

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

**Minutes of the meeting held on 31st October 2017
Science Park, Wolverhampton**

Present:

Mr L Trigg	Independent Committee Member (Chair)
Mr T Gallagher	Chief Finance Officer
Mr M Hastings	Director of Operations
Dr D Bush	Governing Body GP, Finance and Performance Lead

In regular attendance:

Mrs L Sawrey	Deputy Chief Finance Officer
Mr G Bahia	Business and Operations Manager
Mr V Middlemiss	Head of Contracting and Procurement

In attendance

Dr M Asghar	Governing Body GP, Deputy Finance and Performance Lead (part meeting)
Mr P McKenzie	Corporate Operations Manager
Mrs H Pidoux	Administrative Team Manager
Mr E Cooke	Auditor, PriceWaterhouseCooper (Observer)

1. Apologies

Apologies were submitted by Mr Marshall.

2. Declarations of Interest

FP.209 There were no declarations of interest.

3. Minutes of the last meetings held on 26th September 2017

FP.210 The minutes of the last meeting were agreed as a correct record.

4. Resolution Log

FP.211

- Item 110 (FP.185) – Dermatology Service capacity issues – an update was given following the contract review meeting. Workforce issues continue and a contract review process has highlighted that community services are not being utilised to the full capacity. Communications are being sent to RWT stating that referrals should be directed to the community provider where appropriate.

Assurance was given that there is no increased financial risk to the CCG due to these issues.

It was noted that a cancer recovery plan received from RWT stated that the CCG was responsible for working with the community provider to ensure work is going through that pathway. It was agreed that RWT should be reminded that it is their responsibility to liaise with the provider and that this should be reflected in the recovery plan.

Action: closed.

- Item 113(FP.203) – Invoice from RWT in respect of Physician A model – previous information submitted to be considered and legal advice sought – Mr Gallagher confirmed that the CCG is maintaining the stance that there is no case to answer, is not supportive of an arbitration process and will not be submitting any papers.

The previous information submitted had been reviewed and additional detail added. Legal advice had not been sought as the contract is explicit that only work undertaken is covered not work that is not undertaken.

The CCG's Governing Body and the NHS England (NHSE) Director of Finance are supportive of the CCG's stance on this matter. Future updates will be given to this Committee as required.

Action: Closed

- Item 114 (FP.204) – Letter to be sent to Wolverhampton City Council clarifying the CCG's position on the BCF Risk Share Arrangement for 2017/18 – Mr Gallagher confirmed that a formal letter had been sent which included a working example of how this would work in practice. There is a risk cap of £250k which is significantly different to last year. Receipt of the letter had been acknowledged and a formal response was awaited. This will be followed up if not received shortly.
- Item 115 (FP.205) – Impact of NHS Digital Referral Assessment Service (RAS) in primary care to be checked - deferred to next meeting.

5. Matters Arising from the minutes of the meeting held on 26th September

FP.212 There were no matters arising to discuss from the last meeting.

6. Finance Report

FP.213 Mrs Sawrey introduced the report relating to month 6 and noted that as this is the end of Quarter 2 these are the figures that NHSE will recognise for forecast outturns going forward to year end.

The following key points were highlighted and discussed;

- The CCG is anticipating meeting all its statutory duties in 2017/18 and in doing so has utilised all its contingency reserves.
- Programme Costs are forecast to overspend which is partially compensated for by underspends on Running Costs
- The CCG's cash performance has improved in September and is expected to be back in line in October. Monthly payments will now be made to the Local Authority.

Dr Asghar joined the meeting

- The financial position had been scrutinised in M6 (Q2 review) and following a review of assumptions the recurrent overspend has decreased to an estimated £900k forecast outturn (FOT) which is currently offset by non-recurrent underspends and the use of reserves. This has serious implications for 18/19 onwards particularly as the QIPP target will increase.
- Additional QIPP had been identified over and above M5 and the CCG is reporting achieving its QIPP target. However, actual achievement of reduced activity levels associated with QIPP schemes are not materialising and are manifesting themselves in overspends, largely within the Acute portfolio.

It was acknowledged that achieving the QIPP target will be harder going forward as all the 'quick' wins have been utilised. The challenge of meeting the target had been identified early in the year so that all opportunities can be explored. Options to draw money out of contracts will be considered during the contract review process.

It was reported that the NHSE Area Team had reviewed the Decommissioning Policy of all CCGs and the CCG is required to review the options.

- Royal Wolverhampton Trust (RWT) is giving concern as the M5 activity is indicating a potential forecast out turn (FOT) of c £1.5-2m. The CCG is seeing new HRGs codes being used as a result of the expansion of codes in 17/18, many of which carry a higher tariff e.g. Sepsis.
- Other Providers such as University Hospitals Birmingham (UHB) and Dudley Group are also over performing which appears to be linked to new HRGs and Specialist activity now in the CCG portfolio. Modelling across other CCGs and CSUs is under way.
- Mental Health Complex cases are continuing to over perform. Assurances have been given by the Mental Health Commissioner that spend will reduce and fall back in line with budget as cases are reviewed and costs reduced.
- Within Delegated Primary Care there is some flexibility to in bring forward plans and commit recurrent spend.
- Expenditure on GP prescribing has decreased significantly compared to Month 5. A lot of work has been undertaken to address this issue with pharmacist involvement. The movement includes savings in relation to Pregabalin partially offset by increased costs for NCSO drugs.

It was noted that there has been a change in reporting requirements to NHSE. The CCG is carrying a recurrent risk, particularly in the Acute portfolio, which is being offset by non-recurrent solutions.

A further potential risk not included in the finance position or the risk schedule relates to the outstanding issue with RWT, £4.8m for lost income relating to Non Elective admissions as discussed earlier in the meeting.

In summary the CCG is reporting to achieve the control total in each scenario except the worst case scenario.

It was raised that when a shared approach is agreed across the Black Country regarding the modelling for the HRG relating to Sepsis. A letter will be sent to the Provider setting out this methodology.

Mr Trigg asked for clarification in relation to an underspend of £550k against other GP services. It was confirmed that this was due to an

accrual made by NHSE in 2016/18 which has been released in part non-recurrently. There are plans in place to utilise this resource.

A query was raised regarding a discrepancy in the running cost reporting of pay for Governing Body members and the Chair and non executives. It was agreed to review these figures

Resolved: The Committee noted;

- the contents of the report
- discrepancy in the running cost reporting of pay for Governing Body members and the Chair and non executives to be reviewed.

7. Performance Report

FP.214

Mr Bahia highlighted the key points of the Executive Summary relating to Month 5 performance, which were considered as follows;

- RTT – the original STF trajectory has been revised and the trajectory for recovery to 92% is March 2018. There are a series of concerns with capacity issues remaining the main cause. Failing specialities include ENT, General Surgery, Ophthalmology, Oral Surgery, Plastic Surgery, Trauma and Orthopaedics and Urology.

It was noted that a change in the STF payment structure was implemented in September 2017 meaning that only the A&E standard has to be met to achieve 30% payment.

Paediatric orthopaedic activity will transfer from Walsall Manor Hospital to RWT as of 1st October 2017. This includes 146 new patients and 113 follow up patients. 53 patients are over the 18 week target which will have an immediate impact on RTT performance. This will be closely monitored. A data quality/validation exercise is underway to attain accurate numbers. RWT are holding 14/15 additional clinics to clear backlog. Children's complex cases will still go to Birmingham Children's Hospital.

- A&E Urgent Care Performance – Performance is slightly ahead of STF trajectory. It was highlighted that there has been an increase in activity.

NHS Improvement and NHSE have written out to all providers and CCG's to capture all unreported activity on UEC pathways to aid consistency of activity reporting.

A potential 12 hour trolley breach included in the report had since been de-escalated.

- 62 day cancer waits – this continues to be a challenge across the region. A 6.13% increase in referrals has been seen year on year. Of 8 tertiary referrals received by RWT 5 were after day 32.

The Trust has submitted a Cancer Transformation bid for £100k and this money will be transferred to them when received by the CCG.

From 23rd October RWT are supporting a 70/30 split of the Oncology and Gynaecology Oncology work from City/Sandwell. The City work (70%) will go to University Hospital of Birmingham (UHB) and Birmingham Women's Hospital with Sandwell work (30%) going to RWT. UHB and RWT are putting in a joint bid to take on Gynaecology oncology from December. Initial projects are 150 patients, however, this is likely to be 250/300 patients. The impact on cancer 62 day performance is unknown as yet; however, there is a likely to be a decrease in performance.

RWT has meetings to address cancer wait performance, which the CCG now attends and RWT have a series of actions to address. This includes improving the utilisation of clinics and additional work to validate patient lists including those who cancel. This is high on the STP agenda.

Mr Hastings reported that correspondence from Alison Tongue, Director of Commissioning Operations - West Midlands, had been received requesting joint working together across the Black Country and for weekly reporting. A profile of waiting lists was also requested, which had been requested from RWT and this will be followed up if not received.

It was felt that there was a need to ensure that the CCG's Governing Body is aware of the risk associated to the maternity capacity issues at RWT which are likely to get worse before getting better. Mr Hastings agreed to continue to contact RWT for the figures, to increase the level of risk reported and to add this to the operational risks that are taken to the Governing Body meeting.

- Delayed Transfer of Care (DToCs) – The Trust is performing relatively well although failing to achieve target. Concerns continue relating to Social Care transfers. A significant number of the delays are from Staffordshire. Further information will be brought back to the next meeting.
- E-Referral – Appointment Slot Issues (ASI) rates – an improvement was seen in August and performance is slightly ahead of the recovery trajectory.
- C. Diff – there have been 4 cases reported in August. The year to date remains in breach due to the number of breaches in previous

months (17 cases against a threshold of 15 cases). However, this is significant improvement year on year.

- Never Events – 1 Never Event occurred in August, a total of 3 for the year.
- MRSA – a breach occurred in October, this is the first for over 900 days.
- Carbapenemase Producing Enterobacteriaceae (CPE) – the increase in cases is being closely monitored by RWT as this had been an issue in the North West of the country previously. There has been a steady increase in cases over the last 3 years. As infected patients have to be treated in isolation this impacts on capacity.
- Mental Health – the CCG is taking steps to fully assure against the impact of the CAMHS Transformation Plan. IAPT targets continue to be achieved.

Resolved: The Committee noted

- the content of the report

8. Contract and Procurement Report

FP.215 Mr Middlemiss presented the key points of the report as follows;

Royal Wolverhampton NHS Trust

It was confirmed that since the report was written discussions had taken place with RWT in relation to serious incidents being reported within 48 hours of occurrence and when this time period should be measured from. Following these discussions sanctions had been set at £6,650 for Month 4.

Total sanctions for Month 5 (17/18) totalled £22,350. This was a significant increase attributed to ambulance handover time breaches. It was noted this is a volatile and unpredictable performance target.

Sepsis Counting and Coding Change – RWT had not complied with the request from the CCG to provide their analysis of this coding. Therefore, the CCG will provide the Trust with the analysis provided by Arden and Gem CSU on its behalf for their consideration and feedback.

Activity Transfer from Walsall Manor – A co-hort of paediatric orthopaedic activity will be transferring from Walsall Manor Hospital to RWT on the basis of clinical and safety concerns for patients. The CCG, as host commissioner, will be completing a contract variation to reflect the change.

Dermatology – Workforce issues have stabilised in the short term with additional staff recruited in recent months at Cannock and New Cross sites.

Work is planned with other Providers to stabilise pathways and ensure that the community provider's capacity is being optimised.

Contract Round 2018/19 – this process will be a refresh of the contract for 2018/19 agreed last year. The timetable setting out key milestones has been shared with RWT. Fortnightly meetings with the Trust have been set up to take forward these discussions, with every second meeting widened to include executives.

Black Country Partnership Foundation Trust

A letter is due to be sent setting out the commissioning intentions for 2018/19 including the process to be followed for the contract refresh. This will be a joint process with Sandwell and West Birmingham CCG and Walsall CCG.

City of Wolverhampton (CWC) becoming associates to WCCG Contract - it was confirmed that CWC has a direct relationship for 1 element of CAMHS, the CCG commission the remaining services and this would have brought together the commissioning arrangements. Whether this change goes ahead or not there is minimal risk to the CCG as there are robust processes in place.

Urgent Care Centre (UCC)

The Provider of the UCC, Vocare, has been acquired by Totally PLC and the change of ownership confirmed. Clarification was given that the contractual and commissioning arrangements with the CCG remain the same. The Provider remains under close scrutiny through the Improvement Board and monthly Contract Review Meeting.

Probert Court Nursing Home

The suspension to the service at this Home (Step-down facility) has been lifted, as the Provider had demonstrated satisfactory improvement, and this had been confirmed to the Home in writing.

During the suspension the CCG incurred additional costs in paying for alternative arrangements for patients discharged from RWT who would have been suitable for Probert Court. These costs have been closely monitored during the suspension period and arrangements are being made for this total amount, £48k, to be recovered. The Provider had been made aware of this.

Individual Placement Support (Thrive into Work) Service

The procurement process had been completed for this Service. The CCG had actively supported the West Midlands Combined Authority, as host commissioner, in this process. A draft contract is being developed for the CCG to review and the aim is for contract sign off by 1st November. It was noted that this is an ambitious timeframe and there is a risk of slippage.

Resolved – The Committee:

- noted the contents of the report and actions being taken.

9. Any other Business

FP.216 Risk Report

Mr McKenzie tabled for consideration a first overview of the risk profile for the Committee including Corporate and Committee level risks following a review of the CCG's risk management arrangements.

Any additional risks identified at future meetings will need to be added to the register.

10. Date and time of next meeting

FP.217 Tuesday 28th November 2017 at 11.00am, Dunstall Park, Wolverhampton

Signed:

Dated: