NHS Greater Glasgow and Clyde

Annual Report and
Consolidated Accounts
For the Year Ended 31 March 2022

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

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, as detailed in the Governance Statement Risk Assessment section. The purpose of the Overview section is to provide the reader with a summary of sufficient information to understand NHSGGC, our purpose, the key risks to the achievement of our objectives and our main performance during the year.

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 1.15m. The Board also provides a wide range of regional West of Scotland Services and National services.

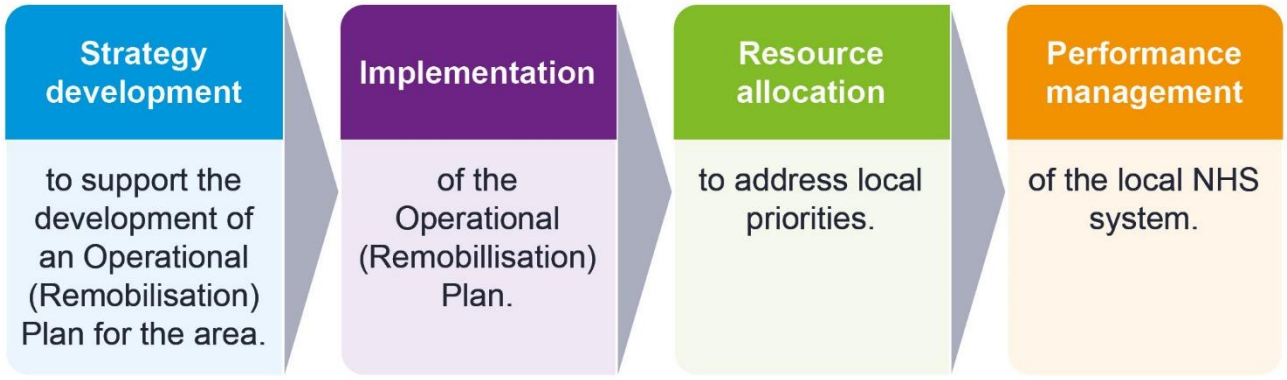
Any references in these accounts to NHSGGC or the Board are taken to mean Greater Glasgow & Clyde Health Board.

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 do that, the Board works to the 4 NHS Scotland key values:

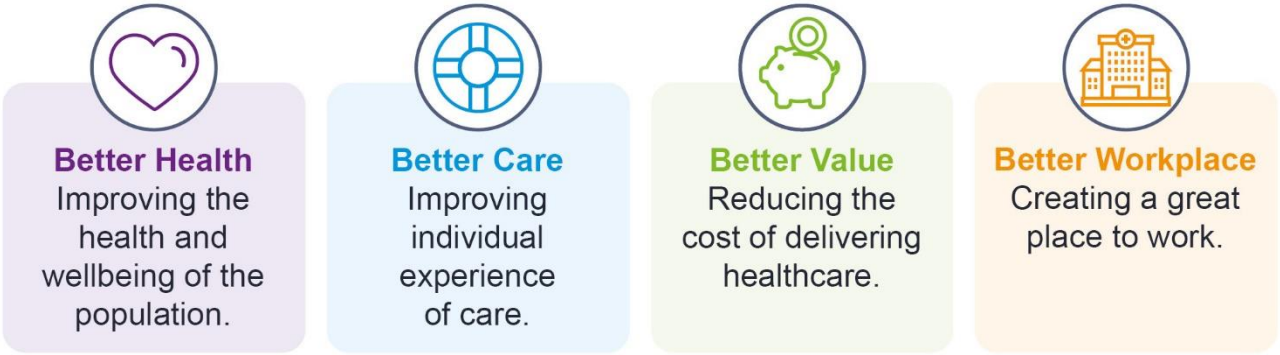
- Care and compassion
- Dignity and respect
- Openness, honesty and responsibility
- Quality and teamwork

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 work of the Board includes:



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



Each of these corporate aims is underpinned by the following corporate objectives:

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.

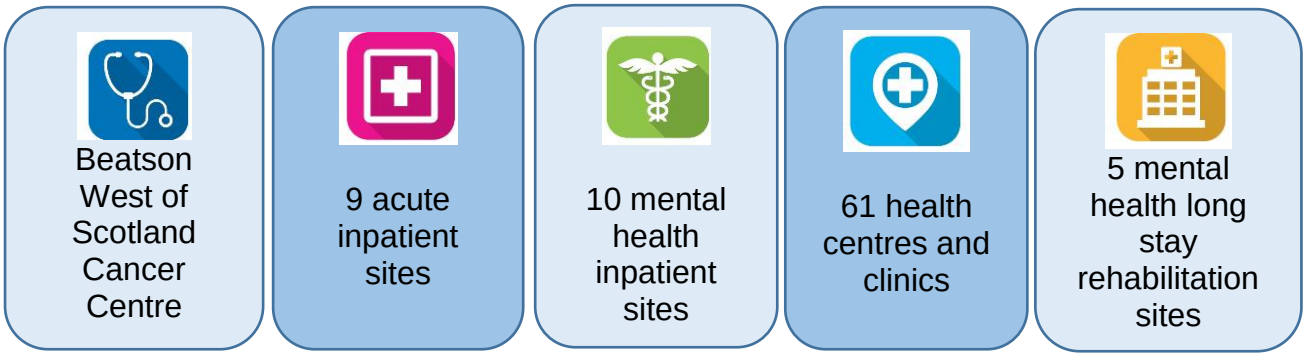
Better Workplace

- 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.

NHSGGC's structure comprises an Acute Division and a shared interest, with local authority partners, in six Health and Social Care Partnerships (HSCPs), which are overseen by Integration Joint Boards (IJBs). The HSCPs are joint organisations responsible for managing jointly provided services.

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:



Our annual workload for 2021-22 included:

	2021-22	2020-21
Emergency attendances	431,125	318,000
Scheduled inpatient and day case	164,439	120,000
Outpatient appointments	1,086,945	883,000
Babies delivered	13,084	12,800
Prescriptions dispensed	24.5m	23.7m

Covid-19 continued to impact on numbers of emergency attendances which remained lower than pre-pandemic levels for much of the year and restricted levels of scheduled inpatient and day cases and outpatient appointments as the pandemic progressed.

Chief Executive's Statement

During the past year NHSGGC has faced a number of significant challenges. The Covid-19 pandemic continued to present the biggest challenge the NHS has faced in its history, impacting on all staff and all aspects of service delivery. In order to minimise the effects of the pandemic the Board and our staff have done their best to ensure effective planning of resources and swift and effective vaccine roll out. The sheer dedication of all staff and volunteers enabled us to care for all patients safely and effectively.

The consequences of the Covid-19 period, both in terms of performance and finance, are significant and there is no doubt the landscape in which we work has changed immeasurably. The remobilisation of services brings both further challenge and also opportunity in terms of service redesign. Notwithstanding, the organisation has responded proactively to the many issues that have arisen throughout the year, with staff at all levels to be commended. As a Board we are enormously grateful to our staff and the students, new appointees, redeployed staff and the many volunteers for their efforts and support during this time.

Covid-19

Covid-19 Remobilisation Plans were introduced in line with the Scottish Government to support NHS Boards and their partners to remobilise, recover and re-design services in the presence of Covid-19. Our initial Plan was developed in partnership with key stakeholders across the health and care system in both primary and secondary care and took cognisance of national, regional and local policies and guidelines.

The Remobilisation Plan (RMP) is now on its fourth iteration. RMP4 was submitted to Scottish Government in September 2021. The Board is currently finalising an Annual Delivery Plan for 2022-23 which is due to be submitted to Scottish Government by 31 July 2022.

Whilst recognising the uncertainty around the impact of Covid-19, the Remobilisation Plans outline how NHSGGC plan to:

- deliver as many normal services as possible, as safely as possible;
- ensure we have the capacity to deal with the continuing presence of Covid-19; and
- prepare the health and care services for the winter season, including replenishing stockpiles and readying services.

The key priorities can be summarised:

Workforce: We will continue our commitment to staff mental health and wellbeing and deliver the mental health and wellbeing action plan. We will focus on anticipatory workforce planning to respond to the changing demands of services e.g. testing and vaccination. We will continue to support remote working and maintain social distancing requirements to ensure staff and patient safety.

Public Health: We recognise the existing health inequalities exacerbated by the pandemic and will seek to address them with specific actions. We will continue to deliver the local testing and contact tracing processes working with the national contact tracing centre, to deliver the vaccination programme. We will continue to support the wider health improvement agenda with a focus on child poverty, mental health, weight management,

smoking cessation and drugs and alcohol. We will develop a more resilient workforce in collaboration with Public Health Scotland.

Social Care: Key priorities to progress with HSCPs include support for care homes and the care at home service. We recognise the need to reduce delayed discharges and to maximise independence for our population, supporting older people to live safely in their own community. We recognise the additional demand for services such as child and adult protection, homelessness and addictions - some of this demand arising as a result of the pandemic and the need to deliver services in different ways.

Planned Care: We aim to step up on our elective programme when COVID-19 levels allow. Where appropriate, we will continue to increase our use of virtual patient management (Near Me) and day case procedures, and we will enhance pre op assessment and pre admission management of patients. We will focus on radiology and endoscopy to reduce waiting times, and will work with other providers to deliver additional activity following clinical prioritisation. Detailed activity schedules accompanied RMP3, but activity levels were substantially less than before due to the impact of COVID-19.

Unscheduled Care: Following the successful implementation of phase 1 of the Redesign of Urgent Care, and the opening of the Flow Navigation Hub, we implemented phase 2 during 2021-22. This will include the development of a number of additional care pathways, inclusion of paediatrics in the Flow Navigation Hub and increased utilisation of Consultant Connect. During the year, we also launched Urgent Care Resource Hubs in Health and Social Care Partnerships (HSCPs), linking them with the wider redesign. We will further develop effective interfaces to support older people to stay in their own community.

Mental Health: We will continue to implement our Mental Health Strategy, including services for older adults, recognising the additional impact the pandemic has had on the mental health of the population. A focus on digital will increase virtual patient management and support new psychological services. Mental Health services will support the wider unscheduled care agenda, building on the Mental Health Assessment Units model and developing Consultant Connect. We will work with partners to reduce social isolation and loneliness. We will focus on the delivery of waiting list challenges for Child and Adolescent Mental Health Services and for Psychological Therapies.

Primary and Community Care: We will continue to develop services focused on supporting people to access the right services at the right time and in the right place, with early intervention and anticipatory care to prevent escalation, in community services and across the four contractor groups. Implementation of Primary Care Improvement Plans is a priority, focused on continued development of extended multi-disciplinary teams and enabling the expert medical generalist role to meet the revised contract implementation timescales. We will focus on maintaining access and flexibility to provide core services, with a particular focus on chronic disease management, interface working and pathway redesign.

Addressing Inequalities: We will continue to practise inequalities sensitive communication for testing, vaccination and service recovery, and implement Fairer NHSGGC 2020-24. We are developing targeted work with Black, Asian and Minority Ethnic (BAME) communities and have established a Workforce Equality Group to oversee

addressing inequalities in the workplace. We continue to carry out Equality Impact Assessments on service changes to mitigate any potential inequalities.

Digital and eHealth: Our Digital Team has driven forward significant improvements in virtual outpatient consultations using telephone and Near Me technology in all sectors of the health and care system. We will continue to increase the use of Active Clinical Referral Triage (ACRT) to improve patient care, reduce waiting times and optimise face to face consultations. Work will continue to support the redesign of urgent care, screening and testing policies and the vaccination programme.

Patient Experience: Ongoing engagement with stakeholders is fundamental to remobilisation, and a key part of our drive to reduce inequalities. During 2021-22, we will continue to support Patient Centred Visiting and the implementation of Care Opinion. Public engagement will remain a key focus in service change and improvement,

Finance and Capital: Our plan will be underpinned and intrinsically linked to the Board's Financial Plan which will demonstrate how we will manage within the financial resources available to us. We will evidence the progress we have made in addressing the factors which lead to escalation. Capital planning will continue to be linked to service planning, and will inform the work being progressed to develop a Board-wide Infrastructure Strategy.

Queen Elizabeth University Hospital and Royal Hospital for Children
A significant area of scrutiny for NHSGGC in the past couple of years has been in relation to the Queen Elizabeth University Hospital (QEUH) and Royal Hospital for Children (RHC). A number of concerns had been raised in relation to infection prevention and control, the environment and operational effectiveness of the QEUH and RHC since opening in 2015, including challenges associated with unscheduled care performance and issues with the built environment.

In March 2019, the Scottish Government commissioned an Independent Review which was led by Dr Andrew Frazer and Dr Brian Montgomery. This Review reported in June 2020. In September 2019, the Scottish Government also announced a Public Inquiry into both the QEUH/RHC and the Children and Young Peoples Hospital in Edinburgh. In November 2019 the Board was escalated to Level 4 of the NHS Scotland Board Performance Escalation Framework.

In response to the escalation process, an Oversight Board was established and an Independent Case Note Review was undertaken under the auspices of the Oversight Board. The Oversight Board Report and the Case Note Review Report were published on 22 March 2021. In June 2021 the Scottish Government established the Advice Assurance and Review Group (AARG) which replaced the Oversight Board structure. A comprehensive action plan was developed to address all the recommendations, including those of the Independent Review led by Drs Montgomery and Fraser. A specific delivery group (Gold Command), chaired by the Chief Executive, provided updates to the Corporate Management Team and, in turn, to the appropriate governance committee of the NHS Board to ensure focused work was undertaken on all of the recommendations. All actions in response to the 108 recommendations from the Oversight Board Report, the Case Note Review Report and the External Review Report have been completed, with a comprehensive audit process in place. The Board was de-escalated to Level 2 Escalation by the Scottish Government from 13 June 2022.

The Scottish Hospitals Public Inquiry (the Inquiry) was launched in August 2020. The first substantive hearings of the Inquiry commenced on 20 September 2021 and concluded on 14 November 2021. The oral evidence was provided by families and patients affected by the issues being explored by the Terms of Reference of the Inquiry. Closing Statements from both Lord Brodie and Core Participants, including NHSGGC, were published in December 2021. The next diet of hearings commences on the 9 May which relate mainly to NHS Lothian. The next NHSGGC hearings are scheduled for the 31 October 2022. A dedicated Programme Management Office is in place to manage the significant activity related to the Inquiry both in terms of information and provision of witnesses.

In September 2021 Police Scotland announced an investigation into four deaths at the QEUH campus. In December 2021, Police Scotland began approaching staff. A single point of contact was set up through which requests for staff access and interviews are made. Guidance and witness support has been made available for staff, ensuring the welfare of our staff is paramount, particularly acknowledging the other strands of investigation underway.

The Board has now received 28 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 all cases are currently sisted.

A significant programme of work is underway within RHC to deliver what will be one of the safest clinical environments within the UK and which will ensure that we are taking every possible measure to reduce the likelihood of infection for patients treated in the unit.

Through the various processes, the Board has co-operated fully and has welcomed the additional oversight over an extremely complex set of issues. The Board is fully committed to addressing issues identified and working through recommendations made, with significant progress made in a number of areas.

Legal proceedings have been raised for losses and damages incurred 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 and atrium linings have also been raised against Multiplex Construction Europe Limited and BPY Holdings LP.

Healthcare Quality Strategy

In February 2019, NHSGGC Healthcare Quality Strategy 2019-2023 for 2019-23 was approved by the Board. It is a framework which outlines how we intend to continuously improve the quality of care to our patients, residents, carers and communities we serve.

The provision of high quality health and social care services to our population is at the centre of everything we do. One of the key

challenges for NHSGGC is how to improve and transform our services to meet the current and future health needs across all health and care settings. As our health and social care services change, we also need to make sure that the care that we provide to our patients and their families or carers is person centred and meets high standards of clinical quality and safety.

Since the approval of the Healthcare Quality Strategy for 2019-23, the Healthcare Quality Strategy Oversight Group has been developing priority work streams to deliver the key objectives. Three core areas of focus agreed are:

- Person Centred Care (PCC),
- infection prevention and control and
- Pressure ulcer prevention.

The Person Centred Care (PCC) Group has been largely focussing on ensuring the principles of person centred visiting have been in place during the pandemic, aligned to the national guidance relating to the level of restrictions in place. The group have developed supportive toolkits for staff and information for families/carers. These have been shared via internal and public facing communications to ensure wide dissemination. The group designed the health board's virtual visiting approach which has been presented at events hosted by the World Health Organisation (WHO) and the Institute of Healthcare Improvement (IHI).

Next steps will be in setting out the plan for the full remobilisation of person centred visiting in line with national guidance. The PCC group has worked closely with the newly formed realistic medicine group and together they will scope and design principles and the application of a person centred care planning approach for all care settings.

The second key priority has been the development and implementation of the Infection Prevention & Control Quality Improvement Network (IPCQIN). The network utilises quality improvement methodology to reduce infection rates across the Board. A work plan has been agreed with a focus on reliable application of infection control precautions and processes; person centred systems and behaviours to support safe practice; leadership to promote a culture of safety at all levels and shared responsibility and ownership. Multidisciplinary work has taken place across both acute and health and social care partnerships to deploy preventative measures.

The third priority quality ambition is to strive for excellence in the prevention of avoidable pressure damage, i.e. injuries to the skin and underlying tissue, primarily caused by prolonged pressure on the skin, with an aim of reducing the incidence of avoidable pressure damage. This proposed ambition aims to embed quality improvement and quality management within our systems and processes for avoidable pressure damage throughout NHSGGC, shaping the future by building on the experiences and learning.

There are four peripheral work streams that are aligned to the key priorities, these are:

- Falls and Frailty
- Realistic Medicine
- Value Management
- Care Home Collaborative

Each work stream has an overarching steering group, driver diagram and work plan.

Moving Forward Together

Moving Forward Together (MFT) remains our key strategic document, in tandem with the Remobilisation Plan, describing the medium term vision for clinical services in NHS Greater Glasgow and Clyde. Implementation of some MFT recommendations has been accelerated by the need to respond rapidly to the demands of Covid-19.

The key principles established through MFT and the significant work carried out with clinicians, patients and the public are summarised in the diagram below

We have developed a portfolio approach to the implementation of MFT, supported by robust project management arrangements. The portfolio includes:

- Trauma
- Reprovision of the Institute of Neurological Sciences (INS)
- Thrombectomy
- Redesign of Urgent Care
- Best Start
- Primary Care
- Mental Health
- Infrastructure Strategy
- North East hub
- Gartnavel, Beatson and Systemic Anti Cancer Treatment (SACT)
- Forensic Services
- Right Time, Right Place

Financial Improvement Programme

The Financial Improvement Programme (FIP) 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. The FIP was remobilised in 2021-22, and despite continued Covid-19 pressures the programme was more successful than the previous year. As a result, the levels of recurring savings achieved were higher than anticipated. The overall financial challenge for 2021-22 was £157.5m and the Board achieved this in the current year, albeit with £118m of the £157.5m being achieved on a non-recurrent basis.

The continuing pandemic has led to a further increase in the recurring deficit from £93.4m to £118m. This increase is largely attributable to the inability to make recurring savings in-year due to the focus on delivering services during the Covid-19 pandemic. The Financial

Plan for 2022-23 identifies a financial gap of £172.7m with pay and prescribing cost growth contributing £91.8m of the gap.

The 2022-23 FIP is now fully remobilised and a number of initiatives have been identified and are under way with the key objective being the reduction of the recurring deficit. These projects range in their scope and scale and will aim to capture the benefits of the significant service changes that have been embedded in the last year. The programme is mature and has been made as agile as possible to focus on the delivery of savings. It is supported by a robust governance structure.

Infrastructure Investment
During 2021-22, we continued to make significant capital investment across our acute and community services. Our commitment to community health and social care investment is a priority and our track record is one of which the Board is proud.

2021-22 saw total infrastructure investment of £98.0m across the Board's areas of operation (£89.5m capital and £8.5m revenue).

Main areas of investment in the year were around: refurbishment works at a number of sites; investment in medical equipment; energy schemes to support the climate change initiative; health centres, and minor works.

Refurbishment works included: the work at the Royal Hospital for Children and QEUH; upgrades to the Royal Alexandra, Inverclyde Royal and Dental Hospitals; refurbishment works at Gartnavel General; an upgrade to the Adolescent Unit at Skye House which is part of Stobhill hospital, and completion of the significant refurbishment of the William Street clinic in Glasgow which hosts a number of specialist paediatric services alongside Dietetics, Podiatry and Occupational therapy.

The work at the Royal Hospital for Children has created a high-quality environment where patients, family and carers alike will feel welcome and comfortable. All the patient rooms have had a full make-over and all other facilities are either new or have been upgraded.

There was significant investment in medical equipment during the year. This included the replacement of CT scanners, Mammography Scanners and Gamma Cameras within Imaging and Radiography to support Nuclear Medicine services. Other medical equipment investments were made in the year across all main sites to support wards, theatres and diagnostic services.

The new state of the art Clydebank Health Centre opened in February 2022. It hosts six GP surgeries and brings a number of essential support services under one roof for the first time, serving around 47,000 in the local area.

Building work is underway on the new health and care centre for the north east of Glasgow. The "North East Hub" in Parkhead, will be Scotland's first working net zero carbon health and social care facility. The new health and care centre will be a true community asset and once complete, the hub will be home to three GP practices, a community pharmacy, as well as specialist services to support children, adult community care groups, older people, mental health, addictions, criminal justice and homelessness

services as well as health improvement activity – all delivered by a range of public and third sector organisations.

Initial refurbishment works have started at Bishopton Heath Centre in addition to the planned new Health Centre to support the increase in population due to the new build properties in Dargavel Village.

Technology Based Service Developments
The Board continues to make significant progress in delivering the priorities set out in the five year digital strategy approved in August 2018. The delivery plan underpins the priorities to modernise and utilise technology in supporting our staff to deliver the best possible patient care and to embed the "digital first" approach.

The strategy and plan have been critical in enabling a rapid response to the Covid-19 pandemic through accelerated use of digital tools, embracing new ways of working now and as the Board recovers from the pandemic.

The delivery plan is reviewed regularly by the eHealth Strategy Board and priorities reflect the Board's key corporate objectives aligned to the following five key focus areas:

1. Integrated Electronic Health & Care Record – Person centred Healthcare, fit for the modern age
2. Self-Care & Remote Care – World class innovation, delivered remotely at the point of care
3. Informatics and Data Analytics – Exploiting data and analytics to improve patient safety and quality outcomes
4. Workforce & Business systems – Empowering people, delivering optimal healthcare
5. Technology Infrastructure – Advancing our future digital landscape today

The delivery plan is monitored to ensure there is direct measurable benefit to our staff and patients and updates are also presented to the corporate management team and appropriate governance groups.

Many elements of the Board's digital strategy have continued to be accelerated in response to the pandemic. The implementation of the Hospital Electronic Prescribing and Medicines Administration (HEPMA) has been brought forward to facilitate the Covid-19 response including remote prescribing. The redesign of urgent care has progressed, including new digital referral pathways and support for the GP Out of Hours service. Provision of IT equipment and Microsoft Office 365 tools has significantly expanded to support remote working necessitated by the pandemic.

The table below highlights some of the work undertaken during 2021-22.

Integrated Electronic Health and Care Record	
Hospital Electronic Prescribing and Medicines Administration (HEPMA)	Accelerated rollout continues to progress. HEPMA is now live across South and North sectors, and Clyde is well underway. Over 250 wards and theatres are already using HEPMA. The system is supporting remote prescribing across wards and theatres, and has also delivered benefits in terms of reducing missed doses, increasing allergy recording, and improving prescribing decisions via electronic decision support.
Covid-19 antiviral medication pathway	TrakCare build and support to the Covid-19 Antiviral Medication pathway. This supported patients on the highest risk register to be able to access antiviral medication if they had tested positive.
Community phlebotomy hubs	Set up of Community Phlebotomy hubs to allow patients to access services closer to home. TrakCare order communications functionality is being utilised to enable tests to be ordered by Acute clinicians, the patient to have their bloods taken in a community setting and the results to be returned to the requestor.
Emergency Department (ED) signposting form	ED Sign posting form has been implemented in Clinical Portal. This allows details of patients to be redirected to an appropriate service prior to an ED admission.
Covid-19 vaccination	The Board administered 1.992m vaccinations during 2021-22. These were delivered predominantly in community mass vaccination centres, all recorded via the TURAS Vaccination Management Tool, co-developed by NHSGGC and NES.
Covid-19 Community Assessment Centre	Over 40,000 patients referred, appointed and assessed over two years of operation using TrakCare.
Self-Care and Remote Care	
Near Me	Virtual consultation deployment was greatly accelerated to allow socially distanced patient consulting, with thousands of webcam bundles and laptops deployed across services, over 1,700 Near Me virtual waiting rooms created and thousands of staff trained and supported remotely. Over the past 24 months there have been approximately 330,000 Near Me consultations equating to some 150,000 hours online activity.

Innovation	Innovation activities were prioritised and accelerated to work with industry on co-developing and expanding solutions in Dermatology, COPD, Early Diagnostic Heart Failure and Neurology. The Scottish asynchronous digital dermatology appointment service (DDAS) has supported 1,900 appointments to date. The Dynamic Scot COPD project has seen over 550 patients regularly using the service in NHSGGC, and rollout is planned for further Boards. vCreate Neuro was piloted in 18 Scottish and 7 English paediatric and adult neurology services during the Covid-19 pandemic. The service has been used for 12,700 remote interactions by 5,000 patients, and by 500 clinicians.
Informatics and Data Analytics	
Medicines informatics	NHSGGC's eMedicines Programme is delivering a suite of HEPMA dashboards which will provide direct access to data including missed doses, allergy recording, use of non-formulary medicines and anti-microbial stewardship.
Supporting Covid-19 response and remobilisation	Set up data flows and reporting of positive results to support HSCP and care home management of Covid-19 tests. Expanded Unscheduled Care Command Centre operational views of Specialist Assessment and Treatment Centre (SATA) and Community Assessment Centre (CAC) and introduced overview of inpatient positive and pathway cases. Introduced collated daily Covid-19 KPI reporting covering activity, occupancy, absences, vaccinations, and prevalence figures. Cohort management and schedule processing to support Covid-19 and Flu vaccination programmes. Remobilisation planning and activity monitoring including reporting of all reprioritised inpatient and day case waiting lists.
Workforce & Business Systems and Technology Infrastructure	
Device Replacement & Virtual enablement	The majority of devices have now been replaced. To enable continued home & hybrid working, the ratio of laptops to PCs has grown from 25:75 to almost 50:50.
Infrastructure & Office 365	Email has now been updated to Office 365 which includes the use of Teams to support remote working.

The new five-year Digital strategy is currently under development. The updated strategy will focus on the recovery priorities for the Board and transformation opportunities.

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 Adult Health and Social Care Services; the partnerships operate as HSCPs. HSCPs are governed by IJBs with membership drawn equally from Non-Executive Directors of the Board and Councillors from the respective Local Authorities. These HSCPs are:

- East Dunbartonshire HSCP;
- East Renfrewshire HSCP;
- Glasgow City HSCP;
- Inverclyde HSCP;
- Renfrewshire HSCP, and
- West Dunbartonshire HSCP.

The Board and the HSCPs have continued to work in partnership with each other. All HSCPs continue to prioritise hospital discharge activity, with a focus on anticipatory planning and early discharge. 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 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:

- Providing greater self-determination and choice through ensuring service users and their carers are empowered to make their own choices about how they will live their lives and what outcomes they want to achieve.
- Work on early intervention and prevention measures.
- Enabling independent living for longer by working across all our care groups to support and empower people to continue to live healthy, meaningful and more personally satisfying lives as active members of their community for as long as possible.
- 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 are working with Primary Care services to encourage people to attend the correct service for meeting their needs through promoting clear pathway campaigns such as "Right care, Right Place" along with details of local services and supports. The development of the Primary Care Improvement Plan will provide further opportunities to deliver new ways of working and strengthen the contribution of other health and care professionals in supporting frequent A&E attendees.

All HSCPs and acute hospitals in NHSGGC undertake enhanced care pathways work for areas identified as having potential 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 residents information, medication and personal belongings will be applied.

Through more effective use of the palliative care pathway and local resources, all HSCPs work in collaboration with local hospices to strengthen supports 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 1 of the Workforce Strategy Implementation Plan, agreed and endorsed by our key stakeholders groups including the Area Partnership Forum (APF) and the NHSGGC Board. Key focus on appraisal activity and supportive discussions with staff to reflect on the previous year and in the impact of Covid-19 on wellbeing, requiring support for the year ahead.
- Development of internal Communications and Engagement Strategy commenced.
- Implementation of the workforce Equality Action Plan for 2021-2022, with significant engagement for key stakeholders, raising visibility of our workforce equality commitments and priorities. Key activity included development of Workplace Adjustment Passport and promotion of Workforce Equality Groups include Black and Ethnic Minority Forum, Staff Disability Forum and LGBTQ+ Forum.
- Reviewed, enhanced and developed our approaches to collective leadership, including the delivery of core programmes associated with leadership and employee wellbeing during the pandemic and expansion Medical Management Development programme.
- Expanded the Investors in People (IiP) Framework and standards across our Corporate Directorates.

Equality and Diversity

NHSGGC continues to demonstrate its commitment to address 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.

We have continued to deliver on our Fairer NHSGGC 2020–2024 Equality Outcomes commitments. There are eight areas where we need to make a difference and the actions required:

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
8. Physical Health of Mental Health Patients

We will deliver actions under each of the Board priorities:

Better Health	Better Care	Better Value	Better Workplace
• Sensitising patient pathways • Routine enquiry on gender based violence • Specific actions with marginalised and vulnerable groups	• Communication support for patients • Patients additional support needs met • Patients listened to • Inequalities sensitive practice	• Equality Act and PSED compliance • Equalities Impact Assessment • Fairer Scotland Duty	• Collecting and analysing employee data • Training and development • Staff engagement • Fair Work practices

The full Equalities Outcome document can be accessed on the Board's website at: 2020-2024 Equalities Outcome document: A Fairer NHS Greater Glasgow & Clyde 2020-24

We have progressed with our strategic remobilisation planning, embedding due regard to mainstreaming through for example a robust Equality Impact Assessment programme and ongoing engagement with protected characteristic groups.

In order to produce effective, targeted communications around Covid-19, the Equality & Human Rights Team (EHRT) used evidence gathered via community engagement to identify any specific barriers and concerns for communities and to prepare key messages. Our contacts in the community and NHSGGC workforce helped present this information in various languages and assisted in identifying the most effective dissemination channels. An example of this type of work is our campaign targeting the South Asian population included translated Covid-19 information, videos and radio interviews – with key messages and video links shared with targeted social media channels with an extensive reach into our South Asian populations, including religious organisations.

Person-Centred Virtual Visiting across NHSGGC hospitals provided all patients with access to technology especially set up to enable them to see and talk to the people who matter to them during Covid-19 visiting restrictions. The Virtual Visiting iPads included software for accessing spoken language interpreters and British Sign Language interpreters. The iPads had the additional benefit of providing access to a speech to text transcription service – the AVA app. The app transcribes what a staff member is saying, even when wearing a mask. This ensures that our patients with a hearing loss can understand what staff are saying to them on our wards when visitors were restricted.

Performance
During 2021-22 the balance between managing the significant challenges of the ongoing demands of Covid-19 and the requirements of Remobilisation continued to require considerable effort.

However, despite these ongoing challenges the Board made steady progress in reaching a number of key service priority milestones agreed with the Scottish Government and outlined in our Remobilisation Plan 3. The Remobilisation Plan, developed by the Recovery Tactical Group, working with the Acute and HSCP Tactical Groups aimed to

ensure health and social care services across NHSGGC were working together on recovery and remobilisation. The Remobilisation Plan was revised in September 2021 to reflect the continued impact of Covid-19 and developments since the beginning of the year (RMP4). The robust programme management approach underpinning the ongoing monitoring of the Plan was commended by internal auditors and the plan received positive feedback from the Scottish Government.

By way of context, at the peak of the Covid-19 pandemic during 2021-22, there were 1,196 Covid-19 positive in-patients across NHSGGC in March 2022. This is 25% higher than the peak of 956 Covid-19 positive in-patients reported during peak of the 'second wave' in February 2021 and 97% higher than the peak of 606 Covid-19 positive in patient reported during the 'first wave' in April 2020. Of the total number of inpatients at the peak in March 2022, 762 had tested positive in the previous 28 days.

During 2021-22, our new ways of interacting with patients have become more routine. Pre-Covid-19, NHSGGC pioneered Active Clinical Referral Triage (ACRT) and patient opt-in approaches within our Orthopaedic service, and we have continued to expand patient opt-in in relevant specialty pathways; for example, patient pathways in Gastroenterology and General Surgery. All of our outpatient services have been reviewing opportunities to redesign patient pathways in order to help patients see the most appropriate health care professional for their particular needs as quickly as possible. This includes providing patients with high quality information at an early stage. NHSGGC is committed to continuing to work with patients as we take forward this programme of redesign.

The different waves of Covid-19 throughout 2021-22 brought additional challenges to our inpatient and daycase services, with elective activity reducing at times due to the availability of inpatient beds and staffing for elective patients. Staff from our elective theatre teams were redeployed to ward areas supporting the unscheduled care demand. Clinical prioritisation of inpatients and daycases in line with national guidelines is now well established within all specialties across NHSGGC enabling our specialty teams to identify the highest priority cancer and urgent patients. In addition, the regular review of demand and capacity helped to ensure elective theatre capacity was directed towards specialties with the highest priority patients.

Whilst we achieved the target in relation to the 31 Day Cancer Waiting Times Standard our performance around the 62 Day Cancer Waiting Times Standard continued to be a challenge during 2021-22. The management of cancer patients and vital cancer services remained a clinical priority during 2021-22. We continued to implement the national guidance on the management of individual patients who require cancer treatments agreed by the national Covid-19 Treatment Response Team. All cancer patients awaiting surgery continued to be reviewed on a weekly basis and cases continued to be booked for surgery in line with urgent categories.

The main 62 day pathway improvement actions were focused on Breast (additional sessions were introduced to meet referral criteria), Urology (weekend waiting lists initiatives were run, combined waiting lists and additional TRUS biopsy capacity), Cyto-Ablation (additional anaesthetic sessions arranged to meet the backlog in demand) and Gynaecology (additional joint sessions and colorectal/plastics were arranged to meet changing case mix). A Cancer Access Funding allocation of £2.2 million was agreed and

prioritised to fund those schemes that would deliver the most in terms of the 62-day pathway performance.

Our focus on tackling levels of unscheduled care continued, maximising activity through the Flow Navigation Centre (FNC). With around 1,100 referrals per month received from NHS24, a third of these are successfully dealt with by the FNC and do not result in a face to face appointment. The remainder of the referrals are converted to planned attendances at either the Emergency Department (ED) or Minor Injuries Department. Our aim is to drive up activity through the FNC and redesigned urgent pathways to reduce ED attendances. In the last few months, the FNC has provided a route for the Monoclonal Antibodies (MABs) service to reduce hospital admissions for patients with Covid-19. This represents a significant collaborative approach from FNC staff, eHealth, Infectious Diseases staff and Pharmacy colleagues to establish the service quickly.

The improvement of the delayed discharge position continued as a key priority for our six Health and Social Care Partnerships, working in partnership with Acute colleagues and with those out with the NHSGGC boundaries who had delayed discharge patients in our system. Daily discharge huddles took place which focussed on a whole system approach to tackling delays, planning discharge numbers, identifying and resolving key issues and feeding into the wider improvement work. Some positive progress had been made later in the year however, the impact of Omicron variant caused significant challenges across health and social care including around 100 care home outbreaks at any one time, with homes unable to receive admissions, and significant staff absences in both care at home and care homes.

Throughout the pandemic, mental health services saw a range of developments, many of which were part of our strategic plan. These developments included:

- Increased use of Virtual Patient Management;
- Services adapted to support digital delivery and to deliver post Covid-19 hybrid care model
- Patient Initiated Follow-up – beyond initial aims of Rapid Access Pathway, and
- Unscheduled care pathway for people with mental health problems who do not require medical treatment (Mental Health Assessment Units).

Throughout the whole pandemic, we remained mindful of the enormous effort of all our staff and the corresponding need to actively support their well-being as a priority. Key areas of actions included; Staff Rest and Recuperation (R&R) Hubs across the Acute Sector, dedicated support for those suffering from Long-Covid, a Peer Support Programme, increased psychology support within Occupational Health, and Mental Health Check-In surveys. Many of these initiatives have been delivered in partnership with staff themselves via the Staff Mental Health and Wellbeing Group.

The Way Forward

2021-22 was another unprecedented year for NHSGGC, and for society in general. 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. Covid-19 has undoubtedly presented the biggest challenge in the history of the NHS 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, although there have been signs of recovery infection rates have remained high, it is therefore essential that we maintain the ability to increase our Covid-19 response capacity at any time. Balancing this and the requirements of remobilisation 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 Strategic Executive Group (SEG) continued to meet two to three times a week throughout the year to oversee the continued response to the pandemic. Key focus during the year was around:

- Workforce – managing the demands on both community and acute services. Covid absences fluctuated but were high between December 2021 and March 2022.
- Test and Protect teams increasing activity to tackle localised outbreaks and new variants. Scottish Government instructed that the Test and Protect service should be stepped down from 30 April 2022.
- Vaccinations for Covid-19 and flu and Covid-19 booster roll outs were a key element of the Board's approach.
- Staff mental health and wellbeing continued to be a top priority with the launch of the Peer Support Programme.
- Unscheduled Care performance was significantly challenged in the year across the country. As public health restrictions eased all of our Emergency Department sites saw an increase in attendances.
- The Health and Social Care Partnership Tactical Group continued to meet on a weekly basis to enable the six Partnerships to work together, share good practice and develop common approaches where appropriate. Reducing delayed discharges remained a key priority for the Partnerships.
- In the latter part of the year our hospitals remained extremely busy with Covid-19 cases in addition to our non-Covid-19 patients, creating substantial service pressures, although there was a downward trend in Covid-19 occupancy over the year.

The Advice Assurance and Review Group (AARG) is taking forward the ongoing work around strengthening management capability and capacity (including leadership and culture) ensuring:

- Existing levels of support and scrutiny are continuing in relation to IPC/communication issued.
- Oversight of activity to improve management capability and capacity (including leadership and culture).
- Continued implementation of the programme in relation to Performance and Service Delivery with routine performance monitoring by the Scottish Government.

Extensive action has been taken and performance in these areas has improved, but the levels of activity possible during the pandemic have added to that challenge. We will also endeavour to continue to work both internally and with Scottish Government colleagues on the infection control issues, and support the Public Inquiry moving forward.

Performance Analysis

Financial Performance

The Scottish Government Health and Social Care Directorates (SGHSCD) set 3 financial targets for NHS Boards:

- 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.

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 has worked closely with Scottish Government throughout the year to identify potential funding sources to close the forecast in year gap. Scottish Government Covid-19 funding received in year funded the additional Covid-19 costs.

The Board's performance against these financial targets is as follows:

	Limit as set by SGHSCD £'000	Actual Outturn £'000	Surplus £'000
1. Core Revenue Resource Limit	3,219,305	3,218,944	361
Non-core Revenue Resource Limit	85,950	85,950	0
Total Revenue Resource Limit	**3,305,255**	**3,304,894**	**361**
2. Core Capital Resource Limit	85,730	85,724	6
Non-core Capital Resource Limit	3,791	3,791	0
Total Capital Resource Limit	**89,521**	**89,515**	**6**
3. Cash Requirement	3,251,028	3,247,769	3,259

The outturn on cash requirement reported above differs from the cash limit set due to the treatment of payments to hospices. The Scottish Government have confirmed that these payments should have been accounted for on an "agency" basis i.e. the payment made directly by the Scottish Government to the hospices. Payments totalling £3.259m were made prior to the Scottish Government instruction.

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.

Memorandum for in-year outturn	£'000
Core Revenue Resource Reported Surplus in 2021-22	361
Financial flexibility: funding banked with Scottish Government	(478)
Underlying deficit against Core Revenue Resource Limit	(117)
Percentage underlying deficit/core revenue resource limit	0%

A one-year financial plan was submitted to Scottish Government by NHS GGC on 19 March 2021. Due to the impact of the Covid-19 pandemic, the Scottish Government amended the Annual Operating and financial planning process to focus on a Remobilisation Plan. Recognising the exceptional nature of 2021-22 and the impact on delivery of financial plans, additional non-repayable funding was provided to support in-year financial balance across all NHS Boards. As part of this, NHSGGC received £353m in relation to Covid-19, £284m of this was in relation to net expenditure incurred by the Board and the HSCPs in relation to Covid-19 together with further additional Covid-19 funding passed to the six HSCPs.

Excluding provision of financial flexibility provided by the Scottish Government, the Board's outturn would have been an underspend on RRL of £0.361m. The underspend is within the one per cent flexibility afforded by the three-year financial planning and performance cycle, and will be managed within an overall breakeven position in the period to 2022-23.

The high level 2021-22 Financial Plan, approved by the NHS Board, predicted a deficit of £157.5m, this included a recurring deficit brought forward of £93.5m, with pay cost growth accounting for the majority of the remaining balance. This gap was offset by non-recurrent support of £35m, non-recurrent savings of £68m and recurring savings of £35m leaving an overall gap of £19.5m for 2021-22.The focus for 2021-22 was to bring down the recurring deficit by continuing the work of the Financial Improvement Plan and deal with cost pressures.

However, 2021-22 has again been an unprecedented year and as outlined earlier in this report in the Chief Executive's Statement, the Board dealt with the continued outbreak of Covid-19 throughout 2021-22. From a financial perspective, the Board incurred additional costs of £208m consisting of additional staff costs, additional bed capacity, testing, deep cleans, loss of income, vaccinations costs, equipment & IT and unachieved savings. In terms of the IJB's, additional costs of £76m were incurred in relation to Covid-19 for 2021-22, largely consisting of additional staffing costs, social care provider sustainability payments and in year work around assessment centres, homelessness and testing. The full £284m was funded by the Scottish Government.

The Board still experienced some cost pressures in-year, out with Covid-19, such as: clinical waste, junior doctors, delayed discharges, and out of area beds. Despite this, through the continued success of the FIP, increased financial grip, reduction in activity and managing the capital allocation to ensure an optimal outturn, the Board was able to report a small surplus of £0.36m at 31 March 2022.

The Boards underspend position was underpinned by £62.4m of non-recurring support for unachieved savings, as illustrated in the following table:

Area	Gross position £'m	Savings Relief £'m	Final reported position £'m
Acute	(22.65)	**22.65**	0.00
Partnerships (including HSCPs)	1.45	0.00	1.45
Corporate directorates	(40.79)	39.70	(1.09)
Gross/Net Financial Position at 31 March 2022	(61.99)	**62.35**	**0.36**

Pay within the Acute division was underspent with a similar level of overspend within non-pay resulting in an overall break even position. Partnerships reported an underspend of £1.45m and the majority of Corporate departments expenditure was close to budget.

HSCPs have all reported a breakeven out-turn on the Health budget as at 31 March 2022 with any underspends transferred to reserves at the year end. HSCP reserves increased significantly in year partly as a result of additional ring-fenced Scottish Government funding for areas such as Covid-19, Winter Planning, Primary Care Improvement Plans, Mental Health Action 15 and funding for Alcohol and Drug Partnerships, and underspends reflecting on going difficulties recruiting to key posts and the impact of Covid-19 on demand for services.

The core capital resources available to the Board for investment in 2021-22 amounted to £98.0m:

Total SGHSCD Capital Resource Limit	£85.7m
Other Capital Funding Sources	£3.8m
Total Revenue Funding	£8.5m
Total Infrastructure Funding 2021-22	**£98.0m**

In order to best manage the Board's overall revenue and capital out-turn, and to ensure that expenditure was correctly classified within the Accounts, a transfer of £7.5m from capital to revenue was progressed, enabling the Board to achieve the key core Capital Resource Limit (CRL) target of £85.7m.

As we move forward into 2022-23, the initial Financial Plan indicated an increased financial gap of £172.7m, this includes a recurring deficit brought forward of £118m (the

original Financial Plan showed a gap of £120m however final outturn was £2m better than anticipated bringing the recurring deficit down to £118m), with pay cost growth accounting for the majority of the remaining balance. This gap will be offset by non-recurrent savings of £41.2m and recurring savings of £50m leaving an initial residual gap of £81.5m for 2022-23. A further review was carried out which identified a further £30m of non-recurring opportunities which brought the residual gap down to £51.5m. This still presents a risk to the Board and we are working on a number of non-recurring mitigations in order to close this gap. The Annual Operational Plan (AOP) is due to be submitted in July 2022 along with a 3 year financial plan. The pandemic is still active and the financial impact of both the ongoing Covid-19 outbreaks and the recovery process cannot be fully assessed until the pandemic has passed.

Payment policy

The Scottish Government is committed to supporting business during the current economic climate 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:-

	2021-22	2020-21
Average period of credit taken	30 days	30 days
Percentage of invoices by volume paid within 30 days	95 %	94 %
Percentage of invoices by value paid within 30 days	97 %	97 %
Percentage of invoices by volume paid within 10 days	88 %	87 %
Percentage of invoices by value paid within 10 days	91 %	92 %

Social Matters

NHSGGC is committed to leading and promoting Equality and Diversity, equal opportunities and supporting human rights in terms of the provision of health services for the community it serves and in its practice as an exemplar employer. This is achieved by engaging with SMEs and Social Enterprises, meeting sustainable procurement targets, delivering an ethical supply policy and implementation of the NHSGGC Employability Strategies. Delivery of community benefits is included as a condition in all contracts over the regulated procurement threshold.

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.

Endowment Funds

NHSGGC Endowment fund is consolidated with the Board's financial statements. 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. The Endowment Funds have recorded an excess of expenditure over income for the year of £0.6m (2020-21, surplus £3.643m). The Board's Endowment fund had total net

assets of £107.8m as at 31 March 2022. Expenditure from endowment funds amounted to £9.8m in the year and this included spending on research, equipment and patient/staff amenities as well as other specific projects approved by the Endowments Management Committee.

Throughout the year the charity has received and disbursed significant sums of money from NHS Charities Together and other direct donations for Covid-19 relief. This funding has facilitated various projects including: virtual visiting for patients; rest and relaxation Hubs; and various other smaller projects promoting patient and staff wellbeing during the Covid-19 crisis.

Other grants made during the year included support for the following projects:

- Lateral Turning Systems to prevent pressure damage and improve the quality of patient care
- A 2 year award to Maggie's Glasgow and awards to a number of other external charities
- Pastoral support for young employees
- Celebrating a Life project
- A 2 year Active Staff project
- Support for a number of green space projects

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

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.

Performance Against Key Non-Financial Targets

Our Phase 3 Remobilisation Plan (subsequently revised in September 2021 to Phase 4), as outlined in the section above, was developed in partnership with key stakeholders to ensure health and social care services across NHSGGC were working together on recovery and remobilisation. The Plan details the initiatives and actions that underpin the remobilisation and development of services in 2021-22 including key targets to restore elective capacity, address the increased waiting times and to continue to embed clinical prioritisation across the organisation.

Throughout 2021-22, the level of activity delivered across NHSGGC fluctuated in response to different waves of Covid-19 infection. However, by using the experience gained in 2020-21, we were able to adapt to these changes and maintain a more consistent delivery of our elective services, for example in endoscopy and outpatient services, although our activity as regards to inpatients and daycases remained challenging as Covid-19 waves continued.

Despite the continued pressures and challenges of Covid-19 during 2021-22, NHSGGC made steady progress in reaching a number of key service priority milestones agreed with Scottish Government and outlined in our Phase 4 Remobilisation Plan. The focus of recovery during 2021-22 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 below, a total of 12 of the 25 measures contained within the Remobilisation Plan either met or exceeded the March 2022 planned position with a further 4 measures narrowly missing the target.

REMOBILISATION PLAN 4 PERFORMANCE - AT A GLANCE					
Ref	**Measure**	**Apr - Mar 2022 Actual**	**Apr - Mar 2022 Target**	**Status**	**Target Met**
1	New Outpatient Activity	262,435	230,488	G	√
2	Number of New Outpatients waiting > 12 weeks	68,924	70,000	G	√
3	Number of New Outpatients waiting > 52 weeks	8,613	8,388	A	X
4	Diagnostics - Scope Activity	31,634	22,683	G	√
5	Diagnostics - Number of patients waiting > 6 weeks for a scope	8,077	8,605	G	√
6	Diagnostics - Number of patients waiting > 52 weeks for a scope	2,218	833	R	X
7	Diagnostics - Imaging Activity	307,441	139,154	G	√
8	TTG Inpaient / Daycase Activity	51,593	46,297	G	√
9	TTG Inpatient / Daycase - Number of patients waiting > 12 weeks	25,102	19,154	R	X
10	TTG Inpatient / Daycase - Number of patients waiting > 52 weeks	9,264	5,194	R	X
11	Access to Cancer Services: Number of eligible referrals treated on 62 day pathway	4,185	3,610	G	√
12	Access to Cancer Services: % of cancer patients starting their first cancer treatment within 62 days of urgent referral with a suspicion of cancer (Provisional)	72.4%	95.0%	R	X
13	Access to Cancer Services - Number of first treatment cancer patients treated on the 31 day pathway	6,555	6,906	A	X
14	Access to Cancer Services: % of patients treated within 31 days of decision to treat (Provisional)	96.7%	95.0%	G	√
15	Child and Adolescent Mental Health: % of eligible patients starting treatment < 18 weeks of referral	65.8%	80.0%	R	X
16	CAMHS - First Treatment Appointment (number of patients treated within 52 weeks of referral)	5,606	5,156	G	√
17	CAMHS - First Treatment Appointment (number of patients treated after waiting > 52 weeks, if applicable)	165	84	R	X

Ref	Measure	Apr - Mar 2022 Actual	Apr - Mar 2022 Target	Status	Target Met
18	Psychological Therapies: % of eligible referrals starting treatment < 18 weeks of referral (March 2022 quarterly position)	91.0%	>90%	G	√
19	Psychological Therapies - First Treatment Appointment (number of patients treated within 52 weeks of referral)	16,337	17,165	A	X
20	Psychological Therapies - First Treatment Appointment (number of patients treated after waiting > 52 weeks, if applicable)	122	90	R	X
21	A&E Attendances	390,139	415,284	G	√
22	Accident and Emergency 4 Hour Waiting Times Standard (March 2022 monthly position)	71.7%	95.0%	R	X
23	Number of Emergency Admissions	125,832	146,535	G	√
24	Non Elective Mean Length of Stay (LOS) (Provisional Qtr 1 21 - Qtr 1 22)	6.9 days	6.7 days	A	X
25	Number of Delayed Discharges (monthly average position April - March 2021/22)	299	200	R	X

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

A number of actions are already underway to address the measures rated as red above, including: the successful implementation of Phase 1 of the Redesign of Unscheduled Care and the ongoing work aligned to the redesign including the development of integrated pathways through initiatives such as Hospital@Home. Activity promoting our Right Care, Right Place model of unscheduled care encouraging members of the public to only attend Emergency Departments if their condition is serious or life threatening and for those who can be seen elsewhere to speak with their GP or pharmacist, utilise NHS24 or one of our Minor Injury Units to reduce the volume of patients coming through Emergency Departments.

In terms of our elective waiting times we continued to limit our elective activity in response to the different waves of Covid-19 and unscheduled care pressures. This was to help create capacity and respond to emergency cases alongside continuing to treat a range of urgent and very urgent conditions, including cancer. In continuing to do so in a planned way throughout 2021-22 this has helped ensure that emergency and very urgent patients continued to receive the services they required. Elective activity continued to be delivered across all sites, with the most urgent cases prioritised for theatre. Board wide theatre improvements and day surgery groups focussed on key issues of theatre workforce and the transfer of care from inpatient setting to day case provision with support for patients.

In terms of mental health a Children and Adolescent Mental Health Service (CAMHS) Recovery and Renewal Board has been initiated to oversee the plan to utilise Phase 1 of £6.1 million funding to improve waiting times in CAMHS, to deliver the full service specification, improve CAMHS waiting times and increase the transitional age range to 25 years for targeted groups. Additional funding has also been received for Phase 2 focusing on the delivery of the Neurodevelopment service specification and enhancement of a range of Tier 4 Board-wide services and the development of Regional Services including an Intensive Psychiatric Care Unit (IPCU). A Waiting List initiative is in place which has created 18 new posts to reduce waiting lists and ensure patients are seen more promptly.

In terms of psychological therapies we have successfully recruited to some permanent positions in Psychological Therapy Teams, Community Mental Health Teams (CMHTs) and Primary Care Mental Health Teams alongside some fixed term positions in CMHTs with a focus on addressing the longest waiting patients; there has also been a focus on complex trauma service response to people who will have waited more than 52 weeks; the flexible use of resources to ensure capacity is shared across care groups and HSCP boundaries to ensure patients start treatment and reduce the length of time patients are waiting to be seen.

Improvement activity to address delayed discharges includes Public Health continuing to support care homes to risk assess partially opening to admissions / supporting them to re-open in a timely manner post Covid-19 outbreak and three times a week discharge huddles to focus on operational improvements.

Across NHSGGC there are robust governance arrangements in place for measuring, monitoring and reporting on performance. These arrangements include:

- live daily reporting of unscheduled care at operational site level;
- weekly performance reporting to Chief Executive, Executive Directors, Acute Directors; HSCP Chief Officers and the Performance Monitoring Board;
- fortnightly reporting at the Strategic Executive Group and Tactical Groups (established to co-ordinate the organisation's strategic response to the Covid-19 outbreak);
- monthly reporting to Corporate Management Team;
- monthly reporting at the Acute Strategic Management Group and Directors Access Group looking at demand, capacity and overall performance to taking a broader and more strategic view of the whole system's performance; and
- bi-monthly reporting at Acute Services Committee (ASC), Finance, Planning and Performance Committee (FPPC) and the Board.

As part of our phased approach to developing Active Governance, we created an Information Assurance Framework involving the review of all existing NHSGGC performance indicators that measure the delivery of our Corporate Objectives alongside the key priorities and trajectories outlined in our Remobilisation Plans 3 and 4. These indicators and trajectories have been embedded within the Board, FPPC, ASC and Corporate Management Team and an Integrated Performance Report is considered at each meeting. For those measures highlighting an adverse variance greater than 5%, an accompanying narrative is reported and considered by the Board providing detailed commentary on the improvement activity in place to bring performance back on target.

Sustainability and Energy Management

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.

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: Sustainable Scotland Network Climate Change Reporting

Carbon

NHSGGC continues its commitment to reducing both its energy-based carbon emissions and its energy consumption which will still enable the Board to contribute towards the Scottish Government's aim to reduce greenhouse gas emissions towards a target of net zero for emissions of all greenhouse gases by 2045 at the latest, with interim targets set for 2030 (75% reduction) and 2040 (90% reduction).

To support the above the NHS in Scotland and indeed the Scottish Government have published a number of documents relating to Environmental targets and policies with which Health Boards are required to comply these include:

- Scotland's Climate Change Act (3).
- Scottish Governments declaration of a Climate Change Emergency.
- United Nations (UN) Sustainability Development Goals (SDG's).
- NHS HDL(2006)21: Environmental Management Policy for NHSScotland.
- NHS CEL 15 (2009): Sustainable Development Strategy for NHSScotland.
- NHS CEL 2(2012): A policy on Sustainable Development for NHSScotland
- Scottish Planning Policy (SSP 6) Renewable Energy.
- Choosing Our Future: Scotland's Sustainable Development Strategy.

Energy

Whilst there was no formal energy consumption target reduction set for NHSGGC for 2021-22 there was an overall reduction in energy consumption of 4.1% compared to 2020-21.

Emissions

The overall carbon emissions reduction from energy at 31 March 2022 was 6.6% compare to same period the previous year. This equates to a reduction of 6,531 tonnes of carbon.

The Board has welcomed these reductions and recognised that these savings bring additional potential for significant benefits to our organisation around improving health inequalities.

A number of schemes and initiatives were put in place during 2021-22 to support the overall reduction of energy and carbon emissions to meet agreed targets. These initiatives include the following:

- Introduction of internal LED Lighting across a number of hospital ward areas;
- Removal of fossil fuels (i.e. oil) as a primary heating source at Linwood Health Centre (only site in NHSGGC where oil remained as the primary heating source) and the introduction of Electric Radiant Panels (saving approx. 35 tonnes of carbon);
- Upgrading of building management systems across the estate;
- Introduction of a mini Combined Heat & Power (CHP) unit and a Photovoltaics (Pv) Solar Array scheme at Westward House, and
- All sites having dynamic Energy Performance Certificate (EPC's) introduced which also included the production of a software based IES Scan 'Energy Model' of each site. This will be ongoing through 2022-23.

The 'feasibility studies' carried out to support the introduction of 'large scale heat pump technology (both water and air)' at Stobhill Hospital and Leverndale Hospital have moved to the next development stage where site investigations are being carried out (financed by the Scottish Government). A further 'feasibility study' of the use of this technology at Dykebar Hospital has also been carried out.

The Board has continued to improve and develop its Strategy for delivering upon a full range of Environmental Targets / Improvements. These proposals address the following target areas:-

- Sustainability and Procurement.
- Environmental Management.
- C02 Emissions.
- Carbon Reduction.

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 Greater 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.

To achieve the Board's targets in these areas, a range of strategic plans have been drawn up to facilitate the development of the Board wide initiatives.

Pathway to Net-Zero

The NHSGGC Pathway to Net Zero report has now been produced and was recently approved by NHSGGC's Sustainability Governance Group, this document:

- Assists NHSGGC to quantify the scale of the challenge;
- Provides a basis for setting realistic board specific interim targets;
- Provides a basis for establishing a date by which net-zero could be achieved (in advance of the statutory 2045 date);

- Defines the organisational and functional boundaries over which net-zero emissions are to be achieved;
- Provides strategic guidance on the available pathways to net-zero;
- Sets out a creditable trajectory to net-zero for NHSGGC.

Funding
An allocation of £1.2m from NHSGGC's Capital allocation was awarded to a number of 'energy & carbon saving projects' across NHSGGC. A further £1.8m was also awarded to NHSGGC from the Scottish Governments 'Green Public Sector Estate Decarbonisation Scheme'

The Way forward
The Board continues to endorse the numerous policies, plans, and initiatives in place across the organisation to reduce energy consumption and the carbon footprint. The Pathway to Net-Zero report will identify any gaps in the trajectory, allow NHSGGC to prepare an annual carbon budget, whilst preparing a boardwide model showing a suite of potential interventions to achieve net-zero by the target year.

Jane Grant
Chief Executive & Accountable Officer

28 June 2022

Accountability Report

Corporate Governance Report

Directors' Report

Date of Issue
The annual report and accounts were approved by the Board and authorised for issue by the Accountable Officer on 28 June 2022.

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 has appointed John Cornett, Executive Director of Audit Services, Audit Scotland 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.

Board Membership
Under the terms of the Scottish Health Plan, the Board is a board of governance whose membership will be conditioned by the functions of the Board. Members of the Board 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 Board has collective responsibility for the performance of the local NHS system as a whole, and reflects a partnership approach, which is essential to improving health and health care. Board Members are also Trustees of the Endowment Funds. The members of the Board who served during the year to 31 March 2022 and up to the date of approval of these accounts were as follows:

Non-Executive Members

Professor J Brown CBE	Board Chair Chair – Remuneration Cttee Ex-officio member of all Board Standing Committees
Rev J Matthews OBE	Non-Executive Board Member; Board Vice Chair Member – Endowments Management Cttee Vice Chair – Finance, Planning and Performance Cttee Chair – Pharmacy Practices Chair – Population Health and Well Being Cttee Member – Remuneration Cttee Chair – Renfrewshire IJB Member – Glasgow City IJB
Mr I Ritchie	Non-Executive Board Member; Board Vice Chair Chair – Acute Services Cttee Vice Chair – Clinical & Care Governance Cttee Member – Finance, Planning and Performance Cttee Vice Chair – Population Health and Well Being Cttee Member – Remuneration Cttee Member – East Dunbartonshire IJB

*Cllr C Bamforth (until 30 April 2022)	Non-Executive Board Member; Councillor, East Renfrewshire Council Member – Clinical & Care Governance Cttee Member – Endowments Management Cttee
*Cllr TBC	Non-Executive Board Member; Councillor, East Renfrewshire Council
Ms S Brimelow OBE	Non-Executive Board Member Member – Acute Services Cttee Member – Audit & Risk Cttee Chair – Clinical & Care Governance Cttee Member – Finance, Planning and Performance Cttee Member – Glasgow City IJB
Mr S Carr	Non-Executive Board Member Vice Chair – Acute Services Cttee Chair – Finance, Planning and Performance Cttee Vice Chair – Glasgow City IJB Member – Inverclyde IJB
*Cllr J Clocherty (until 30 April 2022)	Non-Executive Board Member; Councillor, Inverclyde Council Member – Acute Services Cttee Member – Audit & Risk Cttee
*Cllr M McCluskey (from 8 June 2022)	Non-Executive Board Member; Councillor, Inverclyde Council
Mr A Cowan	Non-Executive Board Member Member – Finance, Planning and Performance Cttee Joint Chair – Staff Governance Cttee Vice Chair – Remuneration Cttee Chair - Inverclyde IJB
Ms J Forbes	Non-Executive Board Member Member – Audit & Risk Cttee Member – Finance, Planning and Performance Cttee Chair – East Dunbartonshire IJB Member – East Renfrewshire IJB
*Cllr M Hunter (until 30 April 2022)	Non-Executive Board Member; Councillor, Glasgow City Council Member – Population Health and Well Being Cttee Member – Remuneration Cttee
*Cllr C Cunningham (from 8 June 2022)	Non-Executive Board Member; Councillor, Glasgow City Council
Ms M Kerr	Non-Executive Board Member Chair – Audit & Risk Cttee (from July 2021, Vice Chair prior) Vice Chair – Endowments Management Cttee (from July 2021, Member prior) Member – Finance, Planning and Performance Cttee (from July 2021) Joint Vice Chair – Pharmacy Practices Cttee Member - Acute Services Cttee (until July 2021) Member – Renfrewshire IJB
Ms A Khan	Non-Executive Board Member Member – Clinical & Care Governance Cttee (until July 2021) Member – Endowments Management Cttee (from July 2021) Member – Staff Governance Cttee

	Member – East Renfrewshire IJB Member – Glasgow City IJB
Mr A Macleod (until 31 July 2021)	Non-Executive Board Member Chair – Audit & Risk Cttee Vice Chair – Endowments Management Cttee Member – Finance, Planning and Performance Cttee
*Cllr J McColl (until 30 April 2022)	Non-Executive Board Member; Councillor, West Dunbartonshire Council Member – Audit & Risk Cttee Member – Endowments Management Cttee
*Cllr M McGinty (from 8 June 2022)	Non-Executive Board Member; Councillor, West Dunbartonshire Council
Ms D McErlean (until 31 December 2021)	Non-Executive Board Member; Employee Director Member – Finance, Planning and Performance Cttee Joint Chair – Staff Governance Cttee Member – Remuneration Cttee Member – Inverclyde IJB Member – Renfrewshire IJB
Professor I McInnes CBE (from 1 April 2021)	Non-Executive Board Member Member – Clinical & Care Governance Cttee Member – Finance, Planning and Performance Cttee
*Cllr S Mechan (until 30 April 2022)	Non-Executive Board Member; Councillor, East Dunbartonshire Council Member – Finance, Planning and Performance Cttee Member – Staff Governance Cttee
*Cllr C McDiarmid (from 8 June 2022)	Non-Executive Board Member; Councillor, East Dunbartonshire Council
Ms K Miles	Non-Executive Board Member Member – Audit & Risk Cttee Member – Endowments Management Cttee Member – Glasgow City IJB (from January 2022) Member – East Dunbartonshire IJB
Ms A-M Monaghan	Non-Executive Board Member Member – Finance, Planning and Performance Cttee Member – Population Health and Well Being Cttee Vice Chair – East Renfrewshire IJB Member – Glasgow City IJB
*Cllr I Nicolson (until 30 April 2022)	Non-Executive Board Member; Councillor, Renfrewshire Council Member – Population Health and Well Being Cttee Member – Remuneration Cttee
*Cllr TBC	Non-Executive Board Member; Councillor, Renfrewshire Council
Dr L Rousselet (from 1 July 2021)	Non-Executive Board Member Member – Acute Services Cttee Member – Clinical & Care Governance Cttee Member – West Dunbartonshire IJB
Dr P Ryan (from 1 June 2021)	Non-Executive Board Member Member – Acute Services Cttee Member – Clinical and Care Governance Cttee Member- Staff Governance Cttee

Mr F Shennan	Non-Executive Board Member Member – Population Health and Well Being Cttee Member – Staff Governance Cttee Member – Renfrewshire IJB
Ms P Speirs (until 31 January 2022)	Non-Executive Board Member Member – Acute Services Cttee Member – Clinical & Care Governance Cttee Member – Inverclyde IJB
Ms R Sweeney	Non-Executive Board Member Chair – Endowments Management Cttee Member – Finance, Planning and Performance Cttee (from July 2021) Member – Staff Governance Cttee (until May 2021) Vice Chair – West Dunbartonshire IJB Member – Glasgow City IJB
Ms A Thompson (until 30 June 2021)	Non-Executive Board Member Member – Acute Services Cttee Member – Clinical & Care Governance Cttee
M F Tudoreanu (until 31 December 2021)	Non-Executive Board Member Member – Population Health and Well Being Cttee Member – Remuneration Cttee Member – Glasgow City IJB Member – East Renfrewshire IJB
Mr C Vincent	Non-Executive Board Member; Member – Staff Governance Cttee Joint Vice Chair – Pharmacy Practices Cttee (since July 2021) Member – Audit & Risk Cttee Member – Glasgow City IJB
Ms M Wailes (from 1 June 2021)	Non-Executive Board Member Vice Chair – Audit & Risk Cttee Member – East Renfrewshire IJB (from January 2022) Member – West Dunbartonshire IJB
Ms A Cameron-Burns (from 1 January 2022)	Non-Executive Board Member; Employee Director Member – Finance, Planning and Performance Cttee Joint Chair – Staff Governance Cttee Member – Remuneration Cttee Member – Inverclyde IJB Member – Renfrewshire IJB
Mr D Gould (from 1 February 2022)	Non-Executive Board Member Member – Clinical and Care Governance Cttee Member – Inverclyde IJB

*Local Government elections were held on 4 May 2022. The 6 Councillor non-executive Board members were officially stood down on 30 April 2022 and new members appointed in June 2022.

Executive Members

Ms J Grant	Chief Executive
Dr J Armstrong	Medical Director
**Dr L de Caestecker (until 4 April 2022) Dr E Crighton (interim from 3 January 2022)	Director of Public Health
**Dr M McGuire (until 31 March 2022) Ms A O'Neill (interim from 1 February till 18 April 2022) Professor A Wallace (from 18 April 2022)	Nurse Director
Mr M White (until 15 May 2022) Ms F McEwan (interim from 16 May 2022)	Director of Finance

** To ensure continuity of service in key areas, interim appointments were brought in to allow for a period of handover and provide cover for annual leave and phased retirement arrangements.

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 on page 38.

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 are disclosed in Note 20.

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 at Meet the Board - NHSGGC

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.

Pension Liabilities
The accounting policy note for pensions is provided in Note 1, and disclosure of the costs is shown within Note 18 and the remuneration report.

Remuneration for Non-Audit Work
During the year 2021-22 our auditors, Audit Scotland, did not undertake any non-audit work.

Public Services Reform (Scotland) Act 2010
Sections 31 and 32 of the Public Services Reform (Scotland) Act 2010 require the SGHSCD and listed public bodies to publish information on expenditure and certain other matters as soon as is reasonably practicable after the end of each financial year.

The required information will be published on the Board's website NHSGGC Website.

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, including eight reports of equipment theft. All incidents were investigated and appropriate action taken and all incidents were reported to the Information Governance Steering Group.

The Data Protection Officer (DPO) for the Board reported four confidentiality breaches to the Information Commissioner's Office (ICO); two breaches related to inappropriate disclosure of information and two related to lost records.

In addition the ICO received seven complaints from members of the public. Three related to dissatisfaction on how the Board had processed their subject access requests, two related to allegations of inappropriate use of data by the Board, one related to loss of a staff HR file, and one related to unconsented contact of a patient. The DPO responded to all complaints and no action was taken against the Board.

The Information Governance Department have investigated all data breaches, made recommendations to managers and carried out further training and support to areas in direct response to incidents.

All security thefts and data breaches are reported quarterly to the Information Governance Steering Group.

Disclosure of Information to Auditors

The Directors who held office at the date of approval of this Directors' report confirm that, so far as each of them is aware, there is no relevant audit information of which the Board's auditors have not been made aware. Each Director has taken all steps that they ought reasonably to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Board's auditors have been made aware of that information.

Events After the End of the Reporting Period

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

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 2022 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 that are reasonable and prudent;
- state where applicable accounting standards as set out in the Financial Reporting Manual (FReM) 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 Board members confirm they have discharged the above responsibilities during the financial year and in preparing the accounts.

Statement of the Accountable Officer's Responsibilities
Under Section 15 of the Public Finance and Accountability (Scotland) Act, 2000, The Principal Accountable Officer of the Scottish Government has appointed me as Accountable Officer of Greater Glasgow 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 FReM 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 FReM 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.

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

In accordance with IFRS 11 – Joint Arrangements, the Financial Statements consolidate the IJB Accounts of Glasgow City, Inverclyde, Renfrewshire, East Dunbartonshire, East Renfrewshire and West Dunbartonshire. This statement includes any relevant disclosure in respect of these IJB Accounts.

Self-Assessment of Performance

At the Annual Review held on 28 March 2022, the Board assessed its own performance in the presentation of an overview of performance during 2020-21 and our pandemic experience to date. During that year, NHSGGC sought to address the significant challenges presented by balancing the demands of Covid-19 and the requirements of Remobilisation. Despite the pressures and unprecedented challenges of Covid-19 during

2020-21, NHSGGC made steady progress in reaching a number of key service priority milestones agreed with Scottish Government and outlined in our Remobilisation Plan (RMP2). The 2021-22 Review is expected to be held during 2022-23 and will be reported in the 2022-23 accounts.

As part of our RMP2 we also implemented a range of initiatives underpinning our commitment to remobilising services and delivering agreed levels of activity. Key initiatives and programmes of work were introduced including revised patient pathways and extending the use of digital technology to maximise the potential new ways of interacting with patients. Key examples are noted below:

- The Flow Navigation Centre went live on 1 December 2020 to deliver an appointment booking service aligned to a clinical hub to deliver virtual triage. Near Me assessments continue to provide effective patient streaming and rescheduling of urgent care activity was introduced. Both approaches continue to support patient flow.
- The red and green pathways in our hospitals through Specialist Assessment and Treatment Areas (SATAs) and in the community through Community Assessment Centres (CACs) were established and have been maintained.
- Work continued to further embed the service changes and redesign of the emergency care access routes to ensure that the alternative pathways continue to help avoid a return to pre-Covid-19 levels of demand. The Regional Trauma Centres for adults and children opened at the Queen Elizabeth University Hospital and the Royal Hospital for Children in August 2021.
- NHSGGC implemented the national guidance on the management of individual patients who require cancer treatments agreed by the national COVD-19 treatment Response Team. All cancer patients awaiting surgery continued to be reviewed on a weekly basis and cases continued to be booked for surgery in line with urgency categories.
- In Mental Health Services, improvement activity included renewal and recovery funded recruitment to prioritised areas, focus on patients waiting over 18 weeks for treatment, focus on a complex trauma service response to people and the flexible approach to resources to share capacity across care groups and HSCP boundaries.
- The CAMHS Mental Health Recovery and Renewal Programme Board was initiated to oversee the plan to improve waiting times in CAMHS, deliver full service specification and increase the age range from 18 years to 25 years.
- The Covid-19 vaccination programme began in December 2020 with a focus on care home residents, healthcare staff and the most vulnerable groups, then continued to expand during the year in light of emerging evidence, national policy and the outlook of the pandemic in general. This led to a significant drop in the number of care home Covid-19 outbreaks and Covid mortality.

As well as managing the pandemic, NHSGGC continued to work closely with the Oversight Board in respect of the QEUH and RHC and escalation to Level 4 of the Scottish Government's Performance Framework to address the challenges around infection management, control and prevention. Further to the publication of the oversight Board Report and the Case Note Review Report in March 2021, a comprehensive action plan was developed to ensure all the recommendations, including those of the External Review led by Drs Montgomery and Fraser, were being put in place to address the issues described In the respective reports. Progress was overseen by the AARG led by the

Scottish Government. NHSGGC has now completed all 108 recommendations across these reports and has a comprehensive audit process in place to ensure all the recommendations from these reports are embedded within the organisation. The Board has been de-escalated to Level 2 from June 2022.

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 2022 the Board comprised the Chair, twenty-six Non-Executive and five Executive Board members (at 31 March two of the Executive Directors had retired, recruitment had concluded for their replacements and both posts were being covered on an interim basis in the meantime); 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 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. The Board itself receives at each meeting an Integrated Performance Report, which outlines performance over a period of time, with relevant actions to improve where relevant presented by the responsible Director.

The approach to Active Governance has developed throughout the year with regular updates against the Active Governance Programme 2021-22 at each Board meeting. Active governance is a key element of the implementation arrangements for the NHS Scotland Blueprint for Good Governance ('the Blueprint') issued under DL (2019) 02 on 1 February 2019.

The continuing pandemic clearly brought ongoing governance challenges.

At the outset, NHSGGC created a robust response framework to the Covid-19 outbreak. A Strategic Executive Group (SEG) was established to co-ordinate the organisation's strategic response to the pandemic. The SEG has continued to meet throughout the year at varying frequency, depending on the pressures and impact of the pandemic. The SEG continues to be supported by Tactical Groups for Acute, HSCPs and Recovery which report to the SEG. There are also a number of specific national groups from which the SEG receives updates through NHSGGC Executive members.

The focus of the SEG meetings includes supporting operational teams with immediate issues arising from Covid-19, both in hospital and across the community, monitoring Covid-19 activity and the impact on services and staff. The SEG also oversees progress on delivery of the vaccination programme, redesign of unscheduled care, care homes and Test and Protect. There is also a dedicated focus on recovery, with the SEG overseeing the development of the varying iterations of the Remobilisation Plan.

In terms of corporate governance the pandemic also required the Board to consider how to ensure continued good governance in the face of the significant challenge. During the first wave, the Board agreed to introduce an Interim Board to undertake all functions of the Board required during the public health emergency. The Board agreed to suspend the functioning of established governance committees during this period. The Board reviewed this arrangements in June 2020 and reintroduced more routine arrangement in a proportionate manner. During 2021-22, governance arrangements have been kept continually under review, opting to continue the proportionate approach with our Board sub-committees as the impact of Covid-19 on the organisation has remained significant throughout the reporting year. Core priorities were agreed to ensure focus and minimise the impact on the Executive Team. The Board and Committees continued to meet throughout the year.

The Board undertakes, on an annual basis, 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;
- Finance, Planning and Performance Committee (FPPC);
- Population Health and Wellbeing Committee; 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 NHSGGC 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 Endowments Management Committee, as detailed in the Endowment Fund Annual Accounts.

Acute Services Committee

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 2021-22.

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
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 Accountable Officer that appropriate systems of internal control and risk management had been in place throughout the year.

The ARC met four times during 2021-22.

Clinical and Care Governance Committee
Non-executive oversight of clinical governance arrangements across NHSGGC is provided by the Clinical Care and Governance Committee. 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 2021-22.

Finance, Planning and Performance Committee
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 five times during 2021-22.

Population Health and Wellbeing Committee
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 three times during 2021-22.

Staff Governance Committee
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 (Scotland) Act 2004 and the Staff Governance Standard. The SGC is a Committee of the Board. 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 five times during 2021-22.

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 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 (IG) Steering Group continue to meet quarterly to monitor IG and Information Security (IS) compliance by reviewing regular reports on subject access requests, data breaches, data protection impact assessments, security compliance, training and associated risk management. The Information Governance Team continues to work on updating and developing the Board Records Management Plan in line with obligations under the Public Records (Scotland) Act 2011. The Group also reviews all Information Governance and IT Security policies. The IG Steering Group reports into the Corporate Management Team.

This year the Board received over 12,500 subject access requests for personal data, an increase of 25% over last year, 99.9% of these requests 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 StaffNet, the IG team continues to provide ad hoc support and training to ensure staff are aware of their obligations to protect patient and staff data by continued participation in training programmes, including training to, student nurses and GP practice staff.

Proactive communications have been issued to staff on a wide range of topics for example with guidance on: the appropriate use of Microsoft Teams; handling and reporting of data breaches; safe data sharing to ensure continued awareness and compliance, and to remind staff of the availability of support through training and guidance materials located on StaffNet. Work is in train to develop a Digital IG Knowledge Hub that will improve access to the training, information and guidance that is available.

Implementation of the Network Information System's (NIS) regulations is now based on the Scottish Government's Cyber Resilience Framework (CRF) which provides a structure and focus for controls adoption. The 2021 audit showed GGC has made good progress from the 2020 audit position and is continuing to work through key actions as we prepare for the 2022 NIS Audit. The 2022 work plan will bring a focus on Corporate Management, learning and awareness, and on supply chain security.

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.

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 Code of Conduct for Staff. This includes reference to the disclosure internally or externally by staff who have concerns about patient safety, malpractice, misconduct, wrongdoing or serious risk. 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. Complaints - NHSGGC

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 Directors 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 Chairman and Area Clinical Forum Chairs.

Internal policies are created in line with the Board's Policy Development Framework, 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, as published by the Scottish Public Services Ombudsman. These Standards aim to bring consistency across NHS Scotland in how whistleblowing concerns are handled, in terms of accessibility, impartiality and fairness. NHSGGC has always aimed to look into any concerns brought forward through the process in a thorough and empathetic way. The Standards have given NHSGGC an opportunity to focus and make improvements to our whistleblowing arrangements, strengthening the support offered to all those involved with cases, and tightening our reporting processes.

Communication and Engagement
How we inform, engage and consult with patients and the public in transforming services is an important part of how we plan for the future. NHSGGC strives to engage effectively with all of its key stakeholders as set out in the Board's Stakeholder Communications and Engagement Strategy 2020-23. Stakeholder Communications and Engagement Strategy 2020-2023

At the heart of this strategy is a commitment to openness, honesty and transparency in all our communications and engagement activity. We are working to foster 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. 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, along with its Standing Committees, met seven times during 2021-22 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 Remobilisation 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
    - 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. These groups have continued to meet throughout the year in addition to the specific Covid-19 response fora described.
- 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 Remobilisation Plan. 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 on-line 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.
- An on-line 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.

Covid-19 – Financial Support Measures paid to Family Health Services (FHS) Contractors

As part of a package of financial support for business in Scotland, announced by Scottish Government during Covid-19 pandemic, specific guidance was issued for NHS Primary Care contractors within Medical, Pharmacy, Dental and Optometry. Aligned to this financial support measures were implemented to maintain the Primary Care infrastructure and ensure contractor workforce were protected during pandemic.

Amounts paid to Primary Care contractors, as part of this financial support package, included sums to assist with costs relating to adaption of premises, PPE supplies, increased activity and the reimbursement of costs relating to locum cover for Covid-19 sickness or Covid-19 isolation procedures.

For payments to contractors which were based on 'item of service' fee based income which decreased due to the pandemic, revised payment calculations were based on a pre-pandemic prior year, or most relevant period, activity instead of 2021-22 actual activity. Additional payments to contractors for Enhanced Services were also guaranteed at prior year payment levels even though some activity decreased due to the pandemic.

During the course of 2021-22, and as pandemic restrictions have lifted, items of service fee based claims have increased from 2020-21 levels and therefore the value of monthly financial support payments has decreased as contractors gradually resume post pandemic working procedures.

All additional payments to FHS contractors have been supported by Scottish Government funding.

All payments to Primary Care contractors, were processed via National Services Scotland (Practitioners Services Division) to ensure accuracy and consistency across all Health Boards.

Risk Assessment

NHSGGC has significantly enhanced risk management arrangements during 2021-22. An updated Risk Management Strategy and Risk Register Policy and Guidance document were approved and the Board agreed a formal Risk Appetite Statement.

In fulfilling this aim, NHSGGC has established a robust framework 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 health care services and set against guiding risk management principles;
- implemented with good practice acknowledged and built upon, and
- 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 that the Board needs to ensure are being managed 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. Each Risk on the CRR is assigned to a Standing Committee and that Committee reviews their CRR extract at each meeting. The full CRR is reviewed at each Audit and Risk Committee meeting and once a year by the full Board.

There is a strong application of risk management practices across the Board, particularly in clinical services. The Board is constantly reviewing risk management processes, under the guidance of the Risk Management Steering Group (RMSG). During the year, the RMSG has:

- Updated the Risk Management Strategy;
- Updated the Risk Register Policy and Guidance note for managers;
- Updated risk descriptors to include risk description, cause and impact for each risk;
- Directed work to review and update older records on the electronic risk register module; and
- Ensured it has an active role in ensuring a coherent and high quality description of risks and the associated controls.

The following are the highest risk rated areas (as recorded in the CRR) that the Board faces:

- Environmental and capacity flow impacting on patient experience.
- Failure to comply with recognised policies and procedures in relation to infection control.
- Financial challenges around delivery of the Financial Plan due to significantly higher than expected cost pressures above the allocated funding.
- Failure to deliver NHSGGC scheduled care and unscheduled care Waiting Time targets and Treatment Time Guarantees to agreed standards, thereby impacting on patient experience and outcomes.
- Failure to identify and act on a potential risk following referral to the Public Protection Unit.
- Inability to recruit and retain high caliber staff to the right roles, at the right times, in the right place, within an affordable budget.
- Failure to train and develop staff members to deliver role or key competencies not identified and developed.

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.

In respect of clinical governance and risk management arrangements we continue to have:
- Clearly embedded risk management structures throughout the organisation;
- A strong commitment to clinical effectiveness and quality improvement across the organisation;
- 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.

Health and Safety
The health, safety and wellbeing of our staff remains a key objective and priority and the following activity has been put in place during the year:
- Implementation of the Staff Mental Health and Wellbeing Strategy and associated Action Plan.
- Ongoing monitoring and implementation of the Staff Health Strategy to 2023.
- Introduced a range of programmes to support our staff including Mental Health Check Ins, increased Psychological Support through our Occupational Health Team, enhanced rollout of our Peer Support Programme and other measures including a Wellbeing Bus for support for community staff, and rest and recuperation hubs across Acute sites.
- Continued focus and activity in relation to the development and embedding of a professional health and safety culture as outlined in our Workforce Strategy, including approval of the Boards Health and Safety Strategy.
- Positive engagement with the Health & Safety Executive on key areas of focus.
- Revised policies and systems to ensure safe working practices for staff through the pandemic and continual review and audit of these.
- Ongoing monitoring of health and safety training and compliance and promotion with staff.

Integration
The Board has worked in partnership with the six councils, and has agreed principles 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 organisation 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 2022 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.

Annual Service Reports
The Audit & Risk Committee received the 2021-22 service audit reports on 21 June 2022. These reports are commissioned by NHS National Services Scotland (NSS) to provide assurance to NHS Boards in respect of national payment arrangements for Family Health Service (FHS) contractors and various shared IT systems that are managed on behalf of NHS Scotland by NSS (including Atos, NSS digital and IT security support services). Similarly, NHS Ayrshire and Arran provide an annual service audit in respect of their management of the National Single Instance financial ledger service on behalf of all NHS Boards.

For the year 2021-22, the Service Audit reports in relation to all shared services and payment arrangements for FHS contractors were unqualified and were 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”).

Whilst all reports provided an unqualified audit opinion, an emphasis of matter disclosure was included in the report relating to the payment arrangements for FHS contractors due to the lack of post payment verification checks performed during 2021-22. NSS suspended post payment verification checks during the financial year in line with Covid advice and guidance issued by the Scottish Government. This matter was disclosed in the service audit report as it was considered to be of fundamental importance to the understanding of the financial statements, however it does not alter the overall unqualified audit option provided. NHSGGC are satisfied that this does not impact on our system of internal control or financial governance arrangements in respect of payments made to FHS contractors.

Significant Issues
The Board’s internal auditors carried out 525 days of internal audit work, completing 10 standard audit reviews and 3 further consultancy style reviews during the year. 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 – 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 – three:** 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 – six:** 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 – one** controls evaluated are adequate, appropriate, and effective to provide reasonable assurance that risks are being managed and objectives should be met.

There were three amber rated reports in the year. The recommendations from the Procurement and Tendering report were actioned in full during the year. The remaining two amber reports were on Delayed Discharges and Time of Day Discharge, both of which are areas of focus for the Board. Internal Audit was content that the recommended changes in these reports do not impact the Board's overall control environment for the year.

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."

All recommendations made in the prior year amber rated Internal Audit reports on Records Management and Risk Management were completed in full by the end of 2021-22.

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 2022-23
- Continuation of the Active Governance Programme work which commenced in 2020-21, including the development of an Assurance Framework and Information Assurance System to ensure Board members have clarity on the Board's strategic aims, objectives, performance and outcomes.
- The Annual Delivery Plan for 2022-23 will be submitted in July and 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.
- The Board's Risk Appetite Statement will be reviewed and updated to ensure that it continues to meet the needs of the Health Board.
- Ongoing rollout of the Investors in People (IiP) Framework and standards across NHSGGC.

REMUNERATION REPORT AND STAFF REPORT

REMUNERATION REPORT

Information about the Remuneration Sub-committee, its membership and role are shown in the Governance Statement on Page 40.

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 2022 (31 March 2021), the salaries of executive board members were as follows:-

- J Grant £183,298 (£173,275);
- Dr J Armstrong £187,137 (£182,932);
- Dr L de Caestecker £181,388 (£191,108) – *left 04/04/2022*;
- Dr E Crighton £13,898 – *started on 03/01/2022*;
- Dr M McGuire £158,790 (£138,112);
- A O'Neill £21,356 – *started on 01/02/2022*;
- M White £148,642 (£144,812).

To ensure continuity of service in key areas, interim appointments were brought in to allow for a period of handover and provide cover for annual leave and phased retirement arrangements.

The tables shown on pages 55 - 71 have been subject to audit.

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

Remuneration Table	Taxable Salary (bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
Remuneration of:			
Executive Members			
Chief Executive : J Grant	180 - 185	-	180 - 185
Director of Public Health : L de Caestecker (until 04.04.22)	180 - 185	6	185 - 190
Director of Public Health : E Crighton (interim from 03.01.22)	10 - 15	22	35 - 40
Medical Director : J Armstrong	185 - 190	39	225 - 230
Nurse Director : M McGuire (until 31.03.22)	155 - 160	-	155 - 160
Nurse Director : A O'Neill (interim from 01.02.22 to 18.04.22)	20 - 25	17	40 - 45
Director of Finance : M White (until 15.05.22)	145 - 150	76	220 - 225
Non Executive Members			
The Chair : J Brown	40 - 45	-	40 - 45
C Bamforth (until 30.04.22)	5 - 10	-	5 - 10
S Brimelow	15 - 20	-	15 - 20
S Carr	15 - 20	-	15 - 20
J Cloherty (until 30.04.22)	5 - 10	-	5 - 10
A Cowan	15 - 20	-	15 - 20
J Forbes	15 - 20	-	15 - 20
D Gould (from 01.02.22)	0 - 5	-	0 - 5
M Hunter (until 30.04.22)	5 - 10	-	5 - 10
M Kerr	15 - 20	-	15 - 20
A Khan	5 - 10	-	5 - 10
A Macleod (until 31.07.21)	5 - 10	-	5 - 10
J Matthews	25 - 30	-	25 - 30
J McColl (until 30.04.22)	5 - 10	-	5 - 10
* D McErlean (Employee Director) (until 31.12.21)	35 - 40	-	35 - 40
* A Cameron-Burns (Employee Director) (from 01.01.22)	5 - 10	10	15 - 20
I McInnes (from 01.04.21)	5 - 10	-	5 - 10
S Mechan (until 30.04.22)	5 - 10	-	5 - 10
K Miles	5 - 10	-	5 - 10
A Monaghan	15 - 20	-	15 - 20

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

Remuneration Table	Taxable Salary (bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
I Nicolson (until 30.04.22)	5 - 10	-	5 - 10
I Ritchie	25 - 30	-	25 - 30
L Rousselet (from 01.07.21)	5 - 10	-	5 - 10
P Ryan (from 01.06.21)	5 - 10	-	5 - 10
F Shennan	5 - 10	-	5 - 10
P Speirs (until 31.01.22)	0 - 5	-	0 - 5
R Sweeney	15 - 20	-	15 - 20
A Thompson (until 30.06.21)	0 - 5	-	0 - 5
F Tudoreanu (until 31.12.21)	5 - 10	-	5 - 10
C Vincent	15 - 20	-	15 - 20
M Wailes (from 01.06.21)	5 - 10	-	5 - 10
Other Senior Employees			
Chief Operating Officer, Acute Division : J Best	150 - 155	43	195 - 200

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

Note: There were no Performance Related Bonus or Benefit in Kind payments in the year

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

Pension Values Table	Total accrued pension at age 60 at 31 March 2022 (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 2022 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March 2022 (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2022	Cash Equivalent Transfer Value (CETV) at 31 March 2021	Real increase in CETV in year
Remuneration of:					£'000	£'000	£'000
Executive Members							
Chief Executive : J Grant	-	-	-	-	-	-	-
Director of Public Health : L de Caestecker (until 04.04.22)	60 - 65	0 - 2.5	190 - 195	2.5 - 5.0	1,555	1,523	7
Director of Public Health : E Crighton (interim from 03.01.22)	35 - 40	2.5 - 5.0	-	-	573	518	20
Medical Director : J Armstrong	30 - 35	2.5 - 5.0	-	-	476	416	33
Nurse Director : M McGuire (until 31.03.22)	-	-	-	-	-	-	-
Nurse Director : A O'Neill (interim from 01.02.22 to 18.04.22)	45 - 50	0 - 2.5	145 - 150	2.5 - 5.0	1,058	1,006	38
Director of Finance : M White (until 15.05.22)	15 - 20	2.5 - 5.0	-	-	237	166	49
Non Executive Members							
The Chair : J Brown	-	-	-	-	-	-	-
C Bamforth (until 30.04.22)	-	-	-	-	-	-	-
S Brimelow	-	-	-	-	-	-	-
S Carr	-	-	-	-	-	-	-
J Cloherty (until 30.04.22)	-	-	-	-	-	-	-
A Cowan	-	-	-	-	-	-	-
J Forbes	-	-	-	-	-	-	-
D Gould (from 01.02.22)	-	-	-	-	-	-	-

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

Pension Values Table **Remuneration of:**	Total accrued pension at age 60 at 31 March 2022 (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 2022 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March 2022 (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2022 £'000	Cash Equivalent Transfer Value (CETV) at 31 March 2021 £'000	Real increase in CETV in year £'000
M Hunter (until 30.04.22)	-	-	-	-	-	-	-
M Kerr	-	-	-	-	-	-	-
A Khan	-	-	-	-	-	-	-
A Macleod (until 31.07.21)	-	-	-	-	-	-	-
J Matthews	-	-	-	-	-	-	-
J McColl (until 30.04.22)	-	-	-	-	-	-	-
* D McErlean (Employee Director) (until 31.12.21)	5 - 10	(0) - (2.5)	25 - 30	(7.5) - (10.0)	227	287	(66)
* A Cameron-Burns (Employee Director) (from 01.01.22)	5 - 10	0 - 2.5	25 - 30	0 - 2.5	222	208	11
I McInnes (from 01.04.21)	-	-	-	-	-	-	-
S Mechan (until 30.04.22)	-	-	-	-	-	-	-
K Miles	-	-	-	-	-	-	-
A Monaghan	-	-	-	-	-	-	-
I Nicolson (until 30.04.22)	-	-	-	-	-	-	-
I Ritchie	-	-	-	-	-	-	-
L Rousselet (from 01.07.21)	-	-	-	-	-	-	-
P Ryan (from 01.06.21)	-	-	-	-	-	-	-
F Shennan	-	-	-	-	-	-	-
P Speirs (until 31.01.22)	-	-	-	-	-	-	-
R Sweeney	-	-	-	-	-	-	-
A Thompson (until 30.06.21)	-	-	-	-	-	-	-

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

Pension Values Table	Total accrued pension at age 60 at 31 March 2022 (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 2022 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March 2022 (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2022	Cash Equivalent Transfer Value (CETV) at 31 March 2021	Real increase in CETV in year
Remuneration of:					£'000	£'000	£'000
F Tudoreanu (until 31.12.21)	-	-	-	-	-	-	-
C Vincent	-	-	-	-	-	-	-
M Wailes (from 01.06.21)	-	-	-	-	-	-	-
Other Senior Employees							
Chief Operating Officer, Acute Division : J Best	40 - 45	2.5 - 5.0	120 - 125	7.5 - 10.0	943	856	66
					5,291	**4,980**	**158**

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

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:-

Director of Public Health : L de Caestecker	983	to	1,523
Medical Director : J Armstrong	343	to	416
Employee Director : D McErlean	253	to	287
Chief Operating Officer, Acute Division : J Best	681	to	856
	2,260		3,082

2. The Chief Executive is not a member of the pension scheme.
3. The Nurse Director (M McGuire) opted out of the pension scheme in June 2019.
4. The Chair was paid £44k in the year for his role as Board Chair, he also did additional work in the year for Scottish Government.

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

Remuneration Table Remuneration of:	Taxable Salary (bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
Executive Members			
Chief Executive : J Grant	170 - 175	-	170 - 175
Director of Public Health : L de Caestecker	220 - 225	448	670 - 675
Medical Director : J Armstrong	180 - 185	42	225 - 230
Nurse Director : M McGuire	135 - 140	-	135 - 140
Director of Finance : M White	140 - 145	223	365 - 370
Non Executive Members			
The Chair : J Brown	40 - 45	-	40 - 45
C Bamforth	5 - 10	-	5 - 10
S Brimelow	15 - 20	-	15 - 20
S Carr	15 - 20	-	15 - 20
J Cloherty	5 - 10	-	5 - 10
A Cowan	15 - 20	-	15 - 20
A Dominiczak (left 31.03.21)	5 - 10	-	5 - 10
J Donnelly (left 30.06.20)	0 - 5	-	0 - 5
R Finnie (left 31.05.21)	0 - 5	-	0 - 5
J Forbes	15 - 20	-	15 - 20
M Hunter	5 - 10	-	5 - 10
M Kerr	5 - 10	-	5 - 10
A Khan	5 - 10	-	5 - 10
D Lyons (left 30.06.20)	0 - 5	-	0 - 5
A Macleod (left 31.07.21)	15 - 20	-	15 - 20
J Matthews	25 - 30	-	25 - 30
J McColl	5 - 10	-	5 - 10
* D McErlean (Employee Director)	45 - 50	15	60 - 65
S Mechan	5 - 10	-	5 - 10
K Miles (from 01.06.20)	5 - 10	-	5 - 10
A Monaghan	15 - 20	-	15 - 20
I Nicolson	5 - 10	-	5 - 10
I Ritchie	25 - 30	-	25 - 30
F Shennan (from 01.06.20)	5 - 10	-	5 - 10
P Speirs (from 01.06.20)	0 - 5	-	0 - 5

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

Remuneration Table **Remuneration of:**	Taxable Salary (bands of £5,000)	Pension Benefits £'000	Total Remuneration (bands of £5,000)
R Sweeney	15 - 20	-	15 - 20
A Thompson	5 - 10	-	5 - 10
F Tudoreanu	5 - 10	-	5 - 10
C Vincent	10 - 15	-	10 - 15
Other Senior Employees			
Chief Operating Officer, Acute Division : J Best	135 - 140	43	180 - 185

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

Note: There were no Performance Related Bonus or Benefit in Kind payments in the year

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

Pension Values Table Remuneration of:	Total accrued pension at age 60 at 31 March (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 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2021 £'000	Cash Equivalent Transfer Value (CETV) at 31 March 2020 £'000	Real increase in CETV in year £'000
Executive Members							
Chief Executive : J Grant	-	-	-	-	-	-	-
Director of Public Health : L de Caestecker	60 - 65	20.0 - 22.5	180 - 185	60.0 - 62.5	1,477	983	470
Medical Director : J Armstrong	25 - 30	2.5 - 5.0	-	-	404	343	32
Nurse Director : M McGuire	-	-	-	-	-	-	-
Director of Finance : M White	10 - 15	10.0 - 12.5	-	-	161	-	144
Non Executive Members							
The Chair : J Brown	-	-	-	-	-	-	-
C Bamforth	-	-	-	-	-	-	-
S Brimelow	-	-	-	-	-	-	-
S Carr	-	-	-	-	-	-	-
J Cloherty	-	-	-	-	-	-	-
A Cowan	-	-	-	-	-	-	-
A Dominiczak (left 31.03.21)	-	-	-	-	-	-	-
J Donnelly (left 30.06.20)	-	-	-	-	-	-	-
R Finnie (left 31.05.21)	-	-	-	-	-	-	-
J Forbes	-	-	-	-	-	-	-
M Hunter	-	-	-	-	-	-	-
M Kerr	-	-	-	-	-	-	-
A Khan	-	-	-	-	-	-	-

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

Pension Values Table **Remuneration of:**	Total accrued pension at age 60 at 31 March (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 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2021 £'000	Cash Equivalent Transfer Value (CETV) at 31 March 2020 £'000	Real increase in CETV in year £'000
D Lyons (left 30.06.20)	-	-	-	-	-	-	-
A Macleod (left 31.07.21)	-	-	-	-	-	-	-
J Matthews	-	-	-	-	-	-	-
J McColl	-	-	-	-	-	-	-
* D McErlean (Employee Director)	10 - 15	0 - 2.5	30 - 35	0 - 2.5	279	253	22
S Mechan	-	-	-	-	-	-	-
K Miles (from 01.06.20)	-	-	-	-	-	-	-
A Monaghan	-	-	-	-	-	-	-
I Nicolson	-	-	-	-	-	-	-
I Ritchie	-	-	-	-	-	-	-
F Shennan (from 01.06.20)	-	-	-	-	-	-	-
P Speirs (from 01.06.20)	-	-	-	-	-	-	-
R Sweeney	-	-	-	-	-	-	-

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

Pension Values Table	Total accrued pension at age 60 at 31 March (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 (bands of £5,000)	Real increase in lump sum at age 60 at 31 March (bands of £2,500)	Cash Equivalent Transfer Value (CETV) at 31 March 2021	Cash Equivalent Transfer Value (CETV) at 31 March 2020	Real increase in CETV in year
Remuneration of:					£'000	£'000	£'000
A Thompson	-	-	-	-	-	-	-
F Tudoreanu	-	-	-	-	-	-	-
C Vincent	-	-	-	-	-	-	-
Other Senior Employees							
Chief Operating Officer, Acute Division : J Best	35 - 40	2.5 - 5.0	105 - 110	7.5 - 10.0	830	681	61
					3,151	**2,260**	**729**

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

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:-

Director of Public Health : L de Caestecker	979	to	983
Medical Director : J Armstrong	343	to	343
Employee Director : D McErlean	263	to	253
Chief Operating Officer, Acute Division : J Best	746	to	681
	2,331		2,260

2. The Chief Executive is not a member of the pension scheme.
3. The Nurse Director opted out of the pension scheme in June 2019.
4. The Chair was paid £44k in the year for his role as Board Chair, he also did additional work in the year for Scottish Government.
5. M Kerr was paid £9k in the year for her role as a Non-Executive Director, she also did additional work in the year for NHS Education for Scotland.

Fair Pay Disclosure

	2021-22	2020-21	% change
Range of Staff Remuneration (£'000)	19-323	18 - 315	3.04%
Highest earning Directors total remuneration (£'000)	185 - 190	190 - 195	-2.08%
Median Salary	**2021-22**	**2020-21**	**% change**
Median (Total Pay & Benefits) 50% percentile	£35,702	£34,095	4.71%
Median (Salary only) 50% percentile	£35,702	£34,095	4.71%
Ratio of salary in comparison to Median salary	***5.25***	***5.65***	***-7.08%***
25% percentile (Total Pay & benefits)	£27,268	£26,679	2.21%
25% percentile (Salary only)	£27,268	£26,679	2.21%
Ratio on the 25th percentile	***6.88***	***7.22***	***-4.71%***
75% percentile (Total Pay & benefits)	£46,494	£43,711	6.37%
75% percentile (Salary only)	£46,494	£43,711	6.37%
Ratio on the 75th percentile	***4.03***	***4.40***	***-8.41%***

The banded remuneration of the highest paid director in NHS Greater Glasgow and Clyde Health Board in the financial year 2021-22 was £187,500 (2020-21 £192,500). This was 5.25 times (2020-21 5.65) the median remuneration of the workforce which was £35,702 (2020-21 £26,979).

The highest paid director in 2021-22 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 2021-22 106 (2020-21 60) employees received remuneration in excess of the highest paid director. Remuneration ranged from £187,616 to £323,099.

STAFF REPORT

Other Employees whose remuneration fell within the following ranges :

			2022 Number	2021 Number
Clinicians				
£ 70,001	to	£ 80,000	183	204
£ 80,001	to	£ 90,000	173	167
£ 90,001	to	£100,000	194	210
£100,001	to	£110,000	207	196
£110,001	to	£120,000	223	214
£120,001	to	£130,000	208	202
£130,001	to	£140,000	176	169
£140,001	to	£150,000	165	185
£150,001	to	£160,000	159	122
£160,001	to	£170,000	89	92
£170,001	to	£180,000	80	52
£180,001	to	£190,000	35	39
£190,001	to	£200,000	29	24
£200,001	and over		50	47
Other				
£ 70,001	to	£ 80,000	199	169
£ 80,001	to	£ 90,000	58	51
£ 90,001	to	£100,000	57	60
£100,001	to	£110,000	16	16
£110,001	to	£120,000	7	5
£120,001	to	£130,000	2	2
£130,001	to	£140,000	4	3
£140,001	to	£150,000	1	-
£150,001	to	£160,000	-	1

Staff Numbers and Expenditure

	Executive Board Members £'000	Non Executive Members £'000	Permanent Staff £'000	Inward Secondees £'000	Other Staff £'000	Outward Secondees £'000	2021 £'000	2020 £'000
Staff Costs								
Salaries and Wages	895	414	1,672,067			(5,459)	1,667,917	1,594,961
Social Security Costs	117	27	173,787			(753)	173,178	161,477
NHS scheme employers' costs	112	8	288,535			(1,141)	287,514	266,236
Other employers' pension costs								
Inward Secondees				18,044			18,044	14,272
Agency Staff					48,921		48,921	38,821
	1,124	**449**	**2,134,389**	**18,044**	**48,921**	**(7,353)**	**2,195,574**	**2,075,767**
Compensation for loss of office	0	0	110	0	0	0	110	82
Pensions to former board members	0	0	0	0	0	0	0	0
TOTAL	**1,124**	**449**	**2,134,499**	**18,044**	**48,921**	**(7,353)**	**2,195,684**	**2,075,849**
Staff Numbers Whole Time Equivalent (WTE)								
	5.0	**27.0**	**35,244.86**	**804.21**	**734.61**	**(134.21)**	**36,684.46**	**36,224.08**
Included in the total staff numbers above were disabled staff of :							274	258

Reconciliation to Income and Expenditure

	£'000
Total employee expenditure as above	**2,195,684**
Add: employee income included in Note 4	**7,353**
Total employee expenditure disclosed in note 3	**2,203,037**

a) Staff Composition – an analysis of the number of persons of each sex who were directors and employees

	2022 Headcount				2021 Headcount			
	Male	Female	Prefer not to say	Total	Male	Female	Prefer not to say	Total
Executive Directors	1	4	0	5	1	4	0	5
Non-Executive Directors and Employee Director	13	14	0	27	13	16	0	29
Senior Employees	22	43	0	65	23	39		62
Other	11,724	31,641	0	43,365	10,683	31,180	0	41,863
Grand Total	**11,760**	**31,702**	**0**	**43,462**	**10,720**	**31,239**	**0**	**41,959**

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.

b) Sickness Absence Data

	2022	2021
Sickness Absence Rate	6.75%	5.61%

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.

e) Exit Packages – Current Year

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Cost of exit packages (£000)
<£10,000	0	0	0	0
£10,000 - £25,000	0	0	0	0
£25,000 - £50,000	0	0	0	0
£50,000 - £100,000	0	2	2	110
£100,000- £150,000	0	0	0	0
£150,000- £200,000	0	0	0	0
£200,000- £250,000	0	0	0	0
>£250,000	0	0	0	0
Total number of exit packages by type	**0**	**2**	**2**	

Total resource cost (£000)		**110**		**110**

Exit Packages - Prior Year

Exit package cost band	Number of compulsory redundancies	Number of other departures agreed	Total number of exit packages by cost band	Cost of exit packages (£000)
<£10,000	0	2	2	10
£10,000 - £25,000	0	3	3	42
£25,000 - £50,000	0	1	1	30
£50,000 - £100,000	0	0	0	0
£100,000- £150,000	0	0	0	0
£150,000- £200,000	0	0	0	0
£200,000- £250,000	0	0	0	0
>£250,000	0	0	0	0
Total number of exit packages by type	**0**	**6**	**6**	
Total resource cost (£000)	**0**	**82**		**82**

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.

Facility Time Publication Requirements

The facility time data organisations are required to collate and publish under the regulations is shown below.

a) Trade Union (TU) representative – the total number of employees who were TU representatives during the relevant period.

Number of employees who were relevant union officials during the relevant period	FTE employee number **14.6**

b) Percentage of time spent on facility time - How many employees who were TU representatives/ officials employed during the relevant period spent a) 0%, b) 1%-50%, c) 51%-99% or d) 100% of their working hours on facility time.

Percentage of time	Number of representatives
0%	**0**
1-50%	**86**
51%-99%	**10**
100%	**2**

c) Percentage of pay bill spent on facility time - percentage of the total pay bill spent on paying employees who were TU representatives for facility time during the relevant period.

Total cost of facility time	621,511
Total pay bill	2,195,684,000
Percentage of the total pay bill spent on facility time, calculated as: (total cost of facility time ÷ total pay bill) x 100	**0.028%**

d) Paid TU activities - As a percentage of total paid facility time hours, how many hours were spent by employees who were TU representative during the relevant period on paid TU activities.

Time spent on paid TU activities as a percentage of total paid facility time hours calculated as: (total hours spent on paid TU activities by TU representatives during the relevant period ÷ total paid facility time hours) x 100	**100%**

3. PARLIAMENTARY ACCOUNTABILITY REPORT

LOSSES AND SPECIAL PAYMENTS

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

	No Of Cases	£'000
Losses	**529**	**30,844**

In the year to March 2022, the following balances in excess of £250,000 were written off:

Reference	Description	2022 £'000
	Loss of Equipment	**NA**
	Total Claims paid under CNORIS scheme	**NA**

In 2021-22, the Board was required to pay out £10.0m in respect of 8 claims individually greater than £300,000 settled under the CNORIS scheme (2020-21: £4.9m, 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 13.

Fees and Charges

The Board had no commercial trading activity during 2021-22 where the full annual cost exceeded £1 million (2020-21 nil).

J Grant

Chief Executive & Accountable Officer

28 June 2022

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

Reporting on the audit of the financial statements

Opinion on financial statements

I 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 2022 under the National Health Service (Scotland) Act 1978. The financial statements comprise the Consolidated Statement of Comprehensive Net Expenditure, Consolidated Statement of Financial Position, Consolidated Statement of Cashflows and the Consolidated Statement of Changes in Taxpayers' Equity and notes to the financial statements, including a summary of significant accounting policies. 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 2021/22 Government Financial Reporting Manual (the 2021/22 FReM).

In my opinion the accompanying financial statements:

- give a true and fair view in accordance with the National Health Service (Scotland) Act 1978 and directions made thereunder by the Scottish Ministers of the state of the affairs of the board and its group as at 31 March 2022 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 2021/22 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

I conducted my 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. My responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of my report. I was appointed by the Auditor General on 28/01/2019. The period of total uninterrupted appointment is 4 years. I am independent of the board and its group in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and I have fulfilled my other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the board. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern basis of accounting

I 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 I have performed, I 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 board's current or future financial sustainability. However, I 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

I report in my Annual Audit Report the most significant assessed risks of material misstatement that I identified and my 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

My 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 my 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. I design procedures in line with my responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the board is complying with that framework;
- identifying which laws and regulations are significant in the context of the board;
- assessing 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 my 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 my auditor's report.

Reporting on regularity of expenditure and income

Opinion on regularity

In my 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 my responsibilities in respect of irregularities explained in the audit of the financial statements section of my report, I am 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 part of the Remuneration and Staff Report

I have audited the parts of the Remuneration and Staff Report described as audited. In my opinion, the audited part of the Remuneration and Staff Report has 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 other information in the annual report and accounts. The other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

My 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 my knowledge obtained in the course of the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

My opinion on the financial statements does not cover the other information and I 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 my 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 I am required to report by exception

I am required by the Auditor General for Scotland to report to you if, in my opinion:

- adequate accounting records have not been kept; or

- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or

- I have not received all the information and explanations I require for my audit; or

- there has been a failure to achieve a prescribed financial objective.

I have nothing to report in respect of these matters.

Conclusions on wider scope responsibilities

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

Use of my 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 120 of the Code of Audit Practice, I do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

John Cornett FCPFA
Executive Director of Audit Services

Audit Scotland
4th Floor
102 West Port
Edinburgh
EH3 9DN

05 July 2022

Consolidated Statement of Comprehensive Net Expenditure

	Note	**2022 £'000**	2021 £'000
Staff Costs	3a	**2,203,037**	2,084,555
Other operating expenditure	3b		
Independent Primary Care Services		**423,986**	414,643
Drugs and medical supplies		**721,482**	669,492
Other health care expenditure		**2,946,749**	2,951,716
Gross expenditure for the year		**6,295,254**	6,120,406
Less: operating income	4	**(2,802,633)**	(2,669,844)
Joint Ventures accounted for on an equity basis		**(66,552)**	(63,729)
Net expenditure for the year		**3,426,069**	3,386,833

	2022 £'000	2021 £'000
OTHER COMPREHENSIVE NET EXPENDITURE/(INCOME)		
Net (gain)/loss on revaluation of property, plant and equipment	**(125,689)**	7,741
Net gain on revaluation of investments	**(3,201)**	(13,075)
Other comprehensive income	**(128,890)**	(5,334)
Comprehensive net expenditure	**3,297,179**	3,381,499

Consolidated Statement of Financial Position

Consolidated 2021 £'000	Board 2021 £'000		Note	**Consolidated 2022 £'000**	**Board 2022 £'000**
		NON CURRENT ASSETS			
2,272,807	2,272,807	Property, plant and equipment	7c	**2,399,354**	**2,399,354**
314	314	Intangible assets	6a	**215**	**215**
		Financial assets:			
100,132	1,250	Available for sale financial assets	10	**103,020**	**1,582**
101,975	-	Investment in joint ventures	22b	**168,527**	**-**
134,872	134,872	Trade and other receivables	9	**153,166**	**153,166**
2,610,100	2,409,243	**Total non current assets**		**2,824,282**	**2,554,317**
		CURRENT ASSETS			
24,706	24,706	Inventories	8	**25,210**	**25,210**
404	404	Intangible assets	6b	**404**	**404**
		Financial assets:			
197,422	197,036	Trade and other receivables	9	**135,520**	**135,349**
6,664	1,909	Cash and cash equivalents	11	**10,406**	**705**
2,608	2,608	Assets classified as held for sale	7b	**2,858**	**2,858**
231,804	226,663	**Total current assets**		**174,398**	**164,526**
2,841,904	2,635,906	**Total assets**		**2,998,680**	**2,718,843**
		CURRENT LIABILITIES			
(123,885)	(123,885)	Provisions	13a	**(91,530)**	**(91,530)**
		Financial liabilities:			
(667,558)	(669,331)	Trade and other payables	12	**(871,607)**	**(868,094)**
(791,443)	(793,216)	**Total current liabilities**		**(963,137)**	**(959,624)**
2,050,461	1,842,690	**Total assets less current liabilities**		**2,035,543**	**1,759,219**
		NON CURRENT LIABILITIES			
(291,521)	(291,521)	Provisions	13a	**(304,413)**	**(304,413)**
		Financial liabilities:			
(326,944)	(326,944)	Trade and other payables	12	**(343,005)**	**(343,005)**
(618,465)	(618,465)	**Total non current liabilities**		**(647,418)**	**(647,418)**
1,431,996	1,224,225	**Assets less liabilities**		**1,388,125**	**1,111,801**
		TAXPAYERS' EQUITY			
794,719	794,719	General Fund		**569,364**	**569,364**
429,506	429,506	Revaluation Reserve		**542,437**	**542,437**
101,975	-	Other reserves - joint ventures		**168,527**	**-**
105,796	-	Funds held on Trust		**107,797**	**-**
1,431,996	1,224,225	**Total taxpayers' equity**		**1,388,125**	**1,111,801**

Adopted by the Board on 28 June 2022

Fiona McEwan

Fiona McEwan
Interim Director of Finance

J Grant
Chief Executive

The Notes to the Accounts, numbered 1 to 22, form an integral part of these Accounts.

	Note	**2022 £'000**	2021 £'000
NET OPERATING CASHFLOW			
Net expenditure	SoCTE	**(3,426,069)**	(3,386,833)
Adjustments for non cash transactions	2b	**22,840**	65,671
Interest payable	2b	**23,838**	23,225
Investment Income		**(2,161)**	(1,770)
Movements in working capital	2b	**237,369**	266,723
Totals	22c	**(3,144,183)**	(3,032,984)
INVESTING ACTIVITIES			
Purchase of property, plant and equipment		**(92,423)**	(92,868)
Purchase of intangible assets		**-**	(119)
Investment Additions	10	**(12,178)**	(11,459)
Transfer of assets from other NHS bodies		**750**	77
Proceeds of disposal of property, plant and equipment		**587**	1,771
Proceeds of disposal of intangible assets		**-**	(77)
Receipts from sale of investments		**15,609**	4,720
Interest received		**2,161**	1,770
Net cash outflow from Investing Activities	22c	**(85,494)**	(96,185)
FINANCING			
Funding	SoCTE	**3,248,973**	3,124,616
Movement in general fund working capital	SoCTE	**(1,204)**	(14,220)
Cash drawn down		**3,247,769**	3,110,396
Capital element of payments in respect of finance leases and on balance sheet PFI Contracts	2b	**12,734**	24,980
Provisions - Unwinding of discount		**(634)**	(1,250)
Interest element of finance leases and on balance sheet PFI Contracts	2b	**(23,204)**	(21,975)
Net cash inflow from financing	22c	**3,236,665**	3,112,151
Increase in cash in year		**6,988**	(17,018)
Net cash at 1 April		**13,078**	30,096
Net cash at 31 March		**20,066**	13,078

Note:

The net cash balances above differ from those disclosed in Note 11 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 £9,660k (prior year £6,414k).

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 2021		**794,719**	**429,506**	**101,975**	**105,796**	**1,431,996**
Changes in taxpayers' equity for 2021-22						
Net gain on revaluation / indexation of property, plant and equipment	7a	-	125,689	-	-	**125,689**
Net gain on revaluation of available for sale financial assets	10	-	-	-	3,201	**3,201**
Impairment of property, plant and equipment	7a	-	(1,135)	-	-	**(1,135)**
Revaluation and impairments taken to operating costs	2b	-	4,078	-	-	**4,078**
Transfers between reserves		15,701	(15,701)	-	-	**-**
Other non cash costs - Inter NHS Asset Transfers		1,392	-	-	-	**1,392**
Net operating cost for the year		(3,491,421)	-	66,552	(1,200)	**(3,426,069)**
Total recognised income and expense for 2021-22		**(3,474,328)**	**112,931**	**66,552**	**2,001**	**(3,292,844)**
Funding:						
Drawn down	CFS	3,247,769	-	-	-	**3,247,769**
Movement in General Fund creditor	CFS	1,204	-	-	-	**1,204**
Balance at 31 March 2022	SOFP	**569,364**	**542,437**	**168,527**	**107,797**	**1,388,125**

	Note	General Fund £'000	Revaluation Reserve £'000	Other Reserves - Joint Ventures £'000	Funds Held on Trust £'000	Total Reserves £'000
At 31 March 2020		**1,079,711**	**435,730**	**38,246**	**87,360**	**1,641,047**
Changes in taxpayers' equity for 2020-21						
Net loss on revaluation / indexation of property, plant and equipment	7a	-	(7,741)	-	-	**(7,741)**
Net loss on revaluation of investments	10	-	-	-	13,075	**13,075**
Impairment of property, plant and equipment	7a	-	(2,429)	-	-	**(2,429)**
Impairment of intangible assets	6	-	-	-	-	**-**
Revaluation and impairments taken to operating costs	2b	-	16,185	-	-	**16,185**
Transfers between reserves		12,239	(12,239)	-	-	**-**
Other non cash costs - Equipment Transfers/PPE and Testing Kits		34,076	-	-	-	**34,076**
Net operating cost for the year		(3,455,923)	-	63,729	5,361	**(3,386,833)**
Total recognised income and expense for 2020-21		**(3,409,608)**	**(6,224)**	**63,729**	**18,436**	**(3,333,667)**
Funding:						
Drawn down	CFS	3,110,396	-	-	-	**3,110,396**
Movement in General Fund creditor	CFS	14,220	-	-	-	**14,220**
Balance at 31 March 2021	SOFP	**794,719**	**429,506**	**101,975**	**105,796**	**1,431,996**

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 as adopted by the European Union (IFRSs) as adopted by the United Kingdom, IFRIC Interpretations 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 (28) below.

a) Standards, amendments and interpretations effective in current year

There are no new standards, amendments or interpretations effective in the current year.

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

IFRS 16 Leases supersedes IAS 17 Leases and is being applied by HM Treasury in the Government Financial Reporting Manual (FReM) from 1 April 2022.

The Board has assessed the likely impact to i) comprehensive net expenditure and ii) the Statement of Financial Position of applying IFRS 16.

The standard is expected to increase total expenditure by £0.1 million. Right-of-use assets totalling £23.7 million will be brought onto the Statement of Financial Position, with an associated lease liability of £23.7 million.

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.

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 accordance with IAS 28 – Investments in Associates and Joint Arrangements, the primary financial statements have been amended for the additional disclosure required to accurately reflect the interest of 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 22 to the Annual Accounts details how these consolidated financial statements have been prepared.

3) Going Concern
The accounts are prepared on the going concern basis, which provides that the entity will 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.

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.

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 outwith the RRL is allocated to match actual expenditure incurred for the provision of specific pharmaceutical, dental or ophthalmic services identified by the Scottish Government. Non-discretionary expenditure is disclosed in the accounts and deducted from operating costs charged against the RRL in the Summary 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 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.

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 specified in the FReM.

Non specialised land and buildings, such as offices, are stated at fair value.

Valuations of all land and building assets are reassessed by valuers under a 5-year rolling programme of professional valuations, with the aim of assessing approximately 20% each year. Building Cost Information Service (BCIS) indices are used in the 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 insofar as these terms are consistent with the agreed requirements of the Scottish Government.

Non specialised equipment, installations and fittings are valued at fair value. Boards value such assets using the most appropriate valuation methodology available (for

example, appropriate indices). A depreciated historical cost is used as a proxy for fair value in respect of such assets which have short useful lives or low values (or both).

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.

To meet the underlying objectives established by the Scottish Government the following accepted variations of the RICS Appraisal and Valuation Manual have been required:

Specialised operational assets are valued on a modified replacement cost basis to take account of modern substitute building materials and locality factors only.

Operational assets which are in use delivering front line services or back office functions, and 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.

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 Statement of Comprehensive Net Expenditure (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.

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.

Permanent decreases in asset values and impairments are charged gross to the SOCNE. Any related balance on the revaluation reserve is transferred to the General Fund.

Gains and losses on revaluation are reported in the SOCNE.

Temporary Decreases in Asset Value:
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.
- Property, plant and equipment held under finance leases are depreciated over the shorter of the lease term and the 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
Buildings - Structure	1 – 90 years
Buildings – External Works	1 – 90 years

7) Intangible Assets

7.1) Recognition

Intangible assets are non-monetary assets without physical substance which are capable of being sold separately from the rest of the Board's business or which arise from contractual or other legal rights. They are recognised only where it is probable that future economic benefits will flow to, or service potential be provided to, the Board and where the cost of the asset can be measured reliably.

Intangible assets that meet the recognition criteria are capitalised when they are capable of being used in a Board's activities for more than one year and they have a cost of at least £5,000.

The main classes of intangible assets recognised are:

Internally generated intangible assets:
Internally generated goodwill, brands, mastheads, publishing titles, customer lists and similar items are not capitalised as intangible assets.

Expenditure on research is not capitalised.

Expenditure on development is capitalised only where all of the following can be demonstrated:

- the project is technically feasible to the point of completion and will result in an intangible asset for sale or use;
- the Board intends to complete the asset and sell or use it;
- the Board has the ability to sell or use the asset;

- how the intangible asset will generate probable future economic or service delivery benefits e.g. the presence of a market for it or its output, or where it is to be used for internal use, the usefulness of the asset;
- adequate financial, technical and other resources are available to the Board to complete the development and sell or use the asset; and
- the Board can measure reliably the expenses attributable to the asset during development.

Expenditure so deferred is limited to the value of future benefits.

Software:
Software which is integral to the operation of hardware e.g. an operating system, is capitalised as part of the relevant item of property, plant and equipment. Software which is not integral to the operation of hardware e.g. application software, is capitalised as an intangible asset.

Software licences:
Purchased computer software licences are capitalised as intangible fixed assets where expenditure of at least £5,000 is incurred.

Carbon Emissions (Intangible Assets):
Participation in the Carbon Reduction Commitment (CRC) scheme gives rise to an asset for allowances held and a liability for the obligation to deliver allowances equal to emissions that have been made.

Intangible Assets, such as CRC emission allowances intended to be held for use on a continuing basis whether allocated by government or purchased are classified as intangible assets. Allowances that are issued for less than their fair value are measured initially at their fair value.

When allowances are issued for less than their fair value, the difference between the amount paid and fair value is revaluation and charged to the general fund. The general fund is charged with the same proportion of the amount of the revaluation, which the amount of the grant bears to the acquisition cost of the asset.

A provision is recognised for the obligation to deliver allowances equal to emissions that have been made. It is measured at the best estimate of the expenditure required to settle the present obligation at the Statement of Financial Position date. This will usually be the present market price of the number of allowances required to cover emissions made up to the Statement of Financial Position date.

Websites:
Websites are capitalised only when it is probable that future economic benefits will flow to, or service potential be provided to, the Board; where the cost of the asset can be measured reliably, and where the cost is at least £5,000.

7.2) Measurement
Valuation:
Intangible assets are recognised initially at cost, comprising all directly attributable costs needed to create, produce and prepare the asset to the point that it is capable of operating in the manner intended by management.

Subsequently intangible assets that are not held for their service potential (i.e. 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 at fair value. Where an active (homogeneous) market exists, intangible assets are carried at fair value. Where no active market exists, the intangible asset is revalued, using indices or some suitable model, to the lower of depreciated replacement cost and value in use where the asset is income generating. Where there is no value in use, the intangible asset is valued using depreciated replacement cost. These measures are a proxy for fair value.

Revaluation 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 in income.

Permanent decreases in asset values and impairments are charged gross 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.

Intangible assets held for sale are reclassified to 'non-current assets held for sale' measured at the lower of their carrying amount or 'fair value less costs to sell'.

Operational assets which are in use delivering front line services or back office functions, and 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.

7.3) Amortisation

Intangible assets are amortised to their estimated residual value over their remaining useful economic lives in a manner consistent with the consumption of economic or service delivery benefits.

Amortisation is charged to the SOCNE on each main class of intangible asset as follows:-

- Internally generated intangible assets. Amortised on a systematic basis over the period expected to benefit from the project.
- Software. Amortised over their expected useful life.
- Software licences. Amortised over the shorter term of the licence and their useful economic lives.
- Other intangible assets. Amortised over their expected useful life.
- Intangible assets which have been reclassified as 'Held for Sale' cease to be amortised upon the reclassification.

Amortisation is charged on a straight line basis.

The following asset lives have been used:

Asset Category	Asset Lives
Intangible Assets – Software Licences	1 – 5 years
Intangible Assets – EU Emissions Trading Scheme Allowances	1 – 5 years

8) 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.

9) 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. The accounting treatment, including the method of valuation, follows the rules in the NHS Capital Accounting Manual.

10) 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.

11) Leasing
Finance leases:
Where substantially all risks and rewards of ownership of a leased asset are borne by the Board, the asset is recorded as Property, Plant and Equipment and a corresponding liability is recorded. Assets held under finance leases are valued at their fair values and are depreciated over the remaining period of the lease in accordance with IFRS.

The asset and liability are recognised at the inception of the lease, and are de-recognised when the liability is discharged, cancelled or expires. The minimum lease payments (annual rental less operating costs e.g. maintenance and contingent rental) are apportioned between the repayment of the outstanding liability and a finance charge. The annual finance charge is allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability using either the implicit interest rate or another relevant basis of estimation such as the sum of the digits method. Finance charges are recorded as interest payable in the SOCNE. Contingent rental and operating costs are charged as expenses in the periods in which they are incurred.

Operating leases:
Other leases are regarded as operating leases and the rentals are charged to expenditure on a straight-line basis over the term of the lease. Operating lease incentives received are added to the lease rentals and charged to expenditure over the life of the lease.

Leases of land and buildings:
Where a lease is for land and buildings, the land component is separated from the building component and the classification for each is assessed separately. Leased land is treated as an operating lease unless title to the land is expected to transfer.

In circumstances where the Board leases to others such transactions are accounted for in accordance with IFRS requirements. These leases are treated in a similar manner to the treatment noted above for Finance and Operating leases although in this case the Board is the lessor.

12) 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.

13) 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.

14) 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.

In the year 2021-22 due to the COVID-19 emergency it was not possible to arrange a full stock count. Stock valuations for the year are based on the most up to date information, which in some cases was the prior year figure.

15) 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.

16) 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 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.

17) 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.

NHS Greater Glasgow and Clyde 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.

NHS Greater Glasgow and Clyde 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.

18) Related Party Transactions

Material related party transactions are disclosed in the note 20 in line with the requirements of IAS 24. Transactions with other NHS bodies for the commissioning of health care are summarised in Note 3.

19) 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.

20) 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-Statement of Financial Position' 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 IAS 17. 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.

21) 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.

22) 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 14 where an inflow of economic benefits is probable.

Contingent liabilities are not recognised, but are disclosed in note 14, 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.

23) 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.

24) 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.

(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.

(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.

25) 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.

26) 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.

27) 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 21 to the accounts in accordance with the requirements of HM Treasury's Financial Reporting Manual.

28) Key sources of judgement and estimation uncertainty

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Board makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The Board makes judgements in applying accounting policies. The estimates, assumptions and judgements that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the financial statements within the next financial year are addressed 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.
- 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 2022.

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

	2022 £'000
2a. SUMMARY OF CORE REVENUE RESOURCE OUTTURN	
Net expenditure	**3,426,069**
Total Non Core Expenditure (see below)	**(85,950)**
FHS Non Discretionary Allocation	**(186,527)**
Endowment Net Operating Costs	**(1,200)**
Joint Ventures accounted for on an equity basis	**66,552**
Totals	**3,218,944**
Core Revenue Resource Limit	**3,219,305**
Saving against Core Revenue Resource Limit	**361**

SUMMARY OF NON CORE REVENUE RESOURCE OUTTURN	
Depreciation/Amortisation	**79,002**
Annually Managed Expenditure - Impairments	**(1,065)**
Annually Managed Expenditure - Creation of Provisions	**(1,057)**
Annually Managed Expenditure - Depreciation of Donated Assets	**1,386**
Additional SGHSCD non-core funding	**(1,775)**
Donated Asset Income	**(2,980)**
IFRS PFI Expenditure	**12,439**
Total Non Core Expenditure	**85,950**
Non Core Revenue Resource Limit	**85,950**
Saving against Non Core Revenue Resource Limit	**-**

SUMMARY RESOURCE OUTTURN	**Resource £'000**	**Expenditure £'000**	**Saving £'000**
Core	3,219,305	3,218,944	361
Non Core	85,950	85,950	-
Total	**3,305,255**	**3,304,894**	**361**

2b. NOTES TO THE CASHFLOW STATEMENT

Consolidated adjustments for non-cash transactions	**Note**	**2022 £'000**	2021 £'000
Expenditure Not Paid In Cash			
Depreciation	7a	**86,084**	81,000
Amortisation	6	**99**	99
Depreciation of donated assets	7a	**1,386**	1,292
Impairments on PPE charged to SoCNE		**1,135**	1,322
Net revaluation on PPE charged to SoCNE		**2,943**	13,756
Loss on re-measurement of non-current assets held for sale	7b	**-**	1,107
Funding Of Donated Assets	7a	**(2,980)**	(574)
Loss / (profit) on disposal of property, plant and equipment		**612**	(2,748)
Impairment of investments charged to SoCNE	10	**-**	68
GP Loans fair value adjustment	10	**113**	-
Joint ventures accounted for on an equity basis		**(66,552)**	(63,729)
Other non-cash transactions		**-**	4,050
Hospice		**-**	30,028
Total Expenditure Not Paid In Cash	CFS	**22,840**	65,671

Interest payable recognised in operating expenditure

Interest Payable			
PFI Finance lease charges allocated in the year	17b	**23,204**	21,975
Provisions - Unwinding of discount		**634**	1,250
Total		**23,838**	23,225

2b. NOTES TO THE CASHFLOW STATEMENT (cont)

Consolidated movements in working capital	Note	**Opening Balances £'000**	**Closing Balances £'000**	**Net Movement 2022 £'000**	2021 £'000
INTANGIBLE ASSETS CURRENT					
Balance Sheet	6b	**404**	404		
Net Decrease				**-**	77
INVENTORIES					
Balance Sheet	8	**24,706**	25,210		
Net Increase				**(504)**	(973)
TRADE AND OTHER RECEIVABLES					
Due within one year	9	**197,422**	135,520		
Due after more than one year	9	**134,872**	153,166		
Less: Property, Plant & Equipment (Capital) included in above	-	**(2,894)**	(3,144)		
		329,400	285,542		
Net decrease / (increase)				**43,858**	(13,035)
TRADE AND OTHER PAYABLES					
Due within one year	12	**667,558**	871,607		
Due after more than one year	12	**326,944**	343,005		
Less: Property, Plant & Equipment (Capital) included in above	-	**(55,048)**	(50,150)		
Less: General Fund Creditor included in above	12	**(1,909)**	(705)		
Less: Lease and PFI Creditors included in above	12	**(294,398)**	(307,132)		
		643,147	856,625		
Net Increase				**213,478**	270,465
PROVISIONS					
Statement of Financial Position	-	**415,406**	395,943		
Net (increase) /decrease				**(19,463)**	10,189
Net Increase				**237,369**	266,723

3. OPERATING EXPENSES

3a. Employee expenditure	**2022**	2021
	£'000	£'000
Medical and Dental	**534,665**	509,178
Nursing	**919,508**	895,015
Other Staff	**748,864**	680,362
Total	**2,203,037**	2,084,555

3b. Other operating expenditure	**2022**	2021
	£'000	£'000
Independent Primary Care Services:		
General Medical Services	**215,083**	210,643
Pharmaceutical Services	**79,068**	78,904
General Dental Services	**102,863**	97,504
General Ophthalmic Services	**26,972**	27,592
Total	**423,986**	414,643
Drugs and medical supplies:		
Prescribed drugs Primary Care	**238,852**	233,131
Prescribed drugs Secondary Care	**286,783**	260,682
PPE and testing kits	**32,425**	37,492
Medical Supplies	**163,422**	138,187
Total	**721,482**	669,492
Other health care expenditure		
Contribution to Integration Joint Boards	**1,924,184**	1,872,776
Goods and services from other NHSScotland bodies	**48,114**	48,053
Goods and services from other UK NHS bodies	**1,605**	1,535
Goods and services from private providers	**19,766**	18,676
Goods and services from voluntary organisations	**19,569**	19,398
Resource Transfer	**249,758**	300,692
Loss on disposal of assets	**633**	263
Other operating expenses	**673,315**	683,862
External Auditor's remuneration - statutory audit fee	**416**	408
Endowment Fund expenditure	**9,389**	6,053
Total	**2,946,749**	2,951,716
Total Other Operating Expenditure	**4,092,217**	4,035,851

Notes:

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

2. Higher value items within Other Operating Expenses included:

Depreciation	**87,570**	82,391
Professional Fees & Charges	**82,767**	92,579
Equipment	**68,809**	70,983
PFI	**41,140**	54,254
Rates	**31,101**	30,038
Heating, Fuel & Power	**32,924**	28,784
Impairment/Pensions/Negligence Provision	**3,088**	20,582

3. There have been no services provided by the external auditors (Audit Scotland) other than the statutory audit.

4. OPERATING INCOME

	2022	2021
	£'000	£'000
Income from Scottish Government	**2,432**	539
Income from other NHS Scotland bodies	**693,025**	658,356
Income from NHS non-Scottish bodies	**3,806**	1,395
Income from private patients	**228**	169
Income for services commissioned by Integration Joint Boards	**1,924,184**	1,872,776
Patient charges for primary care	**7,055**	1,972
Donations	**20,757**	8,038
Profit on disposal of assets	**21**	3,011
Contributions in respect of clinical and medical negligence claims	**3,839**	27,019
Non NHS:		
Overseas patients (non-reciprocal)	**186**	127
Endowment Fund Income	**8,189**	11,414
Other	**138,911**	85,028
Total	**2,802,633**	2,669,844

Notes:

1. Higher value items within Other Operating Income included:

Healthcare to other organisations inc Local Authorities and other Govn depts	**58,935**	31,010
Road Traffic Act	**4,231**	4,687
Rent of Premises Income	**3,921**	3,508
Dining Room Income	**2,710**	2,139
Laboratory Income	**3,205**	2,729

5. SEGMENTAL INFORMATION

	ACUTE	NHS COMMUNITY PARTNERSHIPS	CORPORATE	UNALLOCATED	FUNDS HELD ON TRUST	IJBs	2022
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net operating cost	1,132,755	1,567,517	791,149	-	1,200	(66,552)	**3,426,069**
Total assets	-	-	-	2,718,843	111,310	168,527	**2,998,680**
Total liabilities	-	-	-	1,607,042	4,062	-	**1,611,104**
Total segment revenue	660,731	82,143	127,386	-	8,189	1,924,184	**2,802,633**
Impairment losses recognised in SoCNE	-	-	-	4,078	-	-	**4,078**
Depreciation and amortisation	21	3	87,546	-	-	-	**87,570**
Non-current assets held for sale	-	-	-	2,858	-	-	**2,858**
Additions to non-current assets (other than financial instruments and deferred tax assets) (i.e. capital expenditure)	-	-	-	89,521	-	-	**89,521**

PRIOR YEAR

	ACUTE	NHS COMMUNITY PARTNERSHIPS	CORPORATE	UNALLOCATED	FUNDS HELD ON TRUST	IJBs	2021
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Net operating cost	1,179,885	1,516,091	759,947	-	(5,361)	(63,729)	**3,386,833**
Total assets	-	-	-	2,635,906	104,023	101,975	**2,841,904**
Total liabilities	-	-	-	1,411,681	3,267	-	**1,414,948**
Total segment revenue	620,975	62,713	101,966	-	11,414	1,872,776	**2,669,844**
Impairment losses recognised in SoCNE	-	-	-	16,185	-	-	**16,185**
Depreciation and amortisation	27	3	82,360	-	-	-	**82,390**
Non-current assets held for sale	-	-	-	2,608	-	-	**2,608**
Additions to non-current assets (other than financial instruments and deferred tax assets) (i.e. capital expenditure)	-	-	-	101,023	-	-	**101,023**

6a. INTANGIBLE ASSETS (NON CURRENT) - CONSOLIDATED AND BOARD

	Software Licences	EC Carbon Emissions	Total
	£'000	£'000	£'000
Cost or Valuation:			
At 1 April 2021	1,312	119	1,431
At 31 March 2022	**1,312**	**119**	**1,431**
Amortisation			
At 1 April 2021	1,117	-	1,117
Provided during the year	99	-	99
At 31 March 2022	**1,216**	**-**	**1,216**
Net book value at 1 April 2021	195	119	314
Net book value at 31 March 2022	**96**	**119**	**215**

6a. INTANGIBLE ASSETS (NON CURRENT) - CONSOLIDATED AND BOARD PRIOR YEAR

	Software Licences	EC Carbon Emissions	Total
	£'000	£'000	£'000
Cost or Valuation:			
At 1 April 2020	1,312	-	1,312
Additions	-	119	119
At 31 March 2021	**1,312**	**119**	**1,431**
Amortisation			
At 1 April 2020	1,018	-	1,018
Provided during the year	99	-	99
At 31 March 2021	**1,117**	**-**	**1,117**
Net book value at 1 April 2020	294	-	294
Net book value at 31 March 2021	**195**	**119**	**314**

6b. INTANGIBLE ASSETS (CURRENT) - CONSOLIDATED AND BOARD	**2022**	2021
	£'000	£'000
Carbon Reduction Commitment Allowances	**404**	404
Total	**404**	404

7a. PROPERTY, PLANT AND EQUIPMENT - CONSOLIDATED

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Dwellings £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or valuation									
At 1 April 2021	90,945	2,106,688	-	1,489	337,543	128,141	14,675	83,737	2,763,218
Additions - purchased	-	-	-	-	10,652	193	473	76,207	87,525
Additions - donated	810	-	-	-	1,617	-	-	553	2,980
Completions	-	43,569	-	-	27,792	14,106	520	(85,987)	-
Asset Transfers from other SG Consolidation Entities	-	-	-	-	-	-	-	643	643
Transfers (to) / from non-current assets held for sale	-	(250)	-	-	-	-	-	-	(250)
Revaluations	405	91,922	-	-	-	-	-	-	92,327
Impairment charges	(382)	(833)	-	-	-	-	-	-	(1,215)
Disposals - purchased	(1,010)	(320)	-	(158)	(2,027)	(749)	(117)	-	(4,381)
Disposals - donated	-	-	-	-	(1,014)	-	-	-	(1,014)
At 31 March 2022	**90,768**	**2,240,776**	**-**	**1,331**	**374,563**	**141,691**	**15,551**	**75,153**	**2,939,833**
Depreciation									
At 1 April 2021	-	111,616	-	1,426	245,404	119,091	12,874	-	490,411
Provided during the year - purchased	-	60,849	-	27	21,045	3,845	318	-	86,084
Provided during the year - donated	-	219	-	4	1,163	-	-	-	1,386
Revaluations	-	(33,362)	-	-	-	-	-	-	(33,362)
Impairment charges	-	(80)	-	-	-	-	-	-	(80)
Disposals - purchased	-	(26)	-	(143)	(1,923)	(749)	(117)	-	(2,958)
Disposals - donated	-	-	-	-	(1,002)	-	-	-	(1,002)
At 31 March 2022	**-**	**139,216**	**-**	**1,314**	**264,687**	**122,187**	**13,075**	**-**	**540,479**
Net book value at 1 April 2021	90,945	1,995,072	-	63	92,139	9,050	1,801	83,737	2,272,807
Net book value at 31 March 2022	**90,768**	**2,101,560**	**-**	**17**	**109,876**	**19,504**	**2,476**	**75,153**	**2,399,354**
Open Market Value of Land in Land and Dwellings Included Above	**2,608**		**-**						
Asset financing:									
Owned - purchased	89,290	1,736,677	-	13	104,471	19,504	2,476	74,963	2,027,394
Owned - donated	1,478	8,571	-	4	5,405	-	-	190	15,648
On-balance sheet PFI contracts	-	356,312	-	-	-	-	-	-	356,312
Net book value at 31 March 2022	**90,768**	**2,101,560**	**-**	**17**	**109,876**	**19,504**	**2,476**	**75,153**	**2,399,354**

7a. PROPERTY, PLANT AND EQUIPMENT - BOARD

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Dwellings £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or valuation									
At 1 April 2021	90,945	2,106,688	-	1,489	337,543	128,141	14,675	83,737	2,763,218
Additions - purchased	-	-	-	-	10,652	193	473	76,207	87,525
Additions - donated	810	-	-	-	1,617	-	-	553	2,980
Completions	-	43,569	-	-	27,792	14,106	520	(85,987)	-
Asset Transfers from other SG Consolidation Entities	-	-	-	-	-	-	-	643	643
Transfers (to) / from non-current assets held for sale	-	(250)	-	-	-	-	-	-	(250)
Revaluations	405	91,922	-	-	-	-	-	-	92,327
Impairment charges	(382)	(833)	-	-	-	-	-	-	(1,215)
Disposals - purchased	(1,010)	(320)	-	(158)	(2,027)	(749)	(117)	-	(4,381)
Disposals - donated	-	-	-	-	(1,014)	-	-	-	(1,014)
At 31 March 2022	**90,768**	**2,240,776**	**-**	**1,331**	**374,563**	**141,691**	**15,551**	**75,153**	**2,939,833**
Depreciation									
At 1 April 2021	-	111,616	-	1,426	245,404	119,091	12,874	-	490,411
Provided during the year - purchased	-	60,849	-	27	21,045	3,845	318	-	86,084
Provided during the year - donated	-	219	-	4	1,163	-	-	-	1,386
Revaluations	-	(33,362)	-	-	-	-	-	-	(33,362)
Impairment charges	-	(80)	-	-	-	-	-	-	(80)
Disposals - purchased	-	(26)	-	(143)	(1,923)	(749)	(117)	-	(2,958)
Disposals - donated	-	-	-	-	(1,002)	-	-	-	(1,002)
At 31 March 2022	**-**	**139,216**	**-**	**1,314**	**264,687**	**122,187**	**13,075**	**-**	**540,479**
Net book value at 1 April 2021	90,945	1,995,072	-	63	92,139	9,050	1,801	83,737	2,272,807
Net book value at 31 March 2022	**90,768**	**2,101,560**	**-**	**17**	**109,876**	**19,504**	**2,476**	**75,153**	**2,399,354**
Open Market Value of Land in Land and Dwellings Included Above	**2,608**		**-**						
Asset financing:									
Owned - purchased	89,290	1,736,677	-	13	104,471	19,504	2,476	74,963	2,027,394
Owned - donated	1,478	8,571	-	4	5,405	-	-	190	15,648
On-balance sheet PFI contracts	-	356,312	-	-	-	-	-	-	356,312
Net book value at 31 March 2022	**90,768**	**2,101,560**	**-**	**17**	**109,876**	**19,504**	**2,476**	**75,153**	**2,399,354**

7a. PROPERTY, PLANT AND EQUIPMENT - CONSOLIDATED PRIOR YEAR

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Dwellings £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or valuation									
At 1 April 2020	91,699	2,147,343	-	1,501	341,716	124,824	13,865	63,049	2,783,997
Additions - purchased	-	14,533	-	-	11,329	-	18	76,649	102,529
Additions - donated	-	-	-	-	215	-	-	359	574
Completions	-	42,672	-	-	9,539	3,317	792	(56,320)	-
Transfers to non-current assets held for sale	(708)	-	-	-	-	-	-	-	(708)
Revaluations	(46)	(96,380)	-	-	-	-	-	-	(96,426)
Impairment charges	-	(1,480)	-	-	-	-	-	-	(1,480)
Disposals - purchased	-	-	-	(12)	(25,031)	-	-	-	(25,043)
Disposals - donated	-	-	-	-	(225)	-	-	-	(225)
At 31 March 2021	**90,945**	**2,106,688**	**-**	**1,489**	**337,543**	**128,141**	**14,675**	**83,737**	**2,763,218**
Depreciation									
At 1 April 2020	-	142,267	-	1,379	250,763	114,837	12,579	-	521,825
Provided during the year - purchased	-	57,970	-	48	18,433	4,254	295	-	81,000
Provided during the year - donated	-	222	-	11	1,059	-	-	-	1,292
Revaluations	-	(88,685)	-	-	-	-	-	-	(88,685)
Impairment charges	-	(158)	-	-	-	-	-	-	(158)
Disposals - purchased	-	-	-	(12)	(24,684)	-	-	-	(24,696)
Disposals - donated	-	-	-	-	(167)	-	-	-	(167)
At 31 March 2021	**-**	**111,616**	**-**	**1,426**	**245,404**	**119,091**	**12,874**	**-**	**490,411**
Net book value at 1 April 2020	91,699	2,005,076	-	122	90,953	9,987	1,286	63,049	2,262,172
Net book value at 31 March 2021	**90,945**	**1,995,072**	**-**	**63**	**92,139**	**9,050**	**1,801**	**83,737**	**2,272,807**
Open Market Value of Land in Land and Dwellings Included Above	**2,170**		**-**						
Asset financing:									
Owned - purchased	90,277	1,664,948	-	55	87,549	9,050	1,801	83,727	1,937,407
Owned - donated	668	8,259	-	8	4,590	-	-	10	13,535
On-balance sheet PFI contracts	-	321,865	-	-	-	-	-	-	321,865
Net book value at 31 March 2021	**90,945**	**1,995,072**	**-**	**63**	**92,139**	**9,050**	**1,801**	**83,737**	**2,272,807**

7a. PROPERTY, PLANT AND EQUIPMENT - BOARD PRIOR YEAR

	Land (including under buildings) £'000	Buildings (excluding dwellings) £'000	Dwellings £'000	Transport Equipment £'000	Plant & Machinery £'000	Information Technology £'000	Furniture & Fittings £'000	Assets Under Construction £'000	Total £'000
Cost or valuation									
At 1 April 2020	91,699	2,147,343	-	1,501	341,716	124,824	13,865	63,049	2,783,997
Additions - purchased	-	14,533	-	-	11,329	-	18	76,649	102,529
Additions - donated	-	-	-	-	215	-	-	359	574
Completions	-	42,672	-	-	9,539	3,317	792	(56,320)	-
Transfers to non-current assets held for sale	(708)	-	-	-	-	-	-	-	(708)
Revaluations	(46)	(96,380)	-	-	-	-	-	-	(96,426)
Impairment charges	-	(1,480)	-	-	-	-	-	-	(1,480)
Disposals - purchased	-	-	-	(12)	(25,031)	-	-	-	(25,043)
Disposals - donated	-	-	-	-	(225)	-	-	-	(225)
At 31 March 2021	**90,945**	**2,106,688**	**-**	**1,489**	**337,543**	**128,141**	**14,675**	**83,737**	**2,763,218**
Depreciation									
At 1 April 2020	-	142,267	-	1,379	250,763	114,837	12,579	-	521,825
Provided during the year - purchased	-	57,970	-	48	18,433	4,254	295	-	81,000
Provided during the year - donated	-	222	-	11	1,059	-	-	-	1,292
Revaluations	-	(88,685)	-	-	-	-	-	-	(88,685)
Impairment charges	-	(158)	-	-	-	-	-	-	(158)
Disposals - purchased	-	-	-	(12)	(24,684)	-	-	-	(24,696)
Disposals - donated	-	-	-	-	(167)	-	-	-	(167)
At 31 March 2021	**-**	**111,616**	**-**	**1,426**	**245,404**	**119,091**	**12,874**	**-**	**490,411**
Net book value at 1 April 2020	91,699	2,005,076	-	122	90,953	9,987	1,286	63,049	2,262,172
Net book value at 31 March 2021	**90,945**	**1,995,072**	**-**	**63**	**92,139**	**9,050**	**1,801**	**83,737**	**2,272,807**
Open Market Value of Land in Land and Dwellings Included Above	**2,170**		**-**						
Asset financing:									
Owned - purchased	90,277	1,664,948	-	55	87,549	9,050	1,801	83,727	1,937,407
Owned - donated	668	8,259	-	8	4,590	-	-	10	13,535
On-balance sheet PFI contracts	-	321,865	-	-	-	-	-	-	321,865
Net book value at 31 March 2021	**90,945**	**1,995,072**	**-**	**63**	**92,139**	**9,050**	**1,801**	**83,737**	**2,272,807**

7b. 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) and Cathcart Centre, Greenock.

ASSETS HELD FOR SALE - CONSOLIDATED AND BOARD

	Property, Plant & Equipment	Total
	£'000	£'000
At 1 April 2021	2,608	2,608
Transfers from property, plant and equipment	250	250
At 31 March 2022	**2,858**	**2,858**

ASSETS HELD FOR SALE (PRIOR YEAR) - CONSOLIDATED AND BOARD

	Property, Plant & Equipment	Total
	£'000	£'000
At 1 April 2020	4,346	4,346
Transfers from property, plant and equipment	708	708
Gain or losses recognised on re-measurement of non-current assets held for sale	(1,107)	(1,107)
Disposals of non-current assets held for sale	(1,339)	(1,339)
At 31 March 2021	**2,608**	**2,608**

7c. PROPERTY, PLANT AND EQUIPMENT DISCLOSURES

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
		Net book value of property, plant and equipment at 31 March		
2,259,272	2,259,272	Purchased	**2,383,706**	**2,383,706**
13,535	13,535	Donated	**15,648**	**15,648**
2,272,807	2,272,807	**Total**	**2,399,354**	**2,399,354**
2,170	2,170	Net book value related to land valued at open market value at 31 March	**2,608**	**2,608**
		Total value of assets held under:		
321,865	321,865	PFI and PPP Contracts	**356,312**	**356,312**
321,865	321,865	**Total**	**356,312**	**356,312**
		Total depreciation charged in respect of assets held under:		
6,959	6,959	PFI and PPP contracts	**7,182**	**7,182**
6,959	6,959	**Total**	**7,182**	**7,182**

Note:
All land and approximately 20% of buildings were revalued by an independent valuer, The Valuation Office Agency, as at 31/03/2022 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 2021-22 the net impact was an increase in value of £125,158k for Purchased Assets and £531k for Donated Assets. In 2020-21 the value of Purchased Assets was reduced by £7,561k and the value of Donated Assets by £180k.

7d. ANALYSIS OF CAPITAL EXPENDITURE

	Note	2022 £'000	2021 £'000
Expenditure			
Acquisition of intangible assets	6	**-**	119
Acquisition of property, plant and equipment	7a	**87,525**	102,529
Donated asset additions	7a	**2,980**	574
HUB		**459**	132
Gross Capital Expenditure		**90,964**	103,354
Income			
Net book value of disposal of property, plant and equipment	7a	**1,423**	347
Net book value of disposal of donated assets	7a	**12**	58
Value of disposal of non-current assets held for sale	7b	**-**	1,339
HUB - repayment of investment		**14**	13
Capital Income		**1,449**	1,757
Net Capital Expenditure		**89,515**	101,597

Summary of Capital Resource Outturn

Core Capital Expenditure included above	**85,724**	79,947
Core Capital Resource Limit	**85,730**	79,957
Saving against Core Capital Resource Limit	**6**	10
Non Core Capital Expenditure included above	**3,791**	21,076
Non Core Capital Resource Limit	**3,791**	21,076
Saving against Non Core Capital Resource Limit	**-**	-
Total Capital Expenditure	**89,515**	101,023
Total Capital Resource Limit	**89,521**	101,033
Saving against Total Capital Resource Limit	**6**	10

Note:

The discrepancy between 2020-21 net capital expenditure and Total Capital Resource Limit is due to the reclassification of accounting treatment of donated assets income received in that year. There is no impact on the Board's performance in that year against the capital budget provided.

8. INVENTORIES

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
24,706	24,706	Raw materials and consumables	**25,210**	**25,210**
24,706	24,706	**Total Inventories**	**25,210**	**25,210**

9. TRADE AND OTHER RECEIVABLES

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
		Receivables due within one year		
		NHSScotland		
719	719	Scottish Government Health & Social Care Directorate	**1,389**	**1,389**
55,991	55,991	Boards	**38,885**	**38,885**
56,710	56,710	**Total NHSScotland Receivables**	**40,274**	**40,274**
614	614	NHS non-Scottish bodies	**1,335**	**1,335**
4,198	4,198	VAT recoverable	**2,683**	**2,683**
21,899	21,899	Prepayments	**19,054**	**19,054**
15,492	15,492	Accrued income	**15,423**	**15,423**
14,743	14,357	Other receivables	**15,510**	**15,339**
75,963	75,963	Reimbursement of provisions	**35,400**	**35,400**
7,803	7,803	Other public sector bodies	**5,841**	**5,841**
197,422	197,036	**Total Receivables due within one year**	**135,520**	**135,349**
		Receivables due after more than one year		
		NHSScotland		
100	100	Other receivables	**82**	**82**
134,772	134,772	Reimbursement of provisions	**153,084**	**153,084**
134,872	134,872	**Total Receivables due after more than one year**	**153,166**	**153,166**
332,294	331,908	**TOTAL RECEIVABLES**	**288,686**	**288,515**
6,134	6,134	The total receivables figure above includes a provision for impairments of :	**6,190**	**6,190**

9. TRADE AND OTHER RECEIVABLES (cont)

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
		Movements on the provision for impairment of receivables are as follows:		
5,776	5,776	At 1 April	**6,134**	**6,134**
2,179	2,179	Provision for impairment	**2,768**	**2,768**
(691)	(691)	Receivables written off during the year as uncollectable	**(968)**	**(968)**
(1,130)	(1,130)	Unused amounts reversed	**(1,744)**	**(1,744)**
6,134	6,134	At 31 March	**6,190**	**6,190**

As of 31 March 2022, receivables with a carrying value of £6,190k (2020-21: £6,134k) were impaired and provided for. The ageing of these receivables is as follows:

£'000	£'000		**£'000**	**£'000**
608	608	3 to 6 months past due	**867**	**867**
5,526	5,526	Over 6 months past due	**5,323**	**5,323**
6,134	6,134		**6,190**	**6,190**

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 2022, receivables with a carrying value of £5,697k (2020-21: £5,997k) 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**
4,332	4,332	Up to 3 months past due	**3,737**	**3,737**
1,105	1,105	3 to 6 months past due	**567**	**567**
560	560	Over 6 months past due	**1,393**	**1,393**
5,997	5,997		**5,697**	**5,697**

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.

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

£'000	£'000	Counterparties with external credit ratings	**£'000**	**£'000**
320,163	319,777	Existing customers with no defaults in the past	**276,799**	**276,628**
320,163	319,777	Total neither past due or impaired	**276,799**	**276,628**

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**
332,294	331,908	Pounds	**288,686**	**288,515**
332,294	331,908		**288,686**	**288,515**

All non-current receivables are due within 24 years (2020-21: 25 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 £82k (2020-21 £100k).

10. INVESTMENTS

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
100,132	1,250	Other	**103,020**	**1,582**
100,132	1,250	**Total**	**103,020**	**1,582**
85,270	1,199	At 1 April	**100,132**	**1,250**
11,459	132	Additions	**11,719**	**-**
-	-	GP Loans advances	**459**	**459**
(9,616)	(13)	Disposals	**(12,377)**	**(14)**
(68)	(68)	Impairment recognised in SoCNE	**-**	**-**
-	-	GP Loans Fair Value Adjustment	**(113)**	**(113)**
13,087	-	Revaluation surplus transferred to equity	**3,200**	**-**
100,132	1,250	**At 31 March**	**103,020**	**1,582**
100,132	1,250	Non-current	**103,020**	**1,582**
100,132	1,250	**At 31 March**	**103,020**	**1,582**

Note:

GP Sustainability Loan advances in the year amounted to £459k and there was also a fair value adjustment to these loans of £113k due to discounting. A repayment of £14k was received 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 £101.4M of which £81.8M relates to restricted funds.

11. CASH AND CASH EQUIVALENTS	**At 31 March 2022 £'000**	At 1 April 2021 £'000
Government Banking Service	**235**	1,263
Commercial banks and cash in hand	**470**	646
Endowment cash	**9,701**	4,755
Total Cash - SOFP/CFS	**10,406**	6,664

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

12. TRADE AND OTHER PAYABLES

Consolidated 2021 £'000	Board 2021 £'000		Consolidated 2022 £'000	Board 2022 £'000
		Payables due within one year		
		NHSScotland		
15,331	15,331	Boards	**12,431**	**12,431**
15,331	15,331	**Total NHSScotland Payables**	**12,431**	**12,431**
-	-	NHS Non-Scottish bodies	**27**	**27**
1,909	1,909	Amounts payable to General Fund	**705**	**705**
45,115	45,115	FHS practitioners	**45,507**	**45,507**
27,501	27,501	Trade payables	**11,557**	**11,557**
351,336	351,336	Accruals	**430,822**	**430,822**
3,475	3,475	Deferred income	**3,415**	**3,415**
79	79	Payments received on account	**106**	**106**
7,354	7,354	Net obligations under PPP / PFI Contracts	**8,416**	**8,416**
43,333	43,333	Income tax and social security	**44,499**	**44,499**
32,717	32,717	Superannuation	**34,056**	**34,056**
40,920	40,920	Holiday pay accrual	**63,651**	**63,651**
95,346	95,346	Other public sector bodies	**206,147**	**206,147**
3,142	4,915	Other payables	**10,268**	**6,755**
667,558	669,331	**Total Payables due within one year**	**871,607**	**868,094**
		Payables due after more than one year		
7,932	7,932	Net obligations under PPP / PFI contracts due within 2 years	**9,062**	**9,062**
27,742	27,742	Net obligations under PPP / PFI contracts due after 2 years but within 5 years	**30,798**	**30,798**
251,370	251,370	Net obligations under PPP / PFI contracts due after 5 years	**258,856**	**258,856**
2,026	2,026	Deferred income	**2,404**	**2,404**
37,874	37,874	Other payables	**41,885**	**41,885**
326,944	326,944	**Other payables**	**343,005**	**343,005**
994,502	996,275	**TOTAL PAYABLES**	**1,214,612**	**1,211,099**

12. TRADE AND OTHER PAYABLES (cont)

Consolidated 2021 £'000	Board 2021 £'000		**Consolidated 2022 £'000**	**Board 2022 £'000**
		Borrowings included above comprise:		
294,398	294,398	PFI contracts	**307,132**	**307,132**
294,398	294,398		**307,132**	**307,132**
		The carrying amount and fair value of the non-current borrowings are as follows		
		Carrying amount		
287,044	287,044	PFI contracts	**298,716**	**298,716**
287,044	287,044		**298,716**	**298,716**
		Fair value		
287,044	287,044	PFI contracts	**298,716**	**298,716**
287,044	287,044		**298,716**	**298,716**
		The carrying amount of short term payables approximates their fair value.		
		The carrying amount of payables are denominated in:		
994,502	996,275	Pounds	**1,214,612**	**1,211,099**
994,502	996,275		**1,214,612**	**1,211,099**

13a. 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 2022 £'000	Total at 31 March 2021 £'000
At 1 April 2021	39,868	164,682	207,823	3,033	**415,406**	405,217
Arising during the year	2,669	37,557	7,729	1,343	**49,298**	61,613
Utilised during the year	(3,776)	(11,879)	(4,867)	(1,082)	**(21,604)**	(24,554)
Unwinding of discount	634	-	-	-	**634**	1,250
Reversed unutilised	(2,390)	(44,282)	-	(1,119)	**(47,791)**	(28,120)
Totals	**37,005**	**146,078**	**210,685**	**2,175**	**395,943**	415,406

The amounts shown above in relation to Clinical & Medical Legal Claims against [insert Board name] are stated gross and the amount of any expected reimbursements are separately disclosed as receivables in note 9.

Analysis of expected timing of discounted flows to 31 March 2022

	Pensions and similar obligations £'000	Clinical & Medical Legal Claims against NHS Board £'000	Participation in CNORIS £'000	Other £'000	Total at 31 March 2022 £'000	Total at 31 March 2021 £'000
Payable in one year	3,168	33,692	52,551	2,119	**91,530**	123,885
Payable between 2 - 5 years	13,449	112,386	128,035	56	**253,926**	239,082
Payable between 6 - 10 years	11,310	-	10,892	-	**22,202**	23,266
Thereafter	9,078	-	19,207	-	**28,285**	29,173
Totals	**37,005**	**146,078**	**210,685**	**2,175**	**395,943**	415,406

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 - 1.30% in real terms. The Board expects expenditure to be charged to this provision for a period of up to 48 years.

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.

13b. CLINICAL NEGLIGENCE AND OTHER RISKS INDEMNITY SCHEME (CNORIS)

2021 £'000		2022 £'000
167,715	Provision recognising individual claims against the NHS Board as at 31 March	**148,253**
(210,735)	Associated CNORIS receivable at 31 March	**(188,484)**
207,823	Provision recognising the NHS Board's liability from participating in the scheme at 31 March	**210,685**
164,803	**Net Total Provision relating to CNORIS at 31 March**	**170,454**

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

14. CONTINGENT LIABILITIES/ASSETS

CONTINGENT LIABILITIES

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

(i) Negligence Claims	Clinical & Medical Negligence	Employer's Liability	Total
	£'000	£'000	£'000
At 1 April 2021	118,436	1,734	**120,170**
Increase in value of claims	1,990	178	**2,168**
New claims arising during the year	45,636	934	**46,570**
Crystallised liabilities	(304)	(364)	**(668)**
Expired	(35,584)	(1,015)	**(36,599)**
At 31 March 2022	**130,174**	**1,467**	**131,641**

(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

(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 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 in 2021-22. It is not possible to quantify final costs at this stage.

CONTINGENT ASSETS

The following contingent assets have not been provided for in the Accounts:	2022	2021
	£'000	£'000
Reimbursement of Contingent Liability re Negligence Claims (from CNORIS scheme) as follows:		
Clinical & Medical Negligence	**127,185**	116,020
Employer's Liability	**560**	1,035
Total	**127,745**	117,055

15. COMMITMENTS

Capital Commitments

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

	2022	2021
	£'000	£'000
Contracted		
Acute Services	**6,273**	4,655
Primary Care	**60,173**	538
Radiotherapy Equipment Replacement	**3,233**	-
HUB Projects	**-**	648
Total	**69,679**	5,841
Authorised but not Contracted		
Acute Services	**5,251**	2,320
HUB Projects	**-**	1,208
Radiotherapy Equipment Replacement	**234**	-
Primary Care Projects	**8,546**	1,881
Total	**14,031**	5,409

16. COMMITMENTS UNDER LEASES

Operating Leases

Total future minimum lease payments under operating leases are given in the table below for the each of the following periods:

Obligations under operating leases comprise:	**2022**	2021
	£'000	£'000
Buildings		
Not later than one year	**3,487**	2,983
Later than one year, not later than 2 years	**3,204**	2,627
Later than two year, not later than five years	**8,057**	5,080
Later than five years	**11,125**	6,859
Other		
Not later than one year	**1,792**	2,042
Later than one year, not later than 2 years	**266**	214
Later than two year, not later than five years	**57**	58
Amounts charged to Operating Costs in the year were:		
Hire of equipment (including vehicles)	**2,371**	2,708
Other operating leases	**4,343**	4,227
Total	**6,714**	6,935
Aggregate Rentals Receivable in the year		
Total of Operating Leases	**3,921**	3,508

17. 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 £9.1M.

2. Southern General Hospital - Elderly Bed Facility (210 Beds). PFI contract commenced with Carillion Private Finance on 1 April 2001 for a period of 28 years. 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 1 October 2007 for a period of 30 years. Estimated capital value at commencement £17.7M.

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 £19M.

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 25 February 2011 for a period of 30 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.

17. 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 22 January 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 22 January 2021 for a period of 23 years and 9 months. Estimated capital value at commencement £20.3M.

17. 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 finance lease obligation. Contractual payments therefore comprise two elements; imputed finance lease charges and service charges. The imputed finance lease obligation is as follows:

Gross Minimum Lease Payments	**Larkfield**	**SGH Eld Bed**	**Gart Royal**	**Stb Rwbnk**	**Stb ACAD**	**Vic ACAD**	**ACAD 60 Bed Ext**	**Eastwood**	**Maryhill**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Rentals due within 1 year	790	1,064	1,455	1,549	6,972	8,813	1,672	882	1,180
Due within 1 to 2 years	790	1,064	1,455	1,549	6,972	8,813	1,672	882	1,180
Due within 2 to 5 years	1,580	3,192	4,364	4,646	20,916	26,439	5,015	2,646	3,540
Due after 5 years	-	2,128	16,001	24,781	90,634	114,571	21,730	13,230	17,700
Total	**3,160**	**7,448**	**23,275**	**32,525**	**125,494**	**158,636**	**30,089**	**17,640**	**23,600**

Less Interest Element	**Larkfield**	**SGH Eld Bed**	**Gart Royal**	**Stb Rwbnk**	**Stb ACAD**	**Vic ACAD**	**ACAD 60 Bed Ext**	**Eastwood**	**Maryhill**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Rentals due within 1 year	(191)	(466)	(982)	(1,214)	(5,247)	(6,632)	(1,366)	(710)	(940)
Due within 1 to 2 years	(148)	(414)	(948)	(1,189)	(5,108)	(6,456)	(1,336)	(695)	(920)
Due within 2 to 5 years	(155)	(889)	(2,611)	(3,395)	(14,371)	(18,166)	(3,794)	(1,984)	(2,624)
Due after 5 years	-	(245)	(5,244)	(10,689)	(35,735)	(45,173)	(9,795)	(5,907)	(7,778)
Total	**(494)**	**(2,014)**	**(9,785)**	**(16,487)**	**(60,461)**	**(76,427)**	**(16,291)**	**(9,296)**	**(12,262)**

Present value of minimum lease payments	**Larkfield**	**SGH Eld Bed**	**Gart Royal**	**Stb Rwbnk**	**Stb ACAD**	**Vic ACAD**	**ACAD 60 Bed Ext**	**Eastwood**	**Maryhill**
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**
Rentals due within 1 year	599	598	473	335	1,725	2,181	306	172	240
Due within 1 to 2 years	642	650	507	360	1,864	2,357	336	187	260
Due within 2 to 5 years	1,425	2,303	1,753	1,251	6,545	8,273	1,221	662	916
Due after 5 years	-	1,883	10,757	14,092	54,899	69,398	11,935	7,323	9,922
Total	**2,666**	**5,434**	**13,490**	**16,038**	**65,033**	**82,209**	**13,798**	**8,344**	**11,338**

17. 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 finance lease obligation. Contractual payments therefore comprise two elements; imputed finance lease charges and service charges. The imputed finance lease obligation is as follows:

Gross Minimum Lease Payments	**Inverclyde**	**Gorbals**	**Woodside**	**Appin Ward**	**Elgin Ward**	**Greenock HC**	**Clydebank HC**	**2022 Totals**	2021 Totals
	£'000	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	**£'000**	£'000
Rentals due within 1 year	719	1,198	1,390	423	423	1,727	1,516	**31,773**	30,421
Due within 1 to 2 years	719	1,198	1,390	423	423	1,727	1,516	**31,773**	30,421
Due within 2 to 5 years	2,157	3,594	4,171	1,270	1,270	5,181	4,549	**94,530**	91,263
Due after 5 years	11,504	20,363	25,024	8,045	8,045	32,816	28,807	**435,379**	439,156
Total	**15,099**	**26,353**	**31,975**	**10,161**	**10,161**	**41,451**	**36,388**	**593,455**	591,261

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	(549)	(947)	(1,021)	(326)	(326)	(1,358)	(1,082)	**(23,357)**	(23,067)
Due within 1 to 2 years	(537)	(928)	(1,000)	(320)	(320)	(1,333)	(1,059)	**(22,711)**	(22,489)
Due within 2 to 5 years	(1,529)	(2,660)	(2,854)	(920)	(920)	(3,836)	(3,024)	**(63,732)**	(63,521)
Due after 5 years	(4,760)	(8,955)	(9,903)	(3,439)	(3,439)	(14,469)	(10,992)	**(176,523)**	(187,786)
Total	**(7,375)**	**(13,490)**	**(14,778)**	**(5,005)**	**(5,005)**	**(20,996)**	**(16,157)**	**(286,323)**	(296,863)

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	170	251	369	97	97	369	434	**8,416**	7,354
Due within 1 to 2 years	182	270	390	103	103	394	457	**9,062**	7,932
Due within 2 to 5 years	628	934	1,317	350	350	1,345	1,525	**30,798**	27,742
Due after 5 years	6,744	11,408	15,121	4,606	4,606	18,347	17,815	**258,856**	251,370
Total	**7,724**	**12,863**	**17,197**	**5,156**	**5,156**	**20,455**	**20,231**	**307,132**	294,398

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

Service elements due in future periods	Larkfield	SGH Eld Bed	Gart Royal	Stb Rwbnk	Stb ACAD	Vic ACAD	ACAD 60 Bed Ext	Eastwood	Maryhill
	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000	£'000
Rentals due within 1 year	329	343	770	587	1,711	2,163	384	112	86
Due within 1 to 2 years	337	351	789	602	1,753	2,217	394	115	89
Due within 2 to 5 years	699	1,108	2,488	1,897	5,528	6,988	1,242	362	279
Due after 5 years	-	785	10,875	12,876	29,305	37,044	6,583	2,270	1,752
Total	**1,365**	**2,587**	**14,922**	**15,962**	**38,297**	**48,412**	**8,603**	**2,859**	**2,206**
Total	**4,031**	**8,021**	**28,412**	**32,000**	**103,330**	**130,621**	**22,401**	**11,203**	**13,544**

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

Service elements due in future periods	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	51	87	106	30	30	124	117	**7,030**	6,893
Due within 1 to 2 years	52	89	108	31	31	127	120	**7,205**	7,064
Due within 2 to 5 years	165	281	341	98	98	400	378	**22,352**	22,275
Due after 5 years	1,118	2,054	2,675	824	824	3,356	3,166	**115,507**	122,263
Total	**1,386**	**2,511**	**3,230**	**983**	**983**	**4,007**	**3,781**	**152,094**	158,495
Total	**9,110**	**15,374**	**20,427**	**6,139**	**6,139**	**24,462**	**24,012**	**459,226**	452,893

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

	2022	2021
	£'000	£'000
Interest charges	23,204	21,975
Service charges	6,781	6,584
Principal repayment	7,541	6,439
Other charges	8,136	7,910
Total	**45,662**	**42,908**

Contingent rents recognised as an expense in the period were;

	2022	2021
	£'000	£'000
Contingent rents (included in Other charges)	**8,136**	**7,910**

18. 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 funding valuation undertaken by the scheme actuary. The last four-yearly valuation was undertaken as at 31 March 2016. This valuation informed an employer contribution rate from 1 April 2019 of 20.9% of pensionable pay and an anticipated yield of 9.6% employees contributions.

(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 2021 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 23.0% based on the proportion of employer contributions paid in 2021-22.

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 2021-22 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%

Pension members can chose 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

	2022	2021
	£'000	£'000
Pension cost charge for the year	**287,514**	266,236
Additional costs arising from early retirement	**110**	82
Provisions / liabilities / prepayments included in the Statement of Financial Position	**37,005**	39,868

19. FINANCIAL INSTRUMENTS
19. (a) FINANCIAL INSTRUMENTS BY CATEGORY

Financial Assets

CONSOLIDATED	Note	Loans and Receivables £'000	Assets at Fair Value through Profit and Loss £'000	Available for Sale £'000	Total at 31 March 2022 £'000	Total at 31 March 2021 £'000
Investments	10	-	-	103,020	**103,020**	100,132
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	38,191	-	-	**38,191**	38,752
Cash and cash equivalents	11	10,406	-	-	**10,406**	6,664
Totals		**48,597**	**-**	**103,020**	**151,617**	145,548

BOARD	Note	Loans and Receivables £'000	Assets at Fair Value through Profit and Loss £'000	Available for Sale £'000	Total at 31 March 2022 £'000	Total at 31 March 2021 £'000
Investments	10	-	-	1,582	**1,582**	1,250
Trade and other receivables excluding prepayments, reimbursements of provisions and VAT recoverable.	9	38,020	-	-	**38,020**	38,366
Cash and cash equivalents	11	705	-	-	**705**	1,909
Totals		**38,725**	**-**	**1,582**	**40,307**	41,525

19. 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 2022 £'000	Total at 31 March 2021 £'000
PFI Liabilities	12	-	307,132	**307,132**	294,398
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	12	-	810,675	**810,675**	603,222
Totals		**-**	**1,117,807**	**1,117,807**	897,620

BOARD	Note	Liabilities at at Fair Value through Profit and Loss £'000	Financial Liabilites at Amortised Cost £'000	Total at 31 March 2022 £'000	Total at 31 March 2021 £'000
PFI Liabilities	12	-	307,132	**307,132**	294,398
Trade and other payables excluding statutory liabilities (VAT and income tax and social security), deferred income and superannuation	12	-	807,162	**807,162**	604,995
Totals		**-**	**1,114,294**	**1,114,294**	899,393

19. FINANCIAL INSTRUMENTS
19. (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.

19. FINANCIAL INSTRUMENTS

b) Liquidity Risk

The Scottish Parliament makes provision for the use of resources by the NHS 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	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
	£'000	£'000	£'000	£'000
AS AT 31 MARCH 2022				
PFI/HUB Liabilities	8,416	9,062	30,798	258,856
Trade and other payables excluding statutory liabilities	768,111	1,800	5,567	34,517
Totals	**776,527**	**10,862**	**36,365**	**293,373**

	Less than 1 Year	Between 1 and 2 Years	Between 2 and 5 Years	Over 5 Years
	£'000	£'000	£'000	£'000
At 31 March 2021				
PFI/HUB Liabilities	7,354	7,932	27,742	251,370
Trade and other payables excluding statutory liabilities	593,348	1,711	5,343	30,821
Totals	**600,702**	**9,643**	**33,085**	**282,191**

19. 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.

19. (c) 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.

20. 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.

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

Related Party	Details of Related Party Transaction	Details of Related Party
CIPFA	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income - £0 - expenditure £0.	Mr M White, Executive Director was also a Junior Vice-Chair of CIPFA.
East Dunbartonshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £4,333,721 expenditure £27,072,691. Year end balances - debtor £41,868, creditor £2,089.	Councillor S Mechan, Non-Executive Director was also an elected member of East Dunbartonshire Council.
East Renfrewshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £1,140,777, expenditure £25,418,302. Year end balances - debtor £23,053, creditor £0.	Councillor C Bamforth, Non-Executive Director was also an elected member and Vice-Chair of East Renfrewshire Council.
Glasgow City Council	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £32,525,165, expenditure £222,182,565. Year end balances - debtor £3,767,148, creditor £1,602.	Councillor M Hunter, Non-Executive Director was also an elected member of Glasgow City Council.
Glasgow Life	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income - £0 - expenditure £0.	Prof J Brown CBE, Chairman, Non-Executive Director was also an Independent Director of Glasgow Life.
Glasgow Simon Community	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income - £0 - expenditure £0.	Dr L de Caestecker, Non-Executive Director was also a Director of Glasgow Simon Community.
Inverclyde Council	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £3,341,096, expenditure £28,663,598. Year end balances - debtor £112,287, creditor £3,000.	Councillor J Clocherty, Non-Executive Director was also an elected member of Inverclyde Council.

Related Party	Details of Related Party Transaction	Details of Related Party
Renfrewshire Council	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £7,264,636, expenditure £60,165,833. Year end balances - debtor £445,760, creditor £42,344.	Councillor I Nicolson, Non-Executive Director was also an elected member of Renfrewshire Council.
SGHSCD	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £2,639,549, expenditure £461,478.26. Year end balances - debtor £488,838, creditor £0.	Prof J Brown CBE, Chairman, Non-Executive Director was also a Chair of the Corporate Governance Steering Group and the Global Citizenship Programme of SGHSCD.
University of Glasgow	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £8,454,532, expenditure £14,650,928. Year end balances - debtor £1,085,728, creditor £100,260.	Prof I McInnes Non-Executive director, 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 2021-22 - income £1,344,790, expenditure £28,000,654. Year end balances - debtor £201,900, creditor £0.	Councillor J McColl, Non-Executive Director was also an elected member and leader of West Dunbartonshire Council.
NHS Greater Glasgow and Clyde Endowment Funds	NHS Greater Glasgow and Clyde Endowment Funds had total fund balances of £107,797,000 in 2021-22 and a year end debtor balance of £549,000	NHS Greater Glasgow and Clyde Endowment Funds are 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 2021-22 - income £149,734,000, expenditure £149,734,000.	Ms J Forbes, Non-Executive Director also a Vice-Chair of East Dunbartonshire Integration Joint Board. Cllr S Mechan, Ms K Miles and Mr I Ritchie, Non-Executive Directors, were also members of East Dunbartonshire Integration Joint Board. Dr M McGuire, Executive Director, was also a member of East Dunbartonshire Integration Joint Board.
East Renfrewshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £130,393,000, expenditure £130,393,000.	Cllr C Bamforth, Non-Executive Director, was also a Chair of East Renfrewshire Integration Joint Board. Ms A-M Monaghan, Non-Executive Director, was also a Vice-Chair of East Renfrewshire Integration Joint Board. Ms J Forbes, Ms A Khan, Mr J Matthews OBE, Ms M Wailes and Ms F Tudoreanu, Non-Executive Directors, were also members of East Renfrewshire Integration Joint Board.

Related Party	Details of Related Party Transaction	Details of Related Party
Glasgow City Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £1,122,429,000, expenditure £1,122,429,000.	Mr S Carr, Non-Executive Director, was also a Chair of Glasgow City Integration Joint Board. . Ms J Forbes, Ms A Khan, Ms S Brimelow, Mr J Matthews OBE, Ms A-M Monaghan, Ms R Sweeney, and Mr C Vincent Non-Executive Directors, were also members of Glasgow City Integration Joint Board.
Inverclyde Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £147,529,000, expenditure £147,529,000.	Cllr J Clocherty, Non-Executive Director, was also a Chair of Inverclyde Integration Joint Board. Mr A Cowan, Non-Executive Director, was also a Vice-Chair of Inverclyde Integration Joint Board. Ms A Cameron-Burns, Mr S Carr, Non-Executive Directors, were also members of Inverclyde Integration Joint Board.
Renfrewshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £221,597,000, expenditure £221,597,000.	Mr J Matthews OBE was also a Vice-Chair of Renfrewshire Integration Joint Board. Ms M Kerr, Mr F Shennan, Ms A Cameron-Burns Non-Executive Directors, were also members of Renfrewshire Integration Joint Board.
West Dunbartonshire Integration Joint Board	NHS Greater Glasgow and Clyde had the following transactions in 2021-22 - income £152,502,000, expenditure £152,502,000.	Mr J McColl, Ms R Sweeney, Ms L Rousselet, Ms M Wailes, Non-Executive Directors, were also members of West Dunbartonshire Integration Joint Board.

21. THIRD PARTY ASSETS

	At 1 April 2020 £'000	Gross Inflows £'000	Gross Outflows £'000	At 31 March 2021 £'000
Monetary amounts such as bank balances and monies on deposit	2,708	1,867	(2,052)	**2,523**
Total Third Party Assets	**2,708**	**1,867**	**(2,052)**	**2,523**

Third Party Assets managed by the Board consist of balances on Patients' Private Funds Accounts.

Note:
The figures included above for Patients Private Funds Accounts have not yet been audited. Draft figures are included at this stage.

22. (a) CONSOLIDATED STATEMENT OF COMPREHENSIVE NET EXPENDITURE

	Board 2022 £'000	Endowment 2022 £'000	Intra Group adjustment 2022 £'000	E Dunb IJB 2022 £'000	W Dunb IJB 2022 £'000	E Ren IJB 2022 £'000	Ren IJB 2022 £'000	Glasgow City IJB 2022 £'000	Inverclyde IJB 2022 £'000	Group 2022 £'000	Group 2021 £'000
Total income and expenditure											
Employee expenditure	2,203,037	-	-	-	-	-	-	-	-	2,203,037	2,084,555
Other operating expenditure											
Independent Primary Care Services	423,986	-	-	-	-	-	-	-	-	423,986	414,643
Drugs and medical supplies	721,482	-	-	-	-	-	-	-	-	721,482	669,492
Other health care expenditure	2,937,360	10,376	(987)	-	-	-	-	-	-	2,946,749	2,951,716
Totals	**6,285,865**	**10,376**	**(987)**	**-**	**-**	**-**	**-**	**-**	**-**	**6,295,254**	6,120,406
Less: operating income	(2,794,444)	(9,176)	987	-	-	-	-	-	-	(2,802,633)	(2,669,844)
Joint Ventures accounted for on an equity basis	-	-	-	(7,073)	(6,377)	(5,133)	(12,022)	(29,250)	(6,697)	(66,552)	(63,729)
Net Expenditure	**3,491,421**	**1,200**	**-**	**(7,073)**	**(6,377)**	**(5,133)**	**(12,022)**	**(29,250)**	**(6,697)**	**3,426,069**	3,386,833

Note:

1. Other health care expenditure and operating income - £987k. Represents income and expenditure transferred to/from Endowments in 2021-22. These are eliminated on consolidation as they would otherwise be double counted and include an amount of R&D income transferred to Endowments of £737k and an amount transferred from Endowments to the Board of £250k to fund salaries for a specific project (Beatson MRI).
2. Realised losses from endowment investments of £597k have been recognised in the Endowment other health care expenditure 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

22. (b) CONSOLIDATED GROUP BALANCE SHEET

	Board 2022 £'000	Endowment 2022 £'000	Intra Group adjustment 2022 £'000	E Dunb IJB 2022 £'000	W Dunb IJB 2022 £'000	E Ren IJB 2022 £'000	Ren IJB 2022 £'000	Glasgow City IJB 2022 £'000	Inverclyde IJB 2022 £'000	Group 2022 £'000	Group 2021 £'000
Non-current assets:											
Property, plant and equipment	2,399,354	-	-	-	-	-	-	-	-	2,399,354	2,272,807
Intangible assets	215	-	-	-	-	-	-	-	-	215	314
Financial assets:											
Available for sale financial assets	1,582	101,438	-	-	-	-	-	-	-	103,020	100,132
Investment in joint ventures	-	-	101,975	7,073	6,377	5,133	12,022	29,250	6,697	168,527	101,975
Trade and other receivables	153,166	-	-	-	-	-	-	-	-	153,166	134,872
Total non-current assets	2,554,317	101,438	101,975	7,073	6,377	5,133	12,022	29,250	6,697	**2,824,282**	**2,610,100**
Current Assets:											
Inventories	25,210	-	-	-	-	-	-	-	-	25,210	24,706
Intangible assets	404	-	-	-	-	-	-	-	-	404	404
Financial assets:											
Trade and other receivables	135,349	720	(549)	-	-	-	-	-	-	135,520	197,422
Cash and cash equivalents	705	9,701	-	-	-	-	-	-	-	10,406	6,664
Assets classified as held for sale	2,858	-	-	-	-	-	-	-	-	2,858	2,608
Total current assets	164,526	10,421	(549)	-	-	-	-	-	-	**174,398**	**231,804**
Total assets	**2,718,843**	**111,859**	**101,426**	**7,073**	**6,377**	**5,133**	**12,022**	**29,250**	**6,697**	**2,998,680**	**2,841,904**
Current liabilities:											
Provisions	(91,530)	-	-	-	-	-	-	-	-	(91,530)	(123,885)
Financial liabilities:											
Trade and other payables	(868,094)	(4,062)	549	-	-	-	-	-	-	(871,607)	(667,558)
Total current liabilities	**(959,624)**	**(4,062)**	**549**	**-**	**-**	**-**	**-**	**-**	**-**	**(963,137)**	**(791,443)**
Non-current assets plus/less net current assets/liabilities	**1,759,219**	**107,797**	**101,975**	**7,073**	**6,377**	**5,133**	**12,022**	**29,250**	**6,697**	**2,035,543**	**2,050,461**
Non-current liabilities											
Provisions	(304,413)	-	-	-	-	-	-	-	-	(304,413)	(291,521)
Financial liabilities:											
Trade and other payables	(343,005)	-	-	-	-	-	-	-	-	(343,005)	(326,944)
Total non-current liabilities	**(647,418)**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(647,418)**	**(618,465)**
Assets less liabilities	**1,111,801**	**107,797**	**101,975**	**7,073**	**6,377**	**5,133**	**12,022**	**29,250**	**6,697**	**1,388,125**	**1,431,996**
TAXPAYERS' EQUITY											
General fund	569,364	-	-	-	-	-	-	-	-	569,364	794,719
Revaluation reserve	542,437	-	-	-	-	-	-	-	-	542,437	429,506
Other reserves - joint venture	-	-	101,975	7,073	6,377	5,133	12,022	29,250	6,697	168,527	101,975
Funds Held on Trust	-	107,797	-	-	-	-	-	-	-	107,797	105,796
	1,111,801	**107,797**	**101,975**	**7,073**	**6,377**	**5,133**	**12,022**	**29,250**	**6,697**	**1,388,125**	**1,431,996**

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.

22. (c) CONSOLIDATED STATEMENT OF CASHFLOWS

Group 2021 £'000		Board 2022 £'000	Endowment 2022 £'000	E Dunb IJB 2022 £'002	W Dunb IJB 2022 £'003	E Ren IJB 2022 £'004	Ren IJB 2022 £'005	Glasgow City IJB 2022 £'006	Inverclyde IJB 2022 £'007	Group 2022 £'000
	NET OPERATING CASHFLOW									
(3,386,833)	Net operating cost	(3,491,421)	(1,200)	7,073	6,377	5,133	12,022	29,250	6,697	(3,426,069)
65,671	Adjustments for non cash transactions	89,392	-	(7,073)	(6,377)	(5,133)	(12,022)	(29,250)	(6,697)	22,840
23,225	Interest payable	23,838	-	-	-	-	-	-	-	23,838
(1,770)	Investment Income	-	(2,161)	-	-	-	-	-	-	(2,161)
266,723	Net movement on working capital	231,867	5,502	-	-	-	-	-	-	237,369
(3,032,984)	**Net cash outflow from operating activities**	**(3,146,324)**	**2,141**	**-**	**-**	**-**	**-**	**-**	**-**	**(3,144,183)**
	INVESTING ACTIVITIES									
(92,868)	Purchase of property, plant and equipment	(92,423)	-	-	-	-	-	-	-	(92,423)
(119)	Purchase of intangible assets	-	-	-	-	-	-	-	-	-
(11,459)	Investment Additions	(459)	(11,719)	-	-	-	-	-	-	(12,178)
-	Transfer of assets (to)/from other NHS bodies	750	-	-	-	-	-	-	-	750
1,771	Proceeds of disposal of property, plant and equipment	587	-	-	-	-	-	-	-	587
-	Proceeds of disposal of intangible assets	-	-	-	-	-	-	-	-	-
4,720	Receipts from sale of investments	-	15,609	-	-	-	-	-	-	15,609
1,770	Interest received	-	2,161	-	-	-	-	-	-	2,161
(96,185)	Net cash outflow from Investing Activities	**(91,545)**	**6,051**	**-**	**-**	**-**	**-**	**-**	**-**	**(85,494)**
	FINANCING									
3,124,616	Funding	3,248,973	-	-	-	-	-	-	-	3,248,973
(14,220)	Movement in general fund working capital	(1,204)	-	-	-	-	-	-	-	(1,204)
3,110,396	Cash drawn down	3,247,769	-	-	-	-	-	-	-	3,247,769
24,980	Capital element of payments in respect of finance leases and on balance sheet PFI Contracts	12,734	-	-	-	-	-	-	-	12,734
(1,250)	Interest paid	(634)	-	-	-	-	-	-	-	(634)
(21,975)	Interest element of finance leases and on balance sheet PFI Contracts	(23,204)	-	-	-	-	-	-	-	(23,204)
3,112,151	Net cash inflow from financing	**3,236,665**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**3,236,665**
(17,018)	**Increase in cash in year**	**(1,204)**	**8,192**	**-**	**-**	**-**	**-**	**-**	**-**	**6,988**
30,096	Net cash at 1 April	1,909	11,169	-	-	-	-	-	-	13,078
13,078	**Net cash at 31 March**	**705**	**19,361**	**-**	**-**	**-**	**-**	**-**	**-**	**20,066**

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.

Signed by the authority of the Scottish Ministers

Dated 22 March 2022