

F&P (M) 19/02  
Minutes: 18 - 36

NHS GREATER GLASGOW AND CLYDE

**Minutes of the Meeting of the  
Finance & Planning Committee held at  
9.30am on Tuesday, 2<sup>ND</sup> April 2019 in the  
The Golden Jubilee Conference Hotel, Beardmore Street,  
Clydebank, Glasgow, G81 4SA**

**P R E S E N T**

Mr J Brown CBE (In the Chair)

Ms S Brimelow OBE	Mrs J Forbes
Mr A Cowan	Mr A Macleod
Mr I Ritchie	Mr J Matthews OBE
Mr R Finnie	Cllr Sheila Mechan
Dr D Lyons	Mr S Carr
Mrs D McErlean	Prof Dame A Dominiczak OBE

**OTHER BOARD MEMBERS IN ATTENDANCE**

Ms J Grant	Mr M White
Dr J Armstrong	

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

Mr J Best	..	Interim Chief Operating Officer, Acute Division
Ms E Vanhegan	..	Head of Corporate Governance and Board Administration
Mr A McLaws	..	Director of Communications
Mrs A MacPherson	..	Director of Human Resources and Organisational Development
Mr Colin Neil	..	Assistant Director of Finance, Acute Division
Mr Alan McCubbin	..	Head of Finance – Capital & Planning (For Item 08)
Mr D Leese	..	Chief Officer, Renfrewshire HSCP (For Item 27)
Ms H McIntyre	..	Senior General Manager Capital Projects (For Item 28)
Mrs G Mathew	..	Secretariat Manager

<b>18.</b>	<b>WELCOME AND APOLOGIES</b>		
	Apologies were intimated on behalf of Ms Rona Sweeney.		
<b>19.</b>	<b>INTRODUCTORY REMARKS</b>		
	Mr Brown noted the key topics for discussion today including the finance position 2018/19; the financial planning process for 2019/20; progress on the Moving Forward Together Programme; an update on the GP Out of Hours Service; a presentation on the Annual Operational Plan; and a review of the Corporate Risk Register.		

	<u>NOTED</u>		
<b>20.</b>	<b>DECLARATIONS OF INTEREST</b>		
	The Chair invited Members to declare any interests in any of the topics being discussed. No declarations were made.		
	<u>NOTED</u>		
<b>21.</b>	<b>MINUTES OF PREVIOUS MEETINGS</b>		
<b>a.</b>	<b>Minutes of the meeting of the Finance and Planning Committee of Tuesday 5<sup>th</sup> February 2019</b>		
	The Committee considered the minute of the previous meeting [Paper No. F&P(M) 19/01] held on Tuesday 5 <sup>th</sup> February 2019, and approved the minutes as an accurate record, subject to the following amendment:  Cllr Sheila Mechan was not in attendance at the meeting and apologies were noted.		
	<u>AGREED</u>		
<b>22.</b>	<b>MATTERS ARISING</b>		
	<b>a) <u>Rolling Action List</u></b>		
	The Committee noted the current Rolling Action List [Paper No 19/09].  Members acknowledged the action list updates and agreed to accept the recommendation that two actions be closed. In addition, the following actions were discussed:  Minute 88 – Extract from Corporate Risk Register – Mr White advised that the methodology had been considered and the Risk Register updated accordingly. Amendments to the Risk Register were made on an ongoing basis. The Committee were content to close this item.  Minute 81 – Financial Set Aside – It was noted that further information on this topic would be covered at a future Board Seminar, therefore the Committee requested that this item remain open until such times as this had been discussed.  The Committee accepted the Rolling Action List and no further comments were noted on the remaining actions.		<b>Secretary</b>  <b>Secretary</b>
	<u>APPROVED</u>		

<b>23.</b>	<b>URGENT ITEMS OF BUSINESS</b>		
	No urgent items of business were noted.		
	<u>NOTED</u>		
<b>24.</b>	<b>REVENUE REPORT – MONTH 11</b>		
	<p>The Committee considered the Board’s financial performance to Month 11 [Paper No. 19/10] presented by the Director of Finance, Mr Mark White.</p> <p>Mr White advised the Committee that the report detailed the revenue position to Month 11, the Financial Improvement Programme position to Month 11 and the projections for both to 31<sup>st</sup> March 2019.</p> <p>Mr White led Members through the report and noted that as of 28<sup>th</sup> February 2019, the Board reported expenditure levels of £2.5 over budget. This compared to £10.2m overspend reported at the previous month end. The Financial Improvement Plan tracker recorded projects totalling circa £56.4m on a FYE and £40.3m on a CYE. Mr White predicted a break even position for 2018/19 at the end of 31<sup>st</sup> March 2019. Focus remained to maximise the impact of the Financial Improvement Programme as much as possible, containment of costs and maximising potential sources of non recurrent funding.</p> <p>The Acute Division reported an expenditure overspend at Month 11 of £41.0m. Partnerships reported an underspend of £3.6m. Corporate Departments reported an expenditure overspend of £15.9m. Non recurring relief of £50.8m was factored in to support the overall financial position.</p> <p>The main challenges within the Acute Division continued to be £38.9m of unachieved savings, £0.3m associated with pay and £1.3m associated with non-pay. Mr White commended the efforts to address pay spends, and noted a reduction in bank agency usage and senior medical overspends.</p> <p>Mr White paused for questions from Committee Members.</p> <p>In response to questions from Committee Members in relation to the pay award, Mr White clarified that there was additional funding received to support the pay uplift for this financial year.</p> <p>In respect of a question regarding the sustainability of a reduction in pay spends given the number of vacancies, Mr Best described a number of initiatives which were being implemented to improve control of staff rosters and annual leave approval, along with consideration of flow. Mr Best was confident that there were adequate systems and monitoring in place to sustain improvements in pay spends.</p> <p>Regarding a question posed on Sector performance figures, in particular the South Sector performance, which had made the greatest improvement despite being one of the most challenging areas, Ms Grant assured the Committee that processes have been implemented to ensure best practice is replicated throughout all Sectors. She also advised that regular meetings with Chiefs of Medicine, Chiefs of Nursing and Directors have been established.</p>		

	<p>Committee members noted the impact of sickness absence performance. Mrs MacPherson advised the Committee that improvements have been made and the overall sickness absence rate had been reduced. This was due to improvements made in the provision of support to staff and managers, and improved controls.</p> <p>In response to questions from Committee Members in relation to clarity of the non recurring income sources used to support the overall financial position this year, Mr White advised of a number of sources including, the agreement to move the capital underspend to revenue; and adjustments such as a rates rebate and the New Medicines Fund. Further information with regards to the sources of non recurring funding would be included within the Month 12 report.</p> <p>In summary, the Committee noted the Revenue Position at Month 11, the Projection to 31<sup>st</sup> March 2019 and the Financial Improvement Programme progress. The Committee were pleased to note the predicted break even position by year end and noted the ongoing efforts to achieve this position.</p>	
	<p><u>NOTED</u></p>	
<p><b>25.</b></p>	<p><b>CAPITAL PLAN 2019/20</b></p>	
	<p>The Committee considered the 'Draft Capital Plan for 2019/20 to 2021/22' [Paper No. 19/11], presented by Mr Mark White, Director of Finance.</p> <p>Mr McCubbin highlighted current forecast capital resources available to the Board for investment in 2019/20 amount to just over £49m. Mr McCubbin noted the proposed capital programme for 2019/20 which addresses key priorities confirmed to date, ensuring that expenditure levels match available resources and whilst retaining a level of flexibility for future planning. The proposed areas included a number of refurbishment schemes across the Board's estate to improve service provision and address priority infrastructure issues; ward refurbishment at Glasgow Royal Infirmary; investment at Queen Elizabeth University Hospital (QEUH) to address cladding works, pedestrian walkways and completion of negative pressure rooms. The plan also sets out provision for completion of the Hub Schemes including equipment requirements at Woodside Health and Care Centre and subordinated debt at the Clydebank Centre, as well as provision for IT equipment replacement programmes. It was noted that in light of a national review taking place in relation to pathways for women through forensic Mental Health Services, together with a review into future requirements for low secure mental health provision, minimal expenditure is anticipated to be incurred during 2019/20 in respect of developing Rowanbank Clinic. The associated indicative spend allocations have therefore been re-profiled over 2020/21 and 2021/22.</p> <p>Mr Brown thanked Mr White and Mr McCubbin for the update and invited questions from Committee members.</p> <p>Committee members felt that it was important to note that the Rowanbank programme of works should include a balance of medium and low secure accommodation.</p> <p>In response to questions from Committee members in relation to disposal of sites, Mr White clarified that the figures detailed within the report represent the book value of</p>	

	<p>the property, as opposed to the sale value.</p> <p>In respect of a question raised regarding the imaging equipment replacement programme, Mr Best noted that the bid submitted for this year was for the replacement of a Linear Accelerator. This was in addition to the imaging replacement programme already in place.</p> <p>Committee members discussed the eHealth equipment schemes and asked if this was related to the replacement of IT equipment or to the development of the Digital Strategy. Mr White advised that work had begun to identify costs associated with the Digital Strategy, however Mr William Edwards could provide further information on this to the Committee in due course.</p> <p>In response to comments from the Committee in respect of the ongoing estates maintenance programme, it was agreed that the Committee would receive an update at the next meeting.</p> <p>Committee members noted the potential impact of the Moving Forward Together programme on capital plans. Ms Grant assured the Committee that work continued to develop and pull together the MFT workstreams, along with the regional work and emerging issues. Once this was complete, the Board would be presented with further information on the options available.</p> <p>In respect of questions raised by from Committee members regarding progress of the decant of the Yorkhill site, Mr White advised that a plan was being finalised and this would be presented to the Committee for discussion in the next 3 months. Discussion took place about capacity across the whole estate in the context of MFT, the estates maintenance plans and the new GMS Contract. Dr Armstrong added that discussion had recently taken place at the MFT Programme Board in relation to the GMS Contract, where it was agreed that a strategic approach to the whole infrastructure was required.</p> <p>In summary, the Committee were content to note the report and would expect the final plan, along with the revenue plan to be presented in due course. The Committee would anticipate an overview of the maintenance plan from Mr Tom Steele, Director of Estates and Facilities at the next meeting.</p>	<p style="text-align: center;"><b>Director of health</b></p> <p style="text-align: center;"><b>Director of Estates and Facilities</b></p> <p style="text-align: center;"><b>Secretary</b></p> <p style="text-align: center;"><b>Secretary</b></p> <p style="text-align: center;"><b>Director of Estates and Facilities</b></p>
	<p><u>NOTED</u></p>	
<p><b>26.</b></p>	<p><b>FINANCIAL PLAN 2019/20</b></p>	
	<p>The Committee considered the paper 'NHSGGC – 2019/20 Financial Plan (Initial Draft)' [Paper No. 19/12] presented by the Director of Finance, Mr Mark White. The paper provided the Committee with an update of the Board's 2019/20 projected revenue and capital positions, and outlined the planning process to deliver key financial targets.</p> <p>The paper detailed the Board's financial position over the past 2 financial years. The Board reported a recurring financial deficit of £67.8m at 1<sup>st</sup> April 2018. Key pressures included pay uplift of £42.5m, acute prescribing of £18m and inflation of £11.7m, and the initial assessment was a £93m required CRES. This was subsequently revised to £86.7m, however the original number was retained to ensure consistency.</p>	

	<p>Mr White highlighted the indicative 3 year projection and expected cost pressures, including prescribing pressure; supply costs; and PPP contracts. Mr White noted that the estimated CRES requirement for 2019/20 was estimated as £74.8m.</p> <p>Mr Brown thanked Mr White for the update and invited questions from Committee members.</p> <p>In response to comments from Committee members in relation to the requirement to break even over a 3 year period, and a desire by Committee members to agreed a set of principles to be applied to consideration of the use of this, Mr White noted that this would need to be a decision debated at each Committee meeting as we proceed through the financial year, however there was an assumption that the Board would continue to operate on a break even position on a yearly basis. Ms Grant noted that there were emerging challenges in relation to MFT and waiting times, however stressed that it was crucial that the organisation maintained a focus on the redesign of service and managing the flow of demand.</p> <p>Committee members discussed the overall long term financial challenge and the expected return from MFT. Ms Grant advised the Committee that the MFT workstreams continue to develop plans in relation to this, along with the development of Integration Joint Board strategic plans and an overarching GGC strategic plan, to change the demand profile. Chief Officers continued to work together to create partnership plans and contribute to the whole system planning group.</p> <p>In respect of questions from Committee members regarding oversight and assurance of IJB strategic plans, Dr Armstrong advised that a session recently took place with a number of representatives including Chief Officers and colleagues from Acute, Mental Health, Public Health and Finance. Consideration was given to the top 5, high impact changes and it was agreed that a joint plan to include all IJB's plans, Board and Finance would be developed and presented to the Committee in due course.</p> <p>Following discussion about the financial challenge within IJB's and the Local Authorities contributions to IJB's, Mr White agreed to detail further information on this to the Committee meeting in June.</p> <p>It was also agreed that a meeting would be arranged to discuss the MSG report, assurance processes and governance in relation to IJB strategic plans, and support required by Board members to discharge their duties.</p> <p>In summary, the Committee noted the initial assessment of the financial challenges in 2019/20 and estimated cost pressures of £74.8m, noted the initial draft financial plan and capital plan, and would recommend to the Board the delegation of the HSCP budget on that basis.</p>	
	<u>APPROVED</u>	<p><b>Medical Director</b></p> <p><b>Director of Finance</b></p>

<b>27.</b>	<b>GP OUT OF HOURS SERVICE</b>	
	<p>The Committee considered the paper ‘Greater Glasgow and Clyde GP Out Of Hours Update’ [Paper No. 19/16] presented by the Chief Officer, Renfrewshire HSCP, Mr David Leese. The paper provided an update on the outcomes and progress in relation to Phases 1 to 3 of the GP Out of Hours Review, previously discussed in December 2018. Mr Leese noted progress of actions to enhance the workforce to support the service and improve sustainability; testing and roll out of the direct professional to professional line from Out of Hours District Nurses into the GP Out of Hours Service; and the finalisation of plans in relation to triaging of patients via NHS 24.</p> <p>Mr Brown thanked Mr Leese for the update and invited questions from Committee members.</p> <p>Committee members discussed the potential to extend routine GP opening hours. Mr Leese advised that extensive discussion had taken place regarding the possibility of extending GP opening hours and highlighted that there was an Extended Hours Directly Enhanced Service (DES) in place. Some practices do offer extended hours, however contracted GP hours were between 8am – 6pm. Mr Leese described the range of work underway within all HSCPs, working in partnership with practices to address the demand flow. Mr Best also noted the implementation of the Redirection policy, across all Acute sites.</p> <p>In response to questions from Committee members in relation to ensuring that the communications and the actions taken were in harmony, Mr Leese advised that an assertive approach would be taken. Mr McLaws highlighted that the website communications currently direct patients to NHS24 and assured the Committee that a sustained and robust approach to communications would be undertaken to influence behavioural change. Mrs McErlean noted that it was important to ensure that public facing staff have the necessary tools in place in order to support them to implement the policy.</p> <p>In respect of questions in relation to the engagement process, the communications process and the outcome of equality impact assessments undertaken, the Committee agreed to proceed with the direction of travel, in principle, and to support the implementation on 3<sup>rd</sup> June 2019, of the changes detailed within the paper, subject to further assurance from Mr Leese in respect of the key aspects noted above. Mr Leese agreed to circulate further information via email and await the committee’s response before moving forward.</p>	<b>Chief Officer, Renfrewshire HSCP</b>
	<u>AGREED</u>	
<b>28.</b>	<b>QUEEN ELIZABETH UNIVERSITY HOSPITAL AND ROYAL HOSPITAL FOR CHILDREN UPDATE</b>	
	<p>The Committee considered the paper ‘Internal Review – Queen Elizabeth University Hospital and Royal Hospital for Children – Initial Report’ [Paper 19/14] presented by the Chief Executive, Ms Jane Grant. The paper provided an update on progress made in relation to the Internal Review of QEUH and RHC and the establishment of the Programme Board. The paper detailed the three workstreams of the review including review of facilities and environmental issues; review of capacity and flow to assess the position now, against the original model and planning assumptions; and review of</p>	

	<p>clinical outcomes over the period. The workstreams will report to the relevant governance committees and the Board will receive the final report in due course.</p> <p>Mr Brown thanked Ms Grant and Ms McIntyre for the update and invited questions from Committee members.</p> <p>Committee members discussed the cladding issues and Ms Grant noted that as this was a separate issue, it was therefore not included in this review. She assured Committee members that this was being addressed by the Director of Estates and Facilities.</p> <p>In response to questions from Committee members in relation to legal recourse, Ms McIntyre advised that following the conclusion of the detailed review, the Board may then address the contracting parties with regard to any breach in contractual liability, and, where applicable, seek legal recourse to remedy the Board position. Ms Grant added that the review will help to identify any potential problems in this respect, with support and advice from Legal Advisors in relation to any further actions if required.</p>	
	<u>NOTED</u>	
<b>29.</b>	<b>MOVING FORWARD TOGETHER UPDATE</b>	
	<p>Dr Jennifer Armstrong, Medical Director, provided a presentation on the Moving Forward Together Programme. The presentation provided an overview of the progress of implementation; the whole system approach; and the cases for change approved by the programme board including the Systemic Anti-Cancer Therapy and Complex Cancer Surgery.</p> <p>Mr Brown thanked Dr Armstrong for the update and invited questions from Committee members.</p> <p>Following discussion and comments from Committee members in relation to the development of a dynamic business model, it was agreed that it would be useful to consider the Moving Forward Together Programme in more depth at the next Board Seminar in May 2019.</p> <p>Mr Brown wished to commend Dr Armstrong and all of the teams and staff involved in the development of the programme for their efforts, on behalf of the Committee.</p> <p><u>NOTED</u></p>	<b>Secretary</b>
<b>30.</b>	<b>CORPORATE RISK REGISTER</b>	
	<p>Due to time constraints, the Committee agreed to note the paper circulated by the Director of Finance, Mr Mark White, [Paper 19/17] with further discussion at the next meeting.</p>	
	<u>NOTED</u>	

<b>31.</b>	<b>CAPITAL PLANNING GROUP – MINUTES OF MEETINGS</b>		
	The Committee noted the approved minute of the Capital Planning Group meeting of 15 <sup>th</sup> January 2019.		
<b>32.</b>	<b>PROPERTY COMMITTEE – MINUTES OF MEETINGS</b>		
	The Committee noted the approved minute of the Property Committee meeting of 22 <sup>nd</sup> November 2018.		
<b>33.</b>	<b>NHSGG&amp;C ANNUAL OPERATIONAL PLAN 2019/20</b>		
	<p>Mr Mark White, Director of Finance, provided a presentation to the Committee on the NHSGG&amp;C Annual Operational Plan 2019/20. The presentation provided an overview of the background, requirement, current position and next steps. The Annual Operational Plan was introduced in 2018 in place of the Local Delivery Plan and represents the agreement on how Boards will deliver expected levels of operational performance for delivery of the Cabinet Secretary’s priorities on waiting times improvement; investment in mental health; greater progress and pace of integration of health and social care; plans to meet the standards for Healthcare Associated Infection (HAI), primary care; and finance. Mr White noted that further discussion with Scottish Government colleagues was underway to negotiate a final submission date. An update on the planning process would be presented to the Board Meeting in April 2019, with further discussion on the Plan at the Board Seminar in May and the F&amp;P Committee in June.</p> <p>Mr Brown thanked Mr White for the update and Committee members would expect further detail to be presented to the Board in April.</p>		<b>Director of Finance</b>
	<u>NOTED</u>		
<b>34.</b>	<b>SMALL CHANGE MATTERS – EVALUATION</b>		
	Due to time constraints, the Committee agreed to note the paper circulated by the Director of Finance, Mr Mark White, [Paper 19/13] with further discussion at the next Committee meeting.		
	<u>NOTED</u>		
<b>35.</b>	<b>CLOSING REMARKS AND KEY MESSAGES FOR THE BOARD</b>		
	The Chair thanked the Committee and those in attendance.		
<b>36.</b>	<b>DATE AND TIME OF NEXT MEETING</b>		
	Tuesday 4 <sup>th</sup> June, at 9.30am, in the Board Room , JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH		