

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

Minutes of the meeting held on 29th March 2016
Science Park, Wolverhampton

Present:

Dr D Bush	Governing Body Finance and Performance Lead (Chair)
Mrs C Skidmore	Chief Finance and Operating Officer
Mr M Hastings	Associate Director of Operations

In regular attendance:

Mrs H Pidoux	Administrative Officer
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1. Apologies

Apologies were received from Mr Oatridge, Mr Marshall, Mr Middlemiss, Mrs Sawrey, Mr Mincher and Mr Bahia.

2. Declarations of Interest

FP.16.27 There were no declarations of interest.

3. Minutes of the last meeting held on 23rd February 2016

FP.16.28 The minutes of the last meeting were agreed as a correct record.

4. Resolution Log

FP.16.29

- Item 82 (FP.16.20) – Procurement schedule to be amended to show when the contract is due to be awarded – report updated – action closed
- Item 83 (FP.16.22) – Update on Financial Plan and Budget to be brought to March meeting –on agenda – action closed.

5. Matters Arising from the minutes of the meeting held on 23rd February 2016

FP.16.30 There were no matters arising from the minutes of this meeting.

6. Finance Report

FP.16.31 Mrs Skidmore informed the Committee that at Month 11 there were no major changes in the position to be reported. The following key points were highlighted:

- Month on Month forecasting from RWT has decreased. A prudent view of activity was taken at the beginning of the year and as the amount of elective activity is not going through as much as expected this is reflected as an improvement in the acute line.
- The overall underlying position has improved from 1% to 1.1% which is a positive to report to NHS England (NHSE).

Elective underperformance as a result of non-elective activity placing pressure on beds particularly in Urology, T&O, Clinical Haematology and Gynaecology was discussed. It was noted that referral rates are being reviewed as part of the contract negotiations. Work is to be completed to bring down the waiting list where the 18 week waiting target is being breached.

Resolved: The Committee;

- noted the contents of the report.

6. QIPP Report

FP. 16.31 Mrs Skidmore reported that the QIPP forecast delivery at Month 11 is reported at £10.3m a slight improvement against last month's forecast. Mrs Skidmore noted that the gap from plan (£11.8m) is covered in the position.

Resolved: The Committee;

- Noted the contents of the report and the current position.

7. Monthly Contract/Performance Report

FP.16.32 Contract and Procurement

Mrs Skidmore gave an update on the current contract negotiation position;

- Black Country Partnership NHS Foundation Trust (BCPFT) – although the details are to be finalised, a figure has been agreed which is within the CCG's affordability range.
- Royal Wolverhampton Trust (RWT) – negotiations are on-going, the gap has reduced and it is anticipated that a position where a figure can be agreed by directors should be reached shortly.
- Proposed values for approximately 90% of contracts with other providers have been seen by the CCG. There are currently no material variances between offers and the CCG plan.

Resolved: The Committee

- Noted the content of the report

- Noted the current position of contract negotiations.

FP.16.33 Performance

Mr Hastings reported that at Month 10, of the indicators, 66 are green and 40 are red. There are in total 122 indicators, 16 of which are for information only. The following key points from the report were highlighted;

- RTT (Referral to Treatment 18 weeks) – performance continues to meet headline performance and this is expected to continue to year end.
- A&E 4 hour waits – performance has been significantly below target since December, however, this seems to be improving. It was considered that the improvement may be attributed to the Phase One opening of the Vocare Urgent Care Centre.
- Cancer Waits - targets continue to breach. A recovery plan is in place. Steps are being taken to address recruitment issues which are affecting activity levels.
- E-Discharge – Assessment Units are failing to meet targets. Training has been arranged to try to address the issue as this was found to be beneficial when provided previously. The Trust has asked for fines money to be reinvested to support steps to improve, however, as the CCG has paid for this previously, the Trust has been advised that no further money will be paid.
- DTOC (Delayed Transfer of Care) – although targets are not being met, improvement has been seen and the Trust is under pressure to meet this target.

Resolved: The Committee;

- Noted the contents of the report.

8. 16/17 Financial Plan and Budget

FP.16.34 Mrs Skidmore noted that this updated report was brought back to the Committee to inform of any changes or moves that have occurred since the last meeting as, at that time, she was not in a position to ask the Committee to consider recommending to the Governing Body to sign off financial plans and the CCG budget for the following year.

The developments in Finance Planning 2016/17 since the last submission were highlighted as follows;

- Contract Negotiations – since the report was written the contract with BCPFT has been agreed. Negotiations continue with RWT to reach agreement as discussed earlier in the meeting. There is an element of risk in the QIPP position, if any schemes have to be conceded as part of the negotiation, however, as long as the unallocated QIPP figure is below 30% it is anticipated that this

will be manageable within the CCG position and acceptable to NHSE.

- Tariff – in depth analysis of the impact of the National Tariff consultation has been received from the CSU. The costings have been including in the affordability range for contract negotiations.
- Access to Drawdown – still awaiting confirmation from NHSE if this has been agreed. The CCG submitted its plans to spend this money, if allowed, to the NHSE Local Finance Director to be shared and discussed with the Regional Finance Director. If agreement to drawdown is refused this would delay some development work.
- Scale of QIPP –the overall QIPP target has been reduced to £11.59m. Unallocated QIPP is currently £1.59m accounting for 13.72% of the total QIPP target which is well within the NHSE tolerance of 30%.
- 1% reserve – guidance confirms that this reserve must be fully uncommitted at the start of the financial year. Instruction from the Department of Health was received after the submission of the CCG's last plan which made it clear that use of the 1% reserve in year will be in support of the STP footprint and not for local allocation.
- Primary Care budgets – it is understood from NHSE that there will be some reserve for the CCG. The amount is not yet known.

Mrs Skidmore reported that there are no significant changes to the bottom line. Contingencies are in place, however, following careful consideration of potential mitigations, the CCG is reporting to NHSE a residual unmitigated risk of £2,049m. This is due to the late mandate to hold the 1% reserve for use within the STP area.

Mrs Skidmore stated that she is now in a position to ask the Committee to consider recommending to the Governing Body to sign off the budget at the Governing Body meeting due to be held on 12th April and fully appraise them of the risks inherent in doing so.

Resolved – The Committee,

- noted the content of the report
- noted the level of financial risk associated with the proposed 2016/17 budgets
- asked that Mrs Skidmore give a further update at the Governing Body meeting on any final changes to the risks inherent in the position
- recommends to the Governing Body that it signs off the budget.

9. Better Care Fund (BCF) Accounting Treatment

FP.16.35 Mrs Skidmore explained that this report was brought to the Committee to advise members of the accounting treatment for the BCF. The CCG

has to consider the handling of pooled budgets and this is noted for the first time this year in the CCG's accounts. The paper will be shared with and ratified by the Audit and Governance Committee in due course.

Resolved – The Committee;

- Noted the contents of the report

10. Finance and Performance Committee Annual Report

FP.16.36 Mrs Skidmore reminded the Committee that an Annual Report is produced to provide details of how the Committee has discharged its duties in the year. It was noted that there have not been any concerns raised and all the aims set out in the terms of reference have been met.

The Committee;

- Agreed the contents of the Annual Report
- Noted that the Committee has discharged its duties as set out in its terms of reference.

11. Any other business

FP.16.37 There were no items raised under any other business.

12. Date and time of next meeting

FP.16.38 Tuesday 26th April 2016 at 3.15pm, CCG Main Meeting Room

Signed:

Dated: