



NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts

For the Year Ended 31 March 2024

NHS Greater Glasgow and Clyde

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The image shown on the front cover is the Greenock Health and Care Centre.

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Performance Report

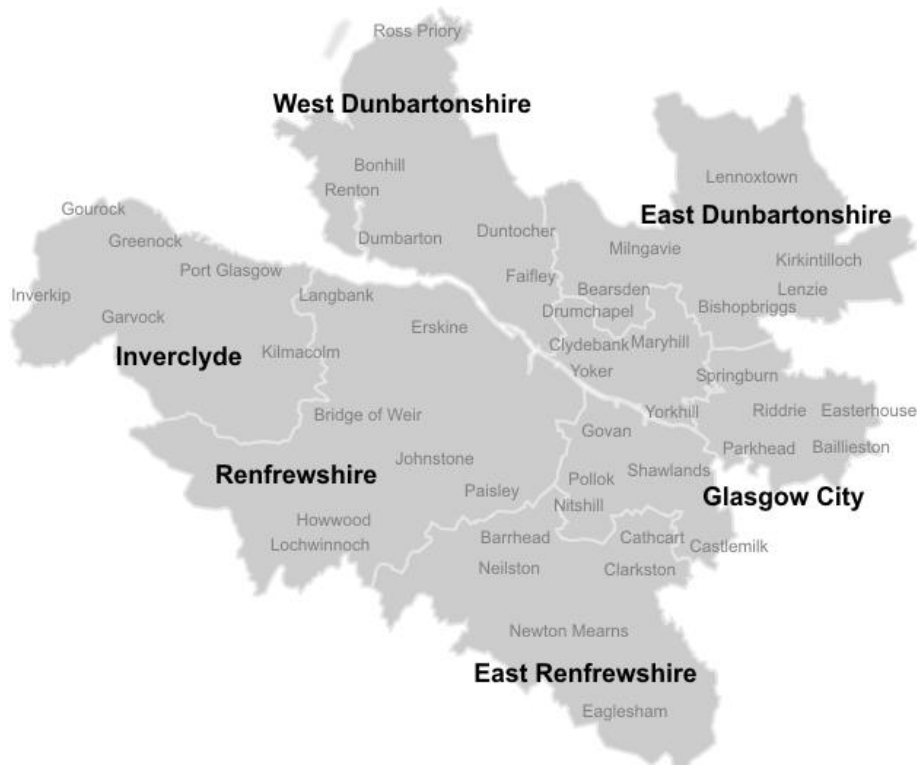
This Performance Report, part of the Annual Accounts, is designed to provide information on NHS Greater Glasgow and Clyde (NHSGGC), particularly its main objectives, strategies and principal risks. The purpose of this section is to provide the reader with a summary of sufficient information to understand NHSGGC:

- An overview of the services we deliver and areas we serve
- Our purpose, values and corporate aims
- Key risks to the achievement of our objectives
- Progress and developments in the year and
- Financial and non-financial performance in the year.

Furthermore, detailed information is provided in the Accountability Report and the financial statements. NHSGGC routinely publishes a wide range of information on its services and activities on its website which you can find at <https://www.nhsggc.scot/>.

Overview

Greater Glasgow Health Board (“the Board”) was established on 1 April 1974, under the National Health Service (Scotland) Act 1972, with responsibility for providing health care services for the residents of Greater Glasgow. On 1 April 2006 the area covered by the Board was enlarged to include the Clyde area of the former Argyll and Clyde Health Board. NHSGGC serves a population of approximately 1.3m. The Board also provides a wide range of regional West of Scotland Services and National services. The image below shows the geographical area covered by the Board.



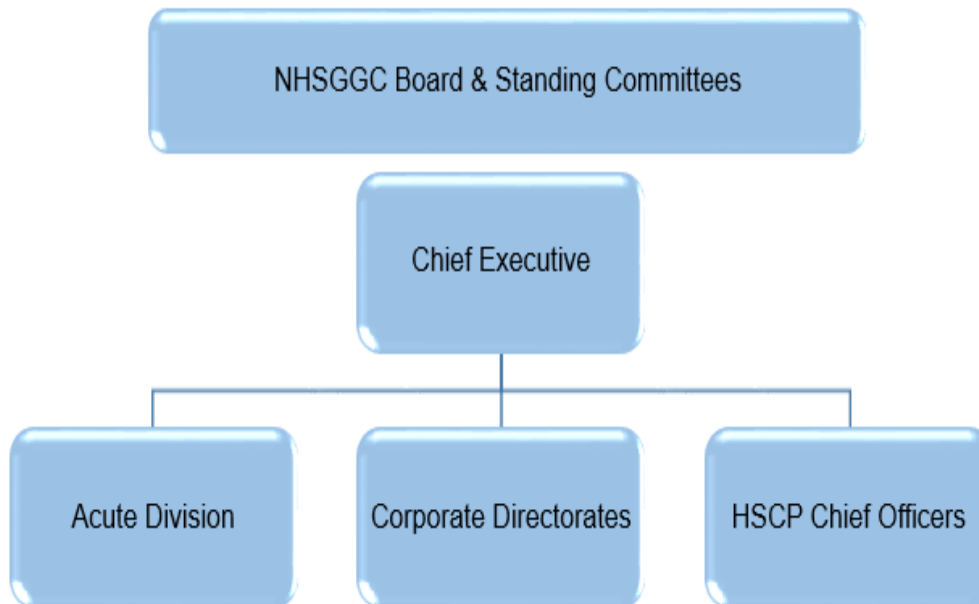
NHSGGC has a statutory duty to plan, commission, and deliver healthcare for the residents of the local authority areas of Glasgow City, Inverclyde, Renfrewshire, East

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Dunbartonshire, East Renfrewshire and West Dunbartonshire. The Health Board also provides a wide range of specialist services for people from across Scotland. In delivering this NHSGGC works with the Scottish Government, our 6 Integration Joint Boards (IJBs) partners, community planning partnerships, other NHS bodies, and other organisations in the public sector such as local authorities, the police, and the fire and rescue service. This partnership approach supports the implementation and delivery of the strategies and plans of NHSGGC, our 6 IJB partners, and the Scottish Government.

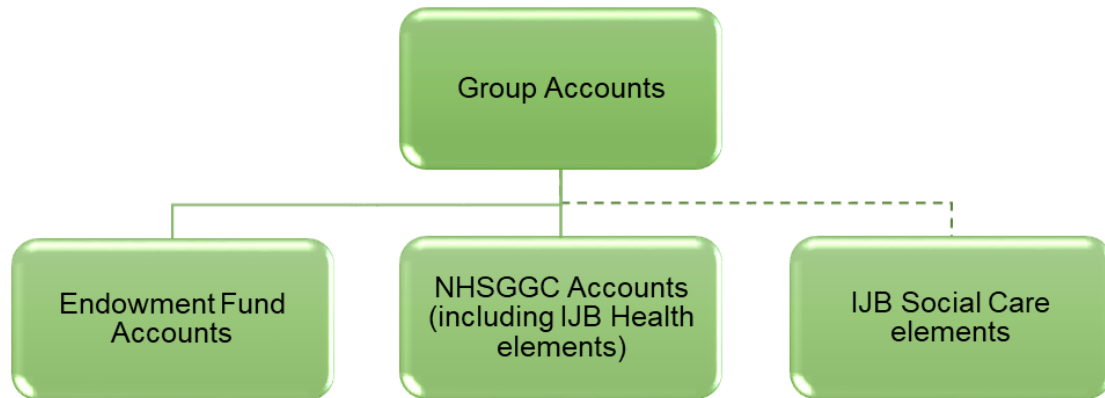
NHSGGC's structure comprises an Acute Division, Corporate Directorates and a shared interest, with local authority partners, in six Health and Social Care Partnerships (HSCPs), which are overseen by IJBs. The HSCPs are joint organisations responsible for managing jointly provided services. The IJBs carry a statutory duty to strategically plan and commission a range of services, which are outlined in each IJB's Integration Scheme agreed between the Board and respective local authorities. This responsibility is delegated to them by NHSGGC, and by the relevant local authority. Further information on the arrangements with the IJBs is described later in this report.



These accounts consolidate the IJB Accounts of Glasgow City, Inverclyde, Renfrewshire, East Dunbartonshire, East Renfrewshire and West Dunbartonshire in accordance with the Accounting Standard IFRS 11 Joint Arrangements. The IJBs also produce their own annual accounts and annual performance reports. The Greater Glasgow Health Board Endowment Funds are also consolidated within the Board's group financial statements in accordance with IFRS 10 Consolidated Financial Statements. The following diagram shows the group accounts structure.

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Any references in these accounts to NHSGGC or the Board are taken to mean Greater Glasgow & Clyde Health Board.

The overall purpose of the Board is to protect and improve population health and wellbeing whilst providing safe, accessible, affordable, integrated, person-centred and high-quality health services. To realise this overall purpose, the Board has developed a suite of values (based on those of NHS Scotland), aims and corporate objectives described as the Corporate Statements¹. In addition, Annual Operating Priorities are created in line with the Corporate Objectives and the Annual Delivery Plan which is submitted to the Scottish Government.

NHSGGC works to the 4 NHS Scotland key values:

- Care and compassion
- Dignity and respect
- Openness, honesty and responsibility
- Quality and teamwork

With these values at the forefront, the Board aims to improve health and individual care, whilst also reducing the cost of delivering healthcare. It is important that in doing so, the Board also creates a great place to work for all staff.

The Board has 4 corporate aims which each align to a set of corporate objectives:



Each of these corporate aims is underpinned by corporate objectives as follows:

¹ <https://www.nhsggc.scot/about-us/our-aims-and-objectives/>

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Better Health

- To reduce the burden of disease on the population through health improvement programmes that deliver a measurable shift to prevention rather than treatment.
- To reduce health inequalities through advocacy and community planning.
- To reduce the premature mortality rate of the population and the variance in this between communities.
- To ensure the best start for children with a focus on developing good health and wellbeing in their early years.
- To promote and support good mental health and wellbeing at all ages

Better Care

- To provide a safe environment and appropriate working practices that minimise the risk of injury or harm to our patients and our people.
- To ensure services are timely and accessible to all parts of the community we serve.
- To deliver person centred care through a partnership approach built on respect, compassion and shared decision making.
- To continuously improve the quality of care, engaging with our patients and our people to ensure healthcare services meet their needs.
- To shift the reliance on hospital care towards proactive and co-ordinated care and support in the community.

Better Value

- To ensure effective financial planning across the healthcare system that supports financial sustainability and balanced budgets.
- To reduce cost variation, improve productivity and eliminate waste through a robust system of efficiency savings management.
- To exploit the potential for research, digital technology and innovation to reform service delivery and reduce costs.
- To utilise and improve our capital assets to support the reform of healthcare.

Better Workplace

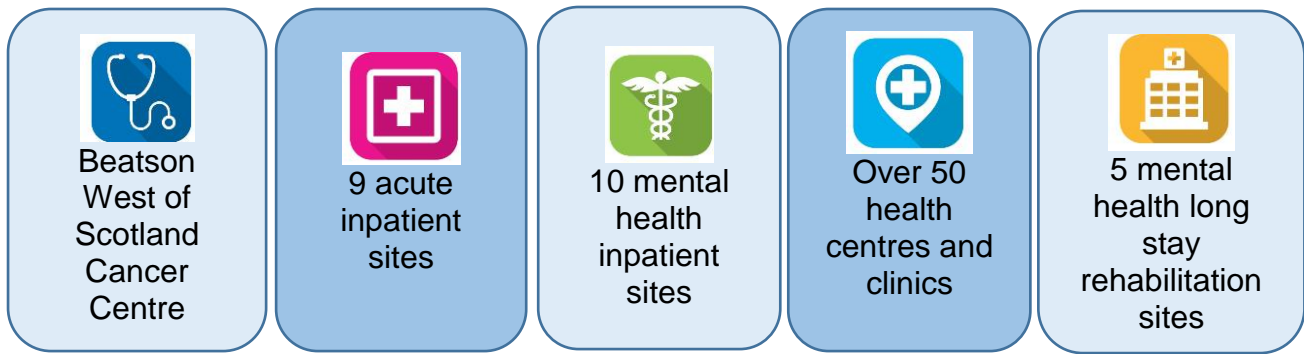
- To ensure our people are treated fairly and consistently, with dignity and respect, and work in an environment where diversity is valued.
- To ensure our people are well informed.
- To ensure our people are appropriately trained and developed.
- To ensure our people are involved in decisions that affect them.
- To promote the health and wellbeing of our people.
- To provide a continuously improving and safe working environment.

The Acute Division and HSCPs have responsibility for delivery of the Board's business objectives, and our performance against key targets is described later in this report.






The Board provides services through approximately 6,000 beds across:

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Our annual workload for 2023-24 included:

	2023-24	2022-23
 Emergency attendances	494,201	465,199
 Scheduled inpatient and day case	187,889	178,849
 Outpatient appointments	1,130,488	1,096,383
 Babies delivered	14,268	13,664
 Prescriptions dispensed	26.3m	25.4m

Whilst overall emergency attendances (including the Minor Injuries Units) increased by 6% on the previous years' position they remained lower than pre-pandemic levels. During the winter months the pressures from Covid-19, influenza and the norovirus temporarily restricted levels of scheduled inpatient and day case activity, however not to the same extent as in previous years.

Key Issues and Risks which could impact NHSGGC in delivering its objectives

Most health boards and public sector bodies continue to experience similar key issues and risks. For NHSGGC, these remain largely unchanged from the prior year and include:

- Growth in demand for services
- Financial sustainability due to challenges around the financial plan and cost pressures across the NHS encompassing pay awards, energy costs, prescribing, and wider inflationary pressures
- Reductions in capital funding
- Aging infrastructure
- Challenges in meeting waiting time targets for both scheduled and unscheduled care
- Impact of delayed discharges in Acute and Mental Health services
- Workforce recruitment and retention
- Infection rates from Covid-19, influenza and norovirus

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A range of control measures are in place around each of these risk areas to mitigate the potential impacts and management continues to work on additional actions which will further strengthen controls and reduce potential consequences.

Performance

The Board monitors its performance against a range of quality and performance measures and submits performance information to the Scottish Government and other bodies throughout the year. Up-to-date information on health matters can be found via the Public Health Scotland website: <https://www.publichealthscotland.scot/>

Both the Scottish Government and the Scottish Parliament also routinely produce publications, some of which relate to healthcare improvement and performance. This information is accessible at the following websites:

<https://www.gov.scot/publications/>

<https://digitalpublications.parliament.scot/ResearchBriefings>

NHSGGC performance is regularly monitored and reported in line with the Board's Assurance Information Framework which continues to evolve in line with the implementation of the Blueprint for Good Governance, a best practice guide issued by the Scottish Government for healthcare governance.. Robust reporting is presented to the following:

- Performance Monitoring Board,
- Acute Senior Management Team,
- Corporate Management Team,
- Acute Services Committee,
- Clinical Governance Committee,
- Staff Governance Committee,
- Financial Planning and Performance Committee, and upwards to the NHS Board meetings (see link below to the latest report for April 2024)².

The postponement of planned care during Covid-19 has caused a backlog of patients awaiting treatment. During 2023-24 the Board has continued to recover from the pandemic and we have worked with the Scottish Government to direct resources to tackling the longest waits alongside continuing to treat the most urgent cases. However there still remains a significant challenge to address these backlogs, at a time when the demand for services is also continuing to increase.

Despite these challenges, the Board made steady progress in addressing the long waiting planned care priorities as set by Scottish Government during 2022-23 and 2023-24 including:

- Maintaining the initial target of no new outpatients waiting > 104 weeks since the end of August 2022.
- The substantial progress in relation to the number of new outpatients waiting >78 with only 6 patients waiting at the end of March against the target of 0 patients waiting. This is all within one speciality with the target being met for all others.

² April 2024 Performance Report - [NHSGGC Board Meeting Documents - 30 April 2024 - NHSGGC](#)

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- No more than 8,000 new outpatients waiting > 52 weeks by March 2024 was achieved and surpassed to 6,124.
- The recovery within Treatment Time Guarantee (TTG) has been a slower process due to the increased pressure on the urgent profile of patients and demand which has resulted in the clearance of longer wait patients being impacted. However overall activity has been delivered at 3% above the commitment set in the annual delivery plan.

Chief Executive's Statement


During the past year NHSGGC, along with the rest of the public sector, has faced a number of challenges, and the legacy of the Covid-19 pandemic continues to have an impact across a number of our services. The organisation has responded proactively to address these as they have arisen and embraced opportunities in terms of service redesign. As a Board we are enormously grateful to our staff, students, new appointees, redeployed staff and the many volunteers for their efforts.

The key operational priorities as identified in our Annual Delivery Plan for 2023-24 aligned to our corporate aims as follows:

 <p>Better Health</p>	<ul style="list-style-type: none"> • Focus on Child Health and Child Oral Health • Obesity prevention and early intervention on Type II diabetes • Action to address drug related deaths • Comprehensive vaccination rollout programme
 <p>Better Care</p>	<ul style="list-style-type: none"> • Build on service recovery to date, continuing to increase the level of activity within the Planned Care Programme and reducing waiting times across all specialties • Recover performance against the national waiting time standard, acknowledging the increase in referrals with Urgent Suspicion of Cancer • Work in partnership to improve unscheduled care pathways across the system, and work with the six HSCPs to improve the delayed discharge position • Continued focus on the delivery of safe care and positive patient experiences, and review of the Healthcare Quality Strategy • Develop extended multi-disciplinary teams in primary care to maintain access to core services at the right time and in the right place • A continued focus on the improvement of mental health and wellbeing across the system
 <p>Better Value</p>	<ul style="list-style-type: none"> • Continue to respond to the requirements of the Scottish Hospitals Public Inquiry, the Court proceedings against the parties responsible for delivering the Queen Elizabeth University Hospital and Royal Hospital for Children construction projects and the Police Investigation

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	<ul style="list-style-type: none"> Implement financial plans to enable the Board to live within the resources available, and delivery of efficiency plans and recurring savings options to help reduce the underlying recurring deficit Continue to provide resilient and secure eHealth systems for services
	<ul style="list-style-type: none"> Deliver ongoing support to our staffs physical, mental health and wellbeing Ensure sustainability in the workforce through workforce planning that is responsive to changes in the demand for services in line with Recruitment, Retention and Attraction within the Workforce Strategy Work in collaboration with partners in developing and implementing plans for the recovery and redesign of services

Healthcare Quality Strategy

The NHSGGC Healthcare Quality Strategy for 2019-23³ was approved by the Board in February 2019. As the current strategy has reached the end of its lifecycle, the Board has sought to create a new, ambitious, and unifying strategic vision. The Strategy will set out a 5-year vision and hold alignment to the Boards Objectives, Moving Forward Together and the Annual Delivery Plan. The refreshed Strategy will be reviewed for agreement by the Board in June 2024.

An annual report of progress was presented to the Care and Clinical Governance Committee on 5 September 2023. The report described progress on the Strategy's three core work streams which support the delivery of the Board aims around Better Health and Better Care:

Strategic Workstream	Key Developments
1. Person centred care	
Person Centred Visiting to improve the experience of patients, family and carers	<ul style="list-style-type: none"> Phase 2 Evaluation across NHSGGC commenced in June 2023 and is nearing completion. This has involved visits to over 100 wards board wide with approximately 600 conversations held with patients, families and staff. Emerging themes for improvement include family support at mealtimes; facilities and resource to accommodate family members requiring to stay overnight and respecting and supporting involvement of family members in care giving when this is what matters to the patient. A final board wide report of findings and recommendations will be prepared and shared widely in Spring / Summer 2024.
Person Centred Care Planning to lead, develop and embed core	<ul style="list-style-type: none"> Person-Centred Care Planning (PCCP) and Digital Clinical Notes (DCN) is well established in three Early Adopter Wards: Philipshill, Edenhall

³ Healthcare Quality Strategy - https://www.nhsggc.org.uk/media/253754/190219-the-pursuit-of-healthcare-excellence-paper_low-res.pdf

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<p>principles in all Adult Acute Wards</p>	<p>Wards in The Spinal Injuries Unit, and Ward 65 within the Institute of Neurological Science at The Queen Elizabeth University Hospital.</p> <ul style="list-style-type: none"> • Full implementation is planned in all adult acute wards commencing in spring/summer 2024 pending confirmation of the outline business case with a phased rollout programme scheduled across 24 months. The development of learning resources will underpin this implementation.
<p>Patient Story</p>	<ul style="list-style-type: none"> • A key quality ambition is to listen to what matters to patients and their families and present a patient story at the beginning of each Board meeting and in other key groups and Committees to demonstrate excellence in quality of care, learning and improvements being taken forward in practice. • In 2023-2024, 6 patient stories have been shared. Following each Board meeting, the story is shared via the Core Brief for wider organisational reflection and learning to inform further improvement and consistency of care experience across all services and to drive-up quality. An email is also sent after each Board meeting by the Patient Experience and Public Involvement (PEPI) Team to all Directors and Deputies, Chiefs of Medicine, Chiefs of Nursing, Director of Midwifery, Clinical Directors in Acute and HSCPs to enable them to share the story locally at meetings and Committees, to increase visibility and awareness of the work and to prompt reflection on how a similar approach may be adopted in other areas of practice.
<p>2. Infection Prevention and Control</p>	
<p>Utilising quality improvement methodology to reduce infection rates across the Board</p>	<ul style="list-style-type: none"> • The Infection, Prevention, Control and Quality Improvement Network (IPCQIN) Terms of Reference has been reviewed and agreed, and the network meets on a bi-monthly basis. • 4 SAB (Staphylococcus Aureus Bacteraemia) Groups (North, South, Clyde and Regional) are continuing as part of the IPCQIN Management of IV Devices Workstream. Progress is highlighted at the IPCQIN Group by flash reports, and locally within the relevant Sector and the IPCQIN Newsletter. • A work plan is being developed, from the content of the project plan and the workstream flash reports with a focus on reliable application of infection control precautions and processes;

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	<p>person-centred systems and behaviours to support safe practice; leadership to promote a culture of safety at all levels and shared responsibility and ownership.</p>
<h3>3. Pressure Ulcer Care</h3>	
<p>Prevention of and reduction of avoidable pressure damage, striving for excellence in the prevention of and reduction of avoidable pressure damage, embedding quality improvement and quality assurance systems by building on the experiences and learning.</p>	<p>Acute Services Division</p> <ul style="list-style-type: none"> • Pressure Ulcer Incidence per 1000 occupied bed days is compared to national current median which is set at 0.40. This rate includes avoidable and unavoidable numbers. Progress has been made towards the aim of 0.40 across Acute with a rate of 0.62 recorded in February 2024. • A comparison of the number of avoidable pressure ulcers recorded in November and December 2023 demonstrates a 20% reduction most notably in Clyde and North Sectors where targeted improvement work was undertaken to reduce the higher overall incidence. • The number of hotspot wards has decreased by 13% together with a reduction in severity of Grade 3 and Ungradeable damage. • A focus on improving completion of documentation particularly in relation to risk assessments, care planning and care rounding charts continues to be a priority. <p>Health and Social Care Partnerships (HSCPs)</p> <ul style="list-style-type: none"> • The number of patients on District Nursing caseloads across NHSGGC range from 12,000-14,000 per month. This cohort was the focus of HSCP activity with a primary aim set to reduce the rate of avoidable caseload acquired pressure ulcers by 10% by December 2023. • Targeted quality improvement resulted in a reduction of the median rate of avoidable caseload acquired pressure ulcers by 31%. • Reduction in number of avoidable caseload acquired pressure ulcers by 37% in 2023 compared to 2022. • Reduction in number of avoidable grade 4 pressure ulcers developed by 66%. There was 1 grade 4 in 2023 compared to 4 in 2022.

Implementing our Clinical Strategy 'Moving Forward Together'

Our medium to long-term clinical strategy 'Moving Forward Together' (MFT) is aligned to our delivery plan, our corporate objectives and operational priorities to deliver Better Care, Better Health, a Better Workplace and Better Value. The key principles established

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through MFT and the significant work carried out with clinicians, patients and the public are summarised in the diagram below:



The further development of our Moving Forward Together (MFT) clinical transformation strategy remains a priority going forward. Our MFT Clinical strategy is based on the following key principles:

- Promotion of healthy living supporting people to maximise their own health
- Providing person centred care, at the right time, in the right place
- Moving more care towards delivery in the community
- Centralising specialist care, where there is evidence to support this
- Allowing practitioners to work to the top of their licence
- Providing joined up care through better team working
- Removing unnecessary barriers between primary and secondary care
- Maximising the potential benefits from eHealth and technologies
- Delivering our plan through the efficient use of available resources

Our MFT vision is a holistic approach to healthcare focused on integration across primary, community, specialist and acute care, supported by the right infrastructure.

Over the past year we have developed a revised Clinical Vision and Roadmap which outlines a comprehensive vision for transforming healthcare delivery across NHSGGC focussing on patient-centred care, whole system pathway development, prevention and self-management and embracing technology to deliver sustainable services. MFT will continue to evolve and underpin our future planning.

As part of implementing MFT, a portfolio of projects is overseen by the MFT Programme Board in 2023-24 the portfolio included:

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- Reprovision of the Institute of Neurological Sciences (INS)
- Thrombectomy
- Redesign of Urgent Care
- Best Start
- Primary Care
- Mental Health
- Infrastructure Strategy
- North East hub
- Systemic Anti-Cancer Treatment (SACT)
- Forensic Services

Infrastructure Investment



During 2023-24, the Board invested significant funds in furtherance of our overall corporate aims of: Better Health, Better Care, Better Value and a Better Workplace for all.

Total infrastructure investment of £109.4m (2022-23: £105.5m) across the Board's areas of operation was in the following key areas:

 <p>Better Health</p>	<p>Highlights:</p> <ul style="list-style-type: none"> • A New Build Glasgow North East Health Centre: £33.4m • Primary Care Improvement Plan upgrades to Health Centres: £1.9m • Other Health Centre Improvements: £1.2m • GP Loans Scheme to improve GP premises: £0.7m <p>The vast majority of investment in this area has been on the progression of the new build Glasgow North East Health Centre in Parkhead. The facility is scheduled to open in autumn 2024.</p> <p>There were also further improvements to Glasgow and Renfrewshire based Health Centres as part of the Board's Primary Care Improvement Plan and upgrades to other Health Centre facilities including the commencement of a new build Health Centre at Bishopton.</p> <p>A number of loans to GP practices were also issued in year in order to allow for upgrades to GP premises.</p>
 <p>Better Care</p>	<p>Highlights:</p> <ul style="list-style-type: none"> • Medical Equipment: £18.1m • Laboratory Equipment Leases: £7.2m • Laboratory IT Systems: £0.3m • Imaging & Radiotherapy Equipment: £3.7m • Ward & Theatre Upgrades: £3.8m • New Thrombectomy Suite INS: £4.6m • Facilities Equipment: £2.4m • Upgrade to RAH Kitchens: £0.7m • Leased Vehicles: £1.7m <p>Laboratory and Medical equipment play a huge part in the delivery of care and a total of £29.3m was invested in equipment replacement</p>

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	<p>in the year to ensure patients are treated using the most up to date equipment technology.</p> <p>Investment in Wards and Theatres saw upgrades at the INS and Royal Alexandria Hospital (RAH) along with works to bring the Children's Roof Terrace at RHC back into operation in 2024-25. Ongoing work is nearing completion on key improvements to Theatre C at the Glasgow Royal Infirmary (GRI).</p> <p>The new Interventional Neuroradiology Thrombectomy Suite at QEUH, was completed and opened in February 2024. The facility aims to reduce the chance of long-term brain injury and other life-altering conditions following a stroke.</p> <p>There is a huge support network which underpins the care our patients receive, and in that respect, £2.4m of Facilities equipment (Laundry, Catering, and Cleaning) was purchased in the year which also saw the completion of the upgrade to 13 Ward Kitchens at the RAH.</p>
 <p>Better Value</p>	<p>Highlights:</p> <ul style="list-style-type: none"> • LED Lighting and upgrade of Building Energy Management Systems and other works: £4.3m <p>In order to address carbon reduction targets and tackle rising energy costs £4.3m was targeted to replace lighting with energy efficient LED lights and introduce modern Building Energy Management systems across a number of hospital sites.</p>
 <p>Better Workplace</p>	<p>Highlights:</p> <ul style="list-style-type: none"> • Minor works & building improvements: £18.4m • Property Leases: £1.0m • eHealth IT Infrastructure: £4.9m • Radionuclide Dispensary Relocation: £1.1m <p>A total of £19.1m has been invested to maintain the fabric of the buildings across the NHS GG&C Estate with a further £4.9m of essential eHealth IT infrastructure expenditure, which supports both administrative and clinical service provision.</p> <p>Work is ongoing to re-site the Radionuclide Dispensary (RND) from its current location to Gartnavel Hospital – the RND business case is being progressed but remains dependant on future Scottish Government funding. The dispensary controls the supply of radioactive materials to other Scottish Health Boards and is the largest NHS Radio-pharmacy in the UK. £1.1m was invested to progress this essential project in the year.</p>

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Sustainability and Value Programme

The Board's Sustainability and Value Programme (S&V Programme) is aligned with the Scottish Government Sustainability & Value Programme. Its focus is on demonstrating how we are able to achieve better outcomes and improvement through taking a value-based approach to all our decisions in relation to:

- the environment,
- quality of care,
- making best use of resources and
- being cost effective and efficient.

In addition, taking a wider and more holistic approach to sustainable service provision over the long term within the resources made available. This also aligns to the wider NHS Scotland Aims:

NHS Scotland Aims	NHS Scotland Targets
<ul style="list-style-type: none"> • Being environmentally and socially sustainable • Delivering better value care • Making effective use of resources • Optimising capacity within available resources 	<ul style="list-style-type: none"> • 3% recurring efficiency savings per annum • Productivity Gain • Net carbon zero (by 2038) • Value based health and care

The programme is designed to blend the existing short term approach to cost reduction with a more strategic approach to delivering medium and longer term financial sustainability. In 2023-24 the S&V programme, despite significant unscheduled care pressures, was as successful as in the previous year.

The overall financial gap for 2023-24 was £190.9m, this was achieved through:



The £52m recurring savings equated to 69% of the £75m target, and was achieved in 2023/24 across a variety of areas such as prescribing switches and efficiencies (£10.6m), procurement and non-pay savings (£9m), additional income streams (£22.6m), energy efficiency schemes and infrastructure savings (£3m), a review of vacancies (£6.1m) and other smaller schemes including service redesign (£0.7m).

The recurring deficit brought forward to 2023-24 remained at a similar level to the previous year. The Financial Plan for 2024-25 identifies a financial gap of £226.9m with prescribing cost growth, non-pay inflation and increasing energy costs all contributing to the gap. A £128.6m target has been set for recurring savings and a further £50m has been identified for non-recurring, leaving a deficit of £48.3m.

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The 2024-25 S&V programme is now fully mobilised and a number of initiatives have been identified and are underway with the key objective being the reduction of the underlying recurring deficit. S&V projects range in scope and scale but all aim to capture the benefits of the significant service changes that have been embedded in the last few years.

This structure will enable key areas of work to be undertaken and accelerated across the organisation to maximise our ability to achieve our targets and seeks to encompass wider areas of work and transformation to maximise the savings opportunities such as:

- Infrastructure and Energy
- Workforce
- Efficiency and Productivity
- Value based health care

The linkages between S&V, MFT and the other areas of strategic work, will be developed so that these strategies can be informed by the S&V programme and the overall financial position and constraints. Where applicable, savings projects can be derived from these strategies as they mature to the point where business cases are being prepared.

This approach builds upon the well-established Sustainability & Value methodology and programme management that has been made as agile as possible to focus on the delivery of savings. It is supported by a robust governance structure and is integral to the overall Board Strategy.

Technology Based Service Developments

In December 2022, NHSGGC Digital Strategy “Digital on Demand” was approved by the Board - [Digital on Demand](#).

The Digital Strategy 2023 – 2028 builds on the investments made and seeks to enable a range of transformation opportunities through the use of Digital technologies to meet Board objectives and adapt to the changing Digital landscape.

The Digital Strategy is underpinned by a three year Digital Delivery Plan which sets out key programmes and projects aligned to the Board’s ADP and operational priorities.

The NHSGGC eHealth Strategy Board provides oversight and governance on the delivery of the Strategy ensuring desired benefits to staff and citizens are achieved and support the corporate aims and are reported regularly to the Corporate Management Team and the Finance, Planning and Performance Committee. An annual report is submitted to the Board. The below table highlights key deliverables during 2023-24.

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Programme	Objective and Key Outcomes
<p><i>NHSGGC Compliance</i></p> <p>National Digital Maturity Assessment (DMA) 2023</p> <p>National Network and Information Systems Audit (NIS)</p>	<p><i>Ensuring NHSGGC maintains continued compliance across all IT security domains</i></p> <p>Completion of a national audit designed to assess how Health Boards are using digital technologies to meet objectives and adapt to the changing digital landscape. NHSGGC scored highly across all categories, evidenced progress since the previous audit in 2019 with feedback from Scottish Government highlighting a number of areas demonstrating good and best practice to showcase at National level.</p> <p>The National Cyber Security Audit was completed in July 2023 in accordance with Scottish Health Competent Authority timescales. The audit achieved a high overall compliance of 93% with feedback highlighting areas of progress since previous audit in 2019.</p>
<p><i>Citizen Access Programme</i></p> <p>NHSGGC Patient Hub</p>	<p><i>Delivery of Digital channels for citizens</i></p> <p>NHSGGC Patient Hub - Implementation of Patient Hub across 2 Acute services (Ear Nose Throat and Neurology), following pilot phase. The Patient Hub provides secure digital channels and online services for citizens including digital access to appointment letters, appointment notifications and patient information.</p> <p>Digital Waiting List Validation – campaign of digital engagement with citizens and Health Records across an initial 3 services with further expansion across wider services in a rolling programme through 2024.</p>

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Programme	Objective and Key Outcomes
<p><i>Innovation Programme</i></p> <p>Chronic Obstructive Pulmonary Disease (COPD)</p> <p>Enabled by Artificial Intelligence (AI)</p>	<p><i>Progressing early and later stage innovations for NHSGGC supporting the West of Scotland Innovation Hub</i></p> <p>Scale-up of the Digital COPD innovation project and approaches to remotely manage and monitor COPD patients so reducing unscheduled admissions and length of stay, with approximately 800 patients now supported.</p> <p>The following projects are progressing to develop NHSGGC capabilities and apply AI solutions.</p> <p>Lung Cancer Chest X-Ray – being evaluated in live use in both North and Clyde sectors to inform full economic evaluation.</p> <p>Trauma Head CT – being evaluated in live use at QEUH Emergency Department to inform full economic evaluation as part of UK wide study.</p>
<p><i>Safer Diagnostics Programme</i></p> <p>Digital Pathology</p>	<p><i>Digital Solutions for Laboratory Medicine Services</i></p> <p>Transformation of the laboratory service from analogue to digital processing of eligible slides (approximately 50,000 per month). Successfully transitioned to operational service with currently 297,000 slides online with a further 1.46 million archived.</p>
<p><i>Safer Use of Medicines Programme</i></p> <p>Hospital Electronic Prescribing and Medicines Administration (HEPMA)</p>	<p><i>Digital Support for Moving Pharmacy Forward Framework</i></p> <p>HEPMA is now live across all inpatient areas: 360 wards and theatres have recorded over three million prescriptions and 24 million administrations of medicines. The system is supporting remote prescribing across wards and theatres, and has reduced missed doses, increased allergy recording, and improved prescribing decisions via electronic decision support.</p>

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Programme	Objective and Key Outcomes
<p><i>Data & Clinical Informatics Programme</i></p> <p>Urgent and Unscheduled Care (UUSC)</p> <p>Planned Care and Waiting Times</p>	<p><i>Digital Business Intelligence tools to support services</i></p> <p>Robust data analysis and development of Digital dashboards presenting patient discharge monitoring, Virtual Ward Digital pathways, access for Scottish Ambulance Service and national reporting for UUSC measures.</p> <p>Implementation of Waiting List Planning system supporting planning and projections for Waiting List management across NHSGGC.</p>
<p><i>Remote and Virtual Care Programme</i></p> <p>Virtual Consultations</p> <p>Remote Monitoring Heart Failure</p> <p>Remote Monitoring for Blood Pressure in Primary Care</p>	<p><i>Digital channels for citizens to maximise the opportunities for virtual and remote care</i></p> <p>Approximately 60,000 appointments per annum are delivered virtually. There is an established Board wide programme to build on progress to maximise use of virtual consultations.</p> <p>Helping reduce waiting times for heart failure diagnosis with over 500 patients being currently managed through this Digital platform.</p> <p>Reducing the need for physical appointments with results and readings for the patient being sent digitally for inclusion in GP record – currently over 4,000 patients enrolled.</p>
<p>Workforce Digital Skills and Literacy Programme</p>	<p><i>Improve Digital Skills and Literacy across NHSGGC</i></p> <p>Digital Skills and Literacy Programme established during 2023-24 focussing on staff Digital Literacy, including the use of Microsoft365, clinical systems, data use and data safety.</p>

Partnership Working

We partner each of the six local authorities within the Board's area in the delivery of strategic planning and service provision arrangements for Health and Social Care Services; the partnerships operate as HSCPs. HSCPs are governed by IJBs with membership drawn equally from Non-Executive Board Members of the Board and Councillors from the respective Local Authorities.

The Board and the HSCPs work in partnership. All HSCPs continue to prioritise hospital discharge activity, with a focus on anticipatory planning and early discharge. There has been significant focus on delayed discharges which will continue to improve performance. Early assessment and engagement with patients and their families ensures that the next stage of care is in place prior to patients being fit for discharge whenever possible. By

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supporting people to be discharged promptly bed days lost to delayed discharge are minimised.

In addition to the above, our partner HSCPs have more dedicated priorities as follows:

- early intervention and prevention of admission to hospital to better support people in the community;
- improving hospital discharge and better supporting people to transfer from acute care to community supports;
- improving the primary / secondary care interface jointly with acute to better manage patient care in the most appropriate setting; and
- Public Protection; ensuring that people, particularly the most vulnerable, are kept safe from harm, and that risks to individuals or groups are identified and managed appropriately.

All HSCPs work with Primary Care services to encourage people to attend the correct service for meeting their needs through campaigns promoting clear patient pathways such as “Right Care, Right Place” along with details of local services. The Primary Care Improvement Plan has been developed and is currently being implemented to provide further opportunities to deliver new ways of working and strengthen the contribution of other health and care professionals in supporting frequent Accident and Emergency attendees.

All HSCPs and acute hospitals in NHSGGC review enhanced care pathways to avoid admissions and reduce lengths of stay. HSCPs work with care homes and Primary Care to reduce avoidable admissions from care and residential homes. Where residents do require admission a consistent approach to transferring resident information, medication and personal belongings is applied.

Through more effective use of the palliative care pathway and local resources, the HSCPs work in collaboration with local hospices to strengthen support to people in the community, minimising hospital admission, accelerating discharge and providing effective community support.

Staff Engagement and Development

It is vital that we continue to attract and nurture the most talented and service focused people, both locally and from around the world and achieve our ambition of ‘Growing our Great Community’. Successes during the year include:

- Implementation of Year 3 of the Workforce Strategy Implementation Plan was completed, agreed and endorsed by our key stakeholder groups including the Area Partnership Forum (APF) and the NHSGGC Board with ongoing monitoring via the Staff Governance Committee.
- The Internal Communications and Engagement Strategy was launched in February 2023, including the launch of our Speak Up! Campaign, a programme of Collaborative Conversations and our new accessible Intranet platform.
- Implementation of the Workforce Equality Action Plan for 2023-2024. Key activity included: development of our new Reasonable Adjustment Guidance; our dedicated Black, and Minority Ethnic leadership programme; our first Workforce Equality, Diversity, and Inclusion conference; and continuing to promote diversity across the organisation via campaigns and events such as Pride, Black History Month and

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Disability History month. These were all developed and implemented in partnership with our staff led Workforce Equality Groups include Black, and Minority Ethnic Forum, Staff Disability Forum, and LGBTQ+ Staff Forum.

- A continued focus on wellbeing of our staff through the development of a new Staff Health Strategy, agreed through staff partnership forums, and the embedding of a range of wellbeing initiatives such as peer support, “civility saves lives” and our programme of wellbeing seminars, as well as the launch of our staff hardship fund to support staff affected by the cost of living crisis.
- Assessments against the Investors in People (IiP) Framework completed across Acute and Corporate Clusters, with learning and improvements now incorporated into sector led plans with successful accreditation now confirmed for Corporate, Clyde and West sectors.

Equality and Diversity

The Board continues to demonstrate its commitment to addressing equality issues and meeting the needs of our whole population. We do this through delivering on our equality outcomes, supporting mainstream services to meet the needs of our whole population and through supporting the delivery of an Inclusive Vaccine Programme. The full Equalities Outcome document including the activities planned against these outcomes can be accessed on the Board’s website.⁴ The key elements of the document are set out below.

In the final operational year of the 2020-24 scheme, we have delivered actions under each of the Board priorities:

Better Health 	Better Care 	Better Value 	Better Workplace 
<ul style="list-style-type: none"> • Sensitising patient pathways • Routine enquiry on gender based violence • Specific actions with marginalised and vulnerable groups 	<ul style="list-style-type: none"> • Communication support for patients • Patients additional support needs met • Patients listened to • Inequalities sensitive practice 	<ul style="list-style-type: none"> • Equality Act and Public Sector Equality Duty compliance • Equalities Impact Assessment • Fairer Scotland Duty 	<ul style="list-style-type: none"> • Collecting and analysing employee data • Training and development • Staff engagement • Fair Work practices

We have delivered on our Fairer 2020-24 Equality Outcomes commitments. There are eight areas where we have made a difference:

1. Person Centred Care for older people
2. Supporting patients from equality groups to access our services
3. Black, and Minority Ethnic patients
4. Religion and Belief
5. Patients with a Learning Disability
6. Lesbian, Gay, Bisexual and Transgender patients
7. Pregnancy

⁴ A Fairer NHSGGC - <https://www.nhsggc.scot/your-health/equalities-in-health/meeting-the-requirements-of-equality-legislation/a-fairer-nhsggc/>

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8. Physical Health of Mental Health Patients

During 2023-24 we continued with our strategic remobilisation, mainstreaming through programmes including a robust Equality Impact Assessment programme⁵ and ongoing engagement with protected characteristic groups. The Equalities and Human Rights Team and Patient Experience Public Involvement Teams are also supporting a Peer Model with a current focus on Vaccinations, Screening and Poverty.

We delivered a range of services to support patients over the year including:

- provision of interpreting support to all patients who required communication support for NHS related appointments;
- provided translation in keeping with our Clear to All (accessible information) Policy;
- implemented a telephone interpreting service which enables our non-English speaking patients to call health services (e.g. GP, pharmacy, maternity services or Medical Records staff) from home;
- support around routine enquiries relating to money and debt worries continues to be of vital importance in the context of the cost of living crisis;
- piloted and subsequently gained corporate director approval to deliver a range of frontline equality assessments across acute settings.

In line with legislative requirements for biannual reporting, our next formal monitoring report on the final period of our current scheme (2022-24), published in April 2024. We then move into an interim (gap year) where the Board will deliver on a refined set of mainstreaming and specific outcomes to tie in with a revised 4-year reporting schedule that will commence in April 2025 and bring NHSGGC into line with other public sector bodies in Scotland.

Social Matters

NHSGGC work on equality and human rights aims to ensure that we provide equitable and fair services and address barriers where we identify them. It demonstrates adherence to the legislative requirements of the Equality Act 2010 and associated Public Sector Equality Duty, as well our commitment to the intrinsic values underpinning this, both as a service provider and an employer.

NHSGGC are active partners within the Glasgow City Economic Region, and our role as an anchor institution to support Community Wealth Building is embedded within Local Government Economic Development strategies and an integral part of social and economic recovery planning at city and regional level.

NHSGGC is fully committed to the prevention of bribery and corruption, and the Bribery Act 2010 is reflected within the Standing Financial Instructions and the Code of Conduct for staff. A standard clause is included in Board contracts drawing the attention of suppliers to corrupt gifts and payments and the criminal nature of such offences under the legislation.

Going Concern

These accounts have been prepared on a going concern basis, in accordance with the definition as set out within Government's Financial Reporting Manual issued by the HM

⁵ Equality Impact Assessments - <https://www.nhsggc.scot/your-health/equalities-in-health/meeting-the-requirements-of-equality-legislation/equality-impact-assessments/>

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Treasury and the Manual for the Annual Report and Accounts of NHS Boards, which outlines the interpretation of *IAS1 'Presentation of Financial Statements'* as 'anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents'. In carrying out its assessment, the Board have taken into account the following key considerations:

2023-24 financial position

The year-end position as at 31 March 2024 is a surplus of £0.480m which was a significant improvement on the reported forecast position at April 2023 which showed an anticipated £71.1m deficit. Significant work was undertaken during the year to reduce expenditure, by implementing additional control and ensuring that spend was in line with available funding. This reduction along with a betterment in the core budget position and additional Scottish Government funding ensured that the Board was able to achieve a modest surplus for 2023-24.

2024-25 to 2026-27 Indicative financial planning

All NHS Scotland Boards were asked to submit initial financial plans covering the financial years 2024-25 to 2026-27 to Scottish Government by the 21st March 2024. The Scottish Government recognises the pressures that NHS Boards are currently operating under, together with the high level of operational demand and volatility that remains in the system. This context makes longer term planning difficult, however, the Board approved a medium term, 3-year financial plan on 30th April 2024 highlighting an anticipated deficit in each year of the plan: £48.3m for 2024-25, £37.9m for 2025-26 and £7.2m for 2026-27.

The 2024-25 position includes £128.6m of recurring savings and £50.0m of non-recurring relief.

	Initial Financial Gap		Recurring Savings		Non-recurring relief		Forecast Deficit
2024-25	£226.9m	—	£128.6m	—	£50.0m	=	£48.3m
2025-26	£134.9m		£82.0m		£15.0m		£37.9m
2026-27	£99.2m		£82.0m		£10.0m		£7.2m

Given the number of operational priorities that the Board is expected to deliver against within planned and unscheduled care it will be challenging to reduce this deficit. Work will continue throughout the year to review this position and reduce pressures and costs in order to improve the overall position. Plans are being developed to address the remaining deficit position. The Board continues to engage with the Scottish Government to ensure sufficient financial resources are available to deliver services in a safe and sustainable manner.

Development and Delivery of Financial Savings

The delivery of £128.6m in recurring savings target for 2024-25 will be a challenge. Based on current and historic performance in this area:

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£35m Low Risk

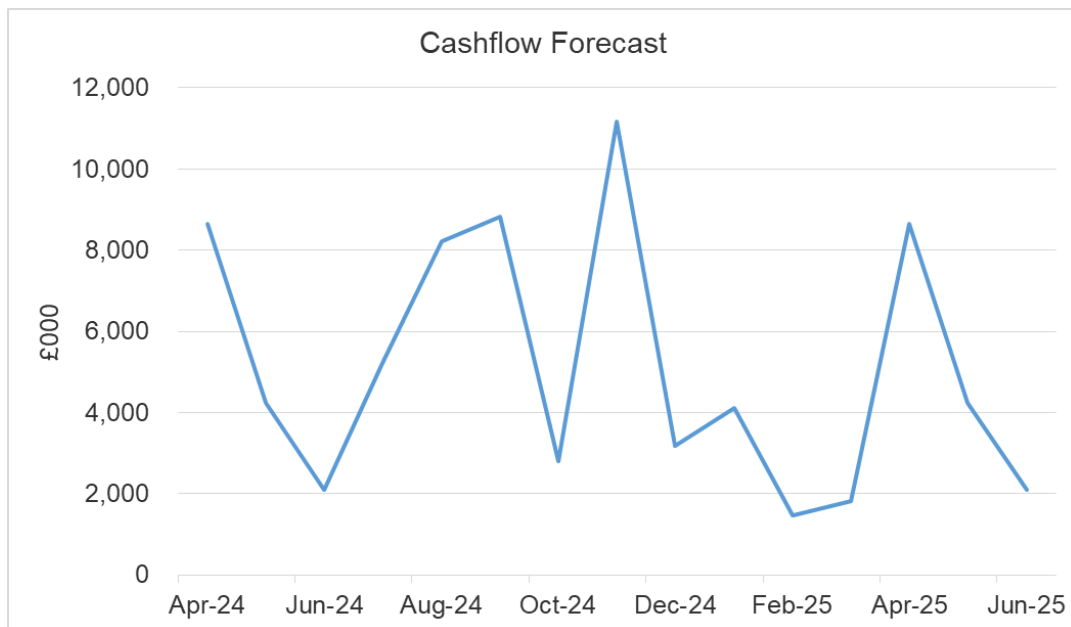
£30m Medium Risk

£63.6m High Risk

The £50m of non-recurring relief is considered Low Risk. Progress against delivery of savings is monitored on a monthly basis. Success is measured by the level of recurring savings achieved against the target and achieving overall balance for the year. Through our various strategies we manage and deploy our resources to ensure we can continue to provide excellent levels of care and continue to innovate, invest and perform. To achieve this the Board is continuing with its Sustainability and Value approach outlined earlier.

To address the scale of 2024-25 financial challenge the Sustainability and Value Programme aims to deliver £128.6m of savings from a combination of our well-established processes and further organisation wide targeted initiatives for example back to balance, infrastructure, service reviews, corporate reviews, non-pay and procurement, income and prescribing.

Cashflow is closely monitored throughout the year and is reported to Scottish Government on a monthly basis through the Financial Performance Return. In the event that the Board anticipates exceeding its maximum cash allocation this would be formally discussed in advance with Scottish Government and corrective action taken where required. The Board has a history of being able to achieve challenging savings targets each year through a combination of recurring and non-recurring measures. The chart below shows the cashflow forecast up to 30 June 2025.



Our considerations cover the period through to 30 June 2025, being 12 months beyond the date of authorisation of these financial statements. Taking into account these considerations and the governance structures in place both within the Board and through the NHS Scotland assurance process, the Board have a reasonable expectation that the Board will have adequate resources to continue in operational existence for the foreseeable future. For this reason, we continue to adopt the going concern basis in preparing these financial statements.

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Performance Analysis

Financial Performance

The Scottish Government Health requires NHS Boards to meet three key financial targets:

- Revenue Resource Limit (RRL) – a resource budget for ongoing operations;
- Capital Resource Limit – a resource budget for net capital investment; and
- Cash Requirement – a financing requirement to fund the cash consequences of the ongoing operations and net capital investment.

Further details on non-core elements of expenditure, typically comprising items of a technical accounting nature, can be found in the Summary of Resource Outturn.

Boards are expected to contain their net expenditure within these limits and to report on any variation from the limits as set. Despite the Scottish Government decision that Boards are required to break-even over a three year period, NHSGGC still has the primary objective to break-even each year. Considerable work has been undertaken throughout the year to eliminate the forecast deficit, particularly around achievement of savings, containing costs (known and emerging) and maximisation of non-recurring sources. The Board worked closely with Scottish Government throughout the year to identify potential funding sources to close the forecast in year gap. The Board's performance against these financial targets is as follows:

	Limit as set by SGHSCD £000	Actual Outturn £000	Surplus £000
Core Revenue Resource Limit	3,262,492	3,262,012	480
Non-core Revenue Resource Limit	132,406	132,406	0
Total Revenue Resource Limit	3,394,898	3,394,418	480
Core Capital Resource Limit	102,210	102,203	7
Non-core Capital Resource Limit	1,355	1,355	0
Total Capital Resource Limit	103,565	103,558	7
Cash Requirement	3,685,097	3,685,097	0

The following table shows what the Board's financial position would have been if no surplus had been brought forward from the previous year. It should also be noted that Boards are permitted only to carry forward a surplus on core activities to the following financial year.

Further details on non-core elements of expenditure, typically comprising items of a technical accounting nature, can be found in the Summary of Resource Outturn.

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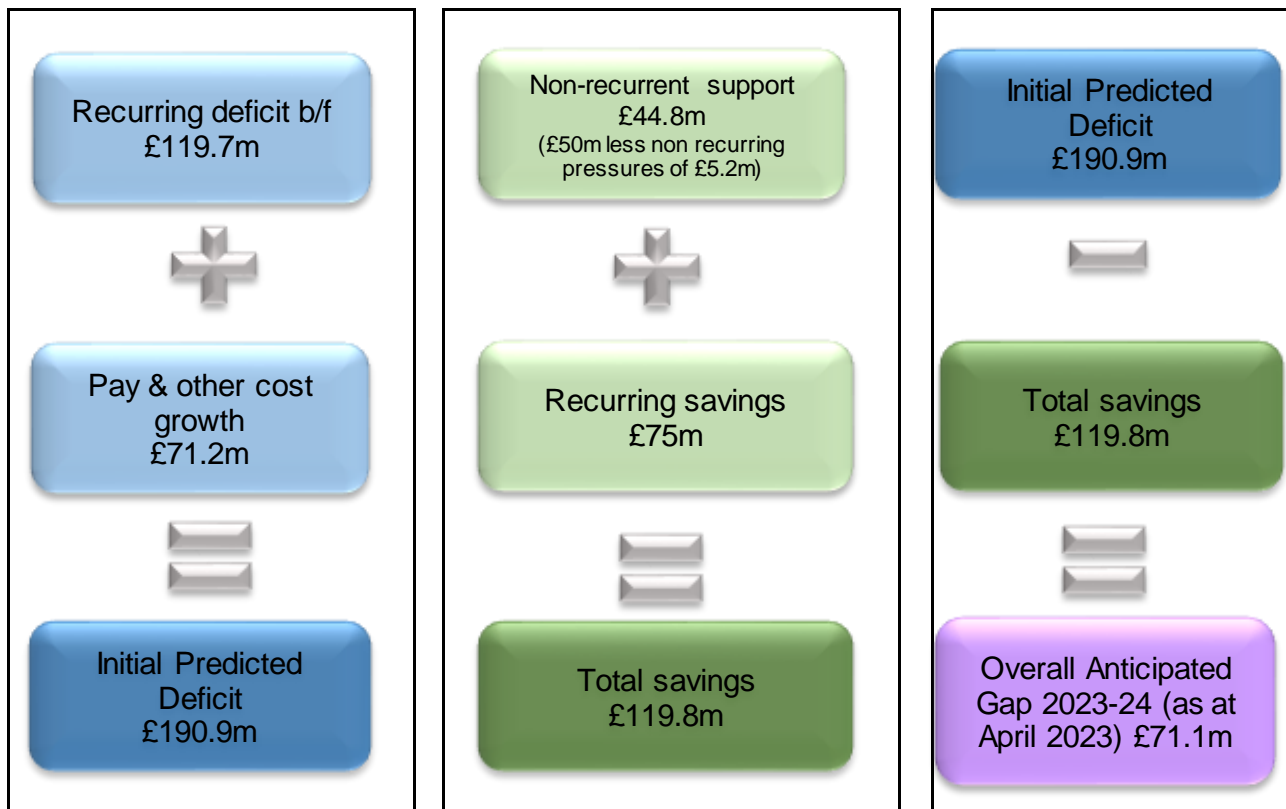
Memorandum for in-year outturn

Core Revenue Resource Variance Surplus in 2023-24
 Financial flexibility: funding provided by Scottish Government
Underlying Deficit against Core Revenue Resource Limit
 Percentage Surplus against RRL

£000
480
(783)
(303)
0%

Excluding provision of financial flexibility provided by the Scottish Government, the Board's outturn is an underspend on RRL of £0.480m. As this balance is within the one percent flexibility afforded by the three-year financial planning, this will be managed within an overall breakeven position in the period to 2024-25.

The high level 2023-24 Financial Plan, approved by the NHS Board in April 2023, predicted a financial challenge of £190.9m, this included a recurring deficit brought forward of £119.7m plus cost growth which were partially offset by non-recurrent support and recurring savings leaving an residual overall gap of £71.1m for 2023-24. The focus for 2023-24 was to bring down the recurring deficit by continuing the work of the Sustainability and Value Programme and deal with cost pressures.



From a financial perspective 2023-24 has been a challenging year. The Board incurred additional costs including: nursing agency; additional capacity, junior doctor pressures; delayed discharges, and out of area beds. Despite this, through the continued success of the Sustainability and Value Programme; increased financial grip and managing the capital allocation to ensure an optimal outturn in line with the agreed capital plan and capital resource limit, the Board was able to report a small surplus of £0.480m at 31 March 2024.

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This has been achieved through tightened monitoring and spend management processes as well as additional funding received from Scottish Government.

All of the HSCPs have reported a breakeven out-turn on the Health budget as at 31 March 2024, however this is a result of financial recovery plans being in place for three of the HSCP's, with financial support of approximately £2m being provided to East Renfrewshire HSCP and significant use of reserves for all HSCP's. The HSCP reserves decreased significantly in year as a result of the ring-fenced Scottish Government funding for areas such as Winter Planning, Primary Care Improvement Plans, Mental Health Action 15 and funding for Alcohol and Drug Partnerships, now being utilised as well as a reduction in general reserves to help deal with some of the pressures they were facing. Significant pressures have been seen in prescribing, mental health and learning disability inpatient units.

Total capital resources available to the Board for investment in 2023-24 amounted to £109.4m:

Total SGHSCD Capital Resource Limit	£102.2m
Other Capital Funding Sources	£ 0.7m
Total Revenue Funding	£ 5.8m
SGHSCD Non-Core Capital	£ 0.7m
Total Infrastructure Funding 2023-24	£109.4m

In order to best manage the Board's overall revenue and capital outturn, and to ensure that expenditure was correctly classified within the Accounts, a transfer of £3m from capital to revenue was progressed, enabling the Board to remain within the key core Capital Resource Limit (CRL) target of £102.2m.

As we move forward into 2024-25, the initial Financial Plan indicates a financial gap of £226.9m, this is made up as follows:



The plan includes recurring and non-recurring savings for 2024-25 leaving a residual gap of £48.3m, made up as follows:



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The Board is working on a number of recurring and non-recurring mitigations to close this remaining gap. The Annual Delivery Plan (ADP) was submitted in March 2024 along with the 3-year plan.

Payment policy

The Scottish Government is committed to supporting business during the current economic situation by paying bills more quickly. The intention is to achieve payment of all undisputed invoices, where possible, within 10 working days, across all public bodies.

The target has been communicated to all non-departmental public bodies, who are working towards the accelerated payment target of 10 working days. The payment statistics (calculated by reference to invoice receipt date and relating only to non-NHS suppliers) were as follows:

	2023-24	2022-23
Average period of credit taken	36 days	34 days
Percentage of invoices by volume paid within 30 days	95%	95%
Percentage of invoices by value paid within 30 days	97%	96%
Percentage of invoices by volume paid within 10 days	86%	87%
Percentage of invoices by value paid within 10 days	91%	90%

Creditor days have increased by two days as compared to 2022-23 due to a targeted exercise conducted over the Board's invoice register in the latter months of the financial year which resulted in a number of aged invoices being processed, thus increasing the average period of credit taken. Moving forward into 2024-25, manual processes are under review to increase levels of automation and improve payment performance in the longer term.

Endowment Funds

Endowments are money or properties donated to the Health Board and are held in trust for purposes relating to services provided under the National Health Service (Scotland) Act 1978. As a legally distinct entity from the health board, separate annual accounts are prepared for the endowment funds which are subject to statutory audit.

The Greater Glasgow Health Board Endowment fund is consolidated with the NHSGGC financial statements. The Endowment Funds have recorded a deficit of £2.3m (2022-23: deficit £1.0m). The fund has total net assets of £106.2m as at 31 March 2024 (2022-23: £104.5m). Expenditure from endowment funds amounted to £12.7m in the year (2022-23: £10.0m) and this included spending on research, equipment and patient/staff amenities as well as other specific projects approved by the Healthcare Charity Committee (formerly Endowments Management Committee).

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Grants made during the year included support for the following projects:

- Establishment of a veteran's support service to support veterans on a medical pathway;
- Improvement to early access to mental health services for children and young people with epilepsy;
- Continuation of ongoing projects to provide antenatal and perinatal activities for new and prospective parents; and
- A career mentoring scheme across a two year period for medical professionals across all grades within NHSGGC.

Support was also continued for the Staff Bursary Scheme and various other smaller projects to enhance the wellbeing of patients and staff.

During the year, Trustees continued to take steps to accelerate overall spend levels, raise awareness of the funds and move toward a themed approach to recurrent and non-recurrent allocations.

Performance Against Key Non-Financial Targets

Our 2023-24 ADP developed in partnership with primary care, secondary care, mental health, and health care services in the community aimed to ensure a cross system approach to the recovery and remobilisation of health and social care services across NHSGGC. The ADP details the initiatives and actions that underpinned the remobilisation and development of services during 2023-24 including key remobilisation activity targets, planned reduction targets and key waiting times targets.

The ADP is aligned with NHSGGC's Information Assurance Framework to ensure progress was measured against agreed priorities across NHSGGC. These measures have been embedded within performance reports and considered regularly at Board, Acute Services Committee and Finance Planning and Performance Committee meetings throughout the year. For any measures highlighting an adverse variance greater than 5% detailed commentary on the improvement actions in place to bring performance back on track is also reported and considered by the respective executive and non-executive members.

Performance against key non-financial targets including ADP targets, planned care reductions targets and key performance indicators is highlighted in the following table (all data shown represents the latest position at the time of this report).

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2023-24 Non Financial Performance Measures						
Ref	Measure	2024 Actual	Mar 2024 Target	Status	Target Met	Movement Since 2023
BETTER HEALTH: Improving the Health and Wellbeing of the population						
1	New Outpatient Activity	346,980	273,456	G	✓	↑
2	TTG Inpatient/Daycase Activity	66,379	64,359	G	✓	↑
3	Diagnostics - Scope Activity	30,565	31,234	A	x	↓
4	Diagnostics - Imaging Activity	169,754	168,992	G	✓	↓
5	Alcohol & Drugs: % of clients starting first treatment <3 weeks of referral (Oct-Dec 23)	93.8%	90.0%	G	✓	↑
6	Access to Cancer Services: % of cancer patients starting their first cancer treatment within 62 days of urgent referral with a suspicion of cancer (Quarter ending Mar 24)	66.3%	80.0%	R	x	↑
7	Access to Cancer Services: % of patients treated within 31 days of decision to treat (Quarter ending Mar 24)	93.3%	95.0%	A	✓	↓
8	Psychological Therapies: % of eligible referrals starting treatment <18 weeks of referral (Quarterly ending March 24)	90.7%	90.0%	G	✓	↑
9	Child and Adolescent Mental Health: % of eligible patients starting treatment <18 weeks of referral (Quarter ending March 24)	98.9%	90.0%	G	✓	↑
BETTER CARE: Improving individual experience of care						
10	Number of new outpatients waiting >104 weeks	0	0	G	✓	→
11	Number of new outpatients waiting >78 weeks	6	0	A	x	↑
12	Number of new outpatients waiting >52 weeks	6,124	8,000	G	✓	↑
13	Number of TTG patients waiting >104 weeks	2,564	2,000	R	x	↓
14	Number of TTG patients waiting >78 weeks	6,716	5,990	R	x	↓
15	Number of TTG patients waiting >52 weeks	14,343	14,200	A	x	↓
16	Number of patients waiting >52 weeks for an Endoscopy test	1,646	1,990	G	✓	↑
17	Number of patients waiting >26 weeks for an Endoscopy test	3,638	4,050	G	✓	↑
18	Number of patients waiting >6 weeks for an Endoscopy test	7,411	8,300	G	✓	↑
19	Accident and Emergency 4 Hour Waiting Times Standard (Apr - Mar 24 average)	69.2%	95.0%	R	x	↓
BETTER VALUE: Reducing the cost of delivering healthcare						
20	Number of Acute Delayed Discharges (monthly average position Apr - Mar 24)	297	243	R	x	↓
21	Number of Mental Health Delayed Discharges (monthly average position Apr - Mar 24)	78	58	R	x	↓

Performance Status	
Adverse variance of > 5%	R
Adverse variance of up to 5%	A
On target or better	G

As seen from the table above, despite the continued pressures and challenges faced during 2023-24, NHSGGC made steady progress in reaching a number of key service priority milestones agreed with the Scottish Government and outlined in our 2023-24 ADP. The focus of recovery and remobilisation during 2023-24 remained on the delivery of these agreed key service priority milestones rather than the previously reported waiting times and access targets. As demonstrated in the table above, a total of 11 of the 21 measures contained within the ADP either met or exceeded the March 2024 planned position with a further 4 measures marginally below the target.



Better Health Improving the health and wellbeing of the population

During 2023-24, the level of elective activity delivered across NHSGGC increased in comparison to last year. By building upon experience gained over the previous three years, we were able to adapt and maintain a more consistent delivery of our elective services as evidenced in the positive progress made against each of the activity targets.

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- A total of 346,980 new outpatients were seen during 2023-24, exceeding the planned activity target by 27%.
- A total of 66,379 inpatients / day cases patients were treated during 2023-24, exceeding the planned activity target by 3%.
- A total of 169,754 imaging tests were carried out during 2023-24, exceeding the national activity target of 168,992.

- At the quarter ending December 2023, 94% of eligible patients started drug and alcohol treatment within 3 weeks of referral, exceeding the national target of 90%.
- The % of eligible psychological therapy patients starting treatment < 18 weeks of referral exceeded the 90% target at the end of March 2024.
- Significant improvement can be seen in comparison to last year for the % of eligible Child and Adolescent Mental Health patients starting treatment <18 weeks of referral which increase from 85% at March 2023 to 98.9% at the quarter ending March 2024 exceeding the 90%.

- 93.3% of eligible cancer patients treated within 31 days of decision to treat narrowly missing the target of 95%.
- A total of 30,565 scopes were carried out during 2023-24, narrowly missing the scope activity target by 2%.

The management of cancer patients and vital cancer services remained a clinical priority during the year. Despite this, key cancer types are challenged on the waits for first assessment and diagnostic tests due to the sustained increase in Urgent Suspicion of Cancer (USOC) referrals (average of 5,800 per month) however, the conversion rate has not changed in line with the increase in demand, presenting a challenge for clinicians to accurately vet USOC referrals and ensure appropriate patients are given timely access to diagnostics tests. Work is ongoing nationally to explore this as well as within NHSGGC to review the use of USOC referral proformas and guidance for GPs. The focus remains on addressing long waiting patients over 100 days, targeted work on agreeing treatment dates for all patients in this category remains, with weekly Director Meetings reviewing cases.

- The percentage of cancer patients starting their first cancer treatment within 62 days of an urgent referral with a suspicion of cancer remained a challenge across the pandemic recovery period.

A package of improvement actions continued to be implemented with a strategic focus on high volume and challenging patient pathways. Each pathway is being subject to review

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through the Cancer Management Group to minimise the steps in the pathway and redesign where possible.

There has been a particular focus on Urology, the most challenging cancer type, in terms of volume. Demand and capacity modelling is underway to ensure resource is targeted appropriately. The role of Clinical Nurse Specialists to assist on the pathway is being reviewed to maximise opportunities for redesign. The Prostrate and Bladder pathways are also being reviewed to ensure they meet best practice and resource allocated to deliver against each element.

In Mental Health Services, there has been a continued focus on improving waiting times for Child and Adolescent Mental Health Services (CAMHS) and Psychological Therapies during 2023-24 with some positive results particularly against a backdrop of increasing demand for these services. In terms of CAMHS a number of performance improvements have been made with additional investment in staffing from Scottish Government funding allowing service development, combined with improvement in pathways.

- Significant improvement can be seen in comparison to last year for the % of eligible Child and Adolescent Mental Health patients starting treatment <18 weeks of referral which increased from 85% at the quarter ending March 2023 to 98.9% at March 2024 exceeding the 90% target. This bullet point is a duplication mentioned in the previous page.

The positive progress in CAMHS performance was delivered against a backdrop of increased referrals and the complexity of presentations post pandemic and the associated impact this has had on the waiting list. As of the week ending 3rd April 2024, there were a total of 816 (down from 1,450 at the same period last year) patients on the waiting list waiting for their first treatment appointment, with 98.7% waiting less than 18 weeks.

Further positive progress was also seen within Psychological Therapies where the target of 90% of patients starting treatment < 18 weeks of referral has been exceeded. The position at end of March 2024 was 90.7% which is an improvement on the position last year despite increasing demand.

- Within Psychological Therapies the target of 90% was met. The final position was 90.7% against the national target of 90%. The total waiting list size at the end of March 2024 was 2,707 patients waiting to start their first treatment.

Other key mental health developments include progressing the development of a Regional CAMHS Intensive Psychiatric Unit for adolescents and reassignment of beds in the national child inpatient unit for children under 12 years with learning disabilities together

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with the development and implementation of a Neurodevelopmental pathway.



Better Care Improving individual experience of care

Scottish Government set NHSGGC planned care waiting times reduction targets in relation to new outpatients waiting more than 104 weeks, more than 78 weeks and 52 weeks. Targets were also set for TTG patients waiting more than 104 weeks, 78 weeks and 52 weeks. The trajectories of each of the measures were subsequently revised and agreed for delivery by March 2024 and the positive progress achieved is as follows:

- Since August 2022, the position has been maintained where there have been no patients waiting more than 104 weeks for a new outpatient appointment.
- As at March 2024, there were a total of 6 new outpatients waiting more than 78 weeks, against the planned reduction target of zero.
- As at March 2024, there were a total of 6,124 new outpatients waiting more than 52 weeks, exceeding the planned position of less than 8,000.

In ensuring the risks to delivery were mitigated, NHSGGC continued with the implementation of a number of actions during the year to improve new outpatient waiting list numbers and further reduce long waiting patients. This included the utilisation of additional waiting list initiative capacity, and insourcing capacity combined with service redesigns, revised pathways, the development of advanced nursing roles, maximising Patient Focused Booking and engagement with the Centre for Sustainable Delivery national and regional groups.

- As at March 2024, there were a total of 2,564 TTG patients waiting more than 104 weeks, out with the planned reduction target of less than 2,000.
- There were 6,716 TTG patients waiting more than 78 weeks against a planned reduction target of 5,990 as at the end of March 2024.
- As at March 2024, there were a total of 14,343 TTG patients waiting more than 52 weeks, narrowly out with the planned reduction target of 14,200.

Increased pressure on the urgent profile of patients and demand has had an impact on the clearance of the backlog of long wait patients, however overall activity has been delivered above the commitment set in the annual delivery plan.

Key actions during 2023-24, to improve the TTG waiting list numbers and long waiting patients have included a focus on orthopaedics with local initiatives and additional national capacity via the national treatment centres targeting long waiting patients. Outsourcing

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activity, service redesign programmes, supporting Advanced Nurse Practitioner roles and alternative workforce models, improving patient pathways and working with Golden Jubilee National Hospital (GJNH) to maximise activity are all contributory across specialties. However activity levels provided by the national treatment centres were not as planned due to delays in the opening of the Forth Valley facility.

Action continues to be in place to minimise the risks to delivery and build upon the progress made to date and help further reduce the number of long waiting patients including:

- A continued focus on managing clinically prioritised patients alongside long waiting cases to ensure the most appropriate patients are being prioritise for theatre.
- Maximising NHSGGC and GJNH capacity remains a priority, including streamlining of suitable elective activity to non-receiving sites with the aim of releasing bed capacity on the main acute sites.
- The use of surgical hubs to drive standardisation of pathways across NHSGGC and develop expertise in high volume activity.
- Performance toolkits in place across all theatre sites monitoring the utilisation of sessions, capturing all cancellation information and completed case numbers
- Increase in orthopaedic session at the Gartnavel General Hospital for priority waiting patients, with a developing plan to further increase this in 2024-25
- Funding of waiting list initiatives and insourcing targeted at services with the largest gap between demand and activity.
- Planned care was protected at the surgical hubs during the peak winter period.

In terms of endoscopy, the waiting list seen an increase in demand in comparison to last year, with a 12 monthly average of around 12,858 patients waiting. However significant progress has been made in reducing the numbers of long waiting patients and with the overall position of 11,284 patients waiting at the end of March 2024. All targets have been met and exceed with regards to the long waiting patients. This is due to the provision for additional capacity through the use of locums, Waiting List Initiatives, GJNH capacity and an insourced mobile unit service including nursing and decontamination staffing continues. There has also been the continued use of new technologies to complement core Endoscopy sessions (Cytosponge, Transnasal Endoscopy, and Colon Capsule Endoscopy).

- As at March 2024, there were a total of 1,646 patients waiting more than 52 weeks, for an endoscopy test which is exceeding the planned position of less than 1,990.
- There were a total of 3,638 patients waiting more than 26 weeks, for an endoscopy test which is an improvement on the planned position of less than 4,050 as at March 2024
- As at March 2024, there were a total of 7,411 patients waiting more than 6 weeks, for an endoscopy test which is an improvement on the planned position of less than 8,300.

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The performance in relation to unscheduled care remained challenging during 2023-24. This is a combination of winter demand alongside the pressures faced across our health and social care system. Primarily, as a result of the number of patients delayed in their discharge, which decreases patient flow through our health and social care system and impacts on our A&E performance.

- Performance in relation to unscheduled care remained a challenge during 2023-24, with a monthly average compliance of 69.2% against the four hour A&E standard of 95% (2022-23 70.5%). This is in line with National position.

A number of actions were put in place as part of the winter planning arrangements including:

- The promotion of the 'Right Care, Right Place' campaign for urgent and unscheduled care, where we actively promote our Flow Navigation Centre and other alternatives to unscheduled care alongside our strong public messaging campaign around the importance of the vaccination programme for both Flu and Covid-19 vaccination boosters.
- The Continuous Flow model continued to be rolled out across our hospitals. The QEUH, GRI, RAH and Inverclyde Royal Hospital have now adopted this approach. The model is designed to reduce potential risks to patients which could arise from excessive lengths of stay in ED and Assessment Units.
- The implementation of a range of actions outlined in the 2023-24 Board-wide Unscheduled Care Action Plan including strengthening the numbers of ED medical and nursing staffing to cover periods of the day with known higher levels of demand, weekend and evenings and extending access to diagnostics and discharge lounge opening hours.
- A phased launch of our Home First Response Service was rolled out across all sites in January 2023. Frail elderly patients are being identified early and supported by a multi-disciplinary team to avoid hospital admission if appropriate.
- Discharge without Delay programme of work continued which aims to improve patient flow throughout the patient journey, positively reducing delayed discharge numbers. We are improving access and availability of Professional-to-Professional advice, and embedding a consistent approach to signposting and redirection. Underpinning all of this redesign work, is the development of a series of key metrics and trajectories which are monitored by our strengthened unscheduled care arrangements including the Flow Navigation Centre (FNC).
- These workstreams report to the individual Unscheduled Care Steering Groups which reports into the urgent and unscheduled care oversight board, chaired by the Chief Operating Officer and Chief Officer for Glasgow HSCP.



Better Value Reducing the cost of delivering healthcare

- The number of delayed discharges was 297 based on the monthly average position for 2023-24 which was over the target of 243. (2022-23: 295)

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- The number of Mental Health delayed discharges was 78 based on the monthly average position for 2023-24 which was over the target of 58 (2022-23: 69).

The number of people who remain in hospital who are medically fit for discharge has increased significantly from approximately 100 patients at any one time pre pandemic to approximately 300 per day currently. This is impacting significantly on hospital capacity and on the flow of patients through our hospitals from the front door.

We are focused on addressing this and reducing the number of people delayed in their discharge with HSCP colleagues, local authorities and the Scottish Government. However, the challenges are multi-factoral, including workforce and recruitment issues, Adults With Incapacity (AWI) patients, care home capacity and “care at home” suitability and capacity. Throughout 2023-24 rigour continued to be applied to monitoring and mitigating delays at each level. Improvement action for 2023-24 included continuing with the Discharge Without Delay (DWD) improvement programme. The first principle of the DWD programme is to ensure patients are discharged to supported and cared for in a homely setting at the earliest opportunity.

Key areas of focus for the DWD programme during 2023-24 included:

- Implementing DWD to 130 adult acute Department of Medicine for the Elderly (DME), Medical and Surgical wards across 8 sites
- Sustainment programme in place to support embedding of DWD approach and principles across NHSGGC
- Increased awareness of DWD through ‘Home for Lunch’ campaign, staff communications
- Performance analysis pack developed to track progress and improvement and development of dashboards assessable at all levels of the organisation
- Access to delays information increased for HSCP colleagues to support active management of delays
- Significant progress in PDD Accuracy, averaging 53.9% in DWD implemented wards over the past six months, against original baseline of 23%

In complementing the measures to optimise discharge opportunities, a further programme of work is underway to avoid frail elderly individuals being admitted (if at all avoidable) to acute sites and subsequently becoming deconditioned and delayed in their discharge including the national Discharge Without Delay programme, Community Falls Integrated Pathway, the Home First Response Service and Hospital at Home Service.

Sustainability and Environmental Reporting

The Climate Change (Scotland) Act 2009 originally set out measures adopted by the Scottish Government to reduce emissions in Scotland by at least 80% by 2050. The Climate Change (Emissions Reductions Targets) (Scotland) Act 2019 amended this longer-term target to net-zero by 2045, five years in advance of the rest of the UK. In 2020 ‘The Climate Change (Scotland) Amendment order came into force to reflect this and now requires NHS Boards to report on their progress in delivering their emissions reduction targets.

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All designated Major Players of which NHSGGC is one are required to submit an annual report to the Sustainable Scotland Network detailing compliance with the climate change duties imposed by the Act and the Amendment order. The information returned by the Board is compiled into a national analysis report, published annually and superseding the prior requirement for public bodies to publish individual sustainability reports.

Further information on the Scottish Government's approach can be found in the Climate Change Plan 2018-2032 while national reports can be found at the following resource:

<https://sustainablescotlandnetwork.org/reports>

It should be noted that the Scottish Government announced in April 2024 that it could not achieve its annual and interim targets for cutting greenhouse gas emissions and that these will be replaced with a system measuring emissions every 5 years. New legislation will be introduced; however, these are as yet unknown. The Scottish Government have confirmed the long-term target to reach net zero by 2045 remains in place.

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A Policy for NHS Scotland on the Climate Emergency and Sustainable Development – DL(2021)38 sets out ambitious targets to tackle the climate emergency announced by the Scottish Government in 2019. This policy brings forward net zero deadlines for territorial Health Boards from 2045 to 2040.

“NHS Scotland body must reduce the greenhouse gas emissions from its activities, the activities under its control and from the electricity, steam and heat purchased by it to net-zero by 2040 or earlier where possible.”

And further:

“All NHS owned buildings must be heated from renewable sources by 2038 or earlier where possible.”

Since the launch of “A Policy for NHS Scotland on the Climate Emergency and Sustainability Development Strategy” (DL38). NHSGGC has responded by establishing a robust cross organisational governance structure to deliver the ambitions of the national policy. NHSGGC has utilised the UN Sustainable Development Goals as the framework by which to deliver this system wide change, ensuring a “just transition” whilst continuing to deliver first class health care services.

Our structure aligns to the delivery of national work streams contained within the policy, supported by working group charters that sets out each group's 5 year objectives against the backdrop of the Net Zero 2040. This is reflected in our sustainability strategy 2023 – 2028 which was approved by the Board and launched in August 2023. This approach provides assurance to the Board that there is a robust governance framework in place to monitor, measure and deliver policy objectives and internal KPI's.

Defining the Commitment

NHSGGC is incorporating key climate change and sustainability objectives into its ADP and medium-term delivery plans. The 2023-24 ADP included the following commitments:

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1. Increasing the alternative fuelled fleet size from the current 31% to meet full fleet transition by 2025, with a focus on hydrogen powered vehicles;
2. Increasing recycling rates across the estate in line with Scottish Government policy directive DL(2021)38 and supporting the culture change required on waste management through the development of new training materials and communications;
3. Implementation of Green Theatres Objectives by NHSGGC's Clinical Sustainability Group, including a reduction of medical gas emissions and increased clinical segregation of waste;
4. Implementation of the Scottish Quality Respiratory Prescribing Guide across primary care and respiratory specialties to improve patient outcomes and reduce emissions from inhaler propellant; and
5. Implementing Q-Pulse as the Board's Estate and Facilities Business Management System, with the system having gone live in April 2023 in line with the ISO 14001 standard.

NHSGGC's Sustainability Strategy was endorsed by the Board in August 2023 and sets out the Board's five-year plan to delivery national policy obligations, inclusive of ADP objectives. The strategy sets out a clear five-year pathway using a systems-based approach, with the ultimate goal being net-zero heat GHG emissions by 2038 and an overall position of net zero emissions by 2040.

Anticipated Impacts

The Sustainability Governance Framework not only addresses national policy and planning actions. It provides a framework to measure performance against internal KPI's, a framework to deliver Sustainability & Value initiatives and the means to measure compliance, risks and opportunities. Recent examples of focus would include the global supply chain issues, increases in energy costs and the resultant financial and non-financial implications for NHSGGC. Whilst there was no formal energy consumption interim target reduction set for NHSGGC for 2023-24 there was an overall reduction in energy consumption (Gas & Electricity combined) of 3.8% compared to the previous year. This equates to a reduction of 3.4 million kWh of electricity and 9.0 million kWh of gas.

Working Group charters have been established for all workstreams supporting the sustainability agenda which include the requirement to put in place interim targets as staging posts to 2038 and 2040 respectively.

NHSGGC's Sustainability objectives
Embed sustainability into decision-making across all sectors of the organisation, as a business-as-usual function
Undertake improved monitoring and evaluation on key operational metrics, and deliver enhanced reporting on our activities and progress against the targets contained within the strategy
Develop and deliver a change management programme to net-zero greenhouse gas emissions for heat by 2038 and overall net-zero greenhouse gas by 2040, in line with national aims
Engage and support staff to embrace sustainability in everything they do through enhanced training, communication and resources
Undertake adaptation, both in our physical assets and our supply chain and procurement processes, to make the organisation more resilient to the ongoing effects of climate change

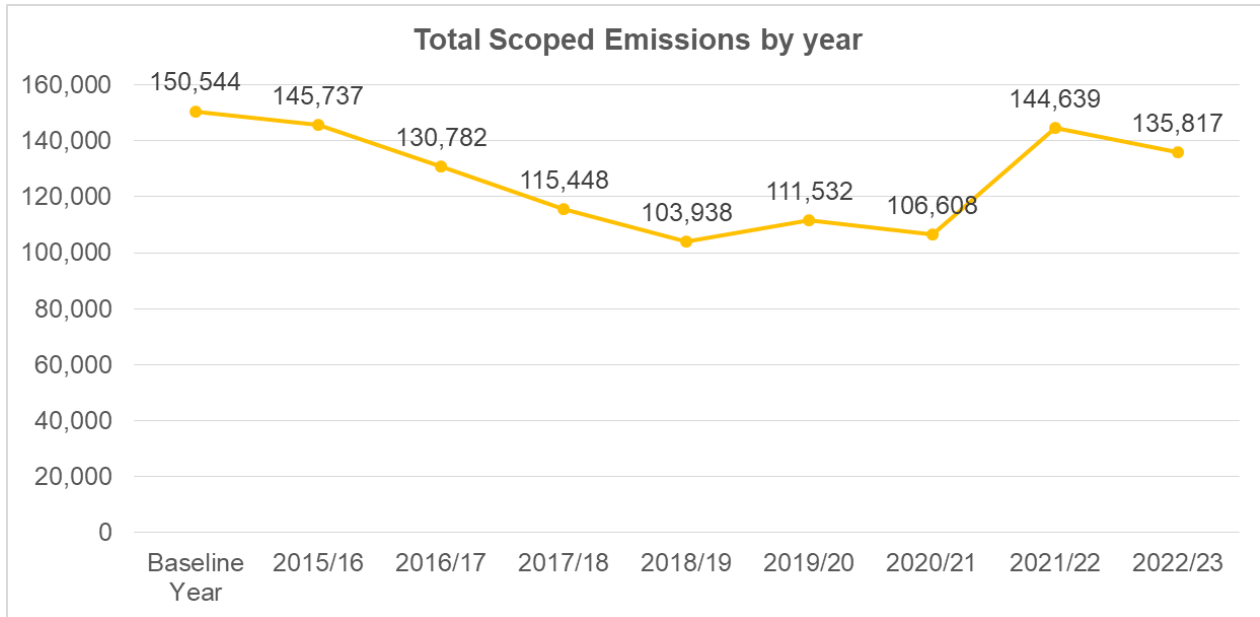
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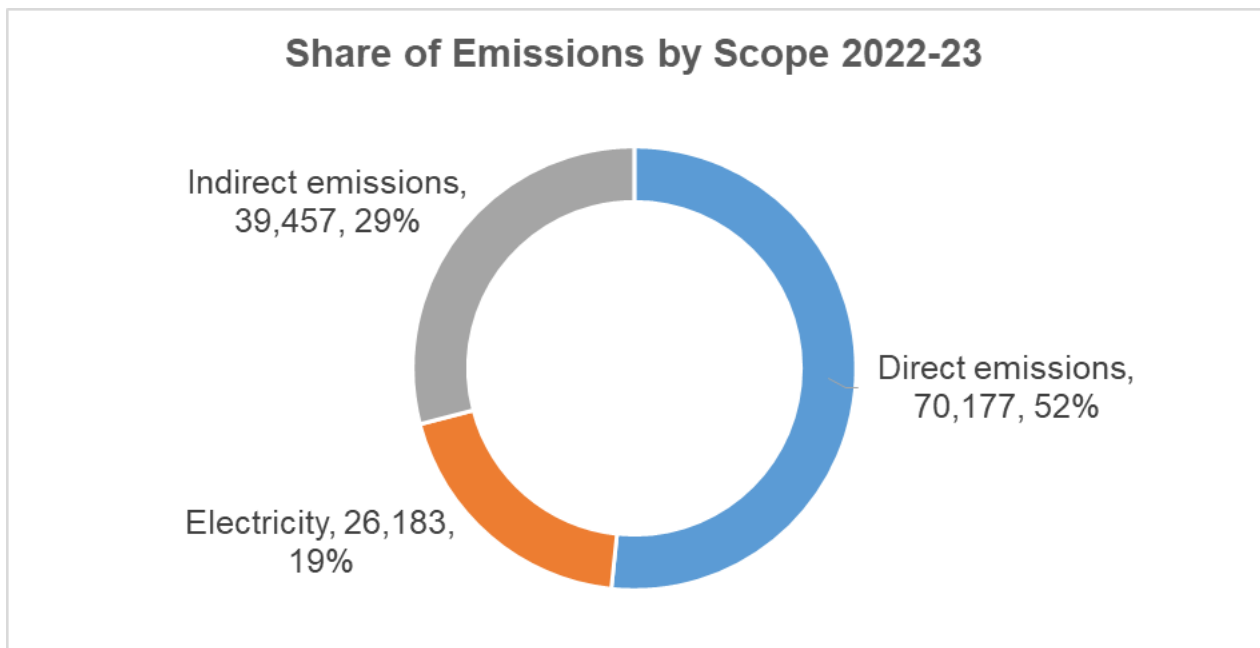
Embrace a circular economy approach to procurement, including enhanced reuse where possible, and designing out waste and pollution; and
 Improve biodiversity and natural capital across the NHSGGC outdoor estate and incorporate nature within our buildings where possible

Emissions

NHSGGC fulfils its statutory Public Bodies reporting requirements, submitting the Board’s annual report at the end of November every year since 2015. The graph below shows the movement in total scoped emissions by tonnes of CO₂ since 2015.

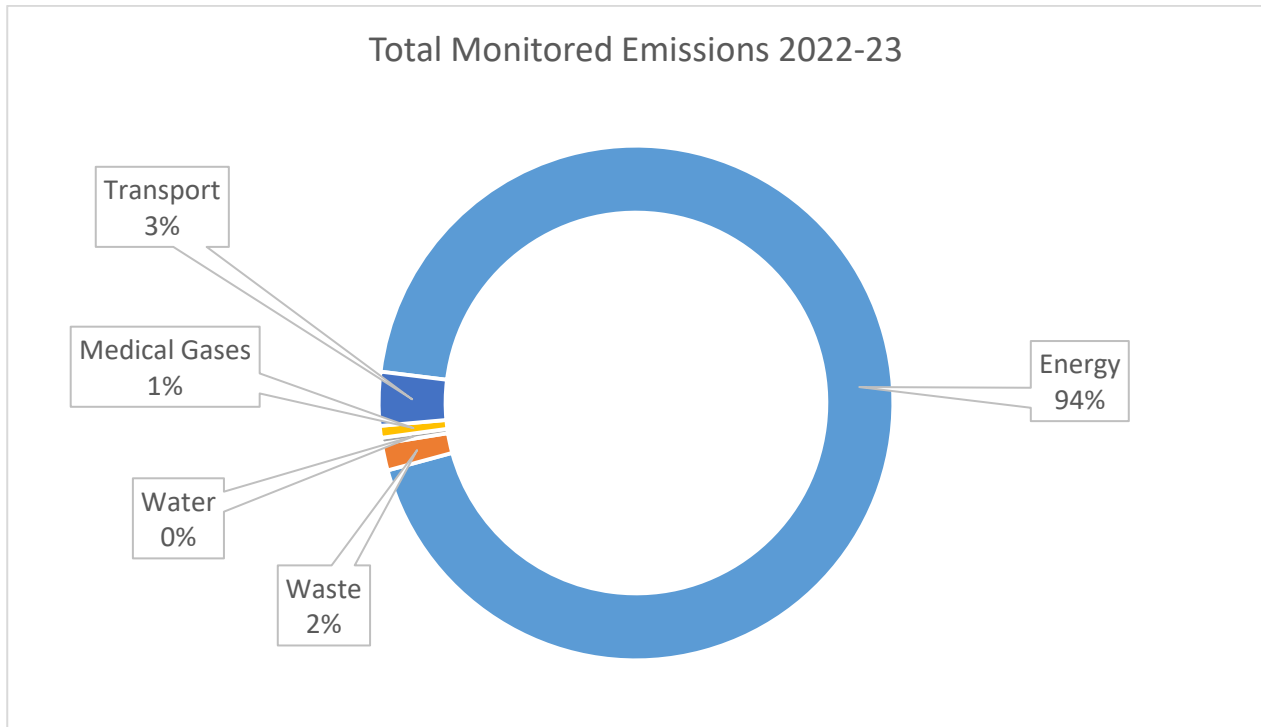


The increase in overall emissions in 2021-22 was due to improved monitoring and reporting of previously unreported emissions sources. Public bodies are due to submit this data on an annual basis with the 2023-24 data due for submission in November 2024.



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During 2022-23 waste emissions reduced by 5%, equating to a reduction of 578 tonnes of carbon. The Board recognises that these changes bring additional potential for significant benefits to our organisation around improving health and clinical efficiency.

The Board has continued to improve and develop its governance for delivering a full range of Environmental Targets / Improvements that are specifically addressed within the Sustainability Strategy and Annual Development Plan Objectives.

The Board remains a participant in the Glasgow Climate Change Declaration, Sustainable Glasgow and Climate Ready Clyde, all of which promote inter-agency working within the Glasgow and Clyde geographical boundaries to improve how the organisation adapts to climate change issues and how these changes will affect the Board's ability to continue to deliver a high quality service.

Communication

By engaging our staff to create a culture of sustainability, we can empower each and every one of our people to be part of the solution. It is envisaged that through work place behaviour change, our staff can take ownership at home too, adopting more sustainable lifestyles, assisting Glasgow and Scotland in achieving its climate change goals.

How we'll do it:

- NHSGGC is committing to raising awareness through communication. We are championing environmentally, socially and economically conscious behaviour through training and learning opportunities for staff, helping them to feel empowered to implement sustainable changes in their work and personal lives;
- Identify works stream leads/champions in line with priority areas that will improve our sustainability and net zero performance;

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- Support staff to lead change at individual, team and departmental level aligned to the Board's corporate sustainability objectives;
- Empower staff to take advantage of sustainability initiatives which boost health and wellbeing;
- Improve our service provisions, offering more sustainable alternatives where possible and reducing risk to service operations;
- Creation of a Sustainability e-Learning module with additional bespoke modules relevant to specific subject areas;
- We will deliver engaging internal communications to create interest in the strategy amongst our colleagues as part of wider cultural change across the business, sharing good news stories, highlighting best practice and generating momentum and excitement in our priorities; and
- Awareness of the importance of the climate emergency and sustainability has never been greater but it can still be challenging to know how we can make a difference. A wide range of staff across NHS Scotland were involved in creating the 'Sustainability Action' brand 'Our NHS, Our People, Our Planet'.

Measure Progress

NHSGGC's Sustainability Governance Group (SGG) has overall responsibility for sustainability and net zero. It oversees and coordinates the following working groups by monitoring and reporting their progress:

- Capital Planning Sustainability Group;
- Energy in the Built Environment group (EBEG);
- Greenspace & Biodiversity;
- Transport & Active Travel;
- Clinical Sustainability;
- Sustainable Procurement;
- Waste Management.
- Community Wealth Building

Each working group is required to track their progress against agreed objectives and targets as agreed in their charter and produce a progress report to the SGG on a bi-monthly basis. Fundamental to each working group is the embedded agenda of compliance, Communications & Learning and the financial sustainability and value agenda.

Refining the Approach

NHSGGC recognise the competing priorities and fiscal pressures upon all Health Boards and are looking to address this through a systems wide change that in the medium to long term will be financially, socially and environmentally equitable for the organisation, aligning to the Scottish Government's Sustainability & Value agenda.

Our approach is already starting to delivery on many of the National Policy requirements, particularly with the National Green Theatres programme implementing circular economy technology to reduce our waste output. Through training and awareness the Board has almost eliminated Desflurane, one of the most polluting anaesthetic gases and a national objective.

The establishment, promotion and delivery of this significant programme of work over the past year has involved novel approaches. The Board has engaged with local universities

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and external stakeholders, utilising and developing the specialist knowledge, collaboration and skills required to deliver the ambitious targets set within the national policy and guidance.

The Way Forward

2023-24 was another difficult year for NHSGGC but good progress has been made in key areas. The narrative above outlines the main challenges and main achievements of the Board throughout the year, and in the period up to signing these Financial Statements. The legacy of the Covid-19 pandemic and the cost of living crisis have undoubtedly presented significant challenges and I must take this opportunity to praise the hard work and dedication of all staff.

It is clear that the challenges related to the pandemic are not over and the scale of the financial challenge for the NHS nationally is significant. Balancing the requirements of our ADP within our financial envelope will need significant effort and focus to ensure we continue to offer high quality and safe care to our patients.

The management group continue to focus on key priorities and challenges for the health board:

- Managing workforce capacity and absence rates at key points during the year.
- Staff mental health and wellbeing continued to be a top priority.
- Working in collaboration with partners in developing and implementing plans for the recovery and redesign of services as we continue to deal with the legacy of Covid-19.
- Unscheduled Care performance was significantly challenged in the year across the country, with our Emergency Department sites seeing attendances increase.
- Reducing delayed discharges remained a key priority for the HSCPs and the Board.
- Our hospitals remained extremely busy.

Over the year the Board continued to work both internally and with Scottish Government colleagues to support the Public Inquiry moving forward.



DocuSigned by:
Jane Grant 6/26/2024
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Jane Grant
Chief Executive & Accountable Officer

NHS Greater Glasgow and Clyde

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Accountability Report

Corporate Governance Report

Directors' Report

Date of Issue

The Accountable Officer authorised these financial statements for issue on 25th June 2024.

Appointment of Auditors

The Public Finance and Accountability (Scotland) Act 2000 places personal responsibility on the Auditor General for Scotland to decide who is to undertake the audit of each health body in Scotland. The Auditor General appointed Ernst & Young LLP to undertake the audit of NHSGGC. The general duties of the auditors of health bodies, including their statutory duties, are set out in the Code of Audit Practice issued by Audit Scotland and approved by the Auditor General.

Remuneration for Non-Audit Work

Details of any remuneration paid to auditors in respect of any non-audit work carried out on behalf of the Board is disclosed in Note 3. No such remuneration has been paid in 2023-24.

Disclosure of Information to Auditors

The directors who held office at the date of approval of this Directors' Report confirm that, so far as they are each aware, there is no relevant audit information of which the Board's auditors are unaware; and each director has taken all the steps that he / she ought reasonably to have taken as a director to make himself / herself aware of any relevant audit information and to establish that the Board's auditors are aware of that information.

Board Membership

Under the terms of the Scottish Health Plan, the Health Board is a board of governance whose membership will be conditioned by the functions of the Board. Members of Health Boards are selected on the basis of their position or the particular expertise which enables them to contribute to the decision-making process at a strategic level.

The Health Board has collective responsibility for the performance of the local NHS system as a whole, and reflects the partnership approach, which is essential to improving health and health care.

All Board Members are also Trustees of the charitable funds that the Board holds. The Trustees govern the charitable funds distinctly from the Board's exchequer funds. Greater Glasgow Health Board Endowment Funds (now known as Greater Glasgow and Clyde Healthcare Charity) is a charity registered with the Office of the Scottish Charity Regulator under number SC005895. The Board is required to consolidate the financial statements of the Endowment Funds within the Board's Annual Accounts. Note 21 details how these consolidated Financial Statements have been prepared.

The members of the Board who served during the year to 31 March 2024 and up to the date of approval of these accounts were as follows:

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Non-Executive Members

Name	Position
Professor J Brown CBE (until 30 November 2023)	Chair
Dr L Thomson KC (from 1 December 2023)	Chair
Rev J Matthews OBE	Vice Chair
Mr I Ritchie	Vice Chair
Ms M Ashraf	Non-Executive Member
Cllr J Cameron	Non-Executive Member
Ms A Cameron-Burns	Non-Executive Member
Mr S Carr (until 31 August 2023)	Non-Executive Member
Mr A Cowan	Non-Executive Member
Cllr C Cunningham	Non-Executive Member
Ms J Forbes	Non-Executive Member
Ms D Foy	Non-Executive Member
Mr D Gould	Non-Executive Member
Mr G Haddock OBE (from 1 May 2023)	Non-Executive Member
Ms M Kerr	Non-Executive Member
Ms A M Monaghan	Non-Executive Member
Cllr M McCluskey (until 30 April 2024)	Non-Executive Member
Cllr C McDiarmid	Non-Executive Member
Cllr M McGinty	Non-Executive Member
Professor I McInnes CBE	Non-Executive Member
Dr R Metcalfe (from 1 September 2023)	Non-Executive Member
Ms K Miles	Non-Executive Member
Cllr K Pragnell	Non-Executive Member
Dr L Rousselet	Non-Executive Member
Dr P Ryan	Non-Executive Member
Mr F Shennan (until 31 May 2024)	Non-Executive Member
Ms R Sweeney	Non-Executive Member
Mr C Vincent	Non-Executive Member
Ms M Wailes	Non-Executive Member

Executive Members

Ms J Grant	Chief Executive
Dr J Armstrong	Medical Director
Dr E Crighton	Director of Public Health
Professor A Wallace	Nurse Director
Mr C Neil	Director of Finance

The Board members' responsibilities in relation to these financial statements are set out in the Statement of Health Board Members' Responsibilities in Respect of the Accounts below.

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Statement of Health Board Members' Responsibilities

Under the National Health Service (Scotland) Act 1978, the Health Board is required to prepare accounts in accordance with the directions of Scottish Ministers which require that those accounts give a true and fair view of the state of affairs of the Health Board as at 31 March 2024 and of its operating costs for the year then ended. In preparing these accounts the Directors are required to:

- apply on a consistent basis the accounting policies and standards approved for NHS Scotland by Scottish Ministers;
- make judgments and estimates on a reasonable basis;
- state where applicable accounting standards as set out in the Governments' Financial Reporting Manual have not been followed where the effect of the departure is material; and
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the Board will continue to operate.

The Health Board members are responsible for ensuring that proper accounting records are maintained which disclose with reasonable accuracy at any time the financial position of the Board and enable them to ensure that the accounts comply with the National Health Service (Scotland) Act 1978 and the requirements of the Scottish Ministers. They are also responsible for safeguarding the assets of the Board and hence taking reasonable steps for the prevention of fraud and other irregularities.

The NHS Board members confirm they have discharged the above responsibilities during the financial year and in preparing the accounts.

Board Members' and Senior Managers' Interests

Details of any interests of Board members, senior managers and other senior staff in contracts or potential contractors with the Board as required by IAS 24 Related Party Disclosures are disclosed in Note 19. Senior management is defined as those individuals having authority or responsibility for directing or controlling the major activities of the Board. This includes the Executive Directors of the Board.

A register of interests, which includes details of company directorships or other significant interests held by Board members that may conflict with their management responsibilities, is available by contacting the Director of Corporate Services and Governance, Board Headquarters, JB Russell House, Gartnavel Royal Hospital, 1055 Great Western Road, Glasgow, G12 0XH. Board member profiles can be found on the Board's website.⁶

Directors' Third Party Indemnity Provision

Individual members of the Board or the Board as a group are covered by the Board's Clinical Negligence and other Risks Indemnity Scheme in respect of potential claims against them.

Public Services Reform (Scotland) Act 2010

Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 impose duties on the Scottish Government and listed public bodies to publish information on expenditure

⁶ Board Member Profiles - <https://www.nhsggc.scot/about-us/nhs-board/meet-the-board/>

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and certain other matters as soon as is reasonably practicable after the end of each financial year. The required information is published on the Board's website.⁷

Pension Liabilities

The accounting policy note for pensions is provided in Note 1, and disclosure of the costs is shown within Note 17 and the remuneration report.

Events After the End of the Reporting Period

The Board has no significant post balance sheet events to report.

Statement of the Accountable Officer's Responsibilities

Under Section 15 of the Public Finance and Accountability (Scotland) Act, 2000, The Principal Accountable Officer (PAO) of the Scottish Government has appointed me as Accountable Officer of Greater Glasgow and Clyde Health Board.

This designation carries with it, responsibility for:

- the propriety and regularity of financial transactions under my control;
- the economical, efficient and effective use of resources placed at the Board's disposal; and
- safeguarding the assets of the Board.

In preparing the Accounts I am required to comply with the requirements of the Government's Financial Reporting Manual and in particular to:

- observe the accounts direction issued by the Scottish Ministers including the relevant accounting and disclosure requirements and apply suitable accounting policies on a consistent basis;
- make judgments and estimates on a reasonable basis;
- state whether applicable accounting standards as set out in the Government's Financial Reporting Manual have been followed and disclose and explain any material departures; and
- prepare the accounts on a going concern basis.

I confirm that the Annual Report and Accounts as a whole are fair, balanced and reasonable and take personal responsibility for the Annual Report and Accounts and the judgements required for determining that it is fair, balanced and understandable.

I am responsible for ensuring proper records are maintained and that the Accounts are prepared under the principles and in the format directed by Scottish Ministers. To the best of my knowledge and belief, I have properly discharged my responsibilities as Accountable Officer as intimated in the Departmental Accountable Officer's letter to me of 1 April 2017.

⁷ NHSGGC Annual Disclosures - <https://www.nhsggc.scot/about-us/nhs-board/finances-publications-reports/annual-disclosures/>

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Governance Statement

Scope of Responsibility

As Accountable Officer, I am responsible for maintaining an adequate and effective system of internal control that supports compliance with the organisation's policies and promotes achievement of the organisation's aims and objectives, including those set by Scottish Ministers. Also, I am responsible for safeguarding the public funds and assets assigned to NHSGGC. I have been supported in my role as Accountable Officer throughout the year by a multi-disciplinary management team, focused on ensuring the delivery of strategic objectives in a prudent, economical, efficient and effective manner.

Purpose of Internal Control

The system of internal control is based on an on-going process designed to identify, prioritise and manage the principal risks facing the organisation. The system aims to evaluate the nature and extent of risks, and manage risks efficiently, effectively and economically.

The system of internal control is designed to manage rather than eliminate the risk of failure to achieve the organisation's aims and objectives. As such, it can only provide reasonable and not absolute assurance.

The process within the organisation accords with guidance from Scottish Ministers in the Scottish Public Finance Manual (SPFM) and supplementary NHS guidance and has been in place for the financial year and up to the date of approval of the annual report and accounts.

The SPFM is issued by Scottish Ministers to provide guidance to the Scottish Government and other relevant bodies on the proper handling and reporting of public funds. The SPFM sets out the relevant statutory, parliamentary and administrative requirements, emphasises the need for efficiency, effectiveness and economy, and promotes good practice and high standards of propriety.

NHS Endowments

In accordance with IFRS 10 Consolidated Financial Statements, the Financial Statements consolidate the NHSGGC Endowment Fund. This statement includes any relevant disclosure in respect of these Endowment Accounts.

IJB Accounts

The accounts of the HSCPs are consolidated with the NHSGGC financial statements. On the basis that no single party controls the arrangement on its own and that any one of the parties can prevent any of the other parties from controlling the arrangement, the accounting situation for IJBs is defined in IFRS 11 Joint Arrangements. Joint control is defined as "the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control". IFRS 11 notes that a joint venture shall recognise its interest in a joint venture as an investment and shall account for that investment using the equity method in accordance with IAS 28 Investments in Associates and Joint Ventures.

In accordance with IFRS 11 Joint Arrangements, the Financial Statements consolidate the IJB Accounts of Glasgow City, Inverclyde, Renfrewshire, East Dunbartonshire, East

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Renfrewshire and West Dunbartonshire. This statement includes any relevant disclosure in respect of these IJB Accounts as confirmed by the Chief Financial Officer of each IJB.

Governance Framework

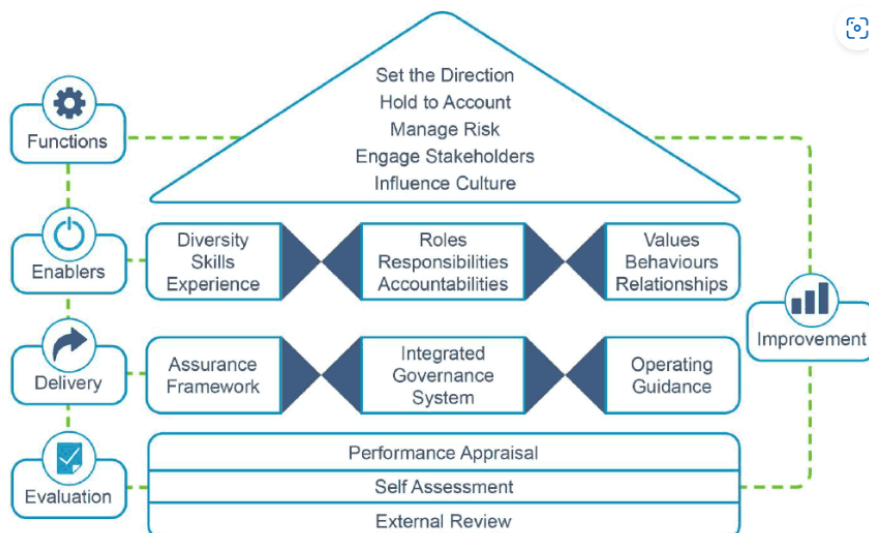
Under the terms of the Scottish Health Plan, the Board is a board of governance. Its purpose is to ensure the efficient, effective and accountable governance of the local NHS system and to provide strategic leadership and direction for the system as a whole, focusing on agreed outcomes.

Board members are appointed by Scottish Ministers and are selected on the basis of their stakeholder position or the particular expertise which enables them to contribute to the decision-making process at a strategic level. At 31 March 2024, the Board comprised the Chair, twenty-six Non-Executive and five Executive Board members; of the Non-Executive members, six are Council Members nominated by their respective councils.

The Board and its Standing Committees have clearly defined and documented roles and responsibilities, and the purpose of each committee is set out below. The Non-Executive members of the Standing Committees have the opportunity to scrutinise and seek assurance from the Board's executive management.

The implementation of the NHS Scotland Blueprint for Good Governance ('the Blueprint') has continued to receive significant focus over the year. The Board has received regular updates against the Active Governance Programme during 2023-24 with the Board level Assurance Information Framework being approved in December 2023. In November 2023, the Board completed the national Self-Assessment against the 2nd Edition of the Blueprint with two development days in February and March 2024 to develop the Blueprint Action Plan for approval at the April Board meeting.

Figure One – The Blueprint for Good Governance



In line with the Blueprint, the Board has an integrated approach to governance across clinical areas, performance management, staff, and involving and engaging people in its services and developments. These are defined through the standing committees outlined below. These committees are charged with assessing performance of the Board and regularly receive relevant performance data for each of their respective areas as per the

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Assurance Information Framework. The Board itself receives an Integrated Performance Report at each meeting, which outlines performance over a period of time, with actions to improve where relevant presented by the responsible Director.

On an annual basis, the Board undertakes a review of corporate governance arrangements to ensure that they are fit for purpose.

The Board has the following standing committees to support it, and which are directly accountable to it:

- Acute Services Committee (ASC);
- Audit and Risk Committee (ARC);
- Clinical and Care Governance Committee (CCGC);
- Finance, Planning and Performance Committee (FPPC);
- Population Health and Wellbeing Committee (PHWC); and
- Staff Governance Committee (SGC) (including Remuneration Sub-committee).

Each Committee has comprehensive terms of reference with the general scope of each described below.

The Board also has a Pharmacy Practices Committee which carries out the functions of NHS GGC in terms of the National Health Service (Pharmaceutical Services) (Scotland) Regulations 2009 (as amended), i.e. to prepare “the pharmaceutical list” – the list of those eligible to provide pharmaceutical services within the Board area.

The Endowment Fund Trustees have one directly accountable standing committee, the Healthcare Charity Committee, as detailed in the Endowment Fund Annual Accounts.

Acute Services Committee (ASC)

The scope of the ASC comprises the functions of scrutiny, governance and strategic direction for Acute Services, covering the functions below:

- The quality function of services delivered to patients;
- Effective patient safety and governance systems;
- Delivery of Corporate Objectives, including those set out in the Annual Operational Plan;
- Financial Planning and Management (in conjunction with the Finance, Planning and Performance Committee);
- Staff and patient focused public involvement; and
- Ensuring that learning from performance issues drives improvement.

The areas of clinical governance, patient safety, quality and finance have been integrated in reporting terms and there is a focus on organisational change and capability for improvement. The ASC met six times during 2023-24.

In addition to the members of the Committee, meetings were attended by other Board members, Directors, Chief Officers and senior managers.

Audit and Risk Committee (ARC)

The purpose of the ARC is to assist the Board and the Accountable Officer in delivering their responsibilities for the conduct of business, including the stewardship of funds under their control. In particular, the Committee seeks to provide assurance to the Board and the

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Accountable Officer that appropriate systems of internal control and risk management had been in place throughout the year. The ARC met six times during 2023-24.

Clinical and Care Governance Committee (CCGC)

Non-executive oversight of clinical governance arrangements across NHSGGC is provided by the CCGC. Its functions are to:

- Ensure clinical care and services provided by NHSGGC, including those provided in partnership with other organisations, are of an appropriate quality;
- Ensure the clinical and care governance arrangements are effective, including interactions with other organisational arrangements, in improving and monitoring the quality of clinical care;
- Provide assurance to the Board that NHSGGC is meeting its statutory and mandatory obligations relating to the NHS Duty of Quality; and
- Provide advice and assurance to the Board that clinical service proposals are consistent with the continued provision of safe and effective care.

The Committee met four times during 2023-24.

Finance, Planning and Performance Committee (FPPC)

The remit of the FPPC is to oversee the financial and planning strategies of the Board, oversee performance of Board functions, oversee the Board's Property and Asset Management and Strategic Capital Projects, whole system strategic planning and performance including oversight of the healthcare services delegated to the six Integrated Joint Boards (IJBs) and provide a forum for discussion of common issues arising from the IJBs.

The remit of the FPPC comprises the following core elements:

- Finance and Planning;
- Performance;
- Property and Asset Management; and
- Strategic/Capital Projects.

The Committee considers the Board's Strategic and Integrated Business Planning activities, ensuring that strategic planning objectives are aligned with the Board's overall objectives, strategic vision and direction. It also ensures that the Property & Asset Management Strategy is aligned with the Clinical Strategy, and is supported by affordable and deliverable business cases and reviews overall development of major schemes including capital investment business cases.

The Committee further receives performance monitoring information related to all functions within the Health Board system. The Committee met six times during 2023-24.

Population Health and Wellbeing Committee (PHWC)

The remit of the Population Health and Wellbeing Committee is to promote public health, oversee population health activities and to develop a long-term vision and strategy for public health. The Committee met four times during 2023-24.

Staff Governance Committee (SGC)

The purpose of the SGC is to provide assurance to the Board that NHSGGC meets its obligations in relation to staff governance under the National Health Service Reform

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(Scotland) Act 2004 and the Staff Governance Standard. In particular, the Committee will seek to ensure that staff governance mechanisms are in place that take responsibility for performance against the Staff Governance Standard and are accountable for progress towards achievement of the Standard. The Committee met four times during 2023-24.

The Remuneration Committee is a sub-committee of the SGC and its main role is to ensure the application and implementation of fair and equitable systems for pay and for performance management on behalf of the Board as determined by Scottish Ministers and the Scottish Government Health and Social Care Directorate (SGHSCD).

Whilst pay arrangements for NHS staff are determined under national arrangements, the pay arrangements for the Board's senior managers whose posts are part of the Executive and Senior Management Cohorts, are subject to SGHSCD guidance. The Remuneration Committee met three times during the year, and, in accordance with SGHSCD guidance, it determined and reviewed the pay arrangements for the Board's senior managers whose posts are part of the Executive and Senior Management cohorts, and ensured that a fair, equitable and effective system of performance management for these groups was in operation.

Information Governance

The Information Governance Team (IGT) continues to work with all services to ensure the Board meets its obligations under the UK General Data Protection Regulation (UKGDPR), the Data Protection Act 2018 and the Public Records (Scotland) Act 2011.

The Information Governance Steering Group (IGSG) continues to meet quarterly to monitor Information Governance (IG) and Information Security (IS) compliance by reviewing regular reports on subject access requests, data breaches, data protection impact assessments, security compliance, information assets, training and associated risk management. The IG IGSG also reviews all Information Governance and IT Security policies.

In June 2024 the Board were notified by the Scottish Information Commissioner of being escalated to level 3 in relation to performance in responding to Freedom of Information requests, which has been exacerbated by the increase in volume and complexity of requests being received.

An action plan is being developed to improve performance and this will be reported to the Corporate Management Team and Audit & Risk Committee quarterly. The Chief Executive and Director of Corporate Services and Governance will also meet the Scottish Information Commissioner to discuss escalation and the actions being taken.

The IGSG reports into the Corporate Management Team and minutes of the IGSG together with an annual report are considered by the Board Audit and Risk Committee. In 2023-24, the Board received 11,700 subject access requests for personal data which represents a decrease of 18% compared with 2022-23. Of these requests, 99.8% were actioned within the required statutory timeframe of 1 month.

In addition to the statutory / mandatory training modules for Safe Information Handling and Security & Threat and the training and guidance materials available on the IG Knowledge Hub, the IG Team continues to provide ad hoc support and training to ensure staff are

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aware of their obligations to protect patient and staff data through ongoing participation in training programmes. This includes training providing to Student Nurses and HSCP staff, Legal Aspects, Clinical Governance staff and GP practice staff.

The IGT continues to work on updating and developing the Board Records Management Plan in line with obligations under the Public Records (Scotland) Act 2011 in readiness for an invitation to submit the plan to the Keeper of Records of Scotland.

A Communication Plan is agreed by the IGSG for proactive communications to staff which has included a wide range of guidance on: Subject Access Requests, Cyber Crime, Data Security, Mandatory Training and keeping the Board's Information Asset Register up to date. Staff were also reminded in every communication of the availability of support and training available through the IG Team and in addition to the availability of training and guidance materials located on the IG Hub on StaffNet. The Digital Hub was launched in October 2023 and has improved the ease of access to IG training, information and guidance resources available

Implementation of the Network Information System's (NIS) regulations is based on the Scottish Government's Cyber Resilience Framework (CRF) which provides a structure and focus for controls adoption. The NIS Report for 2023 showed NHSGGC had continued to make significant progress from the 2022 review. The overall compliance was 93% compared with 81% with no residual risk exposure and the Board achieved the advanced 80-80-80 Key Performance Indicators many years ahead of schedule. The Board is continuing to work through actions from the Audit and is preparing for the next NIS review in 2024.

Personal Data Related Incidents

During the year there were a number of incidents reported through Datix relating to the confidentiality and security of personal data. All incidents are reviewed and investigated by the Board's Information Governance Team with appropriate advice provided to improve procedures where necessary, and all Datix incidents were included in quarterly reports to the Information Governance Steering Group. In addition, there were sixteen pieces of IT equipment reported stolen through the IT Service Desk.

The Data Protection Officer (DPO) for the Board reported five confidentiality breaches to the Information Commissioner's Office (ICO); four breaches related to inappropriate access or inappropriate disclosure of patient information and one related to missing health records.

In addition, the ICO received six complaints from members of the public; three related to dissatisfaction on how the Board had processed their personal data, one related to the refusal of the Board to delete or restrict access to health records, one related to a complaint that a clinical record had been destroyed and one related to a potential data breach. The DPO responded to all complaints and no action was taken against the Board.

Other Governance Arrangements

The conduct and proceedings of the Board are set out in its Standing Orders; the document specifies the matters which are solely reserved for the Board to determine, the matters which are delegated under the Scheme of Delegation, and the matters which are remitted to a Standing Committee of the Board.

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The Standing Orders also include the Code of Conduct that Board members must comply with and, along with the Standing Financial Instructions, these documents are the focus of the Board's Annual Review of Governance Arrangements. The annual review also covers the remits of the Board's Standing Committees.

In addition to the Code of Conduct for Members the Board has in place a Business Code of Conduct for Staff which has been reviewed during 2023-24 and an update will be brought to the Board in June 2024. There is also in place a well-established complaints system, whereby members of the public can make a formal complaint to the Board regarding care or treatment provided by or through the NHS, or how services in their local area are organised if this has affected care or treatment; information on our complaints procedures is available on the NHSGGC website.

All of the Board's Executive Directors undertake a review of their development needs as part of the annual performance management and development process. A leadership development framework is in place to offer a range of development activities to meet needs identified, with additional support from the Human Resources department when required. Access to external and national programmes in line with their development plans and career objectives is also available. The Chief Executive is accountable to the Board through the Chair of the Board.

Non-Executive Board Members have a supported orientation and induction to the organisation with the establishment of a 'buddy' system for newly appointed members. Opportunities for development also exist, at a national level, for some specific Non-Executive roles such as Aspiring Chairs and Area Clinical Forum Chairs.

Internal policies are created in line with the Board's Policy Development Framework, which was revised and updated in 2022, which ensures that there is a consistent and clear approach to policy development, consultation, approval, dissemination/ communication, access to documents and review, and that NHSGGC complies with relevant legislation, governance, audit and controls assurance requirements. All policies, strategies or procedures are reviewed every three years as a minimum, or sooner if there is a specific legislative or service requirement or change in guidance, law or practice.

All Health Boards in Scotland are required to abide by the national Whistleblowing Standards which were implemented in April 2021, as published by the Independent National Whistleblowing Officer. These Standards aim to bring consistency across NHS Scotland in how whistleblowing concerns are handled, in terms of accessibility, impartiality and fairness. The Standards gave NHSGGC an opportunity to make improvements to our whistleblowing arrangements, strengthening the support offered to all those involved with cases, and further tightening our robust reporting processes. NHSGGC has utilised the Speak Up! Campaign to encourage people to come forward which was supported by the Non-Executive Whistleblowing Champion.

Communication and Engagement

NHSGGC strives to engage effectively with all of its key stakeholders as set out in the Board's Stakeholder Communications and Engagement Strategy 2024-2027, presented to the Board in April 2024.⁸

⁸ Stakeholder Communication & Engagement Strategy - <https://www.nhsggc.scot/downloads/nhsggc-board-meeting-documents-30-april-2024/>

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This new strategy builds on progress made in the previous iteration of the strategy covering the period 2020-23. At the heart of the new strategy remains a commitment to openness, honesty and transparency in all our communications and engagement activity. We are working to reinforce a listening culture where feedback from our patients, the public and our stakeholders is proactively sought, heard and taken into consideration in our commissioning decisions. We are committed to explaining clearly and transparently how decisions are made and providing feedback to the public and our stakeholders about how they have made a difference.

We are committed to delivering insight-driven communications and engagement strategies which support the organisation's goals, priorities and values over this period which will be appropriately monitored and evaluated against deliverables and outcomes.

Importantly, when we get things wrong, we acknowledge when mistakes are made and learn from them, including our obligations to fulfil the legal duty of candour.

Review of Adequacy and Effectiveness

As Accountable Officer, I am responsible for reviewing the effectiveness of the system of internal control. My review is informed by:

- the Executive Directors and managers within the organisation who have responsibility for developing, implementing and maintaining internal controls across their areas;
- the work of the internal auditors, who submit regular reports to the organisation's ARC. Reports include the auditors' independent and objective opinion on the adequacy and effectiveness of the organisation's systems of internal control together with recommendations for improvement; and
- statements made by the external auditors.

The following processes have been applied in maintaining and reviewing the effectiveness of the system of internal control:

- The Board met six times during 2023-24 to consider plans and strategic direction, to allocate resources, to review the management of performance and to receive minutes and reports from its Standing Committees.
- Within the Acute Division, the Chief Operating Officer chairs monthly meetings of the Strategic Management Group (SMG), which oversees the governance and strategic management of Acute Services.
- The Chief Executive chairs a monthly meeting of the Corporate Management Team attended by the HSCP Chief Officers, Chief Operating Officer and other Directors comprising Finance, Medical, Nursing, Public Health, Human Resources, eHealth, Corporate Services and Governance, Facilities and Estates, and Communications, as well as the Employee Director. The focus of the group includes:
 - development of proposals for the Board on financial and capital allocations and the Annual Delivery Plan;
 - approval of system-wide policy;
 - ensuring that the Clinical Strategy/Transformational Plan reflects the population needs;
 - monitoring variations in performance against local and national targets/guarantees;
 - oversight of Board-wide functions including Civil Contingencies, e-Health, Facilities accommodation and property, and

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- Board-wide service planning and approval of material investments and disinvestment propositions and review of the Risk Register.
- In addition the Board Corporate Directors meet weekly in an informal setting. This is also chaired by the Chief Executive and is attended by the Chief Operating Officer (Acute Services) and the Corporate Directors.
- The ARC provides assurance that an appropriate system of internal control is in place. The Committee met, as detailed above, throughout the year, reviewing the system of internal control.
- The Internal Auditors delivered their service based on an approved risk-based audit plan which is compliant with Public Sector Internal Audit Standards.
- The External Auditors also considered the adequacy of the processes put in place by the Chief Executive as Accountable Officer.
- Work has continued during the year to achieve the revised targets set out in the ADP. Reporting mechanisms have been further developed to ensure a culture of continuous improvement continues to be promoted.
- Staff objectives and development plans include where appropriate maintenance and review of internal controls.
- An online performance appraisal system is in place for senior staff with personal objectives and development plans designed to support the Board in the attainment of corporate objectives. The performance of other staff is assessed under the Knowledge and Skills Framework. Non-Executive Board Members also undertake consideration of their development needs within the appraisal process.
- An online Register of Staff Interests system is maintained. It ensures effective management control of the information held on the staff register of interests and identifies potential conflicts of interest.
- In accordance with the principles of best value, the Board aims to foster a culture of continuous improvement. The Board's processes focus strongly on best value and is committed to ensuring that resources are used efficiently, effectively and economically, taking into consideration equal opportunities and sustainable development requirements.

Risk Management

NHSGGC has continued to build on existing risk management arrangements during 2023-24. The Board agreed its updated Risk Appetite Statement in December 2023 while a Risk Management Strategy and Risk Register Policy and Guidance document was approved in December 2022.

NHSGGC has established a robust framework, based on ISO 31000 for the management of risk. The framework is proactive in identifying and understanding risk and will build upon existing good practice.

As a Board we continue to strive to make Risk Management integral to strategic and service planning, decision making, performance reporting and health care service delivery.

The strategy is based on the belief that Risk Management is:

- a key activity to ensure the health and well-being of patients, visitors and staff;
- an inclusive and integral part of our services set against guiding risk management principles;
- implemented with good practice acknowledged and built upon, and

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- a major corporate responsibility requiring strong leadership commitment and regular review.

We believe that the provision of high standards of health, safety and welfare within a risk management framework is fundamental to the provision of high standards of health care.

The following principles underpin our approach to risk management in NHSGGC:

- A consistent and standard approach to risk management;
- Integral to strategic and service planning and informs performance review;
- Involvement of clinicians and key stakeholders to support effective prioritisation and to inform decision-making;
- Comprehensive and systematically integrated into all processes;
- Responsibility for management, escalation, monitoring and communication of key risks is clearly defined;
- Risk is managed at the operational level closest to the risk supported by clear escalation processes;
- All types of risks are considered including NHSGGC's strategic risks, and
- Provides assurance that effective systems are in place to manage risks.

All of the key areas within the organisation maintain a risk register; the high level risks are then consolidated into the Corporate Risk Register (CRR). The CRR summarises the main risks identified within each of the organisational areas, and the processes by which these risks are being managed. The CRR is managed and updated via the Corporate Management Team on a rolling monthly cycle. Each risk on the CRR is assigned to a Standing Committee and reviewed at each meeting. The full CRR is approved at each Audit and Risk Committee and twice a year by the Board.

In respect of clinical governance and risk management arrangements we have:

- Clearly embedded risk management structures throughout the organisation;
- A strong commitment to clinical effectiveness and quality improvement;
- A sound cycle of annual clinical governance reporting arrangements for operational entities with devolved responsibilities, and
- A robust performance management framework that provides the context to support statistics with a high level of qualitative information.

Risk scoring is done on the basis of Likelihood x Impact = Risk Score.

- Initial Score: The score as assessed when the risk is first identified
- Current Score: The risk score taking into account any controls that are currently in place to manage the risk
- Target Score: The required risk score to successfully manage a risk to within acceptable levels

The Board uses a 5 x 5 risk assessment scoring mechanism as follows:

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Impact	Extreme 5	Medium 5	High 10	High 15	V High 20	V High 25
	Major 4	Medium 4	Medium 8	High 12	High 16	V High 20
	Moderate 3	Low 3	Medium 6	Medium 9	High 12	High 15
	Minor 2	Low 2	Medium 4	Medium 6	Medium 8	High 10
	Negligible 1	Low 1	Low 2	Low 3	Medium 4	Medium 5
	Rare 1	Unlikely 2	Possible 3	Likely 4	Almost Certain 5	
	Likelihood					

Required risk review timescales, based on a risk's current score, are outlined below:

- Very High scoring risks are reviewed Monthly
- High scoring risks are reviewed Monthly
- Medium scoring risks are reviewed Quarterly
- Low scoring risks are reviewed Quarterly

The full Corporate Risk Register is reported to the Board twice a year. Management has implemented a range of control measures to mitigate the effects of each of these risks, and are working on additional actions which will strengthen controls and further reduce the consequences. Set out below are the highest risk rated areas (as recorded in the CRR as presented to the Corporate Management Team in May 2024) that the Board faces.

Corporate Aim	Initial Score	Risk Title	Current Score
Better Health	12 High	Breakdown of failsafe mechanisms for all Public Health Screening Programmes (Risk 2060)	12 High
	20 Very High	Failure in relation to a vulnerable child or adult (Risk 3058)	16 High
Better Care	12 High	Delivery of medical training to the required GMC standards (Risk 3450)	12 High
	25 Very High	Impact of delayed discharges on NHSGGC system flow (Risk 3057)	20 Very High
	20 Very High	Inpatients Scheduled Care Waiting Time targets (Risk 2054)	16 High
	20 Very High	Outpatients Scheduled Care Waiting Time targets (Risk 3343)	16 High
	20 Very High	Unscheduled Care Waiting Time targets (Risk 2055)	16 High
	16 High	Pandemic response and future Covid-19 waves (Risk 2199)	16 High
Better Value	20 Very High	Financial sustainability - revenue (Risk 3036)	25 Very High
	20 Very High	Financial sustainability - capital (Risk 2819)	20 Very High
	16 High	Ageing infrastructure (Risk 3051)	16 High
	16 High	Regulatory body compliance (Risk 3052)	16 High

Health and Safety

The health, safety and wellbeing of our staff remains a key objective and priority with the following activities being our priority and focus during the year:

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- Continued deployment of our Safety, Health and Wellbeing (SHaW) Roles and Responsibilities documents for Employees, Managers, Directors and Chief Officers, aimed at bringing our Health and Safety Policy alive.
- Development of a range of tools to improve the level of compliance in our services, including:
 - A Safety Health and Wellbeing Task Calendar requiring four activities to be completed each month to improve the compliance on a variety of areas which are already part of the physical Health and Safety Management Manual.
 - A simplified Stress Guided Conversation tool to be used in a proactive and reactive stage to support employees with their stressors and their return to work.
 - A risk-focussed audit plan with dedicated high risk audits undertaken by the SHaW team, which are designed to be delivered in areas presenting the greater level of risk.
 - Self-audits are also available to allow the services to establish their own compliance levels on the same high risk areas.
- Continued programme of upskilling and coaching sessions with management teams on how we will collectively improve the Safety Health and Wellbeing Culture as outlined in our Workforce Strategy and SHaW Roadmap.
- Review of our processes and arrangements to simplify and reduce duplication within our Safety Management System to streamline while continuing to explore opportunities to transform through digital technology and improve efficiency.
- Ongoing monitoring of health and safety training and occupational health sampling.
- Continue to work collaboratively and in partnership with our trade union Health and Safety Representatives.
- Positive engagement with the Health & Safety Executive on key areas of focus.

Integration

The Board has worked in partnership with the six local authorities, and has agreed principles, as set out within the Integration Schemes, for financial management including budget management, virement and terms of reference for IJB Audit Committees. Governance arrangements, which include internal audit, give assurance to the Board that each IJB is performing in line with its strategic plan.

Developments

The Board continues its commitment to a process of ongoing development and improvement, developing systems in response to any relevant reviews and developments in best practice. In particular, in the period covering the year to 31 March 2024 and up to the signing of the accounts, the organisation has continued to monitor, review and enhance its governance arrangements to support the organisational structure.

Queen Elizabeth University Hospital (QEUH) and Royal Hospital for Children (RHC)

There remains a significant amount of activity within the Board supporting and responding to the Scottish Hospitals Inquiry ('the Inquiry') into QEUH, RHC and the Children and Young Peoples Hospital in Edinburgh which was launched in August 2020. Further information regarding the inquiry such as hearing dates and inquiry documents can be found here: www.hospitalsinquiry.scot

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In June 2022, the Board was de-escalated from Level 4 (senior external support) of the NHS Scotland Board Performance Escalation Framework, to Level 2 (enhanced support) by the Scottish Government. This was due to the completion of the 108 recommendations made in the Independent Review Report led by Dr Andrew Frazer and Dr Brian Montgomery, and the Scottish Government commissioned Oversight Board Report and the Case Note Review Report.

The timeline of Inquiry hearings to date has been as follows:

- The first substantive hearings commenced on 20 September 2021 and concluded on 14 November 2021. The oral evidence provided was the perceptions of families and patients affected by the issues being explored by the Terms of Reference of the Inquiry.
- A second procedural hearing took place on 20 March 2023 with a follow up hearing from 12 to 23 June 2023 where NHS GGC staff had the opportunity to give evidence in respect of the perception hearings from autumn 2021.
- A third hearing will commence on 19 August 2024 to lead evidence on the safety and condition of water and ventilation systems, after which the Chair of the Inquiry will publish an interim report.

In September 2021 Police Scotland announced an investigation, “Operation Quadric”, into four deaths at the QEUH campus and there has been intermittent on-site meetings since December 2021. The deaths are being examined under the Health and Safety at Work Act 1974 and corporate homicide in terms of the Corporate Manslaughter and Homicide Act 2007 for alleged health and safety offences. NHSGGC received a letter from the Deputy Crown Agent in November 2023 indicating that the organisation was being considered a suspect in the investigation, formalising the process. NHSGGC has from the outset cooperated with the investigation and continues to do so. Regular meetings continue between Senior Council to NHSGGC, the Procurator Fiscal and Crown Counsel.

The Board has now received 30 intimations of claim in respect of the QEUH and RHC. There is close working between the Programme Management Office and Central Legal Office on the related themes, however, at this stage and all cases remain sisted.

In addition, there continues to be significant work associated with the legal proceedings raised for losses and damages incurred in respect of the construction of the QEUH and RHC in relation to a number of technical issues identified with the water system, the ventilation system, plant and building services capacity, glazing, doors, the heating system, the atrium roof, internal fabric moisture ingress and the pneumatic transport system. These proceedings have been raised against the main contractor for the hospital project, Multiplex Construction Europe Limited, BPY Holdings LP, and the Health Board’s advisors Currie and Brown UK Ltd and Capita Property and Infrastructure Ltd. Proceedings with regard to the chilled water system, atrium linings and external wall systems have also been raised against Multiplex Construction Europe Limited and BPY Holdings LP.

A dedicated Programme Management Office is in place to manage the significant activity related. Robust governance arrangements are well established to oversee all the activity in respect of the QEUH and RHC with an Executive Oversight Board, chaired by the Chief Executive with regular meetings throughout the year, supported by an Executive Working

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Group which considers notable detail in terms of documentation and submissions to relevant parties.

UK Blood Inquiry (UKBI)

The UK Blood Inquiry was announced by the UK Government in July 2017 to investigate the use of contaminated blood and blood products across the UK in the 1970s and 1980s. NHSGGC has been responding to the UKBI for a number of years and the final report and recommendations of the UK Infected Blood Inquiry was published on 20 May 2024. Ahead of this, NHSGGC was issued a 'Warning Letter' from the Inquiry Chair in January 2024, setting out advance notice of criticisms against the Board relating to practice in the 1970s and 1980s. Given all Territorial Boards were grouped as a single Core Participant, a national communication approach was developed to underline our shared commitment to supporting those who came to harm and ensuring lessons are learned. In addition, the NHSGGC Director of Public Health will be working with a Scottish Government Oversight Group to coordinate and oversee the implementation of the recommendations. All staff involved have been supported, most of whom are no longer working in NHSGGC. Further information on the inquiry, including its reports, are available on the inquiry website here: <https://www.infectedbloodinquiry.org.uk/>

The UK Government has confirmed it will pay comprehensive compensation to those who have been infected. A parliamentary statement on 21 May 2024 outlined payments of £210,000 will be made to those living infected, those registered with the existing Blood Support Schemes and to those who register with the new support scheme before the final scheme becomes operational, as well as the estates of those who have since passed away.

The Scottish Government has been in engagement with His Majesty's Treasury and the UK Government since this announcement to facilitate the proposed payments. Subsequent to which, the UK Government has confirmed a budget allocation will be given to the Scottish Government and NHS National Services Scotland will make payments to those impacted.

Annual Service Reports

NHSGGC received the 2023-24 service audit reports on 30th May 2024. These reports are commissioned by NSS to provide assurance to NHS Boards in respect of national payment arrangements for Payments to Primary Care Contractors (Practitioner and Counter Fraud Services) plus various shared IT systems that are managed on behalf of NHS Scotland by NSS (including Atos, NSS digital and IT security support services). The Service Audit reports are prepared in accordance with the standards and approach defined in the International Standard on Assurance Engagements 3402 (ISAE 3402) "Assurance Reports on Controls at a Service Organisation" issued by the International Auditing and Assurance Standards Board ("IAASB").

The Service Audit for Payments to Primary Care Contractors (Practitioner and Counter Fraud Services) highlighted a qualified opinion with regard to an exception identified during the audit. An emphasis of matter paragraph was also included within the report relating to the pharmacy payment system upgrade to nDCVP and its implications for the control environment. This was not a modification to the audit opinion. NSS provided additional assurance on the operation of controls in relation to payments to primary care contractors.

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The Service Audit for NSS Digital and Security (DaS) and Atos highlighted a qualified opinion with regard to exceptions identified during the audit. NSS provided additional assurance on the operation of IT controls during the period.



NHS Ayrshire and Arran provide an annual Service Audit in respect of their management of the National Single Instance (NSI) financial ledger service on behalf of all NHS Boards. NHSGGC have received the Service Audit report for 2023-24 and no issues have been identified and an overall unqualified opinion has been received.

Whilst the NSS reports disclosed a qualified opinion in relation to exceptions identified in the Service Audit reports, the details of which were reported to the Audit and Risk Committee, the Committee along with management were satisfied that these exceptions do not significantly impact on our system of internal control or financial governance arrangements.

Internal Audit










The Board's internal auditors, Azets, carried out 591 days of internal audit work within their 2023/24 plan. The programme comprised completing 12 standard audit reviews and 1 further consultancy style review. There were no grade 4 recommendations raised (very high risk exposure) and no control objectives assessed as "Critical" where there was a fundamental absence or failure of key controls. Overall their reports can be summarised as follows:

- **Red rated reports – nil:** controls evaluated are not adequate, appropriate, or effective to provide reasonable assurance that risks are being managed and objectives should be met;
- **Amber rated reports – two:** numerous specific control weaknesses were noted. Controls evaluated are unlikely to provide reasonable assurance that risks are being managed and objectives should be met;
- **Yellow rated reports – eight:** a few specific control weaknesses were noted; generally however, controls evaluated are adequate, appropriate and effective to provide reasonable assurance that risks are being managed and objectives should be met;
- **Green rated reports – two** controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.

Review	Overall audit rating	Control objective assessment	No. of Control Management Actions by grade. ¹			
			4	3	2	1
A.1 Performance Monitoring	Minor improvement required		-	-	1	-
B.1 Financial management and Reporting	Minor improvement required		-	-	2	1

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Review	Overall audit rating	Control objective assessment	No. of Control Management Actions by grade. ¹			
C.1 Infection Prevention and Control	Minor improvement required		-	1	1	1
C.2 Public Protection Arrangements	Substantial improvement required		-	4	3	1
C.3a Discharge Planning	Minor improvement required		-	1	7	1
C.4 Waiting List Management	Minor improvement required		-	-	4	-
C.5 Public Health Screening	Minor improvement required		-	2	4	-
D.5 Consultant Job Planning	Substantial improvement required		-	3	4	-
D.6 Managing Staff Attendance	Minor improvement required		-	4	1	-
D.14 Workforce Planning	n/a – consultancy style					
E.1 eHealth Application Access Management	Minor improvement required		-	-	3	-
E.2 Digital Health and Care Strategy	Effective		-	-	-	-
F.3 Property Transaction Monitoring	Effective		-	-	-	-

¹ Control Management Actions grading 1 – Limited Exposure Risk, 2 – Moderate Exposure Risk, 3 – High Exposure Risk, 4 – Very High Exposure Risk.

Internal Audit monitored the completion of actions agreed within audit reports, reporting progress on a quarterly basis to the Audit and Risk Committee. As at 31 March 2024, there were no high or very-high risk actions outstanding, and Internal Audit were content with the progress made in-year in this regard.

It is the opinion of the Chief Internal Auditor that:

“NHSGGC has a framework of governance and internal control that provides reasonable assurance regarding the effective and efficient achievement of objectives.”

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External Audit

Ernst and Young (EY) were appointed as the Board's external auditor in 2022-23 for a period of five years in accordance with the Audit Scotland Framework Agreement for the external audit of public bodies in Scotland. Financial year 2023-24 is therefore the second year of EY's appointment. External audit made a total of 15 recommendations in their 2022-23 annual audit report, progress against which is shown below.

Grade	Priority	Number of Recommendations	Progress from 2022-23
1	High	3	No actions complete all in progress.
2	Medium	9	Three actions complete, remaining six in progress.
3	Low	3	One action complete, one action superseded and remaining one in progress.

Senior management continue to engage with the Board's appointed auditor to update on progress against reported actions. Audit Scotland publish the external auditor's reporting here: <https://audit.scot/publications/search>

Disclosures

The control systems outlined above have been in place for the year under review and up to the date of the approval of these accounts. Therefore, I have no other disclosures to report.

Key actions planned relating to governance for 2024-25

- Continuation of the Active Governance Programme work, including the ongoing development of the Assurance Framework and Information Assurance System to ensure Board members have clarity on the Board's strategic aims, objectives, performance and outcomes.
- The ADP for 2024-25 was submitted in March 2024 alongside the medium-term plan to reflect the current position and key strategic actions for the Board.
- Ongoing governance arrangements will remain in place around the public enquiry and legal claim but will be regularly reviewed and amended if required as each area develops and evolves.
- Further training to be rolled out covering risk identification and escalation within Datix, led by Risk Champions across services.
- Ongoing rollout of the Investors in People (IIP) Framework and standards across NHSGGC.

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REMUNERATION REPORT AND STAFF REPORT

REMUNERATION REPORT

Remuneration is agreed through the Remuneration Committee and its main role is to ensure the application and implementation of fair and equitable systems for pay and for performance management on behalf of the Board as determined by Scottish Ministers and the Scottish Government Health and Social Care Directorate (SGHSCD).

Whilst pay arrangements for NHS staff are determined under national arrangements, the pay arrangements for the Board's senior managers whose posts are part of the Executive and Senior Management Cohorts, are subject to SGHSCD guidance. The Remuneration Committee in accordance with SGHSCD guidance, determined and reviewed the pay arrangements for the Board's senior managers whose posts are part of the Executive and Senior Management cohorts, and ensured that a fair, equitable and effective system of performance management for these groups was in operation.

The Directors' Remuneration report, which is shown on the following pages, details Board Members' and Senior Employees' remuneration, in bandings of £5,000. These bandings include any backdated salary payments made, and Board contributions made in respect of national insurance and pension.

As at 31 March 2024 (31 March 2023), the salaries of executive board members were as follows (audited information):

- J Grant £197,858 (£189,246);
- Dr J Armstrong £204,469 (£194,360);
- Dr E Crighton £193,171 (£176,695)
- Angela Wallace £135,983 (£123,268)
- Colin Neil £132,761 (£81,256) - *started 08/08/2022.*

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - CURRENT YEAR (AUDITED INFORMATION)

	Total Earnings in Year (bands of £5,000)
Remuneration Table	
Executive Members	
Chief Executive : J Grant	195 - 200
Director of Public Health : E Crighton	190 - 195
Medical Director : J Armstrong	200 - 205
Nurse Director - Angela Wallace	135 - 140
Director of Finance: C Neil	130 - 135

Non-Executive Members

PA Cameron-Burns (Employee Director)*	45 - 50
J Brown (left 30/11/2023) - Note 4	30 - 35
L Thomson (from 01/12/2023)	15 - 20
M Ashraf	5 - 10
J Cameron	5 - 10
S Carr (left 31/08/2023)	5 - 10
A Cowan	15 - 20
C Cunningham	5 - 10
J Forbes	15 - 20
D Foy	5 - 10
D Gould	5 - 10
G Haddock (from 01/05/2023)	5 - 10
M Kerr	15 - 20
J Matthews	25 - 30
M Mccluskey	5 - 10
C Mcdiarmid	5 - 10
M Mcginty	5 - 10
I Mcinnes	5 - 10
R Metcalfe (from 01/09/2023)*	125 - 130
K Miles	15 - 20
A Monaghan	15 - 20
K Pragnell	5 - 10
I Ritchie	25 - 30
L Rousselet	5 - 10
P Ryan	15 - 20
F Shennan	5 - 10

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - CURRENT YEAR (AUDITED INFORMATION)

	Total Earnings in Year (bands of £5,000)
Remuneration Table	
R Sweeney	15 - 20
C Vincent	15 - 20
M Wailes	15 - 20

Other Senior Employees

Chief Operating Officer, Acute Division : W Edwards	135 - 140
--	-----------

* The Employee Director post is full time and the salary shown relates to the substantive post held and non-executive allowance.

* R Metcalfe Non-Executive Member is a Consultant in Sexual Health & HIV Medicine. The salary shown relates to the substantive (Consultant) post held and non-executive

Note:

1. Per FReM 2023-24 accrued pension benefits for executive and non-executive members are not included in this table for 2023-24 due an exceptional delay in the calculation of these figures following the application of the public service pension remedy.
2. There were no Performance Related Bonus or Benefit in Kind payments in the year.
3. The Chief Executive is not a member of the pension scheme.
4. The Chair - J Brown (left 30/11/2023) was paid £33k in the year for his role as Board Chair, he also did additional work in the year for Scottish Government.
5. The Chair - L Thomson (from 01/12/2023) - (Annualised Salary would be £55k - £60k).
6. Non-Executive Member - R Metcalfe (from 01/09/2023), salary disclosed above is the annual salary.
7. The Annualised Salary for Non-Executive Members would be £5k - £10k for those without additional committee responsibility.
8. Total earnings represents the taxable salary of individuals.

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - CURRENT YEAR (AUDITED INFORMATION)

Pension Values Table

Per FReM 2023-24 accrued pension benefits for executive and non-executive members are not included in this table for 2023-24 due an exceptional delay in the calculation of these figures following the application of the public service pension remedy.

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - PRIOR YEAR (AUDITED INFORMATION)

	Taxable Salary (Bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
Remuneration Table			
Executive Members			
Chief Executive : J Grant	185 - 190	-	185 - 190
Director of Public Health : L de Caestecker (Left 28/02/2022, last day of service 04/04/2022)	0 - 5	-	0 - 5
Director of Public Health : E Crighton	175 - 180	49	225 - 230
Medical Director : J Armstrong	190 - 195	13	205 - 210
Nurse Director - Angela O'Neil (Interim from 01/02/22 - 31/07/2022)	40 - 45	-	40 - 45
Nurse Director - Angela Wallace (Started - 18/04/2022)	120 - 125	12	135 - 140
Director of Finance : M White (Left 15/05/2022)	15 - 20	-	15 - 20
Director of Finance : F McEwan (Interim 16/05/2022 - 07/08/2022)	20 - 25	22	45 - 50
Director of Finance: C Neil (Started 08/08/2022)	80 - 85	37	115 - 120
Non-Executive Members			
PA Cameron-Burns*	40 - 45	3	45 - 50
J Brown	40 - 45	-	40 - 45
M Ashraf (Started 09/01/2023)	0 - 5	-	0 - 5
C Bamforth (Left 30/04/2022)	0 - 5	-	0 - 5
S Brimelow	15 - 20	-	15 - 20
J Cameron (Started 21/06/2022)	5 - 10	-	5 - 10
S Carr	15 - 20	-	15 - 20
J Clocherty (Left 30/04/2022)	0 - 5	-	0 - 5
A Cowan	15 - 20	-	15 - 20
C Cunningham (Started 08/06/2022)	5 - 10	-	5 - 10
J Forbes	15 - 20	-	15 - 20
D Foy (Started 01/07/2022)	5 - 10	-	5 - 10
D Gould	5 - 10	-	5 - 10
M Hunter (Left 30/04/2022)	0 - 5	-	0 - 5
M Kerr	15 - 20	-	15 - 20
A Khan	5 - 10	-	5 - 10
J Matthews	25 - 30	-	25 - 30
M Mccluskey (Started 08/06/2022)	5 - 10	-	5 - 10
J Mccoll (Left 30/04/2022)	0 - 5	-	0 - 5
C Mcdiarmid (Started 08/06/2022)	5 - 10	-	5 - 10
M Mcginty (Started 08/06/2022)	5 - 10	-	5 - 10
I Mcinnes	5 - 10	-	5 - 10

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - PRIOR YEAR (AUDITED INFORMATION)

	Taxable Salary (Bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
Remuneration Table (continued)			
S Mechan (<i>Left 30/04/2022</i>)	0 - 5	-	0 - 5
K Miles	15 - 20	-	15 - 20
A Monaghan	15 - 20	-	15 - 20
I Nicolson (<i>Left 30/04/2022</i>)	0 - 5	-	0 - 5
K Pragnell (<i>Started 04/07/2022</i>)	5 - 10	-	5 - 10
I Ritchie	25 - 30	-	25 - 30
L Rousselet	5 - 10	-	5 - 10
P Ryan	15 - 20	-	15 - 20
F Shennan	5 - 10	-	5 - 10
R Sweeney	15 - 20	-	15 - 20
C Vincent	15 - 20	-	15 - 20
M Wailes	15 - 20	-	15 - 20
Other Senior Employees			
W Edwards	130 - 135	57	190 - 195

* The Employee Director post is full time and the salary shown relates to the substantive post held and non-executive allowance.

Note:

1. There were no Performance Related Bonus or Benefit in Kind payments in the year.
2. Director of Public Health : L de Caestecker - Left 04/04/2022 (Annualised Salary would be £180k - £185k).
3. Nurse Director : A O'Neill - Left 31/07/2022 (Annualised Salary would be £125k - £130k).
4. Nurse Director : A Wallace - Started 18/08/2022 (Annualised Salary would be £125k - £130k).
5. Director of Finance : M White - Left 15/05/2022 (Annualised Salary would be £150k - £155k).
6. Director of Finance : F McEwan (Interim 16/05/2022 - 07/08/2022) - (Annualised Salary would be £105k - £110k).
7. Director of Finance : C Neil - Started 08/08/2022 (Annualised Salary would be £125k - £130k).
8. The Annualised Salary for Non-Executive Members would be £5k - £10k for those without additional committee responsibility.

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - PRIOR YEAR (AUDITED INFORMATION)

	Total accrued pension at age 60 at 31 March 2023 (bands of £5,000)	Real increase in pension at age 60 (Bands of £2,500)	Total accrued lump sum at age 60 at 31 March 2023 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March 2023 (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2023 £'000	Cash Equivalent Transfer Value (CETV) at 31 March 2022 £'000	Real increase in CETV in year £'000
Pension Values Table							
Executive Members							
Chief Executive : J Grant	-	-	-	-	-	-	-
Director of Public Health : L de Caestecker (Left 28/02/2022, last day of service 04/04/2022)	65 - 70	(5 - 7.5)	195 - 200	(17.5 - 20)	1,575	1,718	(143)
Director of Public Health : E Crighton	45 - 50	2.5 - 5	0	0	706	630	76
Medical Director : J Armstrong	35 - 40	2 - 2.5	0	0	562	525	37
Nurse Director - Angela O'Neil (Interim from 01/02/22 - 31/07/2022)	45 - 50	(2.5 - 5)	145 - 150	(15 - 17.5)	1,086	1,166	(80)
Nurse Director - Angela Wallace (Started - 18/04/2022)	60 - 65	0 - 2.5	170 - 175	(2.5 - 5)	1,425	1,380	45
Director of Finance : M White (Left 15/05/2022)	0 - 5	(0 - 2.5)	0	0	68	68	0
Director of Finance : F McEwan (Interim 16/05/2022 - 07/08/2022)	10 - 15	0 - 2.5	0	0	143	122	21
Director of Finance: C Neil (Started 08/08/2022)	50 - 55	2.5 - 5	150 - 155	0 - 2.5	1,099	1,041	58
Non-Executive Members							
PA Cameron-Burns (Employee Director - this post is full time and the salary shown relates to the substantive post held and non-executive allowance)	10 - 15	0 - 2.5	25 - 30	0 - 2.5	247	244	2
Other Senior Employees							
W Edwards	40 - 45	2.5 - 5	110 - 115	2.5 - 5	682	623	58
					7,593	7,517	74

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BOARD MEMBERS AND SENIOR EMPLOYEES REMUNERATION - PRIOR YEAR (AUDITED INFORMATION) (cont)

Note:

1. CETV figures are notional calculations based on actuarial tables.

Prior Year CETV values have been adjusted due to factors provided by the Government's Actuary Department to the following:-

	£'000		£'000
Director of Public Health : L de Caestecker - <i>Left 04/04/2022</i> (CETV calculation to 31/03/2023 provided by SPPA)	1,555	to	1,718
Director of Public Health : E Crighton	573	to	630
Medical Director : J Armstrong	476	to	525
Nurse Director : A O'Neill - <i>Left 31/07/2022</i> (CETV calculation to 31/07/2022 provided by SPPA)	1,058	to	1,166
Director of Finance : M White - <i>Left 15/05/2022</i> (CETV calculation to 15/05/2022 provided by SPPA)	237	to	68
Employee Director : PA Cameron-Burns	222	to	244
	<u>4,121</u>		<u>4,351</u>

2. The Chief Executive is not a member of the pension scheme.

3. The Chair was paid £45k in the year for his role as Board Chair, he also did additional work in the year for Scottish Government.

4. Director of Finance : F McEwan (*Interim 16/05/2022 - 07/08/2022*) - (CETV calculation to 07/08/2022 provided by SPPA).

5. There is no disclosure in the Pension Values Table (above) for those who are not a member of the pension scheme.

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Fair Pay Disclosure (Audited Information)

	2023-24	2022-23	% change
Range of Staff Remuneration (£'000)	23 – 446	21 - 373	20.4
Highest earning Directors total remuneration (£'000)	200 – 205	190 - 195	5.2
Median Salary	2023-24	2022-23	% change
Median (Total Pay & Benefits) 50% percentile	£40,992	£38,465	6.6
Median (Salary only) 50% percentile	£40,992	£38,465	6.6
Ratio of salary in comparison to Median salary	4.94	5.00	-1.2
25% percentile (Total Pay & benefits)	£32,148	£29,683	8.3
25% percentile (Salary only)	£32,148	£29,683	8.3
Ratio on the 25th percentile	6.30	6.49	-2.9
75% percentile (Total Pay & benefits)	£53,332	£49,343	8.1
75% percentile (Salary only)	£53,332	£49,343	8.1
Ratio on the 75th percentile	3.8	3.90	-2.6

The table above shows the ratio and the percentage change of the highest paid director to the median, 25th percentile, and 75th percentile in the workforce. The percentage change of the highest paid director shows an increase of 5.2% in comparison to an average increase of 6.6% for the rest of the workforce.

The percentage change across years within each percentile reflects a combination of pay increases and changes to the profile of the workforce. These changes can occur where long serving employees (who would be at the higher end of the pay scale) leave and new employees start at the lower end of the pay scale.

The banded remuneration of the highest paid director in NHS Greater Glasgow and Clyde Health Board in the financial year was £204,469 (2022-23: £194,360). This was 5.2 times (2022-23: 5.0) the median remuneration of the workforce which was £40,992 (2022-23: £38,465).

The highest paid director in 2023-24 was the Medical Director of the Health Board. The earnings figures provided above for the highest earning Director includes total salary, non-consolidated performance related pay and any benefits in kind where appropriate. In 2023-24, 108 (2022-23: 112) employees received remuneration in excess of the highest paid director and whole time equivalent remuneration in this category ranged from £205,190 to £446,407 (2022-23: £194,362 to £372,688).

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STAFF REPORT (AUDITED INFORMATION)

Other Employees whose remuneration fell within the following ranges:

	2024 Number	2023 Number
<u>Clinicians</u>		
£ 70,001 to £ 80,000	620	482
£ 80,001 to £ 90,000	448	294
£ 90,001 to £100,000	274	176
£100,001 to £110,000	221	247
£110,001 to £120,000	206	212
£120,001 to £130,000	218	220
£130,001 to £140,000	211	189
£140,001 to £150,000	187	192
£150,001 to £160,000	177	158
£160,001 to £170,000	163	130
£170,001 to £180,000	114	94
£180,001 to £190,000	93	80
£190,001 to £200,000	65	41
£200,001 and over	108	73
<u>Other</u>		
£ 70,001 to £ 80,000	224	131
£ 80,001 to £ 90,000	130	86
£ 90,001 to £100,000	68	66
£100,001 to £110,000	26	22
£110,001 to £120,000	12	5
£120,001 to £130,000	2	3
£130,001 to £140,000	4	4
£140,001 to £150,000	1	1
£150,001 to £160,000	-	-
£180,001 to £190,000	-	1
£190,001 to £200,000	1	-

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Staff Numbers and Expenditure (Audited Information)

	Executive Board Members £'000	Non-Executive Members £'000	Permanent Staff £'000	Inward Secondees £'000	Other Staff £'000	Outward Secondees £'000	2024 £'000	2023 £'000
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Staff Costs

Salaries and Wages	864	568	1,835,065			(626)	1,835,871	1,686,117
Social Security Costs	113	44	206,575			(86)	206,646	193,004
NHS scheme employers' costs	136	32	330,393			(131)	330,430	302,804
Inward Secondees				17,324			17,324	13,667
Agency Staff					49,326		49,326	66,725
Compensation for loss of office			48				48	0
TOTAL	1,113	644	2,372,081	17,324	49,326	(843)	2,439,645	2,262,317

Staff Numbers Whole Time Equivalent (WTE) ¹

	5	27	35,251	904	715	(13)	36,891	36,394
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Included in the total staff numbers above were disabled staff of :

421	363
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¹ WTE – the figure disclosed for Non-Executive Members WTE is head count.

NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Reconciliation to Income and Expenditure (Audited Information)

	£'000
Total employee expenditure as above	2,439,645
Add: employee income included in Note 4	843
Total employee expenditure disclosed in note 3	2,440,488

a) Staff Composition – an analysis of the number of persons of each sex who were directors and employees (Not Audited)

	2024 Headcount				2023 Headcount			
	Male	Female	Prefer not to say	Total	Male	Female	Prefer not to say	Total
Executive Directors	1	4	-	5	1	4	-	5
Non-Executive Directors and Employee Director	11	16	-	27	13	16	-	29
Senior Employees	1,790	1,790	-	3,580	20	37	-	57
Other	8,536	34,569	-	43,105	9,937	34,909	-	44,846
Grand Total	10,338	36,379	-	46,717	9,971	34,966	-	44,937

Note:

- The table above includes employees who have a substantive and bank post. The Staff Numbers and Costs table on the previous page shows the WTE figure.
- The definition of staff included in the category Senior Employees has been changed to include all those earning in excess of £70k. Previously this was based on post descriptor. The prior year figure for Senior Employees stated on this basis would have been 2,912 (female – 1,380, male – 1,532). Other employees would have been disclosed as 41,991 (female – 33,566, male 8,425).

NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

b) Sickness Absence Data (Not Audited)

	2024	2023
Sickness Absence Rate	7.13%	7.14%

c) Employment of Staff with Disabilities

NHS Greater Glasgow and Clyde is strongly committed to equal opportunities as an employer to ensure that the talents and resources of employees are utilised to their full extent and that all applicants or employees are treated fairly and equally.

Policies specifically relating to employment of individuals with disabilities are set out within the following:

- NHS Greater Glasgow and Clyde Recruitment Process Guidance
- NHS Greater Glasgow and Clyde Workforce Change Policy and Procedure
- NHS Greater Glasgow and Clyde Equality, Diversity and Human Rights Policy

The Board also has a very active Staff Disability Forum who provide stakeholder advice in the development of guidance and policy implementation.

d) Other Matters

NHS Greater Glasgow and Clyde fully adheres to the Scottish Government Staff Governance Standards which includes staff being well informed, appropriately trained, involved in decisions which affect them, being treated fairly and consistently and provided with a safe working environment. NHS Greater Glasgow and Clyde applies all nationally agreed workforce policies, including the new Once for Scotland Policy programme which are in line with UK and European employment legislation.

NHS Greater Glasgow and Clyde also works with appropriate statutory bodies that provide external scrutiny including the Health and Safety Executive. The Board has a developed Culture Framework and Career Development /Succession Planning Framework. All staff pays are determined by UK pay negotiations, augmented by specific NHS Scotland terms and conditions.

NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

e) Exit Packages – Current Year (Audited Information)

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band
£25,000 - £50,000	-	1	1
Total number of exit packages by type	-	1	1

Total resource cost (£000)	48
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The Board had no exit packages in 2022-23.

NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

f) Facility Time Publication Requirements

The Trade Union (Facility Time Publication Requirements) Regulations 2017 came into force on 1 April 2017. The regulations place a legislative requirement on relevant public sector employers to collate and publish, on an annual basis, a range of data on the amount and cost of facility time within their organisation. The data is required to be published on a website maintained by or on behalf of the employer before 31st July each year. We intend to publish this data on the NHSGGC website.

Union officials

Number of employees who were relevant union officials during the relevant period	FTE employee number
130	17.10

Percentage of time spent on facility time

Percentage of Time	Number of representatives
0%	-
1 - 50%	119
51% - 99%	7
100%	4

Percentage of pay bill spent on facility time

Total cost of facility time	£845,897
Total paybill	£2,439,645,000
Percentage of the Total paybill spent on facility time calculated as : (total cost of facility time /total paybill) x 100	0.035%

Paid trade union activities

Time spent on paid TU activities as a percentage of total paid facility time. Hours calculated as (total hours spent on TU activities by TU representatives during the relevant period / total paid facility time hours) x 100	100%
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NHS Greater Glasgow and Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

3. PARLIAMENTARY ACCOUNTABILITY REPORT

The Parliamentary Accountability report collates the key Parliamentary accountability documents into the annual report and accounts. Guidance on the content of the Parliamentary Accountability Report, while not fully applicable to entities financed by the Scottish Parliament, is set out at paragraph 6.5.53 of the FReM. The SPFM sets out the minimum mandatory accountability disclosures required to be included within the annual report namely losses and special payments; fees and charges; and remote contingent liabilities. The FReM also requests Boards provide detail relating to the regularity of expenditure and long-term expenditure trends. See further detail here: [UK Financial Reporting Manual 2023-24](#)

Losses and Special Payments

The write-off of the following losses and special payments has been approved by the board:

	2023-24		2022-23	
	Number of Cases	£'000	Number of Cases	£'000
Losses	254	11,437	507	12,592

In the year to 31 March 2024, £1.4m of reported losses relates to the write-off of debts held with Lloyds Pharmacy.

The Board was required to pay out £4.1m in respect of 7 claims individually greater than £300,000 settled under the CNORIS scheme (2022-23: £5.4m, 7 claims). Part payment had been made in relation to these settled cases and the value disclosed here is the total award. Further detail on the scheme can be found in Note 1 (accounting policies) of the annual accounts. The Board is also required to provide for CNORIS claims notified to it and which will be settled at a future date; details of these provisions can be found in Note 12.


Fees and Charges

The Board had no commercial trading activity during 2023-24 where the full annual cost exceeded £1 million (2022-23: nil).

Remote Contingent Liabilities

Any contingent liabilities that meet the disclosure requirements of IAS37 Provisions and Contingent Liabilities are included in Note 13 to the financial statements.

Jane Grant

DocuSigned by: 6/26/2024

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Chief Executive & Accountable Officer



Independent auditor's report to the members of NHS Greater Glasgow and Clyde and the Auditor General for Scotland and the Scottish Parliament

Reporting on the audit of the financial statements

Opinion on financial statements

We have audited the financial statements in the annual report and accounts of NHS Greater Glasgow and Clyde and its group for the year ended 31 March 2024 under the National Health Service (Scotland) Act 1978. The financial statements comprise the Statement of Consolidated Net Expenditure, Consolidated Statement of Financial Position, the Statement of Consolidated Cash Flows, the Statement of Consolidated Changes in Taxpayers' Equity and notes to the financial statements, including material accounting policy information. The financial reporting framework that has been applied in their preparation is applicable law and UK adopted international accounting standards, as interpreted and adapted by the 2023/24 Government Financial Reporting Manual (the 2023/24 FReM).

In our opinion the accompanying financial statements:

- give a true and fair view of the state of the affairs of the board and its group as at 31 March 2024 and of the net expenditure for the year then ended;
- have been properly prepared in accordance with UK adopted international accounting standards, as interpreted and adapted by the 2023/24 FReM; and
- have been prepared in accordance with the requirements of the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 18 May 2022. Our period of appointment is five years, covering 2022/23 to 2026/27. We are independent of the board and its group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the board. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern basis of accounting

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the



ability of the board and its group to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

These conclusions are not intended to, nor do they, provide assurance on the current or future financial sustainability of the board and its group. However, we report on the board's arrangements for financial sustainability in a separate Annual Audit Report available from the Audit Scotland website.

Risks of material misstatement

We report in our separate Annual Audit Report the most significant assessed risks of material misstatement that we identified and our judgements thereon.

Responsibilities of the Accountable Officer for the financial statements

As explained more fully in the Statement of the Chief Executive's Responsibilities as the Accountable Officer, the Accountable Officer is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Accountable Officer determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Accountable Officer is responsible for assessing the ability of the board and its group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless there is an intention to discontinue the board's operations.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- using our understanding of the health sector to identify that the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers are significant in the context of the board;
- inquiring of the Accountable Officer, Director of Finance and Director of Corporate Services and Governance as to other laws or regulations that may be expected to have a fundamental effect on the operations of the board;



- inquiring of the Accountable Officer, Director of Finance and Director of Corporate Services and Governance concerning the board's policies and procedures regarding compliance with the applicable legal and regulatory framework;
- discussions among our audit team on the susceptibility of the financial statements to material misstatement, including how fraud might occur; and
- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the board's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

Responsibilities for regularity

The Accountable Officer is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities in respect of irregularities explained in the audit of the financial statements section of our report, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

Reporting on other requirements

Opinion prescribed by the Auditor General for Scotland on the audited parts of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited parts of the Remuneration and Staff Report have been properly prepared in



accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Other information

The Accountable Officer is responsible for the other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited parts of the Remuneration and Staff Report.

Our responsibility is to read all the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on the Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers.

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited parts of the Remuneration and Staff Report are not in agreement with the accounting records; or
- We have not received all the information and explanations we require for our audit; or
- there has been a failure to achieve a prescribed financial objective.

We have nothing to report in respect of these matters.




Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 108 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

DocuSigned by:

6/27/2024
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Stephen Reid (for and on behalf of Ernst & Young LLP)
Atria One
144 Morrison Street
Edinburgh
EH3 8EX

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Consolidated Statement of Comprehensive Net Expenditure

	Note	2024 £'000	2023 £'000
Staff Costs	3a	2,440,488	2,263,928
Other operating expenditure	3b		
Independent Primary Care Services		474,523	449,017
Drugs and medical supplies		799,498	733,737
Other health care expenditure		2,963,361	2,665,009
Gross expenditure for the year		<u>6,677,870</u>	<u>6,111,691</u>
Less: operating income	4	(3,072,222)	(2,859,528)
Joint Ventures accounted for on an equity basis		19,204	72,232
Net expenditure for the year		<u>3,624,852</u>	<u>3,324,395</u>
		2024 £'000	2023 £'000
OTHER COMPREHENSIVE NET EXPENDITURE/(INCOME)			
Net gain on revaluation of property, plant and equipment		(109,112)	(82,627)
Net (gain) / loss on revaluation of investments		(2,683)	2,694
Other comprehensive income		<u>(111,795)</u>	<u>(79,933)</u>
Comprehensive net expenditure		<u>3,513,057</u>	<u>3,244,462</u>

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Consolidated Statement of Financial Position

Consolidated 2023 £'000	Board 2023 £'000		Note	Consolidated 2024 £'000	Board 2024 £'000
NON CURRENT ASSETS					
2,473,030	2,473,030	Property, plant and equipment	6c	2,572,127	2,572,127
24,709	24,709	Right of Use assets	15a	29,187	29,187
Financial assets:					
100,881	1,748	Available for sale financial assets	9	105,611	2,389
96,295	-	Investment in joint ventures	21b	77,091	-
181,999	181,999	Trade and other receivables	8	140,932	140,932
<u>2,876,914</u>	<u>2,681,486</u>	Total non current assets		<u>2,924,948</u>	<u>2,744,635</u>
CURRENT ASSETS					
27,119	27,119	Inventories	7	29,331	29,331
Financial assets:					
209,486	209,231	Trade and other receivables	8	258,093	257,778
8,742	1,892	Cash and cash equivalents	10	5,178	1,809
3,444	3,444	Assets classified as held for sale	6b	2,856	2,856
<u>248,791</u>	<u>241,686</u>	Total current assets		<u>295,458</u>	<u>291,774</u>
<u>3,125,705</u>	<u>2,923,172</u>	Total assets		<u>3,220,406</u>	<u>3,036,409</u>
CURRENT LIABILITIES					
(94,006)	(94,006)	Provisions	12a	(150,607)	(150,607)
Financial liabilities:					
(632,060)	(630,285)	Trade and other payables	11	(543,335)	(542,542)
<u>(726,066)</u>	<u>(724,291)</u>	Total current liabilities		<u>(693,942)</u>	<u>(693,149)</u>
<u>(477,275)</u>	<u>(482,605)</u>	Net current liabilities		<u>(398,484)</u>	<u>(401,375)</u>
<u>2,399,639</u>	<u>2,198,881</u>	Total assets less current liabilities		<u>2,526,464</u>	<u>2,343,260</u>
NON CURRENT LIABILITIES					
(347,534)	(347,534)	Provisions	12a	(309,522)	(309,522)
Financial liabilities:					
(339,305)	(339,305)	Trade and other payables	11	(411,457)	(411,457)
<u>(686,839)</u>	<u>(686,839)</u>	Total non current liabilities		<u>(720,979)</u>	<u>(720,979)</u>
<u>1,712,800</u>	<u>1,512,042</u>	Assets less liabilities		<u>1,805,485</u>	<u>1,622,281</u>
TAXPAYERS' EQUITY					
909,435	909,435	General Fund		934,025	934,025
602,607	602,607	Revaluation Reserve		688,256	688,256
96,295	-	Other reserves - joint ventures		77,091	-
104,463	-	Funds held on Trust		106,113	-
<u>1,712,800</u>	<u>1,512,042</u>	Total taxpayers' equity		<u>1,805,485</u>	<u>1,622,281</u>

Adopted by the Board on 25 June 2024

DocuSigned by:
Colin Neil
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Colin Neil
Director of Finance

DocuSigned by:
Jane Grant
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J Grant
Chief Executive

The Notes to the Accounts, numbered 1 to 21, form an integral part of these Accounts.

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Consolidated Statement of Cashflows

	Note	2024 £'000	2023 £'000
NET OPERATING CASHFLOW			
Net expenditure	SoCTE	(3,624,852)	(3,324,395)
Adjustments for non cash transactions	2b	124,239	174,149
Interest payable	2b	21,337	16,578
Investment Income		(3,286)	(2,615)
Movements in working capital	2b	(67,179)	(272,196)
Totals	21c	(3,549,741)	(3,408,479)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		(114,876)	(99,810)
Investment Additions	9	(9,694)	(12,218)
Proceeds of disposal of property, plant and equipment		628	2,939
Receipts from sale of investments		6,188	11,826
Interest received		3,286	2,615
Net cash outflow from Investing Activities	21c	(114,468)	(94,648)
FINANCING			
Funding	SoCTE	3,685,181	3,529,526
Movement in general fund working capital	SoCTE	(84)	1,187
Cash drawn down		3,685,097	3,530,713
Capital element of payments in respect of finance leases and on balance sheet PFI Contracts	16	(4,475)	(8,415)
IFRS 16 - 2022-23 cash lease payment	15	-	(4,000)
Provisions - Unwinding of discount	2b	1,120	6,942
Interest element of finance leases and on balance sheet PFI Contracts	2b	(22,457)	(23,520)
Net cash inflow from financing	21c	3,659,285	3,501,720
Decrease in cash in year		(4,924)	(1,407)
Net cash at 1 April		18,659	20,066
Net cash at 31 March		13,735	18,659

Note:

The net cash balances above differ from those disclosed in Note 10 to these accounts due to the treatment of investment cash within endowments. This balance is included within Available For Sale Financial Assets in the balance sheet, and for current year was £8,557k (prior year £9,917k).

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Consolidated Statement of Changes In Taxpayers' Equity

	Note	General Fund £'000	Revaluation Reserve £'000	Other Reserves - Joint Ventures £'000	Funds Held on Trust £'000	Total Reserves £'000
Balance at 31 March 2023		909,435	602,607	96,295	104,463	1,712,800
Changes in taxpayers' equity for 2023-24						
IFRS 16 PFI Liability Remeasurement		(75,871)	-	-	-	(75,871)
Net gain on revaluation / indexation of property, plant and equipment	6a	-	109,112	-	-	109,112
Net loss on revaluation of investments	9	-	-	-	2,683	2,683
Revaluation and impairments taken to operating costs	2b	-	(3,568)	-	-	(3,568)
Transfers between reserves		19,895	(19,895)	-	-	-
Net operating cost for the year		(3,604,615)	-	(19,204)	(1,033)	(3,624,852)
Total recognised income and expense for 2023-24		(3,660,591)	85,649	(19,204)	1,650	(3,592,496)
Funding:						
Drawn down	CFS	3,685,097	-	-	-	3,685,097
Movement in General Fund creditor	CFS	84	-	-	-	84
Balance at 31 March 2024	SOFP	934,025	688,256	77,091	106,113	1,805,485
	Note	General Fund £'000	Revaluation Reserve £'000	Other Reserves - Joint Ventures £'000	Funds Held on Trust £'000	Total Reserves £'000
At 31 March 2022		604,894	542,437	168,527	107,797	1,423,655
Changes in taxpayers' equity for 2022-23						
Net gain on revaluation / indexation of property, plant and equipment	6a	-	82,627	-	-	82,627
Net loss on revaluation of investments	9	-	-	-	(2,694)	(2,694)
Impairment of property, plant and equipment	2b	-	(2,467)	-	-	(2,467)
Revaluation and impairments taken to operating costs		-	360	-	-	360
Transfers between reserves		20,350	(20,350)	-	-	-
Other non cash costs - Equipment Transfers/PPE and Testing Kits		6,188	-	-	-	6,188
Net operating cost for the year		(3,251,523)	-	(72,232)	(640)	(3,324,395)
Total recognised income and expense for 2022-23		(3,224,985)	60,170	(72,232)	(3,334)	(3,240,381)
Funding:						
Drawn down	CFS	3,530,713	-	-	-	3,530,713
Movement in General Fund creditor	CFS	(1,187)	-	-	-	(1,187)
Balance at 31 March 2023	SOFP	909,435	602,607	96,295	104,463	1,712,800

**NHS Greater Glasgow and Clyde
Annual Report and Consolidated Accounts for the Year Ended 31 March 2024
Notes to the Accounts**

1. ACCOUNTING POLICIES

1) Authority

In accordance with the accounts direction issued by Scottish Ministers under section 19(4) of the Public Finance and Accountability (Scotland) Act 2000 appended, these Accounts have been prepared in accordance with the Government Financial Reporting Manual (FReM) issued by HM Treasury, which follows International Financial Reporting Standards (IFRS) as adopted by the United Kingdom, Interpretations issued by the IFRS Interpretations Committee (IFRIC) and the Companies Act 2006, to the extent that they are meaningful and appropriate to the public sector. They have been applied consistently in dealing with items considered material in relation to the accounts.

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in section 27 below.

a) Standards, amendments and interpretations effective in current year

There are no new standards, amendments or interpretations effective in the year 2023-2024. However the FReM mandates reporting indexation linked payments in PPP liabilities in accordance with IFRS 16 from 2023-24.

b) Standards, amendments and interpretations early adopted this year

There are no new standards, amendments or interpretations early adopted this year.

c) Standards, amendments and interpretation issued but not adopted this year

The table below summarises recent standards, amendments and interpretations issued but not adopted in the 2023-24 financial year.

Standard	Current status
IFRS 14 Regulatory Deferral Accounts	Effective for accounting periods starting on or after 1 January 2016. Not applicable to NHS Scotland bodies.
IFRS 17 Insurance Contracts	Effective for accounting periods beginning on or after 1 January 2021. However this Standard is not yet adopted by the FReM. Expected adoption by the FReM from April 2025.

2) Basis of Consolidation

Consolidation:

In accordance with IFRS 10 – Consolidated Financial Statements, the Financial Statements consolidate the NHSGGC Endowment Fund.

NHS Endowment Funds were established by the NHS (Scotland) Act 1978. The legal framework under which charities operate in Scotland is the Charities and Trustee Investment (Scotland) Act 2005. Under the 1978 Act Endowment Trustees are also members of the NHS Board. The Board members (who are also Trustees) are appointed by Scottish Ministers.

NHS Greater Glasgow and Clyde Annual Report and Consolidated Accounts for the Year Ended 31 March 2024 Notes to the Accounts

The NHSGGC Endowment Fund is a charity registered with the Office of the Scottish Charity Regulator (OSCR) and is required to prepare and submit audited financial statements to OSCR on an annual basis.

The basis of consolidation is merger accounting. Any intra group transactions or balances between the Board and the Endowment Fund have been eliminated on consolidation.

The integration of health and social care services under the terms of the Public Bodies (Joint Working) (Scotland) Act 2014 and associated secondary legislation impacts on Health Board disclosure requirements in the annual accounts.

In line with statutory guidance issued by the Integrated Resources Advisory Group (IRAG) IJBs are deemed to be joint ventures. In accordance with IFRS 11 Joint Arrangements, the primary financial statements have been amended for the additional disclosure required to accurately reflect the Board's interest in IJBs using the equity method of accounting. The Board has disclosed its interest in six Integration Joint Boards (IJBs); East Dunbartonshire, West Dunbartonshire, Glasgow City, Inverclyde, East Renfrewshire and Renfrewshire.

Note 21 to the Annual Accounts details how these consolidated financial statements have been prepared.

3) Going Concern

These accounts have been prepared on a going concern basis, in accordance with the definition as set out within Government's Financial Reporting Manual issued by the HM Treasury and the Manual for the Annual Report and Accounts of NHS Boards, which outlines the interpretation of IAS1 'Presentation of Financial Statements' as 'anticipated continuation of the provision of a service in the future, as evidenced by the inclusion of financial provision for that service in published documents'. Pages 23 to 25 of the accounts set out the key considerations taken into account as part of that assessment which include a review of the 2024-25 financial position as well as the 2024-25 to 2026-27 financial plans and forecasts. Our considerations cover the period through to 30 June 2025, being 12 months beyond the date of authorisation of these financial statements. Taking into account these considerations and the governance structures in place both within the Board and through the NHS Scotland assurance process, the Board have a reasonable expectation that the Board will have adequate resources to continue in operational existence for the foreseeable future.

4) Accounting Convention

The Accounts are prepared on a historical cost basis, as modified by the revaluation of property, plant and equipment, intangible assets, inventories and financial assets and liabilities (including derivative instruments) at fair value as determined by the relevant accounting standards and the FReM.

5) Funding

Most of the expenditure of the Board as Commissioner is met from funds advanced by the Scottish Government within an approved revenue resource limit (RRL). Cash drawn down to fund expenditure within this approved RRL is credited to the general fund.

All other income receivable by the Board that is not classed as funding is recognised in the year in which it is receivable.

Where income is received for a specific activity which is to be delivered in the following financial year, that income is deferred.

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Income from the sale of non-current assets is recognised only when all material conditions of sale have been met, and is measured as the sums due under the sale contract.

Non-discretionary funding out with the RRL is allocated to match actual expenditure incurred for the provision of specific Family Health Services (comprised of General Pharmaceutical Services, General Medical Services, General Dental Services and General Ophthalmic Services) as designated by the Scottish Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the RRL in the Statement of Resource Outturn.

Funding for the acquisition of capital assets received from the Scottish Government is credited to the general fund when cash is drawn down.

Expenditure on goods and services is recognised when, and to the extent that they have been received, and is measured at the fair value of those goods and services. Expenditure is recognised in the SOCNE except where it results in the creation of a non-current asset such as property, plant and equipment.

NHSGGC Endowment Funds:

All incoming resources are recognised when the Endowment Fund has received its entitlement to the resources, it is certain that that the resources will be received and the monetary value of the incoming resources can be measured with sufficient reliability.

Donations and legacies are credited to revenue on a receivable basis. Legacies are accounted for on receipt of correspondence from the personal representative indicating that payment of the legacy will be made.

All expenditure including grants is accounted for on an accruals basis and is only incurred where this will further the charitable objects of the NHSGGC Endowment Funds.

Expenditure is recognised when there is a legal or constructive obligation committing the fund to the expenditure.

6) Property, plant and equipment

The treatment of capital assets in the accounts (capitalisation, valuation, depreciation, particulars concerning donated assets) is in accordance with the NHS Capital Accounting Manual.

Title to properties included in the accounts is held by Scottish Ministers.

6.1) Recognition

Property, Plant and Equipment is capitalised where: it is held for use in delivering services or for administrative purposes; it is probable that future economic benefits will flow to, or service potential be provided to, the Board; it is expected to be used for more than one financial year; and the cost of the item can be measured reliably.

All assets falling into the following categories are capitalised:

- Property, plant and equipment assets which are capable of being used for a period which could exceed one year, and have a cost equal to or greater than £5,000.
- In cases where a new hospital would face an exceptional write off of items of equipment costing individually less than £5,000, the Board has the option to capitalise initial revenue equipment costs with a standard life of 10 years.
- Assets of lesser value may be capitalised where they form part of a group of similar assets purchased at approximately the same time and cost over £20,000 in

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total, or where they are part of the initial costs of equipping a new development and total over £20,000.

6.2) Measurement

Valuation:

All property, plant and equipment assets are measured initially at cost, representing the costs directly attributable to acquiring or constructing the asset and bringing it to the location and condition necessary for it to be capable of operating in the manner intended by management.

Thereafter, valuations of all land and building assets are reassessed by valuers under a 5-year programme of professional valuations and are adjusted in intervening years to take account of movements in prices since the latest valuation. The valuations are carried out in accordance with the Royal Institution of Chartered Surveyors (RICS) Appraisal and Valuation Manual (Red Book) insofar as these terms are consistent with the agreed requirements of the Scottish Government.

In general, operational assets which are in use delivering front line services or back-office functions are valued at current market value in existing use. However, to meet the underlying objectives established by the Scottish Government the following accepted variations of the RICS Appraisal and Valuation Manual are adopted:

- Specialised operational assets are valued on a modified replacement cost basis to take account of modern substitute building materials and locality factors only.
- Non-specialised equipment, installations and fittings are valued at fair value, using the most appropriate valuation methodology available. A depreciated historical cost basis is considered an appropriate proxy for fair value in respect of assets which have short useful lives or low values (or both).

All assets that are not held for their service potential (i.e. investment properties and assets held for sale), including operational assets which are surplus to requirements where there are no restrictions on disposal which would prevent access to the market, are measured subsequently at fair value as follows:

- Specialised NHS Land, buildings, equipment, installations and fittings are stated at depreciated replacement cost, as a proxy for fair value as agreed by the District Valuer.
- Non-specialised land and buildings, such as offices, are stated at fair value.

Surplus assets with restrictions on their disposal, are valued at current value in existing use. Assets have been assessed as surplus where there is no clear plan to bring the asset back into future use as an operational asset.

Assets under construction are valued at current cost. This is calculated by the expenditure incurred to which an appropriate index is applied to arrive at current value. These are also subject to impairment review.

Subsequent expenditure:

Subsequent expenditure is capitalised into an asset's carrying value when it is probable the future economic benefits associated with the item will flow to the Board and the cost can be measured reliably. Where subsequent expenditure does not meet these criteria the expenditure is charged to the SOCNE. If part of an asset is replaced, then the part it replaces is de-recognised, regardless of whether or not it has been depreciated separately.

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Revaluations and Impairment:

Increases in asset values arising from revaluations are recognised in the revaluation reserve, except where, and to the extent that, they reverse an impairment previously recognised in the SOCNE, in which case they are recognised as income. Movements on revaluation are considered for individual assets rather than groups or land/buildings together. Gains and losses on revaluation are reported in the SOCNE.

Permanent decreases in asset values and impairments arising from a reduction in service potential or consumption of economic benefit are charged to the SOCNE. Any related balance on the revaluation reserve is transferred to the General Fund.

Temporary decreases in asset values or impairments are charged to the revaluation reserve to the extent that there is an available balance for the asset concerned, and thereafter are charged to the SOCNE.

6.3) Depreciation

Items of Property, Plant and Equipment are depreciated to their estimated residual value over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Depreciation is charged on each main class of tangible asset as follows:-

- Freehold land is considered to have an infinite life and is not depreciated.
- Assets in the course of construction and residual interests in off-Statement of Financial Position PFI contract assets are not depreciated until the asset is brought into use or reverts to the Board, respectively.
- Property, Plant and Equipment which has been reclassified as 'Held for Sale' ceases to be depreciated upon the reclassification.
- Buildings, installations and fittings are depreciated on current value over the estimated remaining life of the asset, as advised by the appointed valuer. They are assessed in the context of the maximum useful lives for building elements.
- Equipment is depreciated over the estimated life of the asset.
- Leased property, plant and equipment is depreciated over the shorter of the lease term and estimated useful life unless there is reasonable certainty the Board will obtain ownership of the asset by the end of the lease term, in which case it is depreciated over its estimated useful life.

Depreciation is charged on a straight line basis.

The following asset lives have been used:

Asset Category	Asset Lives
Medical Equipment	5 – 15 years
Engineering Equipment	5 - 15 years
Catering Equipment	5 - 15 years
Vehicles	7 years
Information Technology	5 – 10 years
Other Office Equipment	5 years
Furniture & Fittings	10 years
Buildings - Structure	1 – 90 years
Buildings – External Works	1 – 90 years

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7) Non-current assets held for sale

Non-current assets intended for disposal are reclassified as 'Held for Sale' once all of the following criteria are met:

- the asset is available for immediate sale in its present condition subject only to terms which are usual and customary for such sales;
- the sale must be highly probable i.e:
 - management are committed to a plan to sell the asset;
 - an active programme has begun to find a buyer and complete the sale;
 - the asset is being actively marketed at a reasonable price;
 - the sale is expected to be completed within 12 months of the date of classification as 'Held for Sale'; and
 - the actions needed to complete the plan indicate it is unlikely that the plan will be dropped or significant changes made to it.

Following reclassification, the assets are measured at the lower of their existing carrying amount and their 'fair value less costs to sell'. Depreciation ceases to be charged and the assets are not revalued, except where the 'fair value less costs to sell' falls below the carrying amount. Assets are de-recognised when all material sale contract conditions have been met.

Property, plant and equipment which is to be scrapped or demolished does not qualify for recognition as 'Held for Sale' and instead is retained as an operational asset and the asset's economic life is adjusted. The asset is de-recognised when scrapping or demolition occurs.

8) Donated Assets

Non-current assets that are donated or purchased using donated funds are included in the Statement of Financial Position initially at the current full replacement cost of the asset. Donated assets are revalued, depreciated/amortised and subject to impairment in the same way as other non-current assets in accordance with the NHS Capital Accounting Manual.

9) Sale of Property, plant and equipment, intangible assets and non-current assets held for sale

Disposal of non-current assets is accounted for as a reduction to the value of assets equal to the net book value of the assets disposed. When set against any sales proceeds, the resulting gain or loss on disposal will be recorded in the SOCNE. Non-current assets held for sale will include assets transferred from other categories and will reflect any resultant changes in valuation.

10) Leases

Scope and classification:

Leases are contracts, or parts of a contract that convey the right to use an asset in exchange for consideration. The FReM expands the scope of IFRS 16 to include arrangements with nil consideration. The standard is also applied to accommodation sharing arrangements with other government departments.

Contracts or parts of contract that are leases in substance are determined by evaluating whether they convey the right to control the use of an identified asset, as

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represented by rights both to obtain substantially all the economic benefits from that asset and to direct its use.

The following are excluded:

- Contracts for low-value items, defined as items costing less than £5,000 when new, provided they are not highly dependent on or integrated with other items; and
- Contracts with a term shorter than twelve months (comprising the non-cancellable period plus any extension options that are reasonably certain to be exercised and any termination options that are reasonably certain not to be exercised).

Initial recognition:

At the commencement of a lease (or the IFRS 16 transition date, if later), a right-of-use asset and a lease liability are recognised. The lease liability is measured at the present value of the payments for the remaining lease term (as defined above), net of irrecoverable value added tax, discounted either by the rate implicit in the lease, or, where this cannot be determined, the rate advised by HM Treasury for that calendar year. The liability includes payments that are fixed or in-substance fixed, excluding, for example, changes arising from future rent reviews or changes in an index. The right-of-use asset is measured at the value of the liability, adjusted for any payments made or amounts accrued before the commencement date; lease incentives received; incremental costs of obtaining the lease; and any disposal costs at the end of the lease. However, for peppercorn or nil consideration leases, the asset is measured at its existing use value.

Subsequent measurement:

The asset is subsequently measured using the fair value model. The cost model is considered to be a reasonable proxy except for leases of land and property without regular rent reviews. For these leases, the asset is carried at a revalued amount. In these financial statements, right-of-use assets held under index-linked leases have been adjusted for changes in the relevant index, while assets held under peppercorn or nil consideration have been valued using market prices or rentals for equivalent land and properties. The liability is adjusted for the accrual of interest, repayments, and reassessments and modifications. These are measured by re-discounting the revised cash flows.

Lease expenditure:

Expenditure includes interest, straight-line depreciation, any asset impairments and changes in variable lease payments not included in the measurement of the liability during the period in which the triggering event occurred. Lease payments are debited against the liability. Rental payments for leases of low-value items or shorter than twelve months are expensed.

Estimates and judgements

The Board determines the amounts to be recognised as the right-of-use asset and lease liability for embedded leases based on the stand-alone price of the lease and non-lease component or components. This determination reflects prices for leases of the underlying asset, where these are observable; otherwise, it maximises the use of other observable data, including the fair values of similar assets, or prices of contracts for similar non-lease components. In some circumstances, where stand-alone prices are not readily observable, the entire contracts are treated as a lease as a practical expedient. The FReM requires right-of-use assets held under "peppercorn" leases to be measured at existing use value.

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11) Impairment of non-financial assets

Assets that are subject to depreciation and amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an asset is not held for the purpose of generating cash flows, value in use is assumed to equal the cost of replacing the service potential provided by the asset, unless there has been a reduction in service potential. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffer an impairment are reviewed for possible reversal of the impairment.

Impairment losses charged to the SOCNE are deducted from future operating costs to the extent that they are identified as being reversed in subsequent revaluations.

12) General Fund Receivables and Payables

Where the Health Board has a positive net cash book balance at the year end, a corresponding creditor is created and the general fund debited with the same amount to indicate that this cash is repayable to the SGHSCD. Where the Health Board has a net overdrawn cash position at the year end, a corresponding debtor is created and the general fund credited with the same amount to indicate that additional cash is to be drawn down from the SGHSCD.

13) Inventories

Inventories are valued at the lower of cost and net realisable value. Taking into account the high turnover of NHS inventories, the use of average purchase price is deemed to represent current cost. Work in progress is valued at the cost of the direct materials plus the conversion costs and other costs incurred to bring the goods up to their present location, condition and degree of completion.

14) Losses and Special Payments

Operating expenditure includes certain losses which would have been made good through insurance cover had NHS Scotland not been bearing its own risks. Had the NHS provided insurance cover, the insurance premiums would have been included as normal revenue expenditure.

15) Employee Benefits

Short-term Employee Benefits:

Salaries, wages and employment-related payments are recognised in the year in which the service is received from employees. The cost of annual leave and flexible working time entitlement earned but not taken by employees at the end of the year is recognised in the financial statements to the extent that employees are permitted to carry-forward leave into the following year.

Pension Costs:

The Board participates in the NHS Superannuation Scheme (Scotland). This scheme is an unfunded statutory pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay as specified in the regulations. The Board is unable to identify its share of the underlying notional assets and liabilities of the scheme on a consistent and reasonable basis and therefore accounts for the

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scheme as if it were a defined contribution scheme, as required by IAS 19 'Employee Benefits'. As a result, the amount charged to the SOCNE represents the Board's employer contributions payable to the scheme in respect of the year. The contributions deducted from employees are reflected in the gross salaries charged and are similarly remitted to the Exchequer. The pension cost is assessed every four years by the Government Actuary and this valuation determines the rate of contributions required. The most recent actuarial valuation is published by the Scottish Public Pensions Agency and is available on their website.

Additional pension liabilities arising from early retirements are not funded by the scheme except where the retirement is due to ill-health. The full amount of the liability for the additional costs is charged to the SOCNE at the time the Board commits itself to the retirement, regardless of the method of payment.

16) Clinical and Medical Negligence Costs

Employing health bodies in Scotland are responsible for meeting medical negligence costs up to a threshold per claim. Costs above this threshold are reimbursed to Boards from a central fund held as part of the CNORIS scheme by the Scottish Government.

The Board provides for all claims notified to the NHS Central Legal Office according to the value of the claim and the probability of settlement.

Claims assessed as 'Category 3' are deemed most likely and provided for in full, those in 'Category 2' as 50% of the claim and those in 'Category 1' as nil. The balance of the value of claims not provided for is disclosed as a contingent liability. This procedure is intended to estimate the amount considered to be the liability in respect of any claims outstanding and which will be recoverable from the CNORIS in the event of payment by an individual health body. The corresponding recovery in respect of amounts provided for is recorded as a debtor and that in respect of amounts disclosed as contingent liabilities are disclosed as contingent assets.

The Board also provides for its liability from participating in the scheme. The Participation in CNORIS provision recognises the Board's respective share of the total liability of NHSScotland as advised by the Scottish Government and based on information prepared by NHS Boards and the Central Legal Office. The movement in the provisions between financial years is matched by a corresponding adjustment in AME provision and is classified as non-core expenditure.

17) Related Party Transactions

Material related party in year transactions and year-end balances are disclosed in the note 19 in line with the requirements of IAS 24. Transactions with other NHS bodies for the commissioning of health care are summarised in Note 3.

18) Value Added Tax

Most of the activities of the Board are outside the scope of VAT and, in general, output tax does not apply and input tax on purchases is not recoverable. Irrecoverable

VAT is charged to the relevant expenditure category or included in the capitalised purchase cost of non-current assets. Where output tax is charged or input VAT is recoverable, the amounts are stated net of VAT.

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19) PFI Schemes/HUB/NPD Schemes

Transactions financed as revenue transactions through the Private Finance Initiative or alternative initiatives such as HUB or the Non Profit Distributing Model (NPD) are accounted for in accordance with the HM Treasury application of IFRIC 12, *Service Concession Arrangements*, outlined in the FReM.

Schemes which do not fall within the application of IFRIC 12 are deemed to be off-Statement of Financial Position. Where the Board has contributed assets, a prepayment for their fair value is recognised and amortised over the life of the PFI contract by charge to the SOCNE.

Where, at the end of the PFI contract, a property reverts to the Board, the difference between the expected fair value of the residual on reversion and any agreed payment on reversion is built up on the Statement of Financial Position over the life of the contract by capitalising part of the unitary charge each year.

Transactions which meet the IFRIC 12 definition of a service concession, as interpreted in HM Treasury's FReM, are accounted for as 'on-balance sheet' by the Board. The underlying assets are recognised as Property, Plant and Equipment and Intangible Assets at their fair value. An equivalent liability is recognised in accordance with IFRS 16. Where it is not possible to separate the finance element from the service element of unitary payment streams this has been estimated from information provided by the operator and the fair values of the underlying assets. Assets are subsequently revalued in accordance with the treatment specified for their applicable asset categories.

The annual contract payments are apportioned between the repayment of the liability, a finance cost and the charges for services. The finance cost is calculated using the implicit interest rate for the scheme.

The service charge and the finance cost interest element are charged in the SOCNE.

Under IFRS 16 liabilities are to be remeasured if there is a change in future lease payments resulting from a change in an index/rate used to determine those payments. The liability does not include estimated future indexation linked increases. There are two elements required:

Initial remeasurement

Future PPP liabilities were remeasured at 1 April 2023 to include the indexation linked changes to payments for the capital/infrastructure element which have taken effect in the cash flows since the PPP arrangement commenced. FReM mandated a cumulative catch-up approach, where the cumulative effect is recognised as an adjustment to the General Fund as at 1 April 2023. Comparative information is not restated.

Subsequent measurement

The timing of any subsequent remeasurement of PPP liabilities for indexation linked changes will be whenever there is a change in the cash flows i.e. when the adjustment to lease payments takes effect.

20) Provisions

The Board provides for legal or constructive obligations that are of uncertain timing or amount at the Statement of Financial Position date on the basis of the best estimate of the expenditure required to settle the obligation. Where the effect of the time value of money is significant, the estimated cash flows are discounted using the discount rate prescribed by HM Treasury.

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21) Contingencies

Contingent assets (that is, assets arising from past events whose existence will only be confirmed by one or more future events not wholly within the Board's control) are not recognised as assets, but are disclosed in note 13 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 13, unless the probability of a transfer of economic benefits is remote. Contingent liabilities are defined as:

- possible obligations arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events not wholly within the entity's control; or
- present obligations arising from past events but for which it is not probable that a transfer of economic benefits will arise or for which the amount of the obligation cannot be measured with sufficient reliability.

22) Corresponding Amounts

Corresponding amounts are shown for the primary statements and notes to the financial statements. Where the corresponding amounts are not directly comparable with the amount to be shown in respect of the current financial year, IAS 1 'Presentation of Financial Statements', requires that they should be adjusted and the basis for adjustment disclosed in a note to the financial statements.

23) Financial Instruments

Financial Assets

Business model:

The Board's business model refers to how it manages its financial assets in order to generate cash flows and is determined at a level which reflects how groups of financial assets are managed to achieve a business objective, rather than assessment of individual instruments.

Classification:

When the Board first recognises a financial asset, it classifies it based on its business model for managing the asset and the asset's contractual flow characteristics. The Board classifies its financial assets in the following categories: at fair value through profit or loss, amortised cost, and fair value through other comprehensive income. The default basis for financial assets is to be held at fair value through profit or loss, although alternative treatment may be designated where receivables are held to collect principal and interest and/or for sale.

(a) Financial assets at fair value through profit or loss

This is the default basis for financial assets.

(b) Financial assets held at amortised cost

A financial asset may be held at amortised cost where both of the following conditions are met:

- i. the financial asset is held within a business model where the objective is to collect contractual cash flows; and
- ii. the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and related interest.

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(c) Financial assets at fair value through other comprehensive income

A financial asset may be held at fair value through other comprehensive income where both of the following conditions are met:

- i. the financial asset is held within a business model where the objective is to collect contractual cash flows *and* sell the asset; and
- ii. the contractual terms of the financial asset give rise to cash flows that are solely payments of principal and related interest.

Impairment of financial assets:

Provisions for impairment of financial assets are made on the basis of expected credit losses. The Board recognises a loss allowance for expected credit losses on financial assets and this is recognised in other comprehensive income, rather than reducing the carrying amount of the asset in the Statement of Financial Position.

Lifetime expected credit losses are recognised and applied to financial assets by the Board where there has been a significant increase in credit risk since the asset's initial recognition. Where the Board does not hold reasonable and supportable information to measure lifetime expected credit losses on an individual instrument basis, the losses are recognised on a collective basis which considers comprehensive credit risk information.

Recognition and measurement:

Financial assets are recognised when the Board becomes party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the rights to receive cash flows from the asset have expired or have been transferred and the Board has transferred substantially all risks and rewards of ownership.

(a) Financial assets at fair value through profit or loss

Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the SOCNE.

Financial assets carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the SOCNE.

(b) Financial assets held at amortised cost

Loans and receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. This is calculated by applying the effective interest rate to the gross carrying amount of the asset.

(c) Financial assets held at fair value through other comprehensive income

Financial Liabilities

Classification:

The Board classifies its financial liabilities in the following categories: at fair value through profit or loss, and amortised cost. The Board classifies all financial liabilities as measured at amortised cost, unless:

- i. these are measured at fair value on a portfolio basis in accordance with a documented risk management or investment strategy;
- ii. they contain embedded derivatives; and/or
- iii. it eliminates or reduces 'accounting mismatch' that would otherwise arise from measurement or recognition on an amortised costs basis.

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(a) Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss comprise derivatives. Liabilities in this category are classified as current liabilities. The NHS Board does not trade in derivatives and does not apply hedge accounting.

(b) Financial liabilities held at amortised cost

Financial liabilities held at amortised cost are disclosed in current liabilities, except for maturities greater than 12 months after the Statement of Financial Position date. These are classified as non-current liabilities. The NHS Board's financial liabilities held at amortised cost comprise trade and other payables in the Statement of Financial Position.

Recognition and measurement:

Financial liabilities are recognised when the NHS Board becomes party to the contractual provisions of the financial instrument.

A financial liability is removed from the Statement of Financial Position when it is extinguished, that is when the obligation is discharged, cancelled or expired.

(a) Financial liabilities at fair value through profit or loss

Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the income statement.

Financial liabilities carried at fair value through profit or loss are subsequently measured at fair value. Gains or losses arising from changes in the fair value are presented in the SOCNE.

(b) Amortised costs

Financial liabilities held at amortised cost are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

24) Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting requirements of the Board. The Chief Executive Officer and the executive team are responsible for allocating resources and assessing performance of the operating segments.

Operating segments are unlikely to directly relate to the analysis of expenditure shown in Note 3.

25) Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, cash balances held with the Government Banking Service, balances held in commercial banks and other short-term highly liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities on the Statement of Financial Position.

26) Third party assets

Assets belonging to third parties (such as money held on behalf of patients) are not recognised in the accounts since the Board has no beneficial interest in them.

However, they are disclosed in Note 20 to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

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27) Key sources of judgement and estimation uncertainty

The Board makes subjective and complex judgements in applying its accounting policies and relies on a range of estimation techniques and assumptions concerning uncertain future events. It is recognised that sources of estimation uncertainty are likely to vary from year to year and the resulting accounting estimates will, by definition, seldom equal the related actual results. As such, key judgements and estimates are continually reviewed, based on historical experience and other factors, including changes to past assumptions and expectations of future events that are believed to be reasonable under the circumstances.

The key judgements exercised in the application of the Board's accounting policies which have the most significant effect on the carrying amounts in the financial statements are summarised below:

- **Accruals** – The Board has placed significant reliance on estimation and judgement based on best available evidence to quantify amounts accrued in the accounts.
- **Provisions - Pensions and Similar Obligations.** The Board has provided for estimated costs relating to pensions and similar obligations and reliance has been placed on details provided by the Scottish Public Pensions Agency in order to quantify the amounts provided.
- **Provisions - Clinical and Medical Negligence claims.** The Board has provided for estimated costs relating to clinical and medical negligence and reliance has been placed on details provided by the NHS Scotland Central Legal Office in order to quantify amounts provided.
- **Structured Settlements** – the majority of claims settled under the CNORIS framework are done so as one-off settlements to the claimant. However, in a small number of cases, claims may also be paid under a Periodic Payment Order (PPO), also known as a structured settlement, whereby an annual payment is made to an individual for the remainder of their life. The future liability to the Board therefore depends on the remaining life of each individual. Given the nature of the underlying conditions impacting these individuals, there is significant estimation uncertainty, and minor changes in life expectancies applied may have a material effect on the remaining liability to the Board. The Board bases its life expectancy for these cases on information supplied by the Central Legal Office in relation to each individual case. The average impact of an individual life expectancy increasing by 5 years would be £5.1 million and the impact of a reduction would be £5.9 million.
- **Non-current Assets – Valuation of land and buildings.**

The Board commissioned a valuation of land and buildings as part of its 5 year rolling program as at 31 March 2024.

The valuation report has been used to inform the measurement of assets in these financial statements.

28) Revenue from contracts with customers

Where income is derived from contracts with customers, it is accounted for under IFRS 15. Revenue in respect of goods/services provided is recognised when performance obligations are satisfied by transferring promised goods/services to the customer and is measured at the amount of the transaction price allocated to those performance obligations. At the financial yearend, the Board recognises income relating to performance obligations satisfied in that year. Where the Board's entitlement to consideration for those goods or services is unconditional a contract receivable will be recognised. Where entitlement to consideration is conditional on a further factor other than the passage of time, a contract asset will be recognised.

NHS Greater Glasgow and Clyde Annual Report and Consolidated Accounts for the Year Ended 31 March 2024 Notes to the Accounts

Where consideration received or receivable relates to a performance obligation that is to be satisfied in a future period, the income is recognised as a contract liability. Contract receivable balances are recognised when consideration has not been received.

Material income recognised under IFRS15 is from other health Boards, related to the treatment of patients in those territories by the Board.

From 1st April 2023, income is recognised in line with IFRS 15 under revised agreements with other Health Boards, where the Board is providing ongoing and continuous access to services to other Boards. This income is paid and recognised as a fixed amount on a monthly basis. The income is recognised on a straight line basis over the year due to access being in place continually throughout the year without variation or any cap on services that may subsequently be provided as a result of that access. The price under IFRS 15 is therefore the contract value for this access to each Board.

There are a set number of health care services which are “exclusions” from this agreement, due to them being higher cost or lower frequency services, for which payments are made through invoice on completion of these services. The performance obligation is met when these patients have been treated and income is recognised in line with the date of treatment and price agreed. The price is based on actual costs or prescribed costings agreed with the other Boards.

Under these new arrangements there will be a nil contract asset or liability going forward.

Patients transferred prior to 1st April 2023, continue to fall under the agreements with Boards in place in the prior year. Income related to those agreements has been held as a contract liability and is to be released as performance obligations are met, this being that patients transferred to the Board are treated. The price is based on prescribed costings agreed with the other Boards for each patient and procedure.

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Notes to the Accounts

2024

£'000

2a. SUMMARY OF CORE REVENUE RESOURCE OUTTURN

Net expenditure	3,624,852
Total Non Core Expenditure (see below)	(132,406)
FHS Non Discretionary Allocation	(210,197)
Endowment Net Operating Costs	(1,033)
Joint Ventures accounted for on an equity basis	(19,204)
Totals	3,262,012
Core Revenue Resource Limit	3,262,492
Saving against Core Revenue Resource Limit	480

SUMMARY OF NON CORE REVENUE RESOURCE OUTTURN

Capital Grants from Other Bodies	(1,950)
Depreciation/Amortisation	93,635
Annually Managed Expenditure - Impairments	(3,568)
Annually Managed Expenditure - Creation of Provisions	6,029
Annually Managed Expenditure - Depreciation of Donated Assets	1,423
Annually Managed Expenditure - fair value adjustments	23,467
Additional SGHSCD non-core funding	230
Donated Asset Income	(616)
IFRS PFI Expenditure	8,346
Right of Use (RoU) Asset Depreciation	4,967
Right of Use (RoU) Peppercorn Leases Depreciation	443
Total Non Core Expenditure	132,406
Non Core Revenue Resource Limit	132,406
Saving against Non Core Revenue Resource Limit	-

SUMMARY RESOURCE OUTTURN	Resource £'000	Expenditure £'000	Saving £'000
Core	3,262,492	3,262,012	480
Non Core	132,406	132,406	-
Total	3,394,898	3,394,418	480

NHS Greater Glasgow & Clyde

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Notes to the Accounts

2b. NOTES TO THE CASHFLOW STATEMENT

Consolidated adjustments for non-cash transactions

	Note	2024 £'000	2023 £'000
Expenditure Not Paid In Cash			
Depreciation	6a	101,979	96,491
Amortisation		-	96
Depreciation of donated assets	6a	1,423	1,413
Depreciation of Right of Use (RoU) Assets	15b	5,410	3,628
Impairments on PPE charged to SoCNE		-	2,762
Net revaluation on PPE charged to SoCNE		(3,568)	(2,107)
Reversal of impairments on PPE charged to SoCNE		-	(295)
Funding Of Donated Assets	6a	(616)	(1,199)
Loss on disposal of intangible assets		-	119
Loss on disposal of property, plant and equipment		176	108
GP Loans fair value adjustment	9	229	73
Associates and joint ventures accounted for on an equity basis	SoCNE	19,204	72,232
Other non-cash transactions		2	828
Total expenditure not paid in cash	CFS	124,239	174,149

Interest payable recognised in operating expenditure

Interest Payable

PFI lease charges allocated in the year		22,049	23,358
Lease interest		408	162
Provisions - Unwinding of discount		(1,120)	(6,942)
Total	CFS	21,337	16,578

NHS Greater Glasgow & Clyde

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Notes to the Accounts

2b. NOTES TO THE CASHFLOW STATEMENT (cont)

Consolidated movements in working capital	Note	Opening	Closing	Net Movement	
		Balances	Balances	2024	2023
		£'000	£'000	£'000	£'000
INVENTORIES					
Balance Sheet		27,119	29,331		
Net Increase				(2,212)	(1,909)
TRADE AND OTHER RECEIVABLES					
Due within one year	8	209,486	258,093		
Due after more than one year	8	181,999	140,932		
Less: Property, Plant & Equipment (Capital) included in above		(278)	(162)		
		391,207	398,863		
Net increase				(7,656)	(105,665)
TRADE AND OTHER PAYABLES					
Due within one year	11	632,060	543,335		
Due after more than one year	11	339,305	411,457		
Less: Property, Plant & Equipment (Capital) included in above	-	(41,307)	(19,433)		
Less: General Fund Creditor included in above	11	(1,892)	(1,808)		
Less: Lease and PFI Creditors included in above	11	(317,694)	(398,979)		
		610,472	534,572		
Net Increase				(75,900)	(210,623)
PROVISIONS					
Statement of Financial Position		441,540	460,129		
Net increase				18,589	46,001
Net movement decrease				(67,179)	(272,196)

NHS Greater Glasgow & Clyde

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Notes to the Accounts

3. OPERATING EXPENSES

3a. Employee expenditure

	2024 £'000	2023 £'000
Medical and Dental	610,278	569,545
Nursing	1,024,092	928,216
Other Staff	806,118	766,167
Total	2,440,488	2,263,928

3b. Other operating expenditure

	2024 £'000	2023 £'000
Independent Primary Care Services:		
General Medical Services	232,730	222,117
Pharmaceutical Services	87,191	79,778
General Dental Services	123,590	119,582
General Ophthalmic Services	31,012	27,540
Total	474,523	449,017

Drugs and medical supplies:

Prescribed drugs Primary Care	277,794	257,623
Prescribed drugs Secondary Care	328,804	298,719
PPE and testing kits	2,908	5,166
Medical Supplies	189,992	172,229
Total	799,498	733,737

Other health care expenditure

Contribution to Integration Joint Boards	2,011,904	1,792,585
Goods and services from other NHSScotland bodies	52,454	55,166
Goods and services from other UK NHS bodies	1,931	1,033
Goods and services from private providers	18,845	20,429
Goods and services from voluntary organisations	22,263	15,872
Resource Transfer	278,318	257,959
Loss on disposal of assets	204	227
Other operating expenses	561,674	514,968
External Auditor's remuneration - statutory audit fee	687	506
Endowment Fund expenditure	15,081	6,264
Total	2,963,361	2,665,009

Total Other Operating Expenditure

4,237,382	3,847,763
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Notes:

1. The contribution to integration joint boards (IJB) includes a transfer of underspends on delegated health care services to the relevant partner local authorities to be held in reserves by the IJBs.

2. Higher value items within Other Operating Expenses included:

Depreciation	103,405	97,999
Professional Fees & Charges	41,977	65,406
Equipment	55,215	55,871
PFI	69,632	44,311
Rates	31,936	23,113
Heating, Fuel & Power	60,163	43,374
Impairment/Pensions/Negligence Provision	47,677	49,799

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Notes to the Accounts

4a. OPERATING INCOME

	2024	2023
	£'000	£'000
Income from Scottish Government	2,117	1,531
Income from other NHS Scotland bodies	829,489	758,246
Income from NHS non-Scottish bodies	3,961	4,367
Income from private patients	234	-
Income for services commissioned by Integration Joint Boards	2,011,904	1,792,585
Patient charges for primary care	15,422	12,790
Donations	616	1,199
Profit on disposal of assets	28	-
Contributions in respect of clinical and medical negligence claims	42,130	37,887
Non NHS:		
Overseas patients (non-reciprocal)	1,612	1,201
Endowment Fund Income	14,048	5,624
Other	150,661	244,098
Total	3,072,222	2,859,528

Notes:

1. Higher value items within Other Operating Income included:

Healthcare to other organisations inc Local Authorities and other Govn depts	65,786	59,923
Road Traffic Act	6,443	5,284
Rent of Premises Income	3,898	4,116
Dining Room Income	3,782	3,141
Laboratory Income	4,568	3,262

4b. Additional information on contract revenue (IFRS 15) recognised in the period

	2024	2023
	£'000	£'000
Revenue recognised in the reporting period that was included within contract liabilities at the previous period end	27,074	30,150
Revenue recognised in the reporting period under the new service level agreement arrangements	366,654	-

4c. Transaction price allocated to remaining performance obligations

	2024	2023
	£'000	£'000
Revenue from existing contracts allocated to remaining performance obligations is expected to be recognised:		
within one year	24,168	51,542

The Board has exercised the practical expedients permitted by IFRS 15 paragraph 121 in preparing this disclosure. Revenue from (i) contracts with an expected duration of one year or less and (ii) contracts where the Board recognises revenue directly corresponding to work done to date is not disclosed.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

5. SEGMENTAL INFORMATION

	ACUTE	NHS COMMUNITY PARTNERSHIPS	CORPORATE	UNALLOCATED	FUNDS HELD ON TRUST	IJBs	2024
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net operating cost	1,306,318	1,558,161	740,136	-	1,033	19,204	3,624,852
Total assets	-	-	-	3,036,409	106,906	77,091	3,220,406
Total liabilities	-	-	-	1,414,128	793	-	1,414,921
Total segment revenue	768,228	113,964	164,078	-	-	2,011,904	3,058,174
Depreciation and amortisation	25	5	107,703	-	-	-	107,733
Non-current assets held for sale	-	-	-	2,856	-	-	2,856
Additions to non-current assets (other than financial instruments and deferred tax assets) (i.e. capital expenditure)	-	-	-	103,558	-	-	103,558

PRIOR YEAR

	ACUTE	NHS COMMUNITY PARTNERSHIPS	CORPORATE	UNALLOCATED	FUNDS HELD ON TRUST	IJBs	2023
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net operating cost	1,204,249	1,365,884	681,390	-	640	72,232	3,324,395
Total assets	-	-	-	2,923,172	106,238	96,295	3,125,705
Total liabilities	-	-	-	1,411,130	1,775	-	1,412,905
Total segment revenue	706,574	210,003	144,742	-	5,624	1,792,585	2,859,528
Impairment losses recognised in SoCNE	-	-	-	360	-	-	360
Depreciation and amortisation	25	4	101,598	-	-	-	101,627
Non-current assets held for sale	-	-	-	3,444	-	-	3,444
Additions to non-current assets (other than financial instruments and deferred tax assets) (i.e. capital expenditure)	-	-	-	98,290	-	-	98,290

Note:

1. Items included as "unallocated" above are not allocated to operating divisions as part of the Board's management reporting.
2. Revenue from contracts with customers is included within the Acute segment.

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Notes to the Accounts

6a. PROPERTY, PLANT AND EQUIPMENT - CONSOLIDATED AND BOARD

	Land (including under buildings)	Buildings (excluding dwellings)	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2023	89,866	2,280,264	893	414,410	148,271	16,429	90,421	3,040,554
Additions - purchased	-	-	443	25,827	3,366	-	63,366	93,002
Additions - donated	-	-	-	198	-	-	418	616
Completions	-	31,155	827	25,130	1,799	32	(58,943)	-
Revaluations	416	76,565	-	-	-	-	-	76,981
Disposals - purchased	-	(17,873)	(556)	(198,674)	(119,202)	(1,025)	-	(337,330)
Disposals - donated	-	-	(27)	(5,230)	(36)	-	-	(5,293)
At 31 March 2024	90,282	2,370,111	1,580	261,661	34,198	15,436	95,262	2,868,530
Depreciation								
At 1 April 2023	-	139,853	861	285,148	128,207	13,455	-	567,524
Provided during the year - purchased	-	72,167	84	24,553	4,748	427	-	101,979
Provided during the year - donated	-	248	-	1,175	-	-	-	1,423
Revaluations	-	(32,131)	-	-	-	-	-	(32,131)
Disposals - purchased	-	(17,704)	(555)	(198,613)	(119,202)	(1,025)	-	(337,099)
Disposals - donated	-	-	(27)	(5,230)	(36)	-	-	(5,293)
At 31 March 2024	-	162,433	363	107,033	13,717	12,857	-	296,403
Net book value at 1 April 2023	89,866	2,140,411	32	129,262	20,064	2,974	90,421	2,473,030
Net book value at 31 March 2024	90,282	2,207,678	1,217	154,628	20,481	2,579	95,262	2,572,127
Open Market Value of Land in Land and Dwellings Included Above	2,856							
Asset financing:								
Owned - purchased	88,804	1,792,117	1,217	150,111	20,481	2,579	94,788	2,150,097
Owned - donated	1,478	9,768	-	4,517	-	-	474	16,237
On-balance sheet PFI contracts	-	405,793	-	-	-	-	-	405,793
Net book value at 31 March 2024	90,282	2,207,678	1,217	154,628	20,481	2,579	95,262	2,572,127

NHS Greater Glasgow & Clyde

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Notes to the Accounts

6a. PROPERTY, PLANT AND EQUIPMENT - CONSOLIDATED AND BOARD PRIOR YEAR

	Land (including under buildings)	Buildings (excluding dwellings)	Transport Equipment	Plant & Machinery	Information Technology	Furniture & Fittings	Assets Under Construction	Total
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Cost or valuation								
At 1 April 2022	90,768	2,240,776	1,331	374,563	141,691	15,551	75,153	2,939,833
Additions - purchased	-	167	-	9,560	2,166	31	79,043	90,967
Additions - donated	-	-	-	566	-	-	633	1,199
Completions	-	25,599	89	29,456	8,400	864	(64,408)	-
Transfers between asset categories	-	-	-	3,962	(3,962)	-	-	-
Transfers to non-current assets held for sale	(586)	-	-	-	-	-	-	(586)
Revaluations	(302)	16,415	-	-	-	-	-	16,113
Impairment charges	(14)	(2,693)	(55)	-	-	-	-	(2,762)
Disposals - purchased	-	-	(472)	(3,367)	(24)	(17)	-	(3,880)
Disposals - donated	-	-	-	(330)	-	-	-	(330)
At 31 March 2023	89,866	2,280,264	893	414,410	148,271	16,429	90,421	3,040,554
Depreciation								
At 1 April 2022	-	139,216	1,314	264,687	122,187	13,075	-	540,479
Provided during the year - purchased	-	67,213	15	22,256	6,610	397	-	96,491
Provided during the year - donated	-	233	4	1,176	-	-	-	1,413
Transfers between asset categories	-	-	-	566	(566)	-	-	-
Revaluations	-	(66,514)	-	-	-	-	-	(66,514)
Impairment reversals	-	(295)	-	-	-	-	-	(295)
Disposals - purchased	-	-	(472)	(3,229)	(24)	(17)	-	(3,742)
Disposals - donated	-	-	-	(308)	-	-	-	(308)
At 31 March 2023	-	139,853	861	285,148	128,207	13,455	-	567,524
Net book value at 1 April 2022	90,768	2,101,560	17	109,876	19,504	2,476	75,153	2,399,354
Net book value at 31 March 2023	89,866	2,140,411	32	129,262	20,064	2,974	90,421	2,473,030
Open Market Value of Land in Land and Dwellings Included Above	3,444							
Asset financing:								
Owned - purchased	88,388	1,764,946	32	124,251	20,064	2,974	89,836	2,090,491
Owned - donated	1,478	8,804	-	5,011	-	-	585	15,878
On-balance sheet PFI contracts	-	366,661	-	-	-	-	-	366,661
Net book value at 31 March 2023	89,866	2,140,411	32	129,262	20,064	2,974	90,421	2,473,030

NHS Greater Glasgow & Clyde

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Notes to the Accounts

6b. ASSETS HELD FOR SALE

The Board's Property Committee has approved the following to be presented as held for sale; Lennox Castle Hospital, Dykebar Hospital land (part), Cathcart Centre, Greenock and Clydebank Health Centre land.

ASSETS HELD FOR SALE - CONSOLIDATED AND BOARD

	Property, Plant & Equipment £'000	Total £'000
At 1 April 2023	3,444	3,444
Disposals of non-current assets held for sale	(588)	(588)
	<u>2,856</u>	<u>2,856</u>
At 31 March 2024	<u>2,856</u>	<u>2,856</u>

ASSETS HELD FOR SALE - CONSOLIDATED AND BOARD PRIOR YEAR

	Property, Plant & Equipment £'000	Total £'000
At 1 April 2022	2,858	2,858
Transfers from property, plant and equipment	586	586
	<u>3,444</u>	<u>3,444</u>
At 31 March 2023	<u>3,444</u>	<u>3,444</u>

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Notes to the Accounts

6c. PROPERTY, PLANT AND EQUIPMENT DISCLOSURES

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
		Net book value of property, plant and equipment at 31 March		
2,457,152	2,457,152	Purchased	2,555,890	2,555,890
15,878	15,878	Donated	16,237	16,237
2,473,030	2,473,030	Total	2,572,127	2,572,127
3,444	3,444	Net book value related to land valued at open market value at 31 March	2,856	2,856
		Total value of assets held under:		
366,661	366,661	PFI and PPP Contracts	405,793	405,793
366,661	366,661	Total	405,793	405,793
		Total depreciation charged in respect of assets held under:		
7,936	7,936	PFI and PPP contracts	8,346	8,346
7,936	7,936	Total	8,346	8,346

Note:

All land and approximately 20% of buildings were revalued by an independent valuer, The Valuation Office Agency, as at 31/03/2024 on the basis of fair value (market value or depreciated replacement costs where appropriate). The values were computed in accordance with the Royal Institute of Chartered Surveyors Statement of Asset Valuation Practice and Guidance notes, subject to the special accounting practices of the NHS.

In the year 2023-24 the net impact was an increase in value of £107,946k for Purchased Assets and £1,166k for Donated Assets. In 2022-23 the value of Purchased Assets was increased by £82,161k and the value of Donated Assets by £466k.

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Notes to the Accounts

6d. ANALYSIS OF CAPITAL EXPENDITURE

	Note	2024 £'000	2023 £'000
Expenditure			
Acquisition of property, plant and equipment	6a	93,002	90,967
Donated asset additions	6a	616	1,199
GP Loans advances		739	260
Right of Use (RoU) Additions		9,949	6,164
		104,306	98,590
Gross Capital Expenditure			
Income			
Net book value of disposal of intangible assets		-	119
Net book value of disposal of property, plant and equipment	6a	231	138
Net book value of disposal of donated assets	6a	-	22
Value of disposal of non-current assets held for sale	6b	588	
Right of Use Disposals	15a	60	
HUB - repayment of investment		(131)	21
		748	300
Capital Income			
		103,558	98,290
Net Capital Expenditure			
Summary of Capital Resource Outturn			
Core Capital Expenditure included above		102,203	96,831
Core Capital Resource Limit		102,210	96,838
		7	7
Saving against Core Capital Resource Limit			
Non Core Capital Expenditure included above		1,355	1,459
Non Core Capital Resource Limit		1,355	1,459
		-	-
Saving against Non Core Capital Resource Limit			
Total Capital Expenditure		103,558	98,290
Total Capital Resource Limit		103,565	98,297
		7	7
Saving against Total Capital Resource Limit			

NHS Greater Glasgow & Clyde

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Notes to the Accounts

7. INVENTORIES

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
27,119	27,119	Raw materials and consumables	29,331	29,331
27,119	27,119	Total Inventories	29,331	29,331

8. TRADE AND OTHER RECEIVABLES

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
		Receivables due within one year		
		NHSScotland		
2,838	2,838	Scottish Government	766	766
74,644	74,644	Boards	70,348	70,348
77,482	77,482	Total NHSScotland Receivables	71,114	71,114
1,852	1,852	NHS non-Scottish bodies	1,990	1,990
4,630	4,630	VAT recoverable	5,608	5,608
39,545	39,545	Prepayments	31,350	31,350
7,581	7,581	Accrued income	36,645	36,645
17,390	17,135	Other receivables	16,197	15,882
33,798	33,798	Reimbursement of provisions	88,611	88,611
27,208	27,208	Other public sector bodies	6,578	6,578
209,486	209,231	Total Receivables due within one year	258,093	257,778
		Receivables due after more than one year		
		NHSScotland		
64	64	Other receivables	45	45
181,935	181,935	Reimbursement of provisions	140,887	140,887
181,999	181,999	Total Receivables due after more than one year	140,932	140,932
391,485	391,230	TOTAL RECEIVABLES	399,025	398,710
7,820	7,820	The total receivables figure above includes a provision for impairments of :	9,919	9,919

NHS Greater Glasgow & Clyde

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Notes to the Accounts

8. TRADE AND OTHER RECEIVABLES (cont)

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
		Movements on the provision for impairment of receivables are as follows:		
6,190	6,190	At 1 April	7,820	7,820
4,424	4,424	Provision for impairment	5,722	5,722
(438)	(438)	Receivables written off during the year as uncollectable	(152)	(152)
(2,356)	(2,356)	Unused amounts reversed	(3,471)	(3,471)
<u>7,820</u>	<u>7,820</u>	At 31 March	<u>9,919</u>	<u>9,919</u>

As of 31 March 2024, receivables with a carrying value of £9.9m (2022-23: £7.8m) were impaired and provided for. The ageing of these receivables is as follows:

£'000	£'000		£'000	£'000
1,552	1,552	3 to 6 months past due	110	110
6,268	6,268	Over 6 months past due	9,809	9,809
<u>7,820</u>	<u>7,820</u>		<u>9,919</u>	<u>9,919</u>

The receivables assessed as individually impaired were mainly English, Welsh and Irish NHS Trusts/ Health Authorities, CCGs and other Health Bodies, overseas patients, research companies and private individuals and it was assessed that not all of the receivable balance may be recovered.

Receivables that are less than three months past their due date are not considered impaired. As at 31 March 2024, receivables with a carrying value of £11.5 million (2022-23: £5.6 million) were past their due date but not impaired. The ageing of receivables which are past due but not impaired is as follows:

£'000	£'000		£'000	£'000
5,016	5,016	Up to 3 months past due	9,903	9,903
95	95	3 to 6 months past due	1,550	1,550
457	457	Over 6 months past due	-	-
<u>5,568</u>	<u>5,568</u>		<u>11,453</u>	<u>11,453</u>

The receivables assessed as past due but not impaired were mainly NHS Scotland Health Boards, Local Authorities and Universities and there is no history of default from these customers recently.

Concentration of credit risk is limited due to customer base being large and unrelated/government bodies. Due to this, management believes that there is no future credit risk provision required in excess of the normal provision for doubtful receivables.

The credit quality of receivables that are neither past due nor impaired is assessed by reference to external credit ratings where available. Where no external credit rating is available, historical information about counterparty default rates is used.

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Receivables that are neither past due nor impaired are shown by their credit risk below:

£'000	£'000	Counterparties with external credit ratings	£'000	£'000
378,097	377,842	Existing customers with no defaults in the past	377,653	377,338
<u>378,097</u>	<u>377,842</u>	Total neither past due or impaired	<u>377,653</u>	<u>377,338</u>

The maximum exposure to credit risk is the fair value of each class of receivable. The NHS Board does not hold any collateral as security.

£'000	£'000	The carrying amount of receivables are denominated in the following currencies:	£'000	£'000
391,485	391,230	Pounds	399,025	398,710
<u>391,485</u>	<u>391,230</u>		<u>399,025</u>	<u>398,710</u>

All non-current receivables are due within 48 years (2022-23: 23 years) from the balance sheet date.

The carrying amount of short term receivables approximates their fair value.

The fair value of long term other receivables is £45k (2022-23: £64k).

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9. INVESTMENTS

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
100,881	1,748	Other	105,611	2,389
100,881	1,748	Total	105,611	2,389
103,020	1,582	At 1 April	100,881	1,748
11,958	-	Additions	8,955	-
260	260	GP Loans advances	739	739
(11,590)	(21)	Disposals	(7,418)	131
(73)	(73)	GP Loans Fair Value Adjustment	(229)	(229)
(2,694)	-	Revaluation surplus transferred to equity	2,683	-
100,881	1,748	At 31 March	105,611	2,389
100,881	1,748	Non-current	105,611	2,389
100,881	1,748	At 31 March	105,611	2,389

Note:

GP Sustainability Loan advances in the year amounted to £739k and there was also a fair value adjustment to these loans of £229k due to discounting. An addition of £131k was added in relation to subordinated debt for HUB schemes. The carrying value of investments is less any material impairment. The consolidated investment also includes endowment invested funds £103.2M of which £85.0M relates to restricted funds.

NHS Greater Glasgow & Clyde**Annual Report and Consolidated Accounts for the Year Ended 31 March 2024****Notes to the Accounts**

10. CASH AND CASH EQUIVALENTS	At 31 March	At 1 April
	2024	2023
	£'000	£'000
Government Banking Service	632	185
Commercial banks and cash in hand	1,177	1,707
Endowment cash	3,369	6,850
Total Cash - SOFP/CFS	<u>5,178</u>	<u>8,742</u>

Note:

Cash at bank is with major UK banks, regulated by UK authorities. The credit risk associated with cash at bank is considered to be low.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

11. TRADE AND OTHER PAYABLES

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
Payables due within one year				
NHSScotland				
3	3	Scottish Government	29	29
16,895	16,895	Boards	16,198	16,198
<u>16,898</u>	<u>16,898</u>	Total NHSScotland Payables	<u>16,227</u>	<u>16,227</u>
6	6	NHS Non-Scottish bodies	1,394	1,394
1,892	1,892	Amounts payable to General Fund	1,808	1,808
47,622	47,622	FHS practitioners	50,412	50,412
28,835	28,835	Trade payables	32,973	32,973
278,700	278,700	Accruals	202,857	202,857
3,615	3,615	Deferred income	3,226	3,226
102	102	Payments received on account	157	157
3,331	3,331	Net obligations under leases	4,669	4,669
9,062	9,062	Net obligations under PPP / PFI Contracts	15,129	15,129
49,396	49,396	Income tax and social security	52,504	52,504
33,920	33,920	Superannuation	41,283	41,283
79,070	79,070	Holiday pay accrual	72,353	72,353
22,137	22,137	Other public sector bodies	15,495	15,495
6,232	4,457	Other payables	8,680	7,887
51,242	51,242	Contract Liability	24,168	24,168
<u>632,060</u>	<u>630,285</u>	Total Payables due within one year	<u>543,335</u>	<u>542,542</u>
Payables due after more than one year				
3,148	3,148	Net obligations under leases due within 2 years	4,012	4,012
5,903	5,903	Net obligations under leases due after 2 years but within 5 years	11,555	11,555
6,595	6,595	Net obligations under leases due after 5 years	4,941	4,941
9,759	9,759	Net obligations under PPP / PFI contracts due within 2 years	16,105	16,105
32,386	32,386	Net obligations under PPP / PFI contracts due after 2 years but within 5 years	48,406	48,406
247,510	247,510	Net obligations under PPP / PFI contracts due after 5 years	294,162	294,162
2,252	2,252	Deferred income	1,570	1,570
31,752	31,752	Other payables	30,706	30,706
<u>339,305</u>	<u>339,305</u>	Other payables	<u>411,457</u>	<u>411,457</u>
<u>971,365</u>	<u>969,590</u>	TOTAL PAYABLES	<u>954,792</u>	<u>953,999</u>

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Notes to the Accounts

11. TRADE AND OTHER PAYABLES (cont)

Consolidated 2023 £'000	Board 2023 £'000		Consolidated 2024 £'000	Board 2024 £'000
Borrowings included above comprise:				
18,977	18,977	Leases	25,177	25,177
298,717	298,717	PFI contracts	373,802	373,802
<u>317,694</u>	<u>317,694</u>		<u>398,979</u>	<u>398,979</u>
The carrying amount and fair value of the non-current borrowings are as follows				
Carrying amount				
15,646	15,646	Leases	20,508	20,508
289,655	289,655	PFI contracts	358,673	358,673
<u>305,301</u>	<u>305,301</u>		<u>379,181</u>	<u>379,181</u>
Fair value				
15,646	15,646	Leases	20,508	20,508
289,655	289,655	PFI contracts	358,673	358,673
<u>305,301</u>	<u>305,301</u>		<u>379,181</u>	<u>379,181</u>
The carrying amount of short term payables approximates their fair value.				
The carrying amount of payables are denominated in:				
971,365	969,590	Pounds	954,792	953,999
<u>971,365</u>	<u>969,590</u>		<u>954,792</u>	<u>953,999</u>

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Notes to the Accounts

12a. PROVISIONS - CONSOLIDATED AND BOARD

	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
At 1 April 2023	27,719	182,979	228,302	2,540	441,540	395,943
Arising during the year	2,644	46,391	17,541	1,401	67,977	95,719
Utilised during the year	(1,898)	(5,486)	(12,104)	(797)	(20,285)	(16,936)
Unwinding of discount	(1,120)	-	-	-	(1,120)	(6,942)
Reversed unutilised	(1,411)	(26,199)	-	(373)	(27,983)	(26,244)
Totals	25,934	197,685	233,739	2,771	460,129	441,540

The amounts shown above in relation to Clinical & Medical Legal Claims against the Board are stated gross and the amount of any expected reimbursements are separately disclosed as receivables in note 8.

Analysis of expected timing of discounted flows to 31 March 2024

	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
Payable in one year	2,905	87,035	58,435	2,232	150,607	94,006
Payable between 2 - 5 years	10,712	110,650	142,113	539	264,014	301,193
Payable between 6 - 10 years	7,705	-	12,154	-	19,859	20,236
Thereafter	4,612	-	21,037	-	25,649	26,105
Totals	25,934	197,685	233,739	2,771	460,129	441,540

Pensions and similar obligations

The Board meets the additional costs of benefits beyond the normal National Health Service Superannuation Scheme for Scotland benefits in respect of employees who retire early by paying the required amounts annually to the National Health Service Superannuation Scheme for Scotland over the period between early departure and normal retirement date. The Board provides for this in full when the early retirement programme becomes binding by establishing a provision for the estimated payments discounted by the Treasury discount rate of 1.70% in real terms. The Board expects expenditure to be charged to this provision for a period of up to 46 years.

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Notes to the Accounts

12a. PROVISIONS - CONSOLIDATED AND BOARD (Continued)

Clinical & Medical Legal Claims against the Board

The Board holds a provision to meet costs of all outstanding and potential clinical and medical negligence claims. All legal claims notified to the Board are processed by the Scottish NHS Central Legal Office who will decide upon risk liability and likely outcome of each case. The provision contains sums for settlement awards, legal expenses and third party costs. Clinical and medical negligence cases lodged can be extremely complex. It is expected that expenditure will be charged to this provision for a period of up to 5 years. The amounts disclosed are stated gross and the amount of any expected reimbursements are shown separately as debtors in the notes to the accounts.

Participation in CNORIS

The Board holds a provision for Participation in the CNORIS scheme which recognises that CNORIS is a shared risk scheme for NHS Scotland bodies. This provision recognises the liability for future payments that it is probable that the Board will incur based on their share of the overall CNORIS scheme liability for NHS Scotland.

Other (non-endowment)

The Board retains provisions in respect of other long term liabilities including all non medical claims notified through the Scottish NHS Central Legal Office. It is expected that these provisions may take up to 5 years to be fully utilised.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

12b. CLINICAL NEGLIGENCE AND OTHER RISKS INDEMNITY SCHEME (CNORIS)

2023 £'000		2024 £'000
185,519	Provision recognising individual claims against the NHS Board as at 31 March	200,456
(215,733)	Associated CNORIS receivable at 31 March	(229,498)
228,302	Provision recognising the NHS Board's liability from participating in the scheme at 31 March	233,739
<u>198,088</u>	Net Total Provision relating to CNORIS at 31 March	<u>204,697</u>

The Clinical Negligence and Other Risks Scheme (CNORIS) has been in operation since 2000. Participation in the scheme is mandatory for all NHS boards in Scotland. The scheme allows for risk pooling of legal claims in relation to clinical negligence and other risks and works in a similar manner to an insurance scheme. CNORIS has an agreed threshold of £25k and any claims with a value less than this are met directly from within boards' own budgets. Participants e.g. NHS boards contribute to the CNORIS pool each financial year at a pre-agreed contribution rate based on the risks associated with their individual NHS board. If a claim is settled the board will be reimbursed by the scheme for the value of the settlement, less a £25k "excess" fee. The scheme allows for the risk associated with any large or late in the financial year legal claims to be managed and reduces the level of volatility that individual boards are exposed to.

When a legal claim is made against an individual board, the board will assess whether a provision or contingent liability for that legal claim is required. If a provision is required then the board will also create an associated receivable recognising reimbursement from the scheme if the legal claim settles. The provision and associated receivable are shown in the first two lines above. The receivable has been netted off against the provision to reflect reimbursement from the scheme.

As a result of participation in the scheme, boards should also recognise that they will be required to make contributions to the scheme in future years. Therefore a second provision that recognises the Board's share of the total CNORIS liability of NHSScotland has been made and this is reflected in third line above.

Therefore there are two related but distinct provisions required as a result of participation in the scheme. Both of these provisions as well as the associated receivable have been shown in the note above to aid the reader's understanding of CNORIS.

Further information on the scheme can be found at: <http://www.clo.scot.nhs.uk/our-services/cnoris.aspx>

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Notes to the Accounts

13. CONTINGENT LIABILITIES/ASSETS

CONTINGENT LIABILITIES

The following contingent liabilities have not been provided for in the Accounts:

(i) Negligence Claims	Clinical & Medical Negligence £'000	Employer's Liability £'000	Total £'000
At 1 April 2023	173,491	1,329	174,820
Increase in value of claims	4,280	123	4,403
New claims arising during the year	12,979	1,374	14,353
Crystallised liabilities	(637)	(100)	(737)
Expired	(67,620)	(837)	(68,457)
	<hr/>	<hr/>	<hr/>
At 31 March 2024	122,493	1,889	124,382
	<hr/>	<hr/>	<hr/>

(ii) Waste Electronic and Electrical Equipment Regulations

The Waste Electronic and Electrical Equipment Regulations 2006 came into force on 1 July 2007. Where waste arises from assets obtained prior to 13 August 2005 the Board will be responsible for the cost of collection, treatment recovery and environmentally sound disposal after 1 July 2007. If however a direct replacement is purchased then the cost of disposal will fall directly on the supplier. The Board's current accounting policy is to incur such costs as they fall due. It is not possible to quantify the potential additional costs that the Board might be exposed to in respect of disposal of equipment purchased prior to 13 August 2005 as there is no reliable disposal cost per item of equipment and it is unknown what items will be directly replaced.

(iii) QEUH Legal Costs

The QEUH public enquiry and legal proceedings raised by NHSGGC against the main contractors for losses and damages incurred in relation to a number of technical construction issues will inevitably lead to the Board incurring substantial legal and professional advisor costs over the next two to three years. Some costs have already been incurred and paid for to date. It is not possible to quantify final costs at this stage. Funding for all costs incurred is being provided by the Scottish Government.

(iv) Review of Band 5-6 Nursing Posts 2023-24 Pay Award

The 2023-24 Pay Award for Agenda for Change Staff included three elements of reforms, one of which was the review of Band 5-6 nursing posts. Any post highlighted for review will require to go through the formal job evaluation process. At this stage we are unable to quantify the number or value of posts which could potentially be regraded. It is anticipated that final agreed costs will be funded in full by Scottish Government.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

13. CONTINGENT LIABILITIES/ASSETS

CONTINGENT ASSETS

The following contingent assets have not been provided for in the Accounts:

Reimbursement of Contingent Liability re Negligence Claims (from CNORIS scheme)
as follows:

	2024	2023
	£'000	£'000
Clinical & Medical Negligence	120,198	170,493
Employer's Liability	1,065	375
Total	121,263	170,868

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Notes to the Accounts

14. COMMITMENTS

Capital Commitments

The Board has the following Capital Commitments which have not been provided for in the accounts

	2024	2023
	£'000	£'000
Contracted		
Acute Services	8,767	7,182
Primary Care	9,835	38,179
Radiotherapy Equipment Replacement	7,154	1,021
Total	25,756	46,382
Authorised but not Contracted		
Acute Services	41,010	25,790
Radiotherapy Equipment Replacement	-	6,102
Primary Care Projects	2,338	7,220
Total	43,348	39,112

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Notes to the Accounts

15a. RIGHT OF USE ASSETS (RoU) - CONSOLIDATED AND BOARD

	Land (including under buildings)	Buildings (excluding dwellings)	Transport Equipment	Plant & Machinery	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2023	1,422	25,415	1,500	-	28,337
Additions (include new dilapidation provisions)	6	1,061	1,702	7,180	9,949
Disposals - excluding peppercorn leases	-	(95)	-	-	(95)
At 31 March 2024	1,428	26,381	3,202	7,180	38,191
Depreciation					
At 1 April 2023	32	3,329	267	-	3,628
Provided during the year - (include new dilapidation provisions)	32	3,004	850	1,082	4,968
Provided during the year - peppercorn leases	-	443	-	-	443
Disposals - excluding peppercorn leases	-	(35)	-	-	(35)
At 31 March 2024	64	6,741	1,117	1,082	9,004
Net book value at 1 April 2023	1,390	22,086	1,233	-	24,709
Net book value at 31 March 2024	1,364	19,640	2,085	6,098	29,187

15a. RIGHT OF USE ASSETS (RoU) - CONSOLIDATED AND BOARD PRIOR YEAR

	Land (including under buildings)	Buildings (excluding dwellings)	Transport Equipment	Plant & Machinery	Total
	£'000	£'000	£'000	£'000	£'000
Cost or valuation					
At 1 April 2022	1,422	20,719	32	-	22,173
Additions - (including new dilapidation provisions)	-	4,696	1,468	-	6,164
At 31 March 2023	1,422	25,415	1,500	-	28,337
Depreciation					
At 1 April 2022	-	-	-	-	-
Provided during the year - (include new dilapidation provisions)	32	2,944	267	-	3,243
Provided during the year - peppercorn leases	-	385	-	-	385
At 31 March 2023	32	3,329	267	-	3,628
Net book value at 1 April 2022	1,422	20,719	32	-	22,173
Net book value at 31 March 2023	1,390	22,086	1,233	-	24,709

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Notes to the Accounts

15b. LEASE LIABILITIES - CONSOLIDATED AND BOARD

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Transport Equipment £'000	Plant & Machinery £'000	Total £'000
Amounts falling due:					
Not later than one year	39	3,167	1,025	438	4,669
Later than one year, not later than 2 years	33	2,734	791	454	4,012
Later than two year, not later than five years	98	5,151	253	6,053	11,555
Later than five years	1,206	3,695	40	-	4,941
Balance at 31 March 2024	1,376	14,747	2,109	6,945	25,177
Current	39	3,167	1,025	438	4,669
Non Current	1,337	11,580	1,084	6,507	20,508
	1,376	14,747	2,109	6,945	25,177

15b. LEASE LIABILITIES - CONSOLIDATED AND BOARD PRIOR YEAR

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Transport Equipment £'000	Plant & Machinery £'000	Total £'000
Amounts falling due:					
Not later than one year	26	2,801	504	-	3,331
Later than one year, not later than 2 years	20	2,635	493	-	3,148
Later than two year, not later than five years	61	5,602	240	-	5,903
Later than five years	1,289	5,306	-	-	6,595
Balance at 31 March 2023	1,396	16,344	1,237	-	18,977
Current	26	2,801	504	-	3,331
Non Current	1,370	13,543	733	-	15,646
	1,396	16,344	1,237	-	18,977

**Amounts recognised in the Statement of Comprehensive Net Expenditure
2023-24**

	Consolidated £'000	Board £'000
Depreciation	5,410	5,410
Interest Expense	408	408
Non Recoverable VAT on lease payments	889	889
Total	6,707	6,707

Amounts recognised in the Statement of Cash Flows

	Consolidated £'000	Board £'000
Interest Expense	408	408
Repayments of Principal of leases	4,446	4,446
Total	4,854	4,854

**Amounts recognised in the Statement of Comprehensive Net Expenditure - PRIOR YEAR
2022-23**

	Consolidated £'000	Board £'000
Depreciation	3,628	3,628
Interest Expense	162	162
Non Recoverable VAT on lease payments	667	667
Total	4,457	4,457

Amounts recognised in the Statement of Cash Flows - PRIOR YEAR

	Consolidated £'000	Board £'000
Interest Expense	162	162
Repayments of Principal of leases	3,172	3,172
Total	3,334	3,334

NHS Greater Glasgow & Clyde

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Notes to the Accounts

16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet

The Board has the following PFI/HUB contracts.

1. Larkfield Unit - Day Hospital Elderly Care Facility. PFI contract commenced with Quayle Munro Ltd on 1 November 2000 for a period of 25 years. Estimated capital value at commencement £10.3M.
2. Southern General Hospital - Elderly Bed Facility (210 Beds). PFI contract commenced with Carillion Private Finance on 1 April 2001 for a period of 27 years. Serco Limited replaced Carillion on 1 August 2018. Estimated capital value at commencement £11.1M.
3. Gartnavel Royal Hospital - Mental Health Facility (117 Beds). PFI contract commenced with Robertson Capital Projects Ltd on 4 October 2007 for a period of 30 years. Estimated capital value at commencement £17.1M.
4. Stobhill Rowanbank Clinic - Mental Health Secure Care Centre (74 Beds). PFI contract commenced with Quayle Munro Ltd on 1 May 2007 for a period of 35 years. Estimated capital value at commencement £16.8M.
5. Stobhill Hospital - Ambulatory Care and Diagnostic Treatment Centre. PFI contract commenced with Glasgow Healthcare Facilities Ltd on 1 April 2009 for a period of 30 years. Estimated capital value at commencement £78.7M.
6. Victoria Hospital - Ambulatory Care and Diagnostic Treatment Centre. PFI contract commenced with Glasgow Healthcare Facilities Ltd on 1 April 2009 for a period of 30 years. Estimated capital value at commencement £99.3M.
7. Stobhill Hospital - Ambulatory Care and Diagnostic Treatment Centre 60 Bed extension. PFI contract commenced with Glasgow Healthcare Facilities Ltd on 1 March 2011 for a period of 29 years. Estimated capital value at commencement £15.8M.
8. Eastwood Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 3 June 2016 for a period of 25 years. Estimated capital value at commencement £9.1M.
9. Maryhill Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 15 July 2016 for a period of 25 years. Estimated capital value at commencement £12.4M.
10. Inverclyde Orchardview. HUB contract commenced with HUB West Scotland Project Co. on 17 July 2017 for a period of 25 years. Estimated capital value at commencement £8.4M.

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16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet

11. Gorbals Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 6 November 2018 for a period of 25 years. Estimated capital value at commencement £13.6M.
12. Woodside Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 15 May 2019 for a period of 25 years. Estimated capital value at commencement £18.1M.
13. Appin Ward (Stobhill Mental Health Facility). HUB contract commenced with HUB West Scotland Project Co. on 28 August 2020 for a period of 25 years. Estimated capital value at commencement £5.3M.
14. Elgin Ward (Stobhill Mental Health Facility). HUB contract commenced with HUB West Scotland Project Co. on 28 August 2020 for a period of 25 years. Estimated capital value at commencement £5.3M.
15. Greenock Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 18 March 2021 for a period of 25 years. Estimated capital value at commencement £20.8M.
16. Clydebank Health and Care Centre. HUB contract commenced with HUB West Scotland Project Co. on 3 December 2021 for a period of 23 years and 7 months. Estimated capital value at commencement £20.4M.

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Notes to the Accounts

16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet (cont)

Under IFRIC 12 the asset is treated as an asset of the Board and included in the Board's accounts as a non current asset. The liability to pay for the property is in substance a lease obligation. Contractual payments therefore comprise two elements; imputed lease charges and service charges. The imputed lease obligation is as follows:

Gross Minimum Lease Payments	SGH Eld		Gart Royal	Stb Rwbk	Stb ACAD	Vic	ACAD 60	Eastwood	Maryhill
	Larkfield	Bed				ACAD	Bed Ext		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	1,465	1,609	2,265	2,101	8,547	10,804	1,780	878	1,234
Due within 1 to 2 years	1,465	1,609	2,265	2,101	8,547	10,804	1,780	878	1,234
Due within 2 to 5 years	-	3,217	6,795	6,303	25,640	32,411	5,340	2,633	3,701
Due after 5 years	-	-	20,385	29,413	94,012	118,841	19,582	11,412	16,039
Total	2,930	6,435	31,710	39,918	136,746	172,860	28,482	15,801	22,208

Less Interest Element	SGH Eld		Gart Royal	Stb Rwbk	Stb ACAD	Vic	ACAD 60	Eastwood	Maryhill
	Larkfield	Bed				ACAD	Bed Ext		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	(241)	(384)	(1,350)	(1,411)	(5,224)	(6,603)	(1,261)	(578)	(882)
Due within 1 to 2 years	(126)	(297)	(1,289)	(1,369)	(5,022)	(6,347)	(1,220)	(560)	(857)
Due within 2 to 5 years	-	(311)	(3,457)	(3,831)	(13,727)	(17,349)	(3,375)	(1,558)	(2,399)
Due after 5 years	-	-	(5,431)	(9,925)	(26,891)	(33,986)	(6,879)	(3,712)	(5,856)
Total	(367)	(992)	(11,527)	(16,536)	(50,864)	(64,285)	(12,735)	(6,408)	(9,994)

Present value of minimum lease payments	SGH Eld		Gart Royal	Stb Rwbk	Stb ACAD	Vic	ACAD 60	Eastwood	Maryhill
	Larkfield	Bed				ACAD	Bed Ext		
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	1,224	1,225	915	690	3,323	4,201	519	300	352
Due within 1 to 2 years	1,339	1,312	976	732	3,525	4,457	560	318	377
Due within 2 to 5 years	-	2,906	3,338	2,472	11,913	15,062	1,965	1,075	1,302
Due after 5 years	-	-	14,954	19,488	67,121	84,855	12,703	7,700	10,183
Total	2,563	5,443	20,183	23,382	85,882	108,575	15,747	9,393	12,214

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16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet (cont)

Under IFRIC 12 the asset is treated as an asset of the Board and included in the Board's accounts as a non current asset. The liability to pay for the property is in substance a lease obligation. Contractual payments therefore comprise two elements; imputed lease charges and service charges. The imputed lease obligation is as follows:

Gross Minimum Lease Payments	Inverclyde	Gorbals	Woodside	Appin Ward	Elgin Ward	Greenock HC	Clydebank HC	2024 Totals	2023 Totals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	741	1,178	1,359	423	423	1,716	1,455	37,978	27,789
Due within 1 to 2 years	741	1,178	1,359	423	423	1,716	1,455	37,978	27,789
Due within 2 to 5 years	2,222	3,535	4,078	1,269	1,269	5,148	4,366	107,927	81,787
Due after 5 years	10,368	17,674	21,749	7,193	7,193	29,170	24,738	427,769	353,561
Total	14,072	23,565	28,545	9,308	9,308	37,750	32,014	611,652	490,926
Less Interest Element									
	Inverclyde	Gorbals	Woodside	Appin Ward	Elgin Ward	Greenock HC	Clydebank HC	Totals	Totals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	(504)	(821)	(857)	(300)	(300)	(1,239)	(894)	(22,849)	(18,727)
Due within 1 to 2 years	(490)	(799)	(832)	(293)	(293)	(1,210)	(869)	(21,873)	(18,030)
Due within 2 to 5 years	(1,372)	(2,253)	(2,338)	(831)	(831)	(3,442)	(2,447)	(59,521)	(49,401)
Due after 5 years	(3,568)	(6,345)	(6,859)	(2,684)	(2,684)	(11,181)	(7,606)	(133,607)	(106,051)
Total	(5,934)	(10,218)	(10,886)	(4,108)	(4,108)	(17,072)	(11,816)	(237,850)	(192,209)
Present value of minimum lease payments									
	Inverclyde	Gorbals	Woodside	Appin Ward	Elgin Ward	Greenock HC	Clydebank HC	Totals	Totals
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	237	357	502	123	123	477	561	15,129	9,062
Due within 1 to 2 years	251	379	527	130	130	506	586	16,105	9,759
Due within 2 to 5 years	850	1,282	1,740	438	438	1,706	1,919	48,406	32,386
Due after 5 years	6,800	11,329	14,890	4,509	4,509	17,989	17,132	294,162	247,510
Total	8,138	13,347	17,659	5,200	5,200	20,678	20,198	373,802	298,717

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16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet (cont)

Service elements due in future periods	Larkfield	SGH Eld Bed	Gart Royal	Stb Rwbk	Stb ACAD	Vic ACAD	ACAD 60 Bed Ext	Eastwood	Maryhill
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	248	385	991	917	2,102	2,657	411	127	97
Due within 1 to 2 years	263	402	1,079	1,021	2,192	2,771	430	142	107
Due within 2 to 5 years	-	857	3,849	3,816	7,159	9,048	1,409	529	395
Due after 5 years	-	-	19,680	48,738	35,540	44,916	7,093	5,815	4,129
Total	511	1,644	25,599	54,492	46,993	59,392	9,343	6,613	4,728
Total commitments	3,074	7,087	45,782	77,874	132,875	167,967	25,090	16,006	16,942

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16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet (cont)

Service elements due in future periods	Inverclyde £'000	Gorbals £'000	Woodside £'000	Appin Ward £'000	Elgin Ward £'000	Greenock HC £'000	Clydebank HC £'000	Totals £'000	Totals £'000
Rentals due within 1 year	57	95	115	35	35	133	132	8,537	7,383
Due within 1 to 2 years	63	101	129	38	38	139	138	9,053	7,568
Due within 2 to 5 years	233	341	481	134	134	457	460	29,302	23,139
Due after 5 years	2,794	2,995	8,038	1,963	1,963	4,114	4,459	192,237	110,720
Total	3,147	3,532	8,763	2,170	2,170	4,843	5,189	239,129	148,810
Total commitments	11,285	16,879	26,422	7,370	7,370	25,521	25,387	612,931	447,527

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Notes to the Accounts

16. COMMITMENTS UNDER PFI/HUB CONTRACTS - On balance Sheet (cont)

	2024	2023
	£'000	£'000
Interest charges	22,049	23,358
Service charges	8,055	7,203
Principal repayment	13,341	8,416
Other charges	36,089	9,883
Total	79,534	48,860

Contingent rents recognised as an expense in the period were;

	2024	2023
	£'000	£'000
Contingent rents (included in Other charges)	-	9,883

	2024
	£'000
PFI Liability Reconciliation	
Balance as at 1 April 23	284,346
Restatement of Liability as at 1 April 23	76,051
Lease Payments	(35,390)
Interest	22,049
Restatement of Liability as at 31 March 24	26,746
As at 31 March 24	373,802

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Notes to the Accounts

17. PENSION COSTS

(a) The Board participates in the NHS Pension Scheme (Scotland). The scheme is an unfunded statutory public service pension scheme with benefits underwritten by the UK Government. The scheme is financed by payments from employers and from those current employees who are members of the scheme and paying contributions at progressively higher marginal rates based on pensionable pay, as specified in the regulations. The rate of employer contributions is set with reference to a four-yearly funding valuation undertaken by the scheme actuary. The valuation carried out as at 31 March 2016 confirmed that an increase in the employer contribution rate from 14.9% to 20.9% was required from 1 April 2019 to 31 March 2023. The UK Government since confirmed that these employer rates would remain in place until 31 March 2024. In addition, member pension contributions over the period to 30 September 2023 have been paid within a range of 5.2% to 14.7% and have been anticipated to deliver a yield of 9.6%.

The valuation carried out as at 31 March 2020 confirmed that an increase in the employer contribution rate from 20.9% to 22.5% will be required from 1 April 2024 to 31 March 2027. In addition, member pension contributions since 1 October 2023 have been paid within a range of 5.7% to 13.7% and have been anticipated to deliver a yield of 9.8%.

(b) The Board has no liability for other employers obligations to the multi-employer scheme.

(c) As the scheme is unfunded there can be no deficit or surplus to distribute on the wind-up of the scheme or withdrawal from the scheme.

(d) (i) The scheme is an unfunded multi-employer defined benefit scheme.

(ii) It is accepted that the scheme can be treated for accounting purposes as a defined contribution scheme in circumstances where the Board is unable to identify its share of the underlying assets and liabilities of the scheme.

(iii) The employer contribution rate for the period from 1 April 2023 is 20.9% of pensionable pay. The employee rate applied is variable and is anticipated to provide a yield of 9.6% of pensionable pay.

(iv) While a valuation was carried out as at 31 March 2016, work on the cost cap valuation was suspended by the UK Government following the decision by the Court of Appeal (McCloud (Judiciary scheme)/Sargeant (Firefighters' Scheme) cases) that the transitional protections provided as part of the 2015 reforms unlawfully discriminated on the grounds of age. Following consultation and an announcement in February 2021 on proposals to remedy the discrimination, the UK Government confirmed that the cost control element of the 2016 valuations could be completed. The UK Government has also asked the Government Actuary to review whether, and to what extent, the cost control mechanism is meeting its original objectives. The 2020 actuarial valuations will take the report's findings into account. The interim report is complete (restricted) and is currently being finalised with a consultation. Alongside these announcements, the UK Government confirmed that current employer contribution rates would stay in force until 1 April 2024

(v) The Board's level of participation in the scheme is 20.9% based on the proportion of employer contributions paid in 2022-23.

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Notes to the Accounts

The new NHS Pension Scheme (Scotland) 2015

From 1 April 2015 the NHS Pension Scheme (Scotland) 2015 was introduced. This scheme is a Career Average Re-valued Earnings (CARE) scheme. Members will accrue 1/54 of their pay as pension for each year they are a member of the scheme. The accrued pension is re-valued each year at an above inflation rate to maintain its buying power. This is currently 1.5% above increases to the Consumer Prices Index (CPI). This continues until the member leaves the scheme or retires. In 2023-24 members paid tiered contribution rates ranging from 5.2% to 14.7% of pensionable earnings. The normal pension age (NPA) is the same as the State Pension age. Members can take their benefits earlier but there will be a deduction for early payment.

The existing NHS Superannuation Scheme (Scotland)

This scheme closed to new joiners on 31 March 2015 but any benefits earned in either NHS 1995 or NHS 2008 sections are protected and will be paid at the section's normal pension age using final pensionable pay when members leave or retire. Some members who were close to retirement when the NHS 2015 scheme launched will continue to earn benefits in their current section. This may affect members who were paying into the scheme on 1 April 2012 and were within 10 years of their normal retirement age. Some members who were close to retirement but did not qualify for full protection will remain in their current section beyond 1 April 2015 and join the 2015 scheme at a later date.

All other members automatically joined the NHS 2015 scheme on 1 April 2015.

Further information is available on the Scottish Public Pensions Agency (SPPA) web site at www.sppa.gov.uk.

National Employment Savings Trust (NEST)

The Pensions Act 2008 and 2011 Automatic Enrolment regulations required all employers to enrol workers meeting certain criteria into a pension scheme and pay contributions toward their retirement. For those staff not entitled to join the NHS Superannuation Scheme (Scotland), the Board utilised an alternative pension scheme called NEST to fulfil its Automatic Enrolment obligations.

NEST is a defined contribution pension scheme established by law to support the introduction of Auto Enrolment. Contributions are taken from qualifying earnings, which are currently from £6,240 up to £50,270, but will be reviewed every year by the government. The initial employee contribution is 1% of qualifying earnings, with an employer contribution of 1%. This will increase in stages to meet levels set by government.

Date	Employee Contribution	Employer Contribution	Total Contribution
1st March 2013	1%	1%	2%
1st October 2018	3%	2%	5%
1st October 2019	5%	3%	8%

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Pension members can choose to let NEST manage their retirement fund or can take control themselves and alter contribution levels and switch between different funds. If pension members leave the Board they can continue to pay into NEST.

NEST Pension members can take money out of NEST at any time from age 55. If suffering from serious ill health or incapable of working due to illness members can request to take money out of NEST early. They can take the entire retirement fund as cash, use it to buy a retirement income or a combination. Additionally members can transfer their NEST retirement fund to another scheme.

NEST is run by NEST Corporation, a trustee body which is a non-departmental public body operating at arm's length from government and is accountable to Parliament through the Department for Work and Pensions.

Further information is available on the Scottish Public Pensions Agency (SPPA) web site at www.sppa.gov.uk

	2024	2023
	£'000	£'000
Pension cost charge for the year	330,430	302,804
Provisions / liabilities / prepayments included in the Statement of Financial Position	25,934	27,719

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Notes to the Accounts

18. FINANCIAL INSTRUMENTS

18. (a) FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets

CONSOLIDATED		Loans and Receivables £'000	Assets at Fair Value through Profit and Loss £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
	Note				
Investments	9	-	105,611	105,611	100,881
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	8	61,455	-	61,455	54,095
Cash and cash equivalents	10	5,178	-	5,178	8,742
Totals		66,633	105,611	172,244	163,718

BOARD		Loans and Receivables £'000	Assets at Fair Value through Profit and Loss £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
	Note				
Investments	9	-	2,389	2,389	1,748
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	8	61,140	-	61,140	53,840
Cash and cash equivalents	10	1,809	-	1,809	1,892
Totals		62,949	2,389	65,338	57,480

NHS Greater Glasgow & Clyde

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Notes to the Accounts

18. FINANCIAL INSTRUMENTS

Financial Liabilities

CONSOLIDATED

	Note	Liabilities at at Fair Value through Profit and Loss £'000	Financial Liabilites at Amortised Cost £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
Lease liabilities	11	-	25,177	25,177	18,977
PFI Liabilities	11	-	373,802	373,802	298,717
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	11	-	416,835	416,835	547,590
Totals		-	815,814	815,814	865,284

BOARD

	Note	Liabilities at at Fair Value through Profit and Loss £'000	Financial Liabilites at Amortised Cost £'000	Total at 31 March 2024 £'000	Total at 31 March 2023 £'000
Lease liabilities	11	-	25,177	25,177	18,977
PFI Liabilities	11	-	373,802	373,802	298,717
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	11	-	416,042	416,042	545,815
Totals		-	815,021	815,021	863,509

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Notes to the Accounts

18. FINANCIAL INSTRUMENTS

18. (b) FINANCIAL RISK FACTORS

Exposure to Risk

The Board's activities expose it to a variety of financial risks:

Credit risk - the possibility that other parties might fail to pay amounts due.

Liquidity risk - the possibility that the Board might not have funds available to meet its commitments to make payments.

Market risk - the possibility that financial loss might arise as a result of changes in such measures as interest rates, stock market movements or foreign exchange rates.

Because of the largely non-trading nature of its activities and the way in which government departments are financed, the Board is not exposed to the degree of financial risk faced by business entities.

The Board is not exposed to foreign currency risk. The consolidated group does have some exposure to foreign investments.

a) Credit Risk

Credit risk arises from cash and cash equivalents, deposits with banks and other institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

For banks and other institutions, only independently rated parties with an minimum rating of 'A' are accepted.

Customers are assessed, taking into account their financial position, past experience and other factors, with individual credit limits being set in accordance with internal ratings in accordance with parameters set by the Board.

The utilisation of credit limits is regularly monitored.

No credit limits were exceeded during the reporting period and no losses are expected from non-performance by any counterparties in relation to deposits.

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Notes to the Accounts

18. FINANCIAL INSTRUMENTS

b) Liquidity Risk

The Scottish Parliament makes provision for the use of resources by the Board for revenue and capital purposes in a Budget Act for each financial year. Resources and accruing resources may be used only for the purposes specified and up to the amounts specified in the Budget Act. The Act also specifies an overall cash authorisation to operate for the financial year. The Board is not therefore exposed to significant liquidity risks.

The table below analyses the financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet to contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

	Less than 1 Year £'000	Between 1 and 2 Years £'000	Between 2 and 5 Years £'000	Over 5 Years £'000
AS AT 31 MARCH 2024				
PFI/HUB Liabilities	15,129	16,105	48,406	294,162
Finance lease liabilities	4,669	4,012	11,555	4,941
Trade and other payables excluding statutory liabilities	386,129	1,865	5,356	23,485
Totals	405,927	21,982	65,317	322,588
	Less than 1 Year £'000	Between 1 and 2 Years £'000	Between 2 and 5 Years £'000	Over 5 Years £'000
At 31 March 2023				
PFI/HUB Liabilities	9,062	9,759	32,386	247,510
Finance lease liabilities	3,331	3,148	5,903	6,595
Trade and other payables excluding statutory liabilities	515,838	1,817	5,318	24,618
Totals	528,231	14,724	43,607	278,723

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Notes to the Accounts

18. FINANCIAL INSTRUMENTS

c) Market Risk

The Board has no powers to borrow or invest surplus funds. Financial assets and liabilities are generated by day-to-day operational activities and are not held to manage the risks facing the Board in undertaking its activities.

i) Cash flow and fair value interest rate risk

The Board has no significant interest bearing assets or liabilities and as such income and expenditure cash flows are substantially independent of changes in market interest rates.

ii) Foreign Currency Risk

The Board is not exposed to foreign currency risk. The consolidated group does have some exposure to foreign investments.

18. (d) FAIR VALUE ESTIMATION

The carrying value less impairment provision of trade receivables and payables are assumed to approximate their fair value.

The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current HM Treasury interest rate that is available for similar financial instruments.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

19. RELATED PARTY TRANSACTIONS

The Board had various material transactions with other government departments and other central government bodies. Most of these transactions have been with HM Revenue and Customs and the Scottish Government.

The Board also had the following Related Party Transactions during the year:-

Related Party	Details of Related Party Transaction	Details of Related Party
Accord Hospice	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income - £3,212,069 - expenditure £1,907,362. - Debtor - £742,585 - Creditor - £0.	Mr C Neil, Executive Director was also a Trustee of Accord Hospice.
East Dunbartonshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £2,501,910 expenditure £19,772,076. Year end balances - debtor £269,694, creditor £73,570.	Councillor C McDairmaid, Non-Executive Member was also an elected member of East Dunbartonshire Council.
East Renfrewshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £5,977,656, expenditure £15,425,860. Year end balances - debtor £7,778, creditor £0.	Councillor K Pragnell, Non-Executive Member was also an elected member of East Renfrewshire Council.
East Renfrewshire Culture & Leisure Trust	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £0, expenditure £645462. Year end balances - debtor £0 creditor £7,112.	Councillor K Pragnell, Non-Executive Member was also a Trustee of East Renfrewshire Culture & Leisure Trust.
Flourish House	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £0, expenditure £307,070. Year end balances - debtor £0, creditor £0.	Ms D Foy, Non-Executive Member was also a Director of Flourish House.
Glasgow City Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £21,426,639 expenditure £198,985,743 Year end balances - debtor £3,547912 creditor £831,443.	Councillor C Cunningham, Non-Executive Member was also an elected member of Glasgow City Council.
Glasgow Life	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income - £7,189 - expenditure £2,496,759 - Debtor - £7189.26. Creditor - £119,432.	Prof J Brown CBE, Chairman and Non-Executive Member (left 30/11/2023), was also an Independent Director of Glasgow Life.

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Related Party	Details of Related Party Transaction	Details of Related Party
Inverclyde Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £2,866,466, expenditure £25,039,107. Year end balances - debtor £551,497, creditor £108,849.	Councillor M McCluskey Non-Executive Member, was also an elected member of Inverclyde Council.
NHS Education for Scotland	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £148,751,860 expenditure £27,353,570. Year end balances - debtor £2,145,559, creditor £14,131.	G Haddock OBE (started 01/05/2023), Non-Executive Member was also Chair of Endoscopy Programme Board of NHS Education for Scotland
Public Health Scotland	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £1,349,634. expenditure £72,255. Year end balances - debtor £721,653, creditor £49,568.	Councillor J Cameron, Non-Executive Member was also an elected Non-Executive Member of Public Health Scotland.
Renfrewshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £7,075,907., expenditure £47,421,618. Year end balances - debtor £460,968 creditor £43,448.	Councillor J Cameron, Non-Executive Member was also an elected member of Renfrewshire Council.
SGHSCD	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £1,691,901, expenditure £320,990. Year end balances - debtor £562,150, creditor £18,823.	Prof J Brown CBE, Chairman and Non-Executive Member (left 30/11/2023) was also Chair of the Global Citizenship Programme of SGHSCD.
Scottish Canals	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £0., expenditure £3202. Year end balances - debtor £0 creditor £0.	Ms M Wailes, Non-Executive Member was also a Board Member of Scottish Canals.
Scottish Qualifications Authority	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £0, expenditure £6376. Year end balances - debtor £0, creditor £596.	Ms M Wailes, Non-Executive Member was also a Board member and Chair of the Audit & Risk Committee of the SQA.
University of Glasgow	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £8,480,998.26, expenditure £16,971,955. Year end balances - debtor £2,228,045, creditor £609,714.	Prof I McInnes, Non-Executive Member was also Head of College of Medical, Veterinary and Life Sciences and thus in charge of Medical School of University of Glasgow.
West Dunbartonshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £3,875,076, expenditure £20,060,092. Year end balances - debtor £505,679, creditor £652.	Councillor M McGinty, Non-Executive Member was also an elected member of West Dunbartonshire Council.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

Related Party	Details of Related Party Transaction	Details of Related Party
NHS Greater Glasgow and Clyde Healthcare Charity	NHS Greater Glasgow and Clyde Healthcare Charity had total fund balances of £106,113,000 in 2023-24 and a year end debtor balance of £2,343,011.	NHS Greater Glasgow and Clyde Healthcare Charity (formerly known as NHS Greater Glasgow and Clyde Endowment Funds) is managed by Trustees who are the members of the Board.
East Dunbartonshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £193,055,000, expenditure £193,055,000.	Ms J Forbes, Non-Executive Member also a Chair of East Dunbartonshire Integration Joint Board., Ms K Miles and Mr I Ritchie, Non-Executive Members, were also members of East Dunbartonshire Integration Joint Board.
East Renfrewshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £128,119,000, expenditure £128,119,000.	Ms K Pragnell, Non-Executive Member was also a Vice Chair of East Renfrewshire Joint Integration Joint Board. Ms J Forbes, Ms A-M Monaghan, Ms D Foy, Ms M Ashraf, Non-Executive Members, were also members of East Renfrewshire Integration Joint Board.
Glasgow City Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £1,133,485,000, expenditure £1,133,485,000.	Mr S Carr, (left 31/08/2023) Non-Executive Member was also a Vice Chair of Glasgow City Integration Joint Board. Mr A Cowan, Mr F Sheenan, Mr J Matthews OBE, Mr G Haddock OBE, Mr D Gould, Ms A-M Monaghan, Mr C Cunningham, Ms R Sweeney and Mr C Vincent Non-Executive Members, were also members of Glasgow City Integration Joint Board.
Inverclyde Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £144,852,000, expenditure £144,852,000.	Mr A Cowan, Non-Executive Member was also a Vice Chair of Inverclyde Integration Joint Board. Ms A Cameron-Burns, Mr D Gould, Ms R Metcalfe, M McCluskey and Mr S Carr (Left 31/08/2023), Non-Executive Members, were also members of Inverclyde Integration Joint Board.
Renfrewshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £252,832,000, expenditure £252,832,000.	Mr J Matthews OBE, Non-Executive Member was also a Vice Chair of Renfrewshire Integration Joint Board. Ms M Kerr, Mr F Shennan, Ms J Cameron, Ms A Cameron-Burns Non-Executive Members, were also members of Renfrewshire Integration Joint Board.
West Dunbartonshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2023-24 - income £159,561,000, expenditure £159,561,000.	Ms R Sweeney, Non-Executive Member was also a Vice Chair of West Dunbartonshire Integration Joint Board., Ms L Rousselet, Ms M Wailes, Non-Executive Members, were also members of West Dunbartonshire Integration Joint Board.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

20. THIRD PARTY ASSETS

	At 1 April 2023 £'000	Gross Inflows £'000	Gross Outflows £'000	At 31 March 2024 £'000
Monetary amounts such as bank balances and monies on deposit	2,319	2,220	(1,968)	2,570
Total Third Party Assets	<u>2,319</u>	<u>2,220</u>	<u>(1,968)</u>	<u>2,570</u>

Third Party Assets managed by the Board consist of balances on Patients' Private Funds Accounts.

Note:

The statutory audit of the Patients' Private Funds Accounts is yet to be completed however the above figures have been subject to review as part of the Group financial statements.

NHS Greater Glasgow & Clyde

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Notes to the Accounts

21. (a) CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE

	Board 2024 £'000	Endowment 2024 £'000	Intra Group adjustment 2024 £'000	E Dunb IJB 2024 £'000	W Dunb IJB 2024 £'000	E Ren IJB 2024 £'000	Ren IJB 2024 £'000	Glasgow City IJB 2024 £'000	Inverclyde IJB 2024 £'000	Group 2024 £'000	Group 2023 £'000
Total income and expenditure											
Employee expenditure	2,440,488	-	-	-	-	-	-	-	-	2,440,488	2,263,928
Other operating expenditure											
Independent Primary Care Services	474,523	-	-	-	-	-	-	-	-	474,523	449,017
Drugs and medical supplies	799,498	-	-	-	-	-	-	-	-	799,498	733,737
Other health care expenditure	2,948,280	12,795	2,286	-	-	-	-	-	-	2,963,361	2,665,009
Totals	6,662,789	12,795	2,286	-	-	-	-	-	-	6,677,870	6,111,691
Less: operating income	(3,058,174)	(11,762)	(2,286)	-	-	-	-	-	-	(3,072,222)	(2,859,528)
Joint Ventures accounted for on an equity basis	-	-	-	(682)	3,768	2,092	3,779	7,759	2,488	19,204	72,232
Net Expenditure	3,604,615	1,033	-	(682)	3,768	2,092	3,779	7,759	2,488	3,624,852	3,324,395

Note:

1. Other health care expenditure and operating income - £2,286k. Represents income and expenditure transferred to/from Endowments in 2023-24. These are eliminated on consolidation as they would otherwise be double counted and include an amount of R&D income transferred to Endowments of £4,280k and an amount transferred from Endowments to the Board of £1,994k to fund various endowment projects.
2. Realised gains from endowment investments of £1,327k have been recognised in the Endowment operating income line.
3. Joint Ventures accounted for on an equity basis discloses the Board's share of any current year surplus or deficit for each Integration Joint Board.

NHS Greater Glasgow & Clyde

Annual Report and Consolidated Accounts for the Year Ended 31 March 2024

Notes to the Accounts**21. (b) CONSOLIDATED STATEMENT OF FINANCIAL POSITION**

	Board 2024 £'000	Endowment 2024 £'000	Intra Group adjustment 2024 £'000	E Dunb IJB 2024 £'000	W Dunb IJB 2024 £'000	E Ren IJB 2024 £'000	Ren IJB 2024 £'000	Glasgow City IJB 2024 £'000	Inverclyde IJB 2024 £'000	Group 2024 £'000	Group 2023 £'000
Non-current assets:											
Property, plant and equipment	2,572,127	-	-	-	-	-	-	-	-	2,572,127	2,473,030
Right of Use assets	29,187	-	-	-	-	-	-	-	-	29,187	24,709
Financial assets:											
Available for sale financial assets	2,389	103,222	-	-	-	-	-	-	-	105,611	100,881
Investment in joint ventures	-	-	-	10,713	9,318	932	13,038	33,447	9,643	77,091	96,295
Trade and other receivables	140,932	-	-	-	-	-	-	-	-	140,932	181,999
Total non-current assets	2,744,635	103,222	-	10,713	9,318	932	13,038	33,447	9,643	2,924,948	2,876,914
Current Assets:											
Inventories	29,331	-	-	-	-	-	-	-	-	29,331	27,119
Financial assets:											
Trade and other receivables	257,778	2,658	(2,343)	-	-	-	-	-	-	258,093	209,486
Cash and cash equivalents	1,809	3,369	-	-	-	-	-	-	-	5,178	8,742
Assets classified as held for sale	2,856	-	-	-	-	-	-	-	-	2,856	3,444
Total current assets	291,774	6,027	(2,343)	-	-	-	-	-	-	295,458	248,791
Total assets	3,036,409	109,249	(2,343)	10,713	9,318	932	13,038	33,447	9,643	3,220,406	3,125,705
Current liabilities:											
Provisions	(150,607)	-	-	-	-	-	-	-	-	(150,607)	(94,006)
Financial liabilities:											
Trade and other payables	(542,542)	(3,136)	2,343	-	-	-	-	-	-	(543,335)	(632,060)
Total current liabilities	(693,149)	(3,136)	2,343	-	-	-	-	-	-	(693,942)	(726,066)
Non-current assets plus/less net current assets/liabilities	2,343,260	106,113	-	10,713	9,318	932	13,038	33,447	9,643	2,526,464	2,399,639
Non-current liabilities											
Provisions	(309,522)	-	-	-	-	-	-	-	-	(309,522)	(347,534)
Financial liabilities:											
Trade and other payables	(411,457)	-	-	-	-	-	-	-	-	(411,457)	(339,305)
Total non-current liabilities	(720,979)	-	-	-	-	-	-	-	-	(720,979)	(686,839)
Assets less liabilities	1,622,281	106,113	-	10,713	9,318	932	13,038	33,447	9,643	1,805,485	1,712,800
TAXPAYERS' EQUITY											
General fund	934,025	-	-	-	-	-	-	-	-	934,025	909,435
Revaluation reserve	688,256	-	-	-	-	-	-	-	-	688,256	602,607
Other reserves - joint venture	-	-	-	10,713	9,318	932	13,038	33,447	9,643	77,091	96,295
Funds Held on Trust	-	106,113	-	-	-	-	-	-	-	106,113	104,463
	1,622,281	106,113	-	10,713	9,318	932	13,038	33,447	9,643	1,805,485	1,712,800

Note:

The intra group adjustments above included in receivables/payables relate to amounts owed by the Board to Endowments as at the financial year end.

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Notes to the Accounts

21. (c) CONSOLIDATED STATEMENT OF CASHFLOWS

Group		Board	Endowment	E Dunb	W Dunb	E Ren	Ren	Glasgow	Inverclyde	Group
2023		2024	2024	2024	2024	2024	2024	City IJB	IJB	2024
£'000		£'000	£'000	£'002	£'003	£'004	£'005	£'006	£'007	£'000
NET OPERATING CASHFLOW										
(3,324,395)	Net operating cost	(3,604,615)	(1,033)	682	(3,768)	(2,092)	(3,779)	(7,759)	(2,488)	(3,624,852)
174,149	Adjustments for non cash transactions	105,035	-	(682)	3,768	2,092	3,779	7,759	2,488	124,239
16,578	Interest payable	21,337	-	-	-	-	-	-	-	21,337
(2,615)	Investment Income	-	(3,286)	-	-	-	-	-	-	(3,286)
(272,196)	Net movement on working capital	(66,294)	(885)	-	-	-	-	-	-	(67,179)
(3,408,479)	Net cash outflow from operating activities	(3,544,537)	(5,204)	-	-	-	-	-	-	(3,549,741)
INVESTING ACTIVITIES										
(99,810)	Purchase of property, plant and equipment	(114,876)	-	-	-	-	-	-	-	(114,876)
(12,218)	Investment Additions	(739)	(8,955)	-	-	-	-	-	-	(9,694)
2,939	Proceeds of disposal of property, plant and equipment	628	-	-	-	-	-	-	-	628
11,826	Receipts from sale of investments	-	6,188	-	-	-	-	-	-	6,188
2,615	Interest received	-	3,286	-	-	-	-	-	-	3,286
(94,648)	Net cash outflow from Investing Activities	(114,987)	519	-	-	-	-	-	-	(114,468)
FINANCING										
3,529,526	Funding	3,685,181	-	-	-	-	-	-	-	3,685,181
1,187	Movement in general fund working capital	(84)	-	-	-	-	-	-	-	(84)
3,530,713	Cash drawn down	3,685,097	-	-	-	-	-	-	-	3,685,097
(8,415)	Capital element of payments in respect of finance leases and on balance sheet PFI Contracts	(4,475)	-	-	-	-	-	-	-	(4,475)
6,942	Interest paid	1,120	-	-	-	-	-	-	-	1,120
(23,520)	Interest element of finance leases and on balance sheet PFI Contracts	(22,457)	-	-	-	-	-	-	-	(22,457)
3,501,720	Net cash inflow from financing	3,659,285	-	-	-	-	-	-	-	3,659,285
(1,407)	Increase in cash in year	(239)	(4,685)	-	-	-	-	-	-	(4,924)
20,066	Net cash at 1 April	1,816	16,843	-	-	-	-	-	-	18,659
18,659	Net cash at 31 March	1,577	12,158	-	-	-	-	-	-	13,735

DIRECTIONS BY THE SCOTTISH MINISTERS

The Scottish Ministers, in exercise of their functions under section 86(1) and (3) of the National Health Service (Scotland) Act 1978, in relation to the functions of Health Boards in that section which apply to NHS Greater Glasgow & Clyde by virtue of that Act, and all other powers enabling them to do so, hereby DIRECT that:

1. NHS Greater Glasgow & Clyde must prepare a statement of accounts for each financial year in accordance with the accounting principles and disclosure requirements set out in the edition of the Government Financial Reporting Manual which is applicable for the financial year for which the statement of accounts is prepared.
2. In preparing a statement of accounts in accordance with paragraph 1, NHS Greater Glasgow & Clyde must use the NHS Greater Glasgow & Clyde Annual Accounts template which is applicable for the financial year for which the statement of accounts is prepared.
3. In preparing a statement of accounts in accordance with paragraph 1, NHS Greater Glasgow & Clyde must adhere to any supplementary accounting requirements set out in the following documents which are applicable for the financial year for which the statement of accounts is prepared –
 - (a) The NHS Scotland Capital Accounting Manual,
 - (b) The Manual for the Annual Report and Accounts of NHS Boards and for Scottish Financial Returns, and
 - (c) The Scottish Public Finance Manual.
4. A statement of accounts prepared by NHS Greater Glasgow & Clyde in accordance with paragraphs 1, 2 and 3, must give a true and fair view of the income and expenditure and cash flows for that financial year, and of the state of affairs as at the end of the financial year.
5. NHS Greater Glasgow & Clyde must attach these directions as an appendix to the statement of accounts which it prepares for each financial year.
6. In these Directions –

“financial year” has the same meaning as that given by Schedule 1 of the Interpretation Act 1978,

“Government Financial Reporting Manual” means the technical accounting guide for the preparation of financial statements issued by HM Treasury,

“Manual for the Annual Report and Accounts of NHS Boards and for Scottish Financial Returns” means the guidance on preparing annual accounts issued to Health Boards by the Scottish Ministers,

“NHS Act 1978” means the National Health Service (Scotland) Act 1978 (c. 29),

“NHS Scotland Capital Accounting Manual” means the guidance on the application of accounting standards and practice to capital accounting transactions in the NHS issued by the Scottish Ministers,

NHS Greater Glasgow & Clyde is a Health Board established under section 2(1) of the National Health Service (Scotland) Act 1978

“NHS Greater Glasgow & Clyde Annual Accounts template” means the Excel spreadsheet issued to NHS Greater Glasgow & Clyde by the Scottish Ministers as a template for their statement of accounts, and

“Scottish Public Finance Manual” means the guidance on proper handling and reporting of public funds issued by the Scottish Ministers.

7. Any expressions or definitions, where relevant and unless otherwise specified, take the meaning which they have in section 108 of the NHS Act 1978.
8. This Direction will come into force on the day after the day on which it is signed.
9. This Direction will remain in force until such time that it is varied, amended or revoked by a further Direction of the Scottish Ministers under section 86 of the NHS Act 1978.

A handwritten signature in black ink, appearing to be 'R. M. C. R.', written in a cursive style.

Signed by the authority of the Scottish Ministers

Dated 22 March 2022