

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

**Minutes of the meeting held on 25th October 2016
Science Park, Wolverhampton**

Present:

Mr P Price	Independent Committee Member (Chair)
Dr D Bush	Governing Body GP Finance and Performance Lead
Mrs C Skidmore	Chief Finance and Operating Officer
Mr S Marshall	Director of Strategy and Transformation
Mr Jim Oatridge	Independent Committee Member

In regular attendance:

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

In attendance

Mrs H Pidoux	Administrative Team Manager
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1. Apologies

Apologies were submitted by Mr Hastings

2. Declarations of Interest

FP.16.101 There were no declarations of interest.

3. Minutes of the last meeting held on 27th September 2016

FP.16.102 The minutes of the last meeting were agreed as a correct record.

It was noted that the membership listed on the reverse of the agenda is incorrect. It was agreed to add a note stating that an application to make changes to the CCG's Constitution includes the change to the membership of this Committee. The amendment would be made once the application has been accepted. Mr Oatridge requested his name to be removed from the membership going forward and for Mr Price's name to be added. It was agreed that it would be checked that this was included in the application for change.

4. Resolution Log

FP.16.103

- Item 92 (FP.16.96) – A fuller update on the reasons for the slippage against targets to be included in next month's report, together with an update on progress against future QIPP plans - Mr Price stated that he was interested in learning taken from the reasons for slippage and that this is taken into account when planning for next year. It was agreed that learning could be taken around risk share and co-dependencies – action closed.

5. Matters Arising from the minutes of the meeting held on 27th September 2016

FP.16.104 There were no matters arising from the previous minutes.

6. Finance Report

FP.16.105 Mrs Sawrey reported on the Month 6 financial position, stating that again the financial target had been hard to achieve and there is no more flexibility in the finance position.

It was noted that the only material variance in the acute contracts at Month 6 related to forecast overperformance at RWT. A review of RWT Community Services has enabled an underspend to be reported for the first time. Adjustments have been factored in to reflect the closure of a ward at West Park and recruitment slippage in the Rapid Response Nursing Team.

Mrs Sawrey stated that the Better Care Fund Forecast Outturn at Month 6 shows an overspend of £1,072m. The position reflects the growth in cost and activity in adult placements and a correction to system errors in reporting by the Local Authority. The Committee was informed that Mrs Skidmore is discussing audit options with senior Local Authority Finance colleagues to ensure there are not further repeats of system errors.

A question was raised in Appendix 4 of the report in relation to the statement of financial position as at 30th September 2016 where a movement of £2.3m was reported for receivables. Mrs Sawrey agreed to circulate a description of the movement to Committee members

Mrs Sawrey gave a QIPP Board update and reported a slight improvement with the 'unallocated QIPP' gap now £1.36m

Resolved: The Committee;

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

7. Performance Report

FP.16.106 Mr Bahia highlighted that of the indicators for Month 5, 38 are green rated, 27 are red rated, 27 are unrated and 2 are awaiting target.

The meaning of the 'unrated' title was discussed and it was agreed to have to separate headings to clarify this, 'unvalidated' and 'target awaited'. Mr Bahia was asked to give clarification as to why there were two measures awaiting target.

It was requested that the format of the report be further modified to focus on the priority areas for consideration and highlight where action should be considered by the Committee to improve these areas.

The following key points from the report were discussed;

- RTT - failing to meet target in General Surgery, Gynaecology, Orthopaedics, Plastic Surgery and Urology. The CCG is coming under increased scrutiny from NHSE regarding over performance activity.

A submission was made to NHSE relating to RTT and it was agreed to share this submission with the Committee.

It was suggested that as part of the report a monthly profile by speciality should be included to give a visual representation of the situation.

Discussion took place regarding how it is possible to encourage the Trust to outsource to an alternative provider. A reminder was given that last year money was offered to the Trust to do this but this was not taken up. It was agreed to look at how to proactively encourage switching to an available provider.

- A&E – although target has been missed in line with the STF trajectory an improvement in performance has been seen. An updated RAP received has included actions to address staffing issues. Combined reporting with Vocare/Urgent Care Centre commenced on 1st September. The System Resilience Group has been replaced by an A&E Delivery Board to address these issues.
- 62 day cancer waits – new guidance has been received relating to how apportion breaches. A Trust has 38 days to pass on to another provider and the receiving Trust has 24 days to receive, see and treat the patient.
- Mixed Sex Accommodation – this indicator has breached the zero target both in-month and Year end with 4 breaches in August. A Root Cause Analysis has been undertaken and the

results will be discussed as part of the Clinical Quality Review Meeting (CQRM). Sanctions are applicable for each individual breach.

- RTT waits over 52 weeks for incomplete pathways – this zero threshold has been breached for the third consecutive month, all breaches relate to orthodontics. However, performance is slightly ahead of the planned recovery trajectory.
- BCPFT – Percentage of all routine EIS referrals, receive initial assessment within 10 working days – performance has failed to achieve target both in month and Year End. Performance is affected by the small cohort of patients. The assessment process has been reviewed and changes implemented, to triage system and risk assessments, appear to be improving access and waiting times. Text messages and calls to new clients reminding them of appointment details has been implemented in addition to sending out appointment letters. ‘Did not attends’ are also being reviewed, including contacting clients to establish the reason they did not attend to try and address this problem.
- C Diff – The Trust breached the national threshold in September. It was noted that the anti-microbial prescribing post funding has been approved.
- E-discharge – an improvement has been seen across all ward in September and the target has been met. However, assessment units continue to fail to meet the target. At the CQM and CQRM meetings this was discussed and it was agreed to benchmark against other Trust to assess if it is possible to achieve the target.
- Optimising Outpatient Follow-Ups – current performance has been raised with the Trust and feedback is awaited from the operational teams.

The Committee’s attention was brought to the inclusion in the report of indicators which, following horizon scanning, are close to failing target.

Resolved: The Committee

- Noted the content of the report and the updates given.

8. Monthly Contract and Procurement Report

FP. 16.107 Mr Middlemiss presented this report based on Month 4. It was reported that RAP’s remain in place in areas where delivery remains off trajectory. These are updated by the Trust on a monthly basis and are managed through the Contract Review Meetings where areas of concerns are raised.

Mr Middlemiss reported that since this report finance sanctions had been issued as follows; Month 5 - £26,250 and Month 6, £39,250. The year to date total is £188,350. 60% of this is relates to Wolverhampton CCG and 40% to other CCGs.

A query was raised regarding the Action Plan for A&E and whether this addressed the issue of the appropriate use of the Urgent Care Centre. It was noted that this is part of the plan and also that joint triaging had commenced from 1st September.

It was questioned what the consequences are for the Trust if RAPs are not delivered. Clarification was given that sanctions cannot be applied to areas which are part of the Sustainability and Transformation Fund (STF) process. However, part of the performance management process is to ensure action plans are regularly reviewed and updated.

Mr Middlemiss gave an update on the coding and counting issues previously discussed by the Committee pertaining to A&E as follows;

- A mechanism has been put in place to correct the over-charging which has occurred impacting on 2 x A&E HRG's. The Trust has recognised that this has led to over-charging and will refund the difference in activity levels seen prior to the change. The rebate will apply until the issue is resolved (via a system upgrade).
- The second issue regarding potential duplicate patients being seen will also be rectified by an upgrade to the Trust's clinical IT system. Until this occurs, the multiple clinical entries occurring will be corrected and adjusted as part of the reconciliation process.

Mr Middlemiss highlighted a change to the contract negotiation update relating to the Black Country Partnership Foundation Trust. Joint negotiations are proceeding led by Sandwell and West Birmingham CCG, however, Wolverhampton CCG will be retaining a separate contract.

It was reported that a business case from Nuffield Health Limited to extend the current directory of services commissioned to include spinal services, was approved by the Commissioning Committee in September. The level of activity will be adjusted in the Nuffield and RWT contracts as part of the contract negotiation process.

The CCG has identified that Vocare is significantly under plan for activity year to date and will therefore be seeking to claim money back in line with the contract for the Urgent Care Centre. Vocare was advised of this in writing in September and a response is still pending. This will

be followed up at the Contract Review meeting due to be held with them.

Resolved – The Committee:

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

9. Draft Finance Plan 2017/18 – 2020/21

- FP.16.108 Mrs Skidmore gave an overview of the latest draft finance plans which have been developed in compliance with the business rules as set out by NHS England, including:
- Identifying a 0.5% contingency which is uncommitted throughout the planning round and remains uncommitted at the point which contracts are agreed
 - Holding the required 0.5% risk reserve fully uncommitted (this requirement is for the core allocation only i.e. excluding delegated co-commissioning budgets and running costs)
 - Clear non-recurrent utilisation of the remaining 0.5% non-recurrent headroom (where CCGs hold delegated responsibility for GP services they will be required to provide clear non-recurrent utilisation of the full 1% of non-recurrent resources from within the delegated budget).
 - CCGs should assume no benefit to the bottom line from the business rule regarding the 0.5% of CQUIN which is being held either by CCGs or Provider organisations as part of the national risk reserve
 - Strict adherence to the CCG 2 year allocations that have been issued (subject to changes for HRG4+ and Identification Rules).
 - CCGs will be required to confirm adherence to the national must dos (0.56% within each CCG growth uplift).
 - CCGs should apply robust inflation and growth assumptions based on historic trends and future plans. Assumptions will be fully tested through the assurance process
 - CCGs must meet the national parity requirements around Mental Health and Child and Adolescent Mental Health Services
 - CCGs must demonstrate the use of the £3 per head for the GP Forward View

CCGs are also expected to present plans with robust in-year profiling of spend based on activity projections and QIPP delivery.

The Committee considered the high level plan whilst noting that confirmation of CCG allocations is still awaited. Mrs Skidmore reported that delivery of all planning requirements is currently unachievable due to the level of QIPP savings required to meet the business rules however a definite decision cannot be confirmed until allocations are

released as it is likely that allocations will increase. This would reduce the QIPP burden currently modelled.

Mrs Skidmore noted that once the finance plan had been remodelled to include any new allocation, here intention is to share it at the next Finance and Performance Committee with a summary of risks and mitigations. Also included will be a statement on deliverability of the position and a number of options for consideration that would result in a position that is deemed to be reasonable and achievable.

Resolved – The Committee:

- noted the latest position of the draft finance plans.
- will receive an updated plan at the next Finance and Performance Committee in readiness to make recommendations to the December Governing Body meeting regarding the 17/18 budget.

10. Financial Control Environment Assessment (FCE) Improvement Plan

FP.16.109 Mrs Skidmore provided the committee with an update on progress in delivering the FCEA Metrics. Prior to submission to NHS England in September 16, the progress against each standard was reviewed. Mrs Skidmore reported that the CCG was required to provide an action plan for 8 of the 18 metrics in the FCEA. Substantial progress has been made against the 8 metrics since the last update. In the last update the CCG reported achieving 'excellent' on 3 metrics and is now reporting achieving 'excellent' in the remaining 5 metrics.

Following the submission to NHS England, feedback is awaited.

Resolved – The Committee:

- noted the contents of the report and the work done to maintain high standards of financial control.

11. Any Other Business

FP.16.110 There were no items raised under any other business.

12. Date and time of next meeting

FP.16.111 Tuesday 29th November 2016 at 12.30pm, CCG Main Meeting Room

Signed:

Dated: