

F&P(M)18/05
Minutes: 61 - 75

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the
Finance & Planning Committee held at
9.30am on Tuesday, 2nd October 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	Mrs J Forbes
Prof Dame A Dominiczak	Mr A Macleod
Ms R Sweeney	Mr J Matthews OBE
Mr R Finnie	Cllr Sheila Mechan

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

Mr J Best	..	Interim Chief Operating Officer, Acute Division
Mr G Archibald	..	Chief Operating Officer, Acute Division
Mr A McLaws	..	Director of Corporate Communications
Mrs E Vanhegan	..	Head of Corporate Governance and Board Administration
Mr Tom Steele	..	Director of Estates and Facilities
Mr David Williams	..	Chief Officer, Glasgow City HSCP
Ms Louise Long	..	Chief Officer, Inverclyde HSCP
Ms Beth Culshaw	..	Chief Officer, West Dunbartonshire HSCP
Mr A McCubbin	..	Head of Finance – Capital and Planning
Mr James Hobson	..	Assistant Director of Finance, Corporate
Mr Colin Neil	..	Assistant Director of Finance, Acute Division
Ms Mary Anne Kane	..	Interim Director of Estates and Facilities
Ms Marion Speirs	..	Hub Accountant
Mr Chris Brown	..	Scott-Moncrieff
Mr John Donnelly	..	Senior General Manager, Capital Planning
Ms Candy Millard	..	Head of Strategic Services, East Renfrewshire HSCP
Mrs G Mathew	..	Secretariat Manager

61. WELCOME AND APOLOGIES

Apologies were intimated on behalf of Mr Simon Carr, Mr Ian Ritchie, Ms Dorothy McErlean, Dr Donald Lyons, Dr Linda de Caestecker and Ms Morag Brown.

62. INTRODUCTORY REMARKS

Mr Brown noted the key topics for discussion today including the finance position, progress on the Moving Forward Together, the Interim Annual Plan, update on Mearnskirk and the Full Business Cases relating to the Hub Scheme.

NOTED

63. DECLARATIONS OF INTEREST

The Chair invited Members to declare any interests in any of the topics being discussed. No declarations were made.

NOTED

64. MINUTES OF PREVIOUS MEETINGS

a. Minutes of the meeting of the Finance and Planning Committee of Tuesday 7th August 2018

On the motion of Mr Allan MacLeod, and seconded by Mr John Matthews, the Minutes of the Finance and Planning Committee meeting held on 7th August 2018 [F&P(M)18/03] were approved as a full and accurate record of the meeting, subject to the amendment of Item 53 Finance and Capital Report – Month 3, 6th paragraph, “An overspend of £1.2m was reported for nursing and an overspend of £1.2m was reported for medical staff costs for Month 3 and further work continued to address sickness absence coverage, special observations and final negation of nurse agency”.

AGREED

65. MATTERS ARISING

a) Rolling Action List

The Committee noted the current Rolling Action List [Paper No 18/30].

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

The Committee accepted the Rolling Action List and no further comments were noted on the remaining actions.

NOTED

66. FINANCE AND CAPITAL REPORT – MONTH 5

The Committee considered the Board’s financial performance to Month 3 [Paper No. 18/31] presented by the Mr White, Director of Finance.

Mr Brown thanked Mr White for efforts to improve the format and content of the report.

Mr White advised the Committee that the report detailed the revenue position to month 5 and projections to 31st March 2019, the HSCPs final out-turn for 2017-18 and progress of the Financial Improvement Programme.

Mr White led Members through the report and noted that as of 31st August 2018, the Board reported expenditure levels of £16.3m over budget. This compared to £12.4m overspend reported at the previous month end however was better than the initial trajectory forecast of £23m. The Financial Improvement Plan tracker recorded projects totalling £51.2m on a FYE and £33.6m on a CYE. The current financial gap predicted for 2018/19 was £25m. Focus remained to maximise the impact of the Financial Improvement Programme as much as possible, containment of costs and the and maximising potential sources of non recurrent funding.

The Acute Division reported an expenditure overspend at month 5 of £22.4m. Partnerships reported an underspend of £0.6m. Corporate Departments reported an expenditure overspend of £4.5m. Non recurring relief of £10m was factored in to support the financial position.

The main challenges within the Acute Division continued to be £18.7m of unachieved savings, £2.5m associated with pay and £0.9m associated with non-pay. Overspends within medical and nursing salaries of £2.2m and £1.9m respectively, continued to be an issue, and these areas remain a key focus for cost containment initiatives. Additional Monthly monitoring meetings, involving the Chief Executive and Director of Finance, have been re-established and workshops have been conducted with Heads of Finance to identify solutions.

In response to questions from Committee Members regarding the Board's ability to sustain financial improvements made in previous years, Mr White assured the Committee that a number of cost containment projects continue to drive costs down; however there were pockets of pressure. Mrs Grant went on to note that this was a complex issue. New challenges continue to emerge, consequently, financial improvements which had previously been achieved by addressing other issues are not sustained due to new issues arising. Mrs Grant considered that the language used within the report could be improved and further explanation of current challenges would be helpful. In respect of locum spend, Mr Archibald indicated that a number of measures had been put in place to address the emerging difficulties in relation to maternity leave, low junior doctor numbers and recruitment issues within ENT.

In response to questions from Committee Members in relation to emerging issues within Women and Children's Services, it was noted that there were emerging issues in relation to Specialist Children's Services, and Mr Best advised that there were a number of small teams, with current higher levels of vacancies and maternity leave, along with a national difficulty to recruit to Specialist Children's Services roles.

Mr Brown asked for assurances in relation to the governance of the junior doctor issue. Dr Armstrong assured the Committee that there was a robust process in place. The Medical Staffing Unit monitor the rotas and each area has a Chief Resident to proactively manage rotas. An electronic rota system was in use at QEUH and would soon be rolled out across NMSGGC. Any issues with non compliance were reviewed by the Staff Governance Committee.

In response to questions from Members about access support funding, Mr White

noted that 50% of this funding had been received, with a commitment to receive the remaining 50% in due course.

In response to questions from Members about the recent pay award, Mr White confirmed that the funding for this had been received to cover Agenda for Change only.

In relation to the reported overspend of £1.9m at Month 5 in nursing salaries, Mr White indicated that a number of actions had been undertaken to address this including work with teams in the North and South sectors to develop action plans and reduction of the use of premium rate agency. This has been reduced, however has resulted in an increase in the use of bank staff.

Congratulations were noted to Dr McGuire for securing the record number of 458 newly qualified nurse graduates in a recent recruitment drive.

Mr Brown expressed concern about continued levels of sickness absence and suggested further ways that could address the problem such as the use of external advice similar to that of the Financial Improvement Programme. Mr White noted that the reduction of sickness absence was a key part of the action plans being developed by the North and South sector groups.

Further discussion took place about the ways in which this could be tackled such as analysis of the reasons for sickness absence, what could be done to support staff, and the implications of 12 hour shift patterns. Assurance was given around the detailed analysis of the issues and routinely reported through the Staff Governance Committee. Mrs Grant would raise these issues again with the Director of Human Resources for further exploration.

**Director of HR
and OD**

Mr White noted that HSCP's reported an underspend of £0.6m at Month 5 and predicted a break even position for prescribing, however noted of possible pressures in relation to pharmacy price increases, short supply and changes in the discount rate.

In response to questions regarding the correlation between the reported underspend within community mental health teams and the reported overspend within inpatient mental health, Mr Williams noted that the main reason for this was due to the level of special observations and specialist services required. Mr Williams went on to note that the Mental Health Strategy describes the approach to shift the balance of care and support patients. Mr Williams did not think that recalibrating the budget would be beneficial however would initiate a discussion the HSCP Chief Officers in relation to identifying the causes of underspend within community teams.

D Williams

In response to questions regarding underspend within hosted services, Mr Hobson agreed to provide further detail to the Committee on the potential causes of this. Mr Hobson went on to note that further prescribing budget information would be provided at the Board Seminar in December, including list size and deprivation influences.

**Assistant
Director of
Finance**

Mr White noted that the final HSCP revenue outturn position for 2017/18 was £17.5m underspend. The HSCP reserves as at 31st March 2018 were reported as £55.6m. Mr Brown queried the contingency included within the ear marked reserves. Mr Hobson would carry out an analysis of this for the next meeting.

**Associate
Director of
Finance**

Mr Brown noted that Inverclyde HSCP did not report any general reserves within the contingency and if there were plans to grow general reserves. Ms Long advised that advice was sought from Audit Scotland, who confirmed that the HSCP have sufficient reserves in the form of ear marked reserves and did not raise any concerns with regards to this.

**Director of
Finance**

Discussion took place regarding the impact of winter on the financial position, and assurances were sought. Mr White advised that he would provide a full assessment of current position, projected position, and contingency plan, to the next Committee meeting.

Ms Brimelow requested that a future Seminar be dedicated to reviewing an example financial improvement project, from inception to implementation, to provide members with a fuller understanding.

**Director of
Finance**

In summary, Mr Brown noted that the financial position was moving in the right direction; however consideration would need to be given to the sustainability of financial improvements. A Mid Year Review of the financial position, projections and contingency plans would be provided at the next meeting in December. Mr Brown thanked Mr White for a comprehensive report.

NOTED

67. CAPITAL REPORT AND DASHBOARD 2018/19

The Committee considered the Capital Report and Dashboard 2018/19 as at 31st August 2019, [Paper No. 18/32], presented by the Director of Finance. Mr White highlighted the available resources for 2018/19 which amount to £51.9m. Mr White noted the changes recognised in July including the re-profiling of both the funding and costs (£2.671m) associated with the national PET replacement scheme to 2019/20. An additional £600k was added to the forecast capital receipts to incorporate the disposal of surplus land adjacent to Victoria ACH. Potential delays relating to the sale of land at the Stoneyetts site and the Dykebar site were noted and Mr White advised that the situation would be closely monitored as discussions with the developers and Local Authorities continue.

In response to questions from the Committee regarding potential slippage and unallocated funds, Mr White confirmed that these could be retained within the Board or carried forward.

Mr Brown thanked Mr White for the update.

NOTED

68. EXTRACT FROM CORPORATE RISK REGISTER

The Committee considered the Extract from the Corporate Risk Register, [Paper No. 18/33], presented by the Director of Finance. The paper detailed an Extract from the Corporate Risk Register which related to risks that come under the remit of the Finance and Planning Committee. The Committee were asked to note the risks and satisfy itself that the risks and controls were captured appropriately and the further

actions were sufficient to mitigate the risks.

Mrs Forbes noted that the colour schemes within the document were not consistent.

Ms Sweeney raised concerns regarding the 3rd risk which detailed the possible non-compliance of health and safety legislation and that the likelihood of occurrence was recorded as “may occur occasionally”. Ms Sweeney was keen that this be reduced to unlikely. Ms Kane noted that work was underway to develop a robust action plan to ensure all of the standards were being adhered to at all times.

**Interim
Director of
Estate &
Facilities**

In response to questions from Committee members regarding the winter planning risk, Mr White confirmed that this risk would be updated as information becomes available on the level of support available, therefore this score may change.

In response to questions from Committee members regarding the inclusion of the Brexit and the mitigation of potential risks, Ms Vanhegan noted that the work to assess the impact of Brexit was considered on a risk based approach with a focus to mitigate as far as possible, however she would take the point regarding scoring post mitigations of the risks to the Brexit Readiness Steering Group. Ms Vanhegan confirmed that the Steering Group have established an action log of specific risks register, Ms Vanhegan would present a more detailed paper of the risks to the next Committee meeting.

**Head of
Corporate
Governance
and
Administration**

Mr Brown thanked Mr White for the update. In summary, Mr Brown noted that the Committee were content with the risks captured. The discussion regarding the health and safety risks would be taken to the Staff Governance Committee to ensure that this issue was given greater prominence.

**Head of
Corporate
Governance
and
Administration**

APPROVED

69. MOVING FORWARD TOGETHER – UPDATE

The Committee considered the Moving Forward Together Update paper [Paper No. 18/37] presented by the Medical Director. Dr Armstrong advised that the paper provided an update on the progress made toward implementing the Moving Forward Together Blueprint for the Future Delivery of Health and Social Care. The Committee were pleased to note the appointment of Mr Jonathan Best to the role of Senior Programme Lead for MFT. Dr Armstrong confirmed that all IJBs have reviewed, discussed and approved the Plan. Six workstream groups have been established and each workstream has an appointed Lead Chief Officer/Director, CMT member and Lead Clinician. Each workstream would have a small number of members, with wider Reference Groups and Working Groups established to assist with development and engagement. The first area being considered by the Workstream Groups was Primary Care Virtual Care Development, with the groups being asked to consider what areas could be moved to community or virtual settings. A common methodology would be used across the groups to ensure consistency. A further paper detailing the progress would be presented to the Board in October.

**Medical
Director**

Mr Finnie noted concerns with regards to the complexity of managing the impact of this work and sought positive assurance that the required resource would be available to manage this work to ensure momentum. In response to Mr Finnie’s comments, Mrs Grant advised of plans to recruit a Senior Programme Manager in addition to the

role undertaken by Mr Best. Each Workstream Group would have support from a variety of key departments such as planning, finance and HR, however it was recognised that there needed to be some dedicated support. Mr Brown requested that the Board paper include detail on Mr Best's role and information on benefits, costs and communication plans. Mr Brown stressed the importance of the programme's early engagement with stakeholders, particularly members of the public and requested further information with regards to this.

**Medical
Director**

In summary, Mr Brown noted that further information was required within the document relating to the governance process and the structure diagram should be updated to reflect the relationship between the CMT and Board. It was agreed that time would be dedicated at each Board Seminar to review and discuss progress of MFT.

NOTED

70. NHSGGC INTERIM ANNUAL PLAN

The Committee considered the Interim Annual Plan paper [Paper No. 18/34] presented by the Medical Director. The Plan was developed from the Board's Corporate Objectives and captures the key issues and developments which need to be delivered within the current financial year. Further information on the monitoring process would follow in due course.

Mr Finnie felt the paper was helpful in demonstrating that reports which were presented to Committees were linked to Board objectives.

Ms Sweeney felt that Brexit formed an important part of the context and that the detail on staffing could be stronger. Ms Sweeney also noted that there was no reference to culture and how this would be addressed.

Mr Brown noted that this was a clear, succinct document which highlighted the key activities across the organisation. Mr Brown noted the lack of figures within the paper, and stressed the importance of ensuring that timescales were applied to the plan. Mr Brown agreed to raise the lack of guidance about annual planning with Scottish Government colleagues.

Mr Brown thanked Dr Armstrong for the report and asked Committee members to direct any further comments on the paper to Dr Armstrong.

APPROVED

71. HOSPITAL BASED COMPLEX CARE – MEARNSKIRK UPDATE

The Committee considered the Hospital Based Complex Care – Mearns Kirk Update paper [Paper No. 18/35] presented by the Chief Officer of Glasgow City HSCP. The paper provided a summary of the changes being made across NHSGGC in response to the 2015 Scottish Government guidance on HBCCC.

In summary, Mr Brown noted that the Committee agreed the direction of travel set out within the paper, noted that the Clyde proposals required further work to ensure

consistency of models of care across NHSGGC, noted that the final funding release to Partnerships would be on the basis of NRAC funding allocation following completion of the re-modelling in Clyde and a further refinement of the service model, noted that East Renfrewshire IJB would be asked at its meeting in November to direct the Health Board to decommission Mearnskirk with full closure by the end of March 2019 and noted that Glasgow City IJB would be asked at its meeting in October to commission the re-provisioning of the Glasgow based services as set out in the paper.

This was approved, subject to further work on finances and clarification on any material changes.

APPROVED

72. HUB SCHEMES – FULL BUSINESS CASES

The Committee considered the Hub Schemes Full Business Cases paper [Paper No. 18/36] presented by the Interim Director of Estates and Facilities. Mr Donnelly, Senior General Manager, Capital Planning and Ms Marion Speirs, Hub Accountant, were welcomed to the Committee. The paper sought approval from the Committee for submission of the Full Business Cases for each of the schemes to the Board and on to the Scottish Government Capital Investment Group.

The Chair thanked Mr Donnelly and Ms Speirs for the update and noted that the summary paper was very helpful.

In summary, Mr Brown noted that the Committee approved the Full Business Cases for Greenock, Clydebank and Stobhill schemes for submission to the Board Meeting on 16th October and the Scottish Government Capital Investment Group on 13th November. The Committee also approved the bundling strategy as outlined in the summary and bundling paper, noted that each of the schemes have been assessed as value for money, affordable and achievable, and approved the underwriting arrangements of design fees to allow continued progress whilst the approval process was underway.

APPROVED

MINUTES FOR NOTING

73. CAPITAL PLANNING GROUP: MEETING OF 21ST JUNE 2018

The Committee considered the minute of the Capital Planning Group Meeting of 21st June 2018 [Paper No. CP03/18].

Following review of the minute, Ms Sweeney requested an update on the current water situation at RHC. Mrs Grant advised that the children have been transferred to the QEUH whilst investigations were ongoing to identify the issues and resolutions.

Mr Steele advised that a meeting would take place this afternoon with colleagues to consider a number of issues including the remedial work required, deconstruction of the system, the drainage system and potential options, sanitary wear and ventilation. A plan would be developed to address the issues identified and this would be made available to the Committee.

**Director of
Estates and
Facilities**

Mrs Forbes requested assurances that specifications were correct at the start of project and if there was any learning from this. Given today's approval of the Hub Schemes, Mrs Forbes was keen to get assurance that we won't experience similar issues in another new building.

Mr Brown asked about the progress of the decant of the Yorkhill site and Mr White advised that there were plans to relocate as many staff as possible within the existing site, however there remained approximately 400 staff who required workstations to be identified across the organisation. Given the number of workstations required, other options and the financial impact of these was being considered, should the plan fail to identify the required workstations. The HR function itself was the largest staff group and it has been a challenge to identify a suitable location for all of the staff. Mr White agreed to provide a report on the progress of this to the Committee in February 2019.

**Director of
Finance**

NOTED

74. CLOSING REMARKS AND KEY MESSAGES FOR THE BOARD

The Chair thanked the Committee and those in attendance.

75. DATE AND TIME OF NEXT MEETING

Tuesday 4th December at 9.30am, in the Board Room , JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH