Brown's absence.

The Committee considered the Capital Report and Dashboard 2018/19, [Paper No. 18/28], presented by the Director of Finance. Mr White highlighted the main issues including an underspend of £110k in the GGH Theatre project, a slight increase in the GRI Lister Building project due to the unanticipated replacement of the fire escape and the £200k under spend of the GRI Ward 30 project. Mr White also detailed the remaining work including section 75 payments, INS schemes, QEUHAMB/CMB external works, RAH ITU and Rowanbank Clinic. Mr White also updated the Committee on the demolition works potentially required at Stobhill site following the recent fire.

In response to questions from Members, Mr White assured the Committee that capital plans would be progressed in the context of the Moving Forward Together Transformational Programme.

Following discussion and concerns raised by Committee Members regarding the Rowanbank Clinic extension, it was agreed that the extension plan would be reviewed to ensure strategic direction was in line with current Board objectives.

**Director of
Finance**

NOTED

55. DYKEBAR HOSPITAL DISPOSAL

The Committee considered the Dykebar Hospital Disposal, [Paper No. 18/29], presented by the Director of Finance. The paper sought approval to conclude legal missives with the appointed consortium of developers. The consortium group of developers were made up of CALA Homes, Barratt Homes and Bellway Homes. CALA Homes were leading the consortium.

The paper outlined that due to the complexity of the site and the stage of engagement with the consortium, that it was not possible at this time to exactly forecast net proceeds and this was also not subject to a cap. The Committee requested further clarity around planning gain and abnormal development cost.

Following discussion, the Committee were content to proceed with the conclusion of the missives with assurances from Mr White that once more information was available in relation to the level of planning gain and the abnormal development costs, this would be reported to the Committee and should these figures be materially different from the estimates provided in the paper, the sale of the property would be suspended until such times as the Committee could review the position. A further paper would be presented to the Committee in October.

**Director of
Finance**

APPROVED

56. WEST OF SCOTLAND REGIONAL PLAN

Ms Sharon Adamson, Director of Regional Planning, was welcomed to the Committee. Due to the time, Ms Adamson provided a brief overview of the development of the Regional Plan. The Document had been submitted to the Cabinet Secretary and approval to release the Document was awaited. A desktop exercise would be

undertaken to develop the high level strategic fit and this would be available by December 2018.

Dr Armstrong highlighted that the work of the Moving Forward Together Transformational Plan has been closely aligned with the Regional Design work. It is expected that the proposals for these key areas of work will be available for circulation in October/November time.

**Director of
Regional
Planning**

The Chair thanked Ms Adamson for the update. The Committee noted progress made and invited Ms Adamson to a future meeting to provide a further update on this.

NOTED

MINUTES FOR NOTING

57. CAPITAL PLANNING GROUP: MEETING OF 5TH APRIL 2018

NOTED

58. PROPERTY COMMITTEE: MEETING OF 24TH MAY 2018

NOTED

59. CLOSING REMARKS AND KEY MESSAGES FOR THE BOARD

The Chair thanked the Committee and those in attendance.

60. DATE AND TIME OF NEXT MEETING

Tuesday 2nd October at 9.30am, in the Board Room , JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH