

WOLVERHAMPTON CCG

GOVERNING BODY
12 July 2016

Title of Report:	Summary – Wolverhampton Clinical Commissioning Group(WCCG) Finance and Performance Committee- 28th June 2016
Report of:	Claire Skidmore – Chief Finance and Operating Officer
Contact:	Claire Skidmore – Chief Finance and Operating Officer
Governing Body Action Required:	<input type="checkbox"/> Decision <input checked="" type="checkbox"/> Assurance
Purpose of Report:	To provide an update of the WCCG Finance and Performance Committee to the Governing Body of the WCCG.
Public or Private:	This Report is intended for the public domain.
Relevance to CCG Priority:	The organisation has a number of finance and performance related statutory obligations including delivery of a robust financial position and adherence with NHS Constitutional Standards.
Relevance to Board Assurance Framework (BAF):	

<ul style="list-style-type: none"> • Domain 1: A Well Led Organisation 	<p>The CCG must secure the range of skills and capabilities it requires to deliver all of its Commissioning functions, using support functions effectively, and getting the best value for money; and has effective systems in place to ensure compliance with its statutory functions. meet a number of constitutional, national and locally set performance targets.</p>
<ul style="list-style-type: none"> • Domain2: Performance – delivery of commitments and improved outcomes 	<p>The CCG must meet a number of constitutional, national and locally set performance targets.</p>
<ul style="list-style-type: none"> • Domain 3: Financial Management 	<p>The CCG aims to generate financial stability in its position, managing budgets and expenditure to commission high quality, value for money services. The CCG must produce a medium to long term plan that allows it to meet its objectives in the future.</p>

1. FINANCE POSITION

The Committee was asked to note the following year to date position against key financial performance indicators;

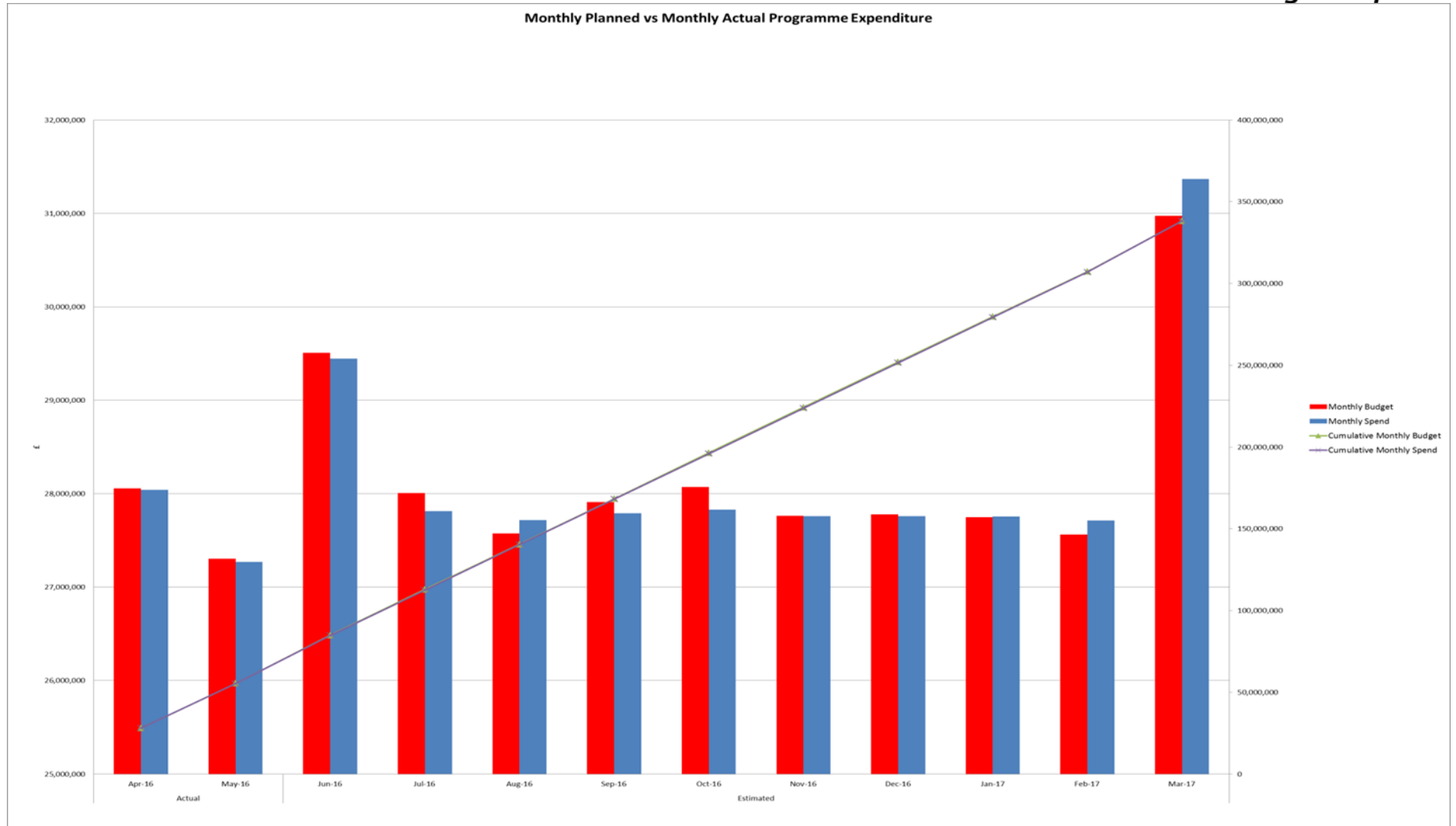
Financial Target	Target	FOT	Variance o(u)	RAG
Statutory Duties				
Expenditure not to exceed income	£6.172m surplus	£6.172m surplus	Nil	G
Capital Resource not exceeded	nil	nil	Nil	G
Revenue Resource not exceeded	£349.985m	£349.985m	Nil	G
Revenue Administration Resource not exceeded	£5.555m	£5.555m	Nil	G
Non Statutory Duties				
	YTD Target	YTD Actual	Variance o(u)	RAG
Maximum closing cash balance £'000	281	834	553	A
Maximum closing cash balance %	1.25%	3.84%	2.59%	A
BPPC NHS by No. Invoices (cum)	95%	99%	-4%	G
BPPC non NHS by No. Invoices (cum)	95%	98%	-3%	G
QJPP	£1.26m	£1.23m	£0.03m	A
Programme Cost £'000*	55,066	55,310	244	G
Reserves £'000*	297	0	(297)	G
Running Cost £'000*	926	828	(97)	G

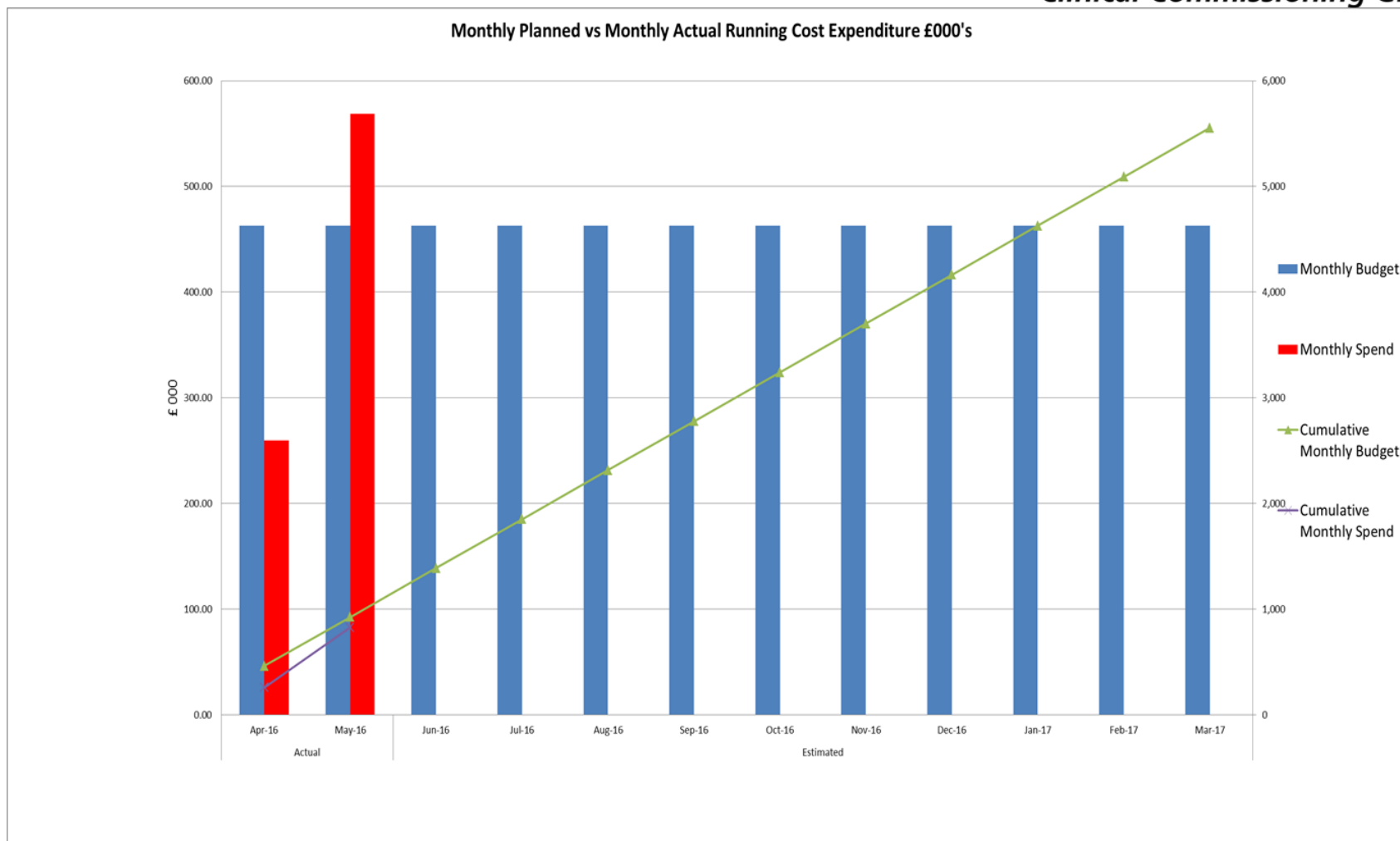
The table below highlights year to date performance as reported to and discussed by the Committee;

	Annual Plan £'000	YTD Performance M02			
		Plan £'000	Actual £'000	Variance £'000 o(u)	Var % o(u)
Acute Services	179,711	29,983	29,952	(31)	(0.10%)
Mental Health Services	34,386	5,731	5,802	71	1.24%
Community Services	37,448	6,210	6,129	(81)	(1.30%)
Continuing Care/FNC	12,259	2,043	1,917	(127)	(6.20%)
Prescribing & Quality	51,918	8,476	8,310	(166)	(1.95%)
Other Programme	17,383	2,623	3,200	577	22.01%
Total Programme	333,104	55,066	55,310	244	0.44%
Running Costs	5,555	926	828	(97)	(10.51%)
Reserves	5,154	297	0	(297)	(100.00%)
Total Mandate	343,813	56,288	56,138	(150)	(0.27%)
Target Surplus	6,172	1,428	0	(1,428)	(100.00%)
Total	349,985	57,716	56,138	(1,578)	(2.73%)

The table below details the forecast out turn by service line at Month 2

		Forecast Outturn at M02		
		Actual £'000	Variance £'000	Var %
	Annual Plan £'000			
Acute Services	179,711	180,062	351	0.20%
Mental Health Services	34,386	34,393	7	0.02%
Community Services	37,448	37,275	(172)	(0.46%)
Continuing Care/FNC	12,259	11,767	(491)	(4.01%)
Prescribing & Quality	51,918	51,712	(207)	(0.40%)
Other programme	17,383	19,675	2,292	13.19%
Total Programme	333,104	334,883	1,780	0.53%
Running Costs	5,555	5,555	0	0.00%
Reserves	5,154	3,375	(1,780)	(34.53%)
Target Surplus	6,172	6,172	0	0.00%
Total Mandate Spend	349,985	349,985	(0)	(0.00%)





2. QIPP

The Committee noted the current position of QIPP Programme performance as at Month 2.

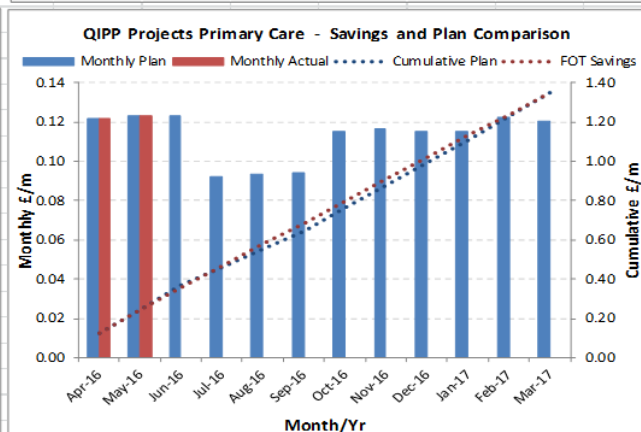
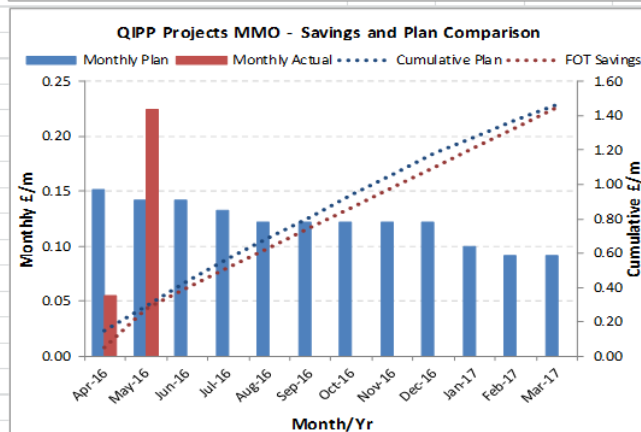
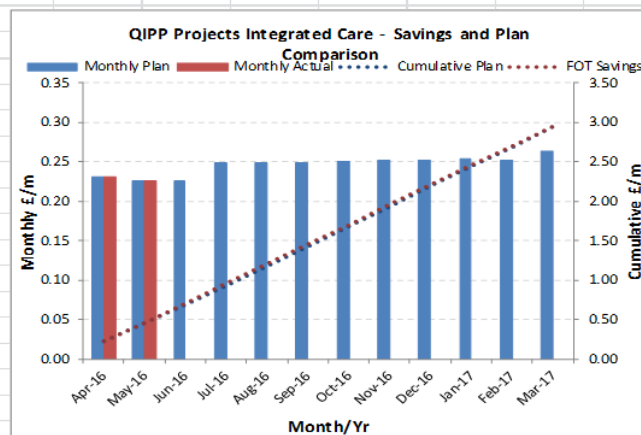
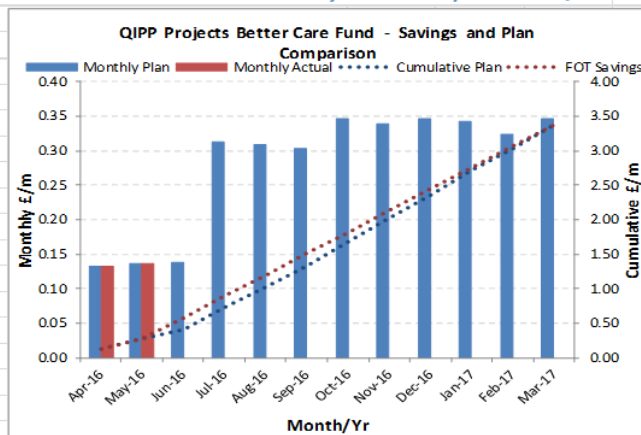
	YTD Plan £'m	YTD Actual £'m	YTD Var o(u) £m	An. Plan £'m	FOT £'m	Var o(u) £m
Transactional	0.36	0.35	-0.01	2.21	2.21	0
Transformational	0.9	0.88	-0.02	6.93	6.93	0
Unallocated				2.12	2.12	0
Total	1.26	1.23	-0.03	11.26	11.26	0

QIPP Programme Delivery Board

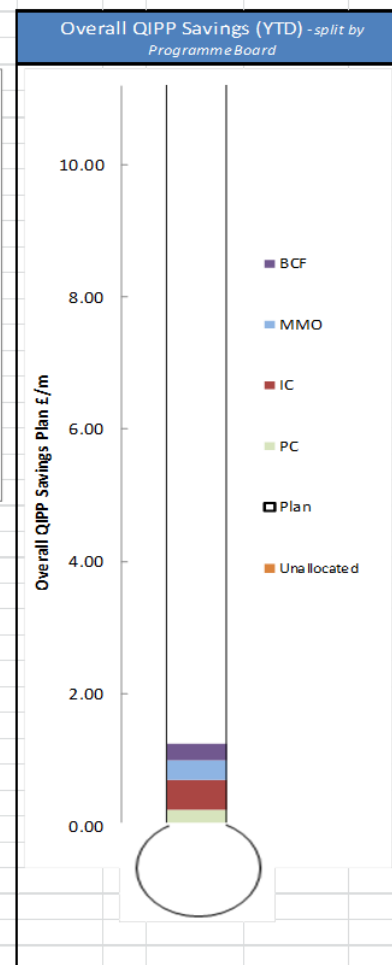
Reporting Period : **May-16**

Financial Savings Projects within QIPP Programme Delivery Board and Annual Plan

Source : Non ISFE Plan Submission by Wolverhampton CCG 16/17



Note : Cumulative figures are based on a secondary axis

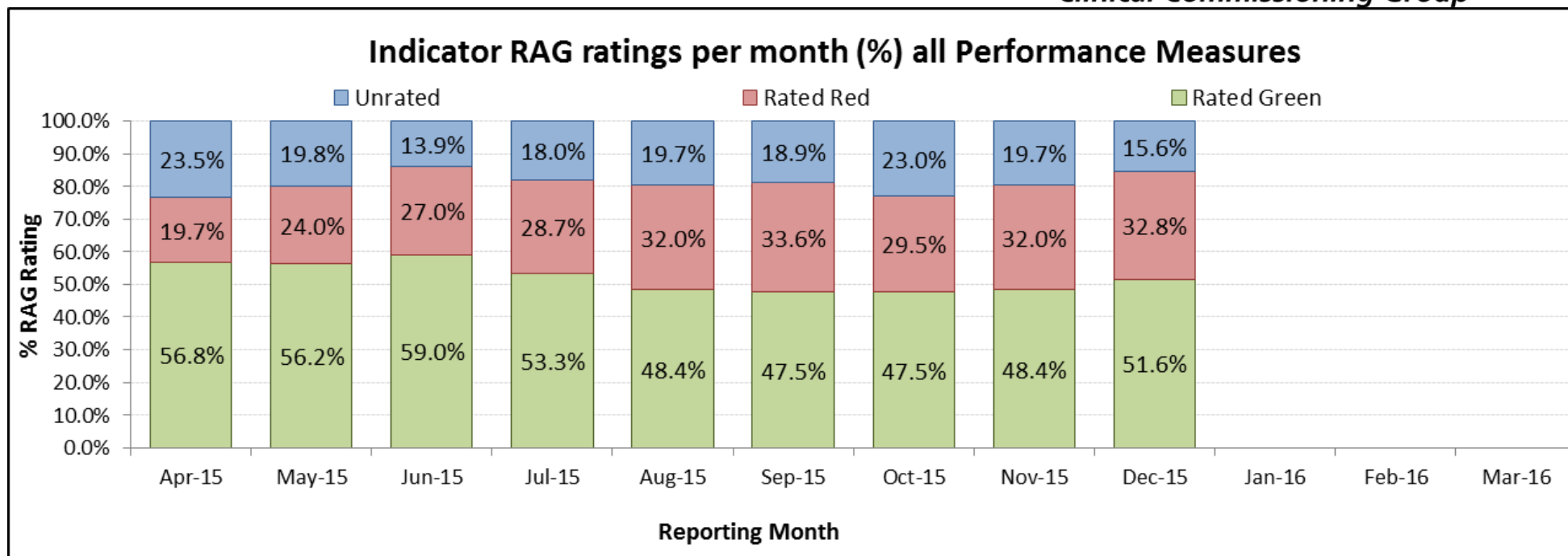


3. PERFORMANCE

The following tables are a summary of the performance information presented to the Committee.

Performance Measures	Previous Mth	Green	Previous Mth	Red	Previous Mth	Unrated (blank)	Awaiting Target	Total
NHS Constitution	N/A	16	N/A	7	N/A	1	0	24
Outcomes Framework	N/A	9	N/A	2	N/A	25	1	37
Mental Health	N/A	12	N/A	5	N/A	16	0	33
Totals	0	37	0	14	0	42	1	94

Performance Measures	Previous Mth:	Green	Previous Mth:	Red	Previous Mth:	Unrated (blank)	Awaiting Target
NHS Constitution	-	67%	-	29%	-	4%	0%
Outcomes Framework	-	24%	-	5%	-	68%	3%
Mental Health	-	36%	-	15%	-	48%	0%
Totals	0%	39%	0%	15%	0%	45%	1%



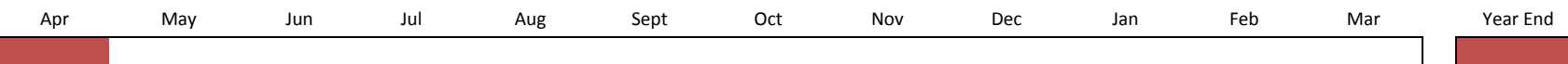
Exception highlights were as follows;

18 Weeks Referral To Treatment (RTT) Incompletes :

RWT_EB3

Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End
<p>Performance at headline level for RTT Incompletes failed to achieve the 92.00% target for the first time in several years with Month 1 performance at 91.50%. The Trust advised that the decline in RTT performance was primarily affected by the 4 days of Junior Doctors Industrial Strike Action in April, which when combined with the Easter Bank Holiday period and reduced staffing capacity, resulted in a reduced level of activity during the month. A Remedial Action Plan (RAP) is in place for the specific specialty General Surgery (dated May 16). The RAP indicates the following areas of concern: Insufficient capacity to meet demand (Surgeon & Theatre), Alternative Providers (Identification of Private Sector Capacity), Pre-Operative Assessments, Case Mix on Waiting Lists, Waiting List Validations and Pathway Validations. The recovery trajectory is planned for February 2017. The CCG continue to liaise with the Trust and the headline RTT and individual failing specialty performance was discussed at the May CQRM and CRM meetings.</p> <p>The Trust are continuing weekly validation of the waiting list and of all the patients on the pathway to assist with pre-op planning (including forecasting priority patients and identifying 'bottle necks' in the waiting list). Patients are reviewed to assess if fit for surgery or require clock pauses.</p> <p>The CCG has also requested the Trust to provide detailed individual RAP's with recovery trajectories for all current failing RTT specialties including General Surgery, T&O, Urology, Plastic Surgery and Gynaecology. The Trust have advised the RAP's will be made available to the CCG in late June 2016.</p> <p>Initial data for May indicates the Trust have failed to achieve target. Detailed plans, by specialty, are being developed by the Trust to recover performance at headline level by June/July 2016.</p> <p>No sanctions for headline level underperformance are currently in place as CCG taken pragmatic view that headline was not achieved primarily due to strike action. The predicted fines at specialty level for April are estimated to be £251,400.</p>												

A&E 4 hr Waits :



The A&E 4 Hour Wait performance has failed to meet the 95.00% national target since August 2015. The Month 1 (April) performance of 85.08% is the lowest reported average monthly percentage performance for several years. The Trust failed to achieve both Type 1 and the All Types target for the month. Issues affecting performance include: high numbers of attendances, patient flow and first assessment delays and increasing ambulance conveyances. The Trust have also identified that in the past few months, bed capacity issues have impacted on the numbers of beds available

The new Urgent Care Centre was fully operational from April 2016 offering primary care led facilities which enable patients with minor conditions to be seen outside of the A&E department. Currently performance data is being locally collated and monitored but is not being combined with the Type 1 A&E service. The CCG is discussing A&E performance regularly with the Trust at weekly Exec-to-Exec teleconferences and monthly CQRM and CRM meetings.

A RAP is in place with the Trust with a recovery trajectory in line with the Sustainability and Transformation Fund Improvement Trajectories. Recovery of performance is expected in July 2016.

In line with contractual performance management, the CCG has enacted GC09 withhold against this line due to continual underperformance against national threshold and RAP trajectory. Initial data indicates that performance in May will not achieve RAP trajectory or national target.

The Trust and Vocare are currently in discussions around combining A&E performance data to present a health wide economy view of performance. Issues surrounding Data Sharing Agreements are to be resolved, but NHSE and SRG have given approval for this to go ahead.

The Trust are yet to confirm if they are proceeding with the STF. If so, GC09 contractual sanctions for 16/17 cannot be imposed. The predicted fine for this month's Type 1 and All Types breaches are estimated to be £102,240.

RWT_EB5

Cancer Waits

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End
31 Day													
62 Day (1st)													
62 Day (Screening)													

RWT_EB8, RWT_EB12
& RWT_EB13

In month breaches for Cancer Waits for April 2016 are :

31 Day (1st Definitive Treatment) - 93.30% against 96% target. Validated figures now confirm April performance as 94.09% and still below target.

62 Day (1st Definitive Treatment) - 79.88% against 85% target. Validated figures now confirm April performance as 80.95% and still below target.

62 Day (Screening) - 80.77% against 90% target. Validated figures now confirm April performance remains at 80.77% and below target.

E-Discharge

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End

RWT_LQR1 &
RWT_LQR2

The Trust have advised that the primary issues with performance sit with PAU/GAU. The issues affecting performance are around delays with patients being input onto the PAS systems within these assessment units.

Performance for E-Discharges is split into 2 indicators:

92.84% against a target of 95% - Completion within 24 hours for all wards excluding assessment units

84.59% against a target of 95% - Completion within 24hours for all assessment units

The Trust have informed the CCG that PAU/GAU solutions are being put in place following discussions and performance improvements are expected in May and June.

>50% of people experiencing a 1st episode of psychosis will be treated with a NICE approved care package within two weeks of referral

BCPFT_LQGE04

Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End

This indicator has failed to achieve the 50% target each month since April 15 with current performance achieving 33%. The Team have reviewed the assessment process and are developing a triage system and risk assessment to determine as to whether home visits can be instigated dependant on the risk level identified. A member of the team has been identified to take on managerial responsibility for allocations and ensure prompt allocation is made following assessment. A job description for new posts has been created as part of the Trust business plan and following confirmation of the business case finance will lead to recruitment of new posts. The team is continually reviewing the high number of DNAs and exploring ways to reduce them, including contacting clients who DNA to establish the reasons why. This is a local indicator carried over for monitoring purposes from 15/16, there is a National indicator (see reference BCP_EH4) which the Area Team monitor performance directly from the Trusts Unify2 submissions.

Delayed Transfers of Care (DTOC)

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End
RWT - Delays													
BCP - Delays													

RWT_LQR3 &
BCPFT_LQGE11

RWT have met the in month stretch target of 3.50% for April. RWT have indicated the following top 3 delay reasons for April:
44.9% - Delay awaiting assessment (previously 39.5%)
17.6% - Delay awaiting domiciliary package (previously 13.4%)
16.9% - Delay awaiting further NHS Care (previously 22.7%).

The Black Country Partnership Foundation Trust have failed to meet the 7.50% target for April and have confirmed that delays are due to the following key issues: Lack of agreement on the funding of aftercare packages and the lack of suitable step down /aftercare provision.

4. CONTRACT AND PROCUREMENT REPORT

The Committee received the latest overview of the contract and procurement position. There were no significant points to be made at this stage of the year. The procurement plan is progressing as expected.

5. NEW LAY MEMBER – FINANCE AND COMMITTEE REPRESENTATIVE

The Committee took assurance from the process followed to recruit a new lay member to support the on-going development of its assurance and scrutiny role.

The proposed appointment is in line with the issuing of revised guidance for managing conflicts of interest and, as a consequence, the appointment of an additional lay member to the Governing Body.

6. NEW ASSURANCE REGIME

The Committee noted for information the changes made to the NHS England requirements for CCG Assurance for 2016/17.

7. ALLOCATIONS, RISK AND MITIGATION

Wolverhampton Clinical Commissioning Group, WCCG, is currently operating to a Resource limit of £349.985 million as detailed below

Allocation	Month	Recurring £'000	Non -recurring £'000	Total £'000
Opening Programme	M1	337,458	-	337,458
Opening Management	M1	5,555	-	5,555
b/f surplus	M1	-	6,972	6,972
		343,013	6,972	349,985

Finance Risk and Mitigations

The CCG submitted an annual plan which presented a net unmitigated risk of £1.99m. Following the review of the Month 2 position the CCG has been able to reduce the unmitigated risk slightly to 1.88m, the details below:

- The table below details the current assessment of risk for the CCG; a gross risk of £5.54m but risk assessed to £3.7m.

Risks	Potential Risk Value Mth01	Full Risk Value £m	Probability of risk being realised %	Potential Risk Value £m	Proportion of Total %
CCGs					
Acute SLAs	0.00	2.50	75.00%	1.88	50.73%
Community SLAs	0.00			0.00	0.00%
Mental Health SLAs	0.00			0.00	0.00%
Continuing Care SLAs	0.00			0.00	0.00%
QIPP Under-Delivery	0.00	2.04	50.00%	1.02	27.62%
Performance Issues	0.00			0.00	0.00%
Primary Care	0.00			0.00	0.00%
Prescribing	0.00			0.00	0.00%
Running Costs	0.00			0.00	0.00%
Other Risks	0.00	1.00	80.00%	0.80	21.65%
TOTAL RISKS	0.00	5.54		3.70	100.00%

Source: M2 Non ISFE

- Risk associated with Acute over performance and BCF is the CCG's biggest risk being £2.5m gross but mitigated to £1.88m.
- The CCG is anticipating delivering its QIPP programme. However it is prudent to identify some risk relating to the delivery of the unallocated QIPP.

- The table below details the current assessment of mitigations, £1.82m.

Mitigations	Expected Mitigation Value Mth01	Full Mitigation Value £m	Probability of success of mitigating action %	Expected Mitigation Value £m	Proportion of Total %
Uncommitted Funds (Excl 2% Headroom)					
Contingency Held	0.00			0.00	0.00%
Contract Reserves	0.00			0.00	0.00%
Investments Uncommitted	0.00			0.00	0.00%
Uncommitted Funds Sub-Total	0.00	0.00		0.00	0.00%
Actions to Implement					
Further QIPP Extensions	0.00			0.00	0.00%
Non-Recurrent Measures	0.00	1.42	100.00%	1.42	78.02%
Delay/ Reduce Investment Plans	0.00	0.40	100.00%	0.40	21.98%
Other Mitigations	0.00			0.00	0.00%
Mitigations relying on potential funding	0.00	0.00		0.00	0.00%
Actions to Implement Sub-Total	0.00	1.82		1.82	100.00%
TOTAL MITIGATION	0.00	1.82		1.82	100.00%

Source: M2 Non ISFE

- Non Recurrent measures relate to the diversion of the Drawdown funding to support the financial position and the use of SOFP flexibilities.
- Delay/ reduce investment plans would require the CCG to review the use of funds to support the Primary Care Strategy.
- In delivering the financial surplus in M2 the CCG has already committed its Contingency reserve of £1.78m therefore this cannot be considered as mitigation.

In summary the CCG is reporting the following:

	Surplus £m	
Most Likely	6.172	No risks or mitigations, achieves control total
Best Case	7.992	Control total and mitigations achieved, risks do not materialise achieves control total,
Risk adjusted case	4.292	Adjusted risks and mitigations occur. CCG misses control total
Worst case	2.472	Adjusted risks and no mitigations occur. CCG misses revised control total

Other Risk

Breaches in performance and increases in activity will result in an increase in costs to the CCG. Performance must be monitored and managed effectively to ensure providers are meeting the local and national agreed targets and are being managed to operate within the CCG's financial constraints. Activity and Finance performance is discussed monthly through the Finance and Performance Committee Meetings to provide members with updates and assurance of delivery against plans.

A decline in performance can directly affect patient care across the local healthcare economy. It is therefore imperative to ensure that quality of care is maintained and risks mitigated to ensure patient care is not impacted. Performance is monitored monthly through the Finance and Performance Committee and through the following committees; including Clinical Quality Review Meetings, Contract Review Meetings and Quality and Safety Committee.

8. RECOMMENDATIONS

- **Receive** and **note** the information provided in this report.

Name: Claire Skidmore
Job Title: Chief Finance Officer
Date: 29th June 2016