

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

**Minutes of the meeting held on 28th February 2017
Science Park, Wolverhampton**

Present:

Mr P Price	Independent Committee Member (Chair)
Mr J Oatridge	Independent Committee Member
Mrs C Skidmore	Chief Finance and Operating Officer
Mr S Marshall	Director of Strategy and Transformation
Mr M Hastings	Associate Director of Operations

In regular attendance:

Mr V Middlemiss	Head of Contracting and Procurement
Mr G Bahia	Business and Operations Manager

In attendance

Mrs H Pidoux	Administrative Team Manager
Mr M Duhra	Contract Portfolio Manager

1. Apologies

Apologies were submitted by Dr Bush and Mrs Sawrey

2. Declarations of Interest

FP.133 There were no declarations of interest.

3. Minutes of the last meetings held on 31st January 2017

FP.134 The minutes of the last meeting were agreed as a correct record.

4. Resolution Log

FP.135

- Item 99 (FP.16.126) – Mrs Skidmore to contact Mr Oatridge if there is a need to raise issue with NHSPC invoices at the Audit Chair's Conference in March – Mrs Skidmore confirmed that this was not required – action closed.
- Item 100 (FP.16.127) – Consideration to be given to how the key areas of performance are reported to Governing Body - work is in progress and it was agreed to revise the deadline to the end of March 17.

- Item 101 (FP.16.127) – Breakdown of achievement of level 3 and 4 Safeguarding training to be included in the next report - dashboard included in Performance Report on agenda – assurance was taken that training is taking place and standards are at the levels expected. It was asked that it would be highlighted to the Committee if there is deterioration in the future – action closed.

Assurance was given that this is closely monitored and any concerns are discussed at the Clinical Quality Review meeting (CQRM). Further discussion took place around which committee should be taking the lead on ensuring safeguarding training is taking place. Mr Hastings reported that this is discussed in detail at the Quality and Safety Committee and that the responsibility for this area lies with the Quality and Risk Team. Mr Oatridge commented that it had been noted during these discussions that the GP and Nurse Lead for Safeguarding had left their roles. It was agreed to review the minutes of the Quality and Safety Committee to check the level of discussion and any actions agreed. It was felt that a decision needs to be taken as to which committee takes the lead to ensure a consistency of understanding.

It was noted that there were no figures contained in the report relating to Board level staff at RWT. It was agreed to check if it was a case that the figures are not available or if the training has not been completed.

Mr Middlemiss joined the meeting

5. Matters Arising from the minutes of the meeting held on 31st January 2017

FP.136 There were no matters arising from the previous minutes.

6. Monthly Contract and Procurement Report

FP.137 Mr Middlemiss presented this report based on Month 9 and highlighted the following key points;

Royal WolverhamptonTrust (RWT)

- A new process is to be introduced to strengthen the level of assurance given to this Committee, Commissioning Committee and the Governing Body. An exception report is to be requested for any performance indicator which is off trajectory. The report will need to include the reason for the deterioration and any actions in place to address this.
- Sanctions – an unusual spike in ambulance handover breaches has been seen which has led to sanctions by the CCG of £85k. RWT report that the batching of ambulances is impacting on performance.

- Business cases are required from RWT to support reinvestment back into the Trust as agreed in the year-end settlement included for MRET, Readmissions and fines/sanctions forecast for year-end. These are required prior to the end of the 2016/17 financial year and are intended to clearly specify how the money will be used and how it will improve outcomes. RWT are pushing in back on this but the CCG is holding the line on requesting the cases be completed.
- 2017/19 Contract – transition arrangements – there are issues to be finalised post contract signature and to be agreed in Quarter 4. A significant area is the Service Development Improvement Plan (SDIP). Agreement was reached to carry over a number of schemes from 2016/17 to 2017/18. A draft was sent to the Trust mid-January, a response was delayed from the Trust due to operational issues. This has now been received and is being considered internally by the CCG.
- Risk Share principles are being agreed at Executive Level. Mrs Skidmore confirmed that she and Mr Marshall are meeting weekly with RWT executives. The Committee was informed that this related to the cost reduction to be made by the Trust through QIPP schemes. Money has been ring fenced in the new two year plan for change in the system for community models. Evidence of cost restructure is required.

Black Country Partnership Foundation Trust (BCPFT)

- Sanctions have been applied since Quarter 3
- Significant improvements have occurred in safeguarding training and the introduction of e-learning. It has been agreed to close the Remedial Action Plan (RAP) due to the continued improvement.
- The national target for the Flu Vaccine CQUIN has not been met; therefore, payment will not be made for this. It was agreed to check with the Quality Team regarding the perceived clinical risk of not achieving this target.

Nuffield

- There is an issue regarding Procedures of Limited Clinical Value (POLCV) and that they may not be following procedure as their conversion rate from referral to treatment is 100%. An audit is due to take place to ensure they are following procedure.
- Referral Diversion – the CCG is expecting activity to increase at Nuffield for Laparoscopic Cholecystectomies and other procedures following the work being undertaken on referral diversion. RWT have agreed to divert patients from their 'lap coly' waiting list to Nuffield and this work is currently in progress.

This work is on-going and the impact on activity is being monitored accordingly.

Other Contracts/Significant Contract Issues

- Contract extensions and renewals – an appendix of the report was considered which give the latest position of contracts. Work has been undertaken through the four Programme Boards to review the end dates of service contracts. This is to ensure that there is a timely review process taking place to comply with procurement regulations.

The outcome of this is also being used to inform discussions with the Commissioning Support Unit (CSU) regarding the CCG's procurement programme for 2017/18 to ensure the required level of support is being planned accordingly.

The effect of Brexit on procurement was raised as a concern. It was agreed that there is a risk element however the level of this is unknown at present.

- Urgent Care Centre – a contract performance notice has been issued to the provider, Vocare Limited and the appropriate levers used, following a number of issues of significant concern;
 - Safeguarding (concerns about Vocare's staff not having the adequate level of training)
 - Failure to complete outstanding actions initially raised in correspondence dated 1st December
 - Repeated failure to provide fully completed monthly contract review documentation in the contractually agreed format
 - Concerns about quality/ accuracy of data submitted

A meeting has been arranged between CCG's Chief Officer and Executive Director of Nursing and Quality and the relevant executives at Vocare to discuss the situation.

As previously reported the CCG has undertaken an analysis of activity and identified that Vocare is significantly under plan for activity year to date, particularly for face to face contacts. The CCG is therefore seeking to claim money back, as per the wording of the contract which states that a 40% marginal rate will apply to activity below a 10% tolerance. Vocare were advised of this in writing in September. Vocare is contesting the decision to take money off them due to under-performance, on the basis that diversion of activity from A&E is only partially within their control, that their staffing costs have not reduced due to lower activity levels and that 16/17 was intended to be a transition year.

The Committee was asked to support the implementation of the claw back of money. It was noted that there is a risk of damaging a good relationship, however, it is important to show that the CCG is serious about using levers to improve performance. The support of the Committee was given.

Mr Price had raised queries outside the meeting relating to the Finance Report, these were discussed at this point of the meeting to allow Mr Middlemiss to feedback as follows;

- Outstanding data queries – it was confirmed that a response had been received from RWT however this was not considered adequate. This has been added to the Contract Review Meeting Query Log and the Trust has been asked to give a fuller response. If this is not deemed sufficient this will be escalated to a more formal response.
- A&E coding – the Trust has reported that winter pressures have meant that this query was not responded to. The Trust has agreed to audit the data as requested by the CCG.
- Troponin pathway – a query was raised as benchmarking has shown the Trust to be an outlier and this needs to be understood. The response received from the Trust was not satisfactory and this has been pushed back.

Resolved – The Committee:

- noted the contents of the report and actions being taken.
- Supported the claw back of money relating to Vocare performing significantly under-plan for activity year to date.

Vic Middlemiss left the meeting

7. Finance Report

FP.138 Mrs Skidmore reported on the Month 9 financial position and stated that the CCG is still on track to achieve financial targets. The key highlights of the report were;

- Achieving targets for recurring and non recurring money is still a challenge. There is a slight deterioration in the recurrent position. This is not materially impacting at present and is being closely monitored as any impact will roll into 2017/18.
- There is headroom in non-recurrent spend and plans are being drawn up to spend this.

- Plans to spend money becoming available to the CCG at year end are being explored. However it is necessary to consider that this is non-recurring and therefore cannot be used to support recurring costs which limits the options to spend.
- QIPP is slightly above trajectory The focus is now on plans for 2017/18. A revised plan has shown that the unallocated QIPP for next year has reduced from £2.9m to £2.6m.
- The details of the unwinding of a 2014/15 accrual were clarified.
- A query was raised regarding the vacancies in Safeguarding. It was confirmed that this related to two administrative posts to support the (Multi Agency Safeguarding Hub) MASH. The successful applicants have recently started in post. The delay in commencement was due to the required for advanced vetting and barring checks which were required before commencement due to the nature of the roles.
- Mr Oatridge queried the amount allocated in running costs to the nursing directorate. It was clarified that this relates to the Continuing Health Care Manager role and the managerial nature of the role. The clinical aspect of the role, the majority of the role, is picked up in programme costs.
- The costs of contracted out services were highlighted, CSU and other costs, and it was agreed that a detailed briefing would be brought to a private session of the next Committee meeting due to the commercial in confidence nature of the information.
- It was asked that clarification be sought regarding the content of the Drugs Volume Comparison table, as to whether this is the number of items prescribed or the number of prescriptions issued.

Mrs Skidmore informed the Committee of an invoice for £4.8m which has been issued by RWT in relation to Physician A. The CCG does not recognise this invoice and Mrs Skidmore has written to the Director of Finance at RWT stating that it will not be paid, no response has been received. It was noted that the contract with RWT has already been signed and this cost was not agreed in the contract.

The issue has been escalated to NHS England's (NHSE) Regional Director of Finance and NHS Improvement (NHSI). The CCG has been advised to complete formal arbitration paperwork by Friday 3rd March, although clarification is awaited that this is the process to be followed.

This issue has been raised with the CCG's external auditors. They are not concerned at this stage. The CCG will keep them up to date with developments in this area.

The Committee noted the current situation and will receive updates as necessary. This will be escalated to the Governing Body if it becomes appropriate to do so.

Resolved: The Committee;

- Noted the contents of the report and the current position.
- Briefing to private session of next Committee regarding the costs of contracted out services.
- Clarification sought re the content of the Drugs Volume Comparison table in report.
- Noted the current situation of the Invoice issued by RWT which the CCG does not accept.

8. Monthly Performance Report

FP.139 Mr Bahia highlighted that of the indicators for Month 9, 43 are green rated, 26 are red rated, 23 have no submissions and 2 are awaiting target.

The following key points from the report were discussed;

- RTT - continues to fail to meet headline. Further performance for the number of outpatients who did not attend is the 3rd highest in the region; work is on-going to address this. A review is taking place of the number of discharges that are made without a procedure taking place. It is being assessed as to whether these patients are progressing through the system correctly.
- Diagnostics – over the last few months performance has deteriorated. The Trust stated that this was due to capacity issues over the Christmas and New Year period and held additional sessions in January to facilitate performance improvements. However, this has not been reflected in January's performance. This will be monitored into February and if improvement is not seen a Remedial Action Plan will be requested.
- A&E – performance compares comparatively well regionally and nationally. However, performance has dropped significantly in January. The A&E Delivery Board has taken decisions to aid recovery for quarter 1 in 2017/18 and continues to maintain an overview of the system. Sanctions have been applied.
- 62 day cancer waits – remains below target which is reflective of the position regionally. A visit was made by the Intensive Support Team (IST) and all of their recommendations were implemented. The Trust has requested further recommendations to improve from NHSI and additional support from the IST. Additional Saturday clinics for Urology have been scheduled. It is anticipated that performance will fall before it improves. A localised

cancer campaign which commenced in February may also impact on performance.

- Waits over 62 days, from referral to first definitive treatment for all cancers – this is a very small cohort of patients. Only 1 patient breached and this was due to the patient being unfit to continue with the planned surgery.
- Zero tolerance RRT waits over 52 weeks – ahead of the Orthodontic trajectory planned by end of the year. The cohort includes 1 complex case which will take longer to complete
- EIS Referrals – small cohort of patients. 1 out of 10 patients not seen due to the patient failing to attend appointment.
- C Diff – although this target has already been breached for the year there is an improving trend.
- Breast Cancer waits – the performance for this indicator is consistently above target.
- IAPTS – national standards are being met. There is a significant improvement compared to last year.

It was noted that the updates given reflect the agenda of discussions with NHSE as agreed at the last Committee meeting.

Resolved: The Committee

- Noted the content of the report

9. HMRC taxation changes effective from April 2017

FP.140

Mrs Skidmore informed the Committee that this briefing had been shared to advise members of changes in taxation coming into effect in April 2017 and the effect on the CCG and its employees. The Finance Team will be working with external agencies (including HR and Payroll teams) to ensure the legislation is complied with. The key points of the briefing were;

- Salary Sacrifice Schemes – the only scheme the CCG currently offers is for childcare vouchers and, therefore, will not see any impact of the new legislation under the current arrangements.
- Apprenticeship Levy – may be eligible to be part of this, if the CCG is, work will need to be completed to assess the requirements to set this up.
- Off Payroll Workers (IR35 amended legislation) – where this legislation applies, the responsibility for PAYE and accounting for income tax and national insurance will fall on the CCG. An on-line toolkit is to be produced by HMRC, however, this is not yet available.
- Managers will need to be aware of the new legislation and advised to review the status of any off-payroll engagements. In particular, any arrangements directly with an individual rather than through an agency should be reviewed as a matter of urgency and potentially individuals will need to be moved onto

the payroll. The new rules apply to payments made on or after 6 April 2017. Once the toolkit from HMRC is available this information will be shared with the Senior Management Team

Resolved – The Committee,

- noted the content of the report
- took assurance that the new rules are being considered to ensure they are complied with.

11. Any Other Business

FP.141 There were no items raised under any other business.

12. Date and time of next meeting

FP.142 Tuesday 28th March 2017 at 3.15pm, CCG Main Meeting Room

Signed:

Dated: