

WOLVERHAMPTON CLINICAL COMMISSIONING GROUP

Finance and Performance Committee

Minutes of the meeting held on 24th November 2015
Science Park, Wolverhampton

Present:

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| Mr J Oatridge | Independent Committee Member (Chair) |
| Mr Marshall | Director of Strategy and Transformation (part meeting) |
| Mr M Hastings | Head of Business & Performance Management |

In regular attendance:

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| Mrs L Sawrey | Deputy Chief Finance Officer |
| Mr G Mincher | Internal Audit |
| Mr G Bahia | Business and Operations Manager |
| Mr J Ferguson | Interim Head of Contracting and Procurement (part meeting) |
| Mrs H Pidoux | Administrative Officer |

In attendance

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| Ms S Fellows | Mental Health Commissioning Manager (part meeting) |
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1. Apologies

Apologies were received from Mrs Skidmore

It was noted that the meeting was not quorate; however, no decisions were to be made at this meeting, so it was agreed to continue the meeting. When Mr Marshall joined the meeting, the Committee became quorate.

2. Declarations of Interest

FP.15.107 Mr Mincher declared an interest as a West Midlands Ambulance Service employee.

3. Minutes of the last meeting held on 27th October 2015

FP.15.108 Once the meeting was quorate the minutes of the last meeting were agreed as a correct record.

4. Resolution Log

FP.15.109 Item 78 –Letter to be sent to Dr Handa following his resignation from his GB Body position CS and JO on behalf of the Committee – letter has been sent – action closed.

Item 79 (FP.15.101) – Manjeet Garcha, Budget Holder, for the External Placements to be invited to attend the next meeting re the outcome of the review of external placements and its implications to the CCG's contribution to this service – report received and Sarah Fellows attending meeting to present report on behalf of Manjeet – action closed.

Item 80 (FP.15.104) - Performance report – contents of executive overview tables to be revised to show the previous months information, possibly by using bar charts – changes made – action closed.

4. Matters Arising from the minutes of the meeting held on 27th October 2015

FP.15.110 There were no matters arising from the minutes of this meeting.

5. Finance Report

FP.15.111 Mrs L Sawrey presented to the Committee the financial position at Month 7 and highlighted the following points;

- Overall there is no significant change in the position.
- All financial targets at the end of Month 7 continue to be Green RAG rated.
- Utilisation of reserves to achieve surplus leaves very little cover for any further deterioration in position over remaining months.
- QIPP Forecast Outturn (FOT) delivery has decreased slightly from last month with work on-going to recover QIPP gap. Schemes commencing later in the year need to deliver to ensure the profile is achieved. The message is being strongly given that the gap must be filled. The decrease was due to the miscalculation of savings from one HRG schemes which was over reported last month.
- There is an increase in CCG allocation in response to the recognition of the transfer of responsibility from Specialised Services for specialised wheelchairs and Neurology (NCA).
- A further allocation has been received in relation to Mental Health Liaison Psychiatry which is non-recurrent.
- At month 7 the CCG is performing to plan with a small surplus of £21k against the total mandate budget, which means that the CCG cannot afford for expenditure to slip.
- Included in the report was a table showing an extract from the Non IFSE return at Month 7. It was noted that this is a crude calculation of the total expenditure run rate undertaken by NHS England (NHSE) and does not take into account expenditure incurred in Months 1-7 which will not continue.
- Monthly Planned vs. Monthly Actual Programme Expenditure table - onwards projected figures there is a significant difference between October and November. Work is on-going with budget managers to ensure they are not exceeding programme costs. Activity data from RWT is being challenged.

- Technical adjustments of prior year accruals no longer required has shown a move in acute services line of the Forecast Outturn at Month 7 compared to Month 6.
- Since reporting the Month 7 position RWT has acknowledged double charging in relation to the use of Lucentis which caused cost pressure to the CCG. £200k is to be refunded to the CCG and will be reported in Month 8.
- Activity for areas such as Community Nursing and Matrons are recording levels of activity above plan. It is thought that there was understaffing last year leading to low activity levels which was not reported during the contract negotiations. The CCG has challenged the levels of activity with RWT and is working closely with them to understand the drivers behind the levels of activity.
- The FOT for the community contract element is currently breaking even and the threshold cap is unlikely to be breached based on Month 6 SLAM reporting, therefore, a financial risk is not being forecast.
- Month 7 has not seen significant movement in the other acute contract (including ambulance) portfolio.
- Ambulance activity is over plan before the onset of the winter period and is being closely monitored by the CCG.

Mr Marshall joined the meeting – Committee quorate.

- A joint ERG is in place with Black Country Partnerships NHS Foundation Trust (BCPFT) to consider implications on resources for the Mental Health Strategy. It was noted that the resource envelope remains the same and there is a parity of esteem in place. Mr Marshall confirmed that he is a member of the group and gave assurance that the key issues are being covered.
- Comparison of the last actual spend data for prescribing year on year has shown only a slight reduction in volume indicating that prices are pushing costs up.
- External Placements Panel (Children) concerns that an overspend continues to be reported. Item later on agenda of this meeting.
- Complex Care and Funded Nursing Care – there has been no significant change in Month 7, the team are continuing to monitor numbers and trends. The number of patients receiving CHC is reducing due to the work of the Team. In response to this FNC numbers are increasing, however, there is a reduction in costs. It was noted that this level of reduction will not continue into 2016/17 as patient numbers will never fall to zero.
- SRG, System Resilience, is forecasting an underspend due to the unwinding of two specific accruals from 2014-15.
- Non-emergency patient transport (NEPTS) under performance was noted and also that the contract is under notice with a procurement process due to take place.
- Schemes are in place to utilise any underspend in running costs.

- Statement of Financial Position (SoFP) – the CCG continues to exceed the BPPC targets of paying 95% of invoices within 30 days. The level of debts over 90 days old was considered and it was reported that efforts continue to reduce these.
- The variance in cash flow was considered including the peaks forecast in November and March due to associated variables, CQUIN and BCF payments.
- Mitigations to cover risks have been identified, these have reduced from last month and the position remains very finely balanced.

Resolved: The Committee;

- Noted the contents of the report.

6. Performance and Contracting

Revision of Contract and Procurement/Performance Reports

FP.15.112 Mr Bahia explained that the report was brought to inform of changes made to the Contracting, Procurement and Performance reports following recommendations made by the Committee. The changes have been made to align the reports to give a more cohesive and consistent message.

The following changes are to be made;

Contracting and Procurement Report

- Performance sections of the Contracting and Procurement report, which duplicated information found in the report are to be removed;
- Sanctions/Fines Tracker from the Contracting and Procurement report to be moved to the Performance Report;
- The Contracting and Procurement report to be condensed to contain just contract and procurement information.

Performance Report

- A Hot Topics, key performance indicators section to be added to the report;
- A mechanism for monitoring trends in performance to be added to the report;
- The Summary section of the report to provide a view of the previous months performance;
- All excepted indicators to have an exception summary within the executive summary section of the report, with specific high priority indicators with detailed exception reports;
- Detailed exception reports have been reconfigured to contain Situation, Action and Outcome details;

- Following month's performance to be included, where possible;
- Appropriate processes are in place to audit data flows and the quality of data to ensure accuracy of reporting.

Resolved: The Committee noted the contents of the report and the recommendations made.

Contracts, Procurement and Performance

FP.15.113 Mr Bahia reported that at Month 6, of the indicators, 56 are green and 42 are red. There are in total 122 indicators, 24 of which are for information only. The following key points from the report were highlighted;

- A&E 4 hour waits – the Trust failed to meet the 95% target in month and year to date. A Contract Performance Notice has been issued. The Trust has been asked to refresh and revise recovery and maintenance plans as these were not considered adequate to achieve the contractual and constitutional targets and did not focus on in-house issues. This is being closely monitored and managed by the CCG.

Ms Fellows joined the meeting.

- RTT (Referral to Treatment 18 weeks) - Performance achieving headline target. Admitted and Non-Admitted performance is monitored locally and Admitted performance has missed target both in month and year to date. Non admitted has breached in month. Recovery plans have been established for General Surgery, Urology and T&O. Actions include a review of waiting list by procedure to support targeted lists and help with pre-op planning.

Ms Fellows left the meeting

Alternative provider discussions are on-going to establish areas of capacity and any capacity identified is shared with RWT.

Mr Ferguson left the meeting

- Cancer Waits – performance is failing in two standards, 62 Day Wait for First Treatment and 62 Day Wait (screening). Contractual route of a formal notice is being following. An initial remedial action plan was rejected, this has now been revised and a meeting to review this is due to be held.

It was reported that national and local policy is being developed for all Trusts, however, there is no formal agreement in place at present. A national listening event is to be held in December.

The aim is to reach agreement as to how to handle the situation and this will be reported back as appropriate.

Ms Fellows re-joined the meeting.

- Rate of Clostridium Difficile (CDiff) – performance in Month 6 brings the year to date number of breaches to 41 which has breached the full year threshold set for RWT by NHS England (NHSE) of 35. This is a focus area for NHSE and work is ongoing with the Quality Team as to how this can be controlled. It was reported that RWT is an outlier when compared to local trusts. Clinical Quality Review meetings have plans in place to closely monitor. Consequences of the breach for the Trust are fines, however, these are minimal. The consequence for the CCG is failure to achieve the Quality Premium.
- E-Discharge – Although both indicators remain below target, there has been an increase in performance in both areas. A productive meeting was held with Clinical Leads from across the Trust during the month to better understand the reason for non-compliance with e-discharge. A number of suggestions have been proposed which are being followed up with a view to improving performance.
- IAPT – performance has failed to reach the target for the 6th consecutive month. The impact of commissioning an IAPT plus service on achieving the target was noted. Also a co-ordinated campaign in 14/15 and 15/16 to increase patient access to services has impacted on the number of patients moving to recovery. Agreement has been reached that penalties are not to be issued until a service re-design occurs. The CCG is working hard with BCPFT to make the services model changes required to achieve the improved target. The Contract Review meeting agreed that there would be a report summary prepared to identify what the current issues are and what is being done to resolve them. This is a very challenging area and is being reported to NHSE.

Mr Ferguson re-joined the meeting.

- Resolved: The Committee;
- noted the contents of the report.

7. QIPP Report

FP. 15.115 Mrs Sawrey presented the QIPP report and commented that changes have been made to the presentation of the figures as discussed at the last meeting to include separate analysis of how the opening gap is being addressed.

Slippage has been identified in planned QIPP schemes and this is wholly contributing to the shortfall of delivery. Almost without exception the shortfall is manifesting itself in over performance in the RWT contract. The net shortfall is £1.336.

As it has been necessary to cancel the November QIPP Board meeting, Mrs Sawrey informed the Committee that she has emailed all the Board members to reiterate the need to fill the gap with cashable QIPP schemes within this financial year.

Programme Boards have also been reminded of the need to start working on projects to achieve the QIPP savings required in 2016/17. There is a deadline for the NHSE Area Team to have the first cut of financial plans by 4th December 2015.

Some assurance was given that there are a number of plans in place which are due to deliver QIPP savings in 2016/17. There are other business cases that need to be worked up and modelled for next year. Consideration was given to future schemes being more structural with longer lead in time, additional constraints including the need for extensive consultation and significant time commitments.

Resolved: The Committee;

- Noted the contents of the report and the concerns raised.

8. External Placements Panel (Children) update

FP.15.116 Ms Fellows introduced this report on behalf of Mrs Garcha. Ms Fellows explained the purpose of the Panel, which is a tripartite funding arrangement across the CCG and Local Authority social care and education. Its purpose is to approve and review the spot purchase and funding of placement, the majority of which are placed outside the City.

The allocation of funding for the budget is 40% CCG and 60% Local Authority (social care and education). The placements are high cost, however, there is a statutory obligation to meet the needs of the children and young people.

A joint review of the panel is underway and the initial recommendations and remedial action plan has been reported to the CCG's Commissioning Committee. This includes strengthened joint process and working across health and social care to achieve best practice and greater value for money.

Mr Oatridge raised that the Committee had asked for assurance that the current budget overspend could be brought back in line and asked

if this assurance could be given. It was agreed that it is not possible to substantiate at this time how this can be done.

A detailed financial forecast is expected by the end of November including an in/out placement profile. A re-specification of services is taking place as part of the CAMHS Transformation Plan. A plan which demonstrates how the budget overspend is being brought back to trajectory or the mitigations in place where this is not happening.

Resolved: The Committee

- took assurance that actions are being undertaken whilst noting that it is not currently possible to substantiate outputs.
- Will receive the plan demonstrating the management of budget overspend and mitigations at the January 2016 meeting.

9. Any other business

FP.15.117 There were no items raised under any other business.

10. Date and time of next meeting

FP. 15.118

- December meeting - virtual papers to be circulated before 25.12.15
- Tuesday 26th January 2016 at 3.15pm, CCG Main Meeting Room

Signed:

Dated: