

**WOLVERHAMPTON CCG**

**GOVERNING BODY**  
**13<sup>th</sup> September 2016**

**Agenda item 12a**

<b>Title of Report:</b>	<b>Summary – Wolverhampton Clinical Commissioning Group (WCCG) Finance and Performance Committee- 26<sup>th</sup> July 2016</b>
<b>Report of:</b>	Claire Skidmore – Chief Finance and Operating Officer
<b>Contact:</b>	Claire Skidmore – Chief Finance and Operating Officer
<b>Governing Body Action Required:</b>	<input type="checkbox"/> <b>Decision</b> <input checked="" type="checkbox"/> <b>Assurance</b>
<b>Purpose of Report:</b>	To provide an update of the WCCG Finance and Performance Committee to the Governing Body of the WCCG.
<b>Public or Private:</b>	This Report is intended for the public domain.
<b>Relevance to CCG Priority:</b>	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.

<p><b>Relevance to Board Assurance Framework (BAF):</b></p>	
<ul style="list-style-type: none"> <li>• <b>Domain 1:</b> A Well Led Organisation</li> </ul>	<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"> <li>• <b>Domain2:</b> Performance – delivery of commitments and improved outcomes</li> </ul>	<p>The CCG must meet a number of constitutional, national and locally set performance targets.</p>
<ul style="list-style-type: none"> <li>• <b>Domain 3:</b> Financial Management</li> </ul>	<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
<b>Statutory Duties</b>				
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	£349.982m	£349.982m	Nil	G
Revenue Administration Resource not exceeded	£5.555m	£5.555m	Nil	G
<b>Non Statutory Duties</b>				
	YTD Target	YTD Actual	Variance o(u)	RAG
Maximum closing cash balance £'000	281	70	(211)	G
Maximum closing cash balance %	1.25%	0.31%	2.59%	G
BPPC NHS by No. Invoices (cum)	95%	99%	-4%	G
BPPC non NHS by No. Invoices (cum)	95%	96%	-1%	A
QIPP	£1.89m	£2.09m	£0.03m	G
Programme Cost £'000*	82,208	82,734	526	G
Reserves £'000*	445	0	(445)	G
Running Cost £'000*	1,389	1,307	(81)	G

- The CCG continues to exceed the BPPC target of paying 95% of its invoices within 30 days (figures are cumulative April 16-June 16). However, performance against non-NHS invoices has fallen in June (91% achievement in month). The June position is not expected to continue.

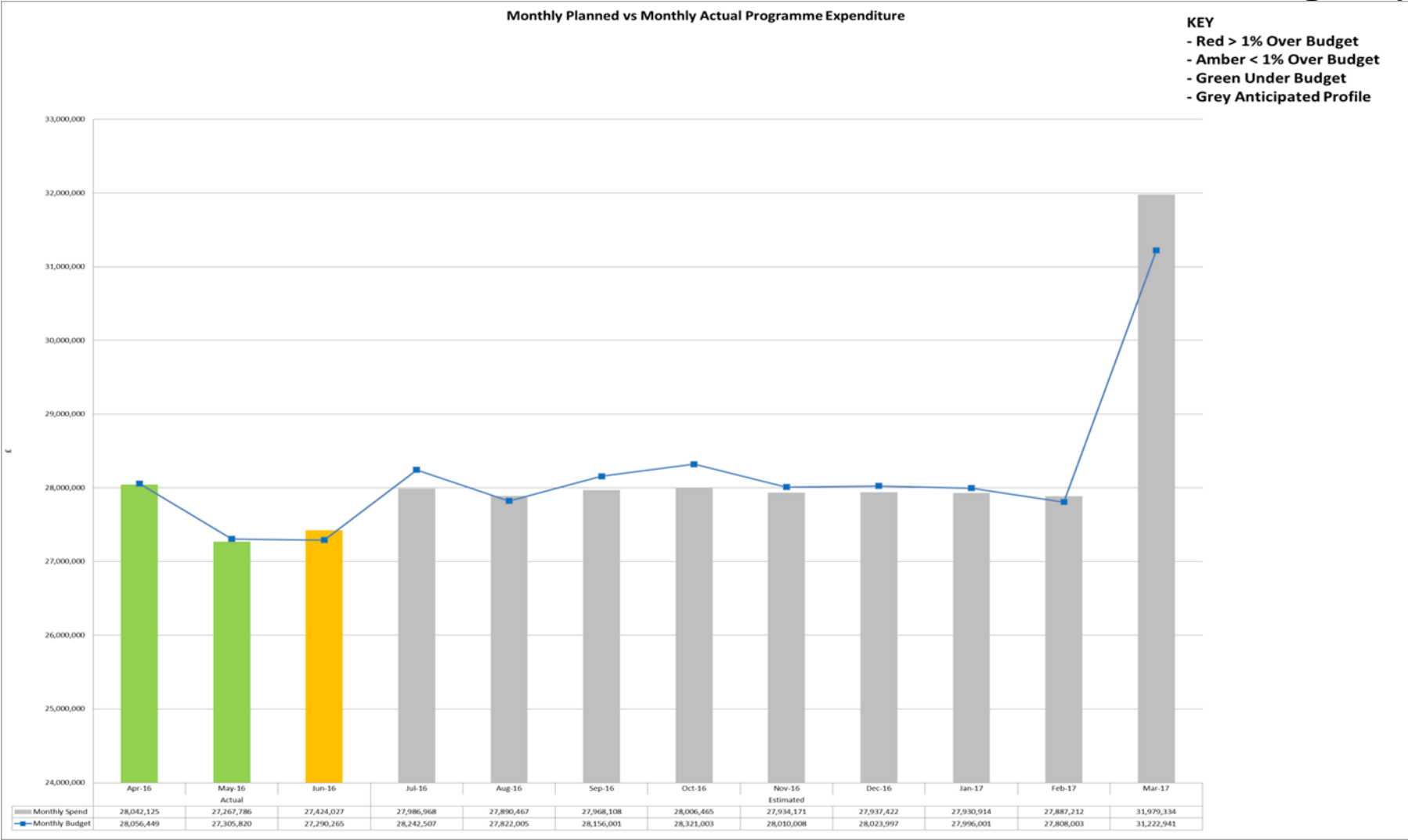
The table below highlights year to date performance as reported to and discussed by the Committee;

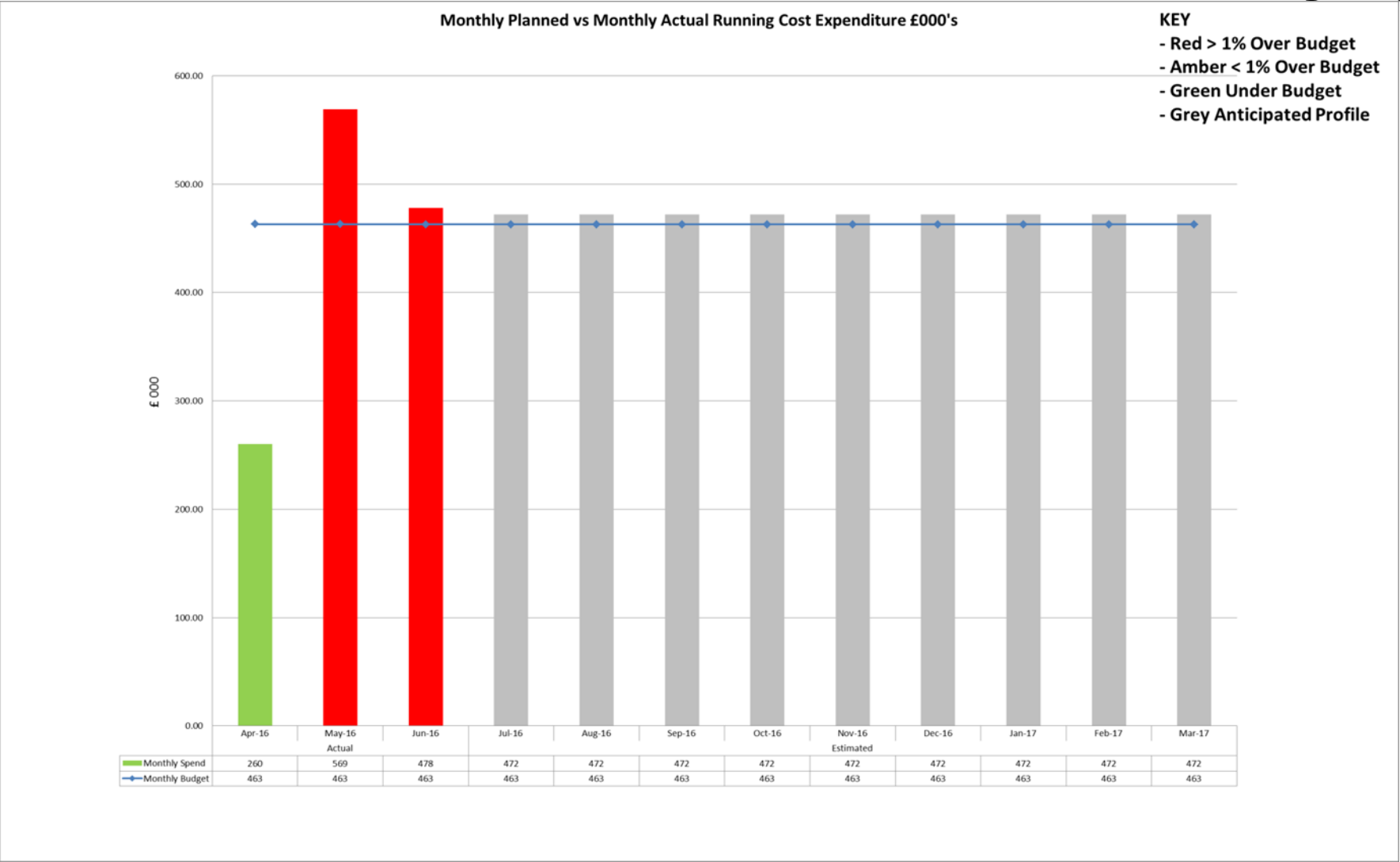
	Annual Plan £'000	YTD Performance M03			
		Plan £'000	Actual £'000	Variance £'000 o(u)	Var % o(u)
Acute Services	180,513	45,128	45,824	695	1.54%
Mental Health Services	34,455	8,633	8,655	22	0.25%
Community Services	37,514	9,391	9,284	(107)	(1.14%)
Continuing Care/FNC	12,589	3,395	3,198	(197)	(5.81%)
Prescribing & Quality	51,958	12,900	12,664	(236)	(1.83%)
Other Programme	16,072	2,761	3,110	349	12.65%
<b>Total Programme</b>	<b>333,101</b>	<b>82,208</b>	<b>82,734</b>	<b>526</b>	<b>0.64%</b>
Running Costs	5,555	1,389	1,307	(81)	(5.86%)
Reserves	5,154	445	0	(445)	(100.00%)
<b>Total Mandate</b>	<b>343,810</b>	<b>84,041</b>	<b>84,041</b>	<b>0</b>	<b>0.00%</b>
Target Surplus	6,172	1,516	0	(1,516)	(100.00%)
<b>Total</b>	<b>349,982</b>	<b>85,557</b>	<b>84,041</b>	<b>(1,516)</b>	<b>(1.77%)</b>

The table below details the forecast out turn by service line at Month 3

	Annual Plan £'000	Forecast Outturn at M03			Forecast Outturn at M02			In Month Movement £'000 o(u)
		Actual £'000	Variance £'000	Var %	Actual £'000	Variance o(u) £'000	Var %	
Acute Services	180,513	182,167	1,654	0.92%	180,062	351	0.20%	1,303
Mental Health Services	34,455	34,463	8	0.02%	34,393	7	0.02%	1
Community Services	37,514	37,350	(164)	(0.44%)	37,275	(172)	(0.46%)	8
Continuing Care/FNC	12,589	12,078	(510)	(4.05%)	11,767	(491)	(4.01%)	(19)
Prescribing & Quality	51,958	51,583	(375)	(0.72%)	51,712	(207)	(0.40%)	(169)
Other programme	16,072	17,239	1,167	7.26%	19,675	2,292	13.19%	(1,125)
<b>Total Programme</b>	<b>333,101</b>	<b>334,880</b>	<b>1,780</b>	<b>0.53%</b>	<b>334,883</b>	<b>1,780</b>	<b>0.53%</b>	<b>0</b>
Running Costs	5,555	5,555	0	0.00%	5,555	0	0.00%	0
Reserves	5,154	3,375	(1,780)	(34.53%)	3,375	(1,780)	(34.53%)	0
Target Surplus	6,172	6,172	0	0.00%	6,172	0	0.00%	0
<b>Total Mandate Spend</b>	<b>349,982</b>	<b>349,982</b>	<b>0</b>	<b>0.00%</b>	<b>349,985</b>	<b>(0)</b>	<b>(0.00%)</b>	<b>0</b>

- Acute services FOT has deteriorated following the receipt of Month 2 monitoring information from RWT.
- Challenges relating to A&E coding changes and recording of activity are being pursued by the finance and contract teams.
- The improvement in Other services is due to a reduction in unallocated QIPP.





## 2. QIPP

The Committee noted the improved position of QIPP Programme performance as at Month 3.

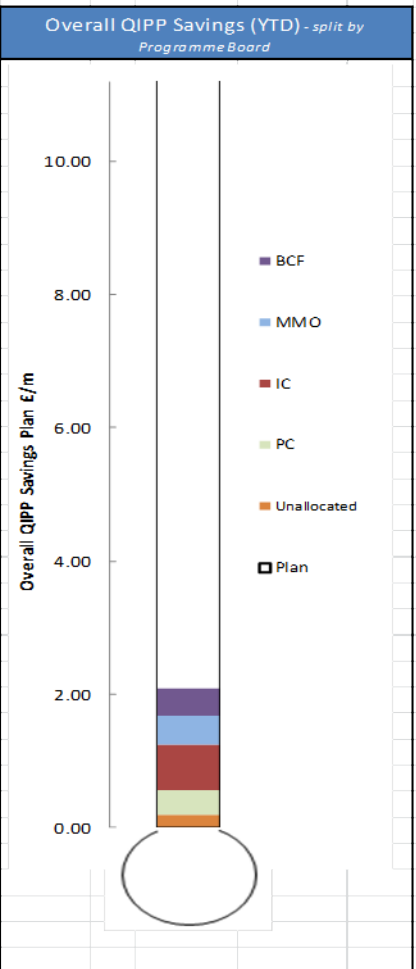
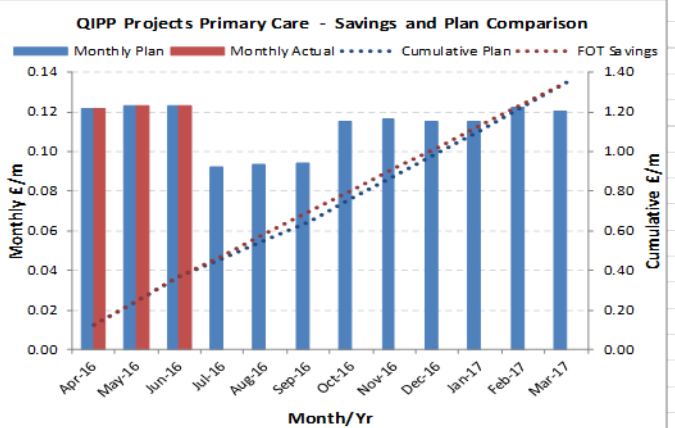
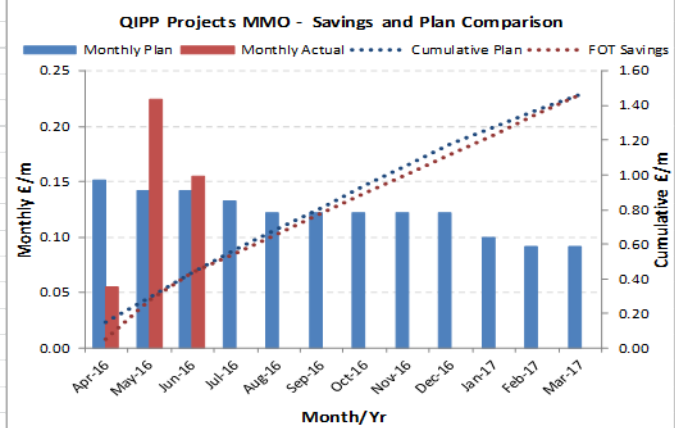
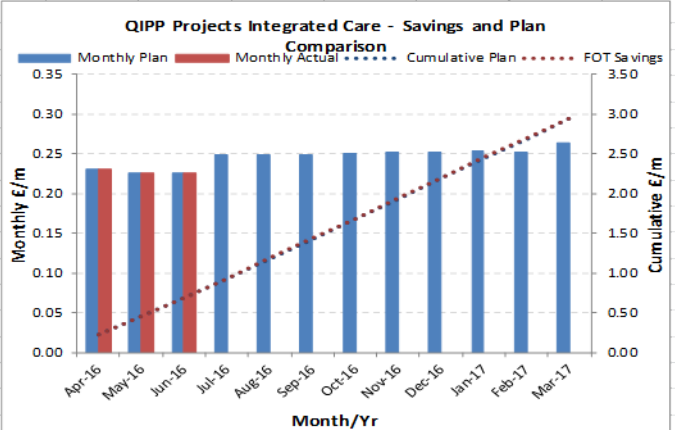
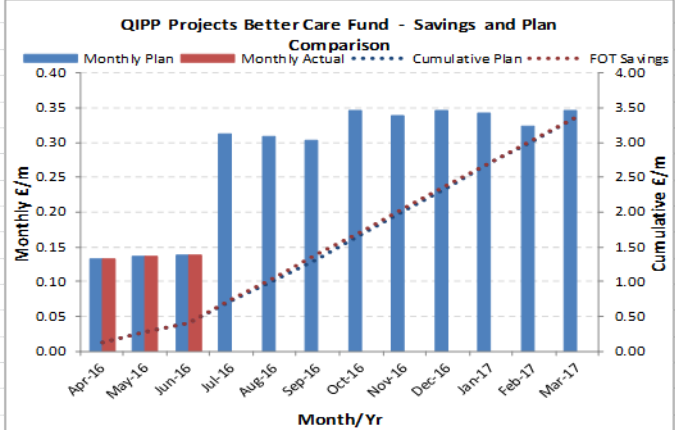
	YTD Plan £'m	YTD Actual £'m	YTD Var o(u) £m	An. Plan £'m	FOT £'m	Var o(u) £m
Transactional	0.54	0.62	0.08	2.21	2.52	0.31
Transformational	1.35	1.47	0.12	6.93	7.39	0.46
Unallocated				2.12	1.35	-0.77
<b>Total</b>	<b>1.89</b>	<b>2.09</b>	<b>0.2</b>	<b>11.26</b>	<b>11.26</b>	<b>0</b>



**QIPP Programme Delivery Board - Validated Figures for Non ISFE**

Reporting Period : **Jun-16**

Financial Savings Projects within QIPP Programme Delivery Board and Annual Plan  
Source : Non ISFE Submission by Wolverhampton CCG - Financial Projects Only



Note : Cumulative figures are based on a secondary axis

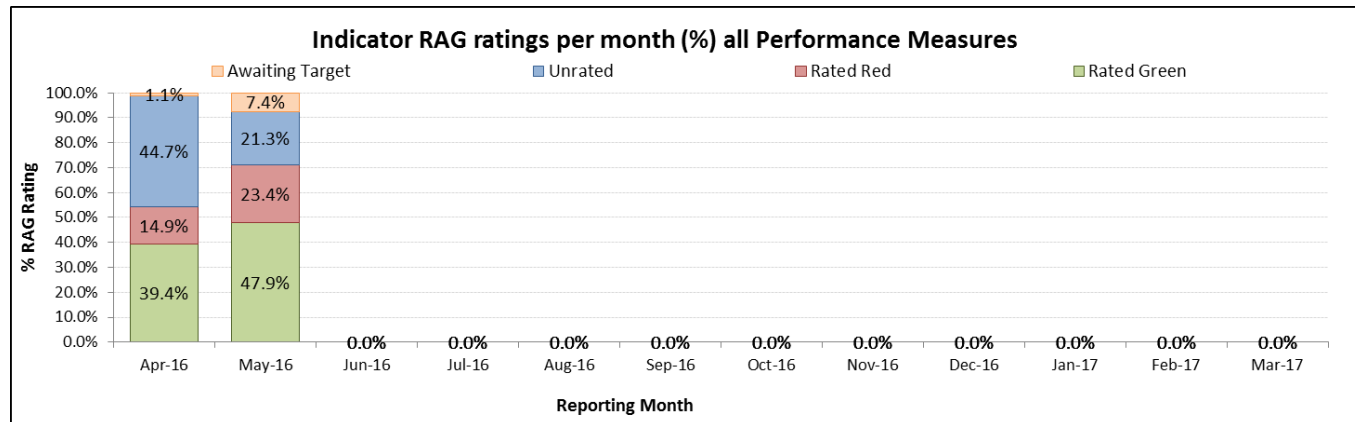
*Notes : Figures are PMA format only until verified by Finance team and the Non ISFE Submission Authorisation*

**3. PERFORMANCE**

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

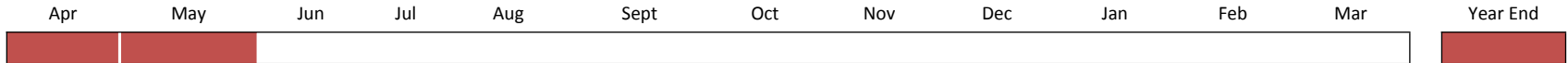
Performance Measures	Previous Mth	Green	Previous Mth	Red	Previous Mth	Unrated (blank)	Previous Mth	Awaiting Target	Total
NHS Constitution	16	11	7	10	1	3	0	0	24
Outcomes Framework	9	14	2	5	25	11	1	7	37
Mental Health	12	20	5	7	16	6	0	0	33
<b>Totals</b>	<b>37</b>	<b>45</b>	<b>14</b>	<b>22</b>	<b>42</b>	<b>20</b>	<b>1</b>	<b>7</b>	<b>94</b>

Performance Measures	Previous Mth:	Green	Previous Mth:	Red	Previous Mth:	Unrated (blank)	Previous Mth	Awaiting Target
NHS Constitution	67%	46%	29%	42%	4%	13%	0%	0%
Outcomes Framework	24%	38%	5%	14%	68%	30%	3%	19%
Mental Health	36%	61%	15%	21%	48%	18%	0%	0%
<b>Totals</b>	<b>39%</b>	<b>48%</b>	<b>15%</b>	<b>23%</b>	<b>45%</b>	<b>21%</b>	<b>1%</b>	<b>7%</b>



Exception highlights were as follows;

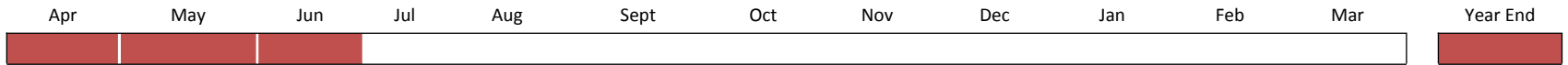
**18 Weeks Referral To Treatment (RTT) Incompletes :**



Performance at headline level for RTT Incompletes failed to achieve the 92.00% target for the second time this financial year with Month 2 performance at 90.95%. The Trust have advised that the decline in RTT performance is due to a combination of the industrial action in April and following a detailed review of waiting list practices in Orthodontics, it was identified that it has been incorrectly reporting the number of patients currently waiting for treatment. A detailed Action Plan has been received for each failing specialty and includes recovery trajectories and actions. The recovery trajectories indicate that failing specialties are planned to hit the 92% target by the following reporting month: General Surgery (March17), Gynaecology (January17), T&O (March17), Plastic Surgery (July17) and Urology (June17). The Trust are presently working on a Orthodontics recovery plan to ensure all patients are seen and we are expecting details of this plan by end of July. All patients affected by the industrial action taken in April are expected to be seen by the end of June. The RWT predicted fines at specialty level for May were estimated to be £243,300, however due to the industrial action, the Commissioner have agreed to waive the RTT sanctions for April and May. The CCG Commissioner performance for May16 has been confirmed via National Extracts as 92%. There are currently 2 patients confirmed as waiting over 52 weeks, 1 x Royal Orthopaedic Hospital, 1 x North Bristol.

RWT\_EB3

**A&E 4 hr Waits :**



The A&E 4 Hour Wait performance has failed to meet the 95.00% national target since August 2015. Month 2 (May) performance is 88.03%. The Trust failed to achieve the STF recovery trajectory and both Type 1 and the All Types target for the month. The Emergency Department continue to see high numbers of attendances with a 13% year on year increase. Performance has also been affected by the current DTOC issues including Social Care staffing issues (sickness levels, leavers and recruitment issues). The Trust have recruited an additional 3 Advanced Consultant Practitioners (ACP) (early May) and an additional ANP Practitioner Nurse who are due to start in June. The Trust are experiencing problems recruiting to consultant roles and are now looking to recruit overseas. It has been confirmed that all Band 5 nursing roles will be fully recruited to by September. Discussions with Vocare continue to combine A&E and Vocare data to present a wider health economy view of performance with a view to run a 'shadow' combined reporting in July with a view to go live 1st August 2016. This KPI falls within the STF and in order to minimise the risk of Trusts facing 'double jeopardy' (CCG sanctions against underperformance and reductions in STF funding), national guidelines specify that the CCG will not be able to enforce contractual fines for this indicator for 16/17. 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 (June16) with a recovery trajectory in line with the Sustainability and Transformational Fund Improvement Trajectories. Provisional data for M3 (June) is 91.61% and therefore below both the STF recovery trajectory.

RWT\_EB5

**Cancer Waits**

	Apr	May	Jun	Jul	Aug	Sept	Oct	Nov	Dec	Jan	Feb	Mar	Year End
2WW	Green	Red	Green										Green
31 Day	Red	Green	Green										Red
31 day (Surgery)	Green	Red	Red										Red
62 Day (1st)	Red	Red	Red										Red
62 Day (Screening)	Red	Green	Red										Red

RWT\_EB6, RWT\_EB8, RWT\_EB9, RWT\_EB12 & RWT\_EB13

In month breaches for Cancer Waits for May 2016 are:

2WW (2 week wait) - 91.72% against 93% target. Validated figures now confirm May performance as 91.80% and still below target.

31 Day - (1st Definitive Treatment) - 97.00% against 96% target; however YTD remains RED (95.15%). Validated figures now confirm May performance as 97.1%.

31 Day (Treatment is Surgery) - 91.11% against 94% target. Validated figures now confirm May performance as 91.84% and still below target.

62 Day (1st Definitive Treatment) - 72.02% against 85% target. Validated figures now confirm May performance as 71.75% and still below target.

62 Day (Screening) - 96.88% against 90% target; however YTD remains RED (88.82%). Validated figures now confirm May performance as 96.9%.

**E-Discharge**

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

RWT\_LQR1 &  
 RWT\_LQR2

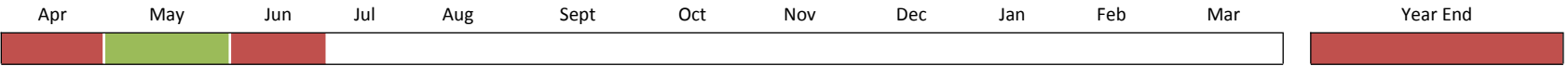
The Trust have advised that the primary issues with performance sit with PAU/GAU. The issues affecting performance are around delays with patients being input onto the PAS systems within these assessment units.

Performance for E-Discharges is split into 2 indicators :

93.40% against a target of 95% - Completion within 24 hours for all wards excluding assessment units

87.38% against a target of 95% - Completion within 24 hours for all assessment units

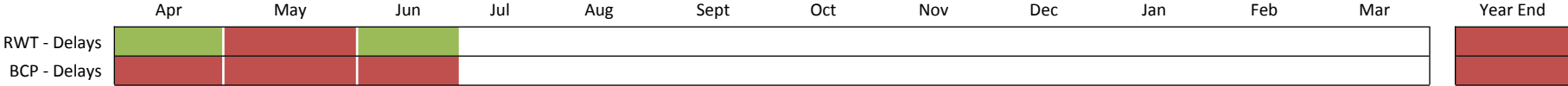
The CCG have received revised remedial action plans (RAPs) for review. The Trust are continuing to work on a solution for wards PAU/AMU delays on discharges overnight, this may require a process driven solution rather than a clinical solution.

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

This indicator has achieved the 50% target May16 with current performance achieving 50%, however, the YTD is currently below target (41.67%). The team aim to offer 100% of referrals an appointment for assessment to meet the 5 day target with the service delivering an assessment clinic and 3 initial assessment slots in Outpatient clinics which support the clients being seen within 5 days and thus being able to establish a care plan within 2 weeks. 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. 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. The team continue to text message and telephone new clients to remind them about appointments (as well as sending out appointment letters) and informing referrers of the details of initial assessments so that they can pass the information to the clients if they are seeing them again before the Team. Capacity within the team has increased following the recruitment of an agency nurse who will remain in post until the substantive CPN role joins the team at the beginning of July. 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.

BCPFT\_LQGE04

**Delayed Transfers of Care (DTOC)**



RWT\_LQR3 & BCPFT\_LQGE11

RWT have failed to meet the in month stretch target of 3.50% in May, with performance at 3.52%. RWT have indicated the following top 3 delay reasons for May:

- 34.6% - Delay Awaiting Assessment (previously 44.9%)
- 25.0% - Delay awaiting further NHS Care (previously 16.9%)
- 16.2% - Delay awaiting domiciliary package (previously 17.6%)

The Black Country Partnership Foundation Trust have failed to meet the 7.50% target for the 2nd consecutive month with the reported performance of 13.22% for May.



**1. CONTRACT AND PROCUREMENT REPORT**

The Committee received the latest overview of the contract and procurement situation. There were no significant changes to the procurement plan.

**2. DETAILED FINANCIAL POLICIES AND SCHEME OF DELEGATION**

The Committee reviewed and approved the amendments to the Detailed Financial Policies.

The Committee noted the outcome of the review of the CCG's Prime Financial Polices and Scheme of Delegation.

**3. COSTING TEMPLATE FOR EXTENDED PRIMARY CARE SERVICES**

The Committee noted the approach to be taken in respect of new or amended Extended Primary Care Services which are commissioned and took assurance from this.

A post meeting Chair's action was taken to confirm that the model was supported and agreed by the Committee.

#### 4. RISK and MITIGATION

Risks	Potential Risk Value Mth02	Full Risk Value £m	Probability of risk being realised %	Potential Risk Value £m	Proportion of Total %
CCGs					
Acute SLAs	1.88	1.50	75.00%	1.13	43.25%
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	1.02	1.35	50.00%	0.68	25.99%
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	0.80	1.00	80.00%	0.80	30.76%
<b>TOTAL RISKS</b>	<b>3.70</b>	<b>3.85</b>		<b>2.60</b>	<b>100.00%</b>

The CCG has identified mitigations to cover 100% of the risk identified as outlined in the table below.

Mitigations	Expected Mitigation Value Mth02	Full Mitigation Value £m	Probability of success of mitigating action %	Expected Mitigation Value £m	Proportion of Total %
<b>Uncommitted Funds (Exd 1% Headroom)</b>					
Contingency Held	0.00			0.00	0.00%
Contract Reserves	0.00			0.00	0.00%
Investments Uncommitted	0.00			0.00	0.00%
<b>Uncommitted Funds Sub-Total</b>	<b>0.00</b>	<b>0.00</b>		<b>0.00</b>	<b>0.00%</b>
<b>Actions to Implement</b>					
Further QIPP Extensions	0.00			0.00	0.00%
Non-Recurrent Measures	1.42	1.42	100.00%	1.42	54.49%
Delay/ Reduce Investment Plans	0.40	0.40	100.00%	0.40	15.35%
Other Mitigations	0.00	0.47	100.00%	0.47	18.11%
Mitigations relying on potential funding	0.00	0.31		0.31	12.05%
<b>Actions to Implement Sub-Total</b>	<b>1.82</b>	<b>2.61</b>		<b>2.61</b>	<b>100.00%</b>
<b>TOTAL MITIGATION</b>	<b>1.82</b>	<b>2.61</b>		<b>2.61</b>	<b>100.00%</b>

- £1.42m comprising the diversion of the planned drawdown to support the bottom line, utilisation of contracts reserve and other small budget flexibilities.
- £0.4m – small delay to the Primary Care Strategy implementation
- £0.47m – corporately held flexibilities
- £310k – central resource to cover NHS Property Services additional costs

## **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.

## **5. RECOMMENDATIONS**

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

**Name:** Lesley Sawrey  
**Job Title:** Deputy Chief Finance Officer  
**Date:** 27<sup>th</sup> July 2016